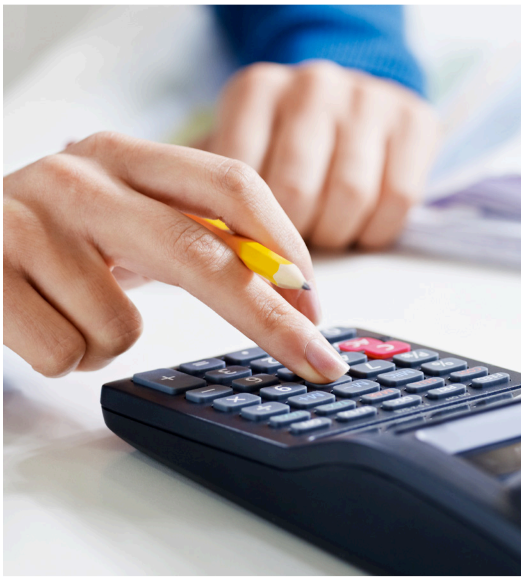
Mitsubishi Corporation (Americas)



Employee Policies Manual

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Introduction

Welcome to your interactive Employee Policies Manual.

This manual was developed to provide you with an information resource for common questions or concerns. This is an interactive manual with no page numbers. Please click the headings on the contents page and title pages, and you will be taken automatically to the appropriate page. Use the tabs on the top to navigate through the document, or return to the menu (top left).

If you have any questions or concerns about the policies outlined in this manual, please contact Human Resources.

This manual does not constitute a contract of employment for any term and does not affect the employment at will relationship. This manual is not meant to create any rights, benefits, or working conditions between any employee and the company.

The Company retains the absolute right to amend or terminate, at any time, any of the policies, plans, benefits or procedures summarized in this manual. Updates to this manual will be issued when necessary to summarize such changes.

01 Joining the Company

- Recruitment
- Introduction for New Employees
- Orientation Period for New Employees
- Classification for Employment
- Transfers
- Employment of Relatives
- Employee Referrals

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Supersedes **October 1, 2020**

Recruitment

Policy

It is the policy of the Company to conduct recruitment and other related activities within the guidelines of the Company's Equal Opportunity Policy and Affirmative Action Program.

As specified in the Company's policy on Equal Opportunity/Affirmative Action, it is our policy to provide Equal Employment Opportunity to all employees and applicants for employment without regard to race, ethnicity, color, sex (including sex stereotyping), sexual orientation, gender identity or gender expression, personal appearance, national origin, citizenship status, ancestry, genetic characteristic, age, religion, creed, marital or partnership status, pregnancy or pregnancy-related condition, family responsibilities, political affiliation, protected medical condition, leave status, physical or mental disability, uniform service member or veterans' status or other factors that are protected by law.

As a result, whenever a vacancy exists within the organization, the Company will ensure that the recruitment process is handled in a non-discriminatory manner. This will include compliance with any applicable affirmative action commitments, and ensures that all current employees, when qualified, are given consideration for existing vacancies.

Procedure

1. An updated Job Description for the position to be filled must be prepared and submitted to Human Resources before the recruitment process begins. The updated Job Description must be completed in detail and the appropriate approval obtained.

2. Human Resources is responsible for soliciting qualified candidates through the most appropriate means available, and will ensure that all current qualified employees receive consideration for available job openings.

3. A Human Resources representative screens applicants, whenever appropriate, before the applicant meets with the hiring manager.

4. Whenever an applicant meets and discusses possible employment directly with Company personnel, a representative from Human Resources must be present so that the appropriate applicant flow information (i.e., Application for Employment) required by applicable laws is maintained. In each branch office, it is the Branch Senior Vice President's responsibility to see that the Human Resources function is maintaining the required applicant flow information. In accordance with the Company's EEO policy, all interviewers are responsible for ensuring that no illegal inquiries are made to job applicants during the recruitment process.

5. The Company, with the approval of the respective hiring manager, will pay certain expenses that an applicant incurs in interviewing (i.e., transportation to the Company location if the distance travelled is excessive, and meals and lodging if the applicant must be away from home overnight).

6. Human Resources is responsible for all contacts with employment agencies, executive search firms and other recruiting organizations. No manager is authorized to contact any recruitment source directly, regardless of whether the open position is for a regular or temporary employee. It is the responsibility of Human Resources to ensure that the correct agencies and/or search firms are selected and also to negotiate fees with such organizations to minimize recruitment costs.

7. When Human Resources and the hiring manager find an acceptable candidate, they should jointly determine the starting salary to be offered to the candidate before an offer of employment is made to the applicant. The hiring Department/Group should never unilaterally decide on or commit to a starting salary since Human Resources must ensure consistency in the administration of the Corporate Policy on Basic Compensation to limit salary inequities from developing within the Company. Human Resources is responsible for extending the offer of employment to the candidate.

8. Applicants for positions which require them to drive a car for business purposes 25% or more of their working time, i.e. sales positions, will be advised that a valid driver's license is required and that upon hire the validity of the license will be verified. Failure to have and maintain a valid license may result in termination or withdrawal of the job offer.

9. After a candidate has been accepted and a starting salary agreed upon, an offer letter will be forwarded to the candidate, contingent upon the applicant's receiving favorable references and successfully completing all other parts of the Company's pre-employment screening process. Human Resources will obtain a signed Release Form and Human Resources will send the necessary documents to a 3rd party vendor who will perform a formal background check on the candidate. If the results of the background check are favorable in the Company's opinion, the report is filed in a separate file by Human Resources. If the results raise questions or concerns, Human Resources will investigate and a determination will be made on whether to withdraw the offer of employment or not.

10. Human Resources confirms the applicant's understanding of employment conditions, benefits and operating regulations and answers any remaining questions, prior to the employee's orientation session. On the first day of the new hire's employment, Human Resources conducts an orientation.

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Introduction for New Employees

Policy

All new employees will be provided a carefully planned introduction to the Company to help them learn about the Company and what is expected from them as members of the organization.

On the first day of work, new employees receive an overall review of important Company policies, procedures and benefits.

Procedure

1. Human Resources is responsible for conducting the new employee's orientation and ensures that all important Company policies, procedures and benefits are reviewed and the appropriate forms are completed. A basic introduction to the Company's online employee database with detailed explanations of the required input for Form W-4, direct deposit information, etc. must be done. Additionally, certain forms, such as those listed below, must be distributed to new employees:

   - The Employee Policies Manual
   - Application for Employment, if not completed prior to first day
   - Background Check Permission Form
   - Form I-9

- Personnel Data Disclosure Consent Form
- Holiday Listing
- Personal Appearance/Dress Policy
- Confidentiality Agreement
- Anti-Harassment, Intimidation & Discrimination Policy
- Drug Free Workplace/Substance Abuse Policy
- Conflict of Interest Policy and Certificate
- Securities and Insider Trading Policy and Certificate
- U.S. Anti-Trust Law Compliance Guide
- Electronic Communications Policy
- Benefit Plan Information
- Notice of Acknowledgement of Pay (NY Only)
- Pregnancy Employment Rights Statement (NY Only)

2. It is the responsibility of Human Resources to verify each individual's identity and employment eligibility as required by applicable federal law and the Immigration Reform and Control Act. This act applies to all employees on the Company's payroll. Human Resources should verify the documentation presented by the candidate and have the applicant complete and sign Section I of the I-9 Form. Human Resources should complete Section II in its entirety then certify by signing the I-9 Form that the documents presented have been verified and appear authentic. Copies of these documents should be made at this time and attached to the I-9 Form. The original I-9 Form along with copies of the documents must be filed separately and not in the candidate's personnel file and be retained for a minimum of 3 years or 1 year after the employee terminates his/her employment, whichever is later. Branch offices must send the original I-9 form and supporting documentation to Human Resources along with all initially required "sign-up" documents.

3. Human Resources files all documents collected during the orientation process.

4. Human Resources escorts the new employee to their department.

5. The new employee's manager introduces the employee to the Director/SVP and fellow co-workers.
6. The new employee's manager or their delegate is responsible for training the new employee and explaining the functions of the various departments.

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Orientation Period for New Employees

Policy

During the orientation period, the authorized manager works closely with the new employee, outlines duties, describes procedures and explains their function relating to the requirements of the Company and monitors the new employee's progress. The orientation period for all new employees is three (3) months.

Procedure

1. During the last month of the employee's orientation period, Human Resources will send a new employee evaluation form to the manager. This form must be completed and returned.
2. If the employee's performance is not progressing satisfactorily, the manager should discuss their concerns with Human Resources and may request an extension of the orientation period and another evaluation form will be completed at the end of the new period. In this case, the employee must be informed of the extension and the reasons for the extension by their manager.
3. If the decision is made to terminate the employee, the division management must ensure that the employee has been warned and given an opportunity to improve their performance. Managers should consult with a member of Human Resources prior to the actual termination.

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Classification of Employment

Policy

For purposes of salary administration and eligibility for overtime payments and employee benefits, the Company classifies employees as follows:

1. Full-time Employees

Individuals hired to work the Company's normal full-time, thirty-five hour workweek on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below.

2. Part-Time/Temporary/Contingent Employees

Employees engaged to work full-time or part-time on the Company's payroll with the understanding that their employment will be terminated no later than upon completion of a specific assignment or project. Note that a temporary/contingent employee may accept a new temporary assignment with the Company and thus still retain temporary status. Temporary/Contingent Employees may be either exempt or non-exempt. It should also be noted that employees hired from temporary employment agencies for specific assignments are employees of the respective agency and not of the Company.

3. Contract Employees

Full-time employees whose terms of employment are specified in formal written contracts. Contract employees are eligible for the same benefits as regular full-time employees unless the contract notes to the contrary.

4. Expatriate Employees

Also known as Rotating Staff. Individuals who, under the Employment Exchange Agreement, are assigned to the Company from Mitsubishi Corporation and/or its subsidiary companies for a temporary period of time and are, in part, subject to the regulations of the assigning Company.

5. Personnel on Loan (POL)

Individuals who are hired as full-time employees of the Company but are assigned to work at a subsidiary or any other MC group company.

6. a. Non-exempt Employees

Individuals who are required to be paid overtime at the rate of time and one half (i.e. one and one half times) their regular rate of pay for all hours worked beyond forty hours in a workweek, in accordance with applicable federal wage and hour laws or more than eight hours in any given day in the State of California. **Please note this section is applicable to all of the above categories except for expatriate employees.**

b. Exempt (salaried) Employees

Individuals who are not required to be paid overtime, in accordance with applicable federal or state wage and hour laws, for work performed beyond forty hours in a workweek or eight hours in a day in the State of California. Executives, professional employees, outside sales representatives, and certain employees in administrative positions are typically exempt. **Please note this section is applicable to all of the above categories.**

Procedure

1. The employee will be informed of their initial employment classification and their exemption status during the orientation session on the first day of employment. If the employee changes positions during their employment as a result of a promotion, transfer or otherwise, they will be informed by Human Resources of any change in their status.
2. All questions regarding employment classification or exemption status should be referred to Human Resources.

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Transfers

Policy

Transfers may be either Company initiated or employee initiated. In all cases, however, an opening must exist for which there is an approved requisition. A transfer may or may not represent a promotion.

1. Company Initiated Transfers

Critical skill requirements or organizational changes may require the transfer of personnel from one division/branch to another. The transfer is initiated by the department/branch and coordinated by Human Resources.

2. Employee Initiated Transfers

Employees may request a transfer to an approved opening for which they are qualified. To be eligible, the employee must meet the following conditions:

a. They have at least one year of experience in their current position and;

b. They have received an overall "Meets" performance rating in their most recent appraisal.

Moreover, the request will only be considered after the employee has discussed this request with Human Resources and their authorized manager.

Procedure

1. No transfer can occur unless the authorized manager for the receiving department has approval to fill an existing position or create a new one. **See Approval Procedures for more information.**

2. All transfers (either Company or employee initiated) between departments/branches should be coordinated by Human Resources, which will be responsible for:

    - Checking employee eligibility
    - Coordinating between departments/branches
    - Checking salary requirements
    - Extending the offer of transfer or
    - Notifying the employee that the request for transfer is denied

3. It is the receiving manager's responsibility to submit a written request to Human Resources, with a copy to the receiving department/branch head, outlining the details (salary, title, date, etc.) of the transfer.

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Employment of Relatives

Policy

It is the policy of the Company to hire the best-qualified candidates for employment without regard to race, ethnicity, color, sex (including sex stereotyping), sexual orientation, gender identity or gender expression, personal appearance, national origin, citizenship status, ancestry, genetic characteristic, age, religion, creed, marital or partnership status, pregnancy or pregnancy-related condition, family responsibilities, political affiliation, protected medical condition, leave status, physical or mental disability, uniform service member or veterans' status or other factors that are protected by law. Decisions regarding the hiring and placement of relatives shall be made by the Company in a non-discriminatory manner, solely at its discretion, based on business necessity.

For purposes of this policy, a relative is defined as follows: spouse/partner, son, daughter, sister, brother, parent, grandparent, niece, nephew, aunt, uncle, parent-in-law, brother-in-law, son-in-law, daughter-in-law, sister-in-law, and stepparent.

Employees' relatives may be considered for employment, however, only in separate functional areas, and not in the same reporting line or to the same manager.

Officers and Directors of the board may not have a relative employed within the Company. Under no circumstances is an employee to be placed in a position where they are supervising or being supervised by a relative. Individuals in a supervisory-subordinate relationship or employed in the same branch or department/division who marry while employed will be allowed to continue employment.

In cases of this kind, the following procedure will apply:

1. The situation will be resolved by transferring one of the employees to a separate department/division at the earliest practicable time. The transfer will be voluntary when possible.
2. When a voluntary transfer is not possible, the authorized manager, in conjunction with Human Resources will make the decision based on the relative importance of each job and the availability of candidates to fill either job.
3. Every effort will be made to place transferred employees into a position that is similar in terms of salary and status.

It is important to note that the legislature and courts in certain states prohibit or strongly disapprove of employee anti-nepotism policies regarding spouses. Therefore, in certain states, the definition of the term "relative," as defined in this policy, shall not include the term "spouse."

Procedure

1. Applicants for employment will identify on the application form any relatives currently working at the Company.
2. Whenever an employee is considered for transfer, Human Resources must check to see if he/she has any relatives working in the proposed department/division.
3. Employees who fail to notify Human Resources of any situations that might violate this policy or who fail to disclose the names of any relatives working at the Company could be subject to disciplinary actions including termination.
4. To ensure compliance with applicable state laws, managers should check with Human Resources before taking any personnel action regarding the hiring or transfer of relatives.

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Employee Referrals

Policy

Employee referrals are often a good source of qualified applicants; therefore, the Company will pay national staff employees a $2,500.00 referral bonus for a referred candidate for any full-time position hired by the Company. The referral bonus will be paid by the Company after the newly hired candidate has been successfully employed for six (6) months.

Members of the Human Resources and Facilities Management Division and employees at the career track M3/P4 of Director/Expert or above are not eligible to participate in the program, nor are employees who are involved in the recruiting process or are in any way influencing the hiring decision.

This policy is not applicable for rehires, except where the employee is rehired for full-time employment five or more years after their termination from the Company.

The Company will not pay a referral bonus for an applicant who worked for the Company through a temporary agency or on a contract or part-time basis, or for any employee who is changing their status.

Procedure

1. The person listed on the new hire's application form under Referral Source will receive the referral bonus. In no case will the fee be paid to more than one person.

2. To be eligible for a referral bonus, the employee making the referral must be a National staff employee actively employed when the referred candidate completes the initial six (6) months of employment. Rotating staff are not eligible to participate in the referral program.

3. Human Resources will submit the appropriate request for payment to Payroll for processing. All referral bonuses are subject to applicable federal, state and local tax withholding.

02 Employment Status

- Equal Opportunity/ Affirmative Action
- Increase in Personnel
- Part-Time Employment
- Contract Employees
- Personnel on Loan
- Temporary/ Contingent Employees
- Agency Temporary Employees
- Independent Contractors
- Guidelines for Internal and External Titles

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Equal Opportunity/ Affirmative Action

Policy

Equal Employment Opportunity

The Company is an equal opportunity employer and is committed to the spirit and letter of all federal, state and local laws and regulations pertaining to equal opportunity. To this end, the Company does not discriminate against any individual and all employment decisions are based on merit, qualifications, abilities, and business needs, and not on the basis of race, ethnicity, color, sex (including sex stereotyping), sexual orientation, gender identity or gender expression, personal appearance, national origin, citizenship status, ancestry, genetic characteristic, age, religion, creed, marital or partnership status, pregnancy or pregnancy-related condition, family responsibilities, political affiliation, protected medical condition, leave status, physical or mental disability, uniform service member or veterans' status or other factors that are protected by law. This Policy extends to all terms, conditions and privileges of employment, as well as the use of all Company facilities.

Consistent with its commitment to equal employment, the Company will work to accommodate disabled employees in keeping with the Americans with Disabilities Act and other applicable law. If an employee believes an accommodation is needed because of a disability, the employee should contact Human Resources and the Company will engage in an interactive dialogue with the employee to determine the best course of action.

No form of unlawful discrimination, including unlawful harassment, will be tolerated.

Pay Transparency Non-Discrimination Provision

The Company will not terminate or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the Company or (c) as required by law.

Affirmative Action

The Company is an affirmative action employer and requires the full cooperation of all employees at all levels of supervision. The Company will continue to employ and promote qualified women and minorities, individuals with disabilities, veterans and disabled veterans in each and every employment practice including, but not limited to, employment, promotion, demotion, transfer, layoff, termination, rates of pay, other forms of compensation, and selection for training.

The Company shall work to reasonably accommodate qualified individuals with disabilities who are able, with or without a reasonable accommodation, to perform the essential functions of the job. The Company shall engage in a continuous program of outreach and seek to recruit those individuals with the skills and qualifications necessary to safely and effectively perform the work of the Company.

Questions and/or complaints concerning equal employment or affirmative action should be directed to Human Resources.

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Increase in Personnel

Policy

An increase in personnel* in any department/division must have President approval for non-material increases or Executive Committee approval for material increases, before the recruitment process is initiated by Human Resources.

Procedure

1. The SVP of the Group or Head of Branch concerned prepares a written request addressed to President for non-material increases or the Executive Committee for material increases. The request should consist of the following:
   a. The reason/justification for the increase in the number of personnel;
   b. A summary of the expenses involved and the relationship of the increased personnel budget to the anticipated cost/profit of the department/division.
   c. Confirmation that the market rates for the position have been provided by Human Resources.
2. After the President or Executive Committee's approval is obtained, the recruitment process may begin. (see Recruitment policy)
3. The President's approval for non-material increases or the Executive Committee's approval for material increases remains valid for one year. If the additional employee is not hired within that time frame, new approval will be required.

   ***Please note: If a national staff employee is hired to replace a position previously held by an expatriate staff or vice versa, no Executive Committee approval is needed.**

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Part-Time Employment

Policy

Part-time employees are hired when the nature of the work precludes the employment of a full-time employee. The part-time employee has a work schedule of twenty-eight (28) hours per week or less, on average.

Part-time employees are paid a fixed hourly rate and will receive overtime in accordance with Federal and State law, when applicable. Federal law requires non-exempt employees to receive overtime pay at one and one half times the "regular rate of pay" for all hours worked over 40 in a workweek. Where state law imposes different requirements, the company will comply with applicable state laws.

Part-time employees are entitled to limited benefits, as follows:

1. Vacation Days

Employees who work a minimum of 910 hours in a calendar year are entitled to five (5) paid vacation days in the following calendar year. Accrued but unused vacation may be carried over to the following year up to the accrual limit. The total accrual limit is equal to a total of 10 days. Employees will not accrue any additional vacation once they have reached their total accrual limit until they use all or a portion of their accrued vacation.

2. Sick Days

Employees will accrue sick leave at the rate of one hour for every 30 hours worked up to a maximum of 56 hours of sick leave per calendar year. An employee is not entitled to use any sick leave time until after completing 120 days of employment and sick leave may be taken in either half-day or whole-day increments (based on the employee's regular work schedule). Unused sick leave may be carried over from one year to the next but employees may never accrue more than 56 hours of sick leave. Sick leave may be used for absences due to:

i. the employee's mental or physical illness, injury or health condition, need for medical diagnosis, care or treatment, or need for preventive medical care,

ii. to cope with the consequences of domestic abuse, sexual assault, stalking, family offense or human trafficking, either of the employee or a family member,

iii. care of a family member needing such medical diagnosis, care, treatment or preventive medical treatment,

iv. closure of the place of business due to a public health emergency (as declared by the commissioner of health and mental hygiene or the mayor or similar city/state official) or to limit exposure to an infectious agent, biological toxin or hazardous material, or to care for a child whose school or child care provider is closed due to such reason.

Family members include an employee's child (biological, adopted, foster or to whom the employee stands in loco parentis), spouse, domestic partner, parent (step or who stands in loco parentis to the employee), the child or parent of an employee's spouse or domestic partner, grandparent, grandchild, sibling (including step, adopted sibling, or spouse or domestic partner of sibling), or persons living with the employee for over 12 months and with whom the employee shares a committed relationship. Employees without a spouse or domestic partner may designate one person for whom the employee may use accrued sick time to administer care within 10 business days of their eligibility date, and annually thereafter. Employees have a right to be free from retaliation for requesting or using sick time in accordance with applicable laws; for communicating with any person regarding an alleged violation of applicable laws; or for participating in a court proceeding regarding an alleged violation of applicable laws.

3. **Paid Holidays**

   Employees who work a minimum of 910 hours in a calendar year are eligible to select six (6) paid holidays from the holiday list as approved for full-time employees to be taken in the next calendar year. Paid holidays do not carry over from year to year.

4. Part-time employees who work an average of 30 hours or more per week in any given calendar year will be eligible to participate in the Company's medical plan in the following calendar year. The official Plan Document governs participation in this plan. Contact the Human Resources and Facilities Management Division for more details.

5. Part-time employees are eligible to participate in the Company's 401(k) plan in accordance with the guidance set forth in the Plan Documents.

6. Part-time employees are eligible for an annual discretionary recognition bonus. In order to be eligible, employees must be employed for a period of at least six months. The bonus amount will be a fixed percentage of the employee's total salary paid during the previous year. Recognition bonuses, if provided, will be paid in June of each year. Performance should be monitored and considered when granting a recognition bonus. For employees in the Professional or Management track, we recommend a PEP to be prepared.

7. Salary increases should be considered for part-time employees based on performance and the compensation level. Fixed hourly rates will be reviewed annually by Human Resources, and new rates will be provided to the managers for consideration. Salary increases, if any, occur during the annual salary increase process.

8. Part-time employees are ineligible for any benefits not listed above.

9. Part-time employees who have worked for more than twelve (12) continuous months in part-time status and who convert from part-time to full-time will be credited for service as follows:

   For the purpose of determining seniority, eligibility for service awards and vacation, a year (12 months) of continuous part-time employment will be credited as one half year worked as full-time. This conversion rate also applies toward eligibility for benefits except for the MIC 401(k) Plan. Eligibility dates for this plan is governed by the Plan Document.

In calculating the conversion, only full months of employment are included. For example, 16 months and 11 days of employment will be treated as only 16 months and the individual would be given credit for 8-months full-time service.

Procedure

1. Part-time employees are assigned hours by their managers.
2. Part-time employees will record their time worked using the approved, on-line HR/Payroll system.
3. If qualified, the Part-time employee may submit a request for a paid holiday in advance by submitting a request using the "Floating Holiday" category on the approved, on-line HR/Payroll system.
4. If qualified, the Part-time employee may submit a request for vacation time in advance by submitting a request using the "Vacation Day" category on the approved, on-line HR/Payroll system.
5. If a Part-time employee needs to take sick leave time, he/she should contact his/her authorized manager at the beginning of the work day. If qualified for paid leave, the Part-time employee should submit a request using the "Sick/Personal Days" category on the approved, on-line HR/Payroll system.

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Contract Employees

Policy

Contract employees should be used on a limited basis as follows:

1. When the duration of employment tends to be known (such as the planned completion of a project, start-up of a business, etc.), or
2. The employee is a recognized specialist in a particular industry and/or product line, making regular employment impractical due to special requirements.

Contract employees have formal written agreements between the employee and the employer. The terms of employment, compensation, job duties, and benefits are defined in the contract.

A contract employee's status may be converted to a regular, full-time status upon Management's request.

Procedure

1. The authorized manager, in consultation with Human Resources, makes a decision as to whether a position is of such a nature as to mandate the execution of a contract.
2. Human Resources reviews the contract before signing in consultation with a representative from Legal and Compliance.
3. The contract is kept on file in Human Resources.

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Personnel on Loan

Policy

A full-time employee may be loaned indefinitely to a Mitsubishi Group affiliate or subsidiary company. Mitsubishi Group companies receiving the services of loaned personnel reimburse the Company on a quarterly basis for salary payments, payroll taxes, required employee contributions, insurance, pension and 401(k) expenses.

Procedure

1. The Mitsubishi Group affiliate or subsidiary company submits a request to management through Human Resources.
2. Human Resources recruits or assists in identifying a current employee who meets the job requirements.
3. Loaned employees, whether newly hired or transferred, are treated as regular employees of the Company for all benefit purposes.
4. Each quarter Payroll bills the Mitsubishi Group affiliate or subsidiary company for all expenses associated with the loaned employee.

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Temporary/ Contingent Employees

Policy

Temporary/contingent employees are hired by Human Resources and are utilized on a call-in basis or on a specified temporary assignment of one year or less. Human Resources assigns or reassigns these employees to divisions requiring them.

Restrictions

1. Temporary/contingent employees are eligible for certain benefits on the same basis as part-time employees. See the Part-Time Employment Policy for an explanation of benefits, eligibility and procedures. The merit and general salary increase programs do not apply to temporary/contingent employees. ERISA and plan language will govern 401(k) vesting and credited service.
2. Temporary/contingent employees hired as full-time employees accrue service and benefit eligibility as explained in the Part-Time Employment Policy.
3. A full-time employee who terminates but is accepted as a temporary/contingent employee forfeits service and benefit eligibility (except as noted above) in accordance with normal termination practices.

Procedure

1. The authorized manager submits a written request for a Temporary/Contingent employee to Human Resources.
2. Human Resources assigns a temporary/contingent employee if one is available. If not, a temporary agency may be contacted.
3. The temporary/contingent employee will meet with Human Resources upon hire and will be asked to review and sign the following documents before starting work:
   a. Confidentiality agreement
   b. Anti-Harassment/Intimidation/Discrimination Policy
   c. Drug-Free Workplace Policy
   d. Conflict of Interest Policy
   e. Reporting Work Hours document
   f. Access card
4. Temporary/contingent employees will record their time worked in the approved, online HR/ Payroll system.
5. Temporary/contingent employees are paid twice a month on regular Company paydays.
6. Due to the varying nature of temporary assignments, the manager should consult with Human Resources concerning benefits eligibility.
7. If the hiring manager wishes to request that a temporary/contingent employee be continued in this status for more than one year, justification and a proposed timeframe must be presented to Human Resources. If the position is necessary for the smooth operation of the hiring department, a request should be submitted to the President to hire the individual on a regular basis.

Issued **November 1, 2024**

Supersedes **February 1, 2023**

Agency Temporary Employees

Policy

A person hired a from an employment agency for a temporary assignment is an employee of the agency and not of the Company. An authorized manager may request temporary assistance by submitting a written request to Human Resources, which will determine an appropriate hourly rate, contact an agency, arrange for the assignment of a temporary worker, and handle the necessary disbursements.

The manager is responsible for setting the temporary worker's hours of work and ensures that the worker takes lunch break of at least 30 minutes each day in which no work is performed. The manager is also responsible for supervising the temporary worker, for ensuring that all Company policies are followed and for confirming the hours worked each day on the time sheet submitted to the agency.

Procedure

1. The authorized manager submits a written request to Human Resources.

2. Human Resources will request that the worker sign the following documents before starting work:
    - Confidentiality Obligations for Third Party/Agency Temporaries
    - Employee Anti-Harassment/Intimidation Policy
    - Drug Free Workplace Substance Abuse Acknowledgement Form
    - Conflicts of Interest Policy
    - Reporting Work Hours document
    - Access card / (NY Office only)
3. Temporary workers must follow all Company policies and must take at least 30 minutes each day as a lunch break.
4. The manager approves the hours worked each day and confirms the hours worked on the time sheet submitted to the agency.
5. Human Resources arranges payment to the agency after receipt of an invoice.

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Supersedes **October 1, 2020**

Independent Contractors

Policy

Independent contractors are often used to perform a task or work on a project where the manpower and/or technical expertise does not necessarily exist in-house. The Company will make every effort to ensure that the legalities differentiating an employee from an independent contractor are strictly observed.

This policy is applicable only in those situations where a manager is contracting with a person or company to provide consulting or business services, for example sales, marketing, business development, maintenance services, etc. This policy is also applicable when the Company is acting as a "paying agent" for the types of services previously noted, for example, when a contract for services is with MC but the Company is requested to pay the compensation for services rendered.

Guidelines

The principal common law factors in differentiating an employee from an independent contractor are the right to control and direct. In an employer/employee relationship, the employer has the legal right to control when, where and how work is to be done and in what sequence. The employer need not actually exercise control; it is sufficient that the employer merely has the right to do so. Control includes not only the results accomplished by the work, but also the details and means by which the result is accomplished.

In determining whether an individual providing service is an employee or an independent contractor, all information that provides evidence of the degree of control and independence must be considered. Facts that provide evidence of the degree of control and independence fall into three categories:

1. Behavioral

Does the company control or have the right to control what the individual does and how the work will be performed?

2. Financial

Are the business aspects of the individual's job controlled by the company? Issues to consider are whether business expense are reimbursed, who provides the necessary tools/supplies needed to perform the work, etc.

3. Type of relationship

Is there a written contract for services? Is the company providing benefits, paid time off, etc.? Will the relationship continue? Is the work performed a key aspect of the business?

An analysis of these facts will indicate whether the individual can be classified as an independent contractor or not. Independent contractor status can only exist if there is no overall right to control the person who does the work and no overall right to direct the manner in which the job is done.

The determination of employee or independent contractor status is fact specific and subjective. Accordingly, great care must be taken in making a determination of an individual's status.

Procedure

As noted above, this policy and related procedure is applicable if a manager is contracting with a person or company to provide consulting services or to perform business related services such as information gathering, sales marketing, maintenance services, etc. Some service providers would rarely if ever be considered an "employee" and are excluded from this procedure. These include law firms, accounting firms, employment/temporary agencies.

This procedure also excludes any company providing tangible goods such as supplies and equipment.

