PROGRESSIVE DISCIPLINE POLICY

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PURPOSE

PROGRESSIVE DISCIPLINE will be used by KBD Transportation to keep the work place efficient and safe while, at the same time, ensuring that employees who lack the skills or abilities required for their job are given opportunity to correct their performance.

SCOPE

Any employee of KBD Transportation who violates company policy and/or exhibits behavior that results in an unsafe or inefficient workplace, including unacceptable workplace behaviour, will be subject to progressive discipline resulting from:

- INCOMPETENCE: Employee lacks the skills or abilities needed for the job; or
- MISCONDUCT: Employee has broken the rules for keeping the workplace efficient and safe.

EMPLOYEE INCOMPETENCE

An employee who lacks the skills needed to do the job will have his/her job expectations clarified by a supervisor (or management) and be provided additional job training to help improve work performance. The supervisor (or management) will make clear that the consequence for not acquiring or exhibiting the necessary skills for the job is dismissal.

If, after a reasonable amount of time, the employee’s skills or abilities have not improved and their work performance remains incompetent, the employee will receive a written warning and continue to be provided a fair chance to practice and learn the skills needed to improve their work performance.

If, after a reasonable amount of time, the employee’s work performance, upon review, remains incompetent, the employee will be subject to dismissal.
EMPLOYEE MISCONDUCT

Employee misconduct, resulting from an employee breaking the rules that would keep the workplace environment efficient and safe, will be categorized into either MINOR MISCONDUCT or SEVERE MISCONDUCT.

MINOR MISCONDUCT will include, but not be limited to, the following employee actions:

- Violations of state or provincial laws resulting from neglectful behavior on the part of the employee;
- Late arrivals for customer pick-ups and deliveries without reasonable cause;
- Being absent from work without reasonable cause;
- Disorderly, immoral, or indecent conduct towards co-workers or customers;
- Failure to comply with safety regulations and company policies;
- Failure to fulfill job elements outlined in the Job Description;
- Failure to maintain sanitary work conditions (ie. safe and clean work environment in cab of truck);
- Poisoning the workplace environment by engaging in malicious gossip and/or spreading of rumors about co-workers, customers, or work situations;
- Work refusal.

Progressive discipline steps for MINOR MISCONDUCT will take the following actions:

- **A VERBAL WARNING** initially. A supervisor (or management) will review job expectations and acceptable and desired behavior with the employee, and outline consequences if the expectations are not met;
- **A WRITTEN WARNING** if the misconduct reoccurs. Job expectations and desired and acceptable behavior, as well as future consequences should the employee not comply, will be outlined in writing.
- **A SUSPENSION** will ensue should the undesired conduct remain uncorrected.
- **DISMISSAL** will result if the misconduct continues to reoccur even after the employee has received a verbal and a written warning as well as a suspension.

SEVERE MISCONDUCT will include, but not be limited to, the following actions:

- Theft, including physical and intellectual properties;
- Dishonest, illegal or improper activities;
- Possession of alcohol, illicit narcotics, or non-prescribed pharmaceuticals while on company property, or use thereof while operating KBD equipment;
- Negligence resulting in damage to company property;
- Workplace violence, including but not limited to: fighting, assault, harassment or possession of a weapon;
• Disorderly, immoral or indecent conduct at a customer that could be reasonably expected to terminate a customer relationship; and
• Any action or omission that resulted in, or could have resulted in, the fatality or dismemberment of another.

Progressive discipline for SEVER MISCONDUCT will result in employee dismissal.

**MITIGATING and AGGRAVATING FACTORS**

Please note that the following factors will be taken into consideration when determining appropriate disciplinary action, and may serve to either escalate or moderate the progressive discipline process:

• Was the conduct intentional?
• Is the employee accepting responsibility for his/her actions?
• Was the infraction an isolated incident?
• Is this a long-term employee?
• What is the work history of the employee?

Degrees of discipline shall be used in relation to the problem at hand. As the situation dictates, based on the factors outlined above as well as seriousness or frequency of the violation, the employee’s past performance, and the overall effect on the health and welfare of the organization, KBD Transportation reserves the right to:

• enforce additional warnings before moving on to a next step; and/or
• skip a step where the misconduct has escalated or put the health and safety of an individual or the organization at serious risk.

**COMMITMENT to FAIRNESS and CONSISTENCY**

An employee who has been deemed to have displayed incompetent behavior or misconduct can expect a fair and equitable process to determine guilt:

• A proper investigation and documentation of all (alleged) incompetencies of the employees’ performance and/or violations of company policy and/or safe and efficient work practices and/or acceptable workplace behaviour;
• A decision based on facts, with all parties being treated fairly; and
• A commitment to assist the employee to improve their work skills and/or performance (with the exception of behaviour deemed SEVERE MISCONDUCT) by providing appropriate direction through reasonable supervision, training, re-training, instruction, and guidance.

**DEFINITIONS**

**Incompetence**
Employee lacks the skills or ability needed for the job.

**Misconduct**
Employee breaks rules for keeping workplace safe and efficient.