



VAPE MERCHANT

EMPLOYMENT AGREEMENT





Welcome

Welcome to Vape Merchant, New Zealand's leading specialist vape retailer.

Established in 2017, we have stores nationwide offering the best vaping products.

Our mission is to help 100,000 New Zealanders become Smokefree by 2025 and to be recognised as Australasia's leading vape retailer. Our commitment is to offer only the highest quality products, an outstanding customer experience, and to always comply with the law.

Our team are passionate about helping customers in their quit smoking journey and finding the right product to fit each person's needs.

We expertly curate our range of high-quality vaping products. Every vaping product has been tested by our team and manufactured to the highest international standards.

Underlying our success is our people – their talents and shared commitment to our mission. In return, we offer an inclusive, supportive stimulating work environment and appropriately reward staff for their contribution.

Clint Baxter
Managing Director



Our Core Values

Our core values are what Vape Merchant stands for, they guide our decision making and underpin our Company culture:

- **Passion – we are passionate about helping:** We are passionate about helping smokers to make positive behavioural changes. We do this by offering them viable alternatives that work and enable them to make informed choices on their own terms.
- **Integrity – we always act truthfully:** We do the right thing even though no one is looking. We act with honesty in all our dealings and operate our business in compliance with the law. We hold ourselves accountable for our actions. When we see something wrong, we report it and do our best to fix it.
- **Excellence – we strive to delight our customers:** We want every visit to our store to be the highlight of our customers daily routine. We act in their best interests and are responsive to their needs. We do this by listening and investing time in developing relationships of trust and respect, and offering an environment that is welcoming, safe and non-judgemental.
- **Respect – we respect our roles, our stores and our business:** We respect each other, our customers, and stakeholders. We care about what we do and how we do it. We understand that we are judged by our actions, and we always act professionally to build trust, understanding, safety and inclusiveness.
- **Teamwork – teams succeed faster:** We work together as a team to achieve our goals and value the positive contributions that all our team members make. We use our initiative and look for solutions to problems we encounter.
- **Quality - we always try to be the best:** We put 100% effort in all that we do. We make it a priority to know our stuff and be the best at what we do. We constantly strive to improve our customer experience and how we operate our business.

Contents

Scope	6
Growing your contribution	7
Your Role	7
Getting up to speed	7
Work Schedule	8
Rest and Meal Breaks	8
Appointments	9
Health, Safety and Environment	10
Health and safety is everyone's responsibility	10
Drugs and Alcohol	11
Infectious Diseases	11
Remuneration	13
Pay Rate	13
Deductions	13
Business Expenses	13
Benefits Programme	14
KiwiSaver	14
Employee Discount	14
Employee Assistance Programme	14
Indemnity	14
Leave	16
Public Holidays	16
Annual Holidays	17
Sick Leave	17

Bereavement Leave	18
Parental Leave	18
Family Violence Provisions	19
Jury Service.....	19
General Conditions.....	20
Confidential Information	20
Intellectual Property	20
Conflict of Interest	21
Gifts	21
Internet, Intranet, Email, Mobile Devices	21
Social Media.....	22
Media Statements and Public Addresses	22
Criminal Convictions / Pending Charges	22
No Adverse Comments	22
Personal Presentation	23
More Information	23
Resignation.....	24
Termination for Cause.....	24
Termination for Medical Reasons	25
Redundancy	25
Employee Protection Provision	26
Return of Property	27
Post-Employment Obligations.....	27
No Disparaging Comments	28
Resolving Employment Problems	29

Scope

This Employment Agreement, together with your appointment letter, form your terms and conditions of employment with Vape Merchant Limited ("Vape Merchant" or the "Company"). They supersede any previous or existing agreements between you and Vape Merchant. If there are any inconsistencies, the terms in your appointment letter will prevail.

Other Company policies and procedures, including the Code of Conduct, also apply to your employment. We may amend such policies and procedures from time to time, but we will make you are aware of changes that affect you.

These documents explain the standards and expectations we have of each other as members of the Vape Merchant team; and they create a culture for success.

A successful business is the result of teamwork and people working together in pursuit of a shared mission. We are committed to ensuring that consultation and co-operation are the basis for all relationships within the business. Harassment of any kind is not permitted.

If you have suggestions or wish to raise issues of concern, please discuss them with your manager.

Growing your contribution

Your Role

Your manager will ensure that you know what is expected of you, including your duties and responsibilities and our standards of conduct. We will support you by providing the tools and resources to help you succeed.

We are a dynamic and growing business, so flexibility is required. You can expect your role may change from time to time to meet the changing needs of the business. You will be consulted about proposed changes, but you may not unreasonably withhold your agreement to any such changes.

Our success depends on a total commitment to exceeding the expectations of our customers. To achieve this, our expectation is that you carry out your duties and responsibilities in accordance with our Core Values at all times.

Getting up to speed

Our induction process will prepare you to carry out your role effectively. Of course, your manager and other members of the team will help to steer you in the right direction.

Your employment is subject to an initial probationary period of six months to assess and confirm your suitability for your role. We will hold regular review meetings and talk to you about your progress as you move through the performance milestones for your role. If progress is not what is expected your employment may be terminated, during or at the end of the probation period, on one weeks' notice.

Work Schedule

Our business is subject to fluctuating demand and our competitive advantage depends on being sufficiently flexible to deliver our service as and when required by our customers.

Your agreed hours of work are as specified in your appointment letter.

The nature of our business means that flexibility is required. This may involve working different or additional hours to meet specific requirements, at which times you may not unreasonably withhold your agreement to such changes.

When you are requested to work additional time, it is expected you will give reasonable consideration to the Company's needs.

Our expectation is that you will be punctual and reliable, use your time efficiently and let others know if you cannot keep a commitment.

Rest and Meal Breaks

The timing of breaks should reflect our commitment to customer service and be taken at reasonable intervals within the daily work period.

In each 8-hour work period there will generally be one unpaid meal break of half hour and two paid rest breaks of 10 minutes each.

Personal Development

A key aspect of our success is the skill and expertise you bring to your role.

Your progress will be regularly reviewed with you by your manager. This will include setting expectations and objectives. It is important that you discuss your career objectives with your manager so that, where possible, assistance may be provided. If certain qualifications, registrations and licensing are required to perform your role you must at all times ensure such requirements remain current.

Our expectation is that you are committed to personal development and participate fully in the training and development opportunities available to you, including our performance appraisal process.

