

2020

Employee Policy Handbook

PB2 Foods



Human Resources

PB2 Foods, Inc.

1/1/2020

Employee Policy Handbook

HR-01

INTRODUCTION

Your employment with PB2 Foods, Inc. is voluntary and is subject to termination by you or PB2 Foods, Inc. at will, with or without cause, and with or without notice, at any time. Nothing in these policies shall be interpreted to be in conflict with; nor do they serve to modify in any way the employment-at-will status of PB2 Foods, Inc employees.

This Employee Policy Handbook describes the employment policies, operating guidelines and benefits provided for employees of PB2 Foods, Inc (hereafter referred to as "The Company" or "Company").

Each new employee must sign the "Employee Policy Handbook Review" form that is received with the handbook and return it to management prior to receiving his/her first paycheck.

Some policies and benefit programs currently in effect may be revised, suspended, or eliminated in response to business needs or changing legal requirements. You will be informed if there are any policy changes or additions. Please provide your input if you have any suggestions as to how these policies could be improved.

Contact Human Resources if you have any questions about your benefits or any of the policies presented in this handbook.

Other documents not contained in this manual provide additional specific details pertinent to individual employees. These documents include but are not limited to the Job Description for each Company position.

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EMPLOYMENT POLICIES

EQUAL EMPLOYMENT OPPORTUNITY

All applicants and all employees will be evaluated based on their ability, competence, and performance of the essential functions of their positions. There will be no discrimination based on race, sex, national origin, religion, age, disability, marital status, or any other classification which may be protected by federal, state, or local laws.

DISCRIMINATION IS PROHIBITED

The Company is an equal opportunity employer and makes all employment decisions without regard to race, religion, color, sex (including pregnancy, sexual orientation, and gender identity or expression), national origin, disability, age, or genetic information. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, benefits, compensation, and training. We seek to comply with all applicable federal, state and local laws related to discrimination.

The Company makes decisions concerning employment based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of other applicants or employees, and the individual's past performance within the organization.

If you believe that an employment decision has been made that does not conform with management's commitment to equal opportunity, you should promptly bring the matter to the attention of the Human Resources Department. Your complaint will be thoroughly investigated. There will be no retaliation against any employee who files a complaint in good faith, even if the result of the investigation produces insufficient evidence to support the complaint.

AMERICANS WITH DISABILITIES ACT AMENDMENT ACT (ADAAA)

The federal Americans with Disabilities Act Amendment Act (ADAAA) prohibits discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, fringe benefits, job training and other terms, conditions and privileges of employment. The ADAAA does not alter the Company's right to hire the best-qualified applicant, but it does prohibit discrimination against a qualified applicant or employee because of his or her disability, or because of a perceived disability. As a matter of Company policy, the Company prohibits discrimination of any kind against people with disabilities.

DISABLED DEFINED

An applicant or employee is considered disabled if he or she (1) actually has a physical or mental impairment that substantially limits one or more major life activities, (2) has a record or history of such an impairment or (3) is regarded or perceived (correctly or incorrectly) as having such impairment.

A qualified employee or applicant with a disability is an individual who satisfies the skill, experience, education, and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position.

REASONABLE ACCOMODATION

A reasonable accommodation is any change in the work environment (or in the way things are usually done) to help a person with a disability apply for a job, perform the duties of a job, or enjoy the benefits and privileges of employment.

Qualified applicants or employees who are disabled should request reasonable accommodation from the Company in order to allow them to perform a job. If you are disabled and you wish such reasonable accommodation, contact Human Resources. On receipt of your request we will meet with you to discuss your disability. We may ask for information from your health care provider(s) regarding the nature of your disability and the nature of your limitations or take other steps necessary to help us determine viable options for reasonable accommodation. We will then work with you to determine whether your disability can be reasonably accommodated, and if it can be accommodated, we will explore alternatives with you and endeavor to implement a mutually agreeable accommodation.

Reasonable accommodation may take many forms and it will vary from one employee to another. Please note that according to the ADAAA, the Company does not have to provide the exact accommodation you want, and if more than one accommodation works, we may choose which one to provide. Furthermore, any accommodation that will impose undue hardship on the Company is not considered reasonable.

UNACCEPTABLE JOB PERFORMANCE

If there is a problem with an employee's performance, their manager will normally give the employee verbal counseling as to exactly what the problem is, where the performance is deficient, and what needs to be done to bring the performance up to the required standards (verbal counseling will also be recorded in the employee's personnel file).

If the required improvement is not achieved after a quarterly evaluation, the employee will be given a written warning. The warning will be signed by the employee and maintained in the employee's personnel file. If the required improvement is still not achieved, the next step will be either termination, suspension, probation, or an additional warning, depending on the circumstances and the seriousness of the problem.

It is management's obligation to communicate expectations and performance standards clearly to employees. It is the employee's obligation to meet these standards of performance. The above policies are established to ensure that employees understand what is expected of them and are given every opportunity to meet these expectations.

In exceptional cases of misconduct that is clearly contrary to Company policy or threatening to the well-being of the Company, its clients, or fellow employees, disciplinary action including termination may be taken without preliminary warnings.

RECRUITMENT AND HIRING

The Company's primary goal when recruiting new employees is to fill vacancies with persons who have the best available skills, abilities or experience needed to perform the work. Decisions regarding the recruitment, selection and placement of employees are made based on job-related criteria.

When positions become available, qualified current employees are encouraged and are welcome to apply for the position. As openings occur, notices relating general information about the position are posted. Human Resources will arrange interviews as needed.

We encourage current employees to recruit new talent for our Company.

