



Policies and Procedures Manual

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Introduction

Mission:

As a family-owned distributor of janitorial, chemical, paper, food service, and office supplies, we deliver high-quality products and personalized service. Since 1946, we've been dedicated to customer satisfaction and the long-term success of our communities and businesses, now and in the future."

Trust: We foster a culture of trust by consistently demonstrating honesty, integrity, and transparency, building reliable relationships through open communication and accountability.

Humble: We practice selflessness and dignity, taking ownership of our actions and decisions, holding ourselves responsible for delivering results and upholding our commitments.

United: We create meaningful work by emphasizing the importance of collaboration, inclusivity, and collective strength, where we work together with respect to achieve common goals."

Motivated: We strive to stay motivated by actively pursuing our goals with enthusiasm and determination, while embracing opportunities for personal growth and professional development.

Balanced: We commit to achieving a healthy work-life balance that prioritizes both professional responsibilities and personal well-being.

Welcome to our team! This employee handbook is intended to answer some of your questions and provide information on matters of importance to you as an employee. It explains many of our policies and procedures as well as our normal working guidelines. The policies and benefits stated in this handbook are subject to change.

The success of the Company, to a great degree, depends on your satisfaction with your work environment. We recognize that close communication with all employees is necessary for a successful operation. If you have any questions about Company policies, your job, or any other matter, feel free to discuss it with the Human Resources Department. We welcome your questions, suggestions, and constructive criticism.

At-Will Statement

We are excited to have you on board as part of our team. While we want this relationship to be mutually beneficial and long-lasting, our relationship is at-will. This means that either you or the Company are free to end the employment relationship at any time, with or without notice or reason. Please note that no one from the Company, other than the President, has the authority to enter into any agreement for employment contrary to the policies contained in this handbook.

Resignation

Employees are required to give a minimum of two weeks' notice of resignation upon terminating employment with the Company. Managers/supervisors and outside sales employees are required to give a minimum of four weeks' notice of resignation upon terminating employment with the Company. If an employee does not provide and fulfill advanced notice as requested, the employee may be considered ineligible for rehire and ineligible for job references.

Conflicts of Interest

Actual or potential conflicts of interest shall be avoided by all employees. An actual or perceived conflict of interest may exist when any of the following occur:

1. When an employee's personal activities or financial affairs adversely influence an employee's judgment or performance of duties at this Company
2. When an employee is in a position to influence a decision that may result in a personal gain for the employee or for a relative as a result of this Company's business dealing.
3. When an employee is engaged in a personal or romantic involvement with a competitor or supplier of the Company, which impairs an employee's ability to exercise good judgment on behalf of the Company, as determined in the sole discretion of management.
4. When an employee is romantically involved and/or dating a subordinate staff member. No dating or romantic relationship is permitted where one of the employees reports either directly or indirectly to the other person involved in the dating/romantic relationship. Manager/supervisor-subordinate romantic or personal relationships can lead to workplace problems, possible claims of sexual harassment, and morale issues thus are a conflict of interest.
5. When an employee is related by blood, adoption or marriage to a direct report.
6. When an employee is a roommate of a direct report, even if not in a romantic relationship.
7. When an employee moonlights and/or takes a second job with a competitor of the Company.
8. When an employee performs similar job duties for another employer, business, or via self-employment, or when an employee sells similar products or services to those that the Company is engaged in selling.

Anyone involved in any of the types of relationships or situations described in this policy shall disclose the potential conflict to the HR Department so that a determination can be made as to whether a conflict actually exists as well as what measures will be taken to resolve the conflict.

An employee involved in any of the types of relationships or situations described in this policy is required to immediately and fully disclose the relevant circumstances and/or relationship to their manager/supervisor or HR so a determination can be made as to whether a potential or actual conflict exists. If an actual or potential conflict is determined, the employer may take whatever corrective action appears appropriate according to the circumstances, including prohibiting the conduct and/or relationship or separating employment. Failure to disclose facts will result in disciplinary action, including possible termination.

You may be in a position to influence decisions related to purchasing goods or services or releasing confidential information. If you are in such a position, you are prohibited from offering, soliciting, or accepting any item or payment that could affect your decisions or cause you to use your influence or position with Gem State Paper & Supply Company in an inappropriate or unethical manner. Please contact the President for any questions or if you receive any such gifts. This applies not only to cash, but also to free or significantly discounted goods or services, office space, use of equipment, or other services provided by a person or company.

Business Gifts/Donations

No employee shall solicit or accept any gift or gratuity from outside parties for any reason relating to employment with the Company. There may be times, such as Christmas, when customers or suppliers give a gift. These gifts may be accepted on the condition that the President is informed and provided that the gift is not in return for service.

Employment Policies & Procedures

Employment Status

The following terms will be used to describe the classification of employees and their employment status:

Full-Time	Employees normally scheduled to work a minimum of 30 hours per week. Full-time employees are eligible for most benefits after successfully completing the 60-day introductory period or as otherwise indicated in this manual
Regular Full-Time	A full time employee who has successfully completed the 60-day introductory period.
Part-Time	Employees normally scheduled to work fewer than 30 hours per week. Part-time employees are not eligible for Company benefits other than those mandated by law. An employee is at part-time status until officially changed to full-time status. Part-time employees must complete a 60-day introductory period.
Temporary	Employees can be hired for a pre-established period, usually during peak workloads or for PTO relief. Work schedule is based upon need. Temporary employees are not eligible for Company benefits other than those mandated by law.

All other employees are also classified as follows:

Exempt	Employees who are exempt from the timekeeping, minimum wage, and overtime compensation provisions of state and federal wage and hour laws.
Non-exempt	Employees who are subject to minimum wage and overtime compensation, as provided by the state and federal wage and hour laws.

Initial Employment Introductory Period

All new employees are subject to an introductory period of up to 60 days from hire date. This is to give a new employee and Gem State Paper & Supply Company an opportunity to evaluate the employee's interest in the job, and the ability to perform the work. An orientation program will be conducted during this time to give you a clear understanding of what is expected, and your manager/supervisor will closely monitor your performance. We strongly encourage you to ask questions or seek guidance to help you better understand your job duties. Neither the introductory period nor the completion of the introductory period alters either party's right to separate employment at will.

Personnel Files

Personnel files are Company property and include employment-related documentation. In order to protect your privacy, access is on a need-to-know basis. If you would like to review your file, please ask the Human Resources Department. Rest assured that personnel files are valued as private, and thus, will not be released to anyone, absent a court order or subpoena. It is the employee's responsibility to update any changes in tax status, address, home phone number, etc. via Paylocity or by contacting Human Resources.

Equal Employment Opportunity/Discrimination Policy

The Company endeavors to provide an environment at its facilities wherein human dignity prevails and all employees and applicants for employment receive equal consideration and treatment. No person is granted special privilege or consideration, nor is employment or any benefit arising out of employment, given or withheld because of race, creed, color, religion, national origin, age, gender (including pregnancy, childbirth, and pregnancy or childbirth-related conditions), gender identity or expression (including transgender status), sexual orientation, genetic information, citizenship, disability, or military status.

Disability and Reasonable Accommodations

The Company does not discriminate against any applicant or employee in hiring or in the terms, conditions, and privileges of employment due to physical or mental disability. When the employee or their representative (e.g., healthcare provider) makes the **Company** aware of any disability that prevents the employee from performing an essential function of the job, the **Company** will assess whether any reasonable accommodation would allow the person to perform the job before refusing employment or making a distinction in terms, conditions, or privileges of employment because of the disability. This assessment will typically include requiring the employee to have their medical provider complete a Reasonable Accommodation form. An accommodation that creates an undue hardship on the **Company** or which endangers health or safety is not a reasonable accommodation. Indefinite leave periods, removal of essential job duties, or bumping another employee from their position are not generally considered reasonable accommodations. The **Company** will make any reasonable accommodation necessary to allow an otherwise qualified applicant or employee to perform the job.

Any otherwise qualified applicant for employment or employee with a disability who requires reasonable accommodation shall inform the Human Resources Department regarding the nature of the disability and the accommodation requested. Employees with access to such information shall maintain the confidentiality of the information to the extent reasonably possible and shall not release the information to anyone who does not have the right or need to know.

Reasonable Accommodations for Workers with Limitations Relating to Pregnancy, Childbirth or Related Medical Conditions

As required by the federal Pregnant Workers Fairness Act (PWFA), Gem State Paper & Supply Company will provide reasonable accommodations to employees and applicants with limitations related to pregnancy, childbirth or related medical conditions, unless the accommodation will cause undue hardship to Gem State Paper & Supply Company's operations.

An employee may request an accommodation due to pregnancy, childbirth or a related medical condition by submitting the request in writing to Human Resources (HR). The accommodation request should include an explanation of the pregnancy-related limitations, the accommodation needed and/or requested and any alternative accommodation(s) that might be reasonable. Depending on the nature of the accommodation, the individual may be requested to submit a statement from a health care provider substantiating the need for the accommodation. Upon receipt of a request for accommodation, HR will contact the employee to discuss the request and determine if an accommodation is reasonable and can be provided without significant difficulty, undue disruption to operations, or significant expense, i.e., undue hardship. While the reasonableness of each accommodation request will be individually assessed, possible accommodations include allowing the individual to:

- Sit while working.
- Drink water during the workday.
- Receive closer-in parking.
- Have flexible hours.
- Receive appropriately sized uniforms and safety apparel.
- Receive additional break time to use the bathroom, eat and rest.
- Take time off to recover from childbirth.
- Be excused from strenuous activities and/or activities that involve exposure to compounds deemed unsafe during pregnancy.

An employee may request time off/leave of absence as a reasonable accommodation under this policy; however, Gem State Paper & Supply Company will not require an employee to take time off if another reasonable accommodation can be provided that will allow the employee to continue to work.

Gem State Paper & Supply Company prohibits any retaliation, harassment or adverse action due to an individual's request for an accommodation under this policy or for reporting or participating in an investigation of unlawful discrimination under this policy. Please immediately report any perceived violations of this policy to HR.

Drug and Alcohol Usage

Due to the increasing use of drugs in the workplace, realizing the disastrous effects they can have upon our individual employees and our business, and given the Department of Transportation (DOT) regulations, it is necessary to define rules of conduct dealing with the use/misuse of controlled substances and use/misuse of alcohol and/or any other mind-altering substances.

The Company has a strong commitment to help provide a safe workplace for its employees. Accordingly, the Company prohibits the use, sale, distribution, or possession of alcohol, drugs, or said paraphernalia on Company time or property and/or work sites. This policy forbids reporting to work and working while under the influence of alcohol or drugs. It also prohibits the unauthorized use of prescription drugs and the use of any legally obtained drugs (prescriptions or over-the-counter medication) when such use adversely affects job performance or safety. Employees who are taking prescription drugs or over-the-counter drugs that may affect their performance should discuss their situation with the manager and the Human Resources Department and obtain permission before beginning work. Employees may be required to provide properly written medical authorization from a physician to work while using such authorized medications.

