

May 4, 2020

Thomas Hesse
President
UFCW Local 401
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Red Deer, Alberta
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Email: thesse@ufcw401.ab.ca

Dear Mr. Hesse,

RE: Your letter dated April 17, 2020

Thank you for your letter of April 17, 2020. You are indeed correct, the COVID-19 pandemic has made things very busy as we have been focussed on the health, safety and job security of all staff. As you know, we are a small operation deemed essential by government. Ergo, we haven't had the luxury of simply closing our doors and waiting out this crisis. Given that we needed to run production in this new environment, we made worker safety our main concern. Accordingly, our resources were consumed with the simultaneous establishment of new safety protocols and training of same while in full operation. Obviously, your patience has been appreciated as we had to move faster than external communication, consensus seeking or report filing allowed. Just as we have watched our government gradually address new issues each day, we too have had to methodically move through our collective priorities while being prepared to pivot as circumstances and guidelines change.

We are writing at this juncture out of respect for our working relationship and an understanding of your responsibility to represent our employees. Be assured that at the day-to-day operation level, communication is free-flowing and staff comments/questions are always welcome. Below you will find the Company's response to your enquiries contained in the same framework as your letter.

1. In keeping with relevant legislation, Masterfeeds recognizes its responsibility and is committed to maintaining a workplace that is harassment free. The Company has zero tolerance in this regard, having its Harassment Policy firmly established and prominently displayed. Management teams have been refreshed on this policy to ensure that there is an awareness of its application and sensitivity to employees who have concerns, fears and needs resulting from COVID-19. Moreover, staff are always encouraged to show respect toward others who may be experiencing the stress of this circumstance more acutely.
2. Pursuant to government guidelines, employees having a legitimate reason to stay home are being accommodated, including employees impacted by school and daycare closures.
3. With respect to an employee's justification of a COVID-19 absence, in keeping with government expectations and guidelines, Masterfeeds is not presently requiring sick notes. However, this

leniency may not extend to such things as WCB, or insurance claim submissions, as this would be up to the respective carrier.

4. We are not able to agree to the Union's proposed Public Health Crisis Relief language; however, Masterfeeds continues to monitor and adhere to the mandates and recognition of the Federal Government in this regard. We note that select industries have been identified as high risk, however our industry is not one of them. The nature and manner in which we have structured the work in our facility provides what we believe is as safe an environment as can be attained. This has come at a cost to the operation and it is our hope that employees and the Union can appreciate the lengths Masterfeeds has gone to such that there will not be an expectation of additional compensation. Notwithstanding this formal position, the Company has gifted its employees with grocery gift cards and continues to look for such informal ways of showing appreciation.

Health and Safety

1. The sanitization program of our operation includes the following:
 - a) Cleaning disinfectant Biosentry 904 disinfectant for cleaning counters, floors etc.
 - b) All PPE is required and provided.
 - c) Hand Sanitizer in every room and contact points (Triton Hand disinfectant provided in spray bottles and gel is on order).
 - d) Hand wipes (Prevail disinfectant wipes) for wiping down high touch areas provided in all rooms as required.
 - e) Masks (N95 3M masks) are provided to all employees on all shifts.
 - f) Staggered shifts to reduce person-to-person interaction. (Morning and afternoon shifts are staggered approximately 20 minutes apart).
 - g) Similar to (f) above, Maintenance employees start an hour earlier and are clocked out at different times than production staff.
 - h) Warehouse staff are also restricted to warehouse duties and an office has been provided for their use in the warehouse, complete with PPE (hand sanitizer and wipes).
 - i) Control room and change areas are sanitized during the day. When used, these areas are wiped down and complete cleaning has been stepped up to 3-4 times per week.
 - j) Lunchroom use is staggered such that only 1-2 employees will occupy it at a time.
 - k) Lysol is provided to spray areas that are used in control room and lunch area as needed.
 - l) Retail walk-in customers for bag products are not allowed at the plant or office.

- m) The doors are locked and secured only to be opened if necessary to move product in or out. Where paperwork is needed, appropriate social distancing drop offs are provided.
- 2. Masterfeeds is accommodating staff pursuant to government guidelines. Where special individual circumstances arise, they will be reviewed and considered on a case-by-case basis.
- 3. Because of the pace at which things change, we haven't formally scheduled additional health and safety meetings; however, we do see the Health and Safety committee as a valuable resource to be consulted as needed.

Benefits

- 1. Our negotiated benefits have not changed as a result of COVID-19; they continue in effect for staff to use as needed subject to the carriers' terms and conditions. Additionally, we note that by all appearances, the Federal Government has provided supplemental safety nets to assist individuals who may need partial or complete assistance due to COVID-19.

Recognizing that staff may experience an inflated level of stress because of the impact of COVID-19 on their lives, we are pleased to provide EAP assistance. The particulars of the program are posted in the workplace.

Labour Relations

As stated earlier in this letter, the Company is open to receiving input and addressing concerns of staff as they may arise, including the handling of grievances. The collective agreement makes provision for the parties to mutually agree to extend time limits, if necessary, on a case-by-case basis. The Company is also willing to conduct meetings electronically via one of the virtual meeting platforms available today. Beyond this commitment, it is difficult to agree to the Union's suggested "expedited dispute resolution process" without additional detail explaining how it would work.

In Addition

- 1. Presently the Company does not plan to increase production or operations, nor is there any intended closure or curtailment. That being said, our industry and the market is very unpredictable right now, which could influence future decisions regarding the site operation.
- 2. In the event of a temporary closure due to COVID-19, the Company will assess at that time how best to manage the situation.
- 3. Recognizing that Masterfeeds is a national and multinational company, reputation and influence are of critical importance. While we similarly recognize and respect the reputation and influence of the labour movement, and the UFCW in particular, we believe it may be more prudent for us each to lobby and exercise our influences separately.

We trust you can see from the foregoing, that Masterfeeds is continuously monitoring present circumstances so that responsible longer-term planning can be conducted with a view to operational sustainability and job security.

Sincerely,

For: Larry Seifried
Regional Operations Manager - Alberta

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