

KBP Employee Handbook Addendum Arizona

INTRODUCTION

This Addendum is applicable only to **KBP** (“Company”) employees working in the State of Arizona. If any provision of this Addendum conflicts with language in the Employee Handbook (“Handbook”) and/or any other previous policy, this Addendum will control.

This Addendum is to be read in connection with the Handbook. Together, the Handbook and Addendum will provide you with information about your employment and serve as a guide to the Company’s current policies, practices, and procedures.

POLICIES

EQUAL EMPLOYMENT OPPORTUNITY

We are an Equal Employment Opportunity employer committed to providing equal opportunity in all of our employment practices, including selection, hiring, assignment, re-assignment, promotion, transfer, compensation, discipline, and termination. The Company prohibits discrimination, harassment, and retaliation in employment based on race; color; religion; genetic information; national origin; sex; sexual orientation; gender identity and expression; pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; status as a medical marijuana cardholder; or any other category protected by federal, state or local law. Violation of this policy will result in disciplinary action, up to and including immediate termination. Please see the legal postings on the bulletin board for a full list of state-protected EEO categories.

NO WEAPONS IN THE WORKPLACE

The Company prohibits you and all other persons (other than law enforcement and authorized security personnel) from having firearms in working areas, in buildings, or on your person during working time or while performing work. Firearms are prohibited on all Company property and in Company vehicles. The only exception to this rule is that a person with a current license to carry a firearm may keep a firearm in their personal vehicle so long as it is kept out of sight in a locked, enclosed compartment or area of their vehicle in the Company’s parking lot. Anyone who has a license to carry a firearm and will have it on Company property, must notify the Company and provide a copy of their license.

An employee’s failure to notify the Company with a copy of their current firearm license, to properly secure and protect a firearm or to comply with this policy may subject the employee to discipline, up to and including immediate termination. Employees with questions concerning the application of this policy, should consult Human Resources immediately.

PAID SICK LEAVE [ACCRUAL]

The Company provides eligible employees with paid sick leave to use for illness, injury and other lawfully specified purposes.

Eligibility

All employees are eligible to accrue paid sick leave.

Accrual Rate

Employers with fifteen (15) or more employees must allow employees to accrue, use and carry over a minimum of forty (40) hours of earned paid sick leave per year.

Employees begin accruing paid sick leave at the start of employment at a rate of one (1) hour of paid sick leave for every thirty (30) hours worked. Employees may accrue up to forty (40) hours of paid sick leave per Benefit Year.

Benefit Year

Paid sick leave is calculated based on the anniversary year (“Benefit Year”). Waiting

Period

Employees may begin using paid sick leave once they have completed ninety (90) days of employment (“Waiting Period”).

Use of Leave

Employees may use up to forty (40) hours of paid sick leave per Benefit Year. Leave may be used in the smallest increments our payroll system allows for absences and other timekeeping purposes.

Purposes for Leave

Paid sick leave may be used for the following purposes:

1. To care for the employee’s own mental or physical illness, injury or health condition, including an employee’s need for medical diagnosis, care, treatment of a mental or physical illness, injury or health condition, or preventative medical care;
2. To care for the employee’s family member with a mental or physical illness, injury or health condition, including medical diagnosis, care, treatment of a mental or physical illness, injury or health condition, or preventative medical care;
3. When the Company is closed by order of a public official due to a public health emergency;
4. To care for a child whose school or place of care has been closed by order of a public official due to a public health emergency;
5. To care for the employee or employee’s family member when it has been determined by health authorities that the employee or family member’s presence in the community may jeopardize the health of others because of their exposure to a communicable disease, whether or not the employee or a family member has actually contracted the communicable disease;

6. For an absence necessary due to domestic violence, sexual violence, abuse or stalking, provided the leave is for the employee or employee's family member to (a) seek medical attention to recover from physical or psychological injury or disability caused by domestic violence, abuse or stalking; (b) seek services from a domestic violence or sexual violence program or victim services organization; (c) obtain psychological or other counseling; (d) relocate or take steps to secure an existing home due to the domestic violence, sexual violence, abuse or stalking; or (e) obtain legal services including, but not limited to, preparing for or participating in any civil or criminal legal proceeding related to or resulting from the domestic violence, sexual violence, abuse or stalking; or
7. Any other reason allowed by law.