Appointments

For any role we strive to employ the person most appropriately qualified in terms of skills, knowledge, experience and behavioural attributes. We also give equal consideration to people in terms of advancement and progress within the Company. We aim to ensure that all people are respected as individuals and encouraged to maximise their potential.

The Company relies on all representations made by you as to your qualifications. If you have deliberately failed to disclose any matter which may have materially influenced the Company's decision to appoint you to a role, you may be dismissed.

Health, Safety and Environment

Health and safety is everyone's responsibility

Vape Merchant is committed to the health and safety of all people in the business and will take all steps reasonably practicable to reduce health and safety risks. We are also committed to achieving and maintaining a high standard of environmental care in all aspects of our business.

Our expectation is that together we strive to eliminate risks and integrate good health and safety practices into our everyday activities. Unsafe behaviour will not be tolerated because it puts people at risk.

We are committed to a partnership with people in the business in which we all take responsibility for providing a safe and healthy environment for everyone involved in our operations. Our success also depends on your personal responsibility, which includes:

- Meeting our obligations under the Health and Safety at Work Act 2015.
- Taking reasonable care for your own health and safety and ensuring that your acts or omissions do not adversely affect the health and safety of other persons.
- Taking all practicable steps to eliminate or minimise risks.
- Promptly reporting any work accident, incident or near miss.
- Participating in our health and safety programmes and complying with all procedures.
- Reporting infections and staying away from work if you are suffering from a communicable disease or infection.
- Using any protective clothing and equipment provided (which remains the property of Vape Merchant).
- Participating in any return to work plan to ensure your early return to work in the event you are injured.
- Eliminating or minimising any adverse impact on the environment arising from your actions.

You have the right to refuse to perform work if you have good cause to believe that in doing so you could harm yourself, other people in the business, the public, the environment or our business assets.

Drugs and Alcohol

We have a zero-tolerance policy on the use of drugs (including prescription medicines) and / or alcohol that may impair your capacity to work safely, efficiently and with respect for other staff.

Our expectation is that you comply with our Drug and Alcohol policy and ensure that while performing your duties you are not impaired by drugs and / or alcohol.

Our expectation is that at no time will anyone's actions bring Vape Merchant into disrepute, damage business relationships, or create a health and safety risk.

You may be required to undergo tests for drugs and alcohol in accordance with the Vape Merchant Drug and Alcohol policy, which provides for testing where there is reasonable cause to do so, post incident or injury, where employees are working in safety sensitive roles, or to comply with any regulatory requirements. Please also refer to the Code of Conduct for more information.

Infectious Diseases

If you have been in contact with an infectious disease, or think you may have been, you must immediately inform the Company and stay away from work until you have a full medical clearance to return.

If in accordance with Ministry of Health advice you are required to undergo testing, you must do so in accordance with that guidance.

You will not be paid for the period of absence, but the Company will consider applying for any Government leave support subsidy or other financial support available, to support some level of payment to you. You may also take any unused sick leave entitlement you may have.

You also agree that if the business is closed due to a directive of the Ministry of Health (or other Government department or agency) intended to isolate or control an infectious disease, you will not be entitled to be paid for the period of closure. In such circumstances the Company will consider applying for any Government support subsidy or other financial support available, to support some level of payment to you. We will also consider requests from you to take annual holidays or leave in advance.

Remuneration

Pay Rate

Your personal rate of pay is recorded in your appointment letter.

Unless otherwise agreed you will be paid fortnightly in arrears by direct credit to your nominated bank account.

Deductions

You agree that we may make reasonable deductions from your pay for time not worked (other than authorised paid leave), at your own request, where an error has been made, or where required by law.

On termination of employment or at such other times as Vape Merchant may require, you agree that we may make reasonable deductions from your pay for annual holidays taken in advance, the value of any unreturned company property, or any debt that you owe to Vape Merchant. In the event the balance of any debt you owe to Vape Merchant exceeds the amount of your final pay you will be required to repay the balance within seven days.

You will be consulted before such deductions are made.

Business Expenses

Subject to any applicable policy, you will be reimbursed for actual and reasonable expenses that may be incurred in the course of your duties upon the presentation of relevant receipts. All expenses require the prior approval of your manager.

Benefits Programme

KiwiSaver

The Company encourages you to save for your retirement. If you join KiwiSaver, the employer contributions (currently 3% of your total taxable income) will be deducted from your pay. You will be provided with a KiwiSaver information pack and further information may be obtained at <http://www.kiwisaver.govt.nz>.

Employee Discount

We offer you discount on vaping products in accordance with the prevailing Employee Discount Policy.

Employee Assistance Programme

We recognise that from time to time, situations arise where you may require assistance with personal problems. Vape Merchant will provide access to professional, confidential support services when you need them (currently Benestar is the service provider and you may contact them directly on **0800 360 364**). For more information, please speak to your manager.

The benefits provided in this section, and any additional benefits included in your appointment letter, are discretionary and may be changed or withdrawn by the Company or the relevant provider. We will make sure that you are aware of changes that affect you.

Indemnity

You are expected to perform to high professional standards. However, Vape Merchant will indemnify you against all civil claims brought against you by third parties in respect of actions arising out of the performance of your duties, including where you have made an honest mistake or have been negligent. This indemnity includes the costs of defending the claims.

However, you will not be indemnified in the case of wilful neglect, default or misconduct, or recklessness, or in the case of any dishonest, fraudulent, criminal or malicious act or omission on your part. In such cases you will not be reimbursed for any fines, penalties or costs arising from a successful prosecution against you.

Leave

We all work hard so we need holidays to recharge the batteries. Sometimes we need time off for sickness, family or other reasons.

Provisions for leave are in accordance with prevailing legislation. The current provisions are summarised below.

Public Holidays

Unless otherwise agreed, the public holidays are:

- Christmas Day
- Boxing Day
- New Year's Day
- 2 January
- Good Friday
- Easter Monday
- ANZAC Day
- The birthday of the reigning sovereign (observed on the first Monday in June)
- Matariki
- Labour Day (being the fourth Monday in October)
- Anniversary Day (or the day locally observed as that day)

You may be required to work on a public holiday as necessary.

If you do not work on a public holiday then, provided for you that day would otherwise be a working day, you will be paid not less than your relevant daily pay for the day.

If you work on a public holiday you are entitled to payment for the time worked at time and a half (as defined in the Act). In addition, provided for you that day would otherwise be a working day, you are entitled to a whole alternative holiday on pay.

