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BLUE – Employer proposed language awarded

RED – Union proposed language awarded

DRAFT Collective Agreement

between

Candu Energy Inc.

and

The Society of Professional Engineers and Associates
Operations & Administration

for the period

Expiration: December 31, 2026

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COLLECTIVE AGREEMENT

between

CANDU ENERGY INC.

a company incorporated pursuant to the laws of Canada, hereinafter called "the Company"

and

THE SOCIETY OF PROFESSIONAL ENGINEERS AND ASSOCIATES

hereinafter called "SPEA"

Both of Whom are Collectively "the Parties"

GENERAL PURPOSE

This Agreement sets forth the terms and conditions of employment and related matters, agreed by the Company and SPEA through collective bargaining, which must be observed by the Company, SPEA and members of the Bargaining Unit.

The Company and SPEA will endeavour:

- To promote a harmonious and mutually beneficial relationship;
- To enhance the morale, productivity and effectiveness of all employees;
- To maintain professional standards; and
- To promote an efficient and successful enterprise which satisfies clients and customer's demands in the commercial nuclear reactor market, as well as efforts to improve the quality and delivery of goods and services.
- To settle all differences in an amicable, equitable and expeditious manner as herein provided

ARTICLE 1 – RECOGNITION

1.01 General

The Company recognizes SPEA as the exclusive bargaining agent for a unit comprising all employees of Candu Energy Inc. employed in Canada excluding managers (as defined by the Canada Labour Code) or those above the rank of manager, persons employed in a confidential capacity in matters relating to industrial relations, Human Resources staff, Health and Safety staff, Executive Assistants and persons covered by existing collective agreement.

1.02 Temporary Exclusion

Employees temporarily excluded from the Bargaining Unit on managerial or confidential grounds will have their salary reviewed upon leaving from and returning to the Bargaining Unit with a view to ensuring no loss of income, for reasons other than performance, due to the temporary exclusion.

1.03 Employees on Attachment Within Canada

- (a) Bargaining Unit members seconded or attached on a temporary basis to other organizations within Canada will be included in the Bargaining Unit so long as they remain employees of the Company.
- (b) Eligible employees hired into, and Bargaining Unit members transferred to, another Company business unit, subsidiary, partnership, joint undertaking, or other related organization(s), where such business unit, subsidiary, partnership, undertaking or organizations(s) is involved in the provision of engineering services, or the design, analysis, marketing, licensing, construction, commissioning, decommissioning or operation of nuclear power reactors, or technical support thereto, will be included in the Bargaining Unit so long as they remain employees (under the supervision, direction or administration) of the Company or a subsidiary.

ARTICLE 2 – LEGISLATION

2.01 General

Should any provision of this Agreement be in conflict with any governing legislation, then the Parties shall meet to attempt to arrive at a satisfactory settlement of the provision in conformity with the legislation. Should a satisfactory settlement not be reached, the dispute may be resolved through the grievance and arbitration procedures of this Agreement. The remaining provisions of the Collective Agreement shall continue to be operative and binding on both Parties, except as mutually agreed or as required in the implementation of any arbitration award. Both Parties shall act reasonably in the administration of this provision.

2.02 Discrimination

There shall be no discrimination, interference, restriction or coercion against any employee on the grounds of race, national or ethnic origin, colour, religion, age, sex, marital status, family status, sexual orientation, disability or conviction for which a pardon has been granted

ARTICLE 3 – MANAGEMENT RIGHTS

3.01 General

SPEA acknowledges that it is the exclusive responsibility of the Company, subject to the provisions of this Agreement, to:

- (a) Administer an effective and efficient organization, and to this end to make and alter from time to time reasonable rules and regulations to be observed by the employees;
- (b) Hire, discharge, transfer, promote, demote, suspend, lay-off or discipline employees provided that a claim of discriminatory promotion, transfer or lay-off, or claim that an employee has been discharged, demoted, suspended or disciplined without just cause, may (subject to 9.01 (c)) be the subject of a grievance and dealt with as hereinafter provided;
- (c) Manage the enterprise in which the Company is engaged, and without restricting the generality of the foregoing, to program and schedule the work to be done, to determine staffing and facilities, and the methods, systems and processes to be used.

3.02 Policies & Procedures

Changes to existing Policies and Procedures which are not referenced in this Agreement but which may affect working conditions, or the introduction of new Policies and Procedures which may affect working conditions, will not be made without prior discussion with SPEA.

ARTICLE 4 – NO STRIKE OR LOCKOUT

4.01 General

- (a) During the period of this Agreement there shall be no strikes, walk-outs, lockouts, slow-downs, work stoppages or similar work interruptions.
- (b) On expiration of this Collective Agreement there shall be no strike, walk-outs, lockouts, slow-downs, work stoppages or similar work interruptions until the parties are in a legal strike-lockout position pursuant to the *Canada Labour Code*.

4.02 Crossing a Picket Line

In the circumstances of a strike by another union the Company shall not expect an employee to cross a picket line if to do so would place the employee's life, limb or personal property in jeopardy.

ARTICLE 5 – EMPLOYMENT EQUITY

5.01 General

The Company shall take positive measures to promote equal opportunity objectives and implement programs to correct any existing inequalities for designated groups within the Company. The designated groups are those defined in the Federal Employment Equity Act.

This shall not, however, act to bar any positive measures intended to achieve equal opportunity or to address existing inequalities.

5.02 Employment Equity Committee

- (a) The Company shall establish an Employment Equity Committee within the structure of the cooperative committee identified in Article 8.01, with representation from SPEA and other employee groups, with employee members of the Committee having the following rights:
 - (i) To request, receive, and publish data aggregated on a non-individual basis;
 - (ii) To initiate committee inquiries and investigations into specific issues, subject, where appropriate, to the agreement of the individual concerned;
 - (iii) To propose changes in Company policies and procedures to remedy potential barriers and improve equal employment opportunities.
- (b) The Committee will attempt to facilitate but may not act to limit the exercise of the above rights by representatives of individual employee groups on the Committee.
- (c) A copy of the yearly Federal report shall be made available to SPEA by the Company.

ARTICLE 6 – SPEA ACTIVITY

6.01 General

- (a) The Company acknowledges that from time to time it will be necessary for employees serving on the SPEA Executive or as Area Representatives to leave their work in order to perform functions provided for in this Agreement on behalf of SPEA. Such employees will not leave their duties without the concurrence of their supervisor.
- (b) The Parties recognize and appreciate the dual responsibilities that the SPEA Executive and Area Representatives have to their jobs and to SPEA members. SPEA's Executive members and Area Representatives, and their Managers, should engage in a cooperative approach to managing SPEA- related absences.
- (c) In accordance with the above understanding, the Company will compensate the SPEA Executive and Area Representatives for a reasonable amount of such time in any week at the regular rate of pay. This will not apply to time spent on matters outside of their regular work hours nor to time spent in connection with arbitration, (except as provided in (d) below) or conciliation proceedings.
- (d) The Company will similarly compensate a maximum of two (2) employees per day who attend arbitration as SPEA witnesses.
- (e) Occasional SPEA membership meetings or smaller meetings will be permitted on Company premises provided that authorization is obtained in advance from Human Resources and the meetings are so arranged and conducted as to not interfere with the work of the Company.

6.02 Leave for Attending SPEA-Related Conferences and Conventions and Training

The Company will provide SPEA with up to 9 paid working days leave for the purpose of attending conferences, conventions and training of Executives and/or Area Representatives, per Agreement year. SPEA may allocate the 9 paid days' time between its Executive and/or Area Representatives. All requests for such leave must be made by an Executive of SPEA to the employee's Manager; and Human Resources at least two (2) weeks in advance and are subject to the Company's operational requirements.

6.03 Leave Without Pay for SPEA-Related Business

Leave of absence without pay, to a reasonable extent each year (exclusive of conciliation and arbitration proceedings) and work conditions permitting, shall be made available to SPEA for the purpose of permitting its representatives to attend to SPEA-related business, other than as provided for herein. Requests for such leave must be made by the Executive of SPEA to the employee's Manager and Human Resources.

At the request of SPEA, the Company will maintain the regular salary (including pension) of SPEA representatives who take leave of absences without pay for the purpose set out in this Article. SPEA will reimburse the Company for the associated "out of pocket" expenses. These "out of pocket" expenses include, but are not limited to, the employee's salary, the Company's pension contributions and the Employer Health Tax.

6.04 Negotiations and Negotiation Preparations

Leave of absence without pay, to a reasonable extent and work conditions permitting, will be made

available to SPEA representatives in advance of negotiations and during negotiations to permit preparations for that purpose.

The Company will pay for time spent in negotiations for each regular workday to a maximum of seven and one-half (7.5) hours per person per day for up to 3 SPEA representatives. The maximum number of representatives at the table for the Company and SPEA (per side) shall be 6 at any one (1) time. It is understood that the Company will not pay for time spent in negotiations once conciliation has commenced.

6.05 Work-Related Conflicts

The Parties recognize that attending to SPEA activities can result in significant time away from the job for some individuals serving on the SPEA Executive. The employees and their Manager should discuss this in relation to ongoing work requirements. Where either Party perceives a problem the Company and SPEA will meet to resolve it in accordance with the requirements of the workplace and of the *Canada Labour Code*.

ARTICLE 7 – NOTIFICATIONS

All official notifications to SPEA for any of the following will be an electronic version inappropriate format.

7.01 Information Provide to Union

- (a) By the fifteenth (15th) of each month, the Company will provide to SPEA's Secretary, or designate as specified by SPEA, the following information based on the previous months information.
- (i) Employee first and last name;
 - (ii) Employee ID number;
 - (iii) Start Date;
 - (iv) Total Accumulated Service Date (see Article 14.02, 13.01);
 - (v) Seniority date in the Bargaining Unit (Article 22.09);
 - (vi) Functional Department;
 - (vii) Work Location;
 - (viii) Position (pursuant to Article 22.09) ;
 - (ix) Transfer out of bargaining unit date (if applicable);
 - (x) Position changes, promotions, and transfers within the bargaining unit, including effective date;
 - (xi) Employee classification (Full-Time, Part-Time, Permanent, casual or Term);
 - (xii) Salary Grade / Level;
 - (xiii) Current organizational unit (Department);
 - (xiv) Termination date (if applicable) and type of termination;
 - (xv) Employees on leave (and returning from leave), including type of leave, including effective dates;
 - (xvi) Current salary;
 - (xvii) Current home address;
 - (xviii) Current telephone number;
 - (xix) Employees on Acting Management Assignments.
- (b) When employees are assigned and/or dispatched as per any of the Assignment Conditions, the assignment Project Manager shall inform the Union at the same time that they are informing the employee.

7.02 General Notices and Competitions

The Company will make available to SPEA's designate(s) an electronic copy of all competition postings, and Policies, Procedures and Operating Instructions and amendments thereto, at the time they are issued. This will include a copy of all Company notices and Company wide correspondence to employees unless distribution is limited to Managers. In the event that these items are not available to SPEA members, the Company will provide them to SPEA's Secretary and designate(s) as specified by SPEA.

7.03 Demotion, Discipline, or Discharge

Where the Company decides to hold a meeting with an employee, to investigate a matter that may result in discipline/discharge or demotion, the Company shall advise the employee in writing (email is sufficient) indicating the nature of the meeting (including the fact that it is an investigatory meeting). This will include notice of the employee's right to request the presence of a SPEA representative at the meeting. SPEA will endeavour to make available a representative within twenty-four (24) hours' notice. In all cases the representative will be assigned within forty-eight (48) hours.

In serious and urgent circumstances, SPEA will make available a representative on shorter notice than provided for above.

In cases of discipline/discharge, the Company shall notify in writing (email is sufficient) the employee affected, as well as the SPEA President or designate and if unavailable, any Member at Large in that order, and the reason for such action. Such notification shall normally take place within one (1) day of notification to the employee. SPEA representatives will be present at discipline/discharge meetings, unless the employee, having been advised of their right to SPEA representation, specifically declines.

In cases of lay off or demotion, the Company shall notify in writing (email is sufficient) the SPEA President or designate, as well as the employee affected, of the action taken and the reason for such action. Such notification shall take place in advance of the notification to the employee.

7.04 Information to New Employees

The Company will give each new employee (including term employees) a copy of the Collective Agreement and an information package provided by SPEA. The Company reserves the right to approve the contents of the information package, such approval will not be unreasonably withheld.

7.05 Notice Boards

The Company will provide space on its notice boards for the use of SPEA.

7.06 List of SPEA Executive & Area Representatives

SPEA will provide to the Company an up-to-date list of the SPEA Executive and Area Representatives, including designates.

ARTICLE 8 – COMPANY-SPEA COOPERATIVE COMMITTEE, TECHNOLOGICAL CHANGES, HEALTH14 & SAFETY

8.01 OA Cooperative Committee

- (a) The company and SPEA will participate in a Joint Cooperative Committee for the OA bargaining unit. SPEA representation shall consist of three (3) regular members from the OA bargaining unit with support from the SPEA Business Agent(s) and SPEA President and an equal number of participants from Management, responsible for managing OA represented employees. The parties can agree to bring in subject matter experts for portions of these discussions if required.
- (b) All meetings shall take place on the second Monday in the months of March, May, September and November to discuss matters of mutual concern with the exception of any matter being grieved, litigated and/or negotiated between the parties. The parties can change these meeting dates based on mutual agreement.
- (c) In order to provide for a productive meeting, an agenda for the meeting must be exchanged between SPEA and the Company at least two (2) weeks in advance of each meeting to address items. Meetings will be scheduled for one (1) hour.
- (d) The Company will provide draft minutes of the Joint OA Cooperative Committee Meeting within two (2) weeks of the meeting. Draft minutes will be issued to the SPEA Secretary and designate. The Company will be responsible for the preparation of minutes, which must be agreed to by both Parties. If comments are not forwarded to the Company by SPEA within two (2) weeks of the draft being provided, the minutes will be deemed to have been accepted. Final minutes will be issued one (1) week after having been accepted and shall be posted in the workplace.
- (e) Employees serving on the OA Cooperative Committee shall not lose regular hours worked for time spent in attendance.

8.02 Health & Safety Committee

Consistent with the requirements of the *Canada Labour Code*, the Parties also agree to participate in a Health & Safety Committee. The Committee shall give consideration to matters of safety of mutual interest to the Company and SPEA, including the safeguarding of health and safety of employees and the workplace environment, and the prevention of hazards to life and property. The Committee shall normally meet monthly at a mutually agreed upon time and minutes of the proceedings shall be kept by a Representative of the Company. Minutes shall be reviewed by a SPEA Representative prior to distribution. Conclusions reached by the Committee shall be referred to the Company and SPEA. If required and with reasonable notice, a SPEA staff representative may attend the Committee meetings.

8.03 Technological Change

In the event of technological changes which will affect terms and conditions of employment, the obligations under the *Canada Labour Code* will apply.

8.04 Right to Refuse Dangerous Work

An employee shall have the right to refuse work in dangerous situations.

- (a) An employee may refuse to do any particular act or series of acts at work which the employee has reasonable grounds to believe are dangerous to the employee's health or safety or the health or safety of any person at the place of employment. The employee shall first report such

a situation to a Supervisor/Manager. The Company will follow the process set out in the *Canada Labour Code*. The employee may continue to refuse until sufficient steps have been taken to satisfy the employee, or until the Safety Officer representing Labour Canada has investigated the matter and advised the employee that the matter has been resolved.

- (b) No loss of wages or disciplinary action shall be taken against any employee who exercises the right conferred upon the employee in (a) above.

ARTICLE 9 – GRIEVANCES

The purpose of this Article is to provide prompt and equitable resolution of disputes that may arise between an employee(s) and the Company, or between SPEA and the Company.

The intent of the Grievance Procedure is to resolve problems, not to attribute blame or fault, either to the employee or the manager concerned.

9.01 Definition of Employee Grievance

An employee grievance is defined as a dispute or controversy between the Company and one (1) or more employees which arises from:

- (a) The interpretation, application, administration or alleged violation of the provisions of this Agreement; or
- (b) Alleged abuse of discretion by management in its treatment of employees with respect to matters provided in this Agreement; or
- (c) Discharge or disciplinary action without just cause excepting:
 - (i) Discharge for reasons of national security;
 - (ii) Discharge of an employee whose performance is not up to expectations and who has not completed one-hundred and twenty (120) working days of service;
 - (iii) Discharge of term employees in accordance with the terms of their contract and the provisions of the Collective Agreement as limited by Article 24.

9.02 General Grievance Regulations

- (a) All Grievance and Arbitration time limits are expressed in "working days".
- (b) Either party may request a more specific statement of a Grievance or of a reply if the statement or reply does not clearly and sufficiently state the problem or the reasons.
- (c) If a Grievance is not resolved at the Complaint or Fact-Finding stage, a written statement of the Grievance will be submitted.
- (d) Notice of a Grievance is provided either by submission of a written request for Fact-Finding (per 9.03 (b)), or the filing of a written statement of Grievance (whichever occurs first).
- (e) A complaint should be discussed or notice of a Grievance submitted as soon as possible. Any Grievance for which notice is not provided within fifteen (15) days after the Grievor knew or ought to have known of the occurrence which is the basis of the grievance, shall be deemed to have been waived and shall not be considered.
- (f) Further to (e), failure by either Party to comply with any time limit shall advance the Grievance to the next stage. Failure to meet the time limit at the final stage or in electing for Arbitration shall result in the Grievance succeeding where the onus is on the Company, or the Grievance being deemed as settled where onus is on SPEA.
- (g) Any time limit applicable to the Grievance Procedure may be extended by mutual written agreement of SPEA and the Company. Such requests shall not be unreasonably denied. This will also apply to Article 10 Arbitration.

- (h) The Company agrees that parties to or witnesses to a Grievance will be granted a reasonable amount of time off with pay to prepare for and attend the Grievance proceedings provided for herein. Requests for time off will be made, in advance, to management and requests will not be unreasonably denied.
- (i) At any stage of the Grievance proceedings, either Party on request shall provide copies of documents or data relevant to both the Grievance and the Grievor specifically requested by the other. Where the document or data is held in an employee's file, the consent of the employee is required before the document or data is made available to SPEA.

(j) **Complaints Potentially Outside the Agreement**

A dispute or controversy between the Company and one or more employees or SPEA, which is considered by one Party not to be a valid Grievance as defined in Article 9.01, will be discussed and handled using the procedures prescribed below, leaving the issue of validity to be decided, if necessary, by the Arbitrator.

9.03 Normal Employee Grievance Procedure

Except in cases of claimed wrongful discharge, the Grievance Procedure shall be as follows:

(a) Discussion of Complaint:

Every effort should be made to resolve a dispute or controversy without having to proceed on to the more formal steps described below. To this end, employees, with or without the presence of a SPEA representative should attempt to resolve their complaint with their Manager. If the employee does not request the presence of a SPEA representative at the time, and subsequently wishes to proceed with the Grievance, a SPEA representative may discuss the matter with the employee's Manager before proceeding to the next step.