EMPLOYMENT CLASSIFICATIONS

The following terms will be used to describe employment classifications and status:

Exempt Employees

An exempt employee is a salaried employee earning at least \$455 per week who holds an administrative, professional, or management position. Exempt employees are not subject to the overtime pay provisions of the federal Fair Labor Standards Act (FLSA). Certain outside sales persons and a few other job categories are also exempt.

Non-Exempt Employees

Most hourly employees are non-exempt employees. Salaried employees who are not administrative, professional, or managerial employees (as defined by the U.S. Department of Labor) are generally not exempt from the FLSA overtime provisions.

Full-Time Employee

Full-time employees are those who are regularly scheduled to work at least 40 hours per week.

Part-Time Employee

Part-time employees are those who are regularly scheduled to work at least 20 but fewer than 40 hours per week. Part-time employees are not eligible for Company paid benefits, with the exception of the 401(k) plan. Any employee who works 1,000 hours per year or more may participate in the 401(k) plan.

Temporary Employee

Employees hired for an interim period, usually to fill in for vacations, leaves of absence, or projects of a limited duration. Temporary employees are not eligible for Company benefits. Temporary employees include interns and co-op students.

Casual Employee

Employees who work on an occasional or as-needed basis. Casual employees are not eligible for benefits.

If your status changes from temporary or casual to part-time or full-time, you are considered hired on the date you become a full-time or part-time employee for purposes of calculating eligibility for benefits that require a minimum term of employment.

Independent Contractors

Persons hired by the Company to perform a particular job, typically for a limited time period. These persons may be self-employed, or they may work for an outside agency. Independent contractors are not eligible for Company benefits and they are not employees of the Company.

ORIENTATION AND TRAINING

To help you become familiar with the Company and our way of doing things, the Company will provide an orientation and training session on your first day of employment. Some of the content of the session will depend in large part on the nature of your responsibilities, while other parts will be applicable to all employees. In addition, the Company will periodically offer additional training or educational programs. Some programs may be voluntary, while others will be required.

IMMIGRATION LAW APPLICABLE TO ALL EMPLOYEES

The Company complies with the Immigration Reform and Control Act of 1986 by employing only U.S. citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of work to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (Form I-9). If you cannot verify your right to work in the United States within three (3) days of hire, the Company is required by law to terminate your employment.

CONDUCT POLICY

All business conduct should be well above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in anyway, in violation of the laws and regulations governing The Company's operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their manager, who, if necessary, should seek appropriate legal advice.

Company employees are ambassadors and representatives of The Company and their actions should be above reproach at all company sponsored events and activities. If alcohol is offered at such events and one chooses to consume, it must be done in moderation. Public drunkenness is prohibited at any event when you are representing the Company. Drinking, gambling, fighting, and similar unprofessional activities are strictly prohibited while on the job.

Employees must not engage in sexual harassment, or conduct themselves in a way that could be construed as such, for example, by using inappropriate language, keeping or posting inappropriate materials in their work area, or accessing inappropriate materials on their computer.

TERMINATIONS / RESIGNATIONS

It is Company policy to avoid layoffs or terminations insofar as possible; however, the Company must reserve the right to take such actions as are necessary for the survival and well-being of the organization. As described in the previous section, termination may also be necessary if an employee is unable or unwilling to meet the Company's performance standards.

There is no obligation on the part of the Company or any employee to continue this relationship for any guaranteed or specified time. No one has the authority to make any promises or guarantees of permanent employment on behalf of the Company.

You are free to resign your position at any time you wish, with or without notice, and for any reason you deem appropriate. While management would appreciate advance notice if you plan to resign, this is a matter of courtesy and is not required. Likewise, the Company has the right to terminate any employee at any time, with or without notice, for any reason not prohibited by specific contracts or laws.

SUBSTANCE ABUSE

To protect the safety and well-being of the Company, its employees and business associates, this Company specifically prohibits the following:

- * Use, possession, sale or transfer of alcohol or illegal drugs on its premises or while performing work-related duties. Illegal drugs include marijuana and all other drugs not prescribed by a licensed physician for use by the person possessing them.
- * Being under the influence of alcohol or illegal drugs while on Company property or performing work-related duties.
- * Use of alcohol or any illegal drug, on or off Company property, when it affects the employee's work performance, the employee's or other workers' safety, or the employer's position in the community.
- * Use of legal drugs that impair your ability to work.

Employees should not report for work or attempt to perform work-related duties while under the influence of alcohol or illegal drugs. If an employee's appearance or behavior indicates a reasonable possibility that he/she is under the influence of alcohol or drugs, management will take whatever steps are necessary to protect the safety of the employee and others who might be affected. Employees and clients must not be subjected to dangerous conditions created by others who are impaired as a result of ingesting harmful substances.

Any employee who violates the above policies concerning alcohol or illegal drugs will be subject to disciplinary action, up to and including termination, with or without further warnings, depending on the employee's performance record and the seriousness of the infraction.

Certified Drug-Free Workplace

At present, the Company is a Certified Drug-Free workplace and to continue to meet those requirements may conduct drug or alcohol testing for employees. Also, all prospective employees will be required to pass a pre-employment drug screen. The Company **WILL** also require immediate testing for alcohol or illegal drugs if an employee is involved in a work-connected accident or injury, or if an employee's behavior suggests that he/she is under the influence of drugs or alcohol.

Cooperation with such testing, if requested by management, is a condition of your employment. Refusal to submit to such testing will be considered a voluntary resignation without good work-related cause.

SAFETY

Safety in the workplace is of utmost importance. Management attempts to provide safe working conditions, proper tools and equipment, and proper training to ensure that we all can perform our jobs in a safe and efficient manner. It is, however, the mutual responsibility of management and employees to provide and maintain a safe workplace.