1. The department/division initiating a contract with an individual or company should first find out if the individual or company is a corporation. If a corporation, no further action is necessary under this policy. This is determined by having a W-9 completed by the person or company. If not a corporation, the initiating manager must submit the proposed contract, a completed Payment Authorization form and a password protected W- 9 to Human Resources for review.

2. Human Resources will determine if the proposed relationship meets the criteria listed above so the service provider can be classified as an independent contractor as opposed to an employee.

3. The initiating manager will be advised of the determination and will either:

   a. Execute the contract in the case where the person or company is determined to be an independent contractor,

   or

   b. Obtain approval to hire the person as a regular employee or elect to hire the person as a temporary or part-time employee in cases where the service provider is deemed not to be an independent contractor.

4. Should it be determined that the status of the individual is that of an independent contractor, Human Resources will sign the Payment Authorization form and return it to the department/division. The initiating manager should then send the signed and completed Payment Authorization form and a password protected W-9 form to the applicable Accounting Division with the first request for payment. No payment will be made unless this procedure is followed.

5. The Company is not required to withhold payroll taxes (or make a contribution for FICA) from an independent contractor's check. Therefore, at the end of the year, the contractor is issued a Form 1099 as opposed to a Form W-2 which is issued to employees.

6. It is also important to note that independent contractors are ineligible for Company benefits.

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Supersedes **June 18, 2024**

Guidelines for Internal and External Titles

The company has established guidelines for internal and external job titles to maintain organizational clarity and provide a clear and standardized way to communicate the hierarchy, roles, and reporting relationships within the organization.

Titles used within the organization, for both internal operations and external communications, must accurately reflect the individual's role and responsibilities and adhere to the company's guidelines for Internal and External titles. Only titles officially recognized and approved by the organization may be utilized. In cases where an individual holds multiple roles or responsibilities, the most relevant or prominent title should be used to maintain clarity and coherence.

Every employee must uphold the title guidelines in this policy, both internally and externally. Employee's failure to adhere to its provisions may result in corrective action as outlined in the company's Correction Action policy.

Usage of Titles

Internal Titles

The internal title assigned by the company to the employee is to be used consistently including but not limited to internal memorandums, organizational charts, and employee directories. Employees should address each other using their official titles in professional settings within the company to maintain clarity and respect within the workplace hierarchy. In team meetings, presentations, and other internal forums, individuals should be referred to by their appropriate titles to accurately represent their roles and responsibilities.

Note: Official internal titles can only be used by employees who have been assigned the title by the company. Employees at the same level cannot use the same title without authorization from the group SVP and Human Resources.

External Titles

When communicating externally, such as in meetings, public-facing documents, social media profiles, and external correspondence, external titles may be utilized to provide external stakeholders with a clear understanding of the individual's role. It is essential to use the external titles corresponding with the employee's internal title. To maintain consistency and credibility in external communications, deviations from approved external titles are not permitted.

Procedure

1. The group SVP must submit the application for the internal and external titles to Human Resources for approval.
2. Human Resources will review the request before deciding whether to approve the internal and external title.
3. Once approved, Human Resources will keep records of the internal and external title in the employee's file.

03 Business & Office Conduct

- Office Hours
- Hybrid Work
- Personal Appearance - Dress
- Guidelines for Appropriate Employee Behavior
- Workplace Recording
- Business Conduct Guidelines
- Electronic Communications & Media
- Lost and Found
- Reception Area
- Solicitation and Distribution
- Commemoratives (Flowers/Donations)
- Safety Procedures/OSHA/ Log/Worker's Compensation
- Smoke-free Workplace
- Mobile Phones for Non-Exempt Employee

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Office Hours

Policy

1. The office work week starts at 12:01 A.M. on Monday and ends at 12:00 midnight the following Sunday in all Company offices.

2. The normal office hours are established by each office. In the New York office, the regular work day consists of seven (7) hours: from 9:00 A.M. to 12:00 P.M. and from 1:00 P.M. to 5:00 P.M. The normal lunch period is from 12:00 P.M. to 1:00 P.M. and does not count as a work hour.

3. The weekly and/or daily work schedule for an entire branch office or department/ division may be changed to better conform with the business needs of the branch or department/ division by the SVP in consultation with Human Resources provided the workweek consists of 5 days, 7 hours per day.

4. The authorized manager within a branch or department/division may vary an individual employee's work schedule from the standard for that organization provided such variation allows for meeting all business requirements and that the work week consists of 5 days, 7 hours per day with core hours from 10 A.M. to 3:30 P.M. during which employees must work a minimum of three hours. Please note that the employee will then have new standard hours, e.g. 8:30 to 4:30, not that the employee is permitted to come in or leave at variable times from day to day. The authorizing manager must notify Human Resources in writing of the revised schedule.

5. Employees who work more than 3.5 hours in a workday are eligible for two 15-minute breaks, one in the morning and one in the afternoon. These breaks cannot be taken immediately upon starting work or immediately prior to leaving work at the end of the day. An employee who works more than 10 but less than 14 hours* in a workday is

entitled to a third 15-minute rest break. (*A non-exempt employee who works more than 14 hours in a workday may be entitled to additional rest periods.)

Procedure

1. If a branch office or department/division wants to change office hours for their entire organization, it is necessary to obtain the consent of Human Resources in writing.
2. Once a change in office hours is implemented, the authorized manager is responsible for notifying the affected employees in writing of the change in hours, effective date, etc.
3. If an authorized manager within a branch or department/division allows individual employees to work hours other than those observed for the operating unit, the authorized manager is required to notify Human Resources in writing of all such arrangements and the newly approved schedule will be entered into the Company's provided, online HR/Payroll system.
4. It is suggested that in those situations where a manager has approved a revised schedule, the manager be available to provide supervision during those non-core hours, particularly when the revised schedule is for a Support track employee.
5. It is the authorized manager's responsibility to ensure that employees in their organization adhere to the agreed-upon schedule.

Issued **July 1, 2025**

Supersedes **November 1, 2024**

Hybrid Work

Policy

Company management believes that a strong and vibrant work community is essential for business success. To build and maintain that strong community requires shared experiences, mutual support and collaboration, the inclusion and development of new employees, and a dynamic and cohesive company culture. Appreciation for our employees' concerns, obligations, and work/life balance is also crucial to our success.

1. Overview of the Hybrid Workplace

a. The company may change this policy at any time for any reason.

- Remote work may be suspended or terminated based on performance or business reasons, or at the sole discretion of management.

b. Employees working remotely must follow all company policies, rules, and guidelines.

- Proprietary information, confidentiality, and intellectual property require heightened care in handling when working remotely.

c. Employees must meet the same performance standards when working remotely as if they were working in the office.

d. Managers may request that employees provide frequent and detailed reports regarding their work and the progress of their work.

e. Applicable employment and labor law notices are posted in the company offices and are also available on MCA Connected.

f. Employees may request modification of their remote work arrangement for reasons relating to health or disability by contacting New York Human Resources or Houston Human Resources, as appropriate. A remote or hybrid work arrangement does not change the at-will employment relationship.

g. Employees may also request modification of their remote work arrangement in the case of other serious situations (other than health and disability accommodations) by applying for a Variance from Office Attendance Requirement, subject to approval from their Senior Vice President and the CHRO & Senior Vice President, Human Resources. For more information employees can contact New York Human Resources or Houston Human Resources.

h. Employees remain responsible for paying their own commuting expenses.

2. Requirements for Office Attendance

a. The minimum office attendance requirement for employees is three days per week unless otherwise stated. Unless otherwise indicated, every employee may come to the office on any workday the office is open or may choose for their own convenience to work remotely on those days they are not required to be in the office. In the event that a holiday or a scheduled day off falls on a day the employee is regularly scheduled to work in the office, the employee shall not be required to substitute an alternative in-office workday during that same week in order to fulfill the three-day per week in-office attendance requirement for that week.

b. The company may temporarily change the required minimum number of days per week for office attendance from time to time, either on a company-wide basis, or on an office- by-office basis. The company will consider a variety of factors in determining the required office attendance.

c. An employee who believes they may require a remote work accommodation for reasons relating to health or disability should contact New York Human Resources or Houston Human Resources, as appropriate, to discuss their situation.

d. An employee who believes they may require a remote work arrangement for a serious situation not related to their own health or disability should contact New York Human Resources or Houston Human Resources, as appropriate, to discuss their situation and whether an Application for a Variance from Office Attendance Requirement applies.

3. Schedules

a. Employees subject to the standard minimum-three-days-per-week requirement for office attendance, may apply for a Variance from Office Attendance Requirement subject to approval by their Senior Vice President and the CHRO & Senior Vice President, Human Resources. An employee who is thus granted permission to work remotely more often may nonetheless come to the office on any workday the office is open.

b. Managers may temporarily allow reduced office attendance (for no longer than one week) in response to temporary employee circumstances, such as unexpected family care needs, mild illness, or extreme inclement weather. Situations lasting longer than one week must be considered for an Application for a Variance from Office Attendance Requirement.

c. Managers may allow reduced office attendance for particular periods of time in response to workflow efficiency, safety, or convenience for members of their department/division by submitting an Application for a Variance from Office Attendance Requirement for consideration and approval.

d. Managers are encouraged to support flexible hours for office attendance, as described below, in response to employee preferences and concerns.

e. To the extent consistent with business needs, work hours may be scheduled to begin between 7:00 a.m. and 11:00 a.m., and may be scheduled to end between 3:00 p.m. and 7:00 p.m., provided, however, that employees must work a minimum of three hours during the "core business hours" of 10:00 a.m. to 3:30 p.m. Work may be performed in separate blocks of time if these requirements are fulfilled.

f. Each employee's manager determines the employees regularly scheduled workday hours taking into account the interests of the employee.

g. The hours and days worked each week by an employee, both in the office and remotely, must be consistent with the schedule determined by their manager, including scheduled lunch periods.

    a. Exceptions and temporary or permanent changes to an employee's scheduled hours and specific days in the office may be made by the employee's manager in light of employee circumstances and business needs.

h. Employees working remotely must take breaks and lunch periods as required by company policy for employees working in the office.

i Non-exempt employees must obtain their managers' written approval to work overtime.

j. Non-exempt employees must accurately record their time worked, regardless of whether that work was pre-approved or consistent with their assigned work schedule.

k. Non-exempt employees must log into Dayforce using the provided link on their company laptop when working remotely as they would when working in the office. Employees must log in and out to record their actual working hours (e.g., when they start, when they begin and end their lunch breaks, when they stop work for a personal appointment or other personal activity, and when they finish the day's work).

l. **"Off-the-clock" work is prohibited.** Off-the-clock work includes checking and responding to emails, texts, and other communications; making and responding to phone calls; filing; and any other work outside of scheduled work hours that has not been pre-approved by managers as overtime.

m. For exempt employees, the agreed schedule is a baseline only. Exempt employees are expected to work additional hours as may be necessary to timely and appropriately perform their duties.

4. Active Management Support

a. Managers have an enhanced obligation to their team members to be available as leaders, supporters, and collaborators.

b. Managers are responsible for providing active guidance and support for employees whether working remotely or in the office.

c. Each manager is responsible for creating appropriate reporting and communication guidelines with each employee they manage.

d. Managers should communicate regularly by video conference or by phone with employees working remotely.

e. Managers are responsible for understanding what each employee is intending to accomplish in a given workday, and what they have actually accomplished each week.

f. Managers should periodically confirm that employees are working in accordance with their agreed schedules for remote and in-office work.

5. Periodic Review of Work Arrangements

a. Each employee's schedule for in-office and remote work must be reviewed with their manager quarterly, as part of the PEP process, to evaluate whether the arrangement meets the company's needs and complies with company requirements and applicable law.

b. Considerations for any approved accommodation for health or disability reasons or for an approved Variance from Office Attendance Requirement must be taken into account as part of this review.

c. Changes to the balance of an employee's in-office and remote work may be required if:

    a. The manager is unable to evaluate the employee's performance.

    b. The quantity or quality of the employee's work is deficient.

    c. The employee is not promptly responsive during scheduled remote work hours.

    d. Distractions at the employee's remote workplace are disruptive to the team or interfere with the employee's ability to perform their duties.

    e. The needs of the business require such change.

6. The Remote Work Environment

a. Employees should keep personal disruptions, such as non-business telephone calls and visitors, to a minimum during regularly scheduled work hours.

b. Employees must promptly report any ongoing connectivity problems to MIBS for troubleshooting to ensure they can effectively perform their duties remotely.

c. Employee must properly arrange and secure any cabling to company owned equipment to avoid hazards.

d. The remote work environment is not intended to give employees the opportunity to work at other jobs or to run their own businesses. Although our policies do not prohibit employees from having other jobs or their own businesses (if those activities do not create a conflict of interest) employees should not let those activities interfere with the appropriate scheduling and location of their work for the company.

e. Remote work is not a substitute for appropriate dependent care or other responsibilities of an employee's personal life. When working remotely, employees must provide the same undivided attention to their work as if they were working in the office.

    a. Dependent care arrangements should ensure that dependents are physically separate from the employee's workplace so that dependents will not interfere with an employee's work.

f. The company understands that, from time to time, unexpected circumstances, such as medical needs or the absence of a scheduled caregiver, may prevent an employee from avoiding distractions or interruptions at their remote work site. In that case, the employee should notify their manager.

7. The Remote Workplace

a. Compliance with Laws

a. Employees must confirm that their designated workplace complies with all applicable laws, including, for example, zoning, homeowner's association, and local business licensing laws.

b. An employee must promptly notify their manager if they become aware of any changes in such laws or rules that affect the use of their designated remote workplace for remote work.

b. Location

a. Employees are not required to work from their homes when working remotely, but managers must approve the employee's proposed remote workplace location to ensure that business needs, such as information security and employee focus, can be met in the proposed location. Exempt employees may perform incidental work in other locations, such as while on a business trip, in transit, or during leisure time, without seeking approval for such locations.

b. Employees must designate their remote workplace in writing, and must promptly notify their manager if their designated remote workplace changes.

- An employee may have more than one designated remote workplace, including temporary remote workplaces, but each proposed remote workplace must be approved by their manager.
- Non-exempt employees are authorized to work only at their designated remote workplace or at the company offices, unless authorized in writing by their manager to work while traveling.
- Exempt employees are expected to work regularly at their designated remote workplace or the company offices, except as needed to meet the requirements of their jobs or to travel for business.

c. The remote workplace must be in the same metropolitan area as the office to which the employee reports, other than during business travel, unless the company agrees in writing, consistent with business needs, that the employee may work in a different location. Such approval must include approval by Human Resources.

d. Managers should inform New York Human Resources a or the Houston Human Resources, as appropriate, if an employee will be working outside the same metropolitan area as the office which the employee reports, temporarily for more than one week.

e. Irrespective of the location of the remote workplace, employees are responsible for paying all commuting expenses and other costs of travel to the office, including costs of transportation, parking, lodging, and other expenses relating to office attendance.

c. Operations

a. No in-person company business–related meeting may be held in an employee's personal residence other than meetings held in residences owned or leased by the company for the use of the general managers of the company's offices.

b. The employee must ensure the remote workplace is configured and equipped so proprietary and confidential information cannot be observed or accessed by anyone else.

- Employees must secure all proprietary and confidential information consistent with company policies and guidelines, including with respect to storage, transmission, and disposal.
- Employees who must use a printer in a remote workplace may be required to shred documents containing confidential or proprietary information after they are printed.

c. Employees must promptly report to their manager any access to proprietary or confidential information by anyone other than the employee.

d. Employees must promptly report to their manager any loss of or damage to company files or documents.

e. Employees must promptly report to their manager and to MIBS any suspected virus, malware, or other impediment to the full functioning of their hardware or software.

d. Equipment and Supplies

a. Unless otherwise authorized by their manager, employees must use only company-provided equipment (such as a laptop, iPad, or iPhone) to perform company work. An employee may use their personal phone for company business (e.g., speaking with managers, colleagues, or counterparties; or for conference calls, video meetings, orwebinars) when working remotely if authorized by their manager.

- **No personal equipment, including personal mobile phone, may be authorized for use in communications for any business for which communications are required by regulation to be monitored or preserved.**
- Business-related communications must be managed through a company-provided device (such as a mobile phone) or via Teams accessible through the employee's work-provided laptop, tablet, or mobile phone.

b. Managers are responsible for ensuring the employee has the necessary equipment for effective and efficient remote work.

c. The company will provide paper, file folders, pens, toner, and similar office supplies for work in the employee's remote workplace. Employees will be reimbursed for pre-approved purchases of office supplies. Any reimbursement for pre-approved purchases must be submitted within 30 days.

d. Employees should notify their manager if they believe they need additional or replacement equipment or supplies to perform their jobs effectively and efficiently.

e. The company will maintain records of the equipment and supplies provided to each employee.

f. The company retains ownership of all equipment and supplies provided to employees for remote work.

g. Company software and hardware may not be duplicated or modified for any reason.

h. Employees must care for and protect company-owned equipment appropriately.

i. Employees are prohibited from sharing company devices with any person not employed by the company.

j. Employees must promptly report to their manager any loss or damage to company equipment. **Lost devices, such as phones, tablets, and laptops, must be promptly reported to management and to MIBS in accordance with company policy.**

k. Company policies concerning privacy, information security, and electronic communications apply to employees' work, use of company equipment, and communications whether in the office or in a remote workplace.

l. Each employee working remotely is responsible, at their own expense, for maintaining internet service that provides a stable and secure connection from their remote workplace to the company's network.

m. Each employee working remotely is responsible, at their own expense, for ensuring that their remote workplace configuration provides adequate lighting and ergonomically appropriate seating, desk, and computing surface, as well as a safe and adequate electrical supply for all devices and equipment used in the remote workplace.

n. Employees who believe they may require special equipment for reasons relating to health or disability should contact New York Human Resources or the Houston Human Resources, as appropriate, to discuss their situation.

o. Employees must comply with all safety precautions included in instruction and use manuals for all electronic devices and electrical equipment.

e. Liability

a. Employees may be covered under the company's workers' compensation policy for injuries arising out of and in the course and scope of their employment, during work hours, in their approved designated remote workplace.

   - An employee should immediately apprise their manager and file a report or claim in accordance with company policy if they are injured on the job.

b. The company is not liable for injuries occurring in an employee's remote workplace when they are not engaged in work.

c. The company is not liable for loss, destruction, or injury that may occur in, to, or around an employee's remote workplace with respect to third parties, including family members and visitors.

Issued **November 1, 2024**

Supersedes **September 1, 2021**

Personal Appearance - Dress

Policy

The Company believes that our employees should feel comfortable when working, while at the same time conveying an image of professionalism to our customers, suppliers and visitors. Therefore, employees are expected to dress neatly and appropriately for a professional office environment.

Unless an employee's job responsibilities require other kinds of attire, in-office attire should always be neat and appropriate. For example:

- Polo Shirts
- Collared casual shirts
- Blouses
- T-shirts (**excluding crop tops or midriff tops**, white undershirts or graphics)
- Jeans (free of rips, holes, patches or fraying)
- Khakis
- Capri pants
- Knee-length shorts
- Dresses
- Skirts

- Company logo wear
- Sandals (no flip-flops)
- Casual shoes, including clean sneakers

In addition to wearing appropriate in-office attire, out of consideration for others in the office, employees are requested to be sparing in their use of fragrances of any kind.

Notwithstanding the acceptable attire for day-to-day office work, employees meeting with or hosting customers, suppliers or visitors should wear business attire consistent with the practices of their business and those with whom they are meeting.

Procedure

1. The authorized manager is responsible for ensuring that employees in their department/division dress consistent with this policy.
2. Violations of this policy by any employee may result in disciplinary action. Employees dressed inappropriately may be asked to change into proper attire immediately. If a non-exempt employee must leave the office to change clothes, they should clock out and clock back in upon returning to work. Either a deduction for the time will be made from the employee's pay, or the employee may make up the time with their manager's approval.
3. Managers who receive complaints about strong-smelling cologne, perfumes or other scents will ask the individual to reduce the amount used. If the situation persists, the manager will report the issue to Human Resources, which will follow up with the employee. In some circumstances, the employee may be asked to stop using fragrances.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Guidelines for Appropriate Employee Behavior

Policy

The following guidelines have been established to ensure the efficient operation of the Company and to protect the rights and safety of all who work for or who have dealings with the Company. These guidelines are not intended to be all inclusive therefore, the absence of a particular item from the list will not be a basis for avoiding disciplinary action when the Company believes such action is warranted. The Company reserves the unconditioned right to terminate any employee at any time with or without cause.

Examples of Unacceptable Conduct and Performance

1. Stopping work before time specified for such purposes without permission from the authorized manager.
2. Loitering or loafing during working hours. This does not include break periods, meal periods, or periods in which an employee is not performing and is not scheduled to be performing services or work for the Company.
3. Leaving the Company during work hours without permission of the authorized manager.
4. Creating or contributing to unsanitary conditions on the Company premises.

5. Willful violation of safety rules or Company safety practices.
6. Unexcused or excessive absenteeism.
7. Unexcused or excessive failure to be at work on time.
8. Violation of the Solicitation and Distribution policy.
9. Obscene, abusive language and/or malicious gossip.
10. Failure to return from a leave of absence without requesting an extension.
11. Possessing, distributing, selling, transferring or using or being under the influence of alcohol, marijuana or illegal drugs in the workplace.
12. Threatening, intimidating or coercing fellow employees on the premises at any time for any purpose.
13. Concerted or deliberate restriction of work output (slowdown, delaying the work of others, etc.).
14. Serious disruption or disturbances in the workplace that significantly interferes with business operations.
15. Refusal to obey orders of the authorized manager pertaining to work-related matters unless unsafe or contradictory to Company policy.
16. Failing to report violation of Company policies or procedures by others to the appropriate Company authority.
17. Deliberate destruction or damage of Company property or property of fellow employees.
18. Falsification of Company records.
19. Theft of property of Company or other employee's property.
20. Conducting business or taking actions on behalf of the Company beyond the specific written authority delegated by the authorized manager.
21. Engaging either directly or indirectly in any corrupt, illegal or fraudulent practice or act whether for the benefit of the Company or for personal gain.

22. Use of Company materials, supplies, tools or products for personal reasons without advanced permission from management.

23. Provoking a physical fight or engaging in physical fighting during working hours or on premises owned or occupied by the Company.

24. Carrying firearms, weapons or dangerous substances at any time, on premises owned or occupied by the Company, unless state law provides otherwise. In those states that specifically give the employee the right to maintain a lawfully possessed firearm in a locked vehicle in the employer's parking lot, employees will be permitted to maintain a firearm in their own locked vehicle in compliance with the law. Under those circumstances, employees are strictly prohibited from removing the firearm from their vehicle or carrying it on their person or into a building.

25. Absence of three (3) consecutive scheduled workdays without prior notice to the Company.

26. Failing to observe working schedules, including meal and rest periods.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Workplace Recording

Policy

The Company restricts recording (as defined below) in the workplace that has not been authorized by the Company for the following reasons:

1. The Company seeks to foster a work environment and a corporate culture that encourage collaboration, the free exchange of ideas, and spontaneous and candid discussions. Recording of conversations defeats these objectives because it can discourage participation in conversations, especially when confidential matters are being discussed.
2. Recording customers, business partners, vendors, suppliers, independent contractors and others who do business with the Company without their consent could damage these business relationships because the recording could be viewed by the person recorded as an invasion of privacy or as a demonstration of lack of trust.
3. Recording in places where employees or others reasonably can expect privacy, such as restrooms, could be viewed by the person recorded as an invasion of privacy.
4. Recording without the consent of all parties who are recorded may be unlawful in CA, CT, DE, FL, IL, MD, MI, MT, NH, NV, PA, or WA, and other states where the Company may transact business.

"Recording" under this policy includes, regardless of the method used to record and the location of the recorded activity or communication (as long it occurs while performing job responsibilities for the Company or during working time); and whether on or off the Company's premises:

- Taking video or still images (film, digital, or any other means) with or without a voice component.
- Sound recording of any conversation or communications, regardless of whether the conversation or communication takes place in person, over the telephone, or via any other communications device or equipment.
- Capturing sound through any mechanism or device which is capable of recording or amplifying a conversation (other than a device used to mitigate a hearing impairment), including, but not limited to, tape recorders, microcassette recorders, video cameras, digital or analog recorders, applications ("apps") on a smartphone or tablet, wearable technology, or any other mechanism or device capable of storing or amplifying sounds.

Restrictions on Recording by Employees

Employees are prohibited from recording while performing job responsibilities and/or during working time, whether on-site or off-site, in the following circumstances:

1. When the recording would capture the Company's confidential business information or trade secrets unless the recording has been made to advance the Company's business interest and has been approved by an authorized manager. Trade secrets may include information regarding the development of systems, business processes, products, know-how and technology. Confidential business information may include non-public financial data, such as estimates of financial performance; sensitive business information, such as marketing strategies, product launches, and pricing policies; plans for the acquisition or disposition of corporate assets; information about customers; information about other employees obtained by virtue of an employee's job responsibilities; and the Company's attorney-client communications or other internal business-related confidential communications.
2. When the recording would capture the voice or image of any prospective or current customer, business partner, vendor, supplier, independent contractor or other person who may or does do business with the Company without that person's consent;
3. When the recording would be made in any place where employees or others reasonably can expect privacy, such as restrooms;

4. When the recording would capture the voice or image of anyone in CA, CT, DE, FL, IL, MD, MI, MT, NH, NV, PA, or WA, or any other jurisdiction where it may be prohibited, unless all parties to the recorded communication consent to the recording before it starts or the recording would be permitted by applicable law without the consent of all parties to the communication for another reason. The Company will not construe or apply this Policy in a way that interferes with employees' recording of communications with each other concerning wages, hours, or working conditions or recording of allegedly unsafe working conditions or violations of law or Company policy.

Permitted Recording of Employees for the Company's Business Purposes

The above restrictions do not apply to use of a recording device authorized by the Company for the Company's legitimate business purposes, including, but not limited to the following:

1. Routine security operations;
2. Internal investigations (when approved by legal counsel);
3. Customer service and other calls with customers for regulatory, quality assurance or training purposes;
4. Communications customarily recorded by authorized Company personnel for subsequent rebroadcast to unavailable attendees, such as training courses and leadership communications;
5. Marketing and employee engagement-related events (note, however, that express written consent may be required before using a recording or image for commercial or other external purposes); or
6. When required by applicable law or when approved by legal counsel.

In the circumstances listed above, the Company will obtain the consent of all parties to the communication, before recording, if required to do so by applicable law.

Company's Use and Disclosure of Permitted Recordings

The Company may review, audit, monitor, access, delete, and/or disclose any permitted recording (described above) to ensure compliance with these standards and related Company and business policies and guidelines; to protect the security of Company, and assure Company's compliance with applicable law and regulatory requirements and business obligations; or for any other reason permitted by law.

Procedure

1. Employees should report incidents of unauthorized recordings to Human Resources or Legal and Compliance. Employees who violate this policy may be subject to disciplinary action, up to and including termination.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Business Conduct Guidelines

Policy

The Company has established the following Business Conduct Guidelines to ensure that all employees conform to the ethical and legal standards required to preserve the integrity and reputation of the Company.

1. Outside Employment

There is no objection to an employee doing work for another employer as long as such work, in the Company's judgment, does not conflict with the employee's job performance or obligation to the Company. However, no employee may serve as an employee, director, officer of or consultant to any supplier or customer without the prior written approval of the Group SVP, Director or Branch Head. An employee can never serve as an employee, director, officer of or consultant to a competitor (see the Conflicts of Interest Policy).

2. Confidential/Proprietary Information

During and after employment with the Company, an employee may not share with non-employees any non-public business or other information (trade secrets, proprietary information concerning products or services or customers/suppliers) intended for Company use only, whether such information concerns the Company or a company with which the Company is, is considering, or has done, business. Distribution of sensitive Company information and operating procedures should be limited to a "need-to-know" basis (please see the Conflicts of Interest Policy).

3. Investments

It is both illegal and against the Company's policy to trade in the securities of a company with which the Company or a related company does, has done, or is considering doing business while in the possession of material, non-public information concerning that company. (Please see "Securities and Insider Trading Policy", under Rules and Guidelines, Legal and Compliance Section on MC Square).

4. Political Activities

The Company is strictly prohibited by law from making political contributions to U.S. federal election campaigns, and as a matter of corporate policy, neither the Company nor any employee or officer of the Company acting on the Company's behalf may make any contributions, in cash or in-kind (including the provision of Company employee services or any other corporate assets), to any federal, state or local political election campaign, or to any political party or on behalf of any political lobbying group.

a. The Company has not established, and has no intention to establish in the future, any political action committee for the purpose of facilitating political contributions in connection with any federal, state, or local political election campaign.

b. Company employees and officers who are not U.S. citizens or permanent residents are strictly prohibited by law and corporate policy from making contributions in connection with any federal, state, or local political election campaign.

c. Individuals who are U.S. citizens or permanent residents are permitted to make political contributions and engage in political activity subject to certain conditions, restrictions, and limitations under federal, state, and local laws and regulations. Company employees and officers who are U.S. nationals and who wish to make political contributions or engage in political activity should consult applicable laws and regulations before engaging in such activities. As a matter of policy, Company employees and officers are responsible for complying with all such applicable laws and regulations, and for taking appropriate measures to ensure that any political activities they engage in are not perceived as being carried out on behalf of the Company. They must also adhere to the following conditions when engaging in political activity while employed by the Company:

   i. Company employees and officers must engage in political activity at their own expense and risk.

ii. No political activity shall be conducted on Company premises or utilizing Company letterhead or other office supplies or services, or Company electronic mail equipment or networks.

iii. Company employees and officers must engage in political activity on their own time, including lunchtime and accrued vacation.

Procedure

1. All employees are required to sign a Confidentiality Obligations certificate, which will remain in force during and after their employment.
2. The authorized manager, in conjunction with Human Resources and Legal and Compliance, as appropriate, will decide if an employee is in violation of the Business Conduct Guidelines.
3. Material or willful violation of this policy may result in an employee's immediate termination.
4. Any employee who is aware of a violation of this policy has a responsibility to urge the violator to approach management or to report the violation directly. Failure to do so may result in disciplinary action even if the employee was not directly engaged in prohibited conduct.

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Supersedes **March 12, 2024**

Electronic Communications & Media

Policy

The Company's technology assets include but are not limited to computers, an email system, email servers, file servers, office telephones, cell phones, radio, tablets, a voicemail system, fax machines, copy machines, internet access, online accounts, electromagnetic, photo-electronic or photo-optical systems, and other kinds of hardware, software, firmware, and connectivity. (Collectively, these are the Company's "Communications Technology.") These technology assets are provided to support the business of the Company.

