



Hiring and Employment of Immediate Family Policy

The Authentic T-Shirt Company[®]/SanMar Canada ("the Company") is committed to hiring qualified candidates for all positions within the Company, Therefore, The Authentic T-Shirt Company[®]/SanMar Canada does not apply a general prohibition against the employment of immediate family.

However, in accordance with all applicable employment legislation, some restrictions will be placed on the permanent hiring of immediate family and/or placement of immediate family that will result in or has the potential to result in a conflict of interest or influence. To prevent such situations from arising, the Company restricts the permanent hiring of the immediate family which results in immediate family reporting directly or indirectly to the same Manager. Additional considerations include, but are not limited to:

- Potential areas for perceived collusion
- Grievances or disciplinary action processes hampered or unduly influenced
- Adverse impact on morale of other staff
- Unfair advantage gained by immediate family member or perceived favouritism
- Possible negative cross-over with the employees' personal relationship
- Negative perceptions arising from the appointment

For purposes of this policy, "immediate family" includes the employee's brother, sister, mother, father, stepmother, stepfather, husband, wife, common-law partner, children, aunt, uncle, stepchildren, fatherin-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, and anyone with whom the employee is in a romantic relationship. Managers, in consultation with Senior Management and Human Resources, must examine and weigh the potential risks of hiring an immediate family member, and determine if the risks outweigh the benefits.

At the Managers discretion, the Temporary hiring of family members for seasonal positions will be considered when there is a legitimate need for additional seasonal staff. All seasonal positions will be subject to the regular recruitment process requiring the same standards of qualification, skills, and experience for the position. Upon the conclusion of the seasonal employment contract, their employment will automatically expire. They will need to re-apply if they wish to be considered for future seasonal positions.

Employees who marry or become immediate family members during the course of employment may continue employment as long as there is not a) a direct or indirect supervisor/subordinate relationship between the employees or b) an actual or potential conflict of interest or the appearance of a conflict of interest. In the event that this situation does occur, Managers, in consultation with Senior Management and Human Resources must examine the situation to determine the appropriate remedial course of

action required to remove the reporting relationship or conflict/potential conflict, as the case may be. The Company shall have complete discretion to determine the appropriate remedial action in each case.

It is the responsibility and obligation of each employee to report promptly to their Manager and Human Resources any existing or potential immediate or close personal relationship that may violate this policy.

This policy applies to all future hires on or after October 3, 2017.

Acknowledgement and Agreement

I, ______, acknowledge that I have read and understand the hiring of the immediate family Policy at The Authentic T-Shirt Company[®]/SanMar Canada. I agree to adhere to this policy.

Employee Name (Please Print)

Date

Employee Signature

Manager Signature