

## **EMPLOYMENT STATUS CHANGES**

### **Employment Status**

An associate's employment status is based on the number of hours the associate is expected to work on a regular basis. An associate's scheduled hours, and thus employment status, may change during the course of his/her employment as a result of personal and/or business related circumstances.

Employment status is used to determine an associate's eligibility for certain benefits, among other things. As stated in the Luxottica Associate Guide, the Company may modify an associate's status as it deems appropriate, and nothing in the Guide guarantees any associate a certain schedule or number of hours of work.

Below are the categories the Company uses to determine an associate's employment status:

<b>Employment Status Category</b>	<b>Description</b>
Full-Time	Normally and consistently scheduled to work 30 or more hours per week.
Part-Time	Normally and consistently scheduled to work 20-29 hours per week.
Casual Part-Time	Scheduled to work fewer than 20 hours per week. This includes Associates who normally work a few hours each week and Associates who only work occasionally.
Temporary/Seasonal	Associates hired for a short and defined period of time, regardless of the number of hours scheduled or work.

### **What Triggers an Employment Status Change?**

In general, there are two circumstances where an associate's employment status may change:

- (1) Associate changes his/her availability
- (2) Business needs affect the Company's ability to schedule associate for a certain number of hours

Manager responsibilities in these situations differ slightly. It is important that you understand your role in each, as outlined below.

### **Employment Status Change Process – Associate's Availability Changes**

Understanding your associates' availability and scheduling needs is an important part of your job. If an associate notifies you that his/her availability has changed to reduce the number of hours he/she can work, initiate an employment status change if it moves the associate into a different employment status category and it is consistent with business needs (see chart above).

TIP: Use an Associate Availability Form to stay on top of your associates' availability and require that they complete a new form if their availability changes.

Availability Form (Non-Union)    Availability Form (Union)

If an associate's availability changes to affect employment status:

**(1) Meet with associate to discuss employment status change due to limited availability.**

Meet with the associate to explain the employment status change, the impact that it will have on his/her benefits, and answer any questions.

Sample Script:

*"As you know we need to schedule based on the needs of the business as well as each associate's performance and availability, I wanted you to be aware that based on your limited availability (and performance, if applicable), you will see a reduction in the number of hours you will be scheduled. If you reconsider your availability, I may be able to schedule you for more hours and thereby avoid an employment status change due to you dropping below the minimum number of hours required for your current employment status. If store hours increase, I may be able to increase your scheduled hours, based on your performance and availability.*

**(2) Enter employment status change in My BLU HR Access.\***

Log into My BLU HR Access (Manager Tasks Tab → Employee Employment Information → Employment Status), or call 1-866-431-8484 (select option for My BLU HR Access Services) to update:

- Associate's employment status (Category)
- Effective date of employment status change
- Reason for change

***\*At Sunglass Hut and Sears Optical store locations, the regional manager must perform Step (3).***

**Employment Status Change Process – Business Needs Affect Hours Available to Schedule, Etc.**

In addition to initiating an employment status change due to a change in an associate's availability, the Company may also initiate employment status changes. Here is how it works:

**(1) "Trending Low" Notice**

Employment status audits are conducted on a quarterly basis. Audits compare associates' average weekly hours to their listed employment status to ensure that their status is accurate and they are receiving the benefits to which they are entitled. If a quarterly audit reveals that an associate's hours for the quarter are "trending low," the associate will be notified that their average weekly hours are falling short of that required for their listed employment status. If the associate's hours do not increase

to the level required for their listed employment status the following quarter, the Company will automatically change the associate's employment status to reflect the average number of hours the associate is actually working.

Managers are also notified if an associate is "trending low." Upon receiving this notice, you should meet privately with the associate during his/her next scheduled shift to discuss:

- That he/she did not work the minimum number of hours required to maintain his/her current employment status for the previous quarter, and that he/she faces a change in employment status if this occurs for a second consecutive quarter.
- Whether he/she can or wants to increase their hours/change availability to avoid an employment status change the following quarter. Picking up additional hours at another location or brand might also be possible, assuming the associate is in good standing (i.e. no formal corrective action (CAR) on file in the previous 12 months).
- Even if the associate wants to increase his/her hours, the Company cannot guarantee a certain schedule or number of hours.
- How an employment status change may impact the associate's benefits.

## **(2) Employment Status Change Initiated by Company**

If an audit the following quarter reveals that an associate continued to average fewer hours than applicable to his/her listed employment status, the Company will initiate an employment status change.

If the associate's employment status changes from full-time to part-time, he/she will be paid out any remaining PTO. If the associate later returns to full-time status, his/her PTO will be calculated based on the new full-time anniversary date.