(b) Fact-Finding:

- (i) Fact-Finding is initiated by a written notice to the employee's Manager by a SPEA representative specifying the existence of a potential grievance, and requesting a meeting. A brief outline of the problem or dispute will also be provided on the notice.
- (ii) Alternatively, SPEA may opt at this point to submit a standard grievance form, with a full outline of the complaint and remedy requested (as per (iv) below). In this case, the Company shall have the option of requesting Fact-Finding, or going directly to a Step 1 hearing, as provided for in (c) below.
- (iii) Within four (4) days of notification, a Fact-Finding Hearing shall be held, with participation by the employee(s) concerned, a SPEA Representative and the Manager. The purpose of the Hearing is to allow both sides to ascertain the facts underlying the dispute or controversy and arrive at a mutually acceptable resolution if possible. Representatives from the SPEA Grievance Committee and Human Resources may attend to facilitate the discussion. If requested by the employee, the SPEA Representative will present the employee's side of the dispute.
- (iv) If the dispute has not been satisfactorily resolved within six (6) days of the Fact-Finding Hearing, SPEA may submit the dispute as a formal Grievance at Step 1.
- (v) This is done by filing a standard grievance form, or if one has already been

submitted, by submitting a written request to proceed to Step 1 to Human Resources.

- (vi) The Grievance Statement should include the date of the events giving rise to the Grievance, the names of any persons involved, the nature of the Grievance, the Article of the Agreement allegedly violated, other relevant facts and remedial action requested. The grievance forms shall be signed by the employee and the SPEA representative, and then presented to Human Resources.

(c) **Step 1:**

- (i) Within ten (10) days of receipt of a formal Grievance or a request to proceed to Step 1, a Hearing shall be held on the Grievance.
- (ii) After the Step 1 Hearing, the Company representative shall respond in writing with the Company's decision to SPEA within seven (7) days.
- (iii) Within seven (7) days after the SPEA representative has received the Company response, SPEA shall respond in writing to the Company indicating the response was either satisfactory, in which case the Grievance is considered settled, or unsatisfactory, in which case it shall be processed to Step 2.

(d) **Step 2:**

- (i) When a Grievance is processed to Step 2, a Company-SPEA meeting shall be held within ten (10) days. If requested by the Company, SPEA will submit in writing prior to the meeting the reasons why SPEA considers the Company response at Step 1 to be unsatisfactory.
- (ii) SPEA will be represented by its representatives. The aggrieved employee may attend if desired.
- (iii) If mutually agreed, the Parties may have an agreed third party (the "Assessor") attend the Step 2 meeting to hear the cases presented by each side, and render an opinion or recommendation on the matters in dispute. This opinion or recommendation shall be considered by each Party prior to making its response, if time limits permit. The Assessor may ask questions at the meeting, may request and shall receive any information the Assessor considers pertinent to the dispute, and may meet with the Parties separately to resolve the dispute.

An opinion or recommendation shall be rendered by the Assessor within five (5) days of the Hearing.

- (iv) Within ten (10) days of the Step 2 meeting, or ten (10) days of the date by which the Assessor's recommendation was to be rendered, the Company shall provide SPEA with its decision in writing on the dispute.

9.04 Discharge Grievance Procedure

- (a) Where the Company determines that an employee is liable to be discharged for just cause, the employee will have the opportunity to be accompanied by a representative of SPEA, as an observer, at the meeting at which the employee is informed of the Company's intention to discharge. The Company will take reasonable steps to ensure that discharge occurs in a respectful and humane manner. This discussion will take place away from the employee's regular place of work, with non-uniformed security in the vicinity. Subsequent to this meeting, the employee will be provided with an opportunity to consult with a SPEA

representative on the premises prior to departure.

- (b) In any case of discharge (except for reasons of national security) the employee shall be advised of the reason. In addition an Executive Officer of SPEA (normally the President), shall be advised of the action taken. The President of SPEA will be advised of the reasons for such action.
- (c) A claim that an employee has been discharged without just cause shall not be entitled to consideration or made the basis of a Grievance unless filed within fifteen (15) days after the employee has received notification (or all reasonable steps have been taken to notify the employee) of the discharge.
- (d) The Grievance Procedure in all cases of claimed wrongful discharge shall be as follows:
 - (i) The alleged Grievance shall be reduced to writing, signed by the employee and submitted to Human Resources or other designated Company representatives;
 - (ii) A hearing shall be called by the Company within five (5) working days. SPEA representatives as necessary and the aggrieved employees may attend; if the employees, due to conditions beyond their control and through no fault of their own, are unable to present the Grievance in person, a SPEA representative may act for them;
 - (iii) The Company representative will submit a written decision to the SPEA President within seven (7) days of the hearing.
- (e) Should an employee be given the option of resigning or being discharged, this will be considered for the purpose of this Article as though it were a discharge.
- (f) Should an employee be discharged for reasons of national security, the Company will notify the SPEA President in writing. It is understood that the Company may not be able to divulge the information on which the discharge was based. In any such case the employee will be advised of the employee's rights of appeal.

The Company will, if possible, transfer the employee to other work if this would avoid the necessity for a discharge, providing the employee is capable of performing the work.

9.05 Company Grievance

- (a) The Company may request a meeting with SPEA for the purpose of presenting any complaint with respect to the conduct of SPEA.
- (b) If such a complaint by the Company is not settled, it may be treated as a Grievance and referred to Arbitration under the provisions of Article 10.

9.06 SPEA Grievance

Any difference, dispute or controversy between SPEA and the Company arising from matters defined in Article 9.01.

- (a) Where an employee is unwilling or unable to submit a Grievance;
- (b) That affects a group of employees; or
- (c) That is a matter between SPEA and the Company which does not directly affect any specific employee, may be submitted by SPEA as a Grievance to Human Resources and thereafter

dealt with as prescribed in Article 9.03.

ARTICLE 10 – ARBITRATION

10.01 Arbitrability

Questions not involving the interpretation, application, administration or alleged violation of the Agreement shall not be arbitrable.

10.02 Notice

Within thirty (30) days after a final decision or disagreement has been announced on any Grievance properly processed under the Grievance Procedure, one of the Parties may, subject to 10.01, elect to submit the matter to arbitration. Notice of Arbitration in the case against the Company shall be served by mailing or delivering a copy to Human Resources and in the case against SPEA, by mailing or delivering a copy to the President of SPEA or designate. Email is sufficient.

10.03 Single Arbitrator

(a) The matter will be referred to a Single Arbitrator chosen from a predetermined list acceptable to both Parties. The list of Arbitrators and their order of rotation will be as follows:

- (i) Louisa Davie
- (ii) Russel Goodfellow
- (iii) Bill Kaplan
- (iv) Paula Knopf
- (v) Kathleen O'Neill
- (vi) Owen Shime
- (vii) Diane Gee
- (viii) Gord Luborsky
- (ix) George Surdykowski
- (x) Eli Gedalof
- (xi) Jim Hayes
- (xii) Michael Mitchell

The Parties may mutually agree to add or delete from this list at any time.

The Arbitrator is to be selected on a sequential basis, starting at the top of the list and continuing on a rotational basis. It is further understood that as each Arbitrator is selected as sole Arbitrator, his/her name shall be moved to the bottom of the list and the Arbitrators shall thereby be rotated.

The Parties also agree that in the event that the Arbitrator does not have hearing dates available which are acceptable to the Parties within ninety (90) days, the Parties will proceed to the next Arbitrator on the rotation list. The Parties may agree to continue to retain the Arbitrator in these circumstances.

If mutually agreed upon, an Arbitrator may be selected out of sequence. The selection sequence will revert back to the original position for future arbitration cases.

- (b) The decision of the Arbitrator shall be final and binding on all parties concerned.

10.04 Costs

The cost of the services of the Arbitrator, and all other incidental costs shall be borne equally by both Parties.

10.05 Powers of the Arbitrator

The Arbitrator(s) shall have no power to add to, nor to subtract from, nor to modify the terms of this Agreement or any agreement made supplementary hereto, and shall render a decision not inconsistent with the terms of this Agreement.

10.06 Grievance Mediation Process

- (a) Either Party, with the agreement of the other Party, may submit a grievance to Grievance Mediation at any time within thirty (30) days after the Company's decision has been rendered at Step 2.
- (b) The mediation will commence within thirty (30) days of the grievance being submitted to Grievance Mediation, or a longer period as agreed by the Parties.
- (c) The Parties shall agree on a Mediator. The list of Mediators shall be as follows:
 - (i) Jules Bloch
 - (ii) Gerald Charney
 - (iii) Bill Kaplan
 - (iv) Randy Levinson

The Mediator is to be selected on a sequential basis, starting at the top of the list and continuing on a rotational basis. If the Mediator does not have mediation dates which are acceptable to the Parties within thirty (30) days, the Parties will proceed to the next Mediator on the list.

- (d) If possible, an agreed statement of facts will be provided to the Mediator two days in advance of the mediation. If not possible, each side will present a separate statement of facts to the Mediator and the other side two (2) days in advance of the mediation.
- (e) If no settlement is reached within ten (10) days following Grievance Mediation, the matter may be referred by either Party to Arbitration in accordance with the provisions of the Collective Agreement. In the event that a grievance which has been mediated subsequently proceeds to arbitration, no person serving as the Mediator may serve as Arbitrator. The Grievance Mediation process is without prejudice or precedent and nothing said or done during the Grievance Mediation, by the Mediator and by the Parties, may be referred to at Arbitration or otherwise in any other proceeding. Pre-arbitration may not be used subsequent to the grievance mediation process.
- (f) SPEA and the Company will share the cost of the Mediator, if any.

ARTICLE 11 – INTERNAL COMPETITIONS

The Company and SPEA value the process of job postings and competitions, particularly as a means for employees to achieve job satisfaction and career development, and as a means for the Company to achieve a matching of its human resources to its work requirements while taking employee preferences into account.

Accordingly, the following general principles will apply regarding assignments, competitions and promotions:

- In general, prospective vacancies will be posted;
- The onus is on the employee to identify interest in a posted position;
- Employees will be given preference over non-Bargaining Unit applicants (e.g., external hiring) for any vacancy.

11.01 Postings

All vacant positions within the Bargaining Unit which the Company wishes to fill shall be posted in order that employees can indicate their interest in the vacant position.

Exceptions to the requirement to post and hold competitions are set out in Article 11.03.

11.02 Preference

An applicant from within the Bargaining Unit will be selected for a vacant Bargaining Unit position provided the applicant is considered to be qualified for and capable of performing the required duties, except as provided for in Article 11.03.

The Company may commence external competitions simultaneously with internal competitions where the Company reasonably believes that there are no internally qualified candidates or no internally qualified candidates are available. SPEA will be notified in advance of such simultaneous competitions.

11.03 Competitions

- (a) Competitions will be held for positions within the Bargaining Unit, which the Company wishes to fill, except for the following:
- (i) Transfers to positions/assignments within a department unless a position promotion is involved in the transfer or assignment;
 - (ii) Transfers to positions/assignments outside a department with an expected duration of less than nine months;
 - (iii) Positions to be filled by new graduates;
 - (iv) Company employees returning to the Bargaining Unit following managerial or confidential assignments;
 - (v) Positions to be filled by Bargaining Unit members returning from off-site assignments;
 - (vi) In cases where a qualified individual who would otherwise be subject to lay-off is available for redeployment or is redeployed; and in cases of recall;
 - (vii) Promotions made in accordance with Article 20.04, that is, promotions which relate

to a developing role in the same position.

Should other unusual circumstances arise which could make a competition inappropriate, the Company will determine appropriate action with SPEA's agreement, which shall not be unreasonably withheld.

Temporary assignments to project sites with an expected duration of twelve (12) months or longer must be filled by postings, or Expressions of Interest.

- (b) Competition notices shall be posted for a minimum of ten (10) working days.
- (c) Qualifications (including education, experience, knowledge, skills and abilities) to perform the required duties shall be fully stated in the Internal Competition Postings and shall govern the selection of successful candidates in all competitions within the Bargaining Unit.

Internal Expressions of Interest will include: approximate duration, grade level, general work description and general qualifications, and, where possible, customer and location.

Where qualifications to perform the required duties are reasonably equal, considerations relating to addressing inequalities for minority groups within the Bargaining Unit may determine the selection.

- (d) Upon request, the Company will provide SPEA with a list of employees who applied for a particular position. For each internal competition, the Company will inform all the applicants of the results (email is considered to be acceptable for this purpose).
- (e) Upon request, unsuccessful applicants will be provided with a post-selection interview with the hiring Manager.
- (f) Employees who are successful in filling a competition position will not be accepted for another competition for a one (1) year period unless the new position involves a promotion, or otherwise agreed to by management.
- (g) The Company will provide SPEA with a report of all internal competitions and Expressions of Interest upon request. The job posting or Expression of Interest will be provided.

11.04 Transfers Involving Change of Domicile

All transfers or reassignments requiring a change of domicile shall be voluntary if the duration is greater than three (3) months. Where an employee refuses such a transfer or reassignment and the employee's current position no longer exists, Article 22 (redeployment or layoff) will apply.

11.05 Acting Positions

Bargaining Unit positions involving a promotion shall not be held in an acting capacity for more than three (3) months without a competition being held unless:

- (a) The expected return of the previous incumbent is within six (6) months; or
- (b) The previous incumbent is on training or secondment with a duration not to exceed one (1) year; or
- (c) In cases of maternity/parental leave; or
- (d) The position will not be filled permanently as a result of a planned wind-down; or

- (e) The Company and SPEA agree in a specific case to extend the term of an acting position for reasons not stated above.

11.06 Temporary Assignments Outside the Bargaining Unit

SPEA will continue to represent employees who have been temporarily removed from their regular positions to perform work outside the Bargaining Unit and the Company will continue to deduct and remit dues on their behalf. Such temporary assignments shall not exceed six (6) months unless SPEA and the Company agree to extend the term. Representation will be limited to the following: Employees will retain protection against discipline/discharge without just cause; and will retain rights to exercise their seniority within the Bargaining Unit in a situation of layoff.

Beyond six months, in the absence of an agreement as outlined above, the employee will be outside the Bargaining Unit. All SPEA representation will cease and dues will no longer be remitted on the employee's behalf.

11.07 Transfers

The Parties recognize that there may be situations in which the transfer of an employee would be mutually agreeable to all concerned. In such situations the Parties will discuss the situation as far in advance as practical, consider alternate means of dealing with the situation, and endeavour to minimize any adverse effects.

ARTICLE 12 – GROUP INSURANCE PLANS

Group insurance benefits are provided to employees based on their classification and work schedule. Employees who are Regular Part- or Full-time are eligible for the myBenefits modular plan; plan eligibility varies based on scheduled hours of work. Employees who are term or short term are eligible for Option 1 (Base Plan) for Medical and Dental and other benefits per duration of term assignment.

Group Insurance benefits and payment sharing outlined below are set out in the 2023 MyBenefits Booklet. For clarity, benefit entitlements and cost sharing will not be altered without SPEA's agreement and the group insurance provider may be altered at the Company's sole discretion.

12.01 Medical/Dental

- (a) The Company will provide group Extended Health and Dental Care Plans equivalent to that provided under the myBenefits program with the cost sharing as defined for each of the modules.
- (b) The Extended Health Care Plan for employees resident in New Brunswick shall cover treatments covered by OHIP but not covered by the New Brunswick Medicare Plan.
- (c) The Company will provide group out-of-country travel coverage. Monthly premiums supporting this travel coverage will be paid by the Company.
- (d) The Company will provide single out-of-country coverage to employees who do not subscribe to the Extended Health Care Plan.
- (e) Dental plan coverage is provided under the myBenefits program or equivalent the applicable Dental Association Fee Guides for General Practitioners referenced are the current fee guides effective when proclaimed by the Provincial Dental Association.

12.02 Life Insurances

(a) Group Life Insurance

Employees will be covered for Basic Life insurance equivalent to one (1) times base salary. The Company will pay one hundred percent (100%) of the premium cost of this Plan.

(b) Supplementary Group Life Insurance

The Company will provide Supplementary Life insurance equivalent to one times base salary and will pay one sixth (1/6) of the premium necessary to support this Plan. Employees may elect to continue their Supplementary Life coverage upon retirement. The coverage will decrease by ten percent (10%) for each year beyond age 65, reducing to 0 at age 75.

12.03 Long Term Disability

The Company will provide Long Term Disability insurance for all regular employee's equal to 66.67% of base monthly salary. Upon expiration of the Intermediate Term Disability, participating employees will be eligible to apply for and receive long-term disability benefits in accordance with the LTD section of the myBenefits booklet. The Company will pay the cost sharing for this benefit per the myBenefits plan design.

12.04 Continuation of Group Insurance Plan Coverage During Periods of Absence Without Pay

The following will apply to employees during periods of absence without pay in regard to continuation

of Group Insurance Plan Coverage:

- (a) Medical/Dental, Life and Long-Term Disability will normally be maintained during periods of absence without pay; the employee will be informed in writing of any discontinuance of coverage and the discontinuance will be discussed with the SPEA President;
- (b) The Company will continue to pay its portion of the premium cost of these plans in Company approved absences without pay which do not extend through a full calendar month (from first day to last day, inclusive) and in other cases where the absence without pay is due to illness or injury, including LTD, or where the employee is on approved maternity or parental leave; in other absences without pay, the employee will normally be required to pay the full cost of these plans;
- (c) Employees on an approved leave of absence without pay for a period of time extending beyond thirty (30) calendar days may request that their group insurance coverage be discontinued for the full length of their leave of absence and such request will not be unreasonably denied, provided the request is made prior to the leave commencing.
- (d) Unless an alternative arrangement is made, the employees will be rebilled monthly for either their share or the total premium costs, as applicable;
- (e) Should these monthly billings not be paid, the monies owing will be recovered either:
 - (i) Via prorated salary deductions on the employee's return to work; or
 - (ii) From termination credits such as vacation pay if employment is terminated; or
 - (iii) Other appropriate sources.

12.05 Benefits Review Committee

It is the intent of the Company to constitute, from time to time as appropriate, a Company-wide Benefits Review Committee at which SPEA will have representation. The Company will consult with employee group representatives in establishing the composition of and terms of reference for such a Committee.

ARTICLE 13 – PENSION PLAN

13.01 General

The Employer has agreed to sign the Participation Agreement to join the CAAT Pension Plan at SPEA’s request.

As a result, eligible (pursuant to the collective agreement and CAAT Participation Agreement) SPEA-OA members who are currently contributing to the Defined Contribution (DC) Pension Plan administered by SPEA, the Canadian Energy and Related Industries (CERI) Pension Plan or who will be entering the bargaining unit for the first time, will be transitioned to the Colleges of Applied Arts and Technology (CAAT) Pension Plan (“the Plan”).

To account for this transition toward the CAAT Pension Plan, the parties agree they shall, make best efforts to transition to the Plan by December 1, 2023 if possible.

The Employer shall continue its practice of remitting contributions every pay period. The parties agree and recognize that the Employer shall not be liable for any material change or impact resulting from this transition to the CAAT Pension Plan.

Moreover, it is hereby agreed that the Employer may, at any time, terminate its participation in the CAAT Pension Plan, in accordance with the terms and conditions of the Plan, including but not limited to a change in the contribution rates payable by the Employer.

All eligible employees, shall be required to contribute 8% of their base salary, including on-call and acting pay. The Employer’s contribution shall be equal to the following percentage of an employee’s base salary, including on-call and acting pay. In other words, the Employer shall contribute in the same manner as it currently does with the CERI Pension Plan.