If you observe any violations of safety procedures or regulations, or any unsafe conditions, it is your obligation to report it to management immediately so that the problem can be corrected at once.

Anyone who observes or is involved in any accident or injury involving anyone on Company property or on Company business must report the incident immediately to management. Failure to do so may result in disciplinary action and may also jeopardize an employee's right to medical benefits or any other compensation stemming from the incident.

If a workplace accident or injury occurs, the Company has the right to request that all individuals involved submit to immediate testing for the presence of illegal drugs or alcohol.

ON-THE-JOB ACCIDENTS OR INJURIES

If an injury occurs during the regular workday, the injured employee will be paid for that full workday.

Any injury or accident that occurs on Company property or while on Company business must be reported to management immediately.

All incidents must be documented regardless of severity.

Do not delay reporting an incident to wait and see if there are any serious or long-term physical symptoms that arise. This prompt reporting is essential, to properly document any such incidents and take appropriate action. Failure to report an accident or injury immediately, or failure to follow management's instructions following the incident, may be cause for discipline and may make the employee ineligible for any medical payments or other compensation related to the incident.

Any benefits or compensation applicable to on-the job-injuries will not apply to any voluntary activities that are not considered a part of the employee's required work duties.

Quality and Food Safety

Quality and Food Safety are of the highest priority. All the Company's food processes follow local, state, and federal regulations. All employees are expected to be aware of and follow all policies and Good Manufacturing Practices (GMPs) to protect our product and our customers. Employees must adhere to specific rules while in our manufacturing area(s) to ensure the highest Quality product possible, including but not limited to:

- Proper handwashing procedures,
- Food-safe wear (including but not limited to lab coats, hairnets, beard nets, booties etc.)
- Removing all jewelry (before entering manufacturing area(s))
- No gum, candy, food or drink of any kind in the manufacturing area
- No shorts, Capri pants, or Skirts in the manufacturing area
- Proper handling of ready-to-eat-products

Employees must understand that following food safety guidelines is a condition of employment. Our commitment to food safety cannot and will not be compromised by the actions or inactions of the employee.

HARASSMENT

This Company has a zero tolerance of harassment. Harassment is defined as any behavior (verbal, physical or visual) that is reasonably considered unwelcome or offensive to another employee and/or creates an intimidating, hostile, or offensive work environment for any other employee.

Sexual harassment is also specifically prohibited. Harassment includes subjecting another person to sexually provocative materials or comments, unwelcome or inappropriate physical contact, insistence on an unwelcome personal relationship, lewd or suggestive personal comments, and any other verbal, physical or visual behavior which is considered unwelcome or offensive to another employee.

People have different standards as to what type of behavior or conversation is appropriate and in good taste, or what sort of humor is amusing versus offensive. A person may not realize that his or her behavior is considered unwelcome or offensive to others. Therefore, if you are ever treated by another employee in a way that you believe might constitute harassment, it is your responsibility to **immediately inform the other person that such behavior is unwelcome and offensive**. Repetition of such behavior after being so informed will be considered harassment and will result in management action to correct the situation and prevent any further occurrence.

If you wish, you may inform management when the first incident occurs, so that it can be documented. The privacy and confidentiality of everyone involved will be protected. If the offensive behavior is repeated, it is your obligation to report it to management promptly, so that corrective action can be taken.

One type of harassment that will not be tolerated under any circumstances is for anyone in a supervisory or management position to threaten, state, or imply that an employee's position or future with this Company will be either helped by participation in a sexual or personal relationship or harmed by the refusal to participate. Continued employment and advancement in this company is based strictly on job performance. Any suggestion to the contrary will be considered a form of harassment and will not be tolerated.

PROCEDURES FOR REPORTING AND INVESTIGATING SEXUAL HARASSMENT

Employees should report incidents of inappropriate behavior or sexual harassment as soon as possible after the occurrence. Employees who believe they have been sexually harassed, regardless of whether the offensive act was committed by a manager, co-worker, vendor, visitor, or client, should promptly notify their immediate supervisor or Human Resources. If the employee's immediate supervisor is involved in the incident, the employee should report the incident directly to Human Resources. Every claim of sexual harassment will be treated seriously, no matter how trivial it may appear. All complaints of sexual harassment or other inappropriate sexual conduct will be promptly and thoroughly investigated by the Company.

There will be no retaliation for filing or pursuing a sexual harassment claim. To the extent possible, all complaints and related information will remain confidential except to those individuals who need the information to investigate, educate, or act in response to the complaint.

All employees are expected to cooperate fully with any ongoing investigation regarding a sexual harassment incident. Employees who believe they have been unjustly charged with sexual harassment can defend themselves verbally or in writing at any stage of the investigation.

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To protect the privacy of persons involved, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances. Investigations may include interviews with the parties involved, and where necessary, individuals who may have observed the alleged conduct or who may have relevant knowledge.

At the conclusion of a sexual harassment investigation, the complainant and the "alleged harasser" shall be informed of the determination. Where appropriate, the "harasser" and the "victim" may be offered counseling through an employee assistance program (EAP), or mediation.

PENALTIES FOR VIOLATION OF SEXUAL HARASSMENT POLICY

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action, as the Company deems appropriate under the circumstances and in accordance with applicable law.

DISCIPLINE POLICY

Purpose. To establish rules pertaining to employee conduct, performance, and responsibilities so that all personnel can conduct themselves according to certain rules of good behavior and good conduct. The purpose of these rules is not to restrict the rights of anyone, but rather to help people work together harmoniously. Reasonable rules concerning personal conduct of employees are necessary if the facility is to function safely and effectively. You will be kept informed of department rules and changes to those rules by your supervisor or manager. The company believes that you want to, and will, do a good job if you know what is required to perform your job properly. Your supervisor is responsible for ensuring that you know what is expected of you in your job. Further, it is company policy that employees be given ample opportunity to improve in their job performance.