Annual Holidays

Unless otherwise agreed in your appointment letter, your annual holiday entitlement is four weeks per year. All holidays are subject to prior approval by Vape Merchant. If you want to take holidays at a particular time, you need to advise your manager of your preferences at an early date.

Vape Merchant's policy is that holidays be taken within twelve months of falling due. Unless an alternative arrangement is agreed, where your holidays are not taken within 12 months of falling due Vape Merchant may direct you to take such holidays.

Vape Merchant may schedule one closedown period per year in part or all of the business.

Payment for annual holidays will be calculated in accordance with the Holidays Act 2003 and paid into your nominated bank account in accordance with the normal pay cycle.

Sick Leave

We appreciate that occasionally you will need time off work if you, your spouse or a dependant is sick or injured. After 6 months' continuous service your entitlement is 10 days' sick leave for each year thereafter. Unused sick leave may be carried over up to a maximum of 20 days' entitlement. Additional sick leave may be granted at the discretion of Vape Merchant depending on personal circumstances. In the event sick leave is required you should notify your manager as early as possible, preferably before your start time. You may be required to provide a medical certificate at your cost to support a claim for paid sick leave, provided that the Company will pay your reasonable costs of obtaining such certificate where required by legislation.

Our expectation is that if you cannot come to work you will let your manager know as soon as possible and keep us informed about when you will return, so sufficient cover may be arranged.

Bereavement Leave

We understand the impact of losing people close to you.

After 6 months' continuous service your entitlement to bereavement leave is:

- Three days' leave on the death of your spouse, partner or child, brother, sister, parent, grandparent, parent-in-law or grandchild;
- Three days' leave in the event another person suffers a miscarriage or still birth and the other person is your spouse or partner, or your former spouse or partner and would have been the biological parent of the child, or a person who had undertaken to be the primary carer of the child, or the spouse or partner of a person who had undertaken to be the primary carer of the child,
- One days' leave on the death of any other person where Vape Merchant accepts you have suffered a bereavement.

Additional leave may be granted by Vape Merchant depending on the circumstances.

Please advise your manager as soon as possible on the first day of absence, together with your expected date of return.

Parental Leave

Provisions for parental leave will be in accordance with the Parental Leave and Employment Protection Act 1987. Parental leave paid by the Government is available for eligible staff. Applications must be made to your manager at least three months before the expected date of birth or adoption. At least 21 days' notice must also be given of the intended date of return to work. For more details on parental leave entitlements please refer:

<https://employment.govt.nz/leave-and-holidays/parental-leave/>

Family Violence Provisions

If you are affected by family violence, you may request flexible working arrangements for up to 2 months in accordance with the Employment Relations Act 2000; and you are entitled to up to 10 days family violence leave per year in accordance with the Holidays Act 2003. Vape Merchant may require you to provide reasonable evidence.

Jury Service

Vape Merchant may, at its discretion, grant paid leave for jury service. As soon as possible after you are called for jury service you must advise your manager. Generally, such leave is limited to 5 days per occasion. If paid leave is authorised you must return to work, as soon as practical, on any day you are excused from serving; and you will be required to pay to Vape Merchant any attendance fees you receive from the Court.

Note: You may obtain further advice on your holiday entitlements from the Ministry of Business Innovation and Employment (0800 800 863).

General Conditions

Confidential Information

You will gain information or knowledge during the course of your employment, which is confidential and / or commercially sensitive. This is information that is not in the public domain and includes information such as confidential business and technical information, business methods and management systems and information relating to customers and suppliers. It is important that you recognise this information and understand that you are not permitted, either during your employment or following its termination, to directly or indirectly release or disclose such information, use such information for personal use or use by any other unauthorised person, firm, company or entity. This obligation extends to confidential Company information you may have committed to memory.

Upon termination of your employment, you must return any documents, letters, papers, business cards and other material of every description (including customer lists and / or price structures, computerised records and copies of or extracts from the same) that you possess or control relating to the affairs and business of, or belonging to Vape Merchant. This includes deleting any Company information from your personal device(s) that was used for business purposes.

Intellectual Property

All work, ideas, concepts, creations, designs, drawings, plans, software, reports, scripts, proposals and any other materials created by you in the course of or in connection with your employment with Vape Merchant are the property of Vape Merchant. You also consent to Vape Merchant publishing works you have created or contributed to the creation of, without necessarily citing your involvement; and to Vape Merchant amending or modifying any part of such work.

You agree to waive all rights (including moral rights) in such work and agree to promptly sign all documents and do all things required by the Company to give effect to this clause.

You may not use, copy, sell or pass on such intellectual property without the prior knowledge and written authorisation of Vape Merchant.

Conflict of Interest

During the course of your employment, you should be careful to avoid situations, which might compromise your integrity or otherwise lead to conflicts of interest. You must avoid anything that could directly or indirectly compromise the standing of Vape Merchant and its relationship with customers or suppliers and or the general public. Care must be taken if you accept hospitality from either customers or suppliers over and above that required for the normal conduct of business.

While employed by Vape Merchant you must not own, operate or otherwise be involved in any business that is in competition with Vape Merchant. If you believe a conflict may exist you are encouraged to discuss this with your manager, preferably before entering into any such arrangement.

If you work full-time for Vape Merchant, we expect that to be your priority. You must advise Vape Merchant and seek Vape Merchant's prior written consent (which will not be unreasonably withheld) if you intend to undertake secondary employment so we can consider whether it may conflict with, or have a detrimental effect on, the performance of your duties with Vape Merchant.

Gifts

Receiving gifts may induce you to provide services contrary to the best interests of Vape Merchant, or create that appearance. Therefore, before accepting any such benefit you must carefully consider the consequences and comply with our policy (Please refer to the Code of Conduct).

Internet, Intranet, Email, Mobile Devices

These tools are primarily provided for business purposes. Limited personal use is permitted, provided that does not impact your productivity, is not for commercial purposes or personal gain and does not breach any of our policies or interfere with the efficiency of our operations. The same applies to personal devices where the Company pays the cost of the mobile plan.

Social Media

Only material or comments authorised by the Managing Director or Marketing Director may be posted or shared on any of our digital platforms.

Time spent on social media sites for personal reasons must be on personal devices and limited to breaks so there is no interference with operational requirements.

For further information refer to the Code of Conduct and the Company Regulated Media and Communication Policy.

Media Statements and Public Addresses

Any general media enquiries must be directed to the Managing Director. You are not permitted to make any form of media comment relating to our business, our customers or other staff without the express authority of the Managing Director or a Director authorised to do so.