Years of Service	Employee Contribution	Employer Contribution
0 – 3	8%	6.5%
3-6	8%	8%
6+	8%	10%

In the event of a discrepancy between this collective agreement and the Participation Agreement and/or the Plan Sponsorship and Trust Agreement, the terms of this collective agreement will prevail. Contributions for employees who have prior service with Candu or SLN shall be based on total accumulated service. With respect to AECL prior service entitlement, refer to Article 22.09 (v).

For clarity: Employer and employee pension contributions will continue during periods of absence due to sick leave. With respect to the following absences, employee and Employer contributions will continue unless the employee chooses to opt out: LTD, maternity/parental leave, Compassionate Care Leave, WSIB leave. Such declaration must be made at the beginning of the leave.

COMMENT: The union has proposed delaying the implementation of increasing the employee contribution (from 6.5% to 8% for those with 0-3 years of service) to align with the CAAT implementation date. No final agreement has been made regarding this as of the date of this draft collective agreement.

ARTICLE 14 – LEAVE PLANS

14.01 Vacation Leave Entitlement

- (a) Vacation credits are administered on a calendar year basis.

Vacation leave credits earned in one calendar year must be used no later than the end of the following calendar year. Under normal circumstances, each year's vacation credits are used on a current basis. To support this, Employees and their Managers shall review the vacation leave entitlement of their employees intermittently throughout the year and ensure that vacation is scheduled so that allowed carryover is not exceeded at the end of the calendar year.

Earned unused vacation leave credits will be paid upon termination of employment, and any advanced vacation credits that have not been earned will be deducted from an employee's entitlement on termination and/or their final pay. Further information regarding vacation leave advance can be found in the 2023 Candu Leave Policy as found in Appendix C.

- (b) Newly hired Full-Time, Part-time and Fixed Term employees earn vacation leave on a monthly basis for their first six (6) months. After six (6) calendar months of service, they are advanced the additional vacation leave that they will be eligible to earn by the end of the current fiscal year.

To earn the monthly vacation leave credit, employees must receive salary for at least ten working (10) days in the calendar month.

Part-Time Employees earn vacation days pro-rated based on their percentage of work schedule.

Casual employees do not earn vacation leave time but will receive four percent (4%) vacation pay paid out in each pay period.

Students do not earn vacation leave time but will receive four percent (4%) vacation pay paid out at the end of their work term.

- (c) Employees who have completed six (6) months' or more of service with the Company by January 1st, are advanced annual vacation leave as follows:

Service	Vacation Credits
½ but less than 6 years	112.5 hours (15 days)
6 but less than 7 years	120.0 hours (16 days)
7 but less than 14 years	150.0 hours (20 days)
14 but less than 16 years	157.5 hours (21 days)
16 or more years	187.5 hours (25 days)

NOTE: No employee shall lose vacation credits as a result of the change to vacation entitlement set out in 14.01 and 14.03. *We do not have agreement on this note, although we don't believe any employee's vacation entitlement will be lowered as a result of the award. Many will see increased vacation entitlements.*

14.02 Discontinuous Service Credit

Employees who have prior service with Candu or SLN shall be credited with annual vacation as provided in Article 14.01 on the basis of their total accumulated service. Total accumulated service shall be the sum of current Company service, which is eligible for vacation credit, and service in previous periods of employment with AECL, Candu or SLN, which was eligible for vacation credit. For AECL service, refer to Article 22.09 (v).

14.03 Additional Service Credit

Notwithstanding the foregoing, and for vacation purposes only, employees in OA3 positions and above, together with those later promoted thereto and new employees, who are hired directly into said positions from outside the Company, shall be credited with seven (7) years of service upon the ratification of this Agreement or said promotion or hire as appropriate.

NOTE: Refer to Attachment 2, Appendix A, page 82 – to see how the additional service credit applies to vacation entitlement.

14.04 Vacation Scheduling

Employees should submit their preferred vacation dates in writing and should provide as much written notice as possible. The dates requested should ensure that vacation leave credits earned in one calendar year are used by no later than the end of the subsequent calendar year.

Managers should approve vacation leave so that the Company's operational requirements are met while taking into account employee preferences.

Should the Company's operational requirements result in a deferral of an employee's preferred vacation dates, the Manager and the employee involved shall endeavour to re-schedule the vacation at a mutually agreeable time.

14.05 Vacation Pay

Employees shall receive their base salary in effect at that time for the number of vacation days taken.

14.06 Vacation Pay Adjustments

At the end of each reference year, the Company shall calculate the monetary difference, if any, between the vacation pay received as per Article 14.06 and the percentage and amount of vacation pay that an employee may receive as per the thresholds established by the *Canada Labour Code* while using the Code's definition of wages earned during the year.

Where the vacation pay received as per Article 14.06 is less than that provided by the Code, the excess vacation pay thus identified shall be paid to the employee by January 31st of the subsequent reference year.

Where the vacation pay received as per Article 14.06 is equal to or greater than that provided by the Code, no such payment shall be made.

14.07 Displacement of Vacation Leave

If, during vacation leave, an employee is seriously impaired or hospitalized due to illness or accident, the employee may request to defer such lost vacation days to a subsequent date. At the Company's

request, the employee shall submit a detailed medical certificate from the treating physician or hospital for the review of the Benefits Administrator and/or the third-party assessor retained by Human Resources.

Should the employee's request be granted by said Administrator and/or assessor, the employee and Manager involved shall re-schedule said vacation days at a mutually agreeable time.

14.08 Exceptional Circumstances – Vacation Advances & Excess Vacation

Provided that the Company's operating requirements are met, Managers and Human Resources may approve advances of vacation leave. The Company shall recover said advances when the employee involved is credited with equivalent vacation leave.

Provided that the Company's operating requirements are met, Managers and Human Resources may approve vacation leave without pay when the employee involved has used all accrued vacation credits.

Should the Company's operational requirements be such that an employee's vacation leave credits earned in one calendar year cannot be used by the end of the subsequent calendar year, the Company at its sole discretion, may pay out said excess vacation in lieu of carrying said excess vacation over. For clarity, vacation credits should not exceed double the employee's annual entitlement. Any vacation credits above double the amount of the employee's annual entitlement are considered excess vacation credits.

Where vacation leave with pay has been granted by the Company, and is subsequently cancelled, the Company shall reimburse the employee for all costs related to the cancellation. The employee shall provide receipts and/or documentation to support said claim. In the unlikely event that an employee's rescheduled vacation must be cancelled, said cancellation shall not take effect without the employee's mutual agreement and any reimbursements shall be managed as described herein.

SICK LEAVE

14.09 The Company shall provide its employees with a Sick Leave Plan including short-term sick leave, intermediate sick leave and long-term disability in accordance with the terms and conditions of the 2023 Candu Leave Policy as found in Appendix C and the 2023 myBenefits Booklet. The details of those Plans shall be made available to bargaining unit employees. The Employer agrees that no changes shall be made to the Sick Leave Plan during the term of this collective agreement as applied to this bargaining unit unless agreed to by the union.

14.10 Leaves of Absences

The Company shall provide its employees with access to paid and unpaid leaves of absences in accordance with the 2023 Candu Leave Policy as found in Appendix C. No change shall be made to the 2023 Candu Leave Policy during the term of this collective agreement as applied to this bargaining unit unless agreed to by the Union.

14.11 Personal Business Days

Personal Business Days shall be administered on a calendar year basis and one (1) day of paid leave per calendar year shall be credited to employees for use in personal or special circumstances. The scheduling of leave shall be subject to the Company's operational requirements and the Company's agreement shall not be unreasonably withheld. For clarity, unused Personal Business Days are not carried over into the following calendar year nor are unused Personal Business Days paid out on termination.

14.12 Leave Without Pay

The Company recognizes that employees may, from time-to-time, have a need to request leave without pay on a limited basis to meet special personal circumstances. At the Company's discretion, employees may also be granted more extended leaves of, for example, between six (6) and twelve (12) months. The Company will not unreasonably deny any such requests providing:

- (b) It deems such action is consistent with achieving its work program objectives at the time such leave would apply;
- (c) The employee uses vacation credits which are in excess of the current year's entitlement in advance of such leave; and
- (d) Banked time credits are exhausted in advance.

14.13 Self-Funded Deferred Leave

Self-funded deferred leave allows full time continuing employees to defer up to thirty-three and one-third percent (33 1/3%) of their gross salary or wages in order to fund a period of absence from their work and return to their regular employment at the expiration of the leave. Subject to operational requirements and management discretion, an employee may be granted self-funded deferred leave for between six (6) and twelve (12) consecutive months in accordance with the guidelines found in Attachments 2 (Candu Leave Policy) and Attachments 3 (SFDL Guidelines) of the Collective Agreement.

ARTICLE 15 – COMPANY HOLIDAYS

15.01 General

There shall be twelve (12) Company holidays per calendar year, to fall on Monday to Friday inclusive as follows:

- New Year's Day
- Good Friday
- Victoria Day
- St. Jean Baptiste Day (Quebec Only)
- Canada Day
- Company Holiday (summertime floater)
- Civic Holiday (Except in Quebec)
- Labour Day
- Thanksgiving Day
- Christmas Day
- Boxing Day
- Two (2) days following Boxing Day.

ARTICLE 16 – CAREER AND PROFESSIONAL DEVELOPMENT

The purpose of career development is to assist employees in improving job-related skills and knowledge, in order to enhance their opportunities for internal promotion, to increase their skills and to enhance their job performance.

In addition to internal training, the Company shall provide bargaining unit employees reimbursement for various training and tuition fees to further develop their skills and competencies related to their job function. Such training and tuition fees must be job related and approved in advance.

ARTICLE 17 – PROFESSIONAL AND JOB RELATED ASSOCIATIONS

If the Company requires or requests that an employee obtain a professional or other job related designation, qualification or certification which is job related and approved in advance, costs associated with acquiring the designation, qualification or certification will be reimbursed.

Where the Company requires or requests that an employee be a member of a professional, technical or trade or other job-related association, the Company will pay the associated membership fees. This will include initial and annual P.Eng Licence fees.

ARTICLE 18 – PERFORMANCE MANAGEMENT AND REVIEW

The purpose of this Article is to recognize the importance of and to promote proper performance management and review, thus enabling the employee to continually enhance performance to the benefit of career development, the accomplishments of the organizational unit and ultimately the success of the Company.

18.01 Principles

Performance Review will be governed by the following principles:

- (a) Employees should receive meaningful feedback on their performance on an ongoing basis. In addition, employees will receive an informal six (6) month feedback session/review. Employees will have their performance formally reviewed annually, and discussed with them by their Managers by January 31 each year.
- (b) Employees will normally have their performance reviewed prior to a transfer or change in Managers. Employees may request a formal review at the time of transfer.
- (c) The performance review dialogue should focus on:
 - (i) Establishing a clear understanding and equitable assessment of the employee's contributions and achievements relative to the established goals, expectations and requirements;
 - (ii) Recording, assessing and guiding the development of the employee's skills and capabilities;
 - (iii) Establishing individual employee objectives for the subsequent year, identifying employee career development goals and discussing training or other actions to assist in the attainment of those goals. The employee's readiness for promotion will also be discussed during the performance appraisal process.
- (d) The performance appraisal will include an overall assessment of the employee's performance over the review period. The categories are as follows:
 - a. Does Not Meet Expectations
 - b. Partially Meets Expectations
 - c. Meets Expectations
 - d. Exceeds Expectations
 - e. Outstanding

"Expectations" are results expected of an employee relative to the employee's salary grade [sic], their level of experience within the grade [sic], and their level of experience in the areas in which they have been working over the review period.

"Meets Expectations" performance constitutes the Company's standard measure, i.e., this is a level of performance, which the Company is satisfied to receive, and which reflects honourably upon the employee.

- (e) Assessments of "Does Not Meet Expectations" or "Partially Meets Expectations" should give rise to a more frequent performance review cycle as part of the effort to achieve enhanced

performance. As part of this process, additional training and mentoring will ordinarily be provided.

- (f) The Company will not change, without prior agreement with SPEA, the performance review system, including the current performance appraisal form. SPEA recognizes that competencies may be revised annually and prior to introducing changes to competencies, the Company will consult meaningfully with SPEA.
- (g) An employee's performance appraisal will not be negatively impacted if objectives are not achieved due to circumstances beyond the employee's control.

18.02 Employee Entitlements

The following Performance Review entitlements shall accrue to the employee:

- (a) An employee shall have the right to a Performance Review at any time upon request;
- (b) The employee shall have an opportunity to provide meaningful input into their performance appraisal. This includes the option of preparing a "self-appraisal" on the standard performance appraisal form, for submission to the Manager. Employees may also request that the Manager seek input from up to three (3) others (co-workers, suppliers, customers, Managers, etc.) with whom the employee had significant interaction during the review period and incorporate the information received into the appraisal. With respect to customers/suppliers, the Manager will, where appropriate and at the Manager's discretion, make a reasonable effort to seek the above information;
- (c) Overall assessments for employees and their distribution shall not be pre-determined. An employee's performance appraisal cannot be finalized until after the performance appraisal process has been completed. For clarity: The appraisal process has not been completed until after the employee and Manager have met to discuss the performance appraisal;
- (d) If requested by either the employee or the Manager, the performance review shall be conducted in two stages, as follows:

At the first meeting, the Manager will seek input from the employee and provide input and clarification of the draft review, provide performance feedback and discuss objectives. At the end of the initial meeting the review may be finalized or a second meeting scheduled when they would have the opportunity to further discuss the review and the objectives with the intent of reaching an understanding. Should the employee disagree, then recourse as per Article 18.02 (g) is available;

- (e) Employees will be asked to sign or give an electronic acknowledgement the performance appraisal form as an indication that the contents have been read and understood. The employee's signature does not necessarily mean that the employee agrees with the assessment. An employee may add written comments to accompany the finalized performance assessment;
- (f) Where an employee disagrees with the performance assessment, the matter should be discussed with the Manager; the employee may also request, within fifteen (15) days after having received the performance appraisal report for signature, that a representative of Human Resources mediate and obtain resolution;
- (g) Employees may have a copy of any of their performance assessments upon request.

18.03 Notations on File

When a disciplinary notation is placed on a personnel file, the employee concerned shall be given an opportunity to sign the notation in question to indicate that its contents have been read, and shall be given a copy. Signing does not necessarily acknowledge agreement with the contents of the report.

Employees may request an offsetting notation twelve (12) months from the date of discipline and this request will be granted provided there has not been an occurrence of a similar nature over this time.

Disciplinary notations and all other documents related to the discipline will be removed from an employee's file after a period of two (2) years provided that no occurrence of a similar nature has taken place over this time. Disciplinary notations removed from an employee's file will be returned to the employee for disposal and will not form the basis for any subsequent disciplinary action.

For clarity, the process outlined above will apply to Letters of Expectation as well, though they are not disciplinary in nature.

18.04 Limitations on Employee Documents

The Company will not introduce as evidence in a Hearing relating to disciplinary action any document of which the employee had not been informed at the time it was placed on file.

The contents of any written statement referring to the employee's performance will be given to the employee in writing.

18.05 Access to Employee File

Employees may view their files in the presence of a Human Resources Office representative. Employees shall, on request, be given a copy of any document on their file.

18.06 Probationary Period

Newly-hired employees will be assessed on or before the completion of sixty (60) working days and will be subject to a probationary period of one-hundred and twenty (120) working days following which they will be placed on the seniority list and credited with seniority from date of hire. In the event an employee's performance during the probationary period is not satisfactory, the Company has the right to discharge the employee.

ARTICLE 19 – HOURS OF WORK

19.01 Definitions

For the purposes of this agreement, a “full-time” employee shall be one who regularly works thirty-seven and one-half (37.5) hours per week.

A “part-time” employee shall be one who regularly works less than thirty-seven and one-half (37.5) hours per week on a regular basis.

A “fixed term” employee shall be hired for a specific project and/or scope of work and work either full-time or part-time hours with a specific end date.

A “casual” employee shall be one who works intermittently or when required or on an as needed basis but shall work less than thirty (30) hours.

A “student” employee shall be one that is hired on a short-term (normally less than 6 months but could be extended up to 18 months) basis or to fulfill a special education requirement such as a co-operative work term(s). All student employees must be attending an accredited school recognized in Canada or equivalent institute outside the country (i.e., high school, college or university) and are working towards the completion of their diploma, degree, post graduate degree or equivalent.

19.02 General

- (a) The normal work week for full-time employees shall be thirty-seven and one-half (37.5) hours, Monday to Friday inclusive. The normal workday for full-time and/or part-time employees shall be seven-and-one-half (7.5) hours, exclusive of their lunch period. Nothing in this Collective Agreement shall be construed as a guarantee as to the hours of work per day nor as to the hours of work for any other period of time nor as a guarantee of working schedules. Subject to the other provisions of this Collective Agreement, employees will only be paid for hours actually worked.
- (b) While some positions and functions may allow for a flexible start and/or finish time, other positions and functions will not. Any request for such a flexible start and/or finish time must be addressed with the employee’s manager in advance and shall be based on the operational requirements and the function(s) performed by those employees. For clarity, it is understood that the Company may fix starting and/or finishing times in accordance with specific work requirements and operational requirements. Any employee requests shall not be unreasonably denied.

19.03 Lunch Period

The lunch period shall normally be thirty (30) minutes, but a lunch period of up to sixty (60) minutes may be taken by the employee with prior approval by their manager. The Manager agrees to act reasonably in allowing the employee to extend their lunch to sixty (60) minutes provided such does not interfere with operational requirements.

19.04 Christmas Shutdown Arrangements

Subject to the Company’s determination that its operational requirements can be met, a Christmas shutdown will be implemented each year. The Christmas shutdown refers to the normal working days between the afternoon of Christmas Eve and New Year’s Day after the paid holidays as per Article 15.01 Company Holidays, have been taken into account.

Employees may use available banked time, personal business days or vacation pay to cover the

Christmas Shutdown. In the event that an employee does not have the requisite days accrued to cover the Christmas Shutdown, individual make-up time arrangements shall be agreed upon by the employees and Managers involved.

19.05 Compressed Work Week

An employee may request to work a compressed work week and the Company shall consider such request taking into consideration operational requirements. Such a request will not be unreasonably denied. The Company may also initiate a request to employees to work compressed work week. SPEA will be informed in advance of any such request.

- (a) Provided that the Company's operating requirements are met, the daily hours specified within Articles 19.01 and 19.02 may be increased to, for example:
 - (i) Nine and one-half (9.5) hours on Monday to Wednesday and nine (9) hours on Thursday;
 - (ii) Nine and one-half (9.5) hours on Tuesday to Thursday and nine (9) hours on Friday;
 - (iii) Ten (10) hours on Monday to Wednesday, and remain at seven and one-half (7.5) hours on Thursday;
 - (iv) Ten (10) hours on Tuesday to Thursday, and remain at seven and one-half (7.5) hours on Friday.

For clarity, such standard hours shall not exceed thirty-seven and one-half (37.5) hours per week.

- (b) Overtime shall only be paid for authorized overtime work in excess of the standard compressed hours of work. For clarity, and using (iii) above as an example, overtime shall be paid at the applicable overtime rate after ten (10) hours on Monday to Wednesday and after seven and one-half (7.5) hours on Thursday.

