

	PERSONNEL POLICIES AND PROCEDURES	
	SUBJECT: <b>Discipline</b>	EFFECTIVE DATE: 04/01/1987 REVISION DATE: 2021
	POLICY NO. <b>109</b>	Page 1 of 8
ALL REVISIONS ARE MARKED BY AN ASTERISK (*)		

*This Policy covers all non-union associates employed by Perdue Farms, Inc. and all its subsidiaries and, where required by law, applicants for these entities.*

## SUMMARY

This policy establishes guidelines for the treatment of associates who demonstrate poor performance or other forms of unacceptable conduct or behavior requiring corrective action or discipline.

### II. IDENTIFICATION OF PROBLEM

Poor performance and unacceptable conduct/behavior calls for corrective or disciplinary action up to and including termination. The basis of using a form of corrective action or discipline may be a series of incidents which combine to define a problem, or it may be a single incident which requires action. For ongoing poor performance or behavior, where an associate appears to have habits which are not compatible with continued employment, the supervisor/manager should contact their Human Resources office, who, with the supervisor/manager may consider a Performance Improvement Plan (PIP) as opposed to corrective action. Coaching, counseling, corrective action and PIPs are for instances where management believes the associate is capable and willing to improve their performance/behavior; absent a belief that improvement is likely, poor performance/conduct/behavior is terminable, even if no prior steps have been taken.

### III. PROGRESSIVE DISCIPLINE

Absent the occurrence of an extraordinary offense, as describe below, or an associate who is believed to be unwilling or incapable of improving, disciplinary actions generally should be taken progressively with discharge occurring only after other appropriate measures have proven unsuccessful in correcting an unacceptable pattern of conduct and/or behavior. Except in more egregious cases where termination or more formal discipline is merited, the first step in correcting unacceptable conduct and behavior usually involves coaching/counseling the associate by defining the problem in specific terms and working with the associate toward identifying ways to improve or a solution; this is particularly true where the performance/behavior is not a clear policy violation, but rather a failure to meet expectations. Although not always possible or practicable, supervisors/managers should in some way document their coaching/counseling sessions; managers/supervisors have the discretion to use the written warning system to document early coaching/counseling. If such counseling fails to produce the necessary improvements, more formal disciplinary action is taken. The various disciplinary actions available to supervisors and managers include coaching/counseling, written warnings, suspension and, ultimately, termination. Again, PIPs are an alternative to progressive discipline in appropriate circumstances.

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#### IV. DISCIPLINE

Unless circumstances dictate (e.g., in the case of an extraordinary offense), two written warnings generally should be issued before suspension or termination is considered.

##### A. Written Warnings:

1. Written warnings typically will be used at the first incidence of an associate's clear policy or performance violation, or where coaching/counseling has not resulted in the associate correcting the issue (note, attendance discipline is a separate system with separation documentation). The supervisor/manager should meet with the associate and communicate their observations.

and offer assistance (e.g., remedial training) in correcting the conduct or action/s. Where remedial training is merited, an appropriate amount of time under the circumstances should be given for improvement before further disciplinary actions are used.

2. The supervisor/manager must complete the Disciplinary Record form (PER/001) (See Attachment A) to document each warning. It must be addressed to the associate and include:
  - a. The conduct, behavior or action/s observed resulting in the warning,
  - b. Date/s and time/s, and
  - c. Other facts beneficial to the Performance Improvement Plan.
3. Once the Disciplinary Record has been prepared a meeting must take place between the supervisor/manager and associate. This meeting will address the conduct and/or behavior needing improvement and typically should take place within 48 hours of receipt of the warning if immediately is not practical. During this meeting the supervisor/manager must, in addition to the above, orally communicate the following.
  - a. Reasons action/s were inappropriate,
  - b. Standards expected,
  - c. Reason/s for standards,
  - d. Any other information pertinent to the charge,
  - e. The consequences should continuation of this conduct, behavior or action/s occur,
  - f. An offer of assistance in correcting the conduct, behavior and/or action/s, and
  - g. Follow up date to review progress.

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4. It is necessary to have the associate sign the form so the meeting and communication cannot be denied at a later date. If the associate refuses to sign, enter “Associate Refused to Sign” on the signature line and have another salaried associate sign and date indicating the discussion and meeting took place. The associate should be advised that this documentation will be kept in their personnel file and be given the opportunity to submit comments, statements of rebuttal or statements in their own behalf to the file.