All of the Company's Communications Technology, and the communications and other information input, created, transmitted, received, or stored using the Company's Communications Technology ("Electronically Stored Information" or "ESI") are the property of the Company, and may be subject to monitoring at any and all times and by any lawful means, and are subject to the following procedures, as well as other Company policies, procedures, and guidelines, including (among others) the Company's Basic Regulations on Information Security and the Company's Information Equipment and Media Usage Standard.

To the extent any of the provisions of other Company policies (including, without limitation, the Information Equipment and Media Usage Standard) conflict with provisions of this policy, the provisions of this policy will control over such other provisions.

Procedure

The following procedures and guidelines apply to all Communications Technology and ESI. By using the Company's Communications Technology, all personnel, including officers, directors, employees, independent contractors, and temporary staff, consent to having their use of Communications Technology monitored and their ESI monitored, retrieved, and reviewed at the discretion of the Company for legitimate management reasons, consistent with this policy.

1. The Company reserves the right for legitimate management reasons to monitor, access, disclose, and use ESI that is input, created, transmitted, received, or stored using the Company's Communications Technology. All personnel must keep in mind that they do not have a right of privacy with regard to such ESI and that the Company may monitor its Communications Technology to confirm compliance with its policies, to investigate allegations of misconduct (such as unlawful, discriminatory, and harassing actions and other like behaviors), to locate information, or for other business-related purposes.

2. Despite the Company's efforts to secure its Communications Technology, the Company cannot guarantee against unauthorized access or transmission of ESI on the Company's Communications Technology, by either outside parties or Company personnel. Note also that even files considered "deleted" may be accessed by the Company or as a result of a security breach of the Communications Technology. Personnel should consider the nature and sensitivity of all information input, created, transmitted, received, or stored using the Company's Communications Technology. All personnel must be aware of cybersecurity risks, "social engineering" risks, and the proprietary and non-public nature of the Company's business information, and take appropriate steps to keep Company information, including all ESI, confidential to the extent required by the Company's Business Conduct Guidelines.

3. The Company reserves the right to override any passwords, encryption, or other security measures used on the Company Communications Technology, and personnel must provide information to overcome such security measures to the Company upon request.

4. Although the Company has the right to access the ESI of Company personnel, the express permission of the Company's President is required to access the content of any email, voicemail or other communication unless the creator or an intended recipient has given written consent.

5. The Company's Communications Technology must not be used to transmit or receive copyrighted materials in violation of licenses or other copyright protections and laws that govern fair use of copyrighted material owned by others, trademarks and other intellectual property, and must not be used to transmit or receive trade secrets or other non-public or proprietary information in breach of any obligation of confidentiality as described in the confidentiality agreement signed by employees upon joining the Company.

6. The Company's Communications Technology is to be used primarily for the conduct of Company business. It may not be used to solicit or promote commercial ventures, religious or political causes, or other non-job-related solicitations other than legally protected labor activity. Company personnel who wish to engage in political activity should consult the Business Conduct Guidelines Policy for further guidance, including prohibitions on conducting political activity using Company Communications Technology.

7. Non-business use of the Company's Communications Technology (a) must be limited to non-work time such as rest breaks, meal periods, and before or after work, (b) shall comply with all Company policies, (c) shall not interfere with the employee's or others' performance of their job responsibilities, and (d) is not private and is subject to monitoring by the Company for legitimate management reasons. Non-business use of employees' Company email addresses for personal social media accounts or for online shopping or other personal transactions is prohibited. All non-business communications and data (other than those pertaining to legally protected labor activity) on the Company's Communications Technology are subject to deletion at the Company's discretion without notice.

8. Personal phone calls/texts/chats/faxes using the Company's Communications Technology or personal devices during work time should be brief and limited in number.

9. Non-business use of personal devices and other equipment during the work day (a) must be limited to non-work time such as rest breaks, meal periods, and before or after work, (b) shall comply with all Company policies, and (c) shall not interfere with the employee's or others' performance of their job responsibilities. All communications by personal devices using the Company's internet access are subject to monitoring for legitimate management reasons.

10. The Company's Communications Technology must not be used to input, create, transmit, receive, or store any document or communication in violation of Company policy, including but not limited to the Code of Business Conduct, the Securities and Insider Trading Policy, the Business Conduct Guidelines, the Equal Employment Opportunity/Anti-Harassment Policy, and the Antitrust and Competition Law Compliance Guidelines.

11. The Company maintains an electronic bulletin board to allow for the posting of Company-related information that has been approved by the manager of the department posting such information. In addition, for certain important messages, a sender may send a company-wide email. These Company-wide emails are transmitted using the Company's Communications Technology and, thus, may not be sent for any reason unrelated to the business or activities of the Company.

12. The Company prohibits the use of personal equipment, software, or media for Company business, except for voice calls, without prior authorization. If exceptional circumstances compel such use in violation of Company policy, the user is required to report the incident promptly to his or her manager with an explanation of the circumstances and a copy of the information involved, unless the user is a Director (or above). In such instances, the user must delete all Company-related communications and information from the personal equipment and software no later than five business days after such incident.

13. When using social media, personnel must comply with all Company policies; for example, they should not disclose or post images or video of any of the Company's trade secrets, intellectual property assets, non-public data, proprietary business information, or business and investment processes, strategies and prospects. Unless prior authorization to speak on the Company's behalf has been obtained from their Director, personnel should not represent or suggest in any social media activity that they are authorized to speak for the Company, or that the Company has reviewed or approved their content. If that will not be obvious from the content or context of their post, they should specifically post "#notanofficialspokesperson" or state, "The views expressed in this post are my own. They have not been reviewed or approved by [Mitsubishi Corporation (Americas)], and I am in no way speaking on behalf of such a company." Guidelines for using social media for business purposes are outlined in the Company's Policy on Social Media for Business.

14. All personnel are individually responsible for retaining all electronic documents in accordance with the Company's Document Retention Policy. Personnel must confirm with their manager that they have properly retained all electronic documents upon transitioning to new electronic hardware or transfer to another position within the Company. Upon leaving the Company, all Company documents must be returned to the Company and no copies may be kept by the employee in electronic or hard-copy form.

15. Each officer and/or Director ("Responsible Manager") is responsible for ensuring compliance with the Company's Document Retention Policy by the personnel they supervise. Responsible Managers must remind their personnel not to destroy or delete documents when transitioning to new electronic hardware or upon leaving the department or Company with which they have been employed. Responsible Managers shall take custody of and properly file and store the electronic documents previously in the custody of departing personnel.

16. You must comply with all requests from and cooperate with the Company in connection with any subpoena, pending or contemplated litigation, or investigation, including turning over any devices, data, documents, or other records without any alterations, deletions, or modifications thereof. Any non-compliance could subject you to disciplinary action up to and including termination.

17. Violations of this policy will result in disciplinary action up to and including termination.

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Supersedes **October 1, 2020**

Lost and Found

Policy

Each office should designate a person or department to be responsible for lost and found articles.

The Facilities Management Department serves as the clearing house for all lost and found articles.

Procedure

1. Employees should inform the Facilities Management Department about any lost and found articles.

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Supersedes **October 1, 2020**

Reception Area

Policy

The reception area is to be used for business visitors and customers who are waiting to meet with employees. It is not to be used by employees as a lounge during lunch hours, rest periods, or at any other time.

Procedure

1. Each branch office will establish a procedure for registering and receiving guests. Facilities Management is responsible for managing this function. In the NYO, all guests must be registered with the receptionist prior to the appointment time. The receptionist will notify the building management so the guest will not be delayed or held on the ground floor.
2. All guests must check-in with the receptionist. The receptionist will then notify the host employee that a visitor has arrived.
3. The host employee or another department member must escort the visitor from the reception area.
4. The receptionist will report any employee who uses the reception area as a lounge to Facilities Management.

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Supersedes **October 1, 2020**

Solicitation and Distribution

Policy

The Company has established the following rules applicable to all employees and nonemployees that govern solicitation, distribution of written material and access to Company property.

- No employee may engage in solicitation during his or her working time or during the working time of the employee or employees at whom such activity is directed.
- No employee may distribute or circulate any written or printed non-work related material in work areas at any time, or during his or her working time or during the working time of the employee or employees at whom such activity is directed.
- Employees may engage in solicitation activities or distribute/circulate any written or printed material in non-work areas only, during non-working times.
- Non-employees are not permitted to solicit or to distribute written material for any purpose on Company property except for charitable efforts approved by Human Resources or Corporate Communication & Sustainability.
- Off-duty employees are not permitted in work areas.

Strict compliance with these rules in required.

Working time includes all time for which an employee is paid and/or is scheduled to be performing services for the Company; it does not include break periods, meal periods, or periods in which an employee is not performing and is not scheduled to be performing services or work for the Company.

Procedure

1. Charitable organizations seeking permission to solicit on the Company premises must be referred to Human Resources or Corporate Communication & Sustainability. If the solicitation is approved, Human Resources or Corporate Communication & Sustainability must make all in-house arrangements and set the rules to be followed.

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Supersedes **October 1, 2020**

Commemoratives (Flowers/Donations)

Policy

In the event of an employee's death or the death of a member of an employee's immediate family, the Company will arrange to send commemorative flowers, donations or any other suitable remembrance.

Procedure

1. The authorized manager should inform Human Resources of the death of an employee, a death in an employee's immediate family (i.e. spouse, domestic partner, child, sister, brother, parent or spouse's parent), or the death of a retired employee.
2. Each department arranges for flowers, donations or any other suitable remembrance to be sent from the Company.

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Supersedes **October 1, 2020**

Safety Procedures/ OSHA/Log/Workers' Compensation

Policy

It is the policy of the Company to comply with the safety and health standards, regulations and orders issued under state, federal and local laws, to maintain our facilities in the best possible condition, to protect employees from occupational danger, and to ensure that work related accidents/illnesses are properly attended and reported to our insurance carrier.

In accordance with the Occupational Safety and Health Act of 1970, each office will keep records for eighteen months or 1 year after all compensation is paid, whichever is later of any occupational illnesses or injuries that occur.

Procedure

1. Workers' Compensation posters should be posted in each office location. Human Resources is responsible for obtaining new posters and distributing them to all offices each year.
2. Authorized managers should instruct employees as to the safest way to perform their jobs and to respond to all emergency situations.

3. Employees must report all unsafe conditions or unsafe practices to their authorized managers or Human Resources.

4. Employees are required to notify their authorized managers or Human Resources of any medication they are taking which could jeopardize their safety or the safety of others.

5. Employees must observe all safety rules that are appropriate for their area of work.

6. Every injury sustained at work (or work-related illness) no matter how minor must be reported immediately (and in no case later than 10 days after the injury occurs) by the employee or authorized manager to Human Resources and Facilities Management, which in turn:

   a. Arranges first aid/medical attention for the employee.

   b. Completes the first report of accident or requests to Human Resources and Facilities Management to complete the report.

   c. Where appropriate, conducts an accident investigation within 24 hours of the accident.

   d. Notifies the insurance carrier of any reportable accident within 10 days of the accident or report of illness.

   Completes all reporting requirements required by federal, state, or local laws.

7. Human Resources and Facilities Management in each office records each occupational injury or illness on OSHA Form No. 301 and posts the summary in a conspicuous location within their office space from February 1 to May 1 each year.

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Smoke-free Workplace

Policy

The Company provides a work environment that is smoke-free. Smoking and the use of all tobacco-related products, including but not limited to, smoking of cigarettes, cigars, and pipes, the use of chewing tobacco and the use of e-cigarettes is strictly prohibited inside the building. Employees that observe other individuals smoking in the workplace have a right to object and should report the violation to their authorized manager or to Human Resources. Employees will not be disciplined or retaliated against for reporting smoking that violates this policy.

Employees that violate this policy who tamper with "no smoking" signs or smoke detectors may be subject to disciplinary action up to and including termination.

Procedure

1. Smoking of any tobacco products, e-cigarettes, etc. is prohibited in all areas of the office regardless of the time of day.
2. In the event an employee feels that this policy is not being observed, he/she should contact Human Resources.

3. Employees making complaints are protected against retaliation or from being subjected to any adverse personal action for exercising or attempting to exercise their rights under this policy, as well as by law. Any employee who believes that he/she has been the victim of retaliation as the result of making a complaint should report to Human Resources. The Company will investigate any claims of retaliatory action. Violations of this policy may result in appropriate corrective disciplinary action, up to and including discharge.

Issued **December 1, 2024**

Mobile Phones for Non-Exempt Employees

Policy

The policy establishes guidelines for the appropriate use of company-provided phones by non-exempt employees to ensure productivity, maintain data security, clarify expectations for phone usage during working hours, and address the process for obtaining company phones.

Company phones are intended for business-related activities only. Non-exempt employees should use their company phones for work-related calls, emails, messaging, accessing company systems, and other work-related applications.

When non-exempt employees use company phones for work-related purposes outside of regular working hours, it is considered as working time. Such usage is subject to overtime approval from the employee's manager or supervisor as documented in the Attendance Record: Non-Exempt Employees and Overtime Pay: Non-Exempt Employees policies. Company phones may not be used outside of working hours without approval from the employee's manager or supervisor.

Employees are responsible for safeguarding company data and information stored on their company phones. Employees must use strong and unique passwords or biometric authentication to secure their devices.

Employees should be aware that the company reserves the right to monitor and inspect company phones, including phone calls, text messages, emails, and installed applications in accordance with the Company's Electronic Communications and Media policy.

Violations of this policy may result in disciplinary action, ranging from verbal warnings to termination, depending on the severity and frequency of the infractions. The company will handle policy violations in accordance with applicable laws and regulations.

Phone Application Process

To obtain a company phone, the manager of a non-exempt employee must submit an application to Human Resources. The application must demonstrate the necessity of a company phone based on job accountabilities. The decision to provide a company phone will be made by Human Resources in consultation with the employee's manager.

Human Resources will review and evaluate each phone application based on job-related criteria. Approval for a company phone will be granted for positions where the use of a phone is deemed necessary to fulfill job responsibilities effectively and efficiently. Please note that Temporary Employees are not eligible for a company-provided phone.

Upon approval, MIBS will coordinate the assignment and distribution of company phones to the non-exempt employee. The assigned company phone remains the property of the company and must be returned upon termination of employment or as otherwise directed by Human Resources.

04 Salary & Wages

- Payroll Checks/ Statements/Advances
- Base for Payroll Calculations
- Overtime Pay - Non-exempt Employees
- Holiday Pay
- Pay for Unscheduled Emergency - Leaves
- Shift Differentials
- Final Pay for Terminating Employees
- Payroll Deductions - Exempt Employees
- Garnishments

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Supersedes **October 1, 2020**

Payroll Checks/ Statement/Advances

Policy

Payroll checks and e-statements are issued semi-monthly on the 15th and the last day of each month. If either of these dates falls on a Saturday, Sunday, or holiday, checks and e-statements are issued on the last working day before the scheduled payroll date. Employees have the option of having their pay deposited directly in a bank of their choice.

On pay day, e-statements are available to employees on the Company's online HR/Payroll system and, for employees who have not elected the direct deposit option, checks are given. To initiate or change a direct deposit election, the employee must complete a Direct Deposit Authorization form on the Company's online HR/Payroll system.

Checks

Pay checks are picked up by each Employee from Payroll or Human Resources team if in a branch on pay day. No payroll check will be given to another employee, friend or relative of an employee without specific documented authorization from Human Resources. Payroll checks are not mailed to an employee's home when an employee is absent unless the employee is on an extended leave of absence or due to other extraordinary circumstances.

Lost Payroll Check

Payroll should be notified in writing by an employee if they lose a payroll check. The notification should include a brief explanation of the circumstances surrounding the loss and a request for stop payment. After the return of funds to the Company from the bank or Payroll Service Provider (due to the stop payment process for the original check), Payroll will prepare a disbursement slip to create a replacement check.

Salary Advance for Emergency

Only in the case of an extreme emergency will the Company approve an employee's request for a salary advance. If such an emergency exists, a written request must first be approved by the employee's authorized manager and then submitted to the Payroll Manager for review. Three working days are required to process the advance.

Procedure

1. Payroll controls the distribution and release of payroll checks.
2. Employees who do not elect direct deposit must pick up their payroll checks each payday.
3. In the case of a salary advance for an emergency situation, the authorized manager must examine each request carefully to avoid abuse of this emergency measure.
4. Human Resources releases the last payroll check to a terminating employee.

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Base for Payroll Calculations

Policy

The payroll calculation is based on an employee's monthly wage rate and assumes a work week of 35 hours, Monday through Friday with normal daily work hours stipulated by each office.

Please see Office Hours policy for more information.

1. The standard work week commences at 12:01 a.m. on Monday and ends at 12:00 midnight the following Sunday.
2. The one-hour lunch period is not considered a working hour
3. Authorized rest periods other than the lunch hour are considered as working hours.
4. A salaried employee's salary rate is expressed by a monthly wage rate and assumes a work week of 35 hours.

The conversions to year/month/week/day rates are as follows:

Base Salary	Monthly Rate
Semi Monthly Salary	Monthly Rate / 2
Annual Salary	Monthly Rate x 12
Weekly Salary	Monthly Rate x 12 / 52
Daily Salary	Monthly Rate x 12 / 52 x 5
Hourly Salary	Monthly Rate x 12 / 52 x 35

5. Deductions and Adjustments

Payroll deductions are automatically made for Federal Income Tax, Medicare, Social Security, State Income Tax, City Income Tax, State Disability Insurance, Paid Family Medical Leave, and wage garnishments, as required. Voluntary Deductions (other than those required by federal, state or local legislation) must be authorized in writing by the employee. For example, if an employee has elected to participate in a benefit plan requiring a payroll deduction, the employee's enrolment in that plan authorizes the deduction.

Procedure

1. Payroll confirms that each employee is paid for the hours worked as authorized on employee timesheets.
2. Deductions for unpaid absences and/or payments for overtime are paid in the following pay period, except when an employee terminates.
3. By law, if a court order from a state in which we do business is received ordering garnishment of an employee's wages the Company must execute the order as requested. The employee will be notified of the order and given a copy of the order.

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Supersedes **September 1, 2024**

Overtime Pay - Non-Exempt Employees

Policy

When operational requirements or specific needs cannot be met during regular working hours, it may be necessary for employees to work overtime. To adhere to legal requirements and help to maintain employee well-being, non-exempt employees are required to obtain pre-approval in advance by the authorized manager to work overtime during lunch breaks (up to 30 minutes), evenings, weekends, and holidays and before, or after regular work hours. This pre-approval must include a valid reason, and the reason must be documented by the employee and/or manager in the HR/Payroll system.

Work includes making phone calls, checking emails, or any other work-related activities. Pre-approval is required to ensure compliance with overtime regulations, and the approved hours must be documented in the HR/Payroll system. Working overtime without prior authorization may result in disciplinary action up to and including termination of employment.

Federal law requires non-exempt employees to receive overtime pay at one and a half times the "regular rate of pay" for all hours worked over 40 in a workweek. Additionally many state laws impose different requirements. Since the Company has employees in multiple states, the Overtime Pay policy has been established to comply with applicable state laws and to provide uniform treatment for all non-exempt employees.

The regular rate of pay includes base pay and certain other forms of compensation including non-discretionary bonus payments and Language Premiums.

All positions in Support track are considered non-exempt.

Overtime Pay

1. Regular rate of pay for time worked in the 8th hour of a workday.
2. One and one-half times their regular rate of pay for all hours worked in excess of 8 per workday, up to 12, or in excess of 40 in a workweek.
3. One and one-half times their regular rate of pay for the first 8 hours on a Company holiday or on the seventh consecutive day of work in a workweek.
4. Double the regular rate of pay for all hours worked in excess of 12 in a workday and after 8 hours on the seventh consecutive day of work in a workweek.

All non-exempt employees are entitled to at least one day of rest every seven days in a work week. An employee may independently and voluntarily choose not to take a day of rest and confirm such choice in writing with the Company. In addition, all non-exempt employees must take a minimum lunch break of 30 minutes each day when no work is performed.

Only actual time worked counts towards overtime thresholds. Holidays, paid vacation, and other paid leaves **do not** count as **time worked** for overtime computation. For example, if an employee takes 3.5 hours of personal paid leave in the morning and works 6 hours in the afternoon, all 9.5 hours are compensated at the regular rate of pay unless the employee has worked in excess of 8 hours during that day or 40 hours in the week.

Overtime Pay for Part-Time and Temporary Employees

Part-time and Temporary employees will be paid overtime at one and one-half times the regular rate of pay for all hours worked in excess of 40 hours in a workweek except where state law (i.e., California) requires overtime to be calculated on a daily basis.

Compensation for travel time during business trips

1. One-day business trip

All time spent traveling on a one-day business trip beyond the employee's normal commuting time is considered as time worked.

2. Overnight business travel

All travel time that occurs during normal office hours for an overnight business trip is considered time worked. In states other than California, travel time outside of normal office hours is not considered time worked if the employee is traveling as a passenger (e.g., in a car or plane). If the employee is required to drive to and/or from another location either before or after normal working hours, the traveling time is considered time worked to the extent that it exceeds the employee's normal commuting time. Travel time on a holiday or on the 6th or 7th day worked in the week, which occurs during the hours normally worked during the week will be considered time worked and will be paid at the overtime rate. Any time that an employee spends performing work while traveling is considered time worked.

In California, all travel time to and from an overnight destination beyond the employee's normal commuting time is considered as time worked.

Procedure

1. Non-exempt employees must report and accurately record all time worked and may not work hours that they do not record. Working "off the clock" for any reason is considered a violation of Company policy.
2. All overtime must be approved in advance by the employee's authorized manager. All overtime worked but not approved in advance will be paid but employees who do not obtain advance approval will be subject to discipline up to and including termination.

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Holiday Pay

Policy

Active, full-time employees will be paid for all company holidays except as outlined below.

1. Employees on long term, unpaid leaves of absence, including short-term disability leave, (more than 5 days).
2. Employee on unauthorized absences from work.

Please note:

- Although employees are eligible for holiday pay while on long term, paid leaves of absence, the approved length of a paid disability leave will not be increased due to the occurrence of a holiday during the leave.
- Exempt employees on long term, unpaid leaves of absence will be paid for holidays that occur during any week of the leave in which work is performed by the employee.

A part-time or temporary employee may be eligible for holiday pay (see the Part-time Employment Policy).

Procedure

1. Active, full-time employees and qualifying part-time or temporary employees are paid for holidays automatically.

2. Active, full-time employees on authorized leaves of absence or short term unpaid leaves are paid for holidays that occur during the leave, provided that the proper leave forms are filed with Human Resources.
3. A holiday which occurs during an employee’s authorized vacation is not charged against the employee’s vacation allowance.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Pay for Unscheduled Emergency - Leaves

Policy

1. If a non-exempt employee is required/requested to work at a time when management has determined that the office should be closed due to an emergency situation, that employee will be paid their regular rate of pay for hours actually worked that day up to a maximum of 8 hours in addition to the pay provided for the hours covered by the emergency closure period. If the employee actually works more than 8 hours they will be paid at time and one-half for the time beyond 8 hours. The employee may arrange with the Group/Division management for compensatory time off for any hours that are to be paid at the regular rate of pay. However, all hours paid at time and one half under the Fair Labor Standards Act (FLSA) must be paid (i.e. compensatory time is not allowed).

   NOTE: No employee can be required to work in a situation which is unsafe or which the employee reasonably considers to be unsafe.

2. **Vacation or Other Pre-Scheduled Time-Off During Emergency Leave**

   If an employee (exempt or non-exempt) is on vacation or other pre-scheduled time-off during an unscheduled emergency leave, the time off will still be charged as originally planned (i.e. as a vacation day). Employees who are not working on these unscheduled emergency situation days for any reasons whatsoever are not eligible for early closing benefits or compensatory time off.

Procedure

1. The non-exempt employee records (Punch-In/Punch-Out) work time in the Company's online HR/Payroll system.
2. The time worked will be authorized by the authorized manager in the Company's online HR/ Payroll system for processing by Payroll.
3. If compensatory time off is authorized as defined above, a notation should be made by the authorizing manager in the Company's online HR/Payroll system.

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Shift Differentials

Policy

A shift differential of ten percent (10%) is paid in addition to the employee's regular rate of pay to those employees who are regularly scheduled to work a shift that significantly differs from the office's regular work hours. The amount of shift premium may vary from one locality to another. If an employee regularly scheduled to work an alternate shift works overtime (subject to approval by their authorized manager), the employee will be compensated at the established rate of overtime times the established shift premium rate.

It should be noted, however, that compensation for other benefits (including but not limited to such benefits as life insurance coverage) will exclude the shift differential and be computed only at the employee's base rate of pay.

Should an employee on an alternate shift be permanently transferred back to the regular shift, their salary will be reduced by the amount of the shift differential.

Procedure

1. The employee is notified by his authorized manager that they will be working on an alternate shift.
2. The authorized manager contacts Human Resources regarding the assignment of employee to an alternate shift.
3. Human Resources calculates and enters the shift differential percentage that will be added to employee's base compensation to the employee's record in the Company's online HR/Payroll system.

4. If the employee is re-assigned permanently to the regular shift, the authorized manager again notifies Human Resources, which in turn removes the shift differential percentage from the employee's record in the Company's online HR/Payroll system.

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Final Pay for Terminating Employees

Policy

The Company will ensure that a terminating employee is paid appropriately on the last day or as soon as possible thereafter.

Procedure

1. Payments due to the employee are as follows:

a. Wages, including overtime pay: Earned up to and including the termination date

b. Accrued but Unused Vacation

2. The Company will also make deductions from the employees' final pay for the following:

a. Settlement of Vacation Advances

b. Group Insurance Premiums: As group insurance coverage expires on the last day of the month in which the employee terminates, the employee is responsible for their portion of the premium for the final month regardless of the number of days worked.

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Payroll Deductions - Exempt Employees

Policy

Payroll deductions from the salaries of exempt employees (Professional career track or above) for time away from work can only be made under specific circumstances as proscribed by the Fair Labor Standards Act.

1. Deductions for absences can be made under any circumstance where the employee has not actually worked for a calendar week or longer.
2. No deductions can be made from the pay of an exempt employee for any time absent during a calendar week in which the employee worked for any length of time. The only exceptions to this rule are the following:
   a. Absence from work for one full day or more for personal reasons, other than sickness or disability.
   b. Absence from work for one full day or more due to sickness or disability if the deductions are made under a bona fide plan, policy, or practice of providing wage replacement benefits for these types of absence i.e., the person has used all available sick time.
   c. Offset for any amounts received as payment for jury fees, witness fees, or military pay.
   d. Penalties imposed in good faith for violating safety rules of a major significance.

e. Unpaid disciplinary suspension of one or more full days imposed in good faith for violating workplace conduct rules.

f. Proportionate rate of full salary for time actually worked in the first and last weeks of employment.

g. Unpaid leave taken pursuant to the Family and Medical Leave Act (see the Family and Medical Leave/Paid Family Leave Policy).

No deductions can be made for any reason other than outlined above and deductions, if applicable, can be made only for full days.

Procedure

1. In the event it is appropriate to deduct pay from an exempt employee, the authorized manager must record the day as unpaid leave in the Company's online HR/Payroll system after documented consultation with Human Resources.
2. Should an exempt employee find their payroll check to be incorrect, the employee should speak to their authorized manager and/or Payroll to find out the reason. If a deduction is made that is not consistent with this policy, the amount incorrectly deducted will be refunded to the employee.

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Supersedes **October 1, 2020**

Garnishments

Policy

The Company is required by law to withhold part of an employee's paycheck when properly served with notice of a wage assignment, wage deduction or government levy.

Procedure

1. When the Company receives a garnishment summons, it is checked to see that it complies with Federal and State laws.
2. If the garnishment papers are in order, the employee is notified by Human Resources and given an opportunity to settle the claim.
3. If the claim is not settled, Payroll is instructed to make deductions from the employee's salary in accordance with the garnishment order.
4. Frequent wage assignments or garnishments may result in the employee's dismissal (depending on applicable state law).

05 Performance & Compensation

- Corporate Policy on Basic Compensation
- Job Classification for Promotions/Demotions
- Salary Increase Determination/Processing
- Performance Enhancement Process
- Short-term Incentive Plan

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Corporate Policy on Basic Compensation

Policy

The Company is committed to providing all positions in its organization with a fair and competitive compensation opportunity. Compensation levels at the Company will be consistent with the prevailing competitive practice in the labor market and reflect the relative value to the organization of the skills and competencies required in the performance of job duties and responsibilities.

Career Tracks

All jobs within the Company are placed within one of four career tracks. The placement of a position within a career track will be based on the skills, competencies and responsibilities required by and associated with the job. These career tracks are Support, Professional, Management, and Executive.

Market Reference Points

The Company will establish a market reference point for every position. The market reference point will represent the target compensation level that the Company will pay for a completely competent employee in that job performing all of the duties of the job at a "Meets Expectations" level and is based on local, regional or national levels, as appropriate. The Company targets an overall value equal to the 75th percentile of the market as the market reference point. Total compensation, including base and bonus, will be compared to the market reference point for each job.

Starting Pay Rates

Starting pay rates for employees will be measured against the market reference point, adjusted upward or downward depending on how well the employee meets the requirements, skills, and competencies of the position and the employee's prior experience as it relates to the position. Some additional aspects of the position that would impact its market value are:

- Complexity of the job;
- Industry pay trends;
- Relevant requirements and qualifications;
- Geographic locations; and
- Value to the organization

Employees may not be hired below the 50th percentile of the market without approval of the Senior Vice President of Human Resources. Thereafter, the Company will review each employee, as appropriate (annually) for possible adjustments to their compensation based on the employee's job description, manager's feedback, PEP results of actual performance and demonstrated levels of required competencies. It is the employee's authorized manager's responsibility to notify the employee of the market rates for their position.

Language Premium

The Company will pay a Language Premium to an employee when there is a business need for bilingual ability in the employee's current job. The amount of the premium is based on the "value-added" or how essential the bilingual skills are to the successful performance of the job. Based on certain criteria, the premium will be set at 5% or 10% of base salary as determined by Human Resources.

1. 5%

Verbal & written command of a non-English language must be essential for the employee's position, which would include regular use of language skills in the day-to-day responsibilities of the job. The job requires significant contact with non-U.S. organizations and a sound understanding of business practices in the target country.

2. **10%**

    In addition to all the criteria for #1 above, language skills are a fundamental requirement for the role and proficiency and significantly impact job performance. This would include frequent interaction with international clients, global team collaboration or specialized language requirements.

The Language Premium should not be included or considered when calculating a salary increase. The Language Premium does not increase the cost of providing benefits, such as bonus payments and 401(k) match payment. Benefits are based only on base salary.