You should consider the impact of media comments made in your private capacity, to ensure such activities do not conflict with your responsibilities to the Company or unfavourably impact on the reputation of the Company.

For further information refer to the Company Regulated Media and Communication Policy.

Criminal Convictions / Pending Charges

You must immediately notify the Company if you are or have been charged with, or convicted of, a criminal offence.

No Adverse Comments

You agree that you will not directly or indirectly make disparaging remarks about the Company's business or publish disparaging material about the Company, its employees, suppliers, customers or any other party associated with the Company's business which

brings the Company into disrepute or discloses confidential information. This provision applies both during employment and after termination of employment.

Personal Presentation

You are required to comply with standards of dress and personal hygiene appropriate to your role, as specified by the Company from time to time. Where company clothing is provided it must be worn at work.

Please also refer to the Company's Uniform and Personal Appearance policy.

More Information

For more information on any of the above matters, please also refer to the Code of Conduct.

Leaving Us

Resignation

Unless otherwise agreed in your appointment letter, if you intend to resign you must give four weeks' notice in writing. Unless otherwise agreed between you and the Company the notice period may not be reduced by offsetting accrued annual holiday entitlements.

On receiving notice, Vape Merchant may elect, at its sole discretion, to pay you in lieu of notice and require you to not work out some or all of the notice period. Vape Merchant may also, at its sole discretion, require you to remain at home on full pay during the notice period, or direct you to undertake an alternative role or duties on the same terms and conditions of employment while working out the notice period.

Our expectation is that if you decide to leave you give the proper notice and assist us to make the transition.

Termination for Cause

If Vape Merchant decides, after due process, that your performance or conduct is unacceptable, you may be dismissed.

In the case of serious misconduct, you may be dismissed without notice.

In the case of less serious misconduct following earlier warning(s), unless otherwise agreed in your appointment letter you will be given four weeks' notice in writing. Vape Merchant may elect, at its sole discretion, to pay you in lieu of notice and require you not to work out some or all of the notice period.

Should you be absent from work for a continuous period of three days without the approval of Vape Merchant, or without good cause, you will be deemed to have abandoned your employment.

Termination for Medical Reasons

If you are unable to perform your role due to mental or physical illness or injury, we may consider terminating your employment on four weeks' notice. Before we make that decision, we will discuss the matter with you and consider any medical or other information you submit. Vape Merchant may also request that you, at its cost, undergo a medical examination from a medical specialist nominated by Vape Merchant to determine your state of health and the prognosis for a return to full duties.

Redundancy

Redundancy means a situation where your employment is terminated by Vape Merchant, the termination being attributable, wholly or mainly, to the fact that the position filled by you is, or will become, superfluous to the needs of Vape Merchant.

If your position becomes redundant efforts will be made to offer you employment in any available position which is suitable. If your employment is to be terminated because your position is redundant you will be given four weeks' notice in writing, or payment in lieu of some or all of the notice period at the election of the Company, provided that you will not be entitled to notice of termination if a suitable alternative role is offered to you, or you accept an alternative role on lesser terms and conditions.

There is no entitlement to redundancy compensation.

You may accept other employment during the notice period in which case you will not be paid for the unworked portion of the notice period.

If you are employed on a casual, seasonal, temporary or fixed term basis you have no entitlement to notice of redundancy.

During the notice period the following forms of assistance will be provided:

- Paid leave to attend interviews, subject to prior approval.
- Training in preparation of work resumes, job applications, telephone, job searching and interview skills.

Employee Protection Provision

In the event of a restructuring, as defined in section 69OI of the Employment Relations Act 2000, in which the Company enters into a contract or arrangement for the business (or part of it) to be undertaken by a new employer; or where the business (or part of it) is to be sold or transferred to a new employer, the following will apply.

If your role is directly affected the Company will, as soon as possible taking into account the commercial and confidentiality requirements of the business, commence negotiations with the new employer about the likely impact of the restructure on you. The process we will follow will include:

- Advising the new employer that our objective will be to arrange for your continued employment by them on your existing terms and conditions of employment, or terms and conditions no less favourable.
- Providing information about you to the new employer, subject to any statutory, commercial confidence, or privacy issues, including all details of your terms and conditions of employment,
- Providing you with relevant information about the new employer,
- Advising you of intended timeframes for relevant meetings in the restructuring process,
- Advising you about the agenda for those meetings, which will include discussion about whether you will be offered employment by the new employer, the basis of any such offer (including whether you will transfer to the new employer on the same terms and conditions of employment), the timetable for the transition, and the process for consultation with you.
- Reporting to you on the outcomes of any such meetings, to the extent they relate to you.

The process to be followed at the time of the restructuring to determine your entitlements will involve the Company discussing the options with you, including what entitlements may be available to you if you do not transfer to the new employer, and any other proposals you may want to raise. In the absence of agreement:

-
- If the new employer offers you employment in a similar capacity or in a capacity you are willing to accept, on terms and conditions of employment which are the same or generally no less favourable than your existing terms and conditions, you will not be entitled to any notice (or payment in lieu) or any other benefit, whether or not you accept the offer.
 - If the new employer does not offer you employment, or you are offered and decline employment on terms and conditions which are generally less favourable than your existing terms and conditions, you will be given written notice of termination of employment in accordance with the Redundancy provisions above.

Return of Property

Upon termination of employment for any reason, you must immediately return all the Company property in your possession (including electronic devices and associated passwords / pin codes) swipe cards, keys, fuel card, uniform and all documents and any other records, files and papers within your possession or control which are the property of the Company and which in any way relate to our business affairs, without retaining copies unless prior written approval has been given by your manager.

Post-Employment Obligations

Vape Merchant does not want to prevent you from obtaining alternative employment should you wish to leave. However, we naturally wish to protect our business relationships and our confidential information. For that reason, certain restrictions on your activities following the termination of your employment, may be set out in your appointment letter.

If in your appointment letter it is agreed that you hold a key position, unless you first obtain the written consent of the Company to waive or reduce any restraint, you agree that during your notice period and for the term specified in your appointment letter following termination (however that occurs), you will not:

- Be directly or indirectly involved in any capacity (whether as an employee, contractor, consultant, partner, trustee, principal, agent, shareholder, director, self-employed person or otherwise) in any business or activity in competition with Vape Merchant in the Geographical Area specified in your appointment letter (Non-Competition), or

-
- Directly or indirectly solicit, canvass, procure or attempt to entice any person or entity which, within the 12 months' period prior to the termination of your employment, was a customer, supplier, employee or business partner of Vape Merchant, to change the nature of their relationship with us or assist any person, firm or corporate to do any of the same (Non-Solicitation), or
 - Directly or indirectly deal with any person or entity which, within the 12 months' period prior to the termination of your employment, was a customer, supplier or business partner of Vape Merchant or assist any person, firm or corporate to do any of the same (Non-Dealing).