For purposes of this policy the term "family member" includes an employee's child (including biological, adopted; foster; stepchild; legal ward; child of a domestic partner; or to whom the employee stands *in loco parentis*), parent (including biological; foster; stepparent; adoptive; legal guardian of an employee; employee's spouse; or employee's domestic partner; or a person who stood *in loco parentis* when the employee, employee's spouse, or employee's domestic partner was a minor child); spouse or domestic partner, grandparent, grandchild, sibling (including biological, foster, adoptive or step relationship), any other individual related by blood or affinity, whose close association with the employee is equivalent to a family relationship, or any other individual identified by law.

Carry Over

Employees may carry over [forty (40)] hours of accrued leave from one (1) Benefit Year to the next, subject to the above usage terms in this policy.

Notice and Scheduling

The Company expects that employees will make a good faith effort to provide advanced notice of the need for leave where leave is foreseeable and that employees will take reasonable efforts to schedule leave in a manner that does not unduly disrupt Company operations. If the need for sick leave is unforeseeable, the employee's supervisor must be notified of the need for leave as soon as practicable. Where possible, the request must include the expected duration of leave.

Certification

The Company may require documentation for sick leave lasting three (3) or more consecutive days, to support the need for leave.

Confidentiality

The Company will maintain the confidentiality of information provided in connection with leave, to the extent required by law.

Payment of Paid Sick Leave

Generally, leave will be paid at the employee's regular wage rate for the period of time in which leave is used, and with continuation of the same insurance benefits as the employee normally earns during work hours. Please contact Human Resources if you have questions regarding payment of paid sick leave specific to your pay plan.

At the End of Employment

Accrued unused sick leave will not be paid out at the end of employment. Employees separated from employment and rehired within nine (9) months of separation, will have any previously accrued unused paid sick leave reinstated and will be able to use and accrue paid sick leave at the commencement of employment.

Discrimination and Retaliation Prohibited

The Company will not retaliate or discriminate against any employee that requests or uses paid sick leave. Likewise, the Company will not retaliate or discriminate against any employee for providing information to or assisting another employee in the exercise of their rights.

Leave taken under this policy will not count against any absenteeism policy and will not result in discipline, discharge, demotion, suspension or any other adverse action. Employees are prohibited from discriminating or retaliating against anyone requesting or using earned paid sick leave in accordance with this policy.

Employees unlawfully denied sick leave or subjected to retaliation in connection with leave under this policy may file a complaint with the Industrial Commission's Labor Department. Employees may contact the Industrial Commission's Labor Department at 800 W. Washington, Phoenix, Arizona 85007-2022; (602) 542-4515, for additional information.

Interaction with Other Leaves

Where applicable, leave may run concurrent with the federal Family and Medical Leave Act and/or any other leave, where permitted by state and federal law.

Enforcement

This policy will be interpreted and enforced consistent with applicable law. To the extent this policy is or appears to be inconsistent with applicable law, applicable law will govern.

Questions

If you have any questions regarding the Company's paid sick leave policy, please see your supervisor.

PERSONNEL FILES

Upon written request, the Company will permit employees to review and obtain a copy of their payroll records. All employee inspections will be held on Company premises and in the presence of a Company official, unless otherwise directed by the Company.

VICTIMS OF CRIME LEAVE

The Company provides reasonable unpaid leave to employees who are the victim of a crime or the parent of a victim of a crime to help ensure the employee or child's health, safety and welfare. The Company will provide the employee with leave when necessary to attend a legal proceeding relating to the crime, or to obtain an order of protection, injunction or other injunctive relief related to the crime.