The Value of Competitive Compensation

The Company believes that competitive compensation is one of the critical elements in the Company's relationship with its employees. Therefore, the Company takes these objectives seriously. The Compensation Philosophy and supporting guidelines will be reviewed by Human Resources at least every two years.

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Job Classification for Promotions/ Demotions

Policy

The authorized manager assigns their personnel to the positions required for the accomplishment of Department/Division/Group/Branch goals. For business reasons, it may be necessary to materially change an employee's job assignment resulting either in a promotion or a demotion. Upon reassignment, the authorized manager should prepare a new job description and contact Human Resources to discuss the need for the position to be re-classified and a new market reference point to be developed.

Promotion

A promotion is a change from one job classification to another of higher rank which results in the position being re-priced within the same Career Track or movement to a higher Career Track/Level. The employee's new rate of pay should be determined by reviewing their current salary relative to the market price for the new position and adjusting the pay to reflect the appropriate position relative to the market pricing guidelines.

Please note that a promotion in job classification does not automatically ensure a salary adjustment. If, however, the authorized manager feels that a salary increase is warranted, an email should be sent by the authorized manager to Human Resources showing the new salary rate and effective date. It should be noted that the employee's new salary should not place them higher than the 75th percentile of the market price for the new position. Additionally, please keep in mind that a position must be slotted in a career track/level and assigned a market reference point by Human Resources prior to any communication to the employee regarding the promotion or compensation level.

Demotion

A demotion is a change from one job classification to a less valued job classification. The employee's rate of pay should be determined by reviewing their current salary relative to the market guidelines for the new position. Any demotions in track/level and/or salary must be coupled with the company's corrective action process. Separately, if an employee requests to move to a new position with a lower market reference point, their salary will be moved to the new position's market reference point.

Note: Demotions are relatively uncommon and most often occur when there is a reorganization or when a position substantially changes. Demotions must be discussed with and approved by Human Resources.

Procedure

1. When either management or an employee feels that an incumbent's job has significantly changed, a new job description should be written and submitted to Human Resources for review.
2. If Human Resources determines that the revised job description warrants a promotion or demotion justifying a re-pricing action, notification of the results will be sent to the authorized manager and changes will be updated in the online HR/Payroll system. The changes will then be visible to the employee on the effective date of the change.
3. In the case of a demotion, if the salary applicable to the new job classification is significantly lower than the former one, it may be necessary to decrease the employee's salary. As a general guideline, the employee's salary should not be above the 75th percentile rate for the new position.

   All salary adjustments for promotions or demotions require consultation with the authorized manager and Human Resources.

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Salary Increase Determination/ Processing

Policy

A salary increase is considered when an employee's performance rating justifies a salary increase to a point that is appropriate relative to the market guideline for the position. Salary increases are generally made effective on June 1st of each year.

A salary increase should reflect the amount of money necessary to move the employee's salary to a point that is appropriate relative to the market rate for the position based on the employee's performance.

Procedure

1. The authorized manager reviews the performance rating and compares it with the salary increase being recommended. This is to ensure that the performance rating reflects a consistent level of performance and that the recommended increase is appropriate considering the employee's current salary, the performance level, the position's market value and the salary budget.

2. After the review, the authorized manager completes the online Salary Increase Workflow, which will then be forwarded to the Group SVP for approval. Once the SVP approval is obtained, the worksheet is sent online to Human Resources for review and processing.

3. If the salary increase requested is outside of the standard guidelines (is below the 50th percentile or above the 90th), Human Resources will discuss the circumstances of the request with the SVP. If not approved, Human Resources will contact the authorized manager to request an adjustment.

4. After authorization of the salary increase, Human Resources notifies Payroll to process the increase. Once processed, the increase will be visible to the employee and authorized manager on the effective date through the online HR/ Payroll system. Therefore, the employee's authorized manager must inform the employee of their salary increase prior to the effective date.

5. When no salary increase is awarded, the employee must be notified by their authorized manager so that a complete understanding between all parties is attained.

6. Salary increases will generally occur once per year unless the employee's compensation level is below the 75th percentile of the market and "catch-up" action is warranted. To request an off-cycle salary increase, please contact Human Resources.

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Performance Enhancement Process

Policy

All Company employees participate in the Performance Enhancement Process. This process is done through the online PEP system.

The PEP is initiated by the employee and once completed, is sent to the authorized manager for review. If accepted, the PEP is sent on to the final approver. If the authorized manager requests changes, the PEP will be returned to the employee to revise and resubmit. Once completed and approved, the PEP is available for review by the employee, authorized manager, and the final approver online at all times.

The PEP consists of four parts:

- Performance planning during which performance expectations are set for annual individual objectives, job accountabilities, and competency developmental plans
- Ongoing coaching
- Quarterly and mid-year reviews
- A year-end appraisal

Procedure

1. The performance planning portion takes place at the start of the fiscal year and is normally completed before the end of May. During the planning process, major accountabilities should be discussed with the employee and standards of performance established for each. Objectives are established as well as definitions for various performance levels i.e. Needs Improvement, Meets Expectations and Exceeds Expectations. Finally, at least one developmental plan should be established to improve/ develop appropriate competencies. A complete description of the process is contained in Performance Enhancement Process (PEP) Guidelines. These Guidelines are posted on the Company's intranet, MCA Connected.

2. A PEP must be completed by a newly hired or promoted employee after 90 days of employment or reassignment and will be reviewed and approved through the online system. An interactive process is necessary to ensure that the performance expectations are clear to the employee.

3. The authorized manager is responsible for managing performance and coaching throughout the year to maximize performance and ensure no misunderstanding occur concerning expected performance expectations. This process is reinforced by the quarterly and mid-year PEP reviews.

4. At fiscal year-end, March 31, the employee must submit their self-evaluation through the online PEP system to the authorized manager. The authorized manager then is responsible for preparing the results section of the PEP holding an appraisal meeting with the employee. After the performance review and discussion, which should take place in the April/May time frame, the final PEP should be completed through the online PEP system.

5. The completed PEP is stored within the online PEP system.

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Supersedes **October 1, 2020**

Short-term Incentive Plan

Policy

In order to maximize the Company's business potential and performance, management will establish annual organizational and individual objectives for all employees and reward employees for the attainment level achieved.

Each year, as part of the PEP planning process, goals will be established for each employee. The objectives are set at two levels: Organizational (Division/Department) and Individual. Employees in each Career Track have a target level of incentive that, depending on achievement, they may earn as a percentage of base salary.

	Incentive Target as Percentage of Salary	
Career Tracks	Standard	Special Circumstances
Executive E2, E3	60%	
Executive/Management E1, M4	50%	
Management M3	30%	
Professional P1, P2, P3, P4 **Management M1, M2**	10%	*Based on Market
Support S1, S2, S3	6%	

** If the labor market identifies "special circumstances", target incentives may be higher than the standard percentage. Examples of special circumstances include trading and some sales accountabilities.*

Procedure

1. During the PEP planning process, the authorized manager will communicate the Organizational (Division/Department) goals to the employee and work with the employee to develop meaningful Individual objectives (divisional companies may have different programs in place).

2. Each of the two levels of objectives will be assigned a weight based on Career Track/ Level. Human Resources will communicate the weighting for each category annually.

3. The goal attainment level will be evaluated in May of the following year and the bonus to be paid to each employee will be entered into the Salary Increase and Bonus Payment Worksheet and processed by Human Resources.

4. Where there are multiple objectives in a category (Organizational or Individual for example), each objective will be evaluated and scored individually. Where performance on any one objective is below "threshold" that objective will get a score of 0. After all objectives are scored in the category, the aggregate score for the category is used to determine how much incentive is earned for that category. Although an evaluation below "threshold" would yield a 0 score if a category had only one objective, that is not the case where a category has multiple objectives. In that case, an aggregate score of less than 50 is appropriate to use to determine the incentive earned for the entire category.

   There are two types of objectives:

   - **Quantitative Objectives**

     Objectives that deal with profit amounts, sales amounts, tonnage of product shipped or specific amounts of cost reduction.

   - **Qualitative Objectives**

     Objectives that have results that are evaluated on more subjective criteria of achievement rather than quantitative measures.

5. Support track employees (and some Professional track) will typically not be assigned Individual category objectives. Instead, the Individual objective area will be measured based on performance of Accountabilities.

6. The salary used for bonus calculation purposes is that in effect on June 1 of the bonus year or the salary on the date of hire if after that date. However, in the case where the employee receives a salary adjustment or promotion mid-year, the employee's bonus will be prorated using the old and new salaries and bonus targets based on the length of each salary/level during the fiscal year. Employees hired on or before December 31 of the bonus year are eligible for a pro-rata bonus.

7. Each objective area is measured for performance and potential bonus payment independently. In other words, earning no bonus in the Organizational category, for example, will not preclude a person from earning the bonus portion for the Individual category. However, if the person is rated "below" on their PEP overall, no incentive will be paid. Please note that an employee who is otherwise eligible to receive a bonus payment must be employed on the date the bonus is paid to receive any payment under this Plan.

8. **Bonus Calculation when a Leave of Absence is Taken**

Employees who take a leave of absence, either paid or unpaid, exceeding 31 days during the fiscal year will have their short-term incentive calculated on a prorated basis. The bonus proration will be based on the total number of days the employee was absent while on a paid/ unpaid leave of absence for the year including days taken during the leave of absence as sick, vacation, personal, extended sick leave, floating holidays, and unpaid days. The leave of absence calculation for short-term incentive pro-rata salary will be calculated using the following formula:

$$\text{Employee's Annual Salary} - \left[\frac{\text{No. of Days on Paid/Unpaid Leave of Absence (including weekends)}}{\text{365 days}} \times \text{Employee's Annual Salary} \right]$$

If the absence of an employee on an unpaid/paid leave of absence exceeds 275 days, the employee will not be eligible for an incentive reward.

06 Reimbursement

- Corporate Credit Cards
- Membership - Trade/ Professional Associations
- Business Trip Expense Reimbursement
- Business Entertaining
- Taxi/Ride Sharing Expense Reimbursement
- Uniforms
- Weekend Transportation Expense - Exempt Employees
- Company Cars
- Employee Relocation (Domestic)
- Out of Metropolitan Area Commuter Reimbursement

Issued January 1, 2026

Supersedes November 1, 2024

Corporate Credit Cards

Policy

Employees who require a credit card for business trips and/or entertainment may apply for a Corporate American Express card. The Corporate American Express cards are to be used solely for the purpose of Company business.

Procedure

1. To receive a corporate card, the employee must complete the American Express application and an authorization form signed by the employee's Director or SVP and submit them to Corporate Administration.

2. The completed application form is then reviewed, authorized and submitted to American Express.

3. American Express will then run a credit check on the employee and if acceptable, a corporate card will be issued. If, based on the results of the credit check, American Express denies a card, the employee's Director or SVP, after discussing with Corporate Administration, may authorize a "corporate guarantee". The corporate guarantee certifies that the Company will guarantee payment for any charges on the card not paid by the employee and therefore is used only in some cases. If the Company agrees to a corporate guarantee, the application will be reprocessed and American Express will issue a card. After 6 months, a new application should be sent to American Express requesting a removal of the corporate guarantee.

4. The employee is responsible for paying his/her account in full to American Express. Without exception, no balance should be outstanding for more than 60 days.

5. The employee's Director or SVP may require the employee to return the card to the Company if:

   - Job responsibilities change and a corporate card is no longer required
   - The employee fails to pay bills
   - The card is used for other than business purposes

6. The Corporate Card will be terminated by Corporate Administration upon termination.

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Supersedes **July 1, 1993**

Membership – Trade/Professional Associations

Policy

If an employee's membership in a professional or trade association is beneficial to the Company, the membership expense may be paid by the Company.

Procedure

1. The membership application should be discussed with the employee's authorized manager to determine whether a Company sponsorship is warranted.
2. If the membership fee is paid by the company, a disbursement slip is prepared and submitted to the Accounting Division for processing.

   If the membership fee is paid by the employee, the membership reimbursement request must be prepared in SAP Concur. Once the appropriate requests are completed and the requests are authorized, the request is submitted to the employee's applicable Accounting department via SAP Concur. Employees must settle expenses as soon as possible and in no event later than the close of the quarter in which the expense If it is not possible to settle the expense within the quarter, employees must report the expense as an accrual following the Accounting Department's rules relating to the close of the quarter. Please refer to the Accounting Policy on MC Square. Employees must attach applicable receipts to their Expense Reports in SAP Concur.

Issued **July 1, 2026**

Supersedes **January 1, 2026**

Business Trip Expense Reimbursement

Policy

Business trip expenses are reimbursed by the Company under the provisions of this policy.

A business trip is defined as travel necessary for conducting the Company's business when the trip requires:

1. Traveling 60 miles or more one way, or
2. Traveling less than 60 miles one way but staying overnight at the destination.

Transportation expenses for trips other than business trips are reimbursed by the Company under the provisions of the Approval Procedures for Non-Business Transactions.

1. Administration

Human Resources is responsible for the administration of this policy. The traveler's department is responsible for submitting accurate reports in accordance with this policy. The Accounting Department (Non-Trade Accounting Department, Trade Accounting Department, and Houston Accounting Department) is responsible for auditing travel, entertainment, and intra-company meal reports and preparation of SAP Concur/disbursement slips. When travel is charged to AIL or booked as a receivable from a third party, the initiator should also issue a BPO Debit Note along with the Travel, Entertainment, and Intra-Company Meal Reports. (Please refer to the related rules: Approval Procedures, Entertainment and Transportation Approval List, etc.)

All hotel and air travel arrangements must be booked through Kintetsu International Express, Concur Travel, or Concur TripLink (excluding Concur TripIt) unless the employee is attending a conference or training program for which the hotel is included or discounted, or the hotel is arranged by a customer, supplier, or MC-affiliated office. Employees and approving managers are responsible for reviewing travel arrangements are made through acceptable vendors/providers. The Company encourages employees to book their accommodations through Kintetsu to maximize cost savings and streamline hotel bookings. For the best available rates and perks, please contact a Kintetsu agent by phone or email. There is no fee for booking hotels through Kintetsu. In the event a travel arrangement cannot be booked through Kintetsu International Express, Concur Travel, or Concur TripLink, the SVP overseeing the traveler's business group may grant an exception to this rule. Written evidence of the exception must be attached to the corresponding receipts in SAP Concur.

In addition, we kindly request all employees to review the following website before traveling internationally for business purposes.

危機管理・事業継続マネジメント (BCM)/Crisis Management • Business Continuity Management(BCM) - Overseas Crisis Management - 01.By Category (sharepoint.com)

2. Authorization

Before taking any business trip, each employee must obtain approval from their authorized manager in the SAP Concur system.

*Please refer to the Approval Procedures to see the approval workflow.

3. Cash Advance

An employee may request a cash advance for a business trip to cover the estimated or exact cost of business trip related expenses, such as airfare or hotel accommodations, or to use as "spending money" during the trip. To receive the advance, the employee must complete a Concur request (adding the Cash Advance option) and submit supporting evidence in SAP Concur stating the reasonable amount necessary, the destination(s), the duration of the trip, and any applicable evidence. The maximum standard advance for spending money is $80 for each day scheduled for the business trip. If additional money is required, the comment field must be completed on the request form in SAP Concur explaining the reason for the request for additional money.

The Concur request must be approved by the authorized manager and submitted to the Accounting Department via SAP Concur no fewer than five (5) working days before the money is needed. Employees may contact Kintetsu International Express directly to have their travel invoiced directly to the Company in lieu of receiving a cash advance.

4. Passport and Visa Fees

If an employee is required to obtain or renew a passport or visa for the purpose of business travel, the Company will reimburse the cost upon presentation of the receipt(s).

5. Foreign Currency Exchange Rate

When converting currency, use the actual exchange rate as evidenced by receipts and credit card statements. If actual exchange rates are unavailable from the evidence, employees should use the exchange rate automatically applied by SAP Concur for the date of the transaction. Employees are reimbursed the fees charged for converting currency for foreign trips as evidenced by receipts. Please see Section 10: Settlement of Trip Expenses and Cash Advances for additional details.

6. Flight Class

All employees, excluding Executive track employees, are required to fly Economy Class unless the total scheduled flight time of all segments of a one-way trip exceeds five hours. When total flight time exceeds five hours, all employees are permitted to use Economy Class, Premium Economy Class, or Business Class unless the SVP requires the use of Economy Class or Premium Economy Class travel because of business or budgetary conditions. Employees in the Executive track may use Economy Class, Premium Economy Class, or Business Class for all flights.

For domestic flights offering only First Class and Economy Class, employees may choose First Class, Comfort Plus, Delta One, or another comparable flight class similar to Business Class provided the employee meets the above flight class eligibility criteria.

In the event an employee is required to accompany a client or guest, or when Economy Class is not available in an urgent situation, the authorized manager may make an exception to this rule.

7. Daily Allowance

Meals and Incidental Expenses

A set daily allowance ("per diem") is provided **for each calendar day** of the trip. The employee is entitled to the full daily allowance each day unless one of the following conditions applies:

- The employee submits a reimbursement of entertainment expense for a meal that day, in which case the corresponding meal allowance will not be paid for that day.
- The employee is a guest at a meal paid for by the Company or another entity.
- The employee is a guest at a meal that is otherwise provided by the Company or is included as part of another expense paid by the Company (e.g., training program, conference, or air flight).
- The business trip is under 12 hours, in which case the employee is not eligible for a daily allowance.
- The business trip is more than 12 hours but less than 24 hours on the same date, in which case the employee will be paid ¾ of the daily allowance.
- The daily allowance on first and last day of travel will be paid at ¾ of the standard daily rate.

Daily allowances vary by location and are automatically calculated by SAP Concur based on applicable rate of the location. The daily allowance amount is set by either the General Services Administration or the Department of State's meal and incidental expense rate for the geographic location visited. Please see below:

- **General Services Administration**
  https://www.gsa.gov/travel/plan-book/per-diem-rates
- **Department of State**
  https://allowances.state.gov/web920/per_diem.asp?

For any day of the trip in which the employee travels to two or more regions, the daily allowance for the last location visited on that date will apply. On the last day of travel, the daily allowance rate of the last location visited will apply.

Approving managers are responsible for ensuring accurate allowance allocations.

Laundry Allowance

Employees may be reimbursed the actual cost of laundry services, as evidenced by receipts, for trips of more than five days.

Spousal Allowance

Where business necessitates that the employee's spouse accompanies the employee on a business trip, the employee may receive twice the daily allowance for each day. Additionally, the Company will reimburse the employee for the cost of the actual airfare and accommodation expenses incurred by the spouse.

8. Lodging Expenses

If an employee stays at a commercial hotel or other commercial lodging facility, the actual cost of a reasonable commercial hotel (room, mandatory fees, and tax only) is reimbursed, unless the cost of the room is paid by a customer, supplier, etc.

If an employee stays at the home of a relative or a friend, or a company house instead of at a commercial hotel, the employee will receive an additional allowance of $50.00/night.

9. Transportation and Other Expenses

Actual transportation costs are reimbursed by the company for airplane, bus, train, taxi and all other forms of public transportation, as well as for ride-share services.

The actual costs of a rental car, including fuel, are reimbursed by the Company.

If an employee drives their own car for a business trip, the Company will pay the employee a mileage allowance. The mileage allowance is considered to cover fuel, insurance, maintenance, and depreciation for the vehicle. Tolls and parking are reimbursed at actual cost. **Receipts are required where available.** If no receipts are available, written evidence of managerial approval and a signed statement from the employee is required in place of the receipt. Employees are encouraged to rent a rental car instead of using their own car if the business trip exceeds 200 miles one-way. The mileage allowance is $0.76 per mile.

10. Settlement of Trip Expenses and Cash Advances

A complete and prompt settlement of all cash advances and expenses is required to comply with the standards of sound business practices and the regulations of the Internal Revenue Service.

Employees must attach all expense receipts to their Expense Reports in SAP Concur, except those for meals and incidental expenses. Expense Reports must include the following:

- A PDF or other electronic form of the original itinerary invoice or receipt provided by the travel agency for the travel ticket and any associated fees.
- Approval of the business trip from the authorizing manager through the Requests form in SAP Concur.
- A screenshot or scan of the boarding pass used for each leg of the trip (or alternatively, evidence of airline mileage earned.)
- A PDF or other electronic form of the itemized hotel statement.
- A screenshot or scan of automobile-related and parking receipts. (Each receipt must have a brief explanation of the reason for the expense, such as "Visit to ABC Company." included in the Concur notes section)
- Evidence of the actual mileage driven for the business trip, such as maps showing mileage, pictures of gasoline receipts for rental car reimbursement, odometers, etc. Mileage allowance cannot be claimed for rental car reimbursements.
- A screenshot or scan of any laundry or dry-cleaning receipts (for travel lasting more than five days).
- A screenshot or scan of airport tax receipts and any other relevant receipts.
- Evidence of foreign currency exchange rate(s), if applicable. If the credit card statement shows the actual amount charged in U.S. dollars, reimbursements can be claimed in U.S. dollars in SAP Concur. In this case, the credit card statement must be attached with receipts in local currency. If actual exchange rate evidence is unavailable, employees can use the exchange rate automatically applied by SAP Concur based in transaction date input. Please see Section 5: Foreign Currency Exchange Rate for further details.

The supporting documents must be an electronic copy or screenshot of original documents such as itemized invoices, bills, or statements.

Any business trip–related cash advance must be deducted from the actual business trip expenses submitted for reimbursement. An employee may not have more than three outstanding advances open at the same time.

Settlements to the Company must be paid in the form of a check or money order. No cash is accepted.

Entertainment expenses and intra-company meals, including AILs that occur during business trips, must be submitted to SAP Concur at the same time as the Expense Report and will not be processed separately.

A copy of an explanatory note by the employee and an email from the authorizing manager should be provided for all missing receipts. Please scan or upload a copy of such note or email it to the Expense Report.

11. Deadline for Reports

All travel, entertainment, and intra-company meal reimbursement requests must be prepared in SAP Concur. Once the appropriate requests are completed and the requests are authorized by the authorizing manager, the request is submitted to the employee's applicable Accounting department via SAP Concur. Employees must settle business trip expenses as soon as possible and in no event later than the close of the quarter in which the trip was taken or 30 working days after their return from the trip, whichever is earlier. If it is not possible to settle the expense within the quarter, employees must report the business trip as an accrual following the Accounting Department's rules relating to the close of the quarter. Please refer to the Accounting Policy on MC Square.

Employees at the SVP Level and above may use the approvers on the Entertainment Expenses and Transportation Approver list maintained by Corporate Administration for approval of their business trip expenses.

12. Travel Insurance Coverage

All employees are covered by traveler's accident insurance.

For rental cars, liability and collision coverages are provided by the Company's insurance. This policy is handled by the Insurance Department. Therefore, any additional insurance offered by the rental car company should be declined and will not be reimbursed. Please note that the Company does not provide coverage for personal property loss or damage while on a trip and will not reimburse the cost of such coverage.

Frequently Asked Questions

1. **My hotel rate included breakfast, but I had to leave before it was served. Am I eligible for the breakfast allowance?**

   Yes, you are eligible for a breakfast allowance if you were unable to eat breakfast in the hotel due to your departure time. In this instance, please note in SAP Concur that you were unable to eat breakfast due to your departure time. However, if you did eat breakfast, you should remove breakfast from the business trip expense allowance for that meal.

2. **I am on a two-week business trip that requires me to stay in the business trip destination over the weekend. Should I receive a travel allowance for the weekend days on the trip?**

   You are eligible to receive a travel allowance on the weekend days if you are on a business trip extending over the weekend.

3. **I would like to extend my business trip for personal reasons or vacation for two days. Is there anything I need to bear in mind?**

   - Extending travel for personal reasons must be pre-approved by your manager and should be considered an exception and occur infrequently.
   - The Company will not pay for the costs of accommodation or business trip allowances for personal reasons.
   - If there is a difference between the costs of the travel fare because of the change in departure or return date, the employee will need to provide evidence of the difference by looking up the flight information for the relevant dates and providing evidence of the difference. This evidence should be created at the time of booking and submitted to the employee's manager. The employee should subtract the

difference from the Expense Report if the fare for the extended trip exceeds the fare without the extension.

4. **How is the flight time calculated for purposes of the five-hour threshold if I have connecting flights? If I meet the five-hour threshold, may I use Business Class for all legs of the trip?**

   The five-hour flight time is calculated using the scheduled amount of travel time for each leg of the one-way journey. Layovers are not included in the flight time. If the total flight time exceeds five hours, you may use Business Class for all legs of the trip unless the SVP requires the use of Economy Class travel because of business conditions.

5. **May I be reimbursed for an in-flight wi-fi fee? What about for an annual wi-fi membership?**

   In-flight wi-fi fees are reimbursable if you purchase the connection to use for business purposes. You may purchase an annual wi-fi membership if you are a frequent traveler and receive the permission of your manager. However, airline lounge entry or membership, even if for the purpose of wi-fi usage, is not reimbursable.

6. **May I use a gift card, credit (including Uber Cash), personal travel voucher or a coupon for a business trip expense and have the company reimburse me for the difference in cost?**

   The Company will not reimburse the employee for the value of a gift card, credit, personal travel voucher or coupon that it used to pay in part or in full for a business trip expense. The company will reimburse only the payment of funds by an employee for business trip expenses. Please do not use gift card, credit, personal travel vouchers or coupons for business trip expenses.

7. **I want to take a taxi to a restaurant for my meal during a business trip. Will the company reimburse my transportation expenses?**

   The company will only reimburse transportation costs to a restaurant under specific circumstances. Reimbursement is applicable if you are entertaining a guest, joining an entertainment, or if there are no dining establishments available near your hotel or destination. In all other cases, the expenses for transportation to the restaurant should be covered by the meal allowance provided.

8. I would like to travel by train for my upcoming business trip, what class seat may I purchase for my trip?

All employees, excluding Executive track employees, are required to travel Coach Class or equivalent unless the total scheduled travel time of all segments of a one-way trip exceeds five hours. When total travel time exceeds five hours, all employees are permitted to use Coach Class or Business Class, or equivalent, unless the SVP requires the use of Coach Class travel because of business or budgetary conditions. Employees in Executive track may use Coach Class or Business Class for all travel.

In the event that an employee is required to accompany a client or guest or when Coach Class is not available in an urgent situation, the authorized manager may make an exception to this rule.

9. I arrived back in New York from Japan on Saturday, with a departure from NRT at 11:00 am and an arrival at JFK at 10:30 am on the same Saturday. I reached my house at 11:45 am. How should I proceed with claiming my daily allowance reimbursement?

Employees may claim a daily allowance for meals that were not provided by the company in some manner. (This includes situations like breakfast, training programs, air flights, entertainment, and more.) Based on the above example, you would be eligible for reimbursement for breakfast on Saturday morning in Japan (unless it was already provided by your hotel). However, you would not be eligible to claim reimbursement for lunch, dinner, or breakfast when returning to JFK, as those meals were provided during the flight.

10. How should a daily allowance be handled if a meal is served during my flight?

If a meal is served on a flight, the daily allowance for that meal should be excluded. Employees are responsible for making the necessary adjustments when submitting their expense reports. Approving managers are responsible for reviewing expense reports to ensure proper allowance allocations.

11. What should I do if I receive only snacks or minimal food during the flight?

If the airline ticket includes a meal (breakfast, lunch, or dinner), in principle, the employee should not claim a daily allowance unless the amount of food is not sufficient for a meal. In economy class on domestic flights in North America, meals are typically not provided, allowing employees to claim the corresponding meal allowance.

12. **If my business trip is extended due to a delayed or canceled flight, will the company reimburse me for the extension?**
    If your business trip is extended due to a delayed or canceled flight, you are eligible for reimbursement of expenses, including accommodation, daily allowance, transportation, etc. If you are reimbursed by the airline for expenses such as the hotel, please deduct the airline reimbursement from your expense report prior to submission.

13. **Am I allowed to book Premium Economy Class for my business trip?**Except for Executive track employees, booking Premium Economy Class is not permitted for flights with a duration of less than five hours. If employees wish to upgrade to Premium Economy Class on flights shorter than five hours, they will be responsible for covering the additional cost themselves.

14. **Will the company reimburse me for Clear, TSA PreCheck, Global Entry, or lounge memberships?**
    The associated programs or memberships are considered personal and, therefore, are not eligible for reimbursement.

15. **What is the start and end time of a business trip?**
    The trip begins when an employee leaves their home or office, whichever is later, and ends when they return to their office or home, whichever is earlier.

16. **What location should I choose for the Foreign Per Diem rate when traveling to Tokyo?**
    When traveling to Tokyo, choose the Tokyo City location.

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Supersedes **October 1, 2020**

Business Entertainment

Policy

Business entertainment is appropriate to improve customer relationships, as part of the normal course of conducting business with clients/vendors. It is expected that all entertainment expenses will be kept reasonable and within the context of normal business practice. Employees in Corporate Groups, please see 'Guidelines for Hotel Accommodation and Entertainment Costs.'

Procedure

1. Entertainment expenses must be approved by the employee's authorized manager.* If an entertainment expense is anticipated to be unusual (e.g., due to the number of guests or attending employees), the Director, VP, or SVP must be consulted in advance.

   **Please refer to the Entertainment and Transportation Approver List.*

2. All entertainment and intra-company meal reimbursement requests must be prepared in SAP Concur. Once the appropriate requests are completed and the requests are authorized, the request is submitted to the employee's applicable Accounting department via SAP Concur. Employees must settle entertainment expenses as soon as possible and in no event later than the close of the quarter in which the entertainment was taken or 30 working days after, whichever is earlier. If it is not possible to settle the expense within the quarter, employees must report the entertainment expense as an accrual following the Accounting Department's rules relating to the close of the quarter. Please refer to the Accounting Policy on MC Square.

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Taxi/Ride Sharing Expense Reimbursement

Policy

The following guidelines have been established for the use of taxi cab/ride sharing services for business purposes:

Reimbursable

- When an employee is ill and because of the illness, it would be dangerous to use public transportation.
- Pre approval from management is required when an employee works 2½ or more hours beyond office closing hours and it would be dangerous to use public transportation.
- When an employee uses a commuter rail line, ferry boat or a bus (from bus terminal) for commutation, and departure time is between 8:30 P.M. and 5 A.M., taxi fare or ride sharing expense to the commuter rail station, bus or ferry terminal would be reimbursable.
- When heavy, bulky business materials need to be transported.
- When business meetings take place outside of the office and the value of time saved by using a taxi or ride sharing service exceeds the cost of the taxi or ride sharing service.