The Company also prohibits employees from testing positive for illegal drugs, alcohol, and marijuana. Therefore, those substances should not be in an employee's system while working. This prohibition applies even when an employee possesses a medical marijuana card or consumed marijuana when present in a state that permits such usage.

Where the law permits, the Company reserves the right to conduct the following alcohol and drug testing: random testing, pre-employment screening, reasonable suspicion, post-offer, fitness for duty, and post-accident. A positive, diluted, or tainted test will

result in disciplinary action, up to and including termination. Refusal to submit to testing when requested will result in an immediate termination of employment.

Policy Implementation

Contact Human Resources to get information on designated collection sites for each branch to obtain specimens for assessment of alcohol and/or controlled substances. Other collection sites can be designated as the need arises.

A Medical Review Officer (MRO) will interpret, evaluate, and monitor the drug testing program and results. The MRO will be a licensed physician with knowledge of drugs, testing methods, and drug abuse disorders.

Negative Results: The results are reviewed for completeness and accuracy, and then the results are reported to Gem State Paper & Supply Company.

Positive Results: Before a positive result is reported to Gem State Paper & Supply Company, the individual is contacted by the MRO so that they may determine whether a legally prescribed medication resulted in a positive drug test. It is the employee's obligation to be available to the physician so the situation can be discussed.

Diluted Results: If a diluted result is reported to Gem State Paper & Supply Company, a retest will be done immediately at the drug testing site if the individual is still on the premises; otherwise, it will be deemed a positive test. Refusal to retest on a diluted result will result in immediate termination.

If the employee/applicant does not agree with the MRO ruling, they may request that the "split specimen" be sent to a second lab for analysis at the employee's/applicant's expense. This request must be made within 72 hours after the MRO first contacts the employee/applicant. The MRO will advise the employee/applicant of the cost of the test.

Drug Testing Format: All drug testing will be conducted by obtaining urine samples from an employee/applicant. Collection procedures will follow both the Department of Transportation Rules and Regulations and Gem State Paper & Supply Company policies and procedures.

The MRO will review all test results and will forward the results to Gem State Paper & Supply Company.

The MRO will verify all positive test results reported by the testing laboratory utilizing the following methods:

1. Review of the EMIT results and CG/MS results and,
2. By personal interview with the individual testing positive.

Confidentiality of Records: No person may obtain the individual test results retained by the MRO, and no MRO shall release the individual test results of any employee to any person, without first obtaining written authorization from the tested employee/applicant or as required by law, court order, or lawfully issued subpoena. The MRO is not prohibited from releasing the employing motor carrier required information to the Company. Gem State Paper & Supply Company keeps all test results confidential.

Equipment

Upon termination, all Company owned equipment provided by Gem State Paper & Supply Company must be returned. Failure to return property in a timely manner or upon request of Gem State Paper & Supply Company will result in a deduction from the final paycheck if the employee has signed an Authorization to Deduct form for this purpose and/or legal action and if allowed by applicable wage laws.

Drivers

Drivers of Gem State Paper & Supply Company vehicles and drivers operating personal vehicles on Company business are required to maintain a current driver's license as well as a commercial license where required. Drivers of personal vehicles for Company business must also maintain adequate insurance, as determined by the President. Applicable drivers must be qualified under the Department of Transportation requirements. Failure to maintain a current license may result in a state fine and will be the responsibility of the driver. Changes in insurability and licensure must be reported immediately to the driver's manager/supervisor.

Violations, including failure to report changes and/or maintain proper licensure and insurance, will result in disciplinary action, up to and including termination. Designated drivers will possess an up-to-date Commercial Driver's License (CDL) and will be required to obtain a current medical/physical examination under Interstate Commerce Commission (ICC) regulations.

Obtaining a Commercial Driver's License (CDL) will be an expense paid by the driver. The medical/physical examinations will be provided by the Company as long as the employee is employed by the Company. The examination results become the property of Gem State Paper & Supply Company and all drivers are required to send a copy to Human Resources to be maintained in their personnel records.

Drivers are responsible for familiarizing themselves with all Company vehicles and proper operation of such vehicles. A driving test will be performed upon start of employment to ensure that each driver understands how to operate a vehicle. Each driver will authorize with a signature that they understand the operating procedures of the vehicle/machinery. Driver's tests during employment may be required at the discretion of managers/supervisors to ensure continued safety and competency.

It is the driver's responsibility to ensure that current and proper registration are always in the vehicle. All vehicles, including tractors and trailers, must be properly licensed and displayed to operate. Drivers must contact their manager/supervisor if a vehicle is not registered correctly.

All drivers will obey all speed laws, parking restrictions, and all regulations of city, county, and state. The driver is responsible for fines and penalties resulting from the employee's violations of the law.

The Company prohibits employee use of cell phones or similar devices for personal and Company-related purposes while driving. This prohibition includes receiving or placing calls, text messages, surfing the internet, receiving or responding to email, checking phone messages, or any other purpose related to Company employment. Employees must stop their vehicles in safe locations in order to use cell phones.

Drivers will complete a daily "Driver's Vehicle Inspection Report" before operating Company vehicles. Drivers are responsible to see that any defects or problems of vehicle operation be corrected and/or referred to their manager/supervisor for correction. Drivers have the right and obligation to refuse to drive vehicles until they are in safe operating condition.

Drivers are responsible for proper maintenance, service, and cleanliness of interior and exterior of any Company vehicle. Company owned vehicles are to be washed and cleaned regularly to maintain a professional image.

No driver will exceed posted maximum speed limit, in any Company vehicle.

Drivers will NEVER, under any circumstances, pick up hitchhikers. Non-authorized passengers are **NOT** allowed in Company vehicles. Only Company personnel have authorization to be in Company vehicles (vehicles include trucks, cars, forklifts, delivery vans, etc.); seatbelts must be worn by all drivers and passengers.

Accidents do occur. Should any accident occur, the following procedures are to be followed:

1. Drivers must notify proper police authority at once before moving the vehicle unless failure to do so creates a safety hazard.
2. Obtain names and addresses of any witnesses.
3. Pictures are to be taken of the scene of the accident from all angles including pictures of the Company vehicle from several angles and the other party involved from all angles, and pictures of the entire property.
4. Notify your manager/supervisor immediately. If you are injured, obtain first aid or professional medical attention. If you are temporarily absent from work due to an injury, you are to return to work only after you have been specifically authorized to do so by your attending physician and your manager/supervisor or Human Resources. Should you identify an injury after your work shift, call your manager/supervisor or Human Resources for further instruction.
5. Upon returning to work following an injury, report directly to your manager/supervisor. You are required to aid with accident investigation activities, and to seek instruction or training to avoid the occurrence of any similar type of injury.
6. Complete a Company Accident Report and submit to your manager/supervisor within 24 hours.

7. Do not discuss anything regarding any accident or make any remarks or accusations until the proper police authorities investigate. All accidents are handled from the corporate office in Twin Falls, ID.
8. A post-accident drug test is required of all drivers involved in a Company related vehicular accident and by passengers if determined necessary by a manager/supervisor. Any employee involved in a Company related accident is required to report to the nearest testing facility for testing immediately following the accident. If you are taken to a medical facility for medical treatment a drug test is to be performed at the facility. Failure to follow this step will result in disciplinary action, up to and including termination.

All Company vehicles are equipped with an accident packet with all the necessary paperwork. It is the driver's responsibility to make sure that the packets are completed in case of an accident or emergency. Please contact your manager/supervisor to get any packet information pertaining to an accident. Unsafe driving, including but not limited to vehicular accidents, may result in disciplinary action including termination of employment.

Drivers of trucks that are registered over 26,000 GVW must stop at Ports of Entry. Drivers must read and understand Interstate Commerce Commission (ICC) rules and carry a cab card with them showing an up-to-date physical. Trip logbooks are also necessary, completed in duplicate.

All completed vehicle mileage reports must be sent by the driver to the corporate office in Twin Falls, ID, no later than 5 days after the end of the month. In cases of interstate truck routes, a separate report of mileage traveled in the outside state must be completed showing actual mileage traveled in said state. This separate report must be attached to the vehicle mileage report and sent to the corporate office in Twin Falls, ID, no later than 5 days after the end of the month. The state of travel must be identified on the report. Employees are required to use the form that the Company has prepared for the vehicle and mileage reports to ensure uniformity by all drivers.

Driving Personal Vehicle on Company Business

Employees driving their own personal vehicle on Company business shall have sufficient liability coverage on their vehicle. A reasonable liability amount defined at \$250,000 per policy term must be maintained on personal vehicles. To the extent permitted by law, Gem State Paper & Supply Company does not assume liability for any personal vehicle damage incurred while using a personal vehicle for activity that is business related. It is up to the individual to submit a claim to their insurance carrier.

Gem State Paper & Supply Company does not provide fuel for personal vehicles used for Company business. If your job warrants the need to travel, a company owned vehicle (where available) is the preferred method of transportation. To schedule use of a company vehicle please contact the President, VP of Sales or the Director of Business Relations. If the company vehicle is available and you choose NOT to use it, you will NOT be reimbursed for mileage. If the company vehicle is not available, you may use your own personal vehicle and be reimbursed for mileage. In this case the employee will be reimbursed by the Company for mileage incurred on approved business-related use of a personal vehicle (excluding commuting) at the rate specified by the Company.

General Standards of Conduct

The Company believes that a successful business depends upon each employee's commitment to be responsible and accountable for their own behavior. Anyone who does not live up to this commitment will be held accountable by oral or written warning, suspension, or separation of employment. The use of a progressive discipline process is optional, and each step may not be followed in any particular order or in any order at all. Nothing in this policy restricts the Company's right to terminate employees at any time, with or without notice, for any or no reason.

Code of Conduct:

Both our employees and customers observe your conduct and form a lasting impression of our organization and its staff based on the way they are treated and the actions they hear and see. You are expected to conduct yourself in a courteous, pleasant, and professional manner at all times. Your courtesy and kindness are essential to maintaining good customer and community relations. The following offenses, which are not exhaustive, are **examples** of conduct that may result in disciplinary action, up to and including termination.

- Unexcused absenteeism
- Discourteous treatment of customers, applicants, or fellow employees
- Unauthorized use of Company phones, Company credit cards, or charge accounts
- Refusal to follow instructions or accept job assignments
- Immoral or unprofessional conduct
- Theft or misappropriation, regardless of the value
- Failure to respect confidential material or information
- Dishonesty
- Falsification of timecards, sales, or expense reports
- Inability to work with others
- Repeated tardiness
- Inappropriate dress or appearance
- Harassment
- Use of alcoholic beverages or illegal drugs on Company time, vehicles, or premises
- Sleeping on the job
- Damage to Company property due to negligence
- Insubordination, carelessness, or inefficiency
- Walking off the job without permission during work hours
- Violation of established safety rules
- Abusive language
- Unsatisfactory work performance
- Violations of Company policy
- Excessive personal use of company or personal cell phone
- Conduct unbecoming of a Company employee

Workplace Investigations

All employees are expected to report any observed conduct that is in violation of Company's policies. Employees are also expected to fully cooperate when requested to do so as part of any workplace investigation, including but not limited to being interviewed, providing requested statements and written documentation, and specifying witness names.