19.06 Regular Part Time Status

An employee may request to work part time hours for a minimum of 30 hours per week without affecting their entitlements to benefits (Article 12, 13). Vacation and Sick Leave entitlements will be prorated based on the weekly hours worked. Overtime eligibility remains based on the standard work week. The Company will review any such request, taking into consideration operational requirements. The Company may approve the request at its discretion which shall not be unreasonably withheld. Requests to work fewer than 30 hours per week may be considered at the Company's sole discretion and may result in a reduction in benefit coverage.

ARTICLE 20 – SALARY SCALES

- (a) Employees shall be classified and paid in accordance with the L salary scales listed below.
- (b) Increases shall be applied in the following order:
 - (i) Scale;
 - (ii) Merit.

The total salary increase (scale plus merit) shall be rounded to the nearest one hundred dollars (\$100).

- (c) Effective as of March 1, 2024 and each anniversary thereafter for the term of this Collective Agreement as defined in Article 27.01, the minimum and maximum salary scales set out below shall be adjusted by an amount equal to the change in the annual average all-items Consumer Price Index for Canada (not seasonally adjusted), provided that, such adjustment shall in no circumstances be less than the stipulated minimums or more than the stipulated maximums in all years.

March 1, 2024 – min 2.5% - max 4.0%
March 1, 2025 – min 1.5% - max 3.5%
March 1, 2026 – min 1.5% - max 3.25%

March 1, 2023 Scale		
Grade	Minimum	Maximum
OA1	\$54,100	\$70,500
OA2	\$70,600	\$85,300
OA3	\$85,400	\$100,200
OA4	\$100,600	\$111,100
OA5	\$111,400	\$123,700
OA6	\$123,800	\$158,800

The Employer shall confirm the adjusted minimum and maximum salary scales annually with the Union within a reasonable period after Statistics Canada releases CPI in January of each year. “CPI” means the ratio of the cost of a fixed set of commodities purchased by consumers in Canada in a particular time period to the cost of such commodities in a base period as reflected by the all-items Consumer Price Index for Canada (not seasonally adjusted), series number 18-10-0005-01 (formerly CANSIM 326-0021), published by Statistics Canada (or by any successor thereof) for any relevant calendar month.

For the purposes of the above, the Statistics Canada information was obtained from:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000501>

If CPI is not available, there is a material change in the manner of calculation or is discontinued, the Parties shall be bound by the index which is the most reasonable comparator to the CPI (inclusive of methodology) and in use as of the first date the collective agreement’s term. Since the annual average CPI is typically not known until mid-January and to provide sufficient time for implementation, the scale adjustment shall be implemented on March 1 starting in 2023.

The Employer shall confirm the adjusted minimum and maximum salary scales annually with the Union within a reasonable period after Statistics Canada releases CPI in January of each year. “CPI” means the ratio of the cost of a fixed set of commodities purchased by consumers in Canada in a particular time period to the cost of such commodities in a base period as

reflected by the all-items Consumer Price Index for Canada (not seasonally adjusted), series number 18-10-0005-01 (formerly CANSIM 326-0021), published by Statistics Canada (or by any successor thereof) for any relevant calendar month.

In each year of this Collective Agreement, the new salary Scales determined will be published by the Employer on the internal Intranet at the time that the Scale adjustment is implemented.

Additionally, the Merit adjustment shall also become effective on March of each year of the term of this Collective Agreement as defined in Article 27.01

(d) **Salary Adjustments:**

- (i) To implement the scale changes, employees shall have their base salary increased in each year such that their relative location within each grade is unchanged.
- (ii) Employees who receive a “Does Not Meet Expectations” performance rating shall not receive a salary adjustment, unless this would result in the employee dropping below the minimum salary for his or her grade. In this case, the employee’s salary shall be set at the minimum of the grade.

(e) Employees who miss a scale adjustment while on approved leave without pay, or recalled after lay-off, shall receive the missed scale adjustment upon their return to work.

Lump Sums

- In 2025 and 2026, if the scale adjustment is less than the CPI used to determine it, the Employer shall pay a lump sum to all employees.
- The lump sum shall be equal to the difference between CPI and the scale adjustment up to a maximum of 1% of the employee’s base salary in the previous year.
- This lump sum payment will be subject to regular deductions, will not be pensionable, and will be paid on /or about March 1 of the year in question.

20.02 Merit

(a) In each year, an employee’s merit pay is based on their performance review and shall be awarded to all employees who achieve a "Meets Expectations" performance rating or above in their performance review. Merit pay increase shall be based on the table below:

Salary Grade	Performance Rating				
	1	2	3	4	5
OA1	0%	0%	1 – 4.5%	1.25% - 6.75%	1.5% -11.25%
OA2	0%	0%	1% - 3%	1.25% - 4.50%	1.5% - 7.5%
OA3	0%	0%	1% - 1.5%	1.25% - 3%	1.5% - 5%
OA4	0%	0%	1% - 1.5%	1.5% - 2%	2% - 4%
OA5	0%	0%	0.80% - 1.5%	1.2% - 1.5%	2% - 4%
OA6	0%	0%	0.60% - 1.5%	0.90% - 1.5%	1.5% - 3%

The overall merit outlay should be equal to 1.5% of payroll. The company will share data with SPEA to ensure the requirement has been met. Refer also to Level Descriptors & Merit Grid LOU.

- (b) The Company shall provide to SPEA a detailed (per employee) breakdown of performance appraisal results immediately upon their completion. The list shall include employee overall assessment ratings, merit pay amounts, OA grade and current salary. SPEA recognizes its legal obligation to maintain the confidentiality of information related to individuals' performance ratings/salaries and as such no identifying information shall be publicized in any way. Furthermore, such information shall only be accessible to SPEA's Officers and staff. Access to such personal information to others shall only be granted with permission of the Company, which shall not be unreasonably withheld.
- (c) At its discretion, the Company may reward individual employees with increases and/or bonuses over and above those established under the merit provisions. Where said increase is restricted by the top of a range and promotion is not warranted, the employee's salary shall be increased to the top of the range and the balance paid as a lump sum to the individual. The Company will provide advance notification to SPEA of any exceptional merit increases and/or discretionary bonuses. At its discretion, the employer may pay salaries above the OA6 maximum; in such a case the employee's scale and merit will not be paid as lump sum payments.
- (d) The assumed distribution of merit is based on the following distribution guideline:

Does Not Meet Expectations	2%
Partially Meets Expectations	10%
Meets Expectations	63%
Exceeds Expectations	20%
Outstanding	5%

The above guideline is an estimation only and does not presuppose a predetermined performance distribution. The percentage of Bargaining Unit members in the "Does Not Meet Expectations" and "Partially Meets Expectations" categories are maximum percentages for each specific year.

- (e) Salaries shall be administered within each grade on a merit basis. Salaries of employees shall be reviewed once per year and shall be increased, if appropriate, with changes effective as specified herein. Where the increase that would be awarded is restricted by the top of a range and promotion is not warranted, the employee's salary shall be increased to the top of the range and the balance paid as a lump sum to the individual. Refer also to (c) above regarding salaries above the OA6 maximum.
- (f) Merit increases for employees shall be determined by their position on the merit grid. An employee's position on the grid shall be determined by the following criteria:
- Performance rating as determined by their annual performance review as per **Error! Reference source not found.**;
 - The salary classification of the employee.
- (g) The decision to award an employee a merit increase less than the merit grid as per Article **Error! Reference source not found.**0 is at the discretion of the Company but shall be subject to the following:

- (i) Merit shall not be withheld because the employees have been assigned work normally done by employees at a lower OA level unless the employees assigned such work have demonstrated inability to perform at the grade level in which they are classified;
 - (ii) For employees on approved leave without pay, or recalled after lay-off, merit pay will be prorated to cover the portion of the year during which the employee worked.
- (h) Employees will receive full merit pay on maternity/parental leave regardless of when it falls. If the leave spans a significant portion of the year (or the entire year) such that a performance assessment is not feasible, the merit pay will be based on a rating of "3". If an employee takes a personal leave before or after their maternity/parental leave, merit pay which takes effect on the following March 1st will be prorated. For example, if someone is absent for six months in a year on personal leave, their subsequent March 1st merit increase will be prorated to fifty percent (50%). For clarity, the performance year runs from January 1st to December 31st and is outlined in **Error! Reference source not found.**
- (i) Merit increases shall be based on the performance rating within the salary grade the employee was in at the end of the performance year.
 - (j) Performance rating is based on the employee's job performance in the salary grade for which the employee spent >50% of their performance year.

20.03 Employee Share Ownership Plan

Employees shall be able to participate in the Employee Share Ownership Plan of the Company's parent company, the terms of which are not subject to collective bargaining or the terms of this Agreement and are subject to change at the sole discretion of the Company's parent Company.

20.04 Promotions

The Company's decision to promote meritorious employees shall normally be coincident with a salary review each year. Employees who are promoted shall have their salaries increased to no less than the minimum of the higher range.

Progression through the OA1 - OA3 grades is generally considered normal for employees, subject to typical career development and provided that the employees' performance meets the requirements and expectations of the higher grades. In accordance with Article 3, Management Rights, the Company may select employees for promotion through the OA1 - OA3 grades in advance of the natural progression.

Notwithstanding the above, natural progression for employees in the following functional departments as set out in Article 22.09 will be limited to OA1-OA2 grades Administrative, Document Control, Warehousing, Operations & Maintenance Services. This does not prevent such employees from being promoted above OA2.

Promotions to OA4 are not automatic and depend upon the capability of the employees to meet the requirements and expectations of the position.

Promotions to OA5 and OA6 positions are limited by the Company based upon its operational requirements, the availability of firm, ongoing work at those levels and the capability of the employees to meet the requirements and expectations of the higher grades.

Candidate employees for promotion to OA5 and OA6 positions shall first complete the relevant portions of the Promotion Application Form for submission to their Managers. The Managers shall complete the final Promotion Application Form taking into consideration the employees' inputs. Candidates for promotion must be actively involved in the review process. If the promotion application reaches the

Promotion Committee review stage, the candidate shall have the opportunity to be interviewed by the Committee. At least one (1) SPEA member shall sit as non-voting members on all Promotions Committees considering promotions to OA5 or OA6. SPEA will make best efforts to ensure that SPEA members are classified at an equal or higher grade than the grade for which the promotions are being considered.

The Company and/or deliberative body shall give written reasons for its decisions and shall supply a copy to candidate employees across all OA grades.

In the event that the position held by a OA5 or OA6 employee is terminated for any reason other than layoff, that position shall be posted contingent upon a requirement for continued work at the grade level and shall be filled in accordance with **Error! Reference source not found..**

Promotion cases will be reviewed by the Company within one (1) year of submission by the employee. For clarity, reviewing includes providing written reasons of the decision if the promotion is not awarded.

Employees promoted to OA4, OA5 and OA6 will receive at least a two percent (2%) salary increase, independent of scale and merit increases. This two percent (2%) increase does not apply if the promotion increase is greater than two percent (2%).

20.05 New Hires

New employees shall receive full scale increases on March 1st following their hire date. New employees shall receive merit pay increases, where applicable, pro-rated to their length of service during the performance year (January 1st to December 31st) on March 1st following their hire date. The pro-rating is monthly and shall be based on the employee receiving the employee's salary for at least ten (10) days in the calendar month.

The salaries of all newly hired employees shall be reviewed upon the successful completion of the probationary period. Where warranted relative to their initial work, level of responsibility and performance, the salaries of such new hires shall be adjusted.

ARTICLE 21 – OVERTIME AND PREMIUMS

21.01 Eligibility

Employees shall receive overtime pay when all the following conditions apply:

- (a) The overtime period has been approved in advance by the Manager (where this is not the case, overtime pay shall not be required); and
- (b) When the employee has actually worked and/or was deemed to be at work in accordance with this Article. For clarity, paid leave time under Article 14– Leave, shall be considered a normal day of work when computing overtime.

21.02 Terms of Payment

Payment shall be made on the following basis:

- (a) The rate paid shall be time and one half (1.5) for all eligible time worked in excess of seven and one-half hours (7.5) in a day or thirty-seven and one-half (37.5) hours per week, measured to the nearest half (0.5) hour;
- (b) The rate paid shall be double time (2.0) for all eligible time worked in excess of ten (10) hours of overtime at the rate of time and one-half (1.5) in a week. Overtime earned at the rate of double time (2.0) on the second day of rest or a Company holiday does not count toward the ten (10) hour threshold.
- (c) The rate of "time" will be determined by dividing the annual salary by one thousand nine hundred and fifty (1950);
- (d) For clarity, daily overtime does not apply to employees on a shift schedule or on a compressed work week.

21.03 Overtime on a Day of Rest

- (a) Authorized work performed on a day of rest shall be paid at the rate of time and one-half (1.5).
- (b) Authorized work performed on the second or subsequent day of rest shall be paid at the rate of double time (2.0)
- (c) Any employee requested to work overtime on their first day of rest, who, to meet the convenience of their own personal schedule, works on their second or subsequent day of rest, shall be paid at the rate of time and one-half (1.5)

21.04 Overtime on a Company Holiday

- (a) Authorized overtime work performed on a Company Holiday shall be paid at the rate of double time (2.0)
- (b) Any employee requested to work overtime on their first day of rest, who, to meet the convenience of their own personal schedule, works on a Company Holiday, shall be paid at the rate of time and one-half (1.5).

21.05 Overtime Requirement

It is recognized that circumstances arise from time to time that necessitate overtime work. No employee will be required to work such overtime when other qualified employees are willing and

available to undertake the work. Where an employee is required to work overtime, all reasonable efforts will be made with regard to the extent and schedule of the required overtime to accommodate the wishes of the employee.

21.06 Business Travel

Any and all approved intermittent business travel shall follow the Employee Business Travel and Expenses Procedure Policy, as amended from time to time, which provides for reimbursement of a number of business travel related expenses, including but not limited to transportation, meals, and accommodation. The Employee Business Travel and Expenses Procedure Policy cannot be changed during the term of the collective agreement as it applies to this bargaining unit unless agreed to by the union.

21.07 Mileage Reimbursement

When using a personal automobile for approved business travel, kilometers will be reimbursed by the automobile allowance rates determined by the Canadian Revenue Agency (CRA). Pursuant to the Employee Business Travel and Expenses Procedure Policy, the kilometer costs reimbursable are those based on the traveler's origin of travel from their primary home location to their destination less their normal workplace commute. *For example, if the employee is required to travel to a location in Pickering for work (100kms away from their primary home location), the distance that the employee normally travels from their primary home address to their normal workplace (15 kms) shall be subtracted from the distance traveled for their approved business travel. In this case, the employee shall be reimbursed 85kms based on the current CRA rate.* The Employee Business Travel and Expenses Procedure Policy cannot be changed during the term of the collective agreement as it applies to this bargaining unit unless agreed to by the union.

21.08 Banked Time – Overtime & Time Balancing

Overtime is earned when the Company requests an employee to work overtime. Banked straight time is earned when an employee requests approval to work additional hours for the purpose of accruing time for time balancing purposes, there is an operational requirement for the work to be done, and the Manager approves the banked straight time in advance.

Employees shall have the choice of having their authorized overtime paid out or accrued as per Article 21.02, 21.03, 21.04 in a renewable time bank, subject to the following conditions:

- (a) Banked overtime hours shall be properly recorded using the Company's timesheet system, in no less than one-half (0.5) hour increments, to a maximum of thirty-seven and one-half (37.5) hours at any time;
- (b) Banked Time should be paid out at the rate in which it is accrued;
- (c) Banked straight time shall be properly recorded using the Company's time sheet system, in no less than one-half (0.5) hour increments, to a maximum of thirty-seven and one-half (37.5) hours at any time. Authorizations of banked straight time are separate decisions and accumulations of straight time banked time beyond the thirty-seven and one-half (37.5) in total will not, by default, be treated as authorized overtime;
- (d) With the agreement of their Managers and subject to operational requirements, employees may use banked time to arrange time off in a patterned way;
- (e) All unused banked time shall be paid out at the end of every calendar year with no carry over from year to year.

- (f) Employees shall be required to use all their excess vacation time (defined in Article 14.08) before using their banked time.

ARTICLE 22 – LAYOFF AND RECALL

22.01 Definition

A layoff is defined as the Company's elimination of one or more bargaining unit positions which are currently being occupied by the employee(s) at the time of the job elimination.

22.02 Process of Layoff

- (a) In the event of a layoff, the employee(s) with the least bargaining unit seniority in the position being eliminated shall be identified first. The effected employee(s) shall have the right to either accept the layoff, with recall rights for two (2) years or displace another employee with the least bargaining unit seniority in their functional department (see chart in Article 22.09) provided the employee(s) retained on this basis has the necessary qualifications, skill(s) and ability to perform the required work within a three-week familiarization period.

(i) **Displacing into a Lead Position**

If an employee who holds a Lead or other similar position is displaced on the basis of seniority, the more senior employee who does the displacing will not become the Lead.

- (b) The Company shall advise all affected employees of such layoff in writing. All affected employees shall advise the Company of their election to displace or accept the layoff in writing as soon as reasonably possible but no later than three (3) working days after being advised of the layoff. Any employee failing to make such a declaration shall be considered to have accepted the layoff.
- (c) In the event of a layoff, the affected employee(s) Health and Wellness Benefits shall cease at the end of the month in the month in which they were laid off. All entitlements to the Sick Leave Plan, including short-term sick leave, intermediate sick leave and long-term disability shall immediately cease upon layoff. All Pension and Employee Share Ownership Plan contributions shall also cease upon layoff.
- (d) There shall be no change in regular salary for any employee that exercises their right to displace another employee pursuant to the layoff process.
- (e) No new employee shall be hired into any bargaining unit position while an employee who has the necessary qualifications, skill(s) and ability to perform the required work remains on layoff.

22.03 Steps to Reduce the Extent of Lay-off

Prior to exercising a layoff, the Company will make every reasonable effort to reduce the extent of the lay-off. Subject to the Company's contractual and operational commitments, and depending on the nature and extent of the reduction, the Company will cease any contractors performing such similar work as well as hiring into the bargaining unit for those positions either eliminated by the layoff and/or which can be filled by existing bargaining unit employees.

22.04 Advance Notice

In the event that the lay-off will affect ten (10) or more employees (within a two (2) month period), such notice shall be provided at least ten (10) working days prior to issuance of the first layoff notice. SPEA agrees not to disclose the names of employee(s) being laid off until all affected employee(s) are notified by the Employer. Where practicable, the Committee described in Article 22.05 below will commence functioning prior to any formal notice of lay-off being provided to employees.

22.05 Joint Lay-off Committee

Within one (1) week of the above-mentioned notice, a Committee of at least four (4) individuals will be formed consisting of an equal number of Company and SPEA representatives. The Committee will be provided with a list of names of employees whom the Company intends to lay-off. The above lists will include relevant information such as salary grade, functional departments, and seniority. The Committee will also be provided with a list of non-employees (including contract personnel). The Company and SPEA will provide to the Committee, any additional relevant information requested by the Committee (or SPEA members thereof) in order to facilitate the Committee's efforts. SPEA may supply the Committee with information in the best interest of the employee.

The Committee will discuss and consider the feasibility of alternatives to lay-off (e.g. work-sharing) and will present its potential alternatives to the Company as soon as practicable.