- When there is an urgent/significant business problem and employees are called in from home, provided no other timely means of travel is available.
- When an employee has to accompany, send off or pick up an important business client.

Not Reimbursable

- When an employee is requested to arrive at work earlier than usual.
- When an employee is ill, but it would be safe to use public transportation.

Procedure

When one of the above approved guidelines has been met, the following procedure for reimbursement should be followed:

1. All travel reimbursement requests must be prepared in SAP Concur. Once the appropriate requests are completed and the requests are authorized, the request is submitted to the employee's applicable Accounting department via SAP Concur. Employees must settle expenses as soon as possible and in no event later than the close of the quarter in which the expense If it is not possible to settle the expense within the quarter, employees must report the expense as an accrual following the Accounting Department's rules relating to the close of the quarter. Please refer to the Accounting Policy on MC Square.
2. Employees must attach all expense receipts to their Expense Reports in SAP Concur. Expense Reports must include the taxi or ride sharing receipt.

   If a taxi or ride-share is shared with family members, the employee must be present during the ride to qualify for reimbursement.

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Uniforms

Policy

Employees who are required to wear uniforms in connection with their jobs are furnished the uniforms by the Company.

Procedure

1. The employee must be told by his/her authorized manager to wear a uniform specified by the Company.
2. Uniforms for Company employees (i.e. security and mailroom) are provided by the Company.
3. Employees who are required to wear uniforms must keep the uniform clean and fresh. Regular cleaning of the uniforms will be at the employee's expense. However, if a uniform becomes soiled by oil or extraordinary grime during the course of the employee's duties, the Company will arrange laundering, reimburse the employee for laundering or replace the uniform at the discretion of the authorized manager.
4. All uniforms must be returned to the Company upon termination of employment.

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Weekend Transportation Expense Reimbursement

Policy

Employees who are required to work at the office on weekends and/or holidays can be reimbursed the actual reasonable cost of public transportation, tolls and/or parking expenses incurred. No reimbursement will be made for public transportation costs if the employee has a transportation pass and no additional cost is incurred for the trip. No mileage allowance for personal automobile usage will be paid. Taxi expense is excluded.

Procedure

1. All travel reimbursement requests must be prepared in SAP Concur. Once the appropriate requests are completed and the requests are authorized, the request is submitted to the employee's applicable Accounting department via SAP Concur. Employees must settle expenses as soon as possible and in no event later than the close of the quarter in which the expense If it is not possible to settle the expense within the quarter, employees must report the expense as an accrual following the Accounting Department's rules relating to the close of the quarter. Please refer to the Accounting Policy on MC Square.

2. Employees must attach all expense receipts to their Expense Reports in SAP Concur.

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Supersedes **January 10, 2024**

Company Cars

Policy

Company cars are available for use by employees for the purpose of conducting company business or to participate in company-related events. Cars must be returned to the office as soon as is practical after the business use has been concluded. Use of a company car by a non-employee or by an employee for non-business-related, personal reasons is strictly prohibited.

Procedure

1. The company car must be reserved in advance. In the Houston office, the reservation is made through SharePoint. The employee must present a valid driver's license before the Company car may be used.
2. The employee must present a valid driver's license to Facilities Management/HOU before the company car may be used. Only authorized employees with a valid driver's license and clean driving record will be allowed to drive the company car.
3. The employee under whose name the car is reserved is responsible for the car until it is returned.
4. Under most circumstances the car should be returned before the end of the business day. If, due to the nature of the trip, the car must be kept overnight or over a weekend, it must not be driven for personal use.
5. The car reservation fee of $35 per day will be charged to the business cost center of the driver listed on the reservation.

6. The car must be returned with at least half a tank of gas and free of trash. If, upon return, the tank is less than half full, the subsequent refueling will be charged to the department of the last user.

7. The employee must never drive the company car after drinking alcohol, using marijuana, or any drugs that may impair their abilities. **DO NOT SMOKE OR VAPE while using the car.**

8. The employee must not operate a cell phone while driving (calls, texts, or emails) unless the operation is fully hands-free. The employee may pair their cell phone to the car's Bluetooth system before driving, if necessary.

9. All parking and traffic laws must always be obeyed while using the Company car. Any violations received are the personal responsibility of the driver and will not be reimbursed by the company.

10. In the event of an accident, the employee should, if possible, check the condition of all passengers and other driver(s) and call 911 for help. The employee should obtain insurance information and driver's license details from the other drivers. Additionally, the employee should obtain a copy of the police report. Finally, the employee should contact Facilities Management /HOU.

11. Report any issues such as dings, dents, scratches, or required maintenance promptly to any HOU FMD team member, at ml.houfmdall@mitsubishicorp.com

12. The insurance information is in the glove compartment located in front of the passenger seat.

13. The company car is parked in the LyondellBasell basement garage on **Level B2, reserved spot #258 or #259**. The address is 1221 McKinney Street. Please secure the vehicle appropriately when not in use.

14. **PLEASE REMEMBER TO COMPLETE THE DRIVING LOG BEFORE AND AFTER USE.**

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Supersedes **November 1, 2024**

Employee Relocation (Domestic)

Policy

It is the intent of this policy to assist in and expedite the relocation of the employee, and to keep them as "financially whole" as possible with respect to the major expenses associated with relocating.

1. Administration

The relocation of an employee involves a substantial expense to the Company and inconvenience to the employee and their family. Therefore, it is important that the transfer be planned and executed in a manner that minimizes the strain and separation imposed on the employee and the employee's family, while keeping the cost to the Company within reason. If at all possible, the employee's starting date at the new location should be timed to coincide with the move of the employee's family to the new residence.

2. Definitions

Transfer is defined as the moving of an employee, their dependents, and household goods or personal effects to establish a residence pursuant to a transfer assignment of more than two years at a new office location within the Company's jurisdiction.

A domestic transfer is defined as a move within the continental United States, Canada, and Mexico. The employee's family is defined as a spouse and children living in the same household.

3. Transferee's Responsibilities

Transferred employees are expected to use good judgment, keeping in mind both the Company's interest and their own. It is the employee's responsibility to keep Human Resources informed regarding the relocation process, to adhere to the policy and to bring any questions to the attention of Human Resources as well as to obtain an advance understanding for any unusual expenses that the employee expects the Company to reimburse or for any arrangements which are not covered by this policy. If such advance understanding is not obtained from Human Resources, any incurred expenses of an extraordinary nature will not be reimbursable.

4. Eligibility and Qualification Requirements

Reimbursement of relocation expenses may be authorized to move the employee closer to their work when the new work location is more than 60 miles from the employee's present work location, or when, in the judgment of management, failure to authorize reimbursement of relocation expenses would place extreme hardship on the transferring employee.

5. Investigating Prospective New Residences

The cost of economy class air fare associated with one advance trip for the employee and spouse to the new location to accomplish the initial phases of residence selection will be reimbursed by the Company. Daily travel expenses including the cost of meals, lodging and incidental expenses will be paid by the Company. This allowance will be paid in accordance with the Business Trip Expense Reimbursement Policy. A maximum allowance of 3 nights will be paid. An optional second trip for employee and spouse totaling no more than 3 nights in duration may be allowed at the discretion of the authorized manager at the new location. Human Resources at the new location may be able to assist by suggesting realtor services, introducing the transferee to employees who live in areas convenient to the new location, etc.

6. Miscellaneous Expense Allowance

A check will be issued to the employee reimbursing them for miscellaneous expenses associated with the relocation not requiring itemization or documentation. For homeowners in the old location, the check will be equivalent to one month's post-transfer base pay or $5,000, whichever is less. For renters in the old location, the check will be equivalent to a half month's post-transfer base pay or $3,500, whichever is less.

Items which the Miscellaneous Expense Allowance is designed to cover include but are not limited to the following:

- Vehicle registrations
- Vehicle emission tests, and repairs to vehicles should they fail to pass emission tests in the new location.
- Driver's license applications
- Re-installation of appliances
- Replacement of lighting fixtures, drapes, etc. which had to be left behind at the old location.
- Removal and installation of telephones
- Kennel fees during move
- Unexpired and non-refundable service contracts
- Connecting and disconnecting utility services
- Babysitting fees
- All items not specifically covered in this policy

7. Relocation Expenses

a. Shipment of Household Goods

The Company will pay all costs involved in packing, shipping, and unpacking household goods and personal effects belonging to the employee and dependents up to a maximum of 25,000 pounds. If the weight of household goods and personal effects to be moved will exceed 25,000 pounds, the matter should be discussed with Human Resources before the move occurs. The cost of moving household pets is subject to the approval of the Company. Ineligible items include perishable goods, flora, livestock, boats, playhouses, motorcycles, trailers, lumber, bricks and articles not ordinarily considered as household goods or personal effects.

Additionally, the Company offers an optional Discard and Donate program, where professional organizers assist the employee in identifying unwanted items and coordinating their donation or disposal.

b. Personal Baggage

i. Personal articles required for immediate use may be shipped separately by the most advantageous method as authorized by the Company.

Employee	88lbs
Spouse	88lbs
Child	44lbs

ii. If the employee uses air travel to arrive at the new destination, the Company will pay for up to two checked bags per family member instead of paying to have the items shipped separately.

c. Automobile(s)

The cost of moving up to two automobiles registered by the employee and/or members of their family will be paid by the Company.

d. Storage

Household and personal effects may be stored at Company expense for a maximum period of 30 days. The transferee may store these items at the old location, at the new location or in any combination of both as long as the total number of storage days does not exceed 30 days. Ineligible items include perishable goods, flora, livestock, boats, playhouses, motorcycles, trailers, lumber, bricks and articles not ordinarily considered household goods or personal effects.

e. Insurance

The Company provides insurance for transportation and storage of household goods and personal effects, therefore the employee should decline insurance coverage offered by the moving company. An itemized inventory of items which are to be transported or put into storage must be forwarded to Human Resources. This list should include a description and number of items, date of purchase and replacement value of all household goods. If the items are transported to Canada or Mexico or are to be stored, the inventory list must be sent to the Insurance Department/MCA in order to be covered under the Company's insurance policy. A substantiated insurance claim on household goods and personal effects lost or damaged during the move or in storage will be paid on the basis of replacement value. Claims should be referred to the Insurance Department/MCA which will assist in negotiating a settlement.

8. Moving From Rented Quarters

Termination of a lease should be negotiated with the landlord in advance to minimize or avoid penalties. In the event of a lease penalty, the Company will reimburse the employee for an amount up to two (2) month's rent. If it appears that a lease penalty costing more than two month's rent cannot be avoided, the matter should be discussed with Human Resources before any commitment is made by the employee.

9. Moving From Own Residence

a. Sale of Residence at Former Location

Ordinarily the Company will employ the services of a third party relocation management company to assist in and expedite the sale of the employee's principal residence. Information describing the services and procedures of the relocation management company will be provided to the employee by Human Resources.

b. Selling Costs Paid By Company

The Company will reimburse only those expenses involved in the sale of an employee's principal residence. The employee must provide documentation in evidence of such cost. Expenses related to the sale of summer homes, farms, or investment properties are the responsibility of the employee. The employee will be eligible for reimbursement of the following costs:

i. Real Estate Commission (Broker's Fee)

The accepted rate of commission in the locality of the home up to 6%. If the employee sells their home without a broker's assistance, no payment will be made to the employee.

ii. Prepayment Penalty on Mortgage (for properties in Canada only)

Reimbursement will not exceed 1% of the original mortgage amount.

iii. **State or Local Sales or Realty Transfer Taxes (Conveyance Fee or Excise Tax)**

The fee paid for the transfer of the title of the land from one individual to another. It denotes the instrument which carries an interest in land from one person to another.

iv. **Legal Fee (Settlement Fee)**

The fee payable to the attorney for handling the closing. Reimbursement will not exceed $2,000.

v. **Title Insurance**

Insurance written by a title company to protect against loss if title is imperfect. Reimbursement will not exceed $2,000.

vi. **Fees**

a. **Recording Fee (Recording Mortgage, Recording Deed)**

The filing in a public place of deeds, liens, mortgages, bills of sale, etc., as prescribed by law as a means of giving notice to interested parties.

b. **Escrow Fee (Trustee Accepts Fee)**

The deposit of instruments and funds with instructions to a third neutral party to carry out the provisions of an agreement or contract.

c. **Survey Fee**

Fee paid to the surveyor for measurement of the area of the land parcel.

d. **Appraisal Fee**

Fee paid for estimation of value. The process through which conclusions of market value are obtained.

e. **Credit Report Fee**

To check credit of the buyer. Normally paid by the broker or bank.

f. **Miscellaneous Fees**

Including Notary Fee, Postage, Telephone, Xerox and Document Preparation.

Reimbursement for all fees is not to exceed 2% of selling price.

Closing fees or selling expenses not specifically listed above will not be reimbursed to the employee when selling their home. All expenses must be substantiated and approved by the authorized manager. Should the transferee sell the old home on their own without the assistance of the relocation management company, closing must take place within 18 months of the transfer to be eligible for reimbursement.

g. **Loss-On-Sale Assistance**

Loss-On-Sale Assistance will be provided to transferred employees when the original purchase price the employee paid for the principal residence plus documented and approved capital improvements(employee's investment) is greater than the relocation management company's guaranteed offer price (based on appraised value and inspection results).

Repairs and maintenance will be at the employee's expense and will not be considered part of the employee's investment.

i. **Definitions:**

a. **Loss-On-Sale** equals the difference between the employee's investment and the relocation management company's guaranteed offer price or actual sale price, if higher.

b. **Investment** equals the original purchase price (excluding certain settlement fees and/or closing costs at the time of the employee's original purchase) plus documented and approved capital improvements.

c. **A capital improvement** is an expenditure which adds to the value or useful life of a property and is considered a permanent investment to be added to the cost basis of the property. Examples of capital improvements include the conversion of an unfinished basement or attic into living space, an addition or major renovation of a room, etc.

d. **A repair** neither adds value to the property nor appreciably extends its useful life. It does, however, keep the property well maintained.

To this end the Company will base this policy on the IRS definition of capital improvements. Approved capital improvements will be determined at the sole discretion of the Company.

v. Loss-On-Sale Reimbursement Provisions

Should the guaranteed offer price be less than the employee's investment in the house, the Company will reimburse the transferee 100% of the difference between the guaranteed offer price or actual sale price, if higher and the employee's investment in the house or $25,000, whichever is less. It should be noted that any loss-on-sale reimbursement will be added to the employee's W-2 at year end as taxable income and will not be grossed-up (i.e. additional taxes incurred as a result of the loss-on-sale reimbursement will be the responsibility of the employee).

10. Purchase of Residence at New Location

Eligibility for reimbursement under this section is limited to those transferees who were homeowners in the old location. Transferees who previously rented a home or apartment will not be reimbursed the expenses associated with the purchase of a new home. The Company will reimburse reasonable fees for the following, not to exceed 2% of the purchase price of the new home. Please note, the purchase price of the new home for this calculation will be capped at $1,000,000.

a. Title Search (Abstract Search)

An examination of official books and documents made in the process of investigating a title to land for the purpose of discovering if there are any mortgages, judgments, tax liens or other encumbrances on it.

b. Title Insurance

Insurance written by a title company to protect against loss if title is imperfect.

c. State or Local Sales or Realty Transfer Taxes (Conveyance Fee or Excise Tax)

This is the fee paid for the transfer of the title of the land from one individual to another. It denotes the instrument which carries an interest in land from one person to another.

d. Survey Fee

Fee paid to the surveyor for measurement of the area of the land parcel.

e. **Legal Fee (Settlement Fee)**

The fee payable to the attorney for handling the closing.

f. **Recording Fee (Recording Mortgage, Recording Deed)**

The filing in a public place of deeds, liens, mortgages, bills of sale, etc., as prescribed by law as a means of giving notice to interested parties.

g. **Application Fees on Mortgages (New Loan Fee, Loan Origination Fee, Mortgage Discount Points)**

This is a fee which is usually expressed as a percent of the mortgage amount. It is a bank charge representing up-front interest charges which would otherwise not be allowed by state usury laws.

h. **Assumption Fee**

Fee paid for the taking of title to property by a grantee wherein they assume liability for payment of an existing note secured by a mortgage or deed of trust against the property.

i. **Water/Sewage Inspection (Septic Inspection)**

j. **Flood Inspection**

In flood-prone areas, a home can be inspected for flood damage and the buyer may be eligible for low-cost flood insurance.

k. **Credit Report Fee**

To evaluate the credit rating of the buyer (normally paid by the broker or bank)

l. **Termite and Pest Inspection**

A check of the home for termites or other pests; does not include treatment expenses.

m. **Home Inspection**

A check into the condition of the home's electrical wiring, plumbing, roof, etc.

n. **Radon Testing**

Any repairs or corrective action resulting from the inspection will be the financial responsibility of the employee.

o. **Mortgage Tax**

Tax, if applicable, required at the time of the closing, as required by the state. This amount does NOT include such extra taxes as "mansion" tax, etc.

Closing fees and expenses associated with buying a house will not be reimbursed if not specifically listed above. All expenses must be substantiated and approved by the authorized manager. Closing must be completed within 18 months of the transfer to be eligible for reimbursement.

11. Payment of Mortgage Differential

Should the employee sell a home at the former location and purchase a residence at the new location, an allowance will be provided for the difference between the new interest rate (if higher) and the old mortgage rate. The formula used to calculate the allowance will be as follows:

(New Mortgage Rate - Old Mortgage Rate) X (Mortgage Balance on the Old Home at the Time of Sale) X 3 years

For example, if the old mortgage rate is 8.0%, the new mortgage rate is 12.0%, and the mortgage balance on the old home at the time of sale is $50,000, the allowance would be calculated as follows:

4.0% X $50,000 X 3 = $6,000 (total allowance paid)

Should the employee take out a variable rate mortgage, the rate used by the Company in calculating the allowance will be whichever is lower:

a. The initial rate used when the variable rate mortgage loan was made; or

b. The national average percentage charged for fixed rate mortgages during the month the employee takes out the loan.

This allowance will be paid quarterly for a period of three years. So, in the example specified above, the employee would receive 12 quarterly payments of $500.

12. Renting or Leasing a Residence

a. **Brokerage Fee**

Should the employee wish to rent or lease an apartment or house at the new location and need a broker to assist in finding a residence, the Company will reimburse the employee a fee of up to one month's rent for one time only. If the employee receives the brokerage fee and then decides to purchase a residence, they must return the fee in order to qualify for Section 10 - Purchase of Residence at New Location.

13. Transportation Expenses

The Company will reimburse one trip from the old home to the new location (based on a direct route) for the employee and their family. Transportation to the new location may be by airplane (economy class air fare only), train, bus, or personal car. Reasonable transportation costs between the airport/residence will also be reimbursed. If the employee and/or their dependents travel separately, the total transportation allowance may not exceed the combined one-way economy fare as judged by the Company. Reimbursement for mileage for personal automobile use is as stated in the IRS Regulations on relocation. As to the choice of transportation, the employee is required to obtain the advance approval of the authorized manager of the new office.

14. Daily Allowance

Daily allowance is paid on direct route when travelling from the old location to the new location in accordance with the Business Trip Expense Reimbursement Policy. The employee's family also receives daily allowance as follows:

a. **Spouse & each child**

   12 years of age or over

b. **Each child**

   11 years of age and under

Daily allowance is not applicable for an en route stop-over stay for the convenience of the employee and/or dependents except in the case of apparent difficulty in transportation connections.

15. Temporary Living Expense Allowance

A temporary living expense allowance is provided to the employee and their family when it is necessary for them to stay in a hotel or other designated lodging after vacating their residence and before moving into the new residence. The actual cost of lodging as approved by the authorized manager at the new office will be paid for up to a maximum of 30 days (taken in any combination, either before or after arrival at the new location). No daily allowance is paid.

16. Incremental Tax Reimbursement

The Company will reimburse the employee any additional taxes incurred due to reimbursed moving expenses which are above the ceilings set by the Internal Revenue Service for moving expense deductions. The Company will furnish the transferee with a completed copy of IRS Form 4782 Employee Moving Expense Information for any move made in the preceding calendar year by the employee with the information required to compute the moving expense deduction on the Federal Income Tax Return. All calculations made to determine whether additional taxes were incurred as a result of the move will be based on the transferee's income from the Company only, not from outside sources such as interest income, spouse's income, etc.

17. Settlement of Transfer Expenses

Settlement of transfer expenses should be made within 60 days from the date of arrival at the new work location.

18. Termination of Employment

No relocation expenses are payable to an employee who voluntarily leaves the Company or is discharged for cause. Any outstanding loans or other payments due to the Company must also be settled on or before the termination date.

Issued **November 1, 2024**

Supersedes **August 1, 2024**

Out of Metropolitan Area Commuter Reimbursement

Policy

Purpose

As the company evolves and adapts to changes in the external work environment, it is essential to establish clear policies and procedures for reimbursing commuter expenses and tax reporting for employees designated as Out-of-Metropolitan Area Commuters.

Applicability

For purposes of this policy, Out-of-Metropolitan Area Commuters are employees who have received management approval to live outside the metropolitan areas of the office to which they report and are required to attend the office periodically. This policy does not apply to employees living in another state but within the same metropolitan region as the office they report to, who commute regularly into their office as per the company's Hybrid Work Policy (HWP). For example, an employee residing in New Jersey and commuting to the New York Office is not covered by this policy. However, an employee who has management approval to live in North Carolina but reports to the New York Office and is required to attend the office in person for one week every month would be covered. When in doubt, managers should contact Human Resources concerning the application of this policy.

Commuter Expenses Reimbursement

Out-of-Metropolitan Area Commuters will be reimbursed for eligible commuter expenses incurred at the request of the company, including:

- Transportation Costs: This includes expenses related to commuting between the employee's residence and the workplace, such as public transportation fares, parking fees, tolls, and mileage reimbursement for personal vehicles.
- Lodging: The company will reimburse lodging expenses, such as hotel or temporary accommodation costs, if overnight stays are necessary due to distance or schedule.
- Daily Allowance: Employees will be provided with a daily allowance to cover incidental expenses like meals and other necessities during the commute, based on the business trip expense reimbursement daily allowance for breakfast, lunch, and dinner.

All reimbursable expenses must adhere to the company's **Business Trip Expense Reimbursement Policy** and must be supported by appropriate documentation, including receipts and approvals.

Tax Reporting Compliance

Commuter expenses incurred pursuant to this policy, as outlined above, will be treated as taxable income, subject to applicable tax reporting and withholdings in accordance with relevant IRS rules and regulations. All reimbursed commuter expenses will be grossed up to cover associated tax liabilities.

Consistency and Compliance

This policy was established to ensure consistency in treating commuter expenses and to comply with IRS regulations. All employees must adhere to this policy and accurately report their commuter expenses for tax purposes.

Guideline Review

Periodic reviews will be conducted to ensure the effectiveness and compliance of these policies with any changes in IRS regulations or company requirements. Any updates or revisions will be communicated to all affected employees promptly.

Hybrid Work Policy

The HWP and the Out-of-Metropolitan Area Commuter Reimbursement Policy are related but have distinct objectives and contents. Employees and managers are encouraged to familiarize themselves with these policies and contact MCA Human Resources for any clarification or assistance.

07 Paid & Unpaid Leave

- Holidays
- Vacation
- Basic Sick/Personal Leave
- Special Disability Benefits (Extended Sick Leave)
- Leave of Absence (Paid)
- Leave of Absence (Unpaid)
- Family and Medical Leave/ Paid Family Leave
- Religious, Disability and Lactation Accommodations
- Infectious Disease

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Holidays

Policy

The holiday schedule is set by Human Resources and it may vary from year to year. In addition to scheduled holidays, employees may also choose one floating holiday. It is the policy of the Company to follow common business practices on this matter.

Procedure

1. Each Fall, scheduled holidays for the next calendar year are announced by Human Resources.
2. Any deviation from the schedule desired by a branch office must be approved by Human Resources.
3. Full time employees may, with the prior approval of their authorized manager, schedule the floating holiday on a national holiday, day of religious observance or another day mutually agreed upon by the individual and the authorized manager. For new employees, to be eligible for a floating holiday in a given calendar year, the employee must be hired prior to June 30 of the same year and have completed the orientation period.
4. Employees submit a floating holiday request for advanced approval through the Company's online HR/Payroll system.
5. For information regarding the holiday procedure for part-time employees, please see the Part- Time Employment Policy.
6. In the case where an employee has given notice of resignation, the employee is ineligible for the floating holiday (time off or pay) within the last 2 weeks of employment unless the day was arranged and approved prior to the resignation notice.

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Supersedes **October 1, 2020**

Vacation

Policy

The Company shall grant annual paid vacations to provide eligible employees the opportunity for rest, recreation, and personal activities. Vacation entitlement is based on factors including length of continuous service and active employment during the previous calendar year.

1. Eligibility

Full-time employees earn vacation days as follows:

a. New employees are not eligible to take any vacation days before the completion of three (3) months of active service with the Company.

b. After three (3) months of active service, vacation days may be taken according to the following schedule:

		Eligible Vacation Time		
Employment Month	**3 month Eligible Date**	**For Remainder of the Year**	**In Following Calendar Year**	**In First 2 Calendar Years**
January	**April**	14	15	29
February	**May**	12.5	15	27.5
March	**June**	11	15	26
April	**July**	10	15	25
May	**August**	9	15	24

		Eligible Vacation Time		
Employment Month	3 month Eligible Date	For Remainder of the Year	In Following Calendar Year	In First 2 Calendar Years
June	September	7.5	15	22.5
July	October	6	15	21
August	November	5	15	20
September	December	4	15	19
October	January[1]	0	17.5	17.5
November	February[1]	0	16	16
December	March[1]	0	15	15

[1]Employees will accrue vacation throughout the year but will not be eligible for vacation until the following calendar year.

[2]Employees will receive their total annual vacation balance in advance of accruing the days. If employment is terminated and the employee has taken days that have not yet been accrued, the employee agrees to reimburse the company for the cost of the vacation advance.

c. The following allowances will apply for the calendar years following the period covered on the schedule shown above.

Length of Service	Days of Vacation/Calendar Year
Up to 5 years	15 days
5 years or more	20 days

2. Vacation Year

For calculating earned vacation time, the period of January 1 through December 31 is considered the vacation year.

3. Vacation Scheduling

All vacations are subject to the advanced approval of the employee's authorized manager. Vacation may be taken as weekly periods or as individual days during any month in the calendar year. However, employees should submit their vacation request as far in advance as possible so that adequate substitute staffing can be arranged. When conflicts in vacation schedules occur, the employee with seniority will be given preference if they submitted the request at the same time or before the employee with less seniority.

4. Pay In Lieu of Vacation

Employees are encouraged to use their earned vacation time. No payment will be made in lieu of taking vacation except for accrued unused vacation at the time of termination.

5. Holidays within Vacation Periods

If a holiday observed by the Company falls within a scheduled vacation period, that day will not be counted as a vacation day.

6. A Half Day Vacation

Half day vacations may be taken provided the employee works 3.5 hours and if approved by the authorized manager in advance.

7. Illness of Employees or Emergency Company Closing During Vacation

If an employee becomes ill during a vacation, the time will still be charged as vacation leave. If the Company closes because of an emergency during an employee's vacation period, the time will also be charged as vacation.

8. Death in Family

If an employee's relative dies during the employee's scheduled vacation time, they may have the vacation time reclassified as a leave of absence, if applicable, and the vacation time may be rescheduled at a later date, provided the employee notifies their authorized manager promptly and not upon their return from vacation. See the Leave of Absence (Paid) Policy.

9. Requested to Work during Approved Vacation

If an employee is required to work by the authorized manager for a period of 3.5 hours or more during any authorized vacation day, the time worked will be credited back to the vacation balance in half day increments.

10. Vacation Accrual Limit

Employees earn vacation on an accrual basis as shown in the schedule in #11 below. Vacation is earned for each full month worked. However annual vacation allowance may be taken in advance of accruing the days. Please note, if an employee terminates their employment prior to working 3 months, no vacation days will be accrued.

The total accrual limit is equivalent to the maximum number of vacation days an employee is entitled to earn during a given calendar year times two. For example, the maximum accrual for an employee eligible for 15 days per year is 30 days, for an employee eligible for 20 days it is 40 days. Employees will not accrue any additional vacation once they have reached their total accrual limit until they use all or a portion of their accrued vacation.

Employees who take a leave of absence, either paid or unpaid, exceeding 31 days during the calendar year will have their vacation prorated based on the total number of days the employee was absent while on a paid/unpaid leave of absence, including the days taken during the leave of absence as sick, vacation, personal, extended sick leave, floating holidays, and unpaid days. The leave of absence calculation for vacation accrual will be calculated using the following formula:

$$\frac{\textbf{No. of Days on Leave of Absence (including weekends)} - \textbf{31 days}}{\textbf{31 days}} \times \textbf{No. of Vacation Accrual Days per Month}$$

11. Monthly Accrual Schedule

The following schedule is used for calculating Monthly Vacation Accrual:

Length of Service	Accrued Days of Each Month of Service
Up to 5 years	1.250 days
5 years or more	1.667 days

12. Authorized Vacation Carryover vs. Vacation Accrual Limit

Employees should attempt to use all their accrued vacation before the next calendar year begins. If an employee is unable to take all of their earned vacation, they may carry-over the earned but unused vacation into the following vacation year. However, the vacation days carried over cannot exceed the accrual limit described in #11 above.

For example, an employee who is eligible for 15 vacation days per year, their accrual limit is 30 vacation days. Thus, if they does not use any vacation days in a given year (A year), all 15 days may be carried over to the following year (B year). However, if the employee takes 5 of the 30 vacation days during the B year, they may carry over 25 days into the next year (C year), but they will accrue only 5 days during the C year until they use their earned vacation and reduces the number of days in their "vacation bank" to below 30 (their annual accrual limit).

13. Vacation Pay for Terminating Employees

If an employee terminates employment with the Company, they would be paid for vacation that they earned but did not take up to the maximum accrual limit allowed. Any vacation that they took but did not earn will be reimbursed to the Company. Calculation of earned vacation will be done at the time of termination in accordance with the Vacation Accrual Schedule (in #11 above). A terminated or terminating employee will not be entitled to use any vacation days during the last 2 weeks before the termination date.

14. Employees who retire, as defined by Human Resources' policy, will be paid for their full vacation entitlements regardless of when in the vacation year they retire minus any days already taken up to the maximum vacation accrual limit.

Procedure

1. Employee submits vacation request for advanced approval through the Company's online HR/ Payroll system.
2. The authorized manager will review and consider the request then respond through the Company's online HR/Payroll system. If the vacation request is denied, the authorized manager should discuss the reason with the employee directly.