Respectful Treatment of Others

It is Company policy that all employees treat co-workers, vendors, customers, and other third parties in a professional and respectful manner at all times. Any on or off duty conduct contrary to that will be considered conduct unbecoming of a Company team member. If you feel you have been subjected to or have observed disrespectful and unprofessional treatment, we encourage you first to attempt to resolve the matter informally and directly with the person and/or manager/supervisor. If your efforts to informally resolve the conduct are not successful, please schedule a meeting with Human Resources to discuss your concerns and resolution options.

Employees are not to engage in on- or off-duty behavior that would be detrimental to the Company's business and/or reputation or that would constitute a violation of Company policies or jeopardize the safety of others. Any conduct, behavior, or attitude inconsistent with these principles may result in disciplinary action, up to and including termination.

Rumors and Gossip

Personal and/or business gossip is strictly prohibited at Gem State Paper & Supply Company. Employees who participate in or instigate gossip about the Company, other employees, or customers will receive disciplinary action, up to and including termination. If you hear a business-related rumor and would like clarification, please speak with your manager/supervisor. If your manager/supervisor is unable to assist you in the matter, please contact Human Resources. Our goal is to keep the lines of communication open, and we are committed to keeping you well-informed.

Note: Nothing in this policy or handbook is intended to prevent a non-management employee from discussing the terms and conditions of employment with other workers.

Solicitation and Distribution of Materials

Solicitation on Company property or while on Company work time is not allowed.

Distribution of fundraising or non-work sales literature by employees on Company property may be placed in non-work areas, such as break rooms, as long as the solicitation or literature is for a non-profit endeavor and does not occur during assigned working time. Approved types of materials would include material/flyers from non-profit groups such as Relay for Life, Girl/Boy Scouts, Salvation Army, Red Cross, etc. Requests for cash donations should not be left in any work or non-work areas. All other literature is prohibited.

If you receive requests from local non-profit groups for our help, please direct them to the President for approval.

Confidentiality

By virtue of your position, you have been entrusted with safeguarding confidential information obtained in connection with employment including, but not limited to, information pertaining to the Company, customers, and co-workers. It is vital that you preserve the privacy and security of this information. It is also critical that you do not access private information that is not required as part of your job duties.

Language/Profanity

Profane language will not be permitted on any job. Everyone should know which words are offensive to the general public and to your fellow employees. Ask first if you do not know.

Harassment Policy

The Company prohibits harassment which is defined as unwelcome conduct directed toward a person's actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information, or any other characteristic protected by applicable federal, state, or local laws that substantially interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment. The policy applies to conduct of employees, managers/supervisors, customers, vendors, and job applicants. The policy applies to conduct in the workplace or while on work time, at social functions sponsored by the Company, at business functions and off-duty conduct directed toward an employee, customer, manager, or vendor. It also applies to off duty conduct (e.g., social media posts, text messages, phone calls, and other communications) that is either directed toward a Company employee, manager, customer, or vendor, or creates a hostile work environment for that individual based on their protected class even if the communication is not specifically directed to and/or about the complaining individual.

We will actively enforce our policy against harassment. The policy applies to all conduct on the Company's premises by any manager, provider, co-worker, vendor, client or customer and to all conduct off the Company's premises that affects an employee's work environment. The Company considers violation of this policy a serious offense that will lead to discipline, up to and including discharge.

Sexual Harassment: Unwelcome advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

1. Submission to conduct is made either an explicit or implicit condition of employment.
2. Submission to or rejection of the conduct is used as a bias for employment, salary, or other benefit changes affecting the harassed employee; or
3. The harassment unreasonably interferes with a person's work performance or creates an intimidating, difficult, hostile, or offensive work environment to the victim.

Any employee who feels they have been unlawfully harassed or have observed any employee or third parties harassing someone should immediately report the matter to the manager/supervisor and

Human Resources. Violations of this policy will result in disciplinary action, up to and including termination. Retaliation for reporting alleged harassment will not be tolerated.

Travel Time Compensation

On occasion, your job may require you to work out of town. Non-exempt employees will receive compensation for all hours worked as well as for travel time hours that meet the definitions per federal law. You will be required to keep track of your time and daily log sheets as required.

- Home-to-work and work-to-home travel time is not compensable, as it is commute time. Exception: If starting the workday at home.
- Job site to job site during the workday is compensable, as is traveling to an **OUTLYING JOB** at the end of the scheduled workday.
- When an employee is called out on an emergency job after he has gone home for the day, if he goes to a customer's premises to do the work, his travel time is compensable.
- Non-exempt driver: All time spent as the driver on a one-day assignment or on overnight business is compensable time except normal commute time.
- Passenger: When an employee is sent out of town for **one day on an assignment**, he need not be paid for the time he spends in traveling between his home and the local railroad, bus, or plane terminal, but he must be paid for all other travel time as a passenger, except any time spent in eating while he travels.
- When non-exempt employees travel as a *passenger* on overnight business, they must be paid for time spent in traveling, except for meal periods, during their **normal working hours** even on their **non-working days**, such as Saturdays, Sundays, and holidays, as well as on their regular working days. They need not be paid for traveling outside those hours, except for any time they might spend in performing duties. The employee must, however, be traveling as a passenger on an airplane, train, boat, bus, or automobile. Additionally, the employee must be able to use this travel time as his or her own "free time" and cannot be performing work for the benefit of the employer. (Any time an employee performs work for the benefit of his or her employer, the employer must compensate the employee for hours worked.)

Convictions/Arrests

Employees who are arrested for an alleged crime must report the arrest immediately to their manager/supervisor and report it to Human Resources Department within one business day of the arrest or prior to reporting for their next shift, whichever is earliest. Convictions (e.g., no contest, found guilty, guilty plea, or withheld judgment) relating to any crime (felony or misdemeanor) must be reported to the Human Resources Department in writing within 24 hours of conviction or prior to the employee's next shift, whichever occurs first.

Abusive Customers

Should an abusive or disrespectful situation arise whereby the customer or vendor makes you uncomfortable, kindly/courteously tell them a manager/supervisor would gladly speak with them about the situation. Contact your manager/supervisor immediately. If a manager/supervisor is not available, the customer shall be referred to Human Resources.

Security

Security is an important element of any business. Anytime you suspect suspicious activity, it should be reported to your manager/supervisor immediately.

Do not permit visitors in restricted work areas without prior authorization from your manager/supervisor. Do not enter our premises at any time you are not scheduled to work unless it has been authorized by your manager/supervisor. Do not take packages from our premises unless approved in advance by your manager/supervisor. This includes material that is thrown away. Do not take anything that does not belong to you.

Participation in any illegal activity will not be tolerated. No weapons are allowed in or on Company property, or in your possession during working hours.

Security Cameras

For safety purposes, non-audio surveillance will be occurring on the premises of each branch location.

Disorderly Conduct

As determined and defined in the sole discretion of management, abusive or profane language, fighting, horseplay, scuffling, interrupting other employees, running, or throwing things on the job is prohibited. Threatening, intimidating, coercing behavior, rudeness, or otherwise interfering with other employees, managers/supervisors, office staff, visitors, or customers at any time is prohibited. Employees shall neither threaten bodily harm towards anyone nor assault anyone on Company or customer property, or on Company time. Disorderly conduct is prohibited. Violation of this policy will result in disciplinary action, up to and including termination.

Smoking/Tobacco Use

Gem State Paper & Supply Company maintains a smoke- and tobacco-free facility. No smoking or other use of tobacco products (including, but not limited to, cigarettes, e-cigarettes or vaping devices, pipes, cigars, snuff, or chewing tobacco) are permitted in any part of Company buildings or in vehicles owned, leased, or rented by the Company. Employees may smoke outside in designated areas at least 25' away from any building entrances during breaks and lunch periods. When smoking or otherwise using tobacco or similar products outside, do not leave cigarette butts or other traces of litter or tobacco use on the ground or anywhere else. No additional breaks beyond those allowed under the Company's break policy may be taken for the purpose of using tobacco or similar products. Dispose of any litter properly in the receptacles provided for that purpose.

Please remember to conform to the smoking or tobacco use policies of our customers when working at a customer's site.

All employees are expected to abide by this policy in all respects while at work, whether on Company premises or at a customer's site, as well as while the employee is off-duty, if the employee is on Company premises or in vehicles owned, leased, or rented by the Company. Being permitted to use tobacco products during breaks is a privilege, as long as such use does not interfere with the employee's work, fitness for duty, or professional appearance. If that privilege is abused, it may be withdrawn altogether.

Searches

Gem State Paper & Supply Company reserves the right to conduct searches and inspections of employees' personal effects or Company property, including but not limited to lunch pails, boxes, thermoses, purses, lockers, desks, personal computer files, cabinets, file drawers, and packages. Employees have no reasonable expectation of privacy as to Company property or personal property brought onto Company property or job sites. Any illegal and unauthorized articles discovered may be taken into custody and may be turned over to law enforcement representatives. Any Company employee who refuses to submit to a search or is found in possession of prohibited articles will be subject to disciplinary action, up to and including termination.

Visitors

All visitors are to check in with the customer service desk before entering any area of any Gem State Paper & Supply Company facility/property. All visitors shall obtain authorization before entering any area. Vendors and official visitors must obtain the approval of Management before entering the warehouse area and must always be accompanied by an employee.

Confidentiality

During the course of employment, employees may have access to confidential information regarding various phases of the Company's business. It is the obligation of all employees to keep any sensitive or private information in strict confidence. Misuse of trade secrets will not be tolerated, and legal action may be taken.

No employee must ever discuss confidential information about any customer or business relations with any unauthorized person in the Company or with anyone outside the Company unless required by law. Credit information is very sensitive and must never be shared or discussed outside the Company.

Confidential information, including **other employees' salary/wages**, must never be discussed, or passed on to anyone unless as part of an employee's job duties. It is Company policy that gossip, idle talk, and detrimental personal information about anyone will not be discussed or passed on to anyone. Workplace concerns should be addressed through the proper chain of command. Non-management staff are allowed to discuss their own wages among other staff, as this is a protected activity.

No public statement or commentary representing the Company in any way may be made without first obtaining approval from the President. Anything seen and/or heard while in the performance of the employee's job should remain confidential. Any Company employee who chooses to not follow this policy will be subject to disciplinary action, up to and including termination.

Fraudulent Statements/Falsifications

The making or publishing of false, vicious, or malicious statements concerning any employee, Gem State Paper & Supply Company, or its products, is prohibited.

Obtaining any Company compensation, wage, or fringe benefit by fraud or falsification of job-related records, such as timecards, medical reports, employment applications, etc., is strictly prohibited and is subject to disciplinary action, up to and including termination.