Policy. Degrees of discipline are generally progressive and are used to ensure that the employee can correct his or her performance. There is no set standard of how many oral warnings must be given prior to a written warning or how many written warnings must precede termination. Factors to be considered are:

- How many different offenses are involved
- The seriousness of the offense
- The time interval and employee response to prior disciplinary action(s)
- Previous work history of the employee

Exceptions. For serious offenses, such as fighting, theft, insubordination, threats of violence, the sale or possession of drugs or abuse of alcohol on company property, etc., termination may be the first and only disciplinary step taken. Any step or steps of the disciplinary process may be skipped at the discretion of the company after investigation and analysis of the total situation, past practice, and circumstances.

In general, several oral warnings should, at the next infraction, be followed by a written warning, followed at the next infraction by discharge. This is especially true in those cases where the time interval between offenses is short and the employee demonstrates a poor desire to improve his/her performance.

Penalties for Specific Offenses

Penalties for group 1:

- First offense: Oral or written reprimand
- Second offense: Suspension or termination

Penalties for group 2:

- First offense: Termination

Group 1: Offenses include:

- Being tardy habitually without reasonable cause
- Being absent without notification or excuse
- Leaving your job or your regular working place during working hours for any reason
Without authorization from your supervisor, except for lunch, rest periods and going to the restroom.
- Disorderly conduct on company property
- Immoral conduct or indecency on company property
- Leaving work before end of shift or not being ready to go to work at the start of shift
- Interfering with the work of other employees
- Inefficiency or lack of application of effort on the job
- Violations of company policies outlined in sections of this policy manual
- Contributing to unsanitary conditions or poor housekeeping
- Imperiling the safety of other employees
- Malicious gossip and/or the spreading of rumors

Group 2: Offenses include:

- Gambling on company property
- Possession of narcotics, or consuming narcotics on company property
- Reporting for work in an intoxicated condition
- Responsibility for instigating fighting on company property
- Dishonesty or theft of another employee's or company property
- Willful destruction of company property
- Insubordination (Refusal to perform service connected with an employee's immediate Supervisor or refusal to obey any reasonable order given by an employee's supervisor or by management)
- Misrepresentation of physical condition or other important facts in seeking employment
- Refusal to perform work assigned to an employee
- Possession of fireworks or explosives on company property
- Open possession of firearms on company property
- Absence for two consecutive working days without notification to the company

Probation

You may be placed on probation in connection with the written warning for a period determined by the company. During the Probation period any new infraction of any rule will lead to immediate termination. Wage increases, vacations and transfers will not be given during this period, but all other benefits will continue.

Investigative suspension

An investigative suspension is a period, not to exceed three (3) working days, during which time an employee is relieved of his or her job because of alleged serious misconduct.

An employee may be placed on investigative suspension when it is necessary to make a full investigation to determine the facts of the case, as in a fighting, insubordination or theft incident.

If after the investigation:

- discharge is warranted, the employee shall not be paid for the period of investigative suspension—the discharge shall be effective on the date of the termination interview.
- misconduct is determined, but not of a sufficiently serious nature to warrant discharge, the employee shall receive a warning notice and forfeit pay lost as a result of the investigative suspension and may be placed on disciplinary suspension
- if no misconduct is determined, the employee shall return to work within the prescribed period and be paid for the time lost because of the investigative suspension

Disciplinary Suspension

A disciplinary suspension is a period of not more than three (3) days and may be given in addition to the investigatory suspension or as punishment for the violation. The employee is relieved of his or her job assignment because of serious or repeated instances of misconduct and shall forfeit pay lost as a result of the suspension in situations where there is no specific instance of conduct that is so outrageous that justifies termination but there is a pattern of conduct where the employee has continually engaged in one minor infraction of the rules after another and has received a documented verbal and/or written warning for rule(s) infraction(s).

Disciplinary suspension would generally not be used as a form of discipline for employees with attendance problems.

Discharge

When the employee is discharged because of a serious offense, or as the final step in an accumulation of infractions for which a warning notice or notices have been written, the employee will be discharged for cause instead of being given the option to resign, be laid off, or retire.

Employees who are discharged for cause will not be eligible for rehire for one year after discharge date.

COMPENSATION POLICIES

PAY PERIOD

The Company's standard pay period is bi-weekly. For purposes of computing payroll, our standard work week begins on Sunday and ends on Saturday. All other employees are in accordance with the employment agencies' policies.

An employee who is discharged or resigns will be paid on the next regularly scheduled payday.

PAYROLL DEDUCTIONS

Certain payroll deductions are required by law, and others may be authorized or requested by the employee. The Company is required to withhold amounts from your wages for Social Security Tax, Medicare Tax, Federal Income Tax, and State Income Tax.

If you request it, more than the minimum amounts for income taxes may be withheld. These requirements and options are explained on your Form W-4. The Form W-4 may be updated upon request by the employee. There are certain other legal situations which may require additional withholding, but these occur infrequently.

Employees obtained through an employment agency are in accordance with their policy

TAXES

Federal, state, and local taxes, as required by law, as well as the required FICA (Social Security) and Medicare payments.

INSURANCE

Your contribution to health insurance or other insurance premiums for yourself and any eligible family members or to other contributory benefit programs.

OTHER DEDUCTIONS

Other deductions which you authorize, including short-term disability insurance, life insurance, and 401(k) contributions.