Issued **January 1, 2025**

Supersedes **March 1, 2024**

Basic Sick/ Personal Leave

Policy

It is important that employees be at work on scheduled workdays. However, management recognizes that due to illness or personal situations, employees may be absent. To provide for these situations, Basic Sick/Personal Leave will be given to all employees each calendar year as follows:

1. No paid Basic Sick/Personal Leave days are granted to employees during the first 90 days of employment.
2. After the first 90 days of employment, employees will be entitled to paid Basic Sick/ Personal Leave as per the following schedule:

Employment Date	90 Day Eligibility Date	Paid Days Allowed
January	April	8
February	May	8
March	June	7
April	July	6
May	August	6
June	September	5
July	October	4

Employment Date	90 Day Eligibility Date	Paid Days Allowed
August	November	4
September	December	0
October	January*	8
November	February*	8
December	March*	8

**of the following calendar year*

These days are available immediately following the initial 90 days of employment.

3. At the beginning of the calendar year, all employees who have been employed 90 days or more will be granted the full 8 paid Basic Sick/Personal Leave days.
4. To comply with state laws, employees of the State of Washington will be entitled to 9 Basic Sick/ Personal Leave in a calendar year.
5. Days absent due to work related accidents or illnesses are not applied against the Basic Sick/ Personal Leave days. See the Workers Compensation/State Disability Insurance Policy.
6. Basic Sick/Personal Leave days may be taken in full (7 hours) or half-day (3.5 hours) increments. If an employee is absent on sick leave for 5 or more days, the Company may ask for medical evidence to support the absence.
7. **A terminated or terminating employee will not be paid any unused Basic Sick/Personal Leave, nor will they be entitled to use any days during the last 2 weeks before the termination date.** It should be emphasized that Basic Sick/ Personal Leave is to be used by the employee only when needed and should not be considered as earned leave.
8. Employees are entitled to use Sick days for absences due to:

   i. the employee's mental or physical illness, injury, or health condition, need for medical diagnosis, care, or treatment, or need for preventive medical care,

ii. to cope with the consequences of domestic violence, sexual assault, or stalking, either of the employee or a family member,

iii. care of a family member needing such medical diagnosis, care, treatment, or preventive medical treatment,

iv. closure of the place of business due to a public health emergency (as declared by the commissioner of health and mental hygiene or the mayor or similar city/state official) or to limit exposure to an infectious agent, biological toxin, or hazardous material, or to care for a child whose school or childcare provider is closed due to such reason.

Family members include an employee's child (biological, adopted, foster or to whom the employee stands in loco parentis), spouse, domestic partner, parent (step or who stands in loco parentis to the employee), the child or parent of an employee's spouse or domestic partner, grandparent, grandchild, sibling (including step, adopted sibling, or spouse or domestic partner of sibling), or persons living with the employee for over 12 months and with whom the employee shares a committed relationship. Employees without a spouse or domestic partner may designate one person for whom the employee may use accrued sick time to administer care within 10 business days of their eligibility date, and annually thereafter.

9. The Company encourages employees to take care of their health. Therefore, in the case the employee does not feel well, the Company encourages the employee to take a sick/personal day(s) as needed. However, there may be times when the employee feels well enough to work, but due to their temporary medical condition, or when the employee may still be infectious, it would be prudent for them to work remotely for their health and safety as well as the health and safety of their colleagues rather than working onsite. If this is the case, the employee must contact their manager to discuss their situation. If it is anticipated that this arrangement will exceed three workdays, then the employee and manager must contact the Director of Human Resources Administration Department (all locations other than Houston) or the Director of Human Resources (Houston location only) to discuss any further remote working arrangements.
Please refer to the Hybrid Work policy for more details regarding remote working arrangements.

10. In the case the employee experiences symptoms of an infectious disease included in the "Covered Diseases" as designated by the New York State Commissioner of Health or other relevant public health authority, the employee must report this information immediately to their manager and the Director of the Human Resources Administration Department (all locations other than Houston) or to the Director of Human Resources (Houston location only). Please refer to the Infectious Disease Policy for more details.

11. Prenatal Care – Employees who are pregnant are entitled to up to 20 hours of paid time off "for the health care services received" during their pregnancy or related to such pregnancy, including physical examinations, medical procedures, monitoring and testing, and discussions with a health care provider related to the pregnancy. The 20 hours for prenatal care are in addition to any sick/personal days provided by the Company and are used prior to using the basic sick/personal days for such care. **The 20 hours may be taken in one-hour increments.** In the case the employee is pregnant, the employee must contact the Director of Human Resources Administration to discuss the use and recording of prenatal care hours.

Caregiver Leave – Employees who will be out of work due to care of a family member may be eligible for paid time off through the Company's paid caregiver leave rather than under basic/sick leave. For more information about caregiver leave please refer to the caregiver leave section in the Leave of Absence (Paid) Policy and the Family and Medical Leave/Paid Family Leave Policy.

Employees have a right to be free from retaliation for: requesting or using sick/personal time in accordance with applicable laws, communicating with any person regarding an alleged violation of applicable laws, or participating in a court proceeding regarding an alleged violation of applicable laws. You have the right to file a complaint with the applicable local agency if you believe your rights have been violated.

Procedure

1. Sick Leave

i. When an employee cannot report to work due to one of the reasons stated above, the employee should report the illness by telephone or email to the authorized manager at the start of office hours. The employee should make every effort to contact their authorized manager directly. In the event the authorized manager is not available, the employee should contact another manager within the department and leave a voicemail or email message for their own authorized manager.

ii. If the absence is for more than 5 days, the authorized manager should contact Human Resources to determine if documentation from a licensed healthcare provider will be required.

iii. The employee must submit a sick day request for approval through the Company's online HR/Payroll system.

2. Personal Leave

i. Whenever possible, the employee notifies the authorized manager in advance of the need for a personal day and submits a personal day request for approval through the Company's online HR/Payroll system. The employee need not state the reason for taking the personal day.

ii. In the case of a last-minute emergency, the employee must contact the authorized manager as soon as possible to report the absence. The employee must submit a personal day request for approval through the Company's online HR/Payroll system.

NOTE: For leaves of extended periods of absence (more than three consecutive days), the authorized manager should confirm whether the reason for sick leave or personal leave fits the criteria defined in the Family and Medical Leave/Paid Family Leave policy and Caregiver Leave by contacting Human Resources so proper documentation and approval can be obtained.

3. If an employee has exceeded the number of paid sick/personal days, the employee must request a vacation day through the Company's online HR/Payroll system. If no vacation days are available, the employee must submit a request for unpaid time through the Company's online HR/Payroll system.

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Supersedes **March 1, 2024**

Special Disability Benefits (Extended Sick Leave)

Policy

Subject to the extended disability eligibility requirements as outlined below, special disability benefits (extended sick leave) may be granted to employees who have been ill (including pregnancy related disability) for longer than five (5) consecutive working days. This policy does not apply to work related accidents or illnesses (see the Workers Compensation/State Disability Insurance Policy) or to the employee's family members.

Please note: Employees who take a leave of absence, either paid or unpaid, exceeding 31 days during a fiscal year will have their short-term incentive, if eligible, calculated on a prorated basis (see the Short-Term Incentive Policy).

Absences of five (5) working days or less are covered by the eight (8) days of basic sick/personal leave to the degree the days have not previously been used. An employee who has used all the basic sick/personal leave days can, with the approval of the authorized manager, use accrued (earned) vacation time to cover any unpaid time during the first five (5) days of absence.

An employee who is pregnant is entitled to up to 20 hours of paid time off "for the health care services received" during their pregnancy or related to such pregnancy, including physical examinations, medical procedures, monitoring and testing, and discussions with a health care provider related to the pregnancy. The 20 hours for prenatal care are in addition to any sick/personal days provided by the Company and may be taken in one-hour increments. An employee can take these 20 hours of paid time off prior to using the eight (8) days of basic sick/personal days. In the case an employee is pregnant, the employee must contact Human Resources to discuss the use and recording of prenatal care hours.

If the extended sick leave is approved, benefits will be granted for the period of disability starting on the sixth (6th) consecutive workday of absence. During the leave period, employees will receive full pay from the Company for a maximum of twenty-five (25) weeks depending on their length of service. If an employee remains disabled beyond the schedule provided below (but less than 25 weeks), they may be eligible for state temporary disability benefits (provided the state in which the employee works has a plan) or coverage under the voluntary short-term disability policy.

If an employee returns to work after an approved extended sick leave and goes out again due to the same illness within a period of 10 working days, the second period of leave will be considered a continuation of the original leave. The employee would be eligible for the balance of time available according to the schedule below and the payments, if applicable, will begin from the first day of absence of the continued illness.

Years of Service for Employees	Max. Weeks per Calendar Year
Less than 3 months of employment	None
More than 3 months but less than 1 year	2 weeks
More than 1 year but less than 3 years	4 weeks
More than 3 years but less than 5 years	8 weeks
More than 5 years but less than 10 years	13 weeks
More than 10 years of employment	25 weeks

NOTE: If the time out for an illness spans more than one calendar year, the employee will not need to use another 5 basic sick/personal leave days for coverage in the new year. Pay will continue from the extended sick leave plan uninterrupted to the maximum shown above. Extended sick leave allowance for the new year will not be available to the employee until the employee returns to work on a regular basis for a period of three months or more in the new year. If an absence spans a service anniversary in the schedule above, pay will continue in accordance with the new maximum *number of days or if previously suspended, pay will be reinstated and paid until the end of the new maximum eligibility period from the anniversary date forward. There will be no retroactive payments for unpaid time based on the employee's old entitlement and the new one based on the recently attained service anniversary. The maximum number of covered weeks per calendar year is per the schedule above regardless of the number of illnesses that may be involved.*

Based upon the medical condition of the employee, they may be eligible to receive long-term disability benefits should they remain disabled following the twenty-six (26) weeks period of extended sick leave/disability leave (including the first week covered under basic sick/personal leave). To be considered for these benefits, the employee must have been enrolled for this benefit coverage prior to becoming disabled. The employee should make application to the insurance company for long-term disability benefits by the 18th week of extended sick leave/disability leave in cases where their medical condition may extend beyond the 26-week period and cause the employee to remain disabled and unable to perform their job.

If state benefits are mandated (and/or you are covered by the voluntary short-term disability policy) and cover a full 26 weeks or longer as opposed to 25 weeks, the employee may still apply for long term disability after 26 weeks of illness (1 week basic sick/personal leave and 25 weeks extended sick leave), but the initial long term disability check will be offset by the short term disability payments provided by the state.

Only after the schedule above is exhausted may the employee apply for an unpaid leave of absence which is required in order to maintain their active status as a Company employee (see the Leave of Absence (Unpaid) Policy). This policy will coordinate and run concurrently with leave benefits under the Family and Medical Leave/Paid Family Leave Policy and any other state required leaves, where applicable.

Eligibility Requirements

1. The duration of the illness must be longer than 5 working days. Extended sick leave eligibility starts on the sixth working day.

2. The first 5 days of absence (excluding weekends) is paid under the basic sick/personal leave allowance if such allowance has not already been used. In such cases where allowance has been used, accrued (earned) but not used vacation pay may be taken with the approval of the authorized manager in order to receive paid time.

Limitations and Exclusions

Special Disability Benefits (Extended Sick Leave) will not be granted under the following circumstances:

- If the employee is not receiving treatment or did not receive treatment by a licensed physician, or health care provider;
- If the absence is due to a work-related injury or illness, and is covered by workers' compensation;
- If the absence is due to a medical condition deemed unnecessary or purely cosmetic in nature;
- If the employee is on duty as a member of the armed forces of any state or country;
- If the disability is caused by riot, war (declared or undeclared) or willful participation in disorderly conduct.

Second Opinion

At the discretion of Human Resources and at the Company's expense, a second opinion can be requested prior to the approval and payment of special disability (extended sick leave) benefits. If conflicting findings result, a third opinion may be requested at the discretion of Human Resources and at the Company's expense.

Procedure

1. The employee or their designee must notify the authorized manager and Human Resources that the employee is or will be disabled and anticipates being absent more than 5 working days. If this leave is foreseeable, then notification should be provided within 30 days and no less than 5 working days prior to the expected date of leave. If this is not possible, and the need to leave is unforeseen, as much notice as possible must be given and pay may be suspended until appropriate documentation is received.
2. The employee can complete the Request for Leave of Absence form on the Company's online HR/Payroll system. The state disability form and voluntary short-term disability form (if applicable) will be provided by Human Resources directly to the employee.

3. The employee's doctor must fill out the disability form(s), establish the date the disability started, provide details of the disability, and return the completed form to Human Resources.

4. Salary may be withheld until the disability form (signed by the doctor) is received and a determination on eligibility for the disability benefits allowance is made by Human Resources.

5. Based on the medical condition, an extension of the initial disability leave may be necessary. In such circumstances, submission of supplemental medical documentation may be required periodically to substantiate employee's extension of leave. This supplemental medical documentation must be completed by the employee's doctor and returned to Human Resources within 15 days from date requested. Please Note: if medical documentation is not received within a reasonable period of time (i.e., typically within 15 days of request), special disability (extend sick leave) pay may be suspended, until additional documentation is received and approved by Human Resources. Once received and approved, pay will be issued retroactively.

6. During the period of absence, the employee must periodically update status to the authorized manager and Human Resources.

7. As far in advance as possible, the employee must notify the authorized manager and Human Resources of the date the employee will return to work and provide a notice from their doctor certifying that the employee is able to resume work. If accommodations and/or restrictions/limitations are required in order to allow the employee to resume work, then these must be documented in the doctor's return to work release and discussed and approved by Human Resources as well as the employee's authorized manager, prior to the employee's return to work.

8. The employee must contact Human Resources on the day the employee returns to work.

    a. The Company reserves the right to recover payroll expenses paid to employees if any other insurance policy or state benefit covers such payroll expense.

    b. Pregnant employees and employees with pregnancy-related conditions are included under this policy.

    c. For offices where statutory disability benefits apply, (for example in New York and California), the following provisions will apply:

An employee who exhausts special disability (extended sick leave) pay under the Company's schedule provided for in this policy but who continues to be eligible for state temporary disability benefits, may apply carryover vacation and any accrued (earned) but not used vacation days following the Company's special disability (extended sick leave). Any request to use vacation days not yet accrued (earned) is subject to the authorized manager's approval upon consultation with Human Resources. However, the vacation time (pay) used will be offset and prorated by any pay the employee receives from the state temporary disability benefits*.

9. For example, if the employee receives one week of state disability benefits and that payment represents 40% of the employee's base salary, the employee would also receive 60% of base salary for that week from earned vacation time, in this case representing the equivalent of 3 vacation days.

When the pro-ration results in a fraction of a day, the fraction should be rounded up or down using the following:

.01 - .24	Rounded down to the next day	**3.15 - 3 days**
.25 - .49	Rounded up to the half day	**3.30 - 3.5 days**
.50 - .74	Rounded down to the half day	**3.66 - 3.5 days**
.75 - .99	Rounded up to the next day	**3.90 - 4 days**

**The employee may only use the number of vacation days that have been accrued as of the first day of the leave of absence. For example, if an employee goes out on leave on August 10th, the employee would have accrued (earned) 7/12ths of their annual allowance.*

Issued **January 1, 2025**

Supersedes **October 1, 2020**

Leave of Absence (Paid)

Policy

All paid leaves of absence require approval in advance from the employee's authorized manager. Please note: Employees who take a leave of absence, either paid or unpaid, exceeding 31 days during a fiscal year will have their short-term incentive, if eligible, calculated on a prorated basis (see the Short-Term Incentive Policy).

Paid leaves may be requested for the following:

1. Death in the Family

Death in the immediate family: Employee will receive three days of Funeral Leave with pay.

Immediate family is defined as an employee's child (including an unborn child), spouse, domestic partner, parent (step or who stands in loco parentis to the employee), the child or parent of an employee's spouse or domestic partner, grandparent, grandchild, sibling (including step, adopted sibling, or spouse or domestic partner of sibling), or persons living with the employee for over 12 months and with whom the employee shares a committed relationship. "Same-sex committed partners" are defined as those who are financially and emotionally interdependent in a manner commonly presumed of spouses.

Death of a member of the employee's family other than those specified above: Employees will receive one day of Funeral Leave with pay. Some examples of those in this category include the employee's uncles, the employee's aunts, brothers-in-law, sisters-in-law, first cousins, nieces and nephews, family pet, and close family friend.

2. Jury Duty

An employee who serves on a jury continues to receive full salary for up to two weeks. Arrangements must be made in advance to ensure uninterrupted Company business during the employee's absence. After the first 2 weeks which are with full pay, the total length of pay continuation will be reviewed and on a case-by-case basis and determined in the sole discretion of the Company. Employees may use vacation and/or personal leave that is otherwise available to the employee for time off spent responding to a summons and/or subpoena, for participating in the jury selection process or for serving on a jury or as a witness.

For unpaid jury duty time, exempt employees will not incur any reduction in pay for a partial week of absence due to serving on jury duty. Jury duty pay for non-exempt employees is calculated based on the employee's straight time pay rate (as of the date of jury duty) multiplied by the number of hours the employee would have otherwise worked on that day. Jury duty time is not counted for the purpose of calculating an employee's overtime hours of work or overtime premiums.

Under no circumstances will employees be terminated, threatened, coerced, or penalized because they request or take jury duty leave provided they notify the authorized manager and Human Resources prior to their service.

3. Witness Duty

If an employee is required by a court summons, subpoena, or court order to testify as a witness, the employee may apply for a leave of absence with pay. After the first 2 weeks which are with pay, the total length of pay continuation will be reviewed and authorized on a case-by-case basis and determined in the sole discretion of the Company. Employees may use vacation or personal leave time off that is otherwise available to the employee for time off spent responding to a summons, subpoena, or court order to testify as a witness.

For unpaid time off spent testifying as a witness, exempt employees will not incur any reduction in pay for a partial week of absence. Witness pay for non-exempt employee is calculated based on the employee's straight time pay rate (as of the date of serving as a witness) multiplied by the number of hours the employee would have otherwise worked on that day. Witness duty time is not counted for the purpose of calculating an employee's overtime hours of work or overtime premiums.

4. Military Service (Summer Training Periods)

The Company will allow 2 weeks of paid leave for military summer training and that leave will not be counted against the employee's vacation. Please see the Leave of Absence (Unpaid) Policy for additional information.

5. Care for a Family Member

The Company will allow up to 8 weeks of paid caregiver leave. This leave will not be counted against an employee's vacation and basic sick/personal leave. All full-time employees with one year or more of service are eligible. Caregiver leave will run concurrent with FMLA and applicable State Family Leave(s). Caregiver leave grants an employee paid time away from work to care for the health and caregiving needs of family members. The need for care must be more than 5 days. Family members include: spouse/domestic partner, child of any age, grandchild, parent (including parent-in-law), sibling, and/or any other individual who stands in loco parentis to the employee.

Procedure

Employee submits request through the Company's online HR/Payroll system. Employee should submit the request 30 days advance or as soon as possible and practical if the leave must begin in less than 30 days. Once the form is completed in the Company's online HR/Payroll system, it will be routed to the employee's authorized manager for approval. The authorized manager will consult and review the employee's request with the Human Resources if there are any questions before initially approving the request. When possible, this process should occur before the leave start date.

1. After the manager's approval, the request will be routed to the Human Resources for additional review. Human Resources will contact the employee for any required supporting documentation related to their request.

2. Human Resources will notify the employee and their authorized manager whether the request has been approved or denied by email.

3. Human Resources will record the employee's requested time away from work accordingly in the Company's online HR/Payroll system.
4. Failure to return to work without having requested and received an extension of leave of an authorized absence, or who are non-responsive to employer-attempted communications about their return to work, will be considered an automatic resignation.

Many states require employers to provide employees with additional leaves of absence. Please contact Human Resources to discuss any questions.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Leave of Absence (Unpaid)

Policy

Unpaid leaves of absence, excluding military leaves, require approval in advance from the authorized manager in consultation with Human Resources and will be granted only if all applicable paid leaves have been exhausted when allowed by law. Please note: Employees who take a leave of absence, either paid or unpaid, exceeding 31 days during a fiscal year will have their short-term incentive, if eligible, calculated on a prorated basis (see the Short-Term Incentive Policy).

In addition to unpaid leaves of absence permitted under applicable federal, state, and local law, a leave may be requested for the following:

1. Religious Holiday

Employees may take an unpaid leave for religious holidays, but they must notify the authorized manager well in advance so that arrangements can be made to satisfy normal business conditions.

2. Medical Leave of Absence

The Company will grant employees an unpaid medical leave of absence in its discretion and where required by federal, state, or local law for an employee's own medical condition. For a leave of absence of this type, employees will be required to provide medical documentation supporting any request for leave under this policy. Requests for a leave of absence will be considered and evaluated on an individual basis. The Company will comply with applicable law concerning the granting of the leave.

A medical leave of absence can be taken by an employee who does not yet qualify for FMLA Leave but has a personal medical condition that requires time off work. If an employee is eligible for FMLA leave and the leave is for an FMLA-qualifying reason, the provisions of the Family and Medical Leave/Paid Family Leave Policy will apply and not this Leave of Absence policy.

In some cases, employees may be entitled to a leave of absence under this policy as an accommodation of a disability as defined by applicable law. Such leave will run concurrently with leave available to the employee under this policy. For questions about seeking a leave of absence as an accommodation for a disability, please contact Human Resources. Please also refer to the Religious, Disability and Lactation Accommodations Policy for additional information.

Employees on leave are asked to confirm their return date at least two weeks before they return to work. Any requests for additional leave must be made as soon as possible. Employees on leave who do not return as scheduled, and fail to request an extension, will be considered to have voluntarily terminated their employment. If an employee is available to return to work prior to the return date specified at the beginning of the leave, the employee must give seven (7) days advance notice to both the authorized manager and Human Resources and provide the appropriate medical documentation to Human Resources. This document should clearly state that the employee is able to perform the essential functions of their position, or it should identify any work-related restrictions and the expected duration of such restrictions or requested accommodations. The Company will then contact the employee with a return-to-work date.

Any leave of absence for the employee's own medical condition will run concurrent with any leave law that also covers the employee's leave, as well as the employee's receipt of workers' compensation, short-term disability, or long-term disability benefits, if applicable.

Employees, although not paid by the Company during these leaves of absence, may be eligible to receive benefits though state-sponsored programs or the Company's short or long-term disability programs. Employees may use accrued vacation for leave during leave taken under this policy and may be required to use accrued sick leave to the extent permitted by law.

Unless applicable law requires that the employee's position be held for them during a medical leave of absence (including as a reasonable accommodation of a disability), reinstatement to the employee's position following leave is not guaranteed.

Nothing in this policy provides employees with any leave entitlement, right to reinstatement or continued benefits, unless otherwise required by law.

3. Military Leave

Federal law provides employees with the right to take leave to serve in the military. At the federal level, military leave rights are governed by the Uniformed Services Employment and Reemployment Rights Act, commonly referred to as USERRA. This policy discusses military leave under USERRA. State laws may also provide an employee with rights to take military leave. If the employee works in a state that provides rights in addition to those provided under USERRA, the Company will provide those rights. If an employee plans to request leave based on military service, they should contact Human Resources for information on any additional rights or requirements, if applicable, under state law.

The Company provides unpaid military leaves of absence to employees who serve in the uniformed services as required by USERRA and applicable state laws. The uniformed services are defined as the Army, Navy, Marine Corps, Air Force, Coast Guard, Army National Guard, Air National Guard, Commissioned Corps of the Public Health Service and any other category of persons designated by the President of the United States in time of war or national emergency. The uniformed services also include participants in the National Disaster Medical System when activated to provide assistance in response to a public health emergency, to be present for a short period of time when there is a risk of a public health emergency, or when they are participants in authorized training. Service consists of performing any of the following on a voluntary or involuntary basis: active duty, active duty for training, initial active duty, inactive duty training, full time National Guard duty, absence from work for an examination to determine fitness for such duty, and absence for performing funeral honors duty. Total military leave time may not exceed five years during employment, except in certain, defined circumstances.

a. Notice of Leave

Advance notice of leave is required, preferably in writing, unless giving of notice is impossible or unreasonable, or notice is prohibited by military necessity (which is defined by the United States Department of Defense). When notice is required, employees must provide the authorized manager and Human Resources with as much advance notice as possible of any anticipated leave of absence for military service.

b. Status

In general, an employee returning from military leave will be re-employed in the position and seniority level that the employee would have attained had there been no military leave of absence. If necessary, the Company will provide training to assist the employee in the transition back to the workforce. In order to be eligible for reinstatement, an employee must have provided advance notice of the need for military leave (where required) and have completed their service on a basis that is not dishonorable or otherwise prohibited under USERRA.

Employees whose military service will be for fewer than 31 days must report to back to work at the beginning of the first full, regularly scheduled work day following completion of service, after allowing for a period of safe travel home and eight hours of rest.

Employees whose military service will be for more than 30 days, but fewer than 181 days must apply for re-employment within 14 days after completing service.

Employees whose service is greater than 180 days must apply for re-employment within 90 days after completing service.

As with other leaves of absence, failure to return to work or to reapply within applicable time limits may result in loss of reemployment rights. Full details regarding reinstatement are available from Human Resources.

After returning to work, the employee has one year of protection from termination without just cause provided the employee was on active duty more than 180 days. If active duty was between 31 days and 180 days, the protection period is 6 months.

c. Benefits

Accrued, unused vacation will be paid during military leave at the employee's request. After 30 days of continuous military leave, employees may elect to continue their health plan coverage at their own expense, for up to 24 months or during the remaining period of service, whichever is shorter. Vacation benefits do not continue to accrue during a military leave of absence. An employee returning from military leave is entitled to any unused, accrued vacation benefits the employee had at the time the military leave began minus any vacation benefits the employee chose to use during the leave. Upon reinstatement, the employee will begin to accrue vacation benefits at the rate they would have attained if no military leave had been taken.

d. 401(k) Plan

The Company will not make contribution to an employee's 401(k) plan during periods of unpaid employee leave for military service, as an individual on an unpaid leave would not have any paycheck from which the deductions could be taken.

Upon the employee's return, the veteran may elect to make up deferrals and the company will match the deferrals on the same basis as was done for other employees at the time the employee was on active duty. All vesting service will be restored to the veteran upon the employee's reemployment.

e. FMLA

Where applicable, returning veterans will be credited for all months of military service for purposes of eligibility under the Family and Medical Leave Act (FMLA).

4. Personal Leave

The Company will grant employees unpaid personal leaves of absence in its discretion in the event of extreme personal need and where required by federal, state, or local law. The business needs of the operating unit must get first consideration and the reason for the request must be acceptable to the management. In general, a personal leave that is unrelated to a medical condition will not be granted for a period of time longer than 3 months. For employees with less than one-year of service, personal leave not related to medical condition will be granted only in rare cases and will be limited to one-month.

This policy does not apply to leaves of absence concerning an employee's own medical condition or for leaves covered under the FMLA or other federal, state, or local leave law. If the leave request concerns the Employee's own medical condition, please refer to the Family and Medical Leave/Paid Family Leave Policy and the Religious, Disability and Lactation Accommodations Policy.

At the beginning of an approved personal leave of absence, the employee is required to use all accrued vacation time.

Employees on leave are asked to confirm their return date at least two weeks before they return to work. Any requests for additional leave must be made as soon as possible. Employees on leave who do not return as scheduled, and fail to request an extension, will be considered to have voluntarily terminated their employment. If an employee is available to return to work prior to the return date specified at the beginning of the leave, the employee must give seven (7) days advance notice to both the authorized manager and Human Resources. The Company will then contact the employee with a return-to-work date.

Any personal leave of absence will run concurrent with any leave law that also covers the employee's leave, if applicable. Leave under this policy is unpaid, unless otherwise required by law. Reinstatement to the employee's position following leave is not guaranteed unless applicable law requires otherwise.

Nothing in this policy provides employees with any leave entitlement, right to reinstatement or continued benefits, unless otherwise required by law.

5. Extended Vacation

A leave of absence for the purpose of extending vacation is strongly discouraged but, if approved, would be treated the same as personal leave. Please refer to the Personal Leave policy above for additional information.

6. Limitation

Unpaid leaves of absence which exceed 30 days in a given calendar year result in no continued accrual of earned vacation. Vacation is prorated based on the number of months actually worked in a given calendar year.

Procedure

1. Employee requests Leave of Absence Form through the Company's online HR/Payroll system. Employee should submit the Request for Leave of Absence Form 30 days advance or as soon as possible and practical if the leave must begin in less than 30 days. Once the form is completed in Dayforce, it will be routed to the employee's authorized manager for approval. The authorized manager will consult and review the employee's request with Human Resources if there are any questions before initially approving the Leave of Absence Form. When possible, this process should occur before the leave start date.

2. After the manager's approval, the Leave of Absence Form will be routed to Human Resources for additional review. Human Resources will contact the employee for any required supporting documentation related to their request.

3. Human Resources will notify the employee and their authorized manager whether the request for Leave of Absence has been approved or denied by email.

4. The employee must pay for their contributions towards group insurance coverage and/or their participation in the health savings account or a reimbursement account (health care and/or dependent care) if they wish to continue these benefits while on an unpaid leave of absence. Arrangements can be made in advance of the leave of absence to make these deductions from the employee's pay before their unpaid leave begins. The employee may also pay for their benefits coverage every month while on leave. The employee's payment must be received no later than the 15th working day of the month to be covered. For example, payment for May must be received by the 15th working day in May.

5. Human Resources will record the employee's requested time away from work during their Leave of Absence accordingly in the Company's online HR/Payroll system.

6. Failure to return to work without having requested and received an extension of leave of an authorized absence or who are non-responsive to employer-attempted communications about their return to work will be considered an automatic resignation.

Many states require employers to provide employees with additional leaves of absence. Please contact Human Resources to discuss any questions.

Issued **January 1, 2025**

Supersedes **March 1, 2024**

Family and Medical Leave/ Paid Family Leave

Policy

The Company will grant family and medical leave in accordance with the requirements of applicable federal and state law in effect at the time the leave is granted. Although the federal and state laws sometimes have different names, the Company refers to these types of leaves collectively as "FMLA Leave".

In any case, employees will be eligible for the most generous benefits available under applicable law. In compliance with the FMLA, the Company provides eligible employees with up to 12 weeks, and in certain circumstances up to 26 weeks, of unpaid leave during a 12-month period for one or more of the following reasons, in addition to any reason covered by an applicable state family/medical leave law:

- The birth, adoption or foster care of an employee's child within 12 months following birth or placement of the child (Bonding Leave);
- To care for an immediate family member (spouse, domestic partner, child, domestic partner's child or parent) with a serious health condition (Family Care Leave);
- An employee's inability to work because of a serious health condition (Serious Health Condition Leave);
- A "qualifying exigency," as defined under the FMLA, arising from a spouse's, domestic partner's, child's, or parent's "covered active duty" (as defined below) as a member of the military reserves, National Guard or Armed Forces (Military Emergency Leave); or

- To care for a spouse, child, parent or next of kin (nearest blood relative) who is a “Covered Service member”, as defined below (Military Caregiver Leave).