**B. Suspensions**

1. **Exempt**: Unpaid suspensions for exempt employees should only be for gross misconduct or serious safety violations and must encompass an entire pay week (Sunday through Saturday). In less serious cases where suspension is appropriate then it must be paid time. Example: 1-day suspension for failure to follow instructions.
2. **Non-Exempt**: Unpaid suspensions for non-exempt employees will be for a duration of three work days.

- C. Termination**: This is the most severe of the disciplinary actions and therefore may only be used with the approval of the respective department manager and the Human Resources Manager. Unless circumstances dictate (i.e., in the case of an extraordinary offense), termination generally will only be considered:
1. If the supervisor, department manager and Human Resources manager conclude that a change in performance or behavior is not likely;
  2. If the associate has received two written warnings, and a suspension about performance issues;
  3. The associate has a clear PIP, has had a reasonable amount of time to demonstrate improvement, and has not improved or does not appear to be on a trajectory towards full alignment/compliance; or
  4. Corporate Human Resources and the Director of Operations agree that the company no longer wishes to employ an associate.

**IMPORTANT** ---- The original written warning, signed by the supervisor/manager and associate, must be sent to the location’s Human Resources office for inclusion in the associate’s personnel file.

**IMPORTANT** --- All employees are employed at will. If the company concludes that it no longer desires to employ an associate, the company may terminate the associate even without progressive discipline, or without any policy violation occurring.

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**V. \* RULES AND PENALTIES**

A. Listed below are violations of company rules. These violations are examples of what the company considers to be extraordinary offenses warranting termination on the first offense. Obviously, we cannot list rules which cover every situation; therefore, the following list is not to be construed as all inclusive. Supervisors/Managers should not use the fourth step without consulting the location's Human Resources Manager.

1. Reporting to work while under the influence of intoxicating beverages or drugs.
2. Bringing or using alcoholic beverages or drugs that do or may impair performance on company property. The only exception are prescribed medications that are taken as prescribed, and the location's Wellness Center has verified that the associate can safely perform all essential functions while on the prescribed medication. In instances where an associate at the Wellness Center is the person needing to take prescribed medication, the appropriate clearance should be received from the Wellness Center's VP or equivalent.
3. Any oral or written false statement to the company or its third-party vendors (such as the company's leave administrator or STD administrator). This includes, but is not limited to, false statements on an application, a physical or medical examination, in personnel documents, time cards, safety reports, machine logs, etc.
4. Stealing – either from fellow associates, contractors, vendors or from the company. Stealing also includes misuse or abuse of company property.
5. Refusal to do work assigned (gross insubordination toward a lawful management directive or U.S.D.A.).
6. Carrying or using firearms, fireworks, or any other weapon on company property and/or company vehicles unless such restriction is prohibited by state laws (in states where it is permitted, an associate must advise the company what they are carrying/possessing/storing and where, so the company can confirm the associate's lawful right to do so; An associate who fails to disclose, even in a state where such possession is permitted, has committed an extraordinary offense).
7. Gambling on company property.
8. Falsifying time records. This includes the associate's or another associate's or swiping another associate's time and attendance card; it also includes associates leaving their work area without permission and failing to clock-out.
9. Intentionally reporting incorrect production data or falsifying production records.
10. Willful destruction or defacing company property; it also includes using company property for your own personal use without permission.
11. Fighting on company property, aggressive actions, verbal threats, physically intimidating behavior, or similar conduct.

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12. Failure to timely and accurately report to your supervisor and/or the Wellness Center any accident, injury, or illness you have while at work, because of work, or on company property (even if it is the aggravation of an already existing injury) unless the loss of life or limb are involved in which case the employee should report the incident to\_\_\_\_\_.
13. Leaving Company grounds during work hours without management’s permission, or otherwise purposefully evading work while on working time (clocked-in).
14. Sleeping during working time.
15. Failure to lockout and tagout or follow lockout/tagout policy and/or other safety procedures. The failure to timely and accurately report a safety violation you commit or which you witness can also violate this rule.
16. Failure to comply with and/or violations of the company’s Animal Welfare Program/Policy.
17. Using a cell phone or camera during working time or in production areas (to the extent such use could cause safety concerns or violate confidentiality policies and/or agreements) without written authorization of management.
18. Violation of the Company’s policies regarding discrimination and harassment including sexual harassment or any conduct, behavior or act/s that creates a hostile working environment.
19. Using tobacco products in any area other than those designated for tobacco use.
20. Terrorist threats or actions.