DIRECT DEPOSIT

You may have your paycheck deposited directly into your bank account. You will be given the authorization form for deposit by the Human Resources Department. Global Cash Cards are available to all employees who wish to have their paycheck, or a portion thereof deposited to it. See Human Resources for details.

WAGE GARNISHMENT

An employer is sometimes required by law to withhold certain amounts from an employee's paycheck and pass them on to a third party. This is called wage garnishment, and it occurs when you have certain types of unpaid debts, and a creditor has obtained a court judgment against you. The state may require garnishment of wages if a parent is delinquent in child support payments, or the Federal government may order wages garnished for IRS tax levies or if a person is delinquent in payment of a Federal student loan. Private creditors may also obtain such judgments.

The Company does not wish to become involved in such matters but is required to comply with the law if ordered to do so. If such a situation arises, please discuss it with management before a court secures a judgment against you. It may be possible to resolve this situation so that wage garnishment is not required.

FAMILY AND MEDICAL LEAVE ACT

The federal Family and Medical Leave Act (FMLA) allows certain employees to take up to 12 weeks of unpaid leave per year for the serious health condition of the employee or a family member or for childbirth or adoption. An employee who assumes the role of caring for a child is also entitled to receive parental rights to family leave, regardless of the legal or biological relationship. Either day-to-day care or financial support may establish a parental relationship when the employee intends to assume the responsibilities of a parent regarding a child. The Human Resources Department will guide you in completing appropriate forms for the leave. Any PTO that you have accrued will be counted as part of your FMLA leave.

To take FMLA leave, you must provide the Company with appropriate notice. If you know in advance that you will need FMLA leave, you must notify your supervisor or Human Resources at least 30 days in advance. If you learn of your need for leave less than 30 days in advance, you must give notice as soon as you can (generally either the day you learn of the need or the next workday). When you need FMLA leave unexpectedly (for example, if a family member is injured in an accident), you must inform your supervisor or the Human Resources as soon as you can.

EMPLOYEE PERFORMANCE EVALUATIONS

Supervisors and management are expected to maintain frequent communication with employees regarding their duties and their performance, particularly during the first several months of employment. All employees should feel free to ask management any questions they may have regarding their duties or their performance at any time.

Employees will receive an informal performance evaluation at the end of their first 90 days all employees will receive a formal written performance evaluation annually.

Merit raises will be given if the employee's productivity, performance, level of responsibility, or other contributions to the Company have significantly increased during the time period being evaluated -- provided that the Company's financial position enables it to do so. Cost of living increases are not guaranteed.

UNEMPLOYMENT COMPENSATION

Payroll taxes for Unemployment Insurance are paid entirely by the employer. Nothing is withheld from the employee's paycheck for this program. Unemployment compensation is intended to help support employees who are laid off work through no fault and no choice of their own. Employees who are terminated for work related misconduct, absenteeism/tardiness, or voluntarily quit without good work-related cause are not eligible for these benefits.

Every effort will be made to avoid forced layoffs of productive employees. An employee who is laid off, through no fault of his or her own, has a legitimate claim to Unemployment Compensation.

Management will appeal any claims believed to be without merit.

OPERATING POLICIES

ETHICAL STANDARDS

The Company is committed to conducting our business in accordance with the law, and with the highest standards of integrity, honesty, and fairness. This applies to our dealings with clients, with suppliers, and with each other. You should not do anything in the course of Company business that violates the law or your own personal ethics, nor should you be asked to do so. If you become aware of a situation which you believe violates appropriate legal or ethical standards, please discuss it with management. Your privacy and confidentiality will be respected.

SMOKE-FREE / PROFESSIONAL WORKPLACE

Out of consideration for the health and comfort of our employees and visitors, smoking is not permitted while on Company grounds or in Company vehicles. Employees are allowed two "smoke breaks" during the workday. One in the morning; and one in the afternoon. Smoke Breaks are ten minutes long and employees will have to clock out.

CHILDREN / VISITORS IN THE WORKPLACE

The presence of children and other personal visitors in the workplace during the employee's workday is to be avoided except in emergency situations. When personal visitors cannot be avoided or are unexpected, the employee should handle the situation quickly, so the visitor can leave so as not to distract other employees. Always keep in mind all visitors regardless of personal or business must enter through the front door and NOT the employee entrance.

If bringing a child to work with the employee is unavoidable, the employee must contact his/her supervisor as soon as possible to discuss the situation and obtain permission to have the child accompany the employee while working. Factors the supervisors will consider are the age of the child, how long the child needs to be present, the work environment in the employee's area, and any possible disruption to the employee's and co-workers' work. Consideration will not be given to allowing a child with an illness to come to work with the employee.

A child brought to the workplace in unavoidable situations will be the responsibility of the employee and must always be accompanied and be under the direct supervision of the employee parent. In addition, children brought to the workplace will not be allowed beyond the front office area and will not be granted access to the warehouse/production areas as this poses a danger to the child and a liability to the Company.

DRESS CODE

Clothing should not be provocative (e.g., low-cut, revealing, excessively tight, etc.). Clothing should not display offensive, crude, or vulgar written or visual messages. Bathing suits, tank tops, tube tops, sagging pants, etc. are not allowed. Short pants or skirts must be long enough that they extend below the tips of the fingers when standing in an "arms-at-your-side" posture. No shorts, capris, or skirts on packaging line. Men should not remove or fully unbutton their shirts in the presence of members of the opposite sex and should put on a shirt immediately if mixed company is encountered. Body Piercings shall not be visible on any area of the body other than the ears. Gages are not allowed. Manufacturing, Warehouse, and Maintenance personnel will not be allowed to wear any jewelry or acrylic nails/nail polish as to avoid injury to employee and for food safety.