To be eligible for FMLA Leave benefits, an employee must: (1) have worked for the Company for a total of at least 12 months; (2) have worked at least 1,250 hours over the previous 12 months as of the start of the leave; and (3) work at a location where at least 50 employees are employed by the Company within 75 miles, as of the date the leave is requested. Eligibility requirements may differ for employees who have been on a protected military leave of absence.

**** Federal law allows that employees working in branches/offices where there are fewer than 50 employees in a 75-mile radius be excluded from coverage under the FMLA and employees working at a location that does not employ 50 or more employees within a 75 mile radius do not have rights under the FMLA. However, to maintain uniform policies and to broaden inclusiveness and awareness of employee needs company-wide, the Company will consider any request for leave as provided for in this policy and grant the request under the provisions of FMLA as outlined in this policy and as provided by applicable laws and regulations. . Prior to deciding on whether or not to grant a leave, management must consult with Human Resources and should also review the Special Disability Benefits (Extended Sick Leave) Policy. Leave of Absence (Paid) and the Leave of Absence (Unpaid) Policy.**

All time used for basic sick/personal leave, if applicable, and extended sick leave/short-term disability will run **concurrently** with FMLA and counted toward the 12-week allotment. A leave due to disability resulting in receipt of workers’ compensation benefits shall be considered FMLA leave under Federal Law.

All time used for company paid caregiver leave, if applicable, will run concurrently with FMLA and counted toward the 12-week allotment. A leave due to the care of another individual shall be considered FMLA under Federal Law and/or any applicable, state Family Leave Law.

Please note: Employees who take a leave of absence, either paid or unpaid, exceeding 31 days during a fiscal year will have their short-term incentive, if eligible, calculated on a prorated basis (see the Short-Term Incentive Policy, Leave of Absence (Paid) Policy, and Leave of Absence (Unpaid) Policy).

Definitions

"Child" for purposes of Bonding Leave and Family Care Leave, means a biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability at the time that Family and Medical Leave is to commence. "Child," for purposes of Military Emergency Leave and Military Caregiver Leave, means a biological, adopted or foster child, stepchild, legal ward, or a child for whom the person stood in loco parentis, and who is of any age.

"Parent" for purposes of this policy, means a biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the person. This term does not include parents-in-law under Federal FMLA. However, a parent-in-law may be covered based on the applicable State Family Leave law. For Military Emergency leave taken to provide care to a parent of a deployed military member, the parent must be incapable of self-care as defined by the FMLA.

"Covered Active Duty" means (1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty (or notification of an impending call or order to active duty) in support of a contingency operation as defined by applicable law.

"Covered Servicemember" means (1) a member of the Armed Forces, including a member of a reserve component of the Armed Forces, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness incurred or aggravated in the line of duty while on active duty that may render the individual medically unfit to perform his or her military duties, or (2) a person who, during the five (5) years prior to the treatment necessitating the leave, served in the active military, Naval, or Air Service, and who was discharged or released therefrom under conditions other than dishonorable (a "veteran" as defined by the Department of Veteran Affairs), and who has a qualifying injury or illness incurred or aggravated in the line of duty while on active duty that manifested itself before or after the member became a veteran. For purposes of determining the five-year period for covered veteran status, the period between October 28, 2009 and March 8, 2013 is excluded.

"Spouse" means the other person with whom an individual entered into marriage as defined or recognized under state law for purposes of marriage in the state in which the marriage was entered into, or, in the case of a marriage entered into outside of any state, if the marriage is valid in the place where entered into and could have been entered into in at least one State. This includes common law marriage and same sex marriage in places where these marriages are recognized.

"Domestic Partner" means the other person with whom an individual entered into a close personal exclusive relationship and is responsible for the other's common welfare; the other person shares the same regular and permanent residence with the intent to continue doing so indefinitely with the individual; and has attested to the partnership and with the other individual and the domestic partnership relationship has been certified.

"Key employee" means a salaried FMLA-eligible employee who is among the highest paid 10 percent of all the employees employed by the employer within 75 miles of the employer's worksite.

"Serious Health Condition" means an illness, injury, impairment, or physical or mental condition that: (a) Requires inpatient care (i.e., overnight stay) in a hospital, hospice, or residential medical-care facility, including any period of incapacity (defined as inability to work, attend school, or perform other regular daily activities), or any subsequent treatment in connection with such inpatient care; or (b) Requires continuing treatment by, or under the supervision of, a healthcare provider; or (c) Was incurred by a member in line of duty on active duty in the Armed Forces that may render the member medically unfit to perform the duties of the member's office, grade, rank or rating.

"Continuing treatment" is defined as including any one or more of the following:

a. A period of incapacity (as defined above) of more than three (3) consecutive calendar days, and any subsequent treatment or period of incapacity relating to the same condition that also involves treatment of two or more times by a healthcare provider, or treatment by a healthcare provider on at least one occasion that results in a regimen of continuing treatment under the supervision of the healthcare provider.

b. A period of incapacity due to pregnancy or for prenatal care.

c. Any period of incapacity or treatment for such incapacity due to a chronic serious health condition (e.g., asthma, diabetes, epilepsy.)

d. A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective (e.g. Alzheimer's disease, a severe stroke, or the terminal stages of a disease).

e. Any period of absence to receive multiple treatments (including any period of recovery from the treatments) by a healthcare provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical treatment, such as chemotherapy or radiation treatments for cancer, physical therapy for severe arthritis, or kidney dialysis.

Note: The initial health care provider visit must occur within seven days of the period of incapacity and the second visit must be within 30 days. In cases where periodic visits to a health care provider are required, periodic visits are defined as at least two visits to a health care provider per year.

Leave Period

The maximum amount of FMLA Leave will be 12 workweeks in any 12-month period when the leave is taken for: (1) Bonding Leave; (2) Family Care Leave; (3) Serious Health Condition Leave; and/or (4) Military Emergency Leave. If both spouses or domestic partners work for the Company and are eligible for leave under this policy, the spouses or domestic partners may each be entitled to a total of 12 workweeks of leave for Bonding Leave or to care for a parent under Family Care Leave. They will not be limited to a total of 12 workweeks off between the two of them when the leave is for Bonding Leave or to care for a parent (or parent in-law where applicable) using Family Care Leave. The 12-month period is measured forward from the date the employee's first FMLA begins. This means, the employee would be entitled to 12 weeks of leave during the year beginning on the first date FMLA is taken; the next 12-month period would begin the first time FMLA is taken after completion of any previous 12-month period.

In the case of caring for a covered servicemember, the NDAA amendments restrict the total amount of leave taken under the FMLA for any employee to 26 weeks in a single 12-month period. The 12-month period is measured from the date the employee begins taking the leave. Thus, if an employee had previously exhausted the amount of 12 week leave available, the employee is only allowed 14 additional weeks under the Military Caregiver Leave. Similarly, if the employee exhausts all 26 weeks available under the Military Caregiver

Leave, the employee is not allowed any further leave during a single 12-month period. For example, should an employee take six weeks of leave under the Military Caregiver Leave, then the employee would be eligible for the full 12-week leave available should the employee need to take leave under any 12-week leave category.

The maximum amount of FMLA Leave for an employee wishing to take Military Caregiver Leave will be a combined leave total of 26 workweeks in a single 12-month period. A "single 12-month period" begins on the date of the employee's first use of such leave and ends 12 months after that date.

If both spouses or domestic partners work for the Company and are eligible for leave under this policy, the spouses or domestic partners may each be entitled to a total of 26 workweeks of leave when the leave is for Military Caregiver Leave only or is for a combination of Military Caregiver Leave, Bonding Leave and/or Family Care Leave taken to care for a parent.

They will not be limited to a total of 26 workweeks off between the two when the leave is for Military Caregiver Leave only or is for a combination of Military Caregiver Leave, Bonding Leave and/or Family Care Leave taken to care for a parent.

To the extent required by law, some extensions to leave beyond an employee's FMLA entitlement may be granted when the leave is necessitated by an employee's work-related injury or illness or by a "disability" as defined under the Americans with Disabilities Act and/or applicable state or local law. Certain restrictions on these benefits may apply. Please see the Special Disability Benefits (Extended Sick Leave), the Leave of Absence (Paid) Policy and and the Leave of Absence (Unpaid) Policy.

Continuous or Reduced Work Schedule/Intermittent Leave

The period taken as a FMLA leave may be either continuous or on a reduced work schedule/ intermittent leave basis except if taken for the birth, adoption, or placement of a foster child, in which event, the leave should be continuous. When leave is medically necessary for an employee's own serious health condition and the employee is unable to work, or for the serious health condition of a family member, it may be taken on an intermittent or reduced schedule. The leave can be taken in full-day or partial-day increments. For partial day increments, the minimum time which is allowed is one hour. This time off will be unpaid, except in the case of prenatal care*. Pay may be deducted for purposes of this leave whether an employee is non-exempt or exempt by a special exception granted under the Fair Labor Standards Act.

*Prenatal Care – An employee who is pregnant is entitled to up to 20 hours of paid time off "for the health care services received" during their pregnancy or related to such pregnancy, including physical examinations, medical procedures, monitoring and testing, and discussions with a health care provider related to the pregnancy. The 20 hours for prenatal care are in addition to any sick/personal days provided by the Company and are used prior to using the basic sick/personal days for such care. The 20 hours may be taken in one-hour increments. In the case the employee is pregnant, the employee must contact the Director of Human Resources Administration to discuss the use and recording of prenatal care hours.

Employees who take leave intermittently or on a reduced work schedule basis for a planned medical treatment must make a reasonable effort to schedule the leave so as not to unduly disrupt the Company's operations. Employees must contact Human Resources prior to scheduling planned medical treatment. If FMLA Leave is taken intermittently or on a reduced schedule basis due to foreseeable planned medical treatment, we may require employees to transfer temporarily to an available alternative position with an equivalent pay rate and benefits, including a part-time position, to better accommodate recurring periods of leave.

If employees have been approved for intermittent leave and they request leave time that is unforeseeable, they must specifically reference either the qualifying reason for leave or the need for FMLA leave at the time they request the unforeseeable leave time.

If an employee's request for intermittent leave is approved, the Company may later require employees to obtain recertification of their need for leave. For example, the Company may request recertification if it receives information that casts doubt on an employee's report that an absence qualifies for FMLA Leave.

Compensation During Leave

If an employee is on leave due to their own serious health condition, they will be required to use their basic sick/personal days and if applicable, extended sick leave during the leave to the extent permitted by law. An employee will also be required to use all carryover and up to half of accrued but not used vacation days depending on the reason and length of their leave. Additionally, they may, but are not required to, use their remaining accrued but not used vacation days. Any request to use vacation days not yet accrued is subject to the authorized manager's approval upon consultation with Human Resources. Once such paid time is exhausted, the balance of the leave will be unpaid. See Note "C" in the Special Disability Benefits (Extended Sick Leave) Policy. However, if FMLA leave runs concurrently with a workers' compensation absence, the employee may not elect, nor can the Company require the employee to exhaust any form of earned, but unused and/or carryover paid time.

If an employee is on leave due to bonding, family care, or military caregiver leave, they may be eligible for up to 8 weeks of Company paid caregiver leave under the Leave of Absence (Paid) Policy. Once an employee has exhausted the 8 weeks of paid time, they will be required to use all forms of sick/personal days and carryover vacation days and up to half of accrued but unused vacation days for the remaining length of their FMLA leave. Additionally, they may, but are not required to, use their remaining accrued but not used vacation days. Any request to use vacation days not yet accrued is subject to the authorized manager's approval upon consultation with Human Resources. All paid time will be offset by any applicable state paid family leave benefits.

Coordination with State Leave

Various states in which the Company's offices are located (NY, CA, MA, WA, District of Columbia, for example) have family leave laws where employees (both full time and part time) may be covered. Where applicable and permissible by applicable law, the state leave program will run concurrently with the Company's FMLA, paid leave, basic sick/personal and vacation policies. However, in certain circumstances, state leave laws may differ from the FMLA and may not run concurrently with the federal law nor have the same eligibility requirements. Unless otherwise prohibited by law, an employee will be required to use all forms of basic sick/personal, extended sick leave, paid caregiver leave, carryover vacation days and up to half of accrued but not used vacation days to which they are eligible, depending upon the reason for their leave and length of leave (refer to Compensation During Leave section for more details.)

An employee may elect to use all accrued but not used vacation days, but they are not required to do so. Any request to use vacation days not yet accrued is subject to the authorized manager's approval upon consultation with Human Resources.

Note: If a benefit is payable under a state leave (for example, paid family leave), the employee will have the choice of taking a half-day of Company paid caregiver leave and collecting the state applicable benefit for the remainder of that day rather than taking a full day of company paid caregiver leave. In the case where a full day of Company paid caregiver leave is taken, the state benefit will be reimbursed to the employer to the extent permitted by law. Once an employee has exhausted their paid caregiver leave, they will be required to use all forms of basic sick/personal days and vacation time as described in the Compensation During Leave section of this policy.

Once such paid time is exhausted, the balance of the leave will be unpaid. Please check with Human Resources to confirm specific information relating to these laws.

Each branch office, in which state leave laws apply, is required to post a notice regarding applicable law(s) and provide information to all new hires and to any employee who takes a leave that qualifies under each applicable law to the extent required by law.

Employee Benefits Continuation

Group medical, dental, vision, life, AD&D, and disability benefits, if applicable, will continue on the same basis as if the employee was actively at work during any period of FMLA leave. If the employee is receiving pay from the Company, premiums will continue to be deducted from pay. While on unpaid leave, the employee will be required to make contributions payments monthly for coverage to continue. These coverages may be terminated if the premium is not paid within 30 days from the due date which is generally the 15th of the month, provided the employer notifies the employee in writing at least 15 days before the date that coverage will lapse.

Participation in the dependent care and/or health care reimbursement account continues while the employee receives pay from the Company. A participating employee may submit claims during the leave period that they are receiving pay. However, during an unpaid leave, the participating employee may only submit claims for that period if the employee is making the required contributions (on an after-tax basis). If no contributions are made, plan participation is suspended, and no claims may be submitted that occurred during that period.

In the event of a foreseeable unpaid leave, an employee may elect to pay the employee contribution for any of the above benefits in advance of the leave. An employee may also elect not to participate in these group benefits during the leave. In this case, the employee retains the right to have these benefits reinstated immediately upon return from leave.

Time spent on leave will count for vesting service under the employer's 401(k) plan. During unpaid leaves, 401(k) deductions will be suspended. An employee with a 401(k) loan must submit monthly loan repayments by check during unpaid leaves.

In some instances, the Company may recover premiums it paid on the employee's behalf to maintain health coverage if the employee fails to return to work following a FMLA Leave.

Recertification Requirements

A recertification request may be made of the employee no more often than 30 days in conjunction with an FMLA absence, unless a minimum period of time during which the employee cannot work is indicated in the certification, in which case recertification generally will not be required until the specified duration has ended. In addition to the requirements listed above, if an employee's Family and Medical Leave is certified, the Company may later require medical recertification in connection with an absence that the employee reports as qualifying for Family and Medical Leave. For example, the Company may request recertification if (1) the employee requests an extension of leave; (2) the circumstances of the employee's condition as described by the previous certification change significantly (e.g., employee absences deviate from the duration or frequency set forth in the previous certification; employee's condition becomes more severe than indicated in the original certification; employee's encounter complications); or (3) the Company receives information that casts doubt upon the employee's stated reason for the absence. In addition, the Company may request recertification in connection with an absence after six months have passed since the employee's original certification, regardless of the estimated duration of the serious health condition necessitating the need for leave. Any recertification requested by the Company will be at the employee's expense.

Failure to Return to Work

If an employee does not return to work after an FMLA leave and has not requested an extension of leave, the last day of the leave becomes their termination date and a COBRA qualifying event. Note that the last day of the leave could occur at any point during the leave. For example, if an employee calls to report that they will not be returning to work, the last day would occur upon that notification.

Confidentiality

Documents relating to medical certifications, recertifications or medical histories of employees or employees' family members will be maintained separately and treated by the Company as confidential medical records, except that in some legally recognized circumstances, the records (or information in them) may be disclosed to supervisors and managers, first aid and safety personnel or government officials.

Fraudulent Use of FMLA Prohibited

An employee who fraudulently obtains Family and Medical Leave from the Company is not protected by FMLA's job restoration or maintenance of health benefits provisions. In addition, the Company will take all available appropriate disciplinary action up to and including termination of employment against such employee due to such fraud.

Nondiscrimination

The Company takes its FMLA obligations very seriously and will not interfere, restrain, or deny the exercise of any rights provided by the FMLA. We will not terminate or discriminate against any individual for opposing any practice, or because of involvement in any proceeding related to the FMLA. If an employee believes that their FMLA rights have been violated in any way, they should immediately report the matter to Human Resources.

Additional Information Regarding FMLA

A Notice to Employees of Rights under FMLA (WHD Publication 1420) is posted on the Company intranet site, MCA Connected, Benefits section.

Procedure

1. All branches/offices will conspicuously post a notice summarizing the FMLA policy.

2. **Notice and Certification Requirements**

   - **For Bonding, Family Care, Serious Health Condition and Military Caregiver Leave Requirements Employees are required to provide:**

     When the need for the leave is foreseeable, 30 days advance notice or such notice as is both possible and practical if the leave must begin in less than 30 days (normally, this would be the same day the employee becomes aware of the need for leave or the next business day). When the need for leave is not foreseeable, notice within the time prescribed by the Company's normal absence reporting policy, unless unusual circumstances prevent compliance, in which case notice is required as soon as is otherwise possible and practical.

The employee will be asked to complete a Request for Leave of Absence form on the online HR/Payroll System. They will also submit a Certification of Health Care Provider form and, where applicable, state leave request form, completed by both the employee and the employee's (or employee's eligible family member's) health care provider. When the leave relates to medical issues, a completed Certification of Health-Care Provider form must be submitted within 15 calendar days (for Military Caregiver Leave, an invitational travel order or invitational travel authorization may be submitted in lieu of a Certification of Health-Care Provider form).

- **Periodic reports to Human Resources during the leave, including periodic recertification (if required by law).**

  At our expense, we may require the need for the leave to be recertified or a second or third medical opinion regarding the employee's own serious health condition or the serious health condition of the employee's family member.
  In some cases, we may require a second or third opinion regarding the injury or illness of a Covered Service Member. The employee is expected to cooperate with the Company in obtaining additional medical opinions that we may require.

  When leave is for planned medical treatment, the employee must try to schedule treatment so as not to unduly disrupt the Company's operation. Please contact the authorized manager and Human Resources prior to scheduling planned medical treatment.

- **For Military Emergency Leave Requirements.**

  Employees are required to provide:

  - As much advance notice as is reasonable and practicable under the circumstances;
  - A copy of the covered military member's active duty orders when the employee requests leave, and/or documentation (such as Rest and Recuperation leave orders) issued by the military setting forth the dates of the military member's leave;
  - A completed Certification of Qualifying Exigency form within 15 calendar days unless unusual circumstances exist to justify providing the form at a later date.

3. A Request for Leave of Absence Form must be submitted through the Company's online HR/Payroll system whenever an employee is absent more than five (5) days unless the time is covered by paid vacation leave. The manager's responsibility is to notify Human Resources if this circumstance should occur.

4. Failure to provide the required medical certification may result in the denial of the leave until after the certification is received or, in the event of unforeseeable leave, the failure to provide certification within a reasonable period (i.e., 15 calendar days) may result in the termination of the leave. In addition, a refusal to provide a required certification may result in disciplinary action, up to and including discharge.

5. Upon receipt of the Request for Leave of Absence Form, Human Resources determines whether or not this leave qualifies as FMLA and completes an FMLA Notification form indicating that determination. Within five business days of the employee's request, a copy of the FMLA Designation form and a copy of this policy should be sent/given to the employee. In cases where the leave is foreseeable, the FMLA Designation form and policy should be given to the employee prior to the leave. If the leave is unforeseeable, they should be provided as soon as possible. This form must clearly indicate whether or not this leave is granted as Family and Medical Leave. **There are only two exceptions to this rule:**

   - The employee was absent for an FMLA leave, and the Company was unaware that the leave may qualify as FMLA leave, or
   - If the Company knows the reason for the leave but has been unable to confirm that the leave qualifies for FMLA. Where applicable, upon receipt of a state family leave request form, Human Resources determines whether or not this leave qualifies under the applicable state leave law. A notification indicating that determination will be provided within five business days of the employee's request or as otherwise required by applicable law.

6. If the Company believes the medical certification is incomplete, a written request from a Human Resources representative must be given to the employee. Due to privacy concerns arising out of the Health Insurance Portability and Accountability Act ("HIPPA"), an employee's authorized manager may not contact the health care provider directly.

7. The Company may require a second opinion in the case of a serious health condition for either an employee or the employee's family member at its expense.

8. In cases where medical conditions last longer than one year, the Company (i.e., Human Resources) may request new medical certification each leave year. When the duration of a condition is described as "lifetime" or "unknown," the Company may request recertification of an ongoing condition every six months in conjunction with an absence.

9. Before an employee will be permitted to return from a continuous medical leave, the employee will be required to present the Company with a note from the employee's attending physician (or other licensed health care provider) that certifies the employee can perform the essential functions of the job as those essential functions related to the employee's serious health condition, with or without reasonable accommodation. For an employee on intermittent FMLA leave, such a release may be required if reasonable safety concerns exist regarding their ability to perform their duties, based on the serious health condition for which the employee took the intermittent leave. The Company will consider making reasonable accommodations for any disability an employee may have in accordance with applicable laws where required.

10. Upon return to work, the employee must be placed in their same position or a position of equivalent status and pay. However, employees have no greater right to reinstatement than if they had been continuously employed rather than on leave. Exceptions to this provision may apply if business circumstances have changed; for example, the employee's position is no longer available due to a job elimination, etc. Exceptions may also apply for certain highly compensated employees under certain conditions. Key employees may be subject to reinstatement limitations in some circumstances. If employees are considered a "key employee," those employees will be notified of the possible limitations on reinstatement when the employee requests a leave of absence.

11. Request for Leave of Absence forms and supporting documentation should be filed separately from the Human Resources files and must be maintained for a period of three years from the date the leave ends.

NOTE: If any state or local law grants more generous leave rights than those in FMLA, the state or local law takes precedence. A leave under FMLA will run concurrent with any state or locally approved leave.

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Supersedes **October 1, 2020**

Religious, Disability and Lactation Accommodations

Policy

In compliance with all federal, state, and local laws and to support our employees in their efforts to perform their essential job functions, the Company will provide necessary religious and disability accommodations, as described below.

1. Religious Accommodations

The Company will provide reasonable accommodations for employees' religious beliefs, observances, and practices when a need for such accommodation is identified, and a reasonable accommodation is possible. A reasonable accommodation is one that eliminates the conflict between an employee's religious beliefs, observances, or practices and the employee's job requirements, without causing undue hardship to the Company.

Procedure

The Company has developed an accommodation process to assist employees and management. Through this process, the Company established a system of open communication between employees and the Company to discuss conflicts between religion and work and to take action to provide reasonable accommodations for employees' needs.

The intent of this process is to ensure a consistent approach when addressing religious accommodation requests.

- Any employee who perceives a conflict between job requirements and religious belief, observance, or practice should bring the conflict and their request for accommodation to the attention of Human Resources to initiate the accommodation process.
- Accommodation requests should be made in writing as far in advance as possible.

2. Disability Accommodations

To comply with applicable laws ensuring equal employment opportunities for individuals with disabilities, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee, unless undue hardship and/or a direct threat to the health and/or safety of the individual or others would result.

Procedure

- Any employee who requires an accommodation to perform the essential functions of their job and/or obtain equal job benefits should contact Human Resources to request such an accommodation. The employee who believes they need an accommodation must specify, preferably in writing, what barriers or limitations prompted the request.
- Human Resources will communicate with the employee and engage in an interactive process to determine the nature of the issue and what, if any, reasonable accommodation(s) may be appropriate. The Company will evaluate information obtained from the employee, and possibly their health care provider or another appropriate health care provider, regarding any reported or apparent barriers or limitations.
- In some cases, this interactive process may be triggered without a request from the employee, such as when the Company receives notice from its own observation or another source that a medical impairment may be impacting the employee's ability to perform their essential job functions.
- If an identified accommodation is reasonable and will not impose an undue hardship on the Company and/or a direct threat to the health and/or safety of the individual or others, the Company will generally make the accommodation, or it may propose another reasonable accommodation which may also be effective.

- Employees are required to cooperate with this process by providing all necessary documentation supporting the need for accommodation and being willing to consider alternative accommodations when applicable.

The Company will also consider requests for reasonable accommodations for medical conditions related to pregnancy, childbirth, and lactation where supported by medical documentation and/or as required by applicable federal, state, or local law.

Employees who wish to request unpaid time away from work because of a qualifying disability should speak to a Human Resources representative regarding a proposed accommodation.

The Company will engage in good faith in a dialogue (written or oral) concerning an employee's accommodation needs and potential accommodations for those needs. The Company will engage in this cooperative dialogue within a reasonable time after an employee requests an accommodation or the Company becomes aware of the possible need for an accommodation. At the conclusion of the dialogue, the Company will provide the employee with a written final determination identifying any accommodation granted or denied. The Company will engage (or attempt to engage) in this cooperative dialogue before ever reaching the conclusion that a reasonable accommodation cannot be found.

3. Lactation Accommodation

The Company will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's child. Generally, a reasonable amount of break time for purposes of this policy will be at least 20 minutes in every three-hour period, if requested by the employee. The Company will provide this break time for up to three years following the birth of a child.

Procedure

- Nursing mothers can elect to take time to express breast milk during their regularly scheduled meal and rest breaks. If the break time cannot run concurrently with the meal and rest breaks already provided to the employee, the break time will be unpaid for Support track employees. Where additional breaks are required, employees should work with their authorized manager and/or Human Resources regarding scheduling. A Support track employee can elect to work before or after their normal shift to make up the amount of time used during unpaid break time for expression of breast milk, so long as the additional time requested falls within the Company's normal work hours.

- Employees are required to provide reasonable notice to the Company that they intend to take breaks for expressing breast milk upon returning to work. The Company will make reasonable efforts to provide employees with the use of a private location, other than a toilet stall, near their work area, for the employee to express breast milk. Employees should discuss with Human Resources the location to express their breast milk and for storage of expressed milk and to make any other arrangements under this policy.
- The Company will not demote, terminate, or otherwise take adverse action against an employee who requests or makes use of the accommodations and break time described in this policy.

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Supersedes **January 4, 2024**

Infectious Disease

Policy

At Mitsubishi Corporation (Americas) ("MCA" or the "Company"), the safety and health of our employees and customers are our top priorities, and we are committed to maintaining a safe and healthful workplace. As such, we have established this Infectious Disease Policy to protect employees against exposure and disease during an infectious disease outbreak.

Additionally, to support the health and safety of our employees, MCA will comply with any applicable local, state, and federal laws and regulations ("Applicable Mandates") in response to exposure and disease during infectious disease outbreaks.

This policy applies to an outbreak of any infectious disease designated by MCA Human Resources as a "Covered Disease". The Human Resources Administration Department will notify employees promptly upon designating a Covered Disease. Covered Diseases will include any disease that is designated by the New York State Commissioner of Health or other relevant public health authority as a highly contagious communicable disease that presents a serious risk of harm to public health.

This policy is subject to any additional or greater requirements arising from a declaration of a state of emergency due to an infectious disease, as well as from any Applicable Mandates.

Reporting Procedures

Employees who experience symptoms of a Covered Disease must report this information immediately to their manager and the Director of the Human Resources Administration Department (all locations other than Houston) or to the Director of Human Resources and Facilities Management (Houston location only). The employee is responsible for keeping their manager informed of conditions that may require extended care, missed work, etc. MCA may require the employee to provide written documentation from a physician to return to the worksite.

MCA will comply with all Applicable Mandates that protect the privacy of individuals with Covered Diseases. In addition to providing any legally required accommodation, MCA will also make efforts to provide reasonable accommodation as it relates to the employee's illness and their ability to return to work either on-site or remotely. In considering any type of accommodation, the health and safety of the employee as well as all other employees will be considered.

Employee Education and Awareness

Human Resources will provide employees with information about Covered Diseases from relevant public health authorities, including how they are spread, common symptoms, and ways to prevent transmission. This information will be available to all employees on MCA Connected (company intranet). MCA will update employees periodically about the Company's policies, procedures, and any significant updates related to Covered Diseases, including information on symptoms, prevention measures, and other relevant details.

Sick/Personal Leave

Employees are encouraged to stay home if they may have been infected with a Covered Disease. Employees who cannot work as a result of a Covered Disease will be provided with paid sick leave in accordance with the Basic Sick/Personal Leave Policy and any Applicable Mandate.

Cleaning and Disinfection

MCA's cleaning and disinfection procedures will be reviewed and updated regularly to ensure that they meet or exceed current guidelines from public health authorities.

Contact Tracing and Testing

Consistent with Applicable Mandates, MCA will implement contact tracing and testing procedures if an employee is diagnosed with a Covered Disease. Employees whom it is determined are reasonably likely to have been exposed will be notified and provided access to testing, if reasonably available.

Remote Work

During the outbreak of a Covered Disease, MCA will consider implementing remote work or flexible work schedules to reduce the number of people in the office. See Remote Work Environment in the Hybrid Work Policy.

Masks and Personal Protective Equipment

While working on-site, employees, customers, and visitors may be required to wear face masks or personal protective equipment, depending on the nature of their job duties, public health guidance concerning the likely methods of transmission of the Covered Disease, and the current risk level.

Social Distancing in the Workplace

During the outbreak of a Covered Disease, employees will be encouraged to socially distance themselves according to guidance from relevant public health authorities, meetings may be held virtually instead of in person, and workstations may be rearranged to allow for more space between employees.

Travel Restrictions

Employees will be required to follow travel guidelines under Applicable Mandates.
This may include restrictions on travel to certain areas with high rates of infectious disease transmission.

Policy Review

Each Covered Disease outbreak may require specific measures based on the type of disease and its transmission method. MCA will review and update this policy to reflect changing circumstances and guidelines from public health officials.

Compliance

All employees and visitors are expected to comply with this policy. Failure to comply with this policy may result in disciplinary action, including termination of employment.