Note that obligations concerning protection of confidential information continue after the end of the restraint period.

You acknowledge that the above restraints are fair and reasonable and necessary to protect the goodwill subsisting in Vape Merchant's business and that the offer of employment and your level of remuneration provide adequate consideration for such restraints.

No Disparaging Comments

Following termination of employment for any reason, you undertake not to make disparaging comments about Vape Merchant, its officers, employees, contractors, customers, suppliers or business partners.

Resolving Employment Problems

In the first instance, you should discuss any problem with your manager. If that is not successful, or you think it is inappropriate to raise it with your manager because of the nature of the problem, you should then approach you any other member of the Senior Management Team.

In order to resolve any problem, you should specify what the problem is and the facts that gave rise to the problem. You should also specify a solution or outcome that would be acceptable. It is preferable that you submit this information in writing.

You may represent yourself in the process or choose to be represented by another person, group or organisation.

If the problem remains unresolved, either party may seek mediation from the Mediation Service of the Ministry of Business, Innovation and Employment or refer the matter to the Employment Relations Authority.

If the employment relationship problem is a personal grievance, you have 90 days to raise the matter with Vape Merchant, starting from the time the event occurred or the time that it came to your attention, whichever is the later.

If the employment relationship problem relates to discrimination or sexual harassment, services available for the resolution of the problem include either application to the Employment Relations Authority for the resolution of the grievance or a complaint under the Human Rights Act 1993, but not both.

Our expectation is that you will promptly advise your manager of any employment problem so it can be resolved as quickly as possible.



VAPE MERCHANT

CODE OF CONDUCT



Introduction

Purpose

The purpose of this Code is to clearly set out our standards of integrity and business conduct. While it is comprehensive it is not exhaustive and any action not specifically covered is not permitted if, by its nature and in light of reasonable community standards, it would be considered to be unacceptable. The Code will be updated by Vape Merchant as necessary to remain relevant to current business practice and legislative requirements.

One code for everyone working in Vape Merchant

Whether you're a staff member, contractor, customer, supplier or business partner, your contribution is valued and so the benefits and obligations of this Code apply to you. You are expected to behave in a manner consistent with the Code, encourage others to do the same and report any behaviour that appears to be inconsistent with the Code.

Managers are also responsible for modeling the standards of behaviour detailed in the Code, applying the Code in an objective manner and appropriately addressing any behaviour that appears inconsistent with the Code.

Breaches of the code will be dealt with in terms of the Vape Merchant Disciplinary Procedure or the applicable terms of any contract.

Serious breaches of the Code will be treated as serious misconduct, which may result in dismissal without notice.

As well as this Code, Vape Merchant also has a number of applicable policies with which you should make yourself familiar.

You should refer to the Code as often as necessary and ask questions if you're unsure about any aspect of it, or are unsure about how you should respond to particular situations. If you need assistance or advice, you should contact your manager.

Reporting Concerns

If you have a concern about any aspect of our operations or the potential impact of the actions of any other person, you should immediately escalate the matter to your manager.

Any alleged or suspected breach of the Code of Conduct must be promptly reported to your manager.

The Company undertakes to deal with any issue of concern to you with discretion, confidentiality, fairness and respect for your rights.

You may also wish to use the Vape Merchant Protected Disclosure – Whistle Blower Policy to report any concerns.

We treat people fairly

Professionalism and Performance

We expect you to be present at work (and notify us of absence in advance), consistently perform to the best of your ability, deliver on your responsibilities and make the fullest contribution you can to the success of the Company. Your actions must not bring the Company into disrepute. We will ensure that all people in the business are respected as individuals and encouraged and assisted to maximise their potential.

Diversity

We embrace diversity and recognise and respect the cultural differences of all people in the business. We care for each other, treat everyone with respect and work together as a team to create a successful business and a great place to work. We will not tolerate discrimination – whether on grounds of gender, marital status, religious or ethical belief, colour, race, ethnicity, disability, age, political opinion, employment or family status, or sexual orientation.

Selection on Merit

Our success depends on the calibre and commitment of our people. For any role we will engage the person most appropriately qualified in terms of skills, knowledge, and experience and behavioural attributes. The same principles apply in respect of our engagement with customers, contractors, suppliers and business partners.

No Harassment or Bullying

We aim to provide all people with a work environment free from harassment and will treat all complaints seriously and sensitively. Harassment includes any unwelcome comment, action or gesture towards another person that they find insulting, humiliating or offensive. The behavior may be repeated or a one-off incident, but is behavior that is significant enough that it adversely affects the other person's performance or working environment. Harassment is behaviour that is unwanted by the recipient even if the recipient does not tell the harasser, it is unwanted. Harassment and offensive behaviour are unacceptable, including the following examples:

-
- Unwelcome and suggestive scrutiny of physical characteristics.
 - Improper suggestions, physical closeness or contact, verbal innuendoes, and jokes or comments of a sexual or racial nature.
 - Mocking remarks about appearance, gender, race, colour or speech.
 - Display of offensive printed or electronic material.
 - Ostracism.
 - Bullying.
 - Unwelcome requests for sexual contact or actual physical contact.
 - The use of words of a sexual nature whether written or spoken.

Bullying is defined as repeated and unreasonable behavior directed towards another person at work that creates a risk to health and safety. Bullying includes victimising, humiliating, intimidating, or threatening another person. The Company is committed to ensuring that you are safe at work and that any such behaviour is addressed appropriately.

You may raise any harassment or bullying issues with your manager or any member of the Senior Management Team, or any representative of your choice. Where the Company has information to suggest that any form of harassment or discrimination may have occurred, we will take action to stop it.

Dealing with Customers

In addition to our products, customer service is what makes us stand out from our competitors. We invest time and energy in cultivating a strong, professional and responsive customer service culture. We also provide retail environments that offer smokers the best chance to make the switch to less harmful products. This means we maintain professional relationships with our customers. We respect boundaries between employees and customers. We comply with our Core Customer Guidelines. We listen to our customers and invest time to understand their needs. We keep up to date with the latest research and information about vaping and our vaping products; and share this knowledge (when appropriate) with our customers. We respond to customer complaints in a timely and appropriate fashion. We approach customer problems and issues with an aim to finding a solution. We develop and maintain retail environments that are welcoming, accessible, safe, clean and that reflects our brand and values.

