

## **EMPLOYMENT STATUS CHANGES**

### **Employment Status**

An employee's employment status is based on the number of hours the employee is expected to work on a regular basis. An employee'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 employee's eligibility for certain benefits, among other things. As stated in the EssilorLuxottica Employee Guide, the Company may modify an employee's status as it deems appropriate, and nothing in the Guide guarantees any employee a certain schedule or number of hours of work.

Below are the categories the Company uses to determine an employee'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 employees who normally work a few hours each week and employees who only work occasionally.
Temporary/Seasonal	Employees 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 employee's employment status may

- (1) Employee changes his/her availability
- change: (2) Business needs affect the Company's ability to schedule employee 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 – Employee's Availability Changes**

Understanding your employee's availability and scheduling needs is an important part of your job. If an employee 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 employee into a different employment status category and it is consistent with business needs (see chart above).

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

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

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

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

Meet with the employee 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 employee'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:

- Employee'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 employee'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 employees' 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 employee's hours for the quarter are "trending low," the employee will be notified that their average weekly hours are falling short of that required for their listed employment status. If the employee's hours do not increase

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

Managers are also notified if an employee is "trending low." Upon receiving this notice, you should meet privately with the employee 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 employee is in good standing (i.e., no formal corrective action (CAR) on file in the previous 12 months.
- Even if the employee 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 employee's benefits.

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

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

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