Moonlighting

Employees shall not engage in activities for personal/financial gain while on the job or on Company property. Performance of work other than Company work during work hours is prohibited. This includes doing personal work on Company time or at the Company using Company tools and equipment.

Outside employment is allowed only if prior approval is obtained from the President. There is no objection to an employee maintaining such an activity, provided it does not compete with the interests of this Company, create a conflict of interest, and/or does not demand so much time and energy that it affects job performance or attendance.

Employees are prohibited from working a second job while on an approved leave of absence or calling off on an unscheduled absence in order to work another job.

Communication Methods

Technology

The Company provides employees with a host of electronic technologies and services, including phones, computers, e-mail, voicemail, fax machines, and Internet services. Employees shall use these technologies and services for business purposes only. Employees have no personal privacy right in anything created, received, or sent on or from Company property, technologies, or services. By accessing these systems, employees expressly waive any right to privacy and further consent to the Company accessing all material created or received therein. Employees are also prohibited from using any technology to view, listen to, or communicate offensive, defamatory, or disruptive content. The Company may periodically audit its systems and technologies to determine whether there is evidence of abuse or misuse. Employees who misuse Company technology will be subject to disciplinary action, up to and including termination.

IT

Gem State Paper & Supply Company's IT department is available to all employees, providing solutions relating to desktop support and other technologies and services provided by the Company.

Ticketing System:

Our IT department has implemented a ticketing system to track, document, and ensure that all IT service requests are completed in a timely manner.

- To request a support ticket, simply send an email with the request to support@gemstatepaper.com and include all pertinent information.
- A support ticket will then be created and assigned to an IT team member who will begin working on the ticket as soon as possible.
- You will receive email updates as your support ticket is being processed, including an update that the ticket is open and an update that the ticket is closed/resolved.

Telephone Usage and Etiquette

It is important to remember that when someone calls to speak with you, they can only draw impressions about you from your voice, tone, and manner. You should always be professional, courteous, and speak clearly for exceptional service on the phone.

Telephone etiquette guidelines:

- Be professional and courteous in all conversations.
- Speak at a moderate rate of speed so the caller may understand you.
- Answer the telephone promptly. Prompt answering helps build a reputation of service for you and the Company.
- Identify yourself by name.
- Give the caller your full attention.
- If you must walk away from the call, ask for permission to place the caller on a brief hold and upon returning, thank the caller for waiting.
- Use the caller's name during the conversation.
- Thank them for calling.

Our telephones are for business purposes. Excessive personal calls on Company phones during the workday can interfere with employee productivity and can be distracting to others. Employees should limit personal use of phones to very short conversations, or for emergencies that may come up. Please use phones during scheduled breaks or lunch periods.

Voicemail

While our voicemail system is designed to increase productivity, it is expected that you will treat employees with respect when leaving messages. Please do not leave curt or last-minute messages for anyone. Do not use the voicemail system to "hide" from coworkers or customers. If you are at your desk, you are generally expected to answer your phone.

Generally, the voicemail system is not to be used for personal messages such as soliciting contributions for your favorite charity, arranging for work get-togethers or the like.

A personal password will be assigned to each voicemail user; please do not give it out to anyone. The passwords may be changed to maintain security. Messages may be randomly monitored to determine whether any outsiders are using the system, or whether any violations of Company policy have occurred. There is no expectation of privacy in the use of the Company voicemail system; the Company reserves the right to monitor it.

Cell Phones

Gem State Paper & Supply Company's cell phone policy is as follows:

1. General use at work: While at work, employees are expected to exercise the same discretion in using personal cell phones as they use with Company phones. Excessive personal calls during the workday, regardless of the phone used, can interfere with the employee productivity and be distracting to others. Employees are expected to restrict personal calls during work time and shall use personal cell phones only during scheduled breaks or lunch periods. This also includes texting, watching movies, social media, etc. on cell phones.
2. Use while driving: The Company prohibits employee use of cell phones or similar devices

for Company-related purposes while driving. This prohibition includes receiving or placing calls, text messages, surfing the internet, receiving, or responding to email, checking phone messages, or any other purpose related to Company employment. Employees must stop their vehicles in safe locations to use cell phones.

3. Personal use of Company-owned cell phones: The Company may issue business cell phones to employees for work-related communications only. Employees in the possession of Company equipment (including cell phones) are expected to protect the equipment from loss, damage, or theft. Nothing personal should be stored on Company phones. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the cell phone for return or inspection.

Internet

Gem State Paper & Supply Company currently monitors all company server, system and computer activity, and employees have no reasonable expectation of privacy of anything stored, received, or used on Company property or system.

The use of the Internet for surfing through websites that have little to no business benefit is prohibited. The use of the Internet is a privilege extended to those who will use it wisely to benefit the Company.

Pornography, social websites, social media, harassing material, etc. are prohibited on the Company network and any Company-owned electronic device.

Downloading material from the Internet to any Company computer is prohibited. If material must be downloaded from the Internet for business reasons, please be cautious and forward any suspicions to the IT Manager.

E-mail Etiquette

How you communicate has a direct effect on the Company's success and reputation. Here are some suggestions and basic guidelines for you to remember when composing and sending emails:

- Generally, sensitive information is not to be sent via email. Similarly, if you have outside access to email through a modem, you are not to send a message to your manager/supervisor that you are going to be absent that day. Instead, you need to comply with Company policy and have verbal communication with your manager/supervisor about your inability to work that day.
- Always be professional. Remember that emails sent through the Company's property are just that, Company property. They are not private and can be retrieved even after they have been deleted. While you may have a personal, private password, the IT Manager has access to all email messages to ensure compliance with Company policy.
- Do not compose anything that you would not say verbally to the recipient in a business conversation.
- Proofread the email before you hit the send button. Poor grammar and spelling errors reflect poorly on you.
- Do not compose emails when you are angry or upset. Take some time to cool down first and compose a draft before sending.

- Avoid using abbreviations and slang – these informalities can lead to misinterpretation from your recipient.
- Be clear and concise in your language.
- Avoid sending long emails. If a matter requires lengthy explanation, compose a formal memorandum, and attach to your email.
- Do not use email to correct a personnel issue. A phone call is often timelier and more efficient.
- Business emails should never be forwarded or copied to personal email addresses.
- The Company email system is not to be used for distribution or solicitation of charitable requests, commercial ventures, chain letters, pornographic images, political, or harassing material.

Company policies apply to the use of the voicemail and email systems. For example, Company policies concerning courtesy, solicitation, harassment, and reporting absences all apply. Employees who fail to comply with the voicemail, email, or other Company policies are subject to discipline, up to and including termination.

All messages sent through email are the property of the Company. You waive any right to privacy in email messages and consent to allow examination of email messages by Company representatives authorized to do so by the President.

Company/Business Bulletin Boards

Important Company notices and items of general interest are periodically posted on our bulletin boards. Employees should make it a practice to review them frequently. This will assist you in keeping up with what is current at your location. Please do not post or remove material unless otherwise approved by the President.

Employee/Personal Bulletin Boards

An employee personal bulletin board has been provided in each location for the solicitation communications of fundraisers, classifieds, proud parent moments, etc. Please do not post anything offensive or derogatory. If you need to know where these bulletin boards are located, please contact your manager/supervisor.

Data Security

Information is one of our Company's most valuable assets. Our Company relies on information and information processing to conduct its business and make important decisions. It is vital to the success of the Company that this information be accurate, reliable, confidential, and safe. All employees use information in their daily work. Our data security policy applies to all information from written reports to computer files.

All information, including computerized information, is a corporate asset. Protection of corporate assets is a basic business principle. Accordingly, steps will be taken to protect information from accidental or intentional misuse or destruction. All equipment, software, and data are property of our Company and will be treated as such.

Anyone violating software copyright laws (i.e., copying Company-purchased software for personal or unauthorized business use) or introducing unapproved software or data on Company

equipment, shall be subject to disciplinary action, up to and including termination.

Social Media/Networking

At Gem State Paper & Supply Company, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends, and coworkers. However, use of social media presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established the following guidelines:

Personal activities, whether on or off duty, that affect performance, are inconsistent with Company values or policies, or that might affect the Company's business interests/reputation are a proper focus for company policy. Employees are expected to exercise personal responsibility and respect whenever they participate in social media, whether on or off duty and regardless of whether using company or personal property.

Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates, or otherwise adversely affects customers, suppliers, or people who work on behalf of Gem State Paper & Supply Company, may result in disciplinary action, up to and including termination.

Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web page or blog, journal or diary, personal website, social networking, web bulletin board, or chat room, whether or not associated or affiliated with Gem State Paper & Supply Company, as well as any other forms of electronic communication.

Respect others when using social networks. You have the sole responsibility for what you post. Un-tag embarrassing photos. Change privacy settings to limit access by third parties. Anything referencing the Company, or its workforce should add value. Social networks should not be used for internal communications among and/or about fellow employees. Employees are prohibited from using social networks while on work time unless as part of your assigned and preapproved job duties on behalf of the Company (e.g., marketing). Employees have no reasonable expectation of privacy in using Company resources. Furthermore, the Company reserves the right to monitor employee use of social media regardless of location (i.e., at work on a Company computer or at home on personal time).

Anything you post or publish online must be factual. Use your best judgment when making posts. Failure to comply with this policy will result in disciplinary action, up to and including termination and legal action.

Personal and Workspace Appearance

Dress Code and Personal Hygiene

The success of the Company depends, in a large measure, upon the image we present to our customers and the public. During business hours or any time in which you are representing Gem State Paper & Supply Company (includes wearing company branded apparel) employees are required

to maintain a neat, clean, and professional appearance. Personal dress and hygiene should not be disruptive or distracting to other employees, violate Company standards, or pose unsafe working conditions. Regular bathing is a key aspect of personal hygiene that supports overall health and fosters a positive work environment.

Professional appearance includes:

- Business or business casual dress
- Clean, pressed (if applicable), and properly fitted clothing
- High standard of personal hygiene and grooming

Appropriate dress guidelines:

- Undergarments shall not be visible.
- Dresses, skirts, and shorts are required to be sufficient in length so that you can bend over or sit comfortably.
- Shoes are required to be professional, clean, and polished (if applicable). Open toed footwear is prohibited in the warehouse.
- Dark blue jeans are acceptable (heavy distressed/ripped not acceptable) when worn with a company branded or appropriate business casual shirt.
- Sweats are prohibited.

Personal hygiene and grooming guidelines:

- Clothing will be kept clean without wrinkles and/or objectionable odors.
- Do not wear clothing and/or accessories that could contribute to accidents around machinery, trucks, forklifts, or office equipment.
- Employees should never wear anything offensive or unprofessional. Ask your manager/supervisor before wearing it if you are uncertain.
- Visible body piercings and tattoos are to be professional and in good taste as determined by managers/supervisors.
- Employees should bathe regularly to maintain cleanliness and comfort
- Use deodorant / anti-perspirant to minimize body odors.
- No heavily scented perfumes, colognes, and lotions will be permitted. These can cause allergic reactions, migraines, and respiratory difficulty for some employees.
- Fingernails are to be kept neat and clean.
- Hands must be washed before and after eating or using the restroom.
- Hair must be kept groomed and clean.
- Facial hair must be neatly trimmed and clean.