Your clothing should not be hazardous to your safety (e.g., open-toed shoes or loose hanging shirttails if working around machinery). Also, open toe shoes are not allowed beyond the front office area. Safety Shoes are required to be worn by all employees while in designated areas. See PPE map to see areas where safety shoes and other PPE is required.

COMMITMENT TO CONFIDENTIALITY

The Company has developed certain information, procedures, client lists, etc., which are an important part of the business. All employees must realize that this information is proprietary and is the property of the Company. It is a violation of your responsibility to this Company to share this information with any other party or to use it for your own purposes.

Unless there is a written contract to the contrary, any work produced during your employment is considered "work for hire" and the rights to such work belong to the Company. If you should leave the Company and wish to retain samples of your own work, specific permission must be obtained from management.

Violation of this commitment to confidentiality will lead to discipline, including possible termination and/or legal action

WORK SCHEDULE

It is management's goal to avoid over-working any individuals but simultaneously to provide adequate incentive for employees to be willing to exert extra effort during short-term busy periods.

Salaried employees are expected to devote the time necessary to complete the Company's objectives to the best of one's ability. Occasional 60+ hour workweeks are an integral part of the job.

Hourly workers are paid for the hours spent on the job. Workers are not paid for time spent commuting to and from the office each day or for lunch breaks. Hourly workers are eligible for overtime pay.

The Company workload will occasionally require attendance on weekends. Management will do everything possible to minimize required attendance on Sundays. Depending on the workload, management may be able to implement flexible scheduling to accomplish the weekend work without requiring employees to work an excessive number of hours.

OVERTIME

Because of the nature of our business, your job may periodically require overtime work. If the Company requires that you work overtime, we will give you as much advance notice as possible.

TARDINESS AND ABSENTEEISM

You are expected to be at work on time and to work the full number of hours scheduled. Everyone must assume this responsibility, in fairness to co-workers. Repeated tardiness, extended lunch breaks, or early departure without prior approval will result in disciplinary action including possible termination.

Planned absences should be approved by management as far in advance as possible. If you are unable to give advance notice but find you must be absent from work for any reason, contact your supervisor or Human Resources as soon as possible. Repeated attendance violations will be cause for written warnings, possible discipline and/or termination. If attendance has been scheduled on weekends or holidays, unexcused absences are disruptive to morale of other employees and will not be tolerated.

All employees who use a timeclock **MUST** clock out every time they leave the company grounds for any reason that is not company business. Failure to do so will result in discipline up to and including termination.

WORKSPACE

Employees are responsible for maintaining the workspace assigned to them. A clean, orderly workspace provides an environment conducive to working efficiently. Employees should keep in mind that their workspace is part of a professional environment that portrays the Company's overall dedication to providing quality service to its clients. Therefore, your workspace should be clean, organized and free of items not required to perform your job.

OFFICE EQUIPMENT

Certain equipment is assigned to staff depending on the needs of the job, such as a calculator, personal computer, printer and access to our central computers and servers. This equipment is the property of the Company and cannot be removed from the office without prior approval from your supervisor. It is expected that you will treat this equipment with care and report any malfunctions immediately to staff members equipped to diagnosis the problem and take corrective action.

PERSONNEL RECORDS

It is always important that the Company maintain accurate personnel records. You are responsible for notifying the Human Resources Department of any change in name, home address, telephone number, marital status, number of dependents, immigration status, or any other pertinent information. By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of W-2 forms, or similar inconvenience.

EMPLOYEE PRIVACY

Your personal life is your business, but activities on the job, on Company premises, or that affect the Company are not only our concern, but our responsibility.

Under the law, an employer has the right to monitor communications and activities in the workplace and to inspect anything stored on Company property. The Company reserves the right to conduct whatever monitoring or inspections management deems necessary for adequate supervision of the conduct of business or quality control. Monitoring or requesting a search is not an accusation of wrongdoing but cooperation is a condition of continued employment.

It should be understood that Company work time, Company equipment, and Company property are for the purpose of conducting Company business. Any files (electronic or otherwise) on Company property are expected to relate to Company business, not to personal matters. Any matters or items that you wish to remain private should be conducted outside of business hours and stored outside of Company property.

ELECTRONIC COMMUNICATIONS

Responsible Use of Equipment, e-mail, and Internet

Any computer hardware, software, e-mail, voice mail, Internet, or other electronic equipment or service made available to employees is expected to be used solely for the conduct of Company business during work hours. Any use of such equipment for personal purposes of any kind must be approved in advance by management, done on your own time, and conducted in a responsible manner. It must not result in any additional expense to the Company, any possible embarrassment or harm to the Company, or any loss in productivity regarding your work.

Specifically, if the Company subscribes to any electronic services on an unlimited usage basis, we do not object if you use these services for personal business before or after work hours or during your lunch break so long as you have the approval of management and do so in a responsible manner. However, if the Company is charged in any way for time used, you may not use these services for anything other than Company business. Under no circumstances should you use these facilities for any personal purpose during the hours you are expected to be working. You may not use the Company e-mail or Internet address for personal messages which might mistakenly be interpreted as statements from the Company.

Prohibited Content

Use of all electronic systems will be held to the same standard as other business communications, including compliance with the antidiscrimination and antiharassment policy. Do not put anything in an electronic message that you would not want published or made part of a permanent record. You should notify management of any inappropriate materials that you receive or observe.

Copyrighted Materials

We specifically prohibit the illegal use of any type of copyrighted material -- i.e., without purchasing it or securing written permission from the copyright owner. Examples are music, videos, software, or any type of printed, audio, or visual materials that you do not have the legal right to use. Such illegal use or even possession can create serious liability for both you and the Company.