The Committee will assess the Company's lay-off list in light of the principles set out in this Article and will make recommendations to the Company in this regard.

The Committee will attempt in good faith to arrive at mutual conclusions within ten (10) working days from the date of notice of lay-off on issues raised during Committee proceedings. The Parties with mutual agreement may extend the deliberations of the Committee beyond its ten (10) working day mandate.

In the event that the Committee cannot arrive at mutual conclusions on issues raised, SPEA Committee members may present proposals independent of the Company Committee members.

Committee discussions and the proposals/recommendations made by the Committee (or the separate proposals/recommendations of SPEA/Company members thereof) will not be binding and will be without prejudice to either the Company or SPEA for any purpose whatsoever.

22.06 Redeployment

Provided the individual(s) being laid off are capable of performing the required work by virtue of their prior training, education, experience, knowledge, skills and abilities, they can be redeployed to a vacant position.

The Company will involve affected employees in the redeployment process and will take into consideration employee preferences. SPEA will be provided notice of all redeployments.

SPEA will be provided advance notice and will be kept informed as to the status of a redeployment process involving significant numbers of employees. For clarity, a "significant redeployment" would involve ten (10) employees as part of the same group redeployment initiative.

22.07 Recall

- (a) An employee who has been laid off shall be retained on a recall list for a period equal to the amount of seniority to the employee's credit, or two (2) years, whichever is less, except where the employee fails to respond to a recall notice indicating their acceptance within ten (10) working days or fails to return to work within thirty (30) working days of notification of recall.

- (b) Recalls to continuing Bargaining Unit work will be made in order of seniority within the employee's Functional Department (provided the employee has the necessary qualifications, skills and ability to perform the required work within a one (1) month familiarization period.
- (c) Notification of recall shall be sent by registered mail to the laid-off employee's last known address, by email, and by such other method of communication reasonably requested by the employee. It shall be the responsibility of each laid-off person on a recall list to advise Human Resources of any change in address. The union will be provided copies of any recall notices issued.
- (d) The company may offer additional compensation during the layoff process in exchange for the employee giving up their recall rights. SPEA must be informed in advance and will be involved in the process as a representative of the employee.

22.07 Termination Compensation

The following provisions for termination compensation in the event of lay-off will apply:

- (a) In this sub-article, service means continuous service defined as all periods of full-time continuing, regular part-time, term, short term and student employment (including periods of authorized leave without pay), with the Company, its predecessor company (Atomic Energy of Canada Limited), and does not include any period of service for which termination compensation has previously been granted.
 - (i) Four (4) weeks' pay for the first year of service; plus
 - (ii) One (1) weeks' pay for each additional completed year of service; plus;
 - (iii) One-twelfth (1/12) of a week's pay for each completed month of continuous service in the final year of employment where this service is less than one (1) complete year;
 - (iv) The maximum entitlement under this section is thirty (30) weeks' pay.
- (b) An Overlay provision of:
 - (i) One-half (0.5) day's pay for each month of service to a maximum of twenty-five (25) days' pay; plus
 - (ii) One (1.0) day's pay for each month of service worked after the age of forty-five (45) to a maximum of sixty-five (65) days' pay.
- (c) The termination compensation entitlement shall be disbursed in full at the time of lay-off, unless the period of lay-off is known or reasonably expected to be less than the employee's period of entitlement; in such an instance, it would be disbursed on regular pay days in amounts approximating the normal pay that would otherwise be received on those dates, exclusive of premium payments.
- (d) Payments made to persons on lay-off under (c) above will continue until the termination pay entitlement is exhausted or they are recalled, whichever occurs first. If persons on lay-off are recalled before exhausting their termination pay entitlement, the unused entitlement will remain to their credit.

- (e) Employees who terminate their employment subsequent to receiving written notice of lay-off, and at a mutually agreed date, will receive the balance of the termination compensation specified in 22.07 (a) and 22.07 (b) in full immediately following termination.

22.08 Project Hires and Project Sites

(a) **Project / Site Hires**

Project / Site Hires are hired to augment resources supplied to a Project Site from Sheridan Park and are employees who are hired to work at a specific location (“home office”), other than Sheridan Park.

- (b) Should an employee be required to travel on a more frequent (longer than 1 continuous month) basis to and from a Project work location (i.e. CanAtom, Shoreline), they shall follow the specific Travel and Per Diem Policy or conditions established by that Project and approved by the client at that Project location as it relates to any and all site specific conditions, including those governing travel compensation, shift premiums and/or reimbursement(s).

Additionally, the specific Travel and Per Diem Policy or conditions established by the Project and approved by the client at that Project location shall also apply to those employees hired directly to work at the Project location.

If an employee is required to travel to a location for which no such Policy or conditions exist, the employee shall be provided with appropriate travel compensation as determined by Global Mobility.

Such conditions will be confirmed with the employee in advance of any work commenced at the Project location.

(c) **Project Sites**

A Project Site is a work location established by the Company, which may include project offices and/or a construction site. A Project Site is set up to support a project at or near a nuclear site, at which the Company has been contracted to perform project work for that client. For clarity, a “nuclear site” includes: a nuclear power station, a decommissioning or decontamination project site or a project site at a nuclear waste management facility, including in the earliest stages.

22.09 Seniority

Seniority lists covering employees in this Bargaining Unit shall be maintained by the company in accordance with the rules contained in this Article. For purposes of this Article, the functional departments and positions are outlined below. The Company will consult with the Union prior to adding to or making any changes to the below listed positions. In the event there is no agreement between the Union and the Company in relation to any addition or change, the Company may proceed to implement the change subject to the right of the Union to grieve the proposed change or addition.

Functional Department	Position
Proposals	Bid Lead, Bid Coordinator, Bid Lead Major Projects, Bid Operations Specialist, Senior Specialist Bid Compliance and Quality, Proposal Specialist
Accounting	Project Accountant, Accounts Payable Analyst, Senior Financial Analyst – Financial Operations, Senior Project Accountant, Billing Analyst, Cash and Banking Analyst, NEA Financial Specialist

Administrative	Administrative Assistant, Administrative Support, Receptionist, Mailroom Coordinator, Project Administrative Assistant
Document Control	Document Controller, Document Control Lead, Document Control Administrator, Applications Support Specialist, Requisition Coordinator
Procurement	Junior Buyer, Expeditor, Senior Materials Coordinator, Senior Buyer/Order Administrator, Senior Buyer, Order Administrator, Buyer, Project Procurement Lead, Purchasing Specialist, Procurement Lead, Procurement Invoice. Support, Procurement Administrator, Procurement Lead
Warehousing	Warehousing/Inventory Control Clerk, Shipper/Receiver, Logistics Technician, Logistics Coordinator (RFR – Montecorte), Asset Management Administrator, Senior Materials Coordinator
Operations Maintenance & Services	Facility Coordinator, Building Operations Business Support
Cost Controls	Cost Control Specialist, Cost Control Analyst, Cost Controller, Senior Cost Controller, Lead Cost Controller, Intermediate Cost Controller, Senior Project Controls Analyst, Junior Cost Controller
Planning & Scheduling	Planner, Senior Planner, Lead Planner, Intermediate Planner, Planning Specialist, Planning/Scheduling Specialist, Production Planner/Scheduler, Junior Planner
Project Management	Project Coordinator, Project Specialist Infrastructure & Facilities, Project Management Advisor, Communication Coordinator, Supply Lead Coordinator
IT Support	Trak Support Specialist, Software Support Specialist, Applications Support Specialist
IT Developers	Visualization Developer, Senior Visual Developer
Risk	Risk Management Analyst, Risk Management Specialist
Student	Engineering Student, Project Coordinator, Student

Refer to Job Categories Letter of Understanding

The principles governing seniority will be as follows:

- (a) Seniority shall be the length of service with the Company, its predecessor company, Atomic Energy of Canada Limited (AECL), and SNC-Lavalin Nuclear Inc., continuous and discontinuous, subject to the following:
- (i) Employees who are newly hired to the Company will not acquire seniority rights until they have attained one-hundred and twenty(120) working days service.
 - (ii) For Company employees entering the Bargaining Unit for the first time seniority will be limited to the length of service entering the Bargaining Unit, plus:
 - Fifty percent (50%) of other continuous and discontinuous service with the Company and AECL after completion of two (2) years in the Bargaining Unit; and
 - Full credit of all other continuous and discontinuous service with the Company and AECL after three (3) years in the Bargaining Unit.
 - (iii) Company employees who are re-entering the Bargaining Unit after being employed at the Company outside the Bargaining Unit will be credited immediately for their previous service in the Bargaining Unit. Service with the Company, but outside the

Bargaining Unit will accumulate as per paragraph (ii) above.

- (iv) Notwithstanding Article 22.09 (a) (ii), SPEA-TT, SPEA-SE and SPEA-PD employees entering the bargaining unit will be credited immediately for their previous service in the SPEA-TT, SPEA- PD and SPEA-SE bargaining unit.
 - (v) Effective January 1, 2017, new employees will only be credited with AECL-Sheridan Park service (and not service earned at Chalk River or any other AECL locations, while an employee of AECL) for the purpose of seniority or any other service based entitlements including vacation and pension. This restriction will not apply to an employee rehired after January 1, 2017 whose non-Sheridan Park AECL service was previously recognized by Candu.
 - (vi) In the event the Company voluntarily elects to offer a “voluntary termination” package to employees in this bargaining unit, participating employees, having accepted such package, will lose their seniority for the purpose of layoff administration and will not be credited with their previous seniority if rehired. This provision does not apply to other service based entitlements such as vacation and pension, to which the prior service will continue to apply. This provision does not apply to employees who received a voluntary termination package prior to the effective date of this collective agreement. For clarity, in no way does this provision obligate that Company to offer any voluntary termination packages.
- (b) Seniority in the Bargaining Unit will continue to accumulate during all Company-approved leaves of absence with or without pay, but not while on a recall list following lay-off.

ARTICLE 23 – SPEA MEMBERSHIP

23.01 SPEA Conduct

SPEA agrees that there will be no intimidation, interference, or coercion exercised or practised upon personnel employed by the Company by any member or representatives of SPEA.

23.02 Company Conduct

The Company agrees that there will be no discrimination, intimidation, interference, or coercion exercised or practised by the Company, or its representatives, with respect to any employee because of participating in SPEA or the employee exercising of any rights established by the Collective Agreement or the *Canada Labour Code*.

23.03 Dues Deduction

Except as provided in Article 23.06, the Company will deduct a sum equal to the current regular SPEA dues from the salary payments for each pay period of all employees, provided that such deductions will not start until the first full pay period of employment and to the extent that sufficient unencumbered earnings are payable to the employee.

23.04 Remittance to SPEA

The Company will remit the sum deducted in accordance with Article 23.03, together with a list of the employees from whom deductions have been made, to SPEA at the end of each pay period. The list shall be supplied in appropriate electronic format as well as a hard copy being the copy of record.

23.05 Notification of Dues Changes to Company

SPEA will be responsible for informing the Company of any change in the amount of SPEA dues.

23.06 Religious Exemption

Employees who satisfy the Company to the extent that they declare in an affidavit that they are members of a religious organization whose doctrine prevents them as a matter of conscience from making financial contributions to an employee organization and that they will make contributions to a charitable organization equal to dues shall not be subject to Article 23.03.

23.07 Indemnification of Company

SPEA shall indemnify and hold harmless the Company against any and all liabilities, which may arise from the deductions of SPEA dues.

ARTICLE 24 – FIXED TERM EMPLOYEES

24.01 In recognition of the type of services that the Company provides, the Company requires flexibility to resource those needs:

(a) Usage of Fixed Term Employment

SPEA recognizes that short-term situations may arise which result in peaking resourcing demand, or requirements for special skills and expertise not otherwise available. In such situations, the Company may employ employees for specified terms for an identified scope of work, subject to the following:

- (i) Fixed term employees may be hired to work either on a short-term basis (less than 6 months) or longer-term basis (greater than 6 months). Should a fixed term employee status change from less than 6 months to greater than 6 months, the applicable entitlements identified below shall change accordingly.
- (ii) The Company undertakes to keep the number of fixed term employees to the minimum necessary to meet its operational commitments;
- (iii) The term of such arrangements shall be related to the scheduled length of the work requirement, but shall not exceed thirty-six (36) months. In calculating the thirty-six (36) month period, employment gaps of less than two (2) months will not reset the clock (nor will the gap be counted towards the thirty-six 36 month period). If the term employment is renewed or extended beyond the maximum of thirty-six (36) months, the term employee will automatically become a permanent employee. Otherwise employment ceases at the end of any term.
- (iv) There shall be at least a six (6) month gap between terms, where the cumulative length of term employment exceeds 36 months. The cumulative length of term employment shall not exceed 60 months. These limits may be waived with SPEA's agreement;
- (v) No permanent employee may be offered fixed term employment.

(b) Employee Rights

Fixed term employees are entitled to all the provisions contained in the collective agreement with the following exceptions:

- (i) Fixed term employees hired to work less than 6 months are eligible for enrolment in the Extended Health Care Plan (Base option only), and Travel Insurance, but not Dental Care and Life Insurance.
- (ii) Fixed term employees hired to work greater than 6 months are eligible for enrolment in the Extended Health Care Plan (Base option only), Dental Care (Base option only), Basic Life Insurance, Supplementary Life, and Travel Insurance.
- (iii) Fixed term employees hired to work less than 6 months are eligible for the Short Term portion of the Sick Leave Plan only, but not Intermediate Sick Leave or Long-Term Disability.

- (iv) Fixed term employees hired to work greater than 6 months are eligible for the Short Term portion of the Sick Leave Plan and Intermediate Sick Leave, but not Long-Term Disability.
- (v) Fixed term employees are not entitled to all the Leaves of Absences as outlined in the Company Leave Policy as found in Appendix C but are entitled to the leaves provided for in the Canada Labour Code as amended from time to time.
- (vi) Fixed term employees hired to work less than 6 months are not entitled to the Personal Business Day (Article 14.11). Fixed term employees hired to work greater than 6 months are entitled to the Personal Business Day (pro-rated in their first year based on 1 full day if start before July 1st or ½ day if start after July 1st).
- (vii) Fixed term employees are not entitled to the Employee Share Ownership Plan (Article 20.03).
- (viii) In the event of a layoff, any fixed term employee(s) working in the functional department (see chart in Article 22.09) affected by the layoff shall be eligible for layoff based on the criteria contained within the layoff provisions (Article 22 – Layoff and Recall) provided they have six (6) months or more remaining on their term.

Fixed term employees will be eligible for recall to fulfil the remainder of their fixed term contract, if applicable. Any entitlement to notice of layoff or pay in lieu of notice will be in accordance with the Canada Labour Code, as amended from time to time.
- (ix) No fixed term employee(s) may be hired into a position that has been laid off until that employee has been recalled back to work or has lost seniority rights.

24.02 Contracting Out

During the course of its business operations, the Company engages in contractual arrangements with different partners, suppliers, customers and other third parties. In the context of any such arrangement the Company will not subcontract work normally performed by the Bargaining Unit to outside third parties if, as a direct result of engaging in the subcontract, existing Bargaining Unit members who perform such work are laid off (including a lay-off triggered by bumping in these circumstances).

ARTICLE 25 – CASUAL EMPLOYEES

25.01 A “casual” employee shall be one who works intermittently or when required or on an as needed basis but shall work less than thirty (30) hours.

Casual employees are entitled to all the provisions contained in the collective agreement with the following exceptions:

- (a) Casual employees are not entitled to any annual increase in salary (Article 20).
- (b) Casual employees are not entitled to any Group Insurance Benefits (Article 12.01).
- (c) Casual employees are not entitled to the Pension Plan (Article 13.01).
- (d) Casual employees are not entitled to the Personal Business Day (Article 14.11).
- (e) Casual employees are not entitled to any Sick Leave (Article 14.09).
- (f) Casual employees are not entitled to the Employee Share Ownership Plan (Article 20.03).
- (g) Casual employees do not earn vacation leave time but will receive four percent (4%) vacation pay paid out in each pay period.
- (h) Casual employees are not entitled to the Leaves as outlined in the Candu Leave Policy but are entitled to the leaves provided for in the Canada Labour Code as amended from time to time.
- (i) In the event of a layoff, any casual employee(s) working in the functional department (see chart in Article 22.09) directly affected by the layoff shall be eligible for layoff based on the criteria contained within the layoff provisions (Article 22 – Layoff and Recall). Any entitlement to notice of layoff or pay in lieu of notice will be in accordance with the Canada Labour Code, as amended from time to time.

ARTICLE 26 – STUDENTS

26.01 A “student” employee shall be one that is hired on a short-term (normally less than 6 months but could be extended up to 18 months) basis or to fulfill a special education requirement such as a co-operative work term(s). All student employees must be attending an accredited school recognized in Canada or equivalent institute outside the country (i.e., high school, college or university) and are working towards the completion of their diploma, degree, post graduate degree or equivalent.

Student employees are entitled to all the provisions contained in the collective agreement with the following exceptions:

- (a) Student employees are not entitled to any annual increase in salary (Article 20).
- (b) Student employees are not entitled to any Group Insurance Benefits (Article 12.01).
- (c) Student employees are not entitled to the Pension Plan (Article 13.01).
- (d) Student employees are not entitled to the Personal Business Day (Article 14.11).
- (e) Student employees are not entitled to any Sick Leave (Article 14.09).
- (f) Student employees are not entitled to the Employee Share Ownership Plan (Article 20.03).
- (g) Student employees do not earn vacation leave (Article 14.01) but shall receive four percent (4%) vacation pay paid out at the end of their work term.
- (h) Student employees are not entitled to the Leaves as outlined in the Candu Leave Policy but are entitled to the leaves provided for in the Canada Labour Code as amended from time to time.
- (i) In the event of a layoff, any student working in the functional department directly affected by the layoff shall be laid off first provided the potentially affected by layoff employee assumes that role in order to avoid layoff.

Should the student be working as part of a co-operative work term, they shall be excluded from any layoff on the basis that the Company and school have committed to the co-operative work term of the student(s).

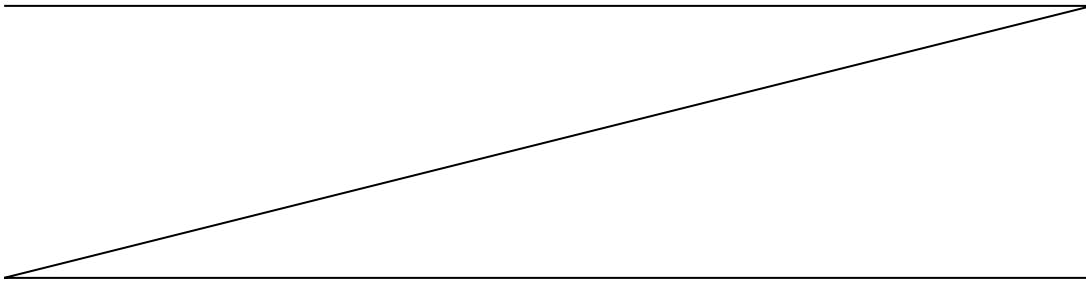
ARTICLE 27 – DURATION

27.01 Duration

This Collective Agreement is effective from October 10, 2023 until December 31, 2026 and from year to year thereafter, unless amended in the manner provided under Article 27.02.

