

<b>Policy:</b>	Timekeeping	<b>Policy Reference and Revision Number:</b>	HR 011 Rev 000
<b>Department:</b>	Human Resources	<b>Effective Date:</b>	08/01/2021
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## Purpose

To detail timekeeping expectations and procedures, as well as steps employees should follow to ensure they are paid properly for all time worked.

## Policy

BWC Terminals (the “**Company**”) requires employees to accurately record time worked, as required by federal, state, and local law and supervisors are responsible for reviewing and acknowledging the accuracy of the time records.

This policy is subject to the applicable federal, state, and local laws, regulations, and collective bargaining agreements. To the extent that this policy conflicts with federal, state, and local laws or regulations, the policy shall, for application within the relevant jurisdiction, be deemed to be amended so as to comply with federal, state, and local laws, regulations and collective bargaining agreements.

### *Exempt Employees*

Exempt employees receive an annual salary and must record absences from work for reasons such as leaves of absence, sick leave, or vacation. This salary is established at the time of hire or when an employee is classified as an exempt employee. An exempt employee’s base salary may be subject to review and modification from time to time and the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed. No overtime or additional compensation is provided to exempt employees when required to work extra time to complete job responsibilities.

In general, an exempt employee will receive their salary for any week in which the employee performs any work, regardless of the number of days or hours worked. However, an exempt employee will not be paid for days not worked in the following circumstances:

- When an exempt employee takes one or more full days off for personal reasons other than sickness or disability, the employee will not be paid for such day(s) of absence, but the employee may use available paid time off (“PTO”) to make up for the reduction in salary;
- When an exempt employee takes one or more full days off from work due to sickness or disability, the employee will not be paid for such day(s) of absence, but the employee may use available sick time or PTO to make up for the reduction in salary;
- When an exempt employee works only part of the week during their first and last week with the Company, the employee will be paid only for the days actually worked;
- When an exempt employee takes unpaid leave under the Family and Medical Leave Act or corresponding laws, the Company will not pay for such days/absence; and

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- When an exempt employee receives an unpaid disciplinary suspension of one or more full days, imposed in good faith for workplace conduct infractions, the Company will not pay for such day(s) of suspension.

The Company may require an exempt employee to use available PTO or sick time, as a replacement for salary, when the employee takes less than a full day off from work.

Under federal and state law, an exempt employee's salary is subject to deductions for certain absences from work and the salary may also be reduced for certain types of deductions such as a portion of health, dental or life insurance premiums, state, federal or local taxes, social security, and voluntary contributions to a 401(k) plan, etc.

It is Company policy to comply with the salary basis requirements of the Fair Labor Standards Act ("FLSA") and applicable state law. The Company prohibits any deductions from pay that violate the FLSA or applicable state law.

If an exempt employee believes that an improper deduction has been made to their salary, they should immediately report this information to Human Resources or a supervisor. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

### *Non-exempt Employees*

Non-exempt employees must accurately and truthfully record time worked, including the start and end times for work performed, as well as the beginning and end of each lunch break. All employees are expected to begin and end each workday based on their authorized work schedule.

When employees receive their paycheck, they should verify immediately that their working time was recorded accurately and that they were paid correctly for all hours worked.

Non-exempt employees must report all time worked and not work any time that is not authorized by their supervisors. This means non-exempt employees must not start work early, finish work late, work during a meal break, or perform any extra or overtime work unless directed to do so. Employees who have questions about when or how many hours they are expected to work should contact their supervisor. Employees must be completely relieved from work duties during any unpaid meal break.

Any rest breaks of short duration (lasting between five and 20 minutes) will be counted as "hours worked" and paid accordingly. Meal breaks lasting 30 minutes or more are not considered "hours worked" for purposes of federal law and will not be paid for nonexempt employees.

For non-exempt employees who are required to engage in "shift turnover" activities and/or change into or out of Company supplied personal protective equipment, such employees will be compensated for the time it takes to do so up to 15 minutes per shift.

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It is a violation of the Company's policy for anyone to instruct or encourage another employee to work "off the clock", to incorrectly report hours worked, or to alter another employee's time records. Altering, clocking in or out for another employee, falsifying, tampering with time records or recording time on another worker's time record may result in disciplinary action, up to and including termination of employment. If any employee is directed or encouraged to incorrectly report hours worked, or to alter another employee's time records, they should report the incident immediately to a supervisor or to the Human Resources department.

#### *Work Week*

The work week begins at 00:00 on Monday morning and ends at 23:59 p.m. on Sunday night.