B. The foregoing enumeration of violations of rules and the disciplines mandated for each are presented here primarily for illustration and shall not be deemed to exclude the company’s right to discipline or dismiss associates for other just causes.

**VI. \* ADMINISTRATION**

- A. Any disciplinary action to be taken must be administered in the presence of the associate and the immediate supervisor/manager, and with the knowledge of the location’s Human Resources Department.
- B. Any warning must be in writing with the signatures of the associate, the supervisor/manager and a salaried member of the location’s Human Resources Department. Any warning submitted to the location’s Human Resources office without the associate’s signature will not be valid unless otherwise noted as “Associate Refuse to Sign” and signed by a salaried witness and dated.
- C. Warnings will remain effective for six (6) months. After 6-months, it will be considered voided, but remain in the associate’s personnel record/file. However, associates who show a habitual pattern of violating a particular rule or rules may be viewed as a person who is unwilling or incapable of achieving alignment with the company’s expectations.

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- D. When an associate reaches their 4<sup>th</sup> Offense (even if the offenses are different), the associate will be suspended 3-working days for non-exempt associates and a Monday thru Friday for exempt associates to finalize any investigations, complete documentation and to ensure the proper decision is being made by management. After the suspension, the associate the decision may be made to terminate the associate and supporting documentation will be filed in the associate’s personnel file.

**VII. RESPONSIBILITY**

The Vice President of Human Resources retains the authority and responsibility for this Policy. Questions concerning the meaning or interpretation of this Policy should be referred to the appropriate Director of Human Resources. Any circumstances that require a waiver from the Policy must be coordinated through the Vice President or appropriate Director of Human Resources.

**VIII. \*ATTACHMENTS**

The following attachments are provided to support this policy and procedures.

Attachment A            Disciplinary Record – PER/001

# DISCIPLINARY RECORD

ASSOCIATE'S NAME:

ASSOCIATE'S ID #: \_\_\_\_\_

DATE OF MEETING:

DEPARTMENT: \_\_\_\_\_

LOCATION:

REASON FOR DISCIPLINE:

**OFFENSE (Check One)**

First Offense       Second Offense       Final Offense       Termination

**Check All the Following That Apply.**

- First written warning issued to associate
- Second written warning issued to associate
- Final written warning issued to associate \_\_\_\_\_ day(s) suspension given  
From: \_\_\_\_\_ To: \_\_\_\_\_ Return: \_\_\_\_\_ Time: \_\_\_\_\_
- Extraordinary offense warranting immediate suspension or termination
- Termination Effective: \_\_\_\_\_ Last Day Worked: \_\_\_\_\_

**Original copy of this report will be filed in the Personnel File of the associate in all cases.**

**COMMENTS:**

You are being issued this formal disciplinary notice to bring to your attention the severity of this situation. THIS WARNING SHOULD NOT BE TAKEN LIGHTLY. In accordance with Perdue's disciplinary policies & practices, any further violation of company rules will result in additional disciplinary actions up to and including termination of employment (unless the extraordinary circumstances warranting this action warrants immediate termination). If you have any questions regarding this matter, please discuss them with your supervisor and/or manager, or Human Resources. You have the right to appeal this action to your supervisor/manager, and the right to submit a statement of rebuttal or statement outlining the actions you will take to demonstrate the behavior/infraction has been corrected. Furthermore, you have up to five (5) business days from the date of this action to appeal utilizing Peer Review/Management Review if you feel the policy or practice was not applied properly and consistently in your case. All peer review/management review appeals must be submitted using the Peer Review/Management Request Forms; and if, you are eligible for Peer Review/Management Review and the action is within the scope of the Peer Review/Management Policy. Peer Review/Management Review Request Forms can be obtained from your Human Resources representative.

\_\_\_\_\_  
*Supervisor's Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*\*Associate's Signature or (write "Associate Refused to Sign" and have a Salaried Associate Witness and sign here to include the date)*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Human Resources Representative's Signature*

\_\_\_\_\_  
*Date*

Revised: 11/26/2018      Original to – Human Resources    Copy to – Associate    Copy to – Supervisor/Manager

Signing this form does not imply that you agree with the action taken, only that you are acknowledging receipt of such notice.