Prior to taking leave under this policy, employees must provide the Company with reasonable notice of their need for leave, including a copy of the form provided to the employee by the law-enforcement agency and if applicable, notice of each scheduled proceeding. The Company will provide information obtained in connection with leave confidential, except to the extent otherwise required by law.

Although leave under this policy is unpaid, employees may use any paid time off available to run concurrent with leave under this policy. The Company may limit leave provided under this policy if it would result in an undue hardship on the Company.

VOTING LEAVE

Our Company believes that every employee should have the opportunity to vote in any state or federal election, general primary or special primary. Any employee whose work schedule does not provide them three (3) consecutive hours either between the opening of the polls and the beginning of their shift or between the end of their shift and the close of the polls will be granted up to three (3) hours of paid leave to vote. The Company may select the hours you are excused to vote.

Please notify your supervisor of the need for voting leave at least one day before Election Day. Upon return from leave, the Company may require you to provide proof that you voted, such as a voting sticker.

WAGE PAYMENT

Employees will be paid Employers must pay wages at least twice a month. Payments must be within five (5) working days after the pay period ends and no later than sixteen (16) days apart.

NOTE: Employers whose principal place of business and central payroll system is outside the state may establish one or more fixed paydays each month for professional, administrative, executive employees or employees employed in the capacity of an outside salesperson.

MEAL AND BREAK PERIODS

KBP is committed to full compliance with federal and state wage and hour laws regarding employee break and mealtimes. Employee break schedules, when applicable, are set by store management based upon the business needs and in compliance with any legally required breaktimes. Generally, for our non-exempt employees, a duty-free meal period of 20 minutes or longer will be unpaid and break period(s) under 20 minutes will be paid. Hourly employees should remember to clock-in/out for all duty-free meal and break period(s) and should not perform any work during these break times. KBP prohibits employees from working off-the-clock under any circumstances including during break/mealtimes. Employees should not perform work unless you are “on the clock.” Violations of this policy will result in disciplinary action up to and including termination.

Arizona

Arizona has no state rule regarding mandatory employee breaks or mealtime. If you have questions about meal periods or breaks, please communicate with your store management.

EMPLOYING MINORS – CHILD LABOR

KBP is committed to full compliance with the federal and state child labor laws. KBP has implemented various compliance and monitoring processes to ensure compliance with KBP's policies and the requirements of the law.

Due to the nature of KBP's business, the Company from time to time may hire minors to fill designated non-hazardous positions. KBP defines a minor as any employee between the ages of 15 and 17. KBP however, strictly prohibits hiring anyone under the age of 15, regardless of the position or location.

KBP also strictly prohibits minors working in any KBP position that is or may be dangerous, hazardous, or harmful in any way to their lives, health, safety, morals, or welfare, including any functions, activities, or occupation declared hazardous by applicable state or federal law. To ensure compliance with this policy, all KBP minor employment placements must be approved by the General Manager or Area Coach in your location. Placing a minor in a position prohibited by this policy is grounds for disciplinary action up to and including termination, which may be progressive or immediate. KBP will determine the appropriate level of discipline based upon the particular facts and circumstances.

In locations where federal and state child labor laws differ, KBP is required to follow the more restrictive rules as outlined below. If you are unsure about the child labor laws applicable to your location, please contact your HR Business Partner or KBP's HR Ethics Hotline at 888-971-2991. For your reference, links to the federal and state child labor laws are provided below:

US DOL: <https://www.dol.gov/agencies/whd/child-labor>

Arizona DOL: <https://www.azica.gov/labor-youth-employment-main-page>

Hazardous Functions, Activities, Occupations

Federal and state law prohibits minors from working in positions or occupations that are declared hazardous. Minors employed by KBP are **strictly prohibited** from performing any of the following activities:

Minors under 18:

- use, set up, adjusting, cleaning of commercial mixers and power-driven bakery machines;
- working in freezers and coolers, except to momentarily retrieve permitted items;
- loading and unloading from motor vehicles.