We operate safely

Health and Safety

The Company is committed to the health and safety of all people in the business and will take all steps reasonably practicable to reduce health and safety risks.

You are expected to act appropriately and comply with all our health and safety policies and refrain from any activity that contravenes applicable laws and regulations. You are responsible for ensuring you work safely and do not put any other person at risk due to your actions. If you have any concerns regarding the work environment or if you have positive suggestions for improvement, you should raise these with your manager.

Drugs and Alcohol

We have a zero-tolerance policy on the use of drugs and / or alcohol that may impair your capacity to work safely, efficiently and with respect for all people in the business.

Where our policy may allow for a social drink in a work related setting our expectation is that at no time will your actions bring the Company into disrepute or damage business relationships, or create a health and safety risk.

No prohibited drugs are to be brought into, or consumed on our premises or those of our customers, suppliers or business partners. If you are taking prescription medicine that may affect your work performance, judgement or behaviour, you should advise your manager so an informed decision may be made as to whether you are fit to continue working.

You may be required to undergo tests for drugs and alcohol in accordance with the Company Drug and Alcohol policy, which provides testing where there is reasonable cause to do so, post incident or injury, or to comply with third party requirements.

Involvement in the manufacture, cultivation, supply, dealing or use of controlled drugs is also a serious breach of this Code.

For further information refer to the Drug and Alcohol policy.

Smoking and Vaping

In accordance with legislation, no person may smoke or vape in the indoor area of a workplace, or in any other designated no smoking area.

Vaping is permitted in our premises that are classified as **approved vaping premises** in accordance with the Company's No Smoking and Vaping Policy. Vaping is also permitted in Company vehicles so long as other people travelling in the vehicle provide consent.

Smoking or vaping in designated areas must be confined to break times. Council bylaws regarding areas where smoking and vaping are not permitted near or outside any of our premises, must be complied with at all times.

Environmental Sustainability

We are also committed to achieving and maintaining appropriate standards of environmental care in all aspects of our business. You are expected to act appropriately and comply with any relevant environmental policies and refrain from any activity that contravenes applicable laws and regulations.

Product Stewardship

Vape Merchant is committed to only offering high quality and globally compliant vaping products that work; and offer customers a high quality, satisfying and value for money experience. This means we only sell vaping products that meet or exceed product quality standards in NZ, the UK and the US (as applicable) and are properly registered with the New Zealand Vaping Authority in accordance with applicable product safety standards. We take the time to source, develop and test our products from reliable, qualified and appropriately licensed organisations. We stand by our products and offer full replacements / refunds for faulty goods. We provide feedback to our manufacturers and suppliers and work with them to continuously improve our product offering and quality of products.

We act with honesty and integrity

Honesty and integrity are fundamental values that underpin our business. The success of our business relies on the trust of our employees, customers, communities, our regulators, board and shareholders. Trust is earned by demonstrating honesty and integrity and a commitment to doing the right thing.

Company Reputation

It is expected that you behave in ways that maintain, protect and foster the Company's reputation.

As we operate in a highly regulated environment due to the specialised and adult nature of our products, this means we have a legal and ethical responsibility to protect against youth access and operate our business in a way that is commensurate with the risks associated with our products.

You must act in accordance with our policies and procedures and comply with all lawful and reasonable instructions of the Company and any delegated authorities.

You must conduct yourself respectfully when dealing with our regulators, law enforcement and any Government representatives and comply with any lawful direction and cooperate with any Government Authority.

Conflicts of Interest

You should avoid any activity, interest or relationship with any entity or person that would create, or might appear to others to create, a conflict of interest situation.

A conflict of interest situation is one that could harm the Company or its reputation, impact on your capacity to discharge your duties, create a public perception of a political or similar association with the Company or create an opportunity that could give the perception an unfair advantage has been provided to others.

Unless appropriately authorised, you must not use for your personal benefit, or assist others to use, any information concerning any aspect of our business, nor may you use any funds or property of the Company for purposes other than the proper business of the Company.

You must not appropriate to yourself, or divert to any other person or entity, a business or financial opportunity that you know, or reasonably could anticipate, the Company would have an interest in pursuing.

Any conflict of interest should be promptly declared, preferably before any conflict arises.

Relationships with entities that relate to the Company

Customers, suppliers and competitors of the Company are the most obvious entities with whom you should avoid a conflict of interest. Others may be business advisory companies or institutions and government departments with which the Company may have dealings.

You must not enter into any agreement with a customer, supplier, or competitor in which you or an immediate family member have an interest, without the prior approval of the Company. In this context, relationships include an ability to influence a decision made by such an entity, such as a relationship with a board member, employment in any such entity, a financial relationship with any such entity or a family relationship with someone who is employed by, has influence in, or has a financial relationship with any such entity. A shareholding of less than 5% is deemed not to be a conflict of interest.

Time Commitments

You should consider carefully any potential time commitments to other entities that may conflict with your responsibilities to the Company. This may include a second job, involvement with a not-for-profit organisation, community services and personal financial enterprises.

Public Profile

You should also consider the impact of holding public office or presenting or promoting products, services or ideas on television or in other media. Care should be taken to ensure such activities do not conflict with your responsibilities to the Company or unfavourably impact the reputation of the Company.

Internal Company Relationships

Internal conflicts of interest must be declared immediately. This includes the ability to benefit a staff member, contractor or supplier with whom you have a personal relationship, but is more relevant to a close personal relationship between a subordinate and a superior.

No Disparaging Comments

Both during employment and after termination you must ensure you do not make disparaging comments about the Company, its officers, employees, contractors, customers, suppliers or business partners.

Supporting our Customers and Smokefree 2025

We support the Government's Smokefree 2025 goal. We do not sell, promote or supply any products to anyone under the age of 18 years and we ID check everyone who looks under the age of 25 years old. We engage with our customers, each other, our shareholders, regulators and third parties with honesty and only in accordance with what we are authorised to do under the law. We never help customers or anyone else break or evade the law. We act in the best interests of our customers – we don't sell them anything they don't need. We never provide false, misleading or confusing information to customers about our products or Vape Merchant. We do not promote or encourage non-smokers or non-vapers to take up vaping –we support the philosophy: "If you don't smoke or vape, don't start". We report knowledge of dishonest, unlawful, unethical activities.