No Expectation of Privacy

You should understand that management may intercept, monitor, copy, review, or download any communications or files that are sent, received, or stored on Company systems. Compliance with these policies is a condition of your employment. Failure to comply is grounds for discipline, up to and including possible termination.

Social Media

The Company prohibits the use of social media during scheduled work hours, the only exception being employees who are managing the company's social media presence.

Additionally, employees are prohibited from sharing any confidential or protected information that belongs to or is about The Company. Employees should never share disparaging information that places The Company or coworkers in an unfavorable light. The Company's reputation and brand should be protected by all employees.

TELEPHONE USAGE

Personal long distance calls on Company phones (any calls for which the Company may be billed) are not permitted. Payment for any incurred charges will be the responsibility of the employee making such calls.

Use of personal cell phones during work hours is prohibited.

Some employees may be assigned a cellular phone. The primary purpose of cellular phones is to increase business efficiency, although they are also provided for your personal convenience. You are expected to carry this phone during work hours so that you can be reached anytime you are within the phone's service area. Care and maintenance of this phone (at Company expense) is your responsibility. You are expected to keep the battery charged so that the phone is functional during work hours and to report any malfunction to management.

If charges result from exceeding the prepaid airtime minutes and any calls on the bill are personal in nature, charges for personal calls will be the responsibility of the employee to the extent that they resulted in increased charges in each month.

SECURITY

It is important for every employee to realize that it is part of your responsibility to follow whatever security procedures have been established to protect the Company's property and the safety of its employees, The Company's security procedures are to be taken seriously, followed, and maintained by all employees. All buildings and vehicles should be locked each evening. **The office building should be locked anytime it is unoccupied**

POLITICAL ACTIVITY

It is essential that political activity must not interfere with the conduct of our business. Political differences of opinion can cause conflict and hard feelings with co-workers or clients. In order to avoid such potential problems, no displays of a political nature will be allowed on Company premises. At no time should you present your own political views, whatever they may be, as representative of this Company.

SOLICITATION FOR OUTSIDE CAUSES

The Company respects employee participation in causes that you believe in but cannot allow these outside activities to interrupt another employee's work or to make other employees feel pressured to support, donate, or participate. For this reason, there will be no soliciting for contributions, sales on behalf of any organization, or distribution of any literature during work hours or on Company property. Any exceptions to this policy must have specific management approval in advance.

EMPLOYEE PRODUCT PURCHASES

Employees can purchase products at a reduced rate. Current employee pricing is as follows:

- PB2/CPB2 6.5 oz. jars - \$1.00 each
- PB2/CPB2 16 oz. jars - \$2.50 each
- PB2 Organic 6.5 oz jars - \$2.00 each
- PB2 Almond 6.5 oz - \$3.00 each
- PB2 Madagascar Vanilla 6.5 oz - \$1.00 each

OUTSIDE EMPLOYMENT

The Company cannot dictate what you do outside of working hours. You will be evaluated on how well you perform your job for the Company. It is up to you to determine how much work you can handle. The only restrictions are the following:

* You may not conduct business for any other organization on this Company's time. Keep in mind that required attendance hours may vary from week to week depending on workload. * You may not take on any outside employment that would constitute a conflict of interest. Working for competitors or vendors is a conflict of interest and is prohibited during your employment.

POSSESSION OF FIREARMS AND WEAPONS

No employee, for any reason and under any circumstances, is permitted to have a weapon or firearm in the building. Employees are advised to leave any weapons or firearms in their possession in their vehicle.

TRAVEL EXPENSES

Staff travel must be authorized. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements. Travelers are expected to follow all state and local laws. While driving, travelers should never use any mobile device (i.e. cellphone, tablet, navigation device etc.) Within 30 days of completion of a trip, the traveler must submit an Expense Report form and all receipts to obtain reimbursement of expenses.

Travelers seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. Travelers will not be reimbursed for expenses not directly related to the business travel.

Expense Report form is available by request from Human Resources. All travel and expenses must be approved by the employee's Manager and then turned into the accounting department.

Once the Expense Report has been received, the accounting department will let the employee know when they will be reimbursed.

Please see the company's **Travel and Expense** Policy for more information.

COMPANY CREDIT CARD

Certain employees may be issued a Company credit card. Company credit cards are to be used only for legitimate Company expenses. It is your responsibility to maintain receipts from all purchases charged to the credit card. Since purchases made via telephone are sometimes not receipted, be prepared to show some form of proof that the purchase was a legitimate Company expense.

The monthly credit card statement will be given to you when it is received by the Company. Promptly verify each billed line item and attach receipts for the purchases. Provide any written explanations necessary so that the charges can be understood and properly classified. Promptly return the statement to management for payment.

Using Company credit cards to obtain cash advances is prohibited.

If your Company credit card is lost, stolen, or expired, report it to the accounting department immediately.

Misappropriation of Company funds/credit cards for personal use will result in prosecution.

COMPANY BENEFITS

HOLIDAYS

The following are paid holidays for full-time employees:

New Year's Day	Labor Day	Christmas Eve
Presidents Day	Veterans Day	Christmas Day
Memorial Day	Thanksgiving Day	
Independence Day	Day After Thanksgiving	

Full time employees will receive holiday pay in the same amount as they would have otherwise worked (i.e. if you normally work an 8hr shift you will get 8hrs of holiday pay). Full time employees who work a schedule/shift that is already not scheduled to work on a company recognized holiday will not receive holiday pay for the day (i.e. if an employee(s) have already completed their hours for the week.).