27.02 Notice to Bargain

- (a) Either party may give the other party notice of renewal of this Collective Agreement at any time within the last four (4) months prior to the collective agreement expiring. Following such notice to bargain, the parties shall meet within the time frame stipulated under the Canada Labour Code or such other time as mutually agreed to between the parties.
- (b) Failure to provide notice by either party prior to the expiration date of this Collective Agreement shall result in the automatic renewal of the Collective Agreement for twelve (12) months. Such renewal shall continue year after year until notice is provided in accordance with (a) above.



Candu Energy Inc.
(referred to as the "Employer")

-and-

The Society of Professional Engineers and Associates
(referred to as the "Union")

Letter of Understanding: Harassment Complaints / Grievances

Employees are encouraged to consult and avail themselves of the Harassment in the Workplace Procedure should they believe that they have been subject to inappropriate behaviour and/or conduct.

The Parties agree that employees may register a complaint under the Harassment in the Workplace Procedure established by the Company or, alternatively file a grievance under Article 9, Grievances, or SPEA may file a grievance on behalf of one or more employees.

The Parties further agree that on receipt of a complaint under the Harassment procedure or a grievance alleging harassment by an employee, a group of employees, or SPEA on behalf of an employee or employees, the Company will ensure a thorough, impartial, and timely investigation is carried out. The Company undertakes to appoint at the Company's expense, an internal or external investigator, as appropriate, to carry out the investigation. SPEA undertakes to cooperate and to encourage employees to cooperate in any such investigation.

The Parties agree that in the case of a grievance, the grievance will be held in abeyance pending the results of the investigation.

The Company will provide to the employee(s) alleging harassment and to SPEA, in confidence, a copy of the investigator's detailed summary of the report, including findings and recommendations, without any revisions. In certain circumstances, the investigator or the Company may remove parts of the detailed summary of the report to protect privacy rights and in such a case, SPEA will be informed of the general nature of such exclusions.

The Company will also provide to the employee(s) and to SPEA, in confidence, written notification of whether the investigator's report and conclusions were accepted by the Company in whole or in part, together with the measure(s) the Company shall take in order to resolve said complaint.

The Parties recognize and agree that harassment allegations are of a sensitive nature and undertake to protect the privacy and confidentiality of all parties.

The Company and SPEA understand and agree that harassment complaints filed as grievances will be investigated through to completion pursuant to the Procedure. Where the complainant (which may be SPEA) is not satisfied with the measures taken by the Company to resolve the complaint, Article 10, Arbitration, shall apply.

Letter of Understanding: Working From Home

The following conditions shall apply to working from home:

1. Following the ratification of this agreement, the Employer shall revert back to its pre-June 6, 2022 position regarding working from home, until October 10, 2022 at which point, this LOU will take effect. During this time, employees shall cooperate with their manager returning to work in the event of operational requirements and/or client meetings.
2. It is recognized that based on operational requirements, some positions are not eligible for working from home and must be conducted at Sheridan Park or at a site.
3. Express written authorization must be provided by the Employee's Manager in advance of any such arrangement. Employees whose current role excludes them from working from home shall maintain their current work arrangement(s).
4. Authorized employees may work remotely from home for up to two (2) days per week. This maximum may be increased in the future by the Employer, at its sole discretion.
5. With employee input, the manager will determine the working from home schedule.
6. The Employer may require employees to return to their designated workplace location to attend meetings or carry out job duties that require face-to-face interaction with other employees or equipment during their regularly scheduled hours of work, including on the days for which the employee is typically working from home. In such circumstances, the employees will commute to/from their workplace on their own time and at their own expense. The Employer will take reasonable measures to schedule such work on the days the employee would normally travel into work.
7. The Employer has sole discretion to end the working from home arrangement based on operational requirements. The Employer will provide one month's notice to any affected employee(s) unless operational requirements or performance dictate otherwise.
8. Performance expectations for Employees working from home (including, but not limited to, productivity) will be the same as they would be when working in the office.
9. The Employer will not be responsible for any costs associated with an employee working from home (e.g. furnishings, equipment, office supplies, internet access, business telephone line, insurance, etc.).
10. The Employer shall provide employees with the equipment and materials needed by employees to effectively perform their duties, however the Employer will not provide duplicate resources in support of working from home. Employees will not be permitted to remove their desktop workstation from the office for the purposes of working from home. The Employer shall endeavour to replace all desktop workstations with laptops.
11. Employees may use their own equipment (i.e. additional computer monitors, keyboard, etc.) when working from home, provided such use does not violate any security protocols or policies.
12. When working from home, the expectation is that the employee will work from a dedicated workstation with proper lighting and seating with a suitable internet connection for their job. The Employer is not responsible for any costs associated with providing this work from home workspace.
13. Employees working from home are required to adhere to their meeting schedules as agreed upon with their manager and may be required to ensure that their work schedules overlap with those of their team members as necessary to complete their job duties effectively.
14. Employees working from home are required to abide by all policies and procedures that they would normally abide by if working in the office, including but not limited to safeguarding all Employer data/information, equipment and the protection of Employer assets and information from damage and unauthorized use/access to others.

15. Employees are responsible for ensuring that their work from home workspace is safe from both a health and safety perspective and ergonomic perspective. While the Employer can provide health and safety advice and guidance to employees where necessary (i.e. establishing a safe and ergonomic working environment), the Employer's health and safety responsibilities do not apply to someone working in a private residence.
16. All core regular business hours will be maintained. No premiums shall apply when working from home, including overtime meal allowance nor meal periods. Any overtime required must be specifically approved by the manager in advance. It is understood that working from home allows for flexibility to attend to some limited personal matters provided there is a discussion with the manager and mutual agreement.
17. Employees working from home will be expected to meet workplace expectations of appearance and dress in peer and customer meetings, since the standard expectation is that cameras will be on to maximize the quality of communication in these meetings.

Letter of Understanding: Functional Departments

The parties agree to convene a committee with a view to finalizing the Functional Departments at Article 22.09. The parties may agree to move positions from one to another category and the parties may agree to add, remove, or revise categories. The parties agree to convene the committee (with two SPEA members and two employer members) within three (3) months of the award. The parties agree that the Board of Arbitration for the interest arbitration is seized with respect to any disputes with respect to this letter of understanding.

Letter of Understanding: Level Descriptors & Merit Grid

The parties agree to convene a committee to develop level descriptors (OA1 – OA6) for the OA bargaining unit. It is recognized that the descriptors (OA1-OA6) may differ between functional departments. The parties will also give consideration to a new, cost neutral merit grid to replace the grid with ranges set out in Article 20.02. The intent is to agree upon several separate merit grids reflecting the different roles within the OA bargaining unit. For example, there may be a single grid for those in administrative roles and a separate merit grid for those in more professional and/or technical roles.

The parties agree to convene a committee (with two SPEA members and two employer members) within eight (8) months of the interest arbitration award and to complete the process within fifteen (15) months of the award. The parties agree that the Board of Arbitration for the interest arbitration is seized with respect to any disputes with respect to this letter of understanding.

Attachment 1 – OA Level Descriptors

	OA1 to OA6
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**Attachment 2
2023 Candu Leave Policy**

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1. SCOPE

This policy is applicable to employees represented by the OA bargaining unit.

2. RESPONSIBILITY

2.1 Management Responsibility

It is the responsibility of management to schedule and approve leave, taking into consideration employees' preferences while ensuring work commitments will not be unduly affected.

Management will establish a regular communication/reporting schedule with the employee in situations when it is not known how long the absence will last.

2.2 Unit Vice President

The Vice President of the Business Unit approves cash pay-outs of excess vacation leave credits in the event of exceptional circumstance. Employee is required to complete Vacation Payout Form and submit to their Human Resources Business Partner. Approval from the VP Human Resources, and EVP of the Business Unit is required before being sent to payroll for processing.

2.3 Employee Responsibility

Employees are expected to report to work and if they are unable to do so, must notify their Functional Manager and Project Manager (if applicable) as soon as possible.

Employees are expected to submit their leave request in writing or express their leave plan preferences as much in advance as possible. While requests for leave will not be unreasonably denied, employees are urged to provide as much advance notice as possible to allow for appropriate coverage of duties during any absences. The process for the advance approval of leave may differ between work groups based on operational needs.

Employees must establish that an unplanned absence from work was essential, and that every reasonable effort was made to take care of the situation by other means.

Employees must ensure that the appropriate leave code is being used when entering time.

Other policies still apply while on leave i.e.. Code of Ethics, Harassment, etc.

2.4 Human Resources

Human Resources establishes the leave service date for employees on the commencement of employment and provides information and counsel regarding the terms and conditions of this procedure.

3. GENERAL

3.1 Leave Administered in Hours

The timesheet represents the sole approval and input document for all types of leave and must be authorized by the employee's Manager. The timesheet is the document which is used to enter leave usage information to the Time Entry system which updates the Employer's Leave Tracking System.

3.2 Minimum Leave Charges

The minimum amount of leave that can be taken and indicated on timesheets is one-half hour. Above this one-half hour minimum, leave charges on timesheets must be in increments of .25 hours (i.e., 1.25, 1.50, 1.75, 2.0 hours).

3.3 Time Entry for Leave

All leave is to be entered into Oracle timesheet; the appropriate leave code is to be used when entering time. This excludes those employees on maternity/parental, extended unpaid leave of absence, and/or short/long term disability.

4 LEAVE TYPES

4.1 VACATION

Vacation leave credits earned in one fiscal year must be used no later than the end of the following fiscal year. Ideally each year's vacation credits are used on a current basis. Earned unused vacation

leave credits will be paid upon termination of employment, advanced vacation credits that have not been earned will be deducted from the entitlement on termination.

4.1.1 Vacation Schedule

New Full Time and Term (fixed term contract) Employees earn vacation leave on a monthly basis for their first 6 (six) months. After six calendar months of service, they are advanced the additional vacation leave that they will be eligible to earn by the end of the current fiscal year. For clarity, the vacation year is administered on a calendar year basis (January to December).

In order to earn the monthly vacation leave credit, employees must receive salary for at least 10 (ten) days in the calendar month.

Part Time Employees earn vacation days pro-rated based on their percentage of work schedule. Casual Part Time employees do not earn vacation leave time, but will receive four percent (4%) vacation pay paid out in each pay period.

Students do not earn vacation leave time, but will receive four percent (4%) vacation pay paid out at the end of their work term.

Refer to Appendix A, Vacation Schedule.

4.1.2 Disposition of Vacation Leave in Excess of Allowable Carryover

Vacation leave should be used each year. Vacation leave in excess of the allowable carryover will be managed as follows:

The approval of carryover days for reasons such as bereavement, disability or urgent and essential work requirements preventing the employee from taking vacation leave must be approved by the Manager, Business Unit Vice-President and Vice-President, Human Resources. In such case, management and employee must prepare a plan for usage of the excess vacation days at the earliest mutual convenience and any excess vacation must be used within the current fiscal year.

4.1.3 Vacation Leave Advance

An employee's manager may approve an advance of vacation leave from the next fiscal year

- Up to 5 days near the end of the vacation year; or
- Up to 3 days for employees with less than 6 months of service, at any time in the vacation year.

Advance leave will be recovered when the employee is credited with further vacation leave.

4.1.4 Displacement of Vacation Leave

If, during vacation leave, an employee is seriously injured or hospitalized due to illness or accident, the employee may request to defer such lost vacation days to a subsequent date. At the Employers request, the employee shall submit a detailed medical certificate from the treating physician or hospital for the review of the Benefits Administrator and/or the third party assessor retained by the Employer. The Employer will review the recommendation made by the Administrator and/or assessor and in the event the leave for medical reasons is supported the employee and Manager involved shall re-schedule said vacation days at a mutually agreeable time.

4.1.5 Carry Over of Vacation Leave

Excess vacation is defined as double the employees annual vacation entitlement

Employees are allowed to carryover unused vacation leave up to one years vacation entitlement. For example: If an employee is entitled to 15 calendar days of vacation a year, they may carry over up to 15 days into the next calendar year, where they will have their current years entitlement (15 days), and previous year entitlement (up to 15 days) for a total of up to 30 days. In this example, total available vacation in a given year cannot exceed 30 days.

Managers and supervisors shall review the vacation leave status of their employees periodically throughout the year to ensure that vacation is scheduled. They will do so keeping in mind that the needs of the business are maintained and that by the end of the calendar year (December) any and all employee vacation carryover does not exceed the prior year's annual vacation entitlement.

Effective December 2023, the Employer shall, at its discretion, pay out any excess vacation carryover.

The expectation is that by January 2025, no employee shall have more than double their annual vacation entitlement.

4.1.6 Discontinuous Service Credit

Employees who have prior service with Candu or SLN shall be credited with annual vacation as provided in Article 14.01 on the basis of their total accumulated service. Total accumulated service will be the sum of current Company service, which is eligible for vacation credit and service in previous periods of employment with AECL, Candu or SLN, which was eligible for vacation credit. For AECL service, refer to Article 22.09(v).

4.2 SICK LEAVE

An employee will be granted sick leave with pay when unable to work because of illness, injury not related to work, and necessary personal medical, dental or eye appointments, as long as the employee has the necessary sick leave credits, and meets the Employers criteria for sick leave.

Sick leave for medical, dental or eye appointments is normally limited to 3.75 hours. A full day of sick leave may be granted for medical appointments where the employee is required to travel, subject to manager approval.

Sick leave may not be utilized for the appointments of family members except as provided in section 4.2.1, below. Satisfactory documentation of an appointment may be requested for any period of absence, at the sole discretion of management, but must be provided when:

- a) The period of sick leave exceeds 5 days; or
- b) The number of days of sick leave in a fiscal year exceeds 10.

Medical information will be requested from the Employers Benefit Carrier and is to be provided directly to the Benefit Carrier.

Employees who are on leave of absence without pay or suspended from work for disciplinary reasons, are not eligible for sick leave.

NOTE: it is the employee's responsibility to pay for any required/requested doctor's notes or medical forms.

4.2.1 Sick Leave Plans

Short Term Plan (100% pay) for the following employees: (Full Time and Term) - receive 12 days of sick leave on the date that employment commences pro-rated to the length of service for their first fiscal year.

On January 1st of each year thereafter, employees receive 6 days of sick leave. Sick leave credits are not paid out upon termination. Unused sick days roll over year to year.

Employees on short-term sick leave maintain their benefits, with no change to their coverages.

Short Term and employees working Regular Part Time less than 80% schedule earn their sick leave credits monthly provided they receive salary for at least 10 days in the calendar month. These employees are not entitled to Intermediate Term Disability (Sick Leave) and Long-Term Disability (LTD as defined below).

Reference Appendix E for related definitions.

Sick leave applies when an employee is unable to work because:

- (a) of illness or injury not related to work;
- (b) necessary personal medical, dental or eye appointments, as long as the employee has the necessary short term or intermediate sick leave credits.

Furthermore, employees can use up to three (3) of their annual sick leave days for the expanded purposes identified in (c), (d) and (e) below:

- (c) Carrying out responsibilities related to the health or care of any of their family members;
- (d) Carrying out responsibilities related to the education of any of their family members who are under 18 years of age;
- (e) Addressing any urgent matters concerning themselves or their family members.

The Employer may require an employee to provide a medical certificate(s) after five (5) days of absence, or if the number of hours of sick leave hours in the current fiscal year unsupported by medical certificates exceeds seventy-five (75) hours or otherwise where reasonable in the circumstances.

Furthermore, the Employer may request that the employee provide documentation to support the reason for the other leave provisions noted above (c, d and e). Should additional time be required for items (c), (d), and/or (e), employees are entitled to two (2) unpaid leaves of absence days. If more time is required the Employer may grant it subject to the Employer's operational requirements.

Short Term Sick Leave Accumulation:

- Employees absent on Intermediate Term Plan benefits on January 1st will be credited with their appropriate 100% sick leave credits but will not be eligible to use them until they return to work for one full day.
- Employees absent on Long Term Disability on January 1st will not be credited with additional 100% sick leave until the January 1st following their recovery and return to work. The credit is 6 days if the employee returns to work on or before July 1st, and 3 days if return to work is after July 1st.
- Employees who are absent on January 1st on other types of leave without pay or partial pay will be credited with the following 100% sick leave.
 - If the period of absence is 6 months or less – receive full 6 days
 - If the period of absence is >6 months but <1 year – receive 3 days
 - If the period of absence is greater than 1 year – no sick leave creditsIf the employee has been absent on January 1st the credit will be made upon their return to work and based on the length of time away (as above).

Intermediate Term Plan:

- Employees who are still disabled when all sick leave credits under the Short Term Plan are exhausted, are then eligible for benefits from the Intermediate Term Plan. This plan provides an income equal to 75% of basic salary less any benefits received from the Public Service Superannuation Plan (PSSP), the Canada/Quebec Pension Plans (C/QPP), Workers' Compensation, other government Plans or any other Plan to which the Employer contributes, to a maximum of 182 calendar days from the first day of Short Term Plan sick leave.
- Employees on the intermediate term plan maintain their benefits, with no change to their coverages.
- If an employee has been paid 100% pay for any of the 16 calendar days immediately preceding the Employer Holiday or has returned to work on the next working day following the statutory holiday, then the statutory holiday is paid at 100% pay. If an employee was paid at 75% pay on any one of the 16 calendar days immediately preceding the Statutory Holiday the statutory holiday is paid at 75% pay.
- This benefit will be re-established after a return to work of ten (10) working days in the case of a recurrence of the disability, or one (1) day in the case of a new disability. Return to work means a return to normal duties. (Normal duties are when the employee is not on a modified schedule and has assumed the majority of the duties that would have applied prior to the illness/disability). The description of ten (10) working days is considered to be ten (10) consecutive working days consisting of regularly scheduled hours per day. The definition of one day is considered a normal day of regularly scheduled hours.
- Time off work to attend medical appointments, essential to the health and well being of the employee, shall not interrupt nor be counted towards the accumulation of the ten (10) consecutive scheduled work days. (The intent is to allow an employee time to attend necessary appointments without jeopardizing the days that have already been accumulated. For example, an employee who has a medical appointment on the 7th consecutive work day would then be required to work an extra day to meet the 10 consecutive scheduled work days requirement). The Employer may request proof of the medical appointment during the ten (10) working days period.
- It is understood that only full days worked will be counted towards the ten (10) consecutive scheduled work days.

Long Term Plan:

- Employees still disabled beyond the expiration of their sick leave credits or 182 days (whichever is later) may be eligible for Long Term Disability Benefits as provided under the Group Benefits Policy with the Insurer. Full time and Regular part time (> 80%) employees are covered by the Long Term Disability Policy. This benefits program provides an income equal to 66 2 /3 % of basic salary for as long as total disability exists, up to age 65. This benefit is not payable for a designated Company Holiday where the employee receives holiday compensation from the Employer.
- Employees on Long Term Disability will maintain most coverages with some exceptions. Employees should contact their Human Resources Representative for specific details.

4.2.2 Sick Leave Process

Employees who are off work by reason of illness are required to contact their Functional Manager and Project Manager (if applicable), as well as Human Resources. A case for sick leave management may be initiated with the Benefit Carrier depending on the number of days absent.

Human Resources will work with the employee and manager(s) to ensure both parties understand the leave options and procedures available to them.