Gifts, Fees, Rewards and Gratuities

Sometimes we receive gifts from people pleased with our work. However, receiving such gifts may induce you to provide business contrary to the best interests of the Company, or create that appearance. Therefore, before accepting any such benefit you must carefully consider the consequences and comply with our policy:

- If the gift may induce you to provide business contrary to the best interests of the Company, or create that appearance, do not accept it.
- If the image of the Company would be compromised if the media became aware of the gift, do not accept it.
- You may accept, without further action, any gift with a value of less than \$200 as long as it does not contravene the previous statements, but you must advise your manager.
- Before accepting gifts of air travel, accommodation and significant items valued at over \$200, you must have the approval of your Manager. The Company may, at its discretion, exercise the right to recover the cash or the benefit from you.

You must not solicit any fee, reward, gratuity, gift or other consideration from any entity that has any business relationship with the Company.

Sponsorship / Community Support / Donations

As a specialist vape retailer, the Company's activities in this space are either prohibited under the law or extremely limited and conditional upon very specific circumstances. Any sponsorship, community support or donation requests must be made to the Managing Director or the Marketing Director. Please speak with your manager for further information. You may personally choose to support these activities, but must not do so under the Company's brand or auspices or the appearance of it.

Record Keeping

Wherever we are required to record data about any aspect of the business, whether for internal purposes or to satisfy any legal or regulatory requirement, we ensure that all such records are accurate.

Anti-Bribery and Anti-Corruption Policy

The Company is committed to conducting its business ethically and complying with all applicable laws and regulations. All forms of bribery, corruption and undue influence directed at any public official, regulator, court etc is unacceptable and will be treated as serious misconduct.

You are responsible for preventing acts of bribery, corruption and undue influence and you must report any unethical, illegal or anti-competitive practices.

The Company will support you in communicating and reporting on misconduct, and is committed to protecting “whistle blowers” from retaliation or discrimination.

You may raise a concern anonymously. For further information refer to the Whistle Blowers and Protected Disclosures Policy for more information.

To report any concerns advice your manager.

Criminal Convictions / Pending Court Action

If you are convicted of a criminal offence (including driving under the influence of alcohol) or you become subject to any court action, you must promptly notify your manager.

We protect information

Confidential Information

We protect the private information of our people, customers and suppliers in accordance with the relevant legislation, including the Privacy Act 2020. No information may be disclosed concerning any business of the Company, or its contractors, customers, suppliers or business partners, other than for the proper conduct of our business or otherwise in accordance with the relevant obligation.

You must immediately inform your manager, or any member of the Senior Management Team of any suspected or actual unauthorised use, copying or disclosure of customer or confidential information. You can also raise your concern anonymously. For further information refer to the Whistle Blowing and Protected Disclosures Policy.

Digital Communication Systems and Equipment

The following requirements apply to all digital communication services and equipment provided by the Company for business purposes.

Please be aware that the Company conducts surveillance on the use of all its digital communications systems.

Unacceptable Use

The Company may face potential liability should an illegal or inappropriate email, image or material be transmitted, or where its systems are used for unlawful purposes. Therefore, such activity is not allowed.

Internet Use

You may not access pornographic and gambling sites, sites containing offensive language or material, or sites containing potentially dangerous content. You must also be aware of copyright and trademark issues when accessing information on the Internet.

Reasonable private use of the Internet is acceptable, but that should never interfere with your work performance.

Digital Information

You may not upload, download, use, retain, distribute or disseminate any material or software which may be considered offensive or discriminatory or contravene the laws of New Zealand or any other country.

Memory Sticks and Portable Drives

The Company is at risk when sensitive data is stored on unsecured external media (USB flash drives, mobiles, portable hard drives) to transport data outside the office. The consequences of losing drives loaded with such information can be significant, and include the loss of customer information, reports, marketing and promotional material, financial information, business plans and other confidential information, with the associated risk of reputation damage. Therefore, sensitive data must not be stored on unsecured external media in an unencrypted format.

Passwords and Pin codes

Your password and pin code is confidential to you and may not be revealed to any person including your manager. We have rules for the creation and protection of passwords and rules for change frequency of passwords are in place to ensure consistent practices within the business.

Email

You must follow the Company Email protocols at all times, including ensuring you do not cause the introduction of any virus into our systems or disseminate any unauthorised or offensive materials to any other party.

Workstation and Laptop Locking

If you are going to leave your workstation or laptop unattended for an extended period of time, you should lock it manually and not rely on the screen saver.

Standard Operating Environment (SOE)

A standard operating environment has been deployed throughout the Company and all requests for installation, configuration, hardware and software purchases and any other changes should be logged with the systems administrator.

To protect your identity and the Company information, online services including any online software or subscriptions used for work purposes require the prior approval of the systems administrator.

Virus Protection

To combat constant threats, your computer has been set up with antivirus and malware software installed as part of the SOE. It is a requirement that any device that connects to the Vape Merchant network, regardless of location, has current antivirus software. You must not actively prevent any updates or circumvent the virus protection in place.

Mobile phones and Portable Devices

Mobile phones may be issued for business use and reasonable private use. Where you have been granted approval to use your personal mobile phone or tablet you may only do so in conjunction with the relevant BYOD policy.

Social Media

As you are employed by a company that sells vaping products (and other regulated products e.g., cigarettes), your personal communications about vaping, Vape Merchant and vaping products are covered by the *Smokefree Environments and Regulated Products (Vaping) Amendment Act 2020* (Vaping Law) and any accompanying Regulation that may be in place from time to time.

To ensure you comply with Vaping Laws and the general restrictions on advertising and communicating information about vaping and tobacco products, the following restrictions apply:

Unless expressly authorised by the Managing Director or Marketing Director, you must not:

- Post any images and or content on social media containing Vape Merchant retail premises, yourself in a Vape Merchant uniform and or any vaping products including using any hashtags containing the Company name, location and / or products;
- Participate in online forums and or other digital forums promoting Vape Merchant, vaping products and or vaping generally; and
- Use your personal email, telephone, text or otherwise communicate in writing or digitally with customers, consumers or members of the public about Vape Merchant and or our products.

Time spent on social media sites for personal reasons must be on personal devices and limited to breaks so there is no interference with operational requirements.

On social media sites the following activities are not permitted:

- Revealing confidential information of the Company or any other person or entity.
- Making unlawful disclosures.
- Making derogatory or offensive comments about any person or entity that could bring the Company into disrepute.
- Endorsing vaping products or accepting payment for social media activity for vaping products without the consent of the Managing Director.
- Posting anonymously or withholding appropriate disclosures in a manner likely to mislead or deceive the audience.
- Using the account of another person or entity without authorisation.
- Condoning, glamorising or endorsing illegal activity.
- Allowing your personal social media interaction to interfere with your employment obligations to the Company.