Gem State Paper & Supply Company has many departments. During certain times of the year or when there is inclement weather, some dress code policies can change. Our goal is to create an environment where our employees can dress professionally and comfortably while still maintaining the highest standards possible for our customers. It is a manager's/supervisor's discretion to make good business judgment on the Company dress and hygiene code. Managers/supervisors will enforce the dress code and appearance of all employees. If a manager/supervisor requests a change for any reason, the employee must comply or disciplinary action, up to and including termination, will be taken.

Company Uniforms

Certain departments may be required to wear a Company provided uniform. Uniforms must be kept clean and neat. Once a uniform is showing wear and tear, it must be returned to the department manager/supervisor and a replacement will be provided at the manager's/supervisor's discretion.

Company Branded Apparel

Employees can order company branded apparel if desired. Gem State Paper & Supply Company will cover ½ of the cost of the branded apparel (shirts and jackets appropriate for work) up to \$100 per calendar year. The cost of all other gear will be the employee's full responsibility. Payment will be deducted from payroll, or there is an option to pay separately. All branded apparel needs to be white, gray, or black in color to align with Company branding. To place orders, please contact Human Resources.

Upon termination, resignation, or retirement from Gem State Paper & Supply Company, employees may be required to turn in any Company branded apparel on their final day of employment. If they are not returned, the value may be deducted from the employee's final payroll pursuant to the signed Authorization to Deduct form submitted to the extent permitted by applicable law.

Employees are expected to act professionally and respectfully when wearing branded apparel, whether off or on duty, in line with the company's respectful workplace policy.

Workstation Maintenance

Workstations are to be kept clean, neat, and uncluttered. It is up to each manager's/supervisor's discretion to approve personal radios, audio playing devices, headphones, etc. in the work areas if it does not disrupt the work environment, impede safety, or interrupt business operations.

Work Schedules and Timekeeping

Attendance and Punctuality

Company business hours are 8:00am-5:00pm, Monday-Friday. Each employee is required to follow a schedule that, at a minimum, meets the business day requirements. Exception: warehouse employees working night shift. Each employee will be given a work schedule by their manager/supervisor. Work hours for each employee are subject to change if workload permits and with the manager's/supervisor's authority.

Employees are expected to report for work on time on a regular basis. Absenteeism is expensive, disruptive, and places an unfair burden on other employees. Tardiness and unsatisfactory attendance will result in disciplinary action, up to and including termination.

Additionally, unpaid time off is only granted subject to a leave request. Failing to show up for work without any earned PTO to cover the time off and without obtaining special pre-approval is not permitted.

Employees must notify their manager/supervisor by phone or text two hours prior to their shift if they are ill or unable to fulfill their job duties for any reason. Authorized absences must be entered into the timekeeping system, Paylocity.

"Tardy" is defined as reporting to work after the required reporting scheduled time. All employees are to be at their workstations on time. Abuse of this policy will result in disciplinary action, up to and including termination.

Exceptions to this policy may apply to employees on approved military leave, family medical leave or jury duty. Employees who do not show or call for one workday will be deemed to have resigned.

Contagious Illness Policy

We ask all employees to cooperate in taking steps to reduce the transmission of contagious illness in the workplace. To keep staff and customers safe, it is critical that employees do not report to work when they are ill and/or experiencing symptoms consistent with a contagious illness (e.g., flu, COVID-19, a cold). Please see CDC.gov guidelines or your healthcare provider for more information about symptoms related to various contagious illnesses. The Company provides paid time off benefits to compensate employees who are unable to work due to illness. Please see employee benefit policies. Employees who report or continue to work ill will be sent home and will be charged paid time off benefits for time not worked. If paid time off benefits have been exhausted or not yet earned, the time off will be unpaid for non-exempt staff and unpaid for exempt staff in full day increments. Employees who knowingly work with a contagious illness place the safety of others at risk, and therefore may be subject to disciplinary action, including termination. Please do your part to protect yourself and others from the workplace spread of infectious illnesses. As the situation may warrant, management reserves the right to require a COVID-19 test and/or a doctor's release prior to an employee returning to work.

Children in the Workplace

Employees are welcome to bring their children to visit the workplace, provided that the visits are infrequent and planes in a fashion that limits disruption to the workplace. While children are in the workplace, they must be directly supervised by the guardian/parent. If the frequency, length, or nature of the visits become problematic, or child becomes disruptive to the workplace, the employee will be advised of the situation and will be expected to take corrective action and/or the privilege revoked. Permission must be granted by your supervisor before bringing the child in.

Children are not allowed in high-risk areas such as warehouses, high traffic areas or in customer facing locations.

Employees are not permitted to bring ill children to work. This policy is not to be utilized in lieu of a childcare arrangement. Employees are provided a generous amount of PTO that can be used to care for a child

Any employee who violates this policy may lose the privilege and be subject to disciplinary action up to and including termination.

Non-exempt Staff - Lunch Periods

Lunch periods are scheduled by each manager/supervisor as operations allow. The manager/supervisor must approve any changes to the schedule. No non-exempt employee can forgo their lunch period to obtain overtime for the week. Lunch periods are off duty periods and must be taken away from the workstation; disciplinary action will be taken if this policy is abused. Lunch periods for non-exempt employees will be unpaid when the period is at least 30 minutes in duration and no active or passive duties are performed. Non-exempt employees shall not perform any duties while off the clock on an unpaid lunch period. Gem State Paper & Supply Company requires each driver to take at least one 30-minute meal period during their workday.

Leaving your workstation, sales territory, or Company property during work hours or prior to your scheduled stop time without permission from your manager/supervisor is prohibited. Violation of this policy will result in disciplinary action, up to and including termination.

Rest Periods – Non-Exempt Staff

Although not required by law, non-exempt employees are typically permitted a 15-minute paid rest break for each four-hour work period. Breaks are not permitted at either the beginning or end of the workday to offset arrival and departure times. Employees who voluntarily work through their rest breaks will not be paid additional compensation.

Managers/supervisors are responsible for the scheduling of rest periods. Employees who fail to return on time from breaks will be subject to disciplinary action and potentially docking of pay for time missed.

Lactation (Expressing Breast Milk)

The Company will provide an employee with lactation break times as requested to express breast milk for her nursing child up to one year after the child's birth. The Company will also provide a place, other than the Company restroom, that is shielded from view and free from intrusion from co-workers and the public, which may be used by an employee to express breast milk. Employees may also opt to express breast milk in their own private office, but may not do so in a public place, including unenclosed cubicles. Exempt employees will not receive a salary deduction for lactation breaks. Non-exempt employees will not be compensated for this time (unless the lactation break occurs within a scheduled paid break offered under company policy) and therefore shall clock in and out when taking a lactation break and perform no duties while off the clock. The Company is not obligated to allow the employee to make up time either before or after work to cover this time off. As with any break, unauthorized use of this time off will result in disciplinary action. An employee who intends to express milk during work hours must give HR written notice of her intention to do so in order to allow the employer adequate time to make the preparations necessary for compliance.

Business Travel

Employees who are on business travel representing the Company shall act in a professional business manner and are expected to follow the policies and rules of this Company manual. Alcohol consumption is prohibited. Violation of policies will result in disciplinary action, up to and including termination.

Meal Allowances

Expense money is provided to employees who require food and accommodations while performing work at business-related events. Funds are provided to ensure that adequate meals and lodging are available. Expense money that is issued, but unused, must be returned to the Company immediately upon return from travel. Expense money is not to be used for deluxe accommodations, luxurious meals, or alcohol. Employees are not authorized to use Company expense money for personal use. Employees will only be reimbursed up to \$50 per day for meals when traveling for business. The company will not reimburse for any alcohol.

Overnight Accommodations

For business-related events or out-of-town delivery routes that require an overnight stay, employees will be given suggestions of recommended hotels with rates approved by Gem State Paper & Supply Company. In most cases, Gem State Paper & Supply Company will be billed directly by the hotel. You will be notified if this is not the case.

Business Expenses

Due to the nature of our business, there will be times when expense money will be needed. Employees are to contact their manager/supervisor to request expense money for a business-related expense. Any transactions involving Company expense money or reimbursement by Gem State Paper & Supply Company must be documented. A Reimbursement/Expense Report and all unused monies along with all itemized receipts and documentation must be returned to the Company for approval. Reports that are not received within 30 days will not be reimbursed. These expenses can include mileage, meals, supplies, etc. Employees violating the purpose and policies relating to expense money will be subject to disciplinary action, up to and including termination and possible legal action.

Credit Cards

Credit cards and charge accounts are to be used for Company business only. Employees must have prior authorization for use of credit cards and charge accounts. Credit card statements must be returned to Accounts Payable within 72 business hours from when Accounts Payable sends the email out with correct expense codes listed and itemized receipts for each transaction attached to the statement. Upon termination of employment, credit cards are to be returned, in person, to your supervisor or Human Resources. Immediately notify your manager/supervisor of any lost or stolen credit card.

Mileage

Salaried and commissioned outside salespeople who receive monthly mileage reimbursement on the 10th of each month must turn in their monthly mileage to Accounts Payable no later than the 4th of each month.

Misappropriation

Misappropriation such as the unauthorized use or taking of Company, employee, client, or third-party services, facilities, or property is prohibited.

Compensation

Payday

Payday at Gem State Paper & Supply Company is on the 15th and last day of each month. If a regularly scheduled payday falls on a holiday or weekend, employees will receive pay on the preceding business day.

Salaried and commissioned outside salespeople are paid on the 15th and last day of each month. Commissioned salespeople are paid based on the previous month gross margin totals for their account base. Salaried salespeople are paid based on an agreed base salary at time of hire for employment. Any questions concerning salary or commissions must be addressed to the VP of Sales or Human Resources in the corporate office in Twin Falls, Idaho.

Timekeeping – Non-Exempt Staff

Accurately recording time worked is the responsibility of every hourly or salaried non-exempt employee. Federal and state laws require Gem State Paper & Supply Company to keep an accurate record of time worked to calculate employee pay and benefits. Time worked is all the time spent on the job performing work for Gem State Paper & Supply Company.

Please keep in mind that time worked is all the time spent performing job-related duties. Non-exempt employees are required to accurately record the time they begin and end their work, including before and after meal periods and any other departures from work. Non-exempt employees are not allowed to perform any work outside of Company time. This should be submitted as instructed by your supervisor so that all your wages are accurately paid. To fulfill our legal obligations and to protect your wage tracking, altering and/or tampering with time records or recording time on another employee's time record is not allowed. It is the employee's responsibility to review their timecard and promptly report any timecard errors to their manager/supervisor or Human Resources by email so it can be corrected in Paylocity. Employees must clock out if they leave the premises for non-business functions.