Minors Age 15 (in addition to those listed above also are prohibited from the following):

- cooking duties over open flame;
- use of deep fat fryers unless it has devices that automatically raise and lower the baskets;
- operating broilers, rotisseries, pressure cookers, high-speed ovens or rapid toasters;
- performing any baking activities;
- and using any slicers, grinders, or processors.

Arizona - Hazardous Functions, Activities, Occupations

In addition to the federal rules listed above, Arizona law places *further restrictions* on minors. Arizona prohibits any minor under 18 years of age, from being employed in occupations that are considered hazardous to their health or well-being.

Arizona Minors Age 15 (in addition to the federal rules listed above) may not:

- work in any of the following areas:

- cooking or baking, except at soda fountains, lunch counters, snack bars, or cafeteria serving counters; or
- ladders, scaffolding (or similar structures), or window washing more than 5 feet in height.

Minors Age 15 – Permissible Job Functions at KBP:

KBP has outlined a non-exhaustive list of common job functions performed at its locations that 15-year old are permitted to perform as listed below. If you have questions about a particular job function or equipment that may or may not be listed below, contact your HR Business Partner prior to the 15 year-old commencing the work.

Acceptable KBP Job Functions for 15-year-old employees:

- Greet customers and obtain orders;
- Perform cashiering duties;
- Provide drive-thru support;
- Make beverages;
- Pack Orders;
- Bag and carry out customer orders;
- Clean up work (wiping tables, sweeping floors, cleaning restrooms, picking up trash in parking lot, washing dishes)
- Prep in the kitchen area (not in the cooler and/or freezer); and
- Prep sides by using the microwave.

Employment Certificates/Work Permits

Minors must present KBP documents as evidence of their age. The original documents KBP obtains for certifying the age of minor employees should be kept on site at the work location **and** uploaded to KBP’s Workday system, by the hiring manager.

Uniforms for 15-Year-Old Workers

All KBP employees are required to adhere to the Company’s uniform, appearance and hygiene standards. Employees 15-years old are required to wear specialized hat colors (color dependent upon brand and location) at all times during their shift. The hat colors provide managers a monitoring system to be easily alerted to the employee’s specific work limitations and restrictions.

Hours of Work

Once KBP hires a minor, the Company will strictly comply with the hours of work limitations for minors. In areas where the state and federal laws differ, KBP follows the more restrictive hours limitations for minors. Generally, minors may only be scheduled as follows:

KBP Scheduling Minors Age 15:

Minors Age 15:

- **When school is in session**, may only work between the hours of 7 a.m. to 7 p.m., and
 - May not be scheduled or work more than 3 hours on any school day, including Fridays;
 - May not be scheduled more than 8 hours on any non-school day; and
 - May not work more than 18 hours total in any school week.
- Between June 1 and Labor Day, 15-year-olds may work between the hours of 7 a.m. and 9 p.m., but may not be scheduled or work more than 40 hours per week.

Minors Age 16 & 17:

- Other than the hazardous functions or occupations that 16- and 17-year-olds may not perform (see above), these individuals may be scheduled and work unlimited hours in compliance with the generally applicable wage and hour laws.

Questions/Reporting

Employees with questions concerning the application of this child labor policy, must consult with Human Resources immediately. Any employee who knows or suspects that this policy is being violated is required immediately to report this information to Human Resources. Any questions or reports relating to child labor should be made by contacting KBP's HR Ethics Hotline at 888-971-2991.

Exempt employees may be provided time off with pay for any of the above-described leaves when necessary to comply with state and federal wage and hour laws.

ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK ADDENDUM

I acknowledge that I have received a copy of the **KBP** ("Company") Employee Handbook and Employee Handbook Addendum for Arizona ("Addendum"). I will familiarize myself with the Handbook (including the Addendum) and all of its contents.

I understand that the Handbook (including the Addendum) represents only current policies and benefits and that it does not create a contract of employment. The Company may change these policies and benefits at any time, without advance notice, as it deems appropriate.

I understand that I have the right to terminate my employment at any time, for any reason with or without advance notice, and that the Company has a similar right. I further understand that my status as an at-will employee may not be changed except in writing, signed by the Company's CPO.