



Hours of Work Averaging Arrangement

Tolko Industries Ltd. Athabasca Division Hours of Work Averaging Arrangement (HWAA) is designed to ensure the plant has coverage to operate continuously while providing a balanced schedule to employees. This HWAA is a group arrangement and the group consists of C Crew Production Team Leader, C Crew General Production, C Crew Shift Millwrights, C Crew Shift Electricians, and C Crew Shift Energy employees (the “Employees”) and applies to any new Employees in the group.

1. The HWAA will commence on July 10, 2022.
2. The Employees’ hours of work under this HWAA will be averaged over a period of 4 weeks, commencing Sunday and recurring every 4 weeks thereafter as set out below. Each 4-week period shall be considered an “Averaging Period” for the purposes of calculating overtime entitlement, based on the following schedule.

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|----------|----------|----------|-----------|----------|----------|----------|
| off | off | 12 hours | 12 hours | 12 hours | 12 hours | 12 hours |
| 12 hours | off | off | off | off | 12 hours | 12 hours |
| 12 hours | 12 hours | off | off | off | off | off |
| off | 12 hours | 12 hours | 12 hours | 12 hours | off | off |

3. Employees are employed on an hourly basis, and actual daily hours may be varied from those scheduled, with less than 24 hours’ notice, based on an accident which has occurred, urgent work being necessary or other unforeseen or unpreventable circumstances. In all other circumstances, Tolko may amend scheduled daily and weekly hours of work upon 24 hours’ notice to the affected Employees.
4. If within the same Averaging Period an Employee makes up a shift on an unscheduled work day because of having been absent on a scheduled work day, the Employee is entitled to be paid the regular wage rate and any applicable overtime pay in accordance with the originally scheduled shift.
5. Employees will be entitled to overtime for the greater of hours worked in excess of:
 - 12 hours a day (daily scheduled hours), payable at the end of the pay period
 - Hours worked which exceed an average of 44 hours per week over the Averaging Period, payable at the end of the Averaging Period.
6. For the overtime hours worked, the Employee shall be paid overtime pay of 1.5 times the Employee’s wage.
7. The HWAA may be cancelled or replaced with at least 2 weeks’ written notice to the Employees.
8. Tolko will provide a copy of this HWAA to the Employees.

By signing below, I confirm I received one copy of this HWAA to keep and one copy I signed was kept by Tolko.

Signed (Employee)

Date

Name (Employee)