Altering, falsifying, or tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination.

All employees must verify their time record to ensure the accuracy of all time recorded. Managers/supervisors will review and then approve the time record before submitting for payroll. In addition, if corrections or modifications are made to the time record, both the employee and the manager/supervisor must verify the accuracy of the changes.

An employee may, with the permission of their manager/supervisor, take off a few hours from work and make up time by working beyond the regular work schedule. This make-up time must be in the same week that the absence occurred, thus fulfilling a 40-hour week.

Timekeeping – Exempt Employees

Exempt employees, including commissioned and salaried outside salespeople, are not required to keep track of their time worked. Paid time off, FMLA, and/or any other leave must be tracked in the Company's payroll system. A timecard may, however, be requested by managers/supervisors at any time. Failure to submit a record of time will result in disciplinary action, up to and including termination.

Overtime – Non-Exempt Staff

The workweek for payroll purposes is Monday-Friday. Occasionally, circumstances may require that the employee work more than 40 hours during the workweek. Each non-exempt employee will be paid time and one-half the regular rate for hours worked more than 40 hours per week. Their manager/supervisor must approve overtime in advance. Unauthorized overtime will be subject to disciplinary action, up to and including termination.

We are required by the Federal Wage-Hour Law (Fair Labor Standards Act), to maintain an accurate accounting of all regular hours worked and all hours more than 40 hours per week for non-exempt employees. According to the Federal Fair Labor Standards Act (FLSA), only actual hours worked are computed for purposes of determining hours worked for overtime calculation. In other words, it is not necessary to count PTO, holiday time, or any other time for which you are compensated but do not actually perform work when computing hours worked in a workweek.

Overtime pay does NOT apply to employees who meet the criteria of being an exempt employee.

Managers/supervisors may authorize overtime work in emergency circumstances. In a non-emergency, the manager/supervisor must authorize overtime work in advance.

Non-Emergency Overtime: These are situations where overtime is the best way to make

necessary staff available to handle a particular situation, such as to perform work which cannot be performed during normal work hours without disrupting necessary activities or services.

Emergency Overtime: These are adverse circumstances such as the unexpected absence of an employee, the need to immediately perform an unexpected work volume, or other unforeseeable situations.

Garnishments

Gem State Paper & Supply Company follows all laws for garnishments. Garnishments will be withheld from an employee's paycheck in accordance with state law. An administration fee may be assessed to each garnishment notice per paycheck by Gem State Paper & Supply Company as permitted by applicable law.

Benefits

Health Insurance

Health, dental, vision, and voluntary life insurance benefits are available to all full-time, regular employees the first of the month following their initial 60 days of employment. The monthly expense for this program is shared between the employee and the Company. Please contact Human Resources for plan details.

As an additional benefit, various supplemental insurance policies will be handled upon request from employees for specialized supplemental insurance. Gem State Paper & Supply Company does not participate in any cost sharing on supplemental insurance programs. We do allow for payroll deductions for monthly premiums. Please contact Human Resources for further information.

COBRA

The Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the Company's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Employee Assistance Program (EAP)

Gem State Paper & Supply Company has elected to offer an Employee Assistance Program to all employees at no cost. From legal assistance to dependent care resources, identify theft to home ownership assistance, and even counseling and crisis help, our EAP is just a call or click away.

Need help? Call 1-800-624-5544.

Or go to eap.ndbh.com

For more information, contact Human Resources

Wellness Program

As a benefit, Gem State Paper & Supply Company offers a wellness program to incentivize employees to stay healthy and active. This benefit includes a \$15 monthly reimbursement for any gym membership of choice. The Company will also reimburse ½ of the initial signup fee up to \$40. To participate in this program, contact Human Resources.

Community Service Benefit

Gem State Paper & Supply Company has been established for over 75 years, and in that time, we have prided ourselves on being involved in our communities and giving back when possible. To provide our employees the same opportunity, we have implemented a program that allows our employees to work for a charity or a cause that is important to them while being compensated. The Company will allow regular full-time employees to take up to 8 hours per calendar year to work for a local charity with pay. If the service does not require an entire 8- hour absence, you will be asked to work during the time you are not working for your charity.

Some examples of service organizations in which you can volunteer include soup kitchens, Relay for Life, Paint Magic, reading to children within the school district, United Way, etc. To participate in this benefit, contact Human Resources for a request form.

Defined Contribution Plan (401k)

As a benefit to employees in planning for retirement and long-term financial security, Gem State Paper & Supply Company offers a 401(k) Retirement Plan to eligible employees subject to certain qualifications and limitations. The 401(k) plan is set up as auto enrollment for employees meeting the following requirements.

Eligibility:

You are eligible to join the plan if:

1. You are at least 21 years of age
2. You have completed at least one year of service with the Company
3. You have 1,000 hours of full-time status

Salary Deferral: You may choose to contribute from 1% to 15% of your pay each pay period toward your 401(K). Your taxable income is reduced by the amount you contribute through salary deferral. This lets you reduce your current federal and state income taxes. The IRS may also limit your maximum deferral percentage and/or dollar amount.

As a benefit, Gem State Paper & Supply Company will match 50% of the first 4% of pay you contribute to the plan through salary deferral, with a maximum match of 2%. The percent of matching contributions provided by Gem State Paper & Supply Company is subject to change each year and/or upon written notice, as approved by the board of directors.

You may stop making salary deferral contributions at any time. You may also change the salary deferral amount quarterly by completing the appropriate change form. Upon termination of employment, 401(k) accounts should be rolled over to another account or cashed out within 60 days. Should there be \$5,000 or more in your 401(k) it can be left as is.

This was a summary of the 401(k) Retirement Plan available. Please contact Human Resources for a

complete description of the plan. Summary plan documents control the terms of this plan.

Life Insurance

As a company-sponsored benefit, a \$10,000 life insurance policy is provided to all full-time, regular employees, at no additional cost to employees.

Holidays

Gem State Paper & Supply Company currently offers 6 paid 8-hour holidays per year for regular full-time, non-exempt employees. Exempt employees will receive a continuation of their salary for holiday closures unless they are on unpaid leave. Full-time non-exempt employees will only be paid for the designated holidays if they are normally scheduled to work on that day of the week. The maximum number of paid hours per holiday will not exceed 8 hours. Employees on unpaid leave of absence are not eligible for holiday pay.

These paid holidays are as follows:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Gem State Paper & Supply Company currently offers 7 paid holidays per year for regular full-time, exempt employees. Exempt employees receive a continuation of their salary for this holiday unless they are on unpaid leave of absence. Commission full-time salespeople receive the holiday as an unpaid holiday.

These paid holidays are as follows:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Black Friday (day after Thanksgiving Day)
- Christmas Day

Company Closures

At times Gem State Paper & Supply Company chooses to close i.e., the day after Thanksgiving Day. The pay schedule is as follows:

1. Non-exempt (hourly) employees will not be paid for any time not worked, unless accrued time off is submitted in advance to the timekeeping system and applied in lieu of time not worked.
2. Exempt employees (salaried) will receive continuation of their pay for the day of closure if they are ready, willing, and able to work and not on unpaid leave of absence.
3. Commissioned salespeople will not be paid for the day of closure.

Paid Time Off (PTO)

Note: Gem State Paper will move from vacation/sick to PTO starting January 1, 2026. This policy will

replace the current vacation and sick leave policies. To help staff transition to this new PTO policy, 40 hours of earned PTO will be placed in all employees' PTO banks on 1/1/26. This is a one-time benefit. Thereafter, PTO will accrue and be earned in accordance with the below policy throughout 2026 and beyond. Additionally, employees' existing sick leave accruals as of 12/31/25 will be moved to their PTO bank effective 1/1/26. This means that prior sick leave amounts may be used for any purpose in accordance with the PTO policy.

Purpose

Gem State Paper recognizes that employees have diverse needs for time off from work and, as such, Gem State Paper has established this paid time off (PTO) policy. The benefits of PTO are that it promotes a flexible approach to time off by combining vacation, sick and personal leave. Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness or disability, appointments, emergencies, or other situations that require time off from work.

Eligibility

Eligible employees must be a regular full-time employee, working more than 30 hours per week on a regular basis. Part-time employees are not eligible to accrue PTO. PTO begins to accrue (accumulate) per pay period upon hire or transfer into a benefits-eligible position.

Procedures

Availability to Use/Earned PTO

PTO begins to accrue with the first pay period; however, it is not considered earned or available for use until the pay period following the completion of 60 days of continuous employment. Thereafter, PTO is earned and available for use as it continues to accrue each pay period.

Accrual and Payment of PTO

Non-exempt employee accruals are based upon paid hours up to 2,080 hours per year, excluding overtime. Exempt employees will be assumed to work 40 hours per week (minimum 2080 hours annually) for purposes of this policy. The length of service determines the rate at which the employee will accrue PTO. PTO does not accrue when an employee is on unpaid leave. Employees become eligible for the higher accrual rate on the first day of the pay period in which the employee's anniversary date falls.

Full-time accrual rates:

Years of Service	Accrual Rate per Semi-Monthly Pay Period	Maximum Annual PTO Accrual*	Maximum Accrual Cap**
Less than one year	3 Hours	9 Days (72 Hours)	9 Days (72 Hours)
1-5 years	5 Hours	15 Days (120 Hours)	30 Days (240 Hours)
5-10 years	7 Hours	21 Days (168 Hours)	35 Days (280 Hours)
More than 10 years	8 Hours	24 Days (192 Hours)	40 Days (320 Hours)

*Annual PTO accruals are based on an employee having 2,080 paid hours per year (40 hours per week).

**No PTO hours will accrue beyond the maximum accruals listed.

Carryover

Employees are allowed to carryover all unused PTO from one year to the next up to the maximum

cap set forth above. Once the maximum cap has been reached, no further PTO will be accrued until it drops below this cap. Please remember that this maximum cap includes converted sick leave to PTO, the one-time 40-hour PTO benefit, and all other PTO that accrues throughout the year.

Use and Scheduling of PTO

Employees are required to use available PTO when taking time off from work except for military leave. Non-exempt staff may take PTO in increments as low as one hour. Exempt employees must take PTO in 4-hour or 8-hour increments. If an exempt employee works two hours or less in a workday, the employee must report one full day of PTO on their time report. Exempt employees who work only one half of the regularly scheduled workday, must report one-half day of PTO on their time report.

Whenever possible, PTO must be scheduled in advance. Unless taken as part of an approved protected leave, PTO is subject to supervisory approval, department staffing needs and established departmental procedures. Unscheduled absences will be monitored. An employee will be counseled when the frequency of unscheduled absences adversely affects the operations of the department. The supervisor may request that the employee provide a statement from a health care provider concerning the justification for an unscheduled absence.

When PTO is used, an employee is required to use PTO hours according to their regularly scheduled workday. For example, if an employee works a six-hour day, the employee must request six hours of PTO when taking that day off. PTO is paid at the employee's straight time rate. PTO is not part of any overtime calculation.