The Benefit Carrier in collaboration with the employee's physician will work with the Functional Manager and/or Human Resources to make recommendations on the return to work schedule, accommodations and limitations for individuals for all cases initiated.

Full process is outlined in Appendix C.
For Accommodations, see Appendix D

4.3 SPECIAL LEAVE

All employees are eligible for paid special leave in the following limited circumstances, subject to manager approval and discretion.

- Death in the immediate family and non-immediate family
- Birth of a child, adoption of a child
- Veteran's examination

Definitions:

Immediate Family: The definition of immediate family as outlined under the Canada Labour Standards Regulations under Part III of the Canada Labour Code includes:

- a) the employee's spouse or common-law partner;
- b) the employee's father and mother and the spouse or common-law partner of the father or mother;
- c) the employee's children and the children of the employee's spouse or common-law partner;
- d) the employee's grandchildren;
- e) the employee's brothers and sisters;
- f) the grandfather and grandmother of the employee;
- g) the father and mother of the spouse or common-law partner of the employee and the spouse or common-law partner of the father and mother; and
- h) any relative of the employee who resides permanently with the employee or with whom the employee permanently resides.

In this section, common-law partner means a person who has been cohabiting with an individual in a conjugal relationship for at least one year, or who had been so cohabiting with the individual for at least one year immediately before the individual's death.

For bereavement leave purposes, "common-law partner" means a person who has been cohabiting with an individual in a conjugal relationship for at least one year, or who had been so cohabiting with the individual for at least one year immediately before the individual's death.

Non-immediate Family Members: Employee's son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

4.3.1 Death:

- **Immediate Family:** Up to three (3) days special leave may be granted and shall be taken during the period that begins from the date of bereavement and ends no later than six (6) weeks after the latest of the day of the funeral, burial or memorial service. When necessary and subject to sole management discretion, extra time may also be granted to settle the estate within one year of death, provided the employee is named executor of the estate and receives no fee or remuneration. When, in either case, the employee must miss more than three days of work because of the length of trip required, additional special leave, not normally exceeding two days, may be granted, also subject to sole management discretion.
- **Non-Immediate Family:** Special leave not exceeding one day (or two days when extensive travel is required) may be granted subject to management discretion.

- **Other than Family:** Special leave may be granted in connection with the death of relatives other than defined in Section 4.3, or of persons who are not relatives, if the employee has to make the funeral arrangements. This will be subject to management discretion.

4.3.2 Birth /Adoption of a Child

Special leave of up to one day will be granted to an employee who must be absent during normal working hours to attend the birth/adoption of their child.

4.3.3 Veteran's Examinations

Special leave of up to three days may be granted to a veteran required to report for D.V.A. medical or pension examination if it is necessary for the employee to be absent from work during normal working hours for this purpose.

4.3.4 Illness in the Immediate Family – Emergency or Special Circumstances

Special leave may be granted for emergency illness in the immediate family, and in special circumstances relating to illness in the immediate family. The leave will only be granted in short term situations, and if the employee has demonstrated that the absence from work is essential and that every reasonable effort was made to take care of the situation by other means.

The emergency requirement would be met if a family member is suddenly stricken seriously ill or is involved in an accident and arrangements cannot be made for someone else to take care of the person. The special circumstances requirement would be met if an employee must be absent from work due to the doctor requiring him/her to be present at the appointment of a family member or at the bedside of a seriously ill family member.

For emergency or special circumstances leave beyond two days, HR and manager approval is required.

4.4 Canadian Citizenship

Special leave of up to one day may be granted for the purpose of obtaining Canadian citizenship if the employee has reason to miss work on this account.

4.5 Exceptional Circumstances

Management and/or Human Resources will consider and may approve requests for special leave for other exceptional circumstances (i.e., a disaster such as a fire in an employee's home).

4.6 Family Violence

Family violence can take many forms, including physical, sexual, emotional/psychological, and financial abuse as well as neglect carried out by family members or intimate partners. It may include a single act of violence, or a number of acts that form a pattern of abuse.

Employees who are (i) victims of family violence, or (ii) who are a parent of a child, under 18 years of age, who is a victim of family violence are entitled to a leave of absence from employment of up to 10 days in every calendar year.

Employees may take this leave in one or more periods, of not less than one day.

Of these 10 days, employees with at least three consecutive months of continuous employment are entitled to receive pay at their regular rate of wages for the first five days of their leave.

Employees are required, as soon as possible to provide the employer with written notice of the reasons for the leave and the length of the leave that they intend to take, or change. Human Resources may request reasonable documentation to support the reason for the leave.

Employees may take this leave for the following reasons:

- a) To seek medical attention for themselves or their child for a physical or psychological injury or disability;
- b) To obtain services from an organization that provides services to victims of family violence;
- c) To obtain psychological or other professional counselling;
- d) To relocate temporarily or permanently;
- e) To seek legal or law enforcement assistance or prepare for or participate in any civil or criminal legal proceeding; or
- f) To take any measures prescribed by future regulation

Employees are entitled to up to five (5) paid days leave and an additional five (5) unpaid days leave if the employee or their child is the victim of family violence, in accordance with the Canada Labour Code eligibility criteria.

For clarity, employees charged with an offence related to an act of family violence are not entitled to take leave under this provision, and may face other repercussions.

5 MATERNITY, PARENTAL AND ADOPTION LEAVE (6 MONTHS OF SERVICE OR MORE)

ATTENTION Atomic Radiation Workers Regulations indicate that female atomic radiation workers are subject to the same limits of exposure to radiation as male atomic radiation workers, except during pregnancy when the limits are reduced. Atomic radiation workers who become pregnant must notify their supervisor immediately so that appropriate action can be taken to ensure that the applicable dose limitation is not exceeded.

Employees who have completed six consecutive months of service (at the time the leave is to begin) are eligible for Maternity, Parental, Child Care and Adoption Leave. Term employees who have completed 6 months of service with the Employer at the time the leave is to commence are also eligible for maternity/parental leave, not to exceed the length of the remainder of the employee's term assignment.

Employees with less than 6 months of service are ineligible for maternity/parental leave, however, leave without pay may be granted for the same purposes.

5.1 Application for Maternity Leave

Maternity leave is intended for the employee to give birth and subsequent care to her newborn child. Written application for Maternity Leave, indicating the period of leave to be taken, is to be submitted to management at least four weeks before the employee wishes to take her leave. A medical certificate must be provided certifying that the employee is pregnant and indicating the estimated date of confinement.

5.1.1 Maternity Leave Period

The Maternity Leave to be provided for a period of up to 17 weeks, plus any time between the estimated and actual dates of confinement, if confinement occurs after the estimated date. The leave period begins no earlier than 13 weeks preceding the estimated date of confinement and ends no later than 17 weeks following the actual date of confinement. Such leave is also granted when an employee has not submitted her advance application, provided her absence was due to a medical condition directly attributable to her pregnancy that was not expected by her doctor.

5.1.2 Employment Insurance (EI)

Eligible employees who are granted maternity leave or leave without pay for reasons of pregnancy, may apply for EI maternity benefits. Employees granted parental leave can apply for EI parental benefits.

5.1.3 Application for Parental Leave/Adoption Leave

Parental Leave is intended for either parent or shared by both parents to take care of their newborn child or newly adopted child.

Written application for parental leave is to be submitted to management at least four weeks before the leave is to begin, indicating the period of leave to be taken. For employees who are applying for parental leave only, documentation confirming the date of the child's birth is required. For adoption, confirming documentation (i.e. 'Letter of Intent' from the licensed adoption agency) is required.

5.1.4 Parental Leave Period

The parental leave shall consist of a period not exceeding 63 weeks. This leave period commences as the employee elects:

- On the expiration of maternity leave, taken by the employee or the employee's spouse
- Day the child is born, or the day the child comes into care and custody of the employee
- On the expiration of leave without pay taken by the employee's spouse (who has less than 6 months of continuous service)

Maternity and parental leave are normally to be taken in one continuous period. However, if the child is kept in the hospital for an extended period following the mother's discharge, the parental leave may commence when the child comes into actual care and custody of the parents.

The total amount of parental leave taken by both parents (if both are under the jurisdiction of the Canada Labour Code) in respect of the same birth shall not exceed 63 weeks.

Total duration of maternity and parental leave must not exceed 78 weeks when the parental leave is not shared. If shared, the total duration of the leaves must not exceed 86.

5.1.5 Supplementary Employment Insurance Benefits (SB) to Maternity Leave and Parental Leave

An employee applying for maternity leave is eligible for Supplementary Insurance Employment Benefits (SB) to the Employment Insurance benefits paid by Service Canada. An employee on approved maternity leave must submit the first EI stub as proof of eligibility for EI to receive the SB. In order to be eligible and retain the SB to cover the 16-week period the employee must return to work for a period of at least six continuous months following the approved leave.

The SB will be paid in conjunction with the regular pay schedule and will consist of the following:

- For any prescribed waiting period the Employer will augment the EI benefit to 93% of the employee's normal weekly earnings that are in effect at the time the maternity leave commenced.
- For the following 15 weeks that the employee is in receipt of maternity benefits under the Employment Insurance regulations, the Employer will augment the Employment Insurance Benefit to 93% of the employee's normal weekly earnings that are in effect on the date the maternity leave commenced.

The combined weekly level of Employment Insurance benefits, Supplementary Employment Insurance Benefits payments and other earnings will not exceed 95% of the employee's normal weekly earnings.

For term employees the SB will only be paid if the length of the employee's term assignment is such that the employee is expected to satisfy the criteria of returning to work for at least 6 months following the leave period.

Any employee disentitled or disqualified from receiving Employment Insurance benefits is not eligible for Supplementary Employment Insurance Benefits.

For employees who are not required to satisfy a one-week waiting period prior to receiving EI Parental Benefits, the Employer will pay an amount equal to the difference between the EI weekly parental benefit and 93% of the employee's normal weekly salary for up to four (4) weeks.

For employees who are required to satisfy a one (1) week waiting period immediately prior to receiving EI parental benefits, the Supplementary Benefit payment shall consist of the following:

- For the one week waiting period, the Employer shall pay an amount equal to ninety-three percent (93%) of the employee's normal weekly salary; and
- For the three (3) weeks period following the waiting period, the Employer shall pay an amount equal to the difference between the EI weekly parental benefit and ninety-three percent (93%) of the employee's normal weekly salary.

5.1.6 Benefits and Pension

During maternity and or parental leave the Employer will continue to pay its share of the premiums towards the employee's benefit plans.

The employee is required to continue paying his/her share of the premium cost for the benefit plans during the leave period.

DC Pension Plan - The employee may elect to continue to participate in the pension plan and make contributions during the period of leave. The Employer will continue to pay its share of the match of the contributions made by the employee. Pension contributions can be deducted via electronic debits.

5.1.7 Accumulation of Leave Credits

While on maternity and/or parental leave employees will earn sick leave credits as if they were not on a leave of absence without pay. Vacation leave credits will only be earned for those calendar months in which the employee receives salary for at least ten working days.

5.1.8 Reinstatement of Employment

An employee who resumes employment on the expiration of maternity and/or parental leave will be reinstated in the position occupied before going on leave or will be given a comparable position in the same location with at least the same salary and benefits.

5.1.9 Leave for Pregnant or Nursing Women

A request for reasonable unpaid or paid time may be made to the Manager by the employee for the purposes of nursing or to express breast milk, up until the 24th week following the birth of the employee's child.

6. OTHER LEAVES

6.1 Personal Business Days

Personal Business Days are intended to meet a variety of needs such as dealing with emergency situations or illnesses in the family, legal/financial appointments, and other personal reasons including vacations.

Employees are credited with one day on January 1st of each year (1/2 day if hired after June 30). Unused Personal Business Days are not carried over into the following year or paid out on termination.

6.2 Leave Without Pay

Employees may request limited leave without pay however it should not normally exceed 5 days in a fiscal year.

The Employer recognizes that employees may, from time to time, have a need to request leave without pay on a limited basis to meet special personal circumstances. The following outlines the guidelines for employees who are taking a Leave of Absence without Pay for Personal Reasons which is greater than 30 calendar days.

The leave of absence without pay for a period greater than 30 days must be authorized by the Vice President of the employee's Organization Unit. (Normally employee applies to immediate Manager who in turn, if supportive, passes on the recommendation up the line).

While on leave without pay, Basic Life & Supplementary Life, Medical (including Travel) and Dental Coverage is optional to maintain. Disability will not be maintained whilst on leave without pay. Full premiums for optional coverages will be paid by the employee (both employee and employer share). Discontinuance could leave to denial of coverage from benefits provider.

Contributions to the Employers Defined Contribution Pension Plan are not permissible during a Personal Leave of Absence.

6.3 Compassionate Care Leave

The Canada Labour Code gives federal employees 28 (twenty-eight) weeks of unpaid compassionate leave to care to support a seriously ill family member. The Employment Insurance (EI) compassionate care benefits may be paid up to a maximum of 26 (twenty-six) weeks to a person who has to be absent from work to provide care or support to a gravely ill family member at risk of dying within 26 weeks. In addition, a 1 (one) week waiting period may be served. Employees may be required to satisfy a waiting period prior to receiving Compassionate Care Leave benefits.

As per the Canada Labour Code:

Care is defined as participating in the care of a critically ill or injured person or someone needing end-of-life care.

Support is defined as providing psychological or emotional support to a critically ill or injured person or someone needing end-of-life care.

End-of-life care is defined as providing care or support to a person who has a serious medical condition with a significant risk of death within 26 weeks (6 months). The person also requires the care or support of at least 1 caregiver. Their condition must be certified by a medical doctor or nurse practitioner.

A family member includes immediate family as well as other relatives and individuals considered to be like family, whether or not related by marriage, common-law partnership, or any legal parent-child relationship.

Employees wishing to apply for compassionate care leave must submit a written request to their manager along with the appropriate medical certification. When requesting compassionate care benefits, you must provide a medical certificate as proof that the family member is critically ill or injured or needing end-of-life care. The medical certificate is called the "Medical certificate for Employment Insurance Compassionate Care Benefits", and can be found on the Service Canada website.

The Employer will provide a Supplementary Benefit up to a maximum period of 8 (eight) weeks to those employees who qualify for EI compassionate care benefits. The Supplementary Benefit will be paid in conjunction with the regular pay schedule and will consist of the following:

- For employees who are subject to any prescribed waiting period under the EI regulations, the Employer will pay the employee an amount equal to the EI weekly compassionate care benefit amount; and
- For the period that the employee is in receipt of compassionate care benefits under the EI regulations, the Employer will augment the EI benefit to 93% of the employee's normal weekly earnings that were in effect on the date the leave commenced up to a maximum period of 7 (seven) weeks.

The combined weekly level of EI benefits, SB payments, and other earnings will not exceed 95% of the employee's normal weekly basic earnings in effect on the date the compassionate care leave commenced.

6.4 Military Leave

Employees wishing to take military training may be granted up to two weeks leave for this purpose. Such leave will not affect other leave credits. Employees who receive military pay for the training period will not be paid by the Employer. They may, however, arrange to receive pay for the period at their normal rate from the Employer, in place of military pay.

Employees who take military training while on vacation leave are permitted to draw military pay in addition to their regular vacation pay.

6.5 Court Leave

Leave of absence with pay will be granted to employees for:

- a) Jury Duty - Fees, traveling and other expenses paid in connection with jury duty will be retained by the employee.
- b) Witness Duty - The employee is not required to refund the witness fee. Leave with pay is not granted if the employee is a litigant in the court action.

A copy of the court summons or subpoena must be submitted to support any period of court leave.

6.6 Accident Leave (WSIB/WCB)

Reference Canada Labour Code for full details.

The Government Employees Compensation Act provides that provincial Workers' Compensation Boards will adjudicate employee claims for workers' compensation. Accident leave will be granted to cover any necessary absence when the applicable compensation board accepts an employee's claim and the disability is attributed to employment with the Employer. The leave will not be charged to any leave credits and the leave payment will be an amount which will maintain the employee's basic salary.

6.7 Education Leave Without Pay

Educational leave without pay or financial assistance may be granted to an employee in some circumstances for a period of up to three years. Normally one year's leave may be granted in the first instance and extensions permitted if satisfactory progress is maintained and business conditions permit an extension.

6.8 Leave Without Pay to Attend Part-Time Courses

Employees who are taking part-time courses approved by the Employer may require time off to attend such courses when they are scheduled during normal working hours. Permission may be granted for employees to be absent for this purpose, provided their absence does not involve extra costs to the Employer.

Employees should be aware that the Manager may need to hire replacement staff during the leave period or consider alternative ways to meet the staffing requirements, alternative ways to attain the training and the advantages to the Employer.

6.9 Self-Funded Deferred Leave

Self-Funded Deferred Leave (SFDL) allows full time continuing employees to defer up to 33 1/3% of their gross salary or wages in order to fund a period of absence from their work and return to their regular employment at the expiration of the leave. In this context, SFDL means authorized leave without pay of between 6 and 12 consecutive months.

For more information refer to Attachment 3

Policy Requirements

Financial Information and Arrangements

- The deferred salary or wages are exempt from taxation until the funds are released to the employee. During the deferral period, all regular deductions will continue based on 100% of pay except for income tax and the Canada and Quebec Pension Plans on that part of salary or wages deferred.
- While on leave, the employee must not work for a federal institution or be paid a salary from the Consolidated Revenue Fund (any funds from the federal government); nor organizations which are in direct commercial competition with Candu Energy. While on leave, the employee must continue to adhere to SNC-Lavalin Code of Ethics and Business Conduct which specifies that final determination if a conflict exists, resides with the Employer. With those exceptions, the Employer should not normally restrict the employee's activities during the leave.
- In accordance with the Income Tax Regulations, the employee must make a commitment to return to his or her regular employment with Candu for not less than the period of leave granted. Thus, SFDL cannot be used for pre-retirement.
- The actual date of return to work or completion of the mandatory period after returning to work may be delayed for a valid reason such as sickness or maternity. Where an employee does not fulfill the return to work requirements of this policy, the Employer must notify Revenue Canada-Taxation.
- All provisions of Acts and Regulations during the deferral and leave periods relating to "leave without pay for other reasons" of between 6 and 12 consecutive months also apply to SFDL.
- Revenue Canada stipulates that the actual period of leave must begin after a period not exceeding six years from the date on which the deferral began.
- Withdrawal from the plan is not allowed. However, where an employee can demonstrate to their manager that continuing with the plan would cause severe financial or other hardship, or where an employee participating in the plan has been identified as surplus or is laid off as a result of work force adjustment, a request will be made to the financial institution to release the accumulated funds to the employee as soon as possible. The employee can determine the financial and tax-related implications of withdrawal by discussing them with the appropriate district office of Revenue Canada-Taxation.
- Withdrawal from the program may entail a considerable tax burden for the employee. The employee may therefore request that the planned period of leave be advanced or postponed for up to six months if this will prevent him or her from withdrawing from the program. The employee's manager will, based on operational requirements, make every reasonable effort to accommodate the employee's request. Such requests to delay the period of planned leave cannot, however, be accommodated where they would result in a salary or wage deferral beyond the maximum six-year limit specified in the Income Tax Regulations.
- If unforeseen and justifiable operational circumstances beyond the manager's control arise and no other feasible option exists, the Vice-President Human Resources may, at the manager's request, postpone the forthcoming leave, except where the employee's salary or wage deferral would exceed the maximum six-year limit.
- Withdrawing money other than interest from the trust account before it matures may be allowed only in cases of severe financial or other hardship and with the written authorization of the employee concerned and the Vice-President Human Resources.
- Should an employee die before the leave begins or while on leave, the funds shall be released to the employee's designated beneficiary or estate as determined by the executors or administrators of the estate.
- The financial institution is to pay to the employee all amounts held for the employee's benefit in the trust account no later than the end of the first taxation year that begins after the end of the deferral period.