Part-time employees who work a regular weekly schedule of at least 20 hours per week will be paid for the hours they would normally work. For example, if a student worker normally works from 1-5 PM every weekday, that student will be paid for 4 hours per holiday.

Normally, for holidays that fall on Saturday, the preceding Friday is taken off. If a holiday falls on Sunday, the following Monday is taken off. In certain situations where some work needs to be accomplished on Friday and Monday, management may request that some employees observe that holiday on Friday while others observe it on Monday.

The Company workload may occasionally require attendance by some or all employees on a holiday. When the need for holiday attendance arises, management will make every effort to accommodate personal schedules and minimize the inconvenience. Hourly employees will be paid at the overtime rate for work on holidays.

Many people wish to take PTO immediately before or after a paid holiday; however, the Company's work schedule may be compromised if multiple employees take PTO at the same time. **If you wish to take Paid Time Off immediately before or after a paid holiday, this must be approved in advance by management.** PTO on such days will be awarded in the order that requests are made. Employees not on PTO, are required to work the day prior to and the day after a scheduled paid holiday to receive compensation for the holiday.

BEREAVEMENT

You will be granted up to a three-day leave of absence, with pay, in the event of a death in your immediate family. Immediate family includes spouse, parents, grandparents, children, grandchildren, siblings, mother in law and father in law.

JURY DUTY/WITNESS

If you are selected for jury duty or called to be a witness in a court procedure, the Company will allow you to serve and will make every effort to see that this service does not impose a financial hardship on you. Please notify management as soon as you receive your jury summons. Employees will be paid their regular rate of pay for up to three days if they provide written proof to Human Resources. If the time involved exceeds three days, the employee will have the option of using PTO.

PAID TIME OFF

PTO should be used when you will be away from work.

PTO is accrued as follows:

For full-time employees, the PTO accrual rate is designed as an incentive and reward for length of service with the Company. The accrual rate is as follows:

First 2 years	88 hours
3rd — 5th year	128 hours
6th year and up	168 hours

Increases on merit begin after 90 days of employment. Accrual rate is based on the company's fiscal year (July 1st- June 30th). Example: If your hire date is October 1, 2014 then your three-year anniversary will be October 1, 2017; however, you would have to wait until July 1, 2018 to get your extra 40hrs of PTO.

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On June 30th of every year PTO will roll over. On July 1st of every year employees will have their normal accrued amount plus their rollover PTO from the previous fiscal year. PTO that has been rolled over must be used by September 30th. On October 1st any remaining rollover amount will be lost.

All PTO must be approved by your Manager. In preparing for time away from work, every effort will be made to give you the schedule you want, but approval will be determined by workload and any other PTO previously scheduled by other employees. It is to your advantage to get PTO approved as far in advance as possible. Employees may only take off up to 40hrs of PTO at a time without having to return to work unless otherwise approved by Senior Management.

PTO may be given from one employee to another if needed at any time if the employee receiving the PTO has a balance of zero.

****Please Note**** Upon separation from PB2 Foods, Inc, you will forfeit any unused paid time off accrued.

MILITARY LEAVE

Federal law governs certain requirements regarding granting of leave, compensation, and reinstatement for veterans and reservists who are away from their jobs performing service in uniform. These laws change from time to time. If this situation occurs, management will confer with legal counsel regarding the regulations applicable to your specific situation.

MEDICAL INSURANCE

Insurance is made available to our full-time employees. The Company will pay a portion of the insurance premium as a benefit to our employees. Employees will be eligible after the first 90 days of employment and coverage always starts at the first of the month following your first 90 days of employment. See Human Resources for further details.

Identity Theft Protection

LifeLock is made available to our full-time employees at a reduced rate. The rates are:

Employee Only	\$4.15 or \$6.92
Employee + Family	\$8.30 or \$13.84

Please see Human Resources for details.

RETIREMENT PLAN (401K)

All employees who work 1,000 hours a year or more will qualify for the Company 401k plan, after 90days employment.

The Company will match up to 3% of employee contributions. See Human Resources for details.

Safety Shoes

Defined as steel or composite toe shoes must be worn by all employees in certain areas of the plant (see PPE map for details). To help offset the cost of these shoes, once an employee (who must wear safety shoes 80% or more of the time) has completed their 90-day probational period they will receive a voucher for \$100 off the total purchase price. Full time employees (who must wear safety shoes 80% or more of the time) are eligible to receive a safety shoe voucher every two years after receiving their first voucher.

Education Assistance

Full time employees that have been with the company for at least 6 months and have no active discipline are eligible to receive Educational Assistance. The course of study must be pre-approved by Senior Management. The "Application for Educational Assistance" must be received by Human Resources by September 30th for courses to begin the following January. Please see Human Resources for more details.

Gym Membership

To help promote a healthier lifestyle for all its employees, the company will offer lower rates to employees who would like to join the YMCA. The rates are as follows:

Employee only: \$36.00 monthly

Single Parent: \$40.50 monthly

Family: \$51.30 monthly

Couple: \$45.00 monthly

55+: \$27.00

55+ Couple: \$40.50

Sunshine Club (80yrs old or older): Free

Employees must sign up at the Tift area YMCA.

The company will also offer free membership for its employees at Anytime Fitness. This membership is for employees only and does not extend to the employee's family.

Employees must sign up at the Tift area Anytime Fitness.

Please see Human Resources for details.

****Please Note**** Upon separation from PB2 Foods, Inc, these rates will not apply.

Employee Policy Handbook Review form 2020

I have read and understand the
PB2 Foods, Inc.
Employee Policy Handbook

I understand that my employment with PB2 Foods, Inc. is governed
by the policies contained therein.

Printed Name

Signature

Date