Employees may not borrow against their PTO banks; therefore, no advance PTO will be granted. Commissioned sales employees will receive unpaid time off for PTO; they are not eligible for paid PTO.

PTO Payout Upon Employment Separation

To be eligible for PTO payout upon separation of employment, employees must provide a minimum of two weeks' written notice of their resignation from the company. Vice Presidents, Directors, and Account Executives must provide a minimum of four weeks' written notice of resignation. Absent extenuating circumstances, failure to provide the required notice will result in no payout of unused PTO.

Employees who provide the required notice will receive a payout of up to 80 hours of their accrued PTO balance upon separation from employment

Vice Presidents, Directors, and Account Executives will receive a payout of up to 160 hours of their accrued balance if they provide the required notice of separation.

Employee Purchases

Employees may purchase Company products at a 10% mark up from cost. Discounts can only be used for personal use. Employee discounts are considered a fringe benefit, and any abuse of this policy will result in the cancellation of this privilege. Employees must pay at the time of purchase. Retired employees may keep their cost plus 10% discount with the approval of the company President.

Educational Assistance Program

Gem State Paper & Supply Company provides you with educational assistance to further your formal education.

This program will allow employees to receive up to \$500.00 per calendar year to pay for courses,

books, supplies, etc. This benefit is subject to signing a separate Educational Loan Agreement. All requests to participate in the program must be submitted in writing to Human Resources (via email is fine) for approval by the President. The request should include a statement itemizing your expenses (to include tuition, books, and other required material for your courses).

If you are granted assistance from the Educational Assistance Program from the Company, you must receive a minimum GPA of 3.0. If you earn a GPA less than the minimum requirement, withdraw from the course, or discontinue employment prior to the completion of the course, you will not be reimbursed.

If you are a full-time employee, you are eligible for the maximum assistance. If you are scheduled to work 20 hours or more and less than 40 hours, you are eligible to receive assistance at a pro-rated amount that is adjusted by the percentage of your full-time equivalent calculation.

Upon completion of the degree program, your educational degree can be added into Paylocity. Please notify Human Resources upon completion of your degree program for assistance.

Employees who take advantage of this program will be required to sign a loan agreement stating that if they resign or terminate up to 24 months after they graduate, they will reimburse the Company for any funds distributed and sign an authorization form authorizing the Company to withhold the education funds from their final paycheck.

Retirement

Upon retirement from Gem State Paper & Supply Company, employees are eligible to receive a check that is equal to \$100 for each year of service completed as a token of appreciation for the hard work and dedication contributed to the Company.

Employee Referral Bonus Program

Gem State Paper & Supply Company encourages employee referrals for positions within the Company. We believe in hiring individuals who have been referred by employees who know the type of quality individuals for which we seek.

Employees who refer individuals to join Gem State Paper & Supply Company will be paid a total of \$1000.00 based on length of service of the referred employee hired. The bonus disbursement schedule is as follows:

- \$500.00 payout upon completion of 90 days of service by referred employee
- \$500.00 payout upon completion of 180 days of service by referred employee

Bonuses, less applicable withholdings, will be paid with the payroll corresponding to the disbursement schedule. Participants must be actively employed with Gem State Paper & Supply Company at the time of bonus disbursements to be eligible for payout.

Absences

Other than for FMLA or other preapproved protected leaves, your manager/supervisor must give approval for all absences. All absences must be recorded in Paylocity and will be transmitted to

Human Resources once approved by the manager/supervisor. PTO must be used for any time off from work unless the absence is due to military leave. Employees may not take time off unpaid in lieu of using paid benefits.

Military Leave

If you require time off from work to fulfill military duties, you will be treated in accordance with applicable requirements of state and federal laws. You are expected to notify your manager/supervisor and provide a copy of your orders as soon as possible.

An eligible employee who provides advance written or oral notice of reserve training or military service will be granted an unpaid military leave of absence for up to 5 years. During your military leave of absence, your benefit coverage will be the same as for any other employee on an unpaid leave of absence. Medical coverage may be continued based on the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Employees will be permitted to use any PTO that had accrued before the beginning of their military service in lieu of unpaid leave, but they are not required to do so.

For short-term military leave of up to five days, the Company will pay the employee's time.

Unscheduled Absences

Employees must notify their manager/supervisor by phone or text at least two hours prior to shift if they will not be to work due to an unscheduled absence (e.g., illness or injury). A time off request must be submitted in Paylocity once the employee returns to work. Employees with PTO remaining must use PTO for these days off unless it is for military leave.

No Call/No Show: Employees who do not show or call for one workday will be deemed to have resigned.

Family and Medical Leave Act

Note: This policy is an overview of FMLA. For specific details, please contact Human Resources.

Employees are eligible to receive FMLA time off if they have worked for at least one year and for 1,250 hours over the previous 12 months.

Basic Leave Entitlement

The Company will provide eligible employees with up to 12 weeks of unpaid, job-protected leave in a 12-month period (a rolling 12-month period is used measuring backward from the date an employee uses any FMLA leave) for the following reasons:

- For incapacity due to pregnancy, prenatal medical care, or childbirth.
- To care for the employee's child after birth or placement for adoption or foster care.
- To care for the employee's spouse, son, or daughter (under the age of 18 unless incapable of self-care), or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Total leave for employee spouses is limited to 12 weeks combined if the leave is taken for the birth, adoption, or foster care of a child or to take care for a sick parent.

FMLA leave may be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations.

FMLA leave must be taken in one consecutive block of time for parental leave.

Definition of Serious Health Condition

A serious health condition means an illness, injury, impairment, or physical or mental condition that involves either:

- Any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility, and any period of incapacity or subsequent treatment in connection with such inpatient care.

Or

Continuing treatment by a health care provider which includes any period of incapacity (i.e., inability to work, attend school, or perform other regular daily activities) due to:

1. A health condition lasting more than three consecutive calendar days and any subsequent treatment or period of incapacity relating to the same condition that also includes:
 - a. Treatment two or more times within 30 days by or under the supervision of a health care provider and the first treatment must occur seven days from the first day of incapacity; or
 - b. Treatment by a health care provider one time with a continuing regimen of treatment.
2. Pregnancy or prenatal care.
3. A chronic serious health condition which continues over an extended period, requires periodic visits (at least twice a year for the same condition) to a health care provider, and may involve occasional episodes of incapacity (e.g., asthma, diabetes). A visit to the health care provider is not necessary for each absence.
4. A permanent or long-term condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, terminal cancer). Only supervision by a health care provider is required, rather than active treatment; or
5. Any absences to receive multiple treatments for restorative surgery or for a condition which would likely result in a period of incapacity of more than three days if not treated (e.g., chemotherapy or radiation treatments for cancer).

Military Family Leave Entitlement

Eligible employees with a spouse, son, daughter, or parent on covered active duty or call to covered active-duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees who are the spouse, son, daughter, parent, or next of kin to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is 1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness; or 2) as well as a Veteran who was discharged or released under conditions other than dishonorable at any time during the five-year

period prior to the first date the eligible employee takes FMLA leave to care for the covered Veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness incurred in the line of duty while on active duty that renders the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; is in outpatient status; or is on the temporary disability retired list. Regarding Veterans, the FMLA caregiver leave may be taken up to five years after the Veteran ends active duty.

Benefits and Protections

During FMLA leave, the employer will maintain the employee's health coverage under any group health plan on the same terms as if the employee had continued to work. If the employee chooses not to return to work for reasons other than a continued serious health condition or circumstances beyond the employee's control, the Company will recover from the employee the premium that was paid for the employee's health coverage from the employee's final paycheck. If the final paycheck does not cover the premium due, the employee shall be required to remit the balance due upon separation of employment.

Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Unless on military leave or receiving STD/LTD or workers' compensation benefits, employees must use earned PTO concurrently with FMLA leave. If the accruals are less than 12 weeks, the employee may take the rest of the FMLA time off as unpaid leave.

Employees will continue to accrue PTO while utilizing their PTO. However, they will cease to accrue PTO during the unpaid portion of their leave.

Employee Responsibilities

Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and must comply with the Company's normal call-in procedures.

Employees must provide sufficient information for the Company to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees must inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Notification

The Company will inform employees requesting leave whether they are eligible under FMLA. If they are ineligible, the notice will specify any additional information required as well as the employees' rights and responsibilities.

Retaliation

The Company will not tolerate any interference with an employee's lawful rights under the FMLA or retaliation for exercising FMLA. Employees who feel that they have been treated adversely for requesting or utilizing FMLA should report their concern to Human Resources immediately.

Non-FMLA Leave of Absence

Note: If an employee is requesting a non-FMLA leave as an accommodation for a disability or an accommodation under the Pregnant Worker Fairness Act, please refer to those policies and contact HR, as different rules may apply.

An employee may, at the sole discretion of the Company, be granted a non-FMLA leave of absence if the employee is not eligible for FMLA.

Request for Leave

In situations where FMLA is not applicable, an employee must submit a written request for a non-FMLA leave of absence. If the leave is requested for the employee or a family member's medical condition the employee will also be required to provide a healthcare provider certification or documentation verifying the condition and duration of leave needed including start and end dates. For an employee's non-FMLA leave due to a medical condition, a medical release will be required prior to returning to work. Please see HR for details.

Length of Leave

A non-FMLA leave of absence shall be for a reasonable period, not to exceed 30 days; however leaves granted as an accommodation for a disability under the Americans with Disabilities Act may be longer than this period. Please see the Disability and Reasonable Accommodation policy for that type of leave request. Please also see HR for details.

Compensation

Non-FMLA leaves of absence are without pay from the Company after paid time off benefits are exhausted.

Use of PTO

An employee who takes a non-FMLA leave of absence must first use any accrued PTO

Return from Leave

An employee returning from a non-FMLA leave of absence due to their own medical condition must provide a healthcare provider's release. If they need additional accommodations upon their return, please see HR for processing this request.

Upon return from a non-FMLA leave of absence, the Company will use its best efforts to return the employee to a position which is the same or like that which was previously held.

Exceptions to this policy may apply to employees on approved military leave, disability leave, family medical leave or jury duty.

Jury/Witness Duty

If you receive a jury summons, or subpoena, you should immediately advise your manager/supervisor. You will be required to provide a copy of the jury summons.

During the period of jury service, exempt employees will receive no deductions for absences of less than one workweek. As a benefit, non-exempt employees will receive up to 5 paid, 8 hours days provided the employee reports to work during hours not required to be in court. Employees may keep any court reimbursement for their services.

Bereavement Leave

A death in the family can be difficult and may require time off to ensure you and your family are taken care of. As a benefit, Gem State Paper & Supply Company will grant time off as follows:

- Immediate family members (includes parents, siblings, spouse, children, and minor foster children or stepchildren) – up to 5 days of paid leave will be granted.
- Close family members (includes grandparents, parents-in-law, brothers- and sisters-in-law, sons- and daughters-in-law) – up to 3 days of paid leave will be granted.
- Other family members (not listed above such as aunts, uncles, and cousins, or a non- family member) – up to 1 day of paid leave will be granted to attend services.