6.9.1 Employee Considerations

- The employee must request this leave in advance and at that time arrange to have money deposited in a trust account that will provide income during the leave. Approved leaves must be set up for processing internally at least 4 months before the deferral begins.

- When operational circumstances permit, such leave may be approved on more than one occasion. It is mutually exclusive of other types of leave such as that for family-related needs or education.
- The employee may request in writing a change to the amount of salary deferred. Such a request would have to be received at least four months before the date on which the change is requested and not later than six months before the date the leave is due to begin.
- Payroll will deduct funds and transfer them to the trust account established for the employee at the financial institution. The trust account will generate interest that the financial institution must pay annually to the employee. The employee is then responsible for reporting this interest in his or her annual income tax return.
- An employee may, no later than six months before the planned leave date, request in writing a change to the duration of the leave if the leave period requested remains between 6 and 12 months.
- Because of the financial implications for the employee, denying leave after the maximum six-year deferral period or recalling an employee from leave requires a manager to obtain the prior written authorization of the President. If an employee is recalled to work before the end of an approved period of SFDL, the Employer will normally reimburse the employee for all necessary and reasonable expenses incurred as a result of being called back.
- When the employee's trust agreement matures, the financial institution is to release the money to an account to which the employee has access, without further Employer involvement, no later than the end of the first taxation year that begins after the end of the deferral period. The employee arranges the manner of payment directly with the financial institution. When the funds are released to the employee, a deduction will be made at source for income tax and other statutory purposes.
- All amounts held for the employee's benefit in the trust account, must be paid to the employee.

Reference Documents

- Income Tax Act and Regulations
 - Ontario ([Ontario Income Tax Act](#))
 - Canada ([Canada Income Tax Act](#))
- Public Service Superannuation Act ([Public Service Superannuation Act](#))
- Code of Ethics and Business Conduct ([SNC Lavalin Code of Conduct](#))

APPENDIX A
Vacation Schedule (days)

Employees who have completed six months service by January 1st, are advanced annual vacation leave as follows:

Years of Service	OA 1, OA2	OA3 – OA6
0 to 1	15	20
1	15	20
2	15	20
3	15	20
4	15	20
5	15	20
6	16	20
7	20	21
8	20	21
9	20	25
10	20	25
11	20	25
12	20	25
13	20	25
14	21	25
15	21	25
16	25	25
17 yrs or more	25	25

APPENDIX B
Company Holidays

Employees receive 12 Company-paid holidays in the calendar year.

Holiday
New Year's Day
Good Friday
Victoria Day
Summertime Float Day
Canada Day
Civic holiday
Labour Day
Thanksgiving Day
Christmas Day
Boxing Day
Holiday Period Float Day
Holiday Period Float Day

Holidays that fall on either a Saturday or a Sunday will be observed on the next working day(s) following the holiday. Unused Company holidays from the previous calendar year cannot be carried over to the next fiscal year.

Appendix C

Sick Leave Process/ Absence Management Process

Employee Responsibilities

- Provide your manager with timely notification of your period of illness.
- If your absence is going beyond occasional sick days and into Short Term Disability – greater than 5 days of illness or you were hospitalized or your disability is the result of an accident call 1 866-226-2103 in order to initiate your absence management case.
- Sun Life will contact you once advised of your absence to obtain information. Please ensure you and your physician provide required medical information to Sun Life in a timely manner.
- Engage in discussion with Sun Life, your Manager and HR as required.
- Be accessible and participate in treatment and the return to work process.

Manager Responsibilities

- Ensure timely notification of absence to the HR Business Partner of absences that have met or are expected to exceed 5 days or ongoing recurring absences.
- Advise the employee to initiate a case with Sun Life if the absence is expected to exceed 5 days, by calling 1 866-226-2103. Advise the employee that a Sun Life Case Manager will work with them on the management of their absence and their return to work.
- Ensure department time keeping processes incorporate absence information.
- Engage in discussion to identify accommodation options, if/or when required.
- Plan for employee's return to work and support as required with the HRBP.
- Participate in discussions with HRBP and the employee to support a successful return to work.

The Role of Sun Life

- Support employees and managers in a way that demonstrates corporate values.
- Provide adequate resources needed to support recovery and a timely return to work.
- Maintain contact with the employee during the period of absence and during the return to work phase. Provide regular updates to the employer during the period of absence.
- Collect and assess information.
- Provide timely recommendations on the expected recovery period and anticipated return to work.
- Provide outreach to facilitate timely appointments with specialized providers as required.

Appendix D Duty to Accommodate

Departments and employers are accountable for accommodation and the establishment of a process by which employees and candidates can seek appropriate accommodation for their individual needs.

Managers

- Are responsible for advising employees about supports for diversity and differences in the workplace
- Are accountable for informing employees about the duty to accommodate and the procedures for obtaining accommodation
- Have the responsibility for creating and maintaining an inclusive, barrier-free and accessible workplace
- Have an obligation to initiate a discussion about accommodation where they are aware an employee may have a need that they are unable to express
- A third party (such as a union, family member or colleague) may also request accommodation on behalf of an employee

Employees

- Are responsible to inform the immediate manager of the nature of requirements/request and to cooperate fully in finding a workable solution
- Are expected to be open to alternative suggestions that meet their needs and to be flexible when considering proposals that effectively respond to their needs
- Are responsible to inform the immediate manager when changes are required for a provided accommodation or when the accommodation is no longer necessary

Human Resources

- Are responsible for reminding managers, employees and candidates of policies and procedures for obtaining accommodation
- Advising and supporting both managers and employees in the implementation of this policy and in the accommodation procedure

Appendix E Leave Related Definitions

“Family member”, in relation to an individual, means any one of the following:

- **(a)** the spouse or common-law partner of the individual;
- **(b)** a child of the individual or a child of the individual’s spouse or common-law partner;
- **(c)** a parent of the individual or a spouse or common-law partner of the parent;
- **(d)** a child of the individual’s parent or a child of the spouse or common-law partner of the individual’s parent;
- **(e)** a grandparent of the individual or of the individual’s spouse or common-law partner or the spouse or common-law partner of the individual’s grandparent;
- **(f)** a grandchild of the individual or of the individual’s spouse or common-law partner or the spouse or common-law partner of the individual’s grandchild;
- **(g)** the spouse or common-law partner of the individual’s child or of the child of the individual’s spouse or common-law partner;
- **(h)** a parent, or the spouse or common-law partner of a parent, of the individual’s spouse or common-law partner;
- **(i)** the spouse or common-law partner of a child of the individual’s parent or of a child of the spouse or common-law partner of the individual’s parent;
- **(j)** a child of a parent of the individual’s spouse or common-law partner or a child of the spouse or common-law partner of the parent of the individual’s spouse or common-law partner;
- **(k)** an uncle or aunt of the individual or of the individual’s spouse or common-law partner or the spouse or common-law partner of the individual’s uncle or aunt;
- **(l)** a nephew or niece of the individual or of the individual’s spouse or common-law partner or the spouse or common-law partner of the individual’s nephew or niece;
- **(m)** a current or former foster parent of the individual or of the individual’s spouse or common-law partner;
- **(n)** a current or former foster child of the individual or the spouse or common-law partner of that child;
- **(o)** a current or former ward of the individual or of the individual’s spouse or common-law partner;
- **(p)** a current or former guardian of the individual or the spouse or common-law partner of that guardian;
- **(q)** a person, whether or not related to the individual by marriage, common-law partnership, or any legal parent-child relationship, whom the individual considers to be like a close relative or who considers the individual to be like a close relative. (*membre de la famille*)

Carrying out responsibilities related to the health or care of any of their family members;

"responsibility" refers to the constraint imposed by moral or social rules to have to take care of something or someone carrying out **responsibilities related to the health or care of any of their family members** would include activities such as but not limited to:

- accompanying the family member to an appointment with a health care practitioner
- accompanying the family member to a surgery
- accompanying the family member to the hospital or other medical institutions (i.e. labs, clinics) to undergo scheduled medical tests
- picking up the family member from school due to an illness, injury or medical emergency
- taking care of a young child for a day following an unexpected school or day care closure
- taking care of a sick or injured family member at home
- making arrangements for a family member's long-term care
- helping move an elderly family member into a more suitable residence

However, the following activities **would not qualify** as health or care related responsibilities:

- attending a family social gathering

- routinely walking the dog, buying groceries or watering the plants of a family member
- helping with a family member's wedding arrangements
- dealing with non urgent legal issues (i.e. wills, powers of attorney, do not resuscitate orders) for the family member picking up mail, going to the bank, paying bills for the family member

Carrying out responsibilities related to the education of any of their family members who are under 18 years of age:

Carrying out **responsibilities related to the education of any of their family members who are under 18 years of age** would include activities such as but not limited to:

- attending parent-teacher interviews and meetings
- meeting with education specialists to optimize the child's development
- meeting with a school counsellor or principal to discuss behavioural challenges at school
- accompanying a student with special needs to ensure he or she can participate in an educational activity
- attending a school orientation or registration meeting

However, the following activities would not qualify as education-related responsibilities:

- attending a school-related performance
- accompanying a child on an extracurricular activity
- accompanying an independent, older child for their first day at school
- bringing a child to a community art class or sporting activity
- helping a family member study for an exam

Addressing any urgent matter concerning themselves or their family members.
Personal Leave – IPG-117 - Canada.ca

Urgent matter

An employee may take personal leave when addressing any urgent matter concerning themselves or their family members.

Providing documentation

An employer may request that the employee provide documentation to support the reasons for personal leave. The employer must do so in writing and no later than 15 days after the employee's return to work. The employee is only required to provide that documentation if it is reasonably practicable for them to obtain and provide it. The decision as to whether or not it is reasonably practicable to obtain documentation falls to the employee. If it is not reasonably practicable to obtain and provide documentation, the employee can decide instead to write and sign a statement to indicate the circumstances that led to their absence. When the employee has provided their written statement for the leave, an employer cannot deny personal leave on the basis that the employee did not provide documentation.

Further information on the meaning of "reasonably practicable" is available within IPG-098 ([Reasonably practicable – 802-1-IPG-098 - Canada.ca](#))

Attachment 3 – SELF-FUNDED DEFERRED LEAVE (SFDL) GUIDELINES

Definition

For this policy, SFDL means authorized leave without pay of between 6 and 12 consecutive months. The employee must request this leave in advance and at that time arrange to have money deposited in a trust account that will provide income during the leave.

Eligibility

All full-time continuing staff are eligible to apply for SFDL.

Policy

Subject to operational requirements and this policy, the employee's manager may grant employees SFDL for between six (6) and twelve (12) consecutive months.

When operational circumstances permit, such leave may be approved on more than one occasion. It is mutually exclusive of other types of leave such as that for family-related needs or education.

While on leave, the employee must not work for any organizations which are in direct commercial competition with Candu Energy. While on leave, the employee must continue to adhere to the Candu Code of Ethics and Business Conduct which specifies that final determination, if a conflict exists, resides with the Company. With those exceptions, the Company should not normally restrict the employee's activities during the leave.

In accordance with the Income Tax Regulations, the employee must make a commitment to return to his or her regular employment with Candu for not less than the period of leave granted. Thus, SFDL cannot be used for pre-retirement.

All provisions of Acts, Regulations, and collective agreements relating to "leave without pay for other reasons" of between six (6) and twelve (12) consecutive months also apply to SFDL.

Application and Approval

Before formally applying for SFDL, employees should consult Human Resources. Detailed information on employee benefits is available from the Human Resources Department.

Completed "Application for Self-Funded Deferred Leave" forms, including salary deduction arrangements, must be received by the employee's manager and forwarded to the Human Resources Department for processing at least four months before the actual salary deferral begins. A copy of the form is to be sent to the financial institution that will administer the trust account. The manager of the employee will review all applications in a timely manner and approve participation, subject to operational requirements. If the application is denied at the first management level, the normal appeal process will be followed, i.e.; through to the Director and Vice-President. The maximum salary deferral period is five (5) years.

Note: Revenue Canada stipulates that the actual period of leave must begin after a period not exceeding six years from the date on which the deferral began. A period of five years is recommended to allow for unforeseen circumstances.

The amount of salary or wages deferred in any year may be any amount of up to and including thirty-three and one-third percent (33 1/3%) of the employee's basic annual salary. The actual amount deferred will remain the same unless the employee requests a change.

The employee may request in writing a change to the amount of salary deferred. Such a request would have to be received by the Human Resources Department at least four months before the date

on which the change is requested and not later than six months before the date the leave is due to begin.

Pay Administration and Financial Aspects

When the Human Resources Department receives an approved application form, it will verify that the deferred amount does not exceed the maximum allowed. It then sends the document to an approved financial institution. Once an account number has been issued the Human Resources Department initiates a salary deduction pay action. Candu Payroll Office will deduct funds and transfer them to the trust account established for the employee at the financial institution.

The trust account will generate interest that the financial institution must pay annually to the employee. The employee is then responsible for reporting this interest in his or her annual income tax return.

Withdrawing money other than interest from the trust account before it matures may be allowed only in cases of serious financial or other hardship and with the written authorization of the employee concerned and the Vice-President Human Resources.

When the employee's trust agreement matures, the financial institution is to release the money to an account to which the employee has access, without further Company involvement.

All amounts held for the employee's benefit in the trust account must be paid to the employee no later than the end of the first taxation year that begins after the end of the deferral period.

Income Tax and Other Deductions

During the deferral period, all regular deductions will continue except for income tax and the Canada and Quebec Pension Plans on that part of salary or wages deferred. During the actual leave period, deductions and benefits apply as described in the table below. When the funds are released to the employee, a deduction will be made at source for income tax and other statutory purposes.

Withdrawal

Withdrawal from the plan is not allowed. However, where an employee can demonstrate to their manager that continuing with the plan would cause severe financial or other hardship, or where an employee participating in the plan has been identified as surplus or is laid off as a result of work force adjustment, a request will be made to the financial institution to release the accumulated funds to the employee as soon as possible. The employee can determine the financial and tax-related implications of withdrawal by discussing them with the appropriate district office of Revenue Canada-Taxation.

Should an employee die before the leave begins or while on leave, the funds shall be released to the employee's designated beneficiary or estate as determined by the executors or administrators of the estate.

Postponement/Advancement

Withdrawal from the program may entail a considerable tax burden for the employee. The employee may therefore request that the planned period of leave be advanced or postponed for up to six months if this will prevent him or her from withdrawing from the program. The employee's manager will, based on operational requirements, make every reasonable effort to accommodate the employee's request. Such requests to delay the period of planned leave cannot, however, be accommodated where the request would result in a salary or wage deferral beyond the maximum six (6) year limit specified in the Income Tax Regulations. If unforeseen and justifiable operational circumstances beyond the manager's control arise and no other feasible option exists, the Vice-President Human Resources may, at the manager's request, postpone the forthcoming leave, except

where the employee's salary or wage deferral would exceed the maximum six (6) year limit.

Changes to Duration of Leave

An employee may, no later than six (6) months before the planned leave date, request in writing a change to the duration of the leave if the leave period requested remains between six (6) and twelve (12) months. The employee's manager must approve such requests. The financial institution must also be advised of the change.

Recall or Denial

Because of the financial implications for the employee, denying leave after the maximum six (6) year deferral period or recalling an employee from leave requires a manager to obtain the prior written authorization of the Candu President. If an employee is recalled to work before the end of an approved period of SFDL, Candu will normally reimburse the employee for all necessary and reasonable expenses incurred as a result of being called back.

Return to Work After the Period of Leave

The actual date of return to work or completion of the mandatory period after returning to work may be delayed for a valid reason such as sickness or maternity.

Where an employee does not fulfill the return to work requirements of this policy Candu must notify Revenue Canada-Taxation.

Effects of Self-funded Deferred Leave Without Pay On Employee Benefits and Contributions

NOTE: Employees should consult the Human Resources Department for more information about the options available and for instructions to ensure continuing coverage.

Item	Cost	Comment
Income Tax	Tax is reduced during the salary deferral period in proportion to the amount of salary deferred.	<p>Income tax withheld will be adjusted during the deferral period. When annual interest payments are made and when the trust matures, the financial institution will deduct and remit the required statutory deductions for income tax.</p> <p>Note: Should the employee fail to take leave as required under the plan, all amounts held in trust must be reported as income in the first taxation year that begins after the end of the deferral period. This may raise an employee's tax rate and could increase the income tax payable significantly.</p>
Canada or Quebec Pension Plans	The financial institution pays the employee's and employer's shares from the proceeds of the trust.	<p>The period of leave counts as pensionable employment. CPP/QPP contributions remitted on behalf of an SFDL participant by Candu and an SFDL custodian, in a given calendar year, constitute a continuance of employment for CPP/QPP purposes.</p> <p>A letter from Candu Payroll office to the custodian or vice versa, indicating the amount of contributions paid year-to-date will be sufficient to give effect to the continuance rule.</p>
Employment Insurance	Premium not payable.	<p>The period of leave does not qualify as a period of insurable employment.</p> <p>Consequently, a SFDL leave period may result in an employee having insufficient insured weeks to qualify for EI benefits if he or she were laid off following the leave. For more information on the impact that an SFDL leave period may have on EI benefits, employees should contact their nearest EI Office.</p>
Supplementary Group Life Insurance	The Employee is required to pay the employee's and the employer's share of the premiums.	Coverage continues during the LWOP period. Payment of premiums must be in advance, either monthly, quarterly, semi-annually or annually.
Group Life Insurance (Basic Life)	The Employee is required to pay the employee's and the employer's share of the premiums.	Coverage continues during the LWOP period. During the LWOP period, premiums must be paid in advance, either monthly, quarterly, semi-annually or annually.

Item	Cost	Comment
Long-Term Disability Insurance	The Employee is required to pay the employee's and employer's share.	Coverage continues during the LWOP. Protection resumes only at the date anticipated to return to work after the leave period, i.e. you cannot commence receiving LTD benefits prior to the date that you were scheduled to return to work. During the LWOP period, premiums must be paid in advance, either monthly, quarterly, semi-annually or annually.
Extended Health Care and Deluxe Travel	The employee is required to pay the employee's and the employer's share.	Coverage may be continued by paying premiums in advance, either monthly, quarterly, semi-annually or annually.
Dental Care Plan	The employee can maintain coverage by paying the employer's monthly contribution.	Coverage may be continued by paying premiums in advance, either monthly, quarterly, semi-annually or annually.
Salary	SFDL per se shall not cause a deterioration in the position of the employee's salary with respect to his/salary range.	
Union Dues	Not subject to dues during LWOP period (unless Collective Agreement specifies otherwise agreement)	On return to duty, deductions will resume.
Leave		Leave credits do not accrue during SFDL which is defined as authorized leave without pay.