For further information refer to the Company Regulated Media and Communication Policy.

Media Statements and Public Addresses

Any general media enquiries must be directed to the Managing Director. You are not permitted to make any form of media comment relating to our business, our customers, or other staff without the express authority of the Managing Director, or a Director authorised to do so.

You should also consider the impact of media comments made in your private capacity, to ensure such activities do not conflict with your responsibilities to the Company or unfavourably impact the reputation of the Company.

For further information refer to the Company Regulated Media and Communication Policy.

We use resources responsibly

Business Equipment

The Company provides many resources for the conduct of its business which must be used in a responsible manner, including digital communication equipment and motor vehicles.

Unauthorised removal or unauthorised possession of the Company or the property of other persons is not permitted. All serious cases will be referred to the Police. Any disciplinary action the Company may take is quite separate from, and additional to, any action the Police choose to take.

Financial Resources

We commit to expenditure in a prudent manner, regardless of whether it's a minor travel expense reimbursement or the purchase of a significant item of equipment.

The first step is to ensure you have the delegated authority to make the purchase concerned. If not seek the proper approvals. Then it's a matter of ensuring we are getting value for money and that the cost is justified by the returns when viewed objectively.

Vehicles

If you are allocated a Company vehicle you are responsible for regularly cleaning it, so as to maintain a good image, and ensuring that regular maintenance checks are carried out in accordance with the manufacturer's recommendations. You should report to the Company any concerns about the vehicle's mechanical condition.

Where you take a Company vehicle home overnight, it is your responsibility to ensure that the vehicle is parked in a secure location and that confidential information and expensive equipment, such as laptops, are removed from the vehicle.

In the event of an accident involving a Company vehicle you must not admit liability but should record all relevant details of any other party.

Should you be involved in a motor vehicle accident in a Company vehicle and be found to be at fault in such accident you may be liable to reimburse the Company for the costs of any repairs that are not met by our insurers.

If your duties require you to drive a Company vehicle your employment may be terminated in the event you are convicted of a driving offence resulting in loss of licence.

Vehicles are not permanently assigned to individuals and may be reallocated by the Company from time to time to maximise cost effectiveness.

For further information please refer to the Vehicle Policy.

Summary

Commitment

We all undertake to comply with the Code and at all times adhere to the standards of integrity and business conduct.

Not sure what to do?

While the Code is comprehensive it is not exhaustive. Matters addressed in this Code may be covered more extensively in other policies and procedures. If you're faced with making a decision and unsure what to do, consider the following points:

- Is the proposed action in accordance with our business principles?
- Do I have the delegated authority to make the decision?
- Have I checked the facts of the matter?
- Am I acting with integrity?
- When viewed overall, is it the right thing to do?

If you're still unsure, speak to your Manager or any member of the Senior Management Team.

Taking Action

If you have a concern about any aspect of our operations or the potential impact of the actions of any other person, you should immediately escalate the matter to your Manager, or any member of the Senior Management Team.

The Company undertakes to deal with any issue of concern to you with confidentiality, fairness and respect for your rights.

Disciplinary Procedure

Any allegation of unsatisfactory performance or unacceptable conduct will be subject to the Disciplinary Procedure, which comprises the following steps:

Step 1: Preliminary Investigation

In the event there is an allegation of misconduct or unsatisfactory work performance the employee's manager, or his or her representative, will examine the allegation to determine whether or not there is any substance to the allegation.

Step 2: Advice to Employee Concerned

Where the employee's manager, or his or her representative, determines that the allegation has substance the employee concerned will be advised of the nature of the allegation, the potential impact on his or her employment if the allegation is sustained, the right to be represented and the fact that the matter will be fully investigated.

Step 3: Stand Down

Where the seriousness or nature of the incident requires, the manager, or his or her representative, may stand down the employee and require him or her to remain available for discussions on the matter. However, a stand down is not in itself a disciplinary measure.

Except in exceptional circumstances, where a stand down is being considered the employee will be given the opportunity to comment on the proposed stand down before the decision is made. Such stand down will usually be on pay, unless the period of stand down extends beyond two weeks due to a Police prosecution or investigation (or any other third-party enquiry) or if the employee unreasonably delays, or refuses to participate in, the disciplinary process.

Step 4: Formal Investigation

A formal investigation will then be carried out by the employee's manager, or his or her representative.

Discussions will be held with all persons considered able to assist.

Relevant information obtained in the investigation will then be presented to the employee, so they have the opportunity to consider it before being interviewed.

Step 5: Discipline Interview

The employee concerned will then be advised of the time of a meeting to discuss the matter and reminded of their right to be represented or have another person present as a witness. When the meeting commences the allegations will be described to the employee, supported by all other relevant information obtained in the investigation.

During the interview the employee will be given the opportunity to provide an explanation and ask any questions.

Step 6: Due Consideration

The meeting will then be adjourned to consider the explanation of the employee. Further investigations and interviews will be conducted if required.

Step 7: Decision

If the employee's manager, or his or her representative, determines that the allegation is not substantiated no action will be taken against the employee who will resume duties as directed.

If the employee's manager, or his or her representative, determines that the allegation is substantiated, based on reasonable probability, the manager, or his or her representative, shall decide on the appropriate form of disciplinary action.

In cases of serious misconduct, the employee will be liable to dismissal without notice.

Less serious misconduct or unsatisfactory work performance will be subject to the following disciplinary action:

- In cases of unsatisfactory performance or the first instance of misconduct a verbal warning may be given, which will be confirmed in writing.
- Where unsatisfactory performance continues after a verbal warning or there is a further instance of misconduct after a verbal warning or the level of misconduct justifies going straight to a written warning, then a written warning may be given.
- Where unsatisfactory performance continues after a written warning or there is a further instance of misconduct after a written warning or the level of misconduct is sufficiently serious to justify going straight to a final warning, then a final written warning will be given.
- Where unsatisfactory performance continues after a final written warning or there is a further instance of misconduct after a final written warning, then dismissal with notice will occur.

Step 8: Implementation

The employee's manager, or his or her representative, will then call a meeting to convey the decision to the employee. The employee is entitled to be represented or have another employee present as a witness.

After the meeting the decision will be confirmed in writing.

Each warning may be for unrelated matters. A copy of all warnings will be kept on the employee's Personal File.