Accrued PTO can be used if additional time is needed.

Gem State Paper & Supply Company reserves the right to request all pertinent information including death notices, names and addresses of funeral homes, dates of funerals, and names of the deceased.

Training and Development

Orientation Procedures

The orientation procedures for Gem State Paper & Supply Company vary by position and location. Human Resources will facilitate the onboarding of all new employees. For questions regarding the onboarding workflow, please contact Human Resources.

Equipment/Forklift Trucks

1. Forklift Operations
 - a. No person shall be allowed to stand or pass under the elevated portion of any forklift truck, whether loaded or empty.
 - b. Passengers are not permitted to ride on powered industrial trucks. Do not walk alongside any moving vehicle or lift truck that is moving.
 - c. When a forklift is left unattended, lower forks all the way to the floor and lean the mast forward, so the fork tips rest flat on the floor. Controls shall be neutralized, power shall be shut off, and brakes set. Wheels shall be blocked if the truck is parked on an incline. A forklift is “unattended” when the operator is 25 feet or more away from the vehicle, which remains in their, view, or whenever the operator leaves the vehicle, and it is not in their view.
 - d. A safety harness is always to be worn when working on elevated forks of a forklift truck.
2. Traveling
 - a. All traffic regulations will be observed, including posted or authorized plant speed limits on Company facilities or customer premises.
 - b. The driver is required to slow down and sound the horn at cross aisles and other locations where vision is obstructed.
 - c. When ascending or descending grades more than 10%, loaded trucks shall be driven with the load upgrade.
 - d. Always keep the forklift truck under control. Stunt driving and horseplay are absolutely prohibited.
 - e. When forklift trucks are traveling, the fork should not be over 6 inches from the floor/ground.

3. Loading
 - a. Only stable and safely arranged loads shall be handled. Caution shall be exercised when handling off-center loads, which cannot be centered.
 - b. Only loads within the rated capacity of the truck shall be handled. Operators are required to know the capacity of each forklift truck.
4. Operation of the Truck
 - a. Before operating a forklift truck, check its mechanical operation. Ensure that all brakes and controls are working properly. If at any time a forklift truck needs repair, is defective, or is in any way unsafe, report it immediately to the manager so that it can be removed from service until it has been restored to safe operating condition.
 - b. Open flames shall not be used for checking electrolyte levels in storage batteries.

Safety

Safety Administrations

The Occupational Safety and Health Act (OSHA) of 1970 clearly states our common goal for providing safe and healthy working conditions. The safety and health of our employees continues to be the first consideration in the operation of this business.

It is the employee's responsibility to make known to their manager/supervisor any lack of training or experience, along with any moving traffic violations, before they are given any driving position or any time thereafter. Failure to notify your manager/supervisor will result in disciplinary action, up to and including termination.

It is the intent of this Company to comply with all laws. To do so we must constantly be aware of conditions in all work areas that can produce injuries. No employee is required to work at a job that he/she feels is unsafe or conducive to good health. Your cooperation in detecting hazards, and in turn, controlling them, is a requirement of your employment. Inform your manager/supervisor immediately of any situation that is beyond your ability or authority to correct.

Employees are responsible for genuine adherence to all aspects of the safety and health program including compliance with all rules and regulations and for continuously practicing safety while performing their duties.

Employees must know the safety rules. Read this manual carefully and understand its contents. If you do not understand any portion of this manual, please ask your manager for further clarification.

Maintenance checks on Company owned property are required by all employees who operate the equipment. Maintenance checks are also the responsibility of the employees to make sure that the equipment is in a safe operating condition. If at any time an employee feels that a maintenance check is needed, please contact your manager/supervisor. Any employee shall refuse to operate Company equipment if they feel it is unsafe.

If you have any question about the safe way to do your job, be sure to ask your manager/supervisor before you perform the task. Your manager/supervisor will instruct you on completing your assignments in an efficient, productive, and safe manner.

Workers' Compensation Laws, Accidents, and Injuries

Gem State Paper & Supply Company is committed to providing a safe workplace environment for you. We ask that you follow all health and safety rules and utilize safe work practices daily to reduce the possibility of injury or accidents. We ask that you keep your work area neat and clean and assist us in keeping all areas of our premises clean and orderly.

Gem State Paper & Supply Company is covered under the State of Idaho Workers' Compensation Laws.

The reporting of injuries/accidents is required at time of injury, even if you feel no medical attention is required.

The Company feels strongly that most accidents can be prevented or minimized with proper care and attention. Employees who do not exercise the utmost prudent operation of trucks or equipment are subject to disciplinary action, up to and including termination.

Safety Data Sheet (SDS)

Copies of SDS for all hazardous chemicals to which employees of this Company may be exposed are accessible in the following:

1. Company website - www.gemstatepaper.com
2. At the store in Boise, Elko and Pocatello
3. On the mezzanine in the Twin Falls warehouse
4. Manufactures website

Safety Data Sheets (SDS) are available to all employees for review during all work shifts. If an SDS is not available, Management should be notified immediately.

Fire Safety

The Company has taken every precaution for the prevention of fires. Employees can do their part by being constantly alert to any condition or hazard that could cause a fire. Open flame candles are prohibited in all Gem State Paper & Supply Company facilities. Report any faulty equipment or exposed wires that could cause a fire to your manager/supervisor.

In the event of a fire, sound an alarm by yelling or by using the overhead paging system. Then call 911. If a fire extinguisher is within reach, one is to be used without endangering any employee. If there is nothing that can be done, employees are to exit the building using the posted fire exits.

Fire extinguishers are in each Company building in specific locations. These locations are posted for all employees. Employees are required to make themselves aware of all fire extinguisher locations in their respective branch.

Do not stack product in proximity of sprinklers, fire extinguishers, and other firefighting equipment. Fire equipment locations (fire extinguishers and hoses) are in well-marked areas. Do not block fire lanes or doors. An Emergency Action/Evacuation Plan is posted and employees are required to be familiar with it.

Job Safety

Gem State Paper & Supply Company is dedicated to employee safety. If you observe a safety issue within your job duties, please notify your manager immediately. If safety equipment is provided and you refuse to use the equipment, it will result in disciplinary action, up to and including termination. Safety training will be provided on a regular basis and as issues arise within our organization, and all employees are required to abide by all safety policies.

Property and Vehicles

Property – Every employee must take care of Company property to ensure that it is secure from theft. Before leaving any workstation or warehouse, make sure that all valuable paper and articles are put away and that all doors and windows are locked.

Vehicles – Never leave keys in vehicles unattended. Articles of value must be removed. The Company is not liable for the loss of personal items brought onto Company property or work sites.

Entering and Leaving the Building

The following guidelines apply when you enter or leave the building:

- Before entering, look for any strangers who may be loitering nearby.
- Make positive identification before admitting anyone before or after business hours.
- Always lock doors when the offices are not open for business.
- Know and follow your office's opening and closing procedures.

Keys

Individuals to whom keys have been assigned are responsible for such keys. Upon termination of employment, all keys are to be returned, in person, to your supervisor or Human Resources. Immediately notify your manager/supervisor of any lost or stolen keys. Under no circumstances are keys to be reproduced outside of the Company.

Money

Lost money is the responsibility of the driver or salesperson and may be deducted from the next paycheck (subject to a signed authorization to deduct and if permitted by law) or must be reimbursed immediately. The driver or salesperson is required to check in money after each trip. Branches shall keep only the minimum amount of cash on hand, and anything over that amount shall be deposited daily.

Your Responsibilities as an Employee

The most important responsibility we have as employees is to provide superior customer service to our customers and co-workers, while performing our jobs to the best of our ability and complying with all Company policies and procedures.

In each of our respective roles within the Company, we have a great deal to accomplish each day. As in any job, there will be additional job duties that you will be asked to take on. No job description is complete with all duties listed, so it is your responsibility to be open to accepting other duties as requested. If at any time you have completed your work, please check with your

supervisor for additional duties.

Here is a list of suggestions to make your employment experience at Gem State Paper & Supply Company the best it can be:

- Actively seek solutions to problems or concerns and make suggestions for improvements
- Use good judgment in all that you do
- Be prompt and regular in your attendance
- Keep yourself well-informed about products and services the Company offers
- Keep yourself removed from gossip and rumors, as they can destroy your credibility and can be difficult to repair
- Ask questions

All employees should conduct their personal affairs in such a way that there is no unfavorable reflection on the Company, either expressed or implied. Good ethical standards and discretion will guide you in being successful within the Company.

As your workday begins or ends, please be sure you are not disturbing or disrupting the work of others. Be prompt in coming to work and leaving after your workday has concluded.

Workplace Violence

Gem State Paper & Supply Company strives to maintain a work environment free from intimidation, threats, or violent acts. This includes, but is not limited to, intimidating, threatening, or hostile behaviors, physical abuse, vandalism, arson, sabotage, use of weapons, carrying weapons of any kind onto Company property, or any other act deemed as inappropriate to the workplace.

Employees who feel they have been subjected to any of the behaviors listed above are requested to immediately report the incident to their manager/supervisor or Human Resources. Complaints will be investigated, and based upon the results, disciplinary action will be taken against the offender, if appropriate.

Employees who observe or have knowledge of any violation of this policy should immediately report it to their manager/supervisor or Human Resources. Employees are empowered to contact the proper law enforcement authorities first if they believe a threat to the safety of themselves or others exists.

Weapons

Gem State Paper & Supply Company prohibits the possession, use, brandishing, or storing of weapons on company property or customer property. A license to carry a weapon and/or a concealed weapon does not supersede company policy. Any employee in violation of this policy will be subject to disciplinary action, up to and including termination.

“Company property” is defined as all company-owned or leased buildings and/or vehicles under the company ownership or control. “Customer property” is defined as all locations and parking lots frequented by the employee in the course and scope of employment.

“Weapons” include, but are not limited to, firearms, explosives, knives, and other instruments that are reasonably considered dangerous or that could cause harm. Employees are responsible for making sure that any item possessed by the employee is not prohibited by this policy. Employees shall obtain preapproval if they are unsure of the definition, as this determination is made in the sole discretion of management.

Acknowledgment of Policies and Procedures Manual

The policies set forth in this employee handbook are guidelines, statements of policy, and procedures that may be changed by the Company at any time; and the Company reserves the right to revise policies or benefits at any time. However, any such changes will be in writing and approved by the President.

Gem State Paper & Supply Company does not guarantee me specific benefits.

Gem State Paper & Supply Company or I may terminate my employment relationship at any time, for any or no reason, unless expressly prohibited by law. I am responsible for immediately reporting any known or observed violation of Company policy to my manager/supervisor or Human Resources, and for fully cooperating in any workplace investigation.

I have received, read, and understand Gem State Paper & Supply Company’s Policy and Procedures Manual, and will comply with the policies contained herein.

Employee Signature: _____

Print Name: _____

Date: _____