No Retaliation and No Discrimination

The Company will not retaliate or discriminate against any employee that reports any infectious disease illness. The Company has a strict non-retaliation and non-discrimination policy and will not tolerate anyone retaliating against, discriminating against, or harassing any employee for informing

the Company or management about any workplace-related safety concerns or complaints, filing an occupational safety or health complaint, reporting a work-related injury or illness, or otherwise exercising any rights afforded by the OSH Act.

The Company will not tolerate retaliation of any kind because an employee in good faith raises a question or concern about a violation or suspected violation of the Company's employment policies, the Code of Business Conduct, or the laws and regulations under which we do business, because the employee participates in or cooperates with an investigation of such concerns, or because an employee requests a reasonable accommodation.

Addendum

Effective April 1, 2024 - COVID-19 Restrictions

COVID-19 is not currently considered to be a "Covered Disease" for purposes of the Infectious Disease Policy. However, in light of the evolving nature of the COVID-19 pandemic and the lifting of certain COVID-19 restrictions, this addendum outlines the protocols that apply when an employee tests positive for COVID-19.

If an employee tests positive for COVID-19, they should report to their manager, and the Director of the Human Resources Administration Department, Frances Shields-Dedeian, (for employees in all locations other than Houston) or to the Director of Human Resources and Facilities Management, Therese San Miguel, (for Houston employees only).

If the employee tests positive for COVID-19 and experiences a fever, then they should stay home until they have been fever-free without fever reducing mediation for at least 24 hours, and their symptoms have been improving for 24 hours.

Though isolation is not required if the employee has tested positive, it is recommended that employees take additional precautions during the next five days including masking, limiting close contact with others, not traveling, and improving ventilation to lower the risk of spreading the virus.

08 Absence

- Tardiness/Lateness
- Emergency Closing
- Early Leave
- Excessive Absence
- Attendance Records - Non-Exempt Employees

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Tardiness/Lateness

Policy

The Company recognizes that emergency situations arise that result in an employee reporting to work late. Provided that the tardiness is infrequent, it should not be a factor in the employee's performance evaluation.

Procedure

1. An employee must call or text their authorized manager as soon as possible to report tardiness and give an approximate time of arrival.
2. Support level employees should record their actual arrival time in the Company's provided, online HR/Payroll system.
3. Depending on the employee's workload, the authorized manager may request that the tardy employee make up the missed work time.
4. If the employee is late more than 3 hours, the employee must apply for a half sick, personal or vacation day, as appropriate.
5. Authorized managers of employees who are repeatedly late should inform the employee in writing that the tardiness is unacceptable and must be corrected. If, despite the authorized manager's counselling efforts, the employee continues to be late, the employee should be given a written warning that stipulates that continued lateness may result in termination after consultation with Human Resources.

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Emergency Closing

Policy

In cases of a serious safety hazard, including weather-related hazards, management may elect not to open the office or may allow employees to arrive late or leave early. In those cases, no pay is deducted for the time not worked, and it is not counted against individual employees.

Procedure

1. Human Resources announces that the office will not open or that employees may arrive late or leave early.
2. The status and pay eligibility of employees who are absent on the day of the emergency closing for reasons such as vacation, sickness, etc., will be unaffected.
3. Employees will receive email/text messages via the Company's authorized notification system.
4. Additionally, employees may call 1-888-605-2000 for a voicemail or recorded announcement. If a decision is made to open the office, all employees are expected to report to work. Employee lateness and absence will be handled as follows:
   - **Lateness**
     If a Support band employee is late, even if by a few hours, the time will be excused, and the employee will be paid as if he/she were in on time. The authorized manager should adjust the employee's hours in the Company's provided online HR/Payroll system.

- **Absence**

  An employee (exempt or non-exempt) can use a vacation day, a sick day, or a personal day to cover the day and be paid. If the employee has no paid time available, the employee should record the day as an unpaid personal day in the Company's provided, online HR/Payroll system. Alternatively, if they have the ability to work from home, they are encouraged to do so during an emergency closing and should check in with his/her authorized manager at the beginning and end of the workday.

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Early Leave

Policy

At management's discretion and as the business allows, employees will be permitted to occasionally leave early for personal reasons including emergency, family, religious, or for civic responsibilities. Provided the employee has received approval from their authorized manager, Support level employees will be allowed to make up the time not worked at a later date.

Procedure

1. The employee must request permission from the authorized manager to leave early at least one day in advance of non-emergency situations.
2. Support level employee records the actual departure time in the Company provided, online HR/ Payroll system.
3. If the early leave represents more than 3 hours, the employee must apply for a half sick, personal or vacation day, as appropriate.
4. In cases where the frequency of leaving early is viewed as excessive the employee may be denied permission. No reduction in pay will occur in the case of employees in Professional level or higher, nor will they be required to make up the time.
5. Employees who frequently leave early or who leave without permission should be given a written warning which stipulates that continuing this practice may result in termination. A copy should be sent to Human Resources.
6. Human Resources must be consulted prior to issuing a written warning or termination.

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Excessive Absence

Policy

When the number of days absent exceeds the authorized sick leaves (basic and paid extended disability) or other paid leaves of absence and/or interferes with the department's/division's ability to conduct business in the sole judgment of the authorized manager, the absence is considered excessive. The responsibility of the manager is to monitor attendance, recognize potential problems, apply consistent standards within the department, and counsel employees.

Procedure

1. The authorized manager ensures that the Company provided, online HR/Payroll system is up to date and approved regarding time away from work and that the same standard of attendance is applicable to all employees in the department/division.
2. The authorized manager should counsel employees regarding all unauthorized/ unexcused absences, and stress the importance of being at work when scheduled.
3. If the rate of absence continues to be unacceptable, the authorized manager should consult the SVP as well as Human Resources to discuss further disciplinary action.
4. It is recommended that the employee be given a written warning which stipulates that failure to improve attendance may lead to termination.
5. If no improvement occurs, the employee's attendance history should be reviewed to see if another warning or termination is appropriate. Termination should not occur without consulting the SVP and Human Resources.

6. All discussions, counseling sessions, and warnings must be documented and filed with Human Resources.

7. Notwithstanding the above, employees who fail to report for work without any notification to the authorized manager or Human Resources and whose absence continues for a period of three (3) days will be considered to have abandoned and voluntarily terminated their employment, absent extraordinary circumstances.

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Attendance Records – Non-Exempt Employees

Policy

Employees who are subject to the provisions of the Federal Wage and Hour Law (i.e. non-exempt or Support level employees) are required to record their daily work hours in the Company provided online HR/Payroll system. These records are Company records. Employees should not change them in any way without the approval of management.

Non-Exempt (Support level) Employees

Under the Fair Labor Standards Act (FLSA), the Company is to maintain accurate attendance records for all non-exempt employees.

1. Making Entries into the Company provided, online HR/Payroll system

The employee must record:

a. Actual time work starts at the beginning of the day

b. Actual time stopped work at the end of the day

c. Actual time not worked during the lunch break*

Employees are required to log in to the HR/Payroll system from their work computers for recording attendance in the HR/Payroll system. Any time worked but not recorded in the HR/Payroll system must be reported to the employee's manager to ensure the timely adjustment and approval of the employee's timesheet.

**Please note that Support level employees must take a minimum lunch break of 30 minutes each day when no work is performed. Pre-approval from a manager is required to work overtime during the lunch break.*

4. Recording Time Away from Work

Employees must record time away from work in the proper category of leave days by entering the day in the company provided online HR/Payroll system.

5. Changing the Attendance Records

Only an authorized manager or Human Resources can change attendance records. An employee who forgets to record their arrival or departure time or to track their lunch period must inform their authorized manager and request that the record be adjusted.

6. Overtime Authorization

Any work performed outside of regular working hours, including lunch breaks, evenings, weekends, and holidays, is considered overtime. Employees must obtain pre-approval from their manager to work overtime during lunch breaks, evenings, weekends, and holidays and before, or after regular working hours. This pre-approval must include a valid reason, and the reason must be documented by the employee and/or manager in the HR/Payroll system.

Work includes making phone calls, checking emails, or any other work-related activities. Pre-approval is required to ensure compliance with overtime regulations, and the approved hours must be documented in the HR/Payroll system.

This policy aims to ensure accurate record-keeping, compliance with labor laws, and the fair treatment of all employees. **Employees are expected to log all worked hours and accurately record any time away from work in the HR/Payroll system.** Failure to adhere to this policy may result in corrective action, up to and including termination of employment.

Procedure

1. The authorized manager is responsible for reviewing and authorizing the accuracy and completeness of the attendance records of their staff at the end of each pay period.

09 Employee Assistance

- Employee Benefits Program
- Employee Educational Assistance Program
- Seniority/Service Dates
- Workers Compensation/State Disability Insurance
- Service Awards

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Employee Benefits Program

Policy

The Company maintains a variety of benefit plans for its employees. The plan contents, terms and conditions are subject to change and/or termination from time to time at the discretion of the Company. Details regarding each plan may be obtained from Human Resources.

Procedure

1. Consult Human Resources for complete information regarding benefit plans.
2. The summaries of benefits describing various benefit plans are designed for the employees' information only. While the summaries of benefits are believed to be accurate, the final authority on any particular benefit plan is the document establishing that plan. Summaries of benefits can be found on the Company intranet site, MCA Connected, Benefits section.

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Employee Educational Assistance Program

Policy

The vocational and professional development of employees is encouraged by granting financial assistance for approved educational courses completed outside the employee's working hours. The intention is not to underwrite the complete cost of an educational degree or course, but to provide assistance. To be eligible for educational assistance, an employee must be working full-time, have completed the service requirements stipulated below, and have a performance rating satisfactory to the Management at the time the request is made.

The course must be related to the employee's present position or to the Company's operations, activities, and objectives. The school attended must be an accredited institution acceptable to Management, and a grade of "C" or better is necessary to qualify for reimbursement.

Please note: Conventions, association meetings, and seminars are excluded from this program.

1. Program Qualifications

Approvals will be made after carefully reviewing the applicant's qualifications based on:

- Courses which are related to the job
- Record of previous reimbursement

- Authorized manager's recommendation
- Present and past performance of the employee
- Prospect of future service of the employee.

Priority will be given to reimbursement for courses that are most directly related to the individual's current or proposed function.

2. Eligible Course Categories

a. Job-Related Technical Courses

When an employee is assigned by their authorized manager to take a course that is directly related to their current or proposed job, 100% of the tuition, materials, and fees will be paid directly to the school, where possible, in advance. For example: if a new software program is installed and the employee cannot perform their job without taking a course explaining the new program, the employee will be eligible for full tuition payment prior to the course or a full reimbursement under this category. Language lessons will not be paid under this category unless a transfer to a foreign country has been scheduled for the employee or for specific job-related reasons where the foreign language is required for the job.

b. Japanese Language Courses

An employee may apply for tuition reimbursement for Japanese language courses at an accredited school or through a private tutor. If a private tutor is used, documentation must be submitted outlining his or her credentials. Japanese language courses may also be taken via approved online courses by the company. Reimbursements will be made at 90% upon successful completion of the course.

c. Business or Japan Related Courses

An employee who wishes to take a business or Japan related course will be reimbursed upon successful completion of the course as follows:

- 100% of tuition, materials & fees for grade "A"
- 90% of tuition only for grade "B" (B+ and B- included) or a "passing" mark, where a grade is unavailable

- 70% of tuition only for grade "C" (C+ and C- included).

Please note: No reimbursements will be made for grade "D" and below. Examples of courses considered in this category are classes in Accounting, Communication, Computers, Economics, Finance, Insurance, Japanese History or Society, Marketing, Merchandising, Spanish, etc.

4. Reimbursement Maximums & Procedures

The total maximum reimbursement per employee is $5,250 per calendar year. All categories of courses will be aggregated to calculate the maximum limit. Reimbursements are paid by disbursements by Human Resources and are paid as a non-taxable benefit.

5. Qualifications for Reimbursement

For reimbursement for courses in the Japanese Language or Business or Japan Related Categories an employee must have successfully completed three (3) months of employment.

Courses must be approved for reimbursement in advance, but if the course is subsequently cancelled or changed, the employee must immediately file an amended application which will be considered.

An employee who is laid off prior to completion of the course remains eligible for reimbursement. Similarly, an employee who is reassigned for the convenience of the Company so as to preclude the completion of the course will be eligible for reimbursement.

Employees who leave the Company voluntarily or are terminated for cause prior to completing the course are not eligible for reimbursement.

An employee who is receiving a scholarship from an institution including a subsidy under the Veteran's benefit program, must coordinate the benefits they are receiving from the outside source with our plan. The employee may directly apply our policy to the amount they must pay after the outside funds have been exhausted. In these cases, the employee must furnish a copy of the outside financial aid plan, including the amount that these plans are covering.

Procedure

1. Human Resources administers the program.

2. The Employee applies for Educational Assistance by submitting an Educational Assistance Program Application through Dayforce. The Application is accessible in the Dayforce "Forms" section. The application should be submitted no later than two weeks before the course begins. All supporting documents must be attached to the application in Dayforce. Once the application is completed in Dayforce, it will be routed to the employee's authorized manager for initial approval or denial.

3. After the manager's approval, the Educational Assistance Program Application will be routed to the Human Resources and Facilities Management Division for additional review. The Human Resources and Facilities Management Division will notify the employee and their authorized manager whether the application has been approved or denied by email.

4. Following completion of the course, the employee submits a Tuition Refund Form through Dayforce. The Tuition Refund Form is accessible in the Dayforce "Forms" section. The refund form should be submitted within 31 days after the course is completed. All supporting documents must be attached to the refund form in Dayforce.

5. If the employee's Educational Assistance Program Application is approved for a Job Related Technical courses, Human Resources will authorize prepayment of tuition costs to the school. Reimbursement will be made directly to the employee only if the employee shows proof of payment to the school. Upon completion of the course, certification of successful completion must be submitted through Dayforce by completing the Tuition Refund Form. The Tuition Refund Form will be routed to the authorized manager and Human Resources for approval. If the course is not completed, the employee must submit to Human Resources and their authorized manager the reason for not completing the course. In conjunction with the authorized manager, Human Resources will determine whether the employee must refund any monies advanced.

All reimbursements, including those for branch offices, will be processed by Human Resources.

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Seniority/ Service Dates

Policy

It is possible for an employee of the Company to have several important dates which affect status and eligibility for certain benefits.

1. Seniority Date

This date is used for selecting vacation scheduling preference, temporary reductions in workforce and other events where the date used directly impacts the rights of other Company employees. This date will most often be the most recent date of hire.

2. Continuous Service Date

This date is used in determining vested rights in the pension (if applicable) and 401(k) plans. This date will normally reflect the employee's original date of hire except as modified by the provisions of the Employee Retirement Income Security Act (ERISA).

3. Adjusted Service Date

This date is used in determining the employee's eligibility for vacation allowances, service awards, group insurance premium fees paid by the Company, extended sick leave pay, and 401(k) plan vesting. These service dates will normally reflect the most recent date of hire except that if an employee is transferred to an affiliate and subsequently returns to the Company, credit will be given for the service at the Company prior to transfer. Therefore, an "adjusted service date" will be calculated reflecting prior service upon which "new" service at Company will accrue.

4. Retiree Medical and Life Insurance Service Date

If applicable, the date used to determine the years of service needed for continuation of these benefits at retirement will be the same as #3 above. Please note – these benefits are only available to full-time employees whose Adjusted Service Date is on or before August 1, 1994. For more information, please contact Human Resources.

For more information, please see the Part-Time Employment Policy.

Procedure

1. Human Resources is responsible for maintaining the correct seniority/service dates for all employees.

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Workers' Compensation/ State Disability Insurance

Policy

It is the policy of the Company to be in full compliance, at all times, with the Workers' Compensation and Disability Benefits laws in each of the states in which the Company maintains an office or other place of business.

It is the responsibility of Human Resources in each branch office to administer the procedures required by the respective laws.

Procedure

1. Any work-related accident or illness must be reported immediately to Human Resources. In no event should the accident/illness be reported later than 10 days after the occurrence.

2. Human Resources keeps up to date on all required laws and regulations and administers the procedures. Moreover, Human Resources is responsible for completing all appropriate forms and filing them with the Worker's Compensation carrier or reporting the information telephonically or electronically.

3. Human Resources maintains a central file on all offices and assists the branch offices in complying with the Worker's Compensation laws.

4. Depending on the nature of the injury or accident time lost while on leave may be classified as qualified time under the Family and Medical Leave Act (see the Family and Medical Leave/ Paid Family Leave Policy). Human Resources will make this determination based on the medical evidence provided and the office involved.

5. Workdays lost due to a Worker's Compensation claim will be paid by our insurance carrier on a pro-rata basis as per our Worker's Compensation policy. If the payment received by the employee from the worker's compensation insurance carrier is less than 66 and 2/3 percent of the employee's salary, the Company will pay the difference up to 66 and 2/3 percent of the employee's regular gross base salary. Under no circumstance will the Company supplement be paid beyond a 30-day period measured from the first date of absence. In the event of multiple injuries in one year, the supplement will be paid at maximum for 30 days for all such injuries in a calendar year. The amount of supplement to be paid by the Company will be determined at the completion of the case, or if the absence extends beyond 30 days, upon written proof of the payment made by the insurance carrier for the first 30-day period.

6. If, at the completion of a Worker's Compensation case, the total number of days away from work due to the claim was 5 or less or the total number of days missed was such that the employee suffered a waiting period (usually 5 days) with no pay from our Worker's Compensation carrier, the employee can substitute their unused basic sick leave time, personal or vacation for the days without pay. This determination will be made only after the case is closed. In no other circumstance is the employee entitled to substitute the Company's paid leave time for time covered by our Worker's Compensation policy except as noted in 5 above.

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Service Awards

Policy

Each year the Company gives Service Awards to full time employees who have or will celebrate their 10, 20, 30, or 40-year anniversary during that year. Years of service are determined using the employee's date of hire or adjusted service date, where applicable (see the Seniority/Service Dates Policy).

Procedure

1. Human Resources runs a report of those employees with 10, 20, 30, or 40-year anniversaries during the calendar year in question.
2. Human Resources contacts each branch office to confirm the list of names for that branch office.
3. Human Resources instructs the awards vendor to mail a gift catalog directly to the recipient's home.
4. In late November or early December, the signed certificates of service for branch office recipients are sent to Human Resources in each branch office by Human Resources.
5. The certificates are then presented to the recipients by the President or Senior Vice President/Branch Head at a Holiday Party or other appropriate occasion.
6. Eligible employees who terminate employment involuntarily due to a job elimination or reorganization prior to the award distribution date but after their anniversary date are normally given the service award. The decision regarding this is at management discretion.

10 Unacceptable Behavior

- Insubordination
- Equal Employee Opportunity/Anti-Harrassment
- Workplace Bullying
- Conflicts of Interest
- Drug-free Workplace/Substance Abuse
- Workplace Violence
- Corrective Action Process
- Grievances

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Insubordination

Policy

Authorized managers have the authority to carry out their responsibilities and must make decisions on such matters as job assignments, quality control, safety instructions, etc. Unless the authorized manager's instructions are in violation of the law or create a safety hazard, the employee is expected to carry out the instructions. Failure to do so is insubordination and subjects the employee to disciplinary action up to and including termination.

Employees who believe the instructions to be improper (except as described above) should comply and subsequently file a grievance as per the grievance procedure.

Procedure

1. An authorized manager who has evidence that an employee is insubordinate must report the matter to the Group SVP or Branch Head for review and disciplinary recommendation.
2. Human Resources should be involved in determining what disciplinary action is appropriate.
3. The authorized manager and Human Resources should review the insubordination charge with the employee and explain their decision regarding discipline.
4. A written record of the offense should be included in the employee's file.

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Equal Employee Opportunity/ Anti- Harassment

Policy

The Company does not tolerate harassment, discrimination or retaliation against, any employee by any other employee, supervisor or third-party business associate in violation of the law or this policy. Any verbal, written, physical or sexual harassment of employees is prohibited whether on Company property or at outside work-sponsored settings.

The Company is an equal opportunity employer. In accordance with applicable law, we prohibit discrimination and harassment in the workplace based on any legally-recognized basis, including, but not limited to: race, color, religion, sex (including pregnancy, lactation, childbirth or related medical conditions), sexual orientation, age (40 and over), national origin or ancestry, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status or any other status protected by federal, state or local law. The workplace includes: actual worksites, any setting in which work-related business is being conducted (whether during or after normal business hours), company-sponsored events, or company owned/controlled property.

This policy applies to all persons involved in its operations, regardless of their position, and prohibits discrimination and harassment by any employee of the Company, including supervisors, managers and nonsupervisory employees. This policy also protects employees from prohibited discrimination and harassment by third parties, such as customers, vendors, clients, visitors, or temporary or seasonal workers. If such discrimination or harassment occurs in the workplace by someone not employed by the Company, the procedures in this policy should be followed.

Sexual and Other Unlawful Harassment

The Company is committed to providing a work environment that is free of prohibited harassment. As a result, the Company maintains a strict policy prohibiting sexual harassment and harassment against applicants and employees based on any legally-recognized status, including, but not limited to: race, color, religion, sex, pregnancy (including lactation, childbirth or related medical conditions), sexual orientation, age (40 and over), national origin or ancestry, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status or any other status protected by federal, state or local law.

Discrimination, harassment and retaliation are illegal. The Company prohibits unlawful discrimination and harassment as well as discriminatory and harassing conduct that does not rise to the level of being unlawful.

Sexual Harassment Defined

Sexual harassment includes unwanted sexual advances, requests for sexual favors or visual, verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of employment; or
- Submission to, or rejection of, such conduct is used as a basis for employment decisions affecting the individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment includes various forms of offensive behavior based on sex. The following is a non-exhaustive list of the types of conduct prohibited by this policy:

- Unwanted sexual advances or propositions (including repeated and unwelcome requests for dates);

- Offers of employment benefits in exchange for sexual favors;
- Making or threatening reprisals after a negative response to sexual advances;
- Visual conduct: leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons, posters, websites, emails or text messages;
- Verbal conduct: making or using sexually derogatory comments, innuendos, epithets, slurs, sexually explicit jokes, or comments about an individual's body or dress, whistling or making suggestive or insulting sounds;
- Verbal and/or written abuse of a sexual nature, graphic verbal and/or written sexually degrading commentary about an individual's body or dress, sexually suggestive or obscene letters, notes, invitations, emails, text messages, tweets or other social media postings;
- Physical conduct: touching, assault or impeding or blocking normal movements;
- Retaliation for making reports or threatening to report sexual harassment.

Other Types of Harassment

Harassment on the basis of any legally protected status is prohibited, including harassment based on: race, color, religion, sex, pregnancy (including lactation, childbirth or related medical conditions), sexual orientation, age (40 and over), national origin or ancestry, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status or any other status protected by federal, state or local law. Prohibited harassment may include behavior similar to the illustrations above pertaining to sexual harassment. It also includes, but is not limited to:

- Verbal conduct including taunting, jokes, threats, epithets, derogatory comments or slurs based on an individual's protected status;
- Visual and/or written conduct including derogatory posters, photographs, calendars, cartoons, drawings, websites, emails, text messages or gestures based on an individual's protected status; and
- Physical conduct including assault, unwanted touching or blocking normal movement because of an individual's protected status.

Protection Against Retaliation

Retaliation is prohibited against any person by another employee or by the Company for using the below complaint procedure, reporting proscribed discrimination or harassment, objecting to such conduct or filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by a governmental enforcement agency. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, failure to hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions or otherwise denying any employment benefit.

Individuals who believe they have been subjected to retaliation, or believe that another individual has been subjected to retaliation, should report this concern pursuant to the Complaint Procedure set out below. Any report of retaliatory conduct will be investigated in a thorough and objective manner. If a report of retaliation prohibited by this policy is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken.

Complaint Procedure

1. Any individual who believes that they have been subjected to prohibited discrimination, harassment or retaliation by a co-worker, manager, customer, vendor, client, visitor, or temporary or seasonal worker of the Company, or a third party business associate, or who believes another individual has been subject to such conduct, should report it immediately. Complaints can be made verbally or in writing, to your authorized manager, your SVP or Human Resources at 212-605-2035 or your local office, or the Compliance Helpline at 1-800-443-1931. To submit a complaint in writing, individuals can use our Complaint Form attached to this policy.

2. Employees are not required to report any prohibited conduct to a manager who may be hostile, who has engaged in such conduct, who is a close associate of the person who has engaged in such conduct, or with whom the employee is uncomfortable discussing such matters. In such situations, the employee should directly contact a manager in a more senior level of management than your manager, Human Resources, or the Compliance Helpline.

3. Employees are encouraged, but not required, to communicate to the offending person that their conduct is offensive and unwelcome.

4. Any manager who receives a complaint of discrimination, harassment or retaliation is required to immediately report the allegation to Human Resources or Legal and Compliance. The manager should inform the employee that prohibited behavior described in this policy will not be tolerated and that acts of retaliation against anyone reporting harassment or discrimination will also not be tolerated.

5. After a report is received, a fair, timely, thorough and objective investigation by Human Resources or Legal and Compliance will be undertaken. The Company will document and track the progress of the investigation and will reach reasonable conclusions based on the information collected. The Company will maintain confidentiality surrounding the investigation to the extent possible, consistent with a thorough and objective investigation, and to the extent permitted or required under applicable law and related information will only be shared with others on a need-to-know basis. Employees may be interviewed as necessary to investigate the matter. The Company expects all employees to fully cooperate with any investigation conducted by the Company into potential violations of this policy. An employee may not condition their cooperation in an investigation on the presence of the employee's attorney for any part of the investigation (e.g. interviews by the Company). Failure to cooperate in an investigation may subject an employee to disciplinary action up to and including termination of employment. Once the investigation is completed and a determination is made, the complaining party will be advised that the investigation has been completed and may be informed of the resolution.

6. If a complaint of prohibited harassment, discrimination or harassment is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken.

7. In addition to being subject to discipline for engaging in discrimination, harassment, or retaliation themselves, managers will be subject to discipline (up to and including termination) for failing to report suspected discrimination, harassment, or retaliation, or otherwise knowingly allowing such conduct to continue.

8. If the allegation of discrimination or harassment is made concerning discrimination or harassment by a third party, the employee's authorized manager and/or Human Resources, Legal and Compliance are responsible for determining the proper course

of action concerning the third party and/or their employer, and taking prompt remedial action where appropriate.

9. The initiation of a good faith complaint of harassment or retaliation will not be grounds for disciplinary action, even if the allegations cannot be substantiated. Any individual who makes a complaint that is demonstrated to be intentionally false may be subject to discipline, up to and including termination.

Additional State Information

California Employees

Please note that for California Employees, in addition to the above protected characteristics, this policy includes a strict policy prohibiting discrimination, sexual harassment and harassment against employees, applicants for employment, individuals providing services in the workplace pursuant to a contract, unpaid interns or volunteers based on any legally-recognized basis, including, but not limited to, their actual or perceived religious creed, color, national origin, ancestry, physical or mental disability, medical condition, marital status (including registered domestic partnership status), sex and gender (including pregnancy, childbirth, lactation and related medical conditions), gender identity and gender expression (including transgender individuals who are transitioning, have transitioned, or are perceived to be transitioning to the gender with which they identify), sexual orientation, Civil Air Patrol status, military and veteran status, immigration status or any other consideration protected by federal, state or local law. For purposes of this policy, discrimination on the basis of "national origin" also includes harassment against an individual because that person holds or presents the California driver's license issued to those who cannot document their lawful presence in the United States and based on any of the following: an individual's or individual's ancestors' actual or perceived physical, cultural or linguistic characteristics associated with a national origin group; marriage to or association with individuals of a national origin group; tribal affiliation; membership in or association with an organization identified with or seeking to promote the interests of a national origin group; attendance or participation in schools, churches, temples, mosques or other religious institutions generally used by persons of a national origin group; or a name that is associated with a national origin group. All such harassment is prohibited.

It is further expected that the Company and persons in the workplace perform their jobs productively as assigned, and in a manner that meets all of managements' expectations, during working times, and that they and refrain from any malicious, patently offensive or abusive conduct including but not limited to conduct that a reasonable person would find offensive based on any of the protected characteristics described above. Examples of abusive conduct include repeated infliction of verbal abuse, such as the use of malicious, derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the intentional sabotage or undermining of a person's work performance.

In California, individuals who believe they have been unlawfully harassed or discriminated against may file a complaint with the California Department of Fair Employment and Housing (DFEH). The DFEH can be contacted by consulting the government agency listings in a telephone book or at www.dfeh.ca.gov. The DFEH will, in appropriate cases, investigate complaints of harassment or discrimination at no charge to the complaining party.

Massachusetts Employees

In Massachusetts, individuals who believe they have been unlawfully harassed or discriminated against may file a complaint with the EEOC or the Massachusetts Commission Against Discrimination (MCAD). Complaints filed with the MCAD and the EEOC must be filed within 300 days of the incident giving rise to the claim. The EEOC can be reached at the John F. Kennedy Federal Building, Government Center, 475 Government Center, Boston, MA 02203 or by other means listed above. The MCAD can be reached at the following locations:

- Boston Office One Ashburton Place, Sixth Floor, Room 601, Boston, MA 02108, telephone number (617) 994-6000.

New York Employees

Individuals who believe they have been unlawfully harassed or discriminated against may file a complaint with the EEOC, the New York State Division of Human Rights, another enforcement agency (if applicable) or in certain courts of law. Agencies accept and investigate charges. The New York State Division of Human Rights may be contacted by visiting www.dhr.ny.gov, by telephone at 718-741-8400, or by mail to One Fordham Plaza, Fourth Floor, Bronx, New York 10458. The New York City Commission on Human Rights can be contacted by visiting www.nyc.gov/html/cchr/html/home/home.shtml or by telephone at 212-306-7450. Employees subjected to unlawful harassment may be entitled to certain remedies, including monetary damages, civil penalties, and injunctive relief (such as an order that certain action be taken or certain behavior stop). Sexual harassment is illegal under the New York State Human Rights Law, Title VII of the federal Civil Rights Act of 1964, and some local laws. A Stop Sexual Harassment Act Fact Sheet is conspicuously posted in the New York office.

Sexual Harassment Complaint Form

If you believe that you have been subjected to sexual harassment, you are encouraged to complete the form on the next page and submit it to any manager within Human Resources. You may also contact Human Resources directly at 212-605-2035 or use the Compliance Helpline at 1-800-443-1931.

Name:

Div./Dept.: **Group:**

Contact telephone number:

Select Preferred Communication Method: Telephone / Email *(please circle one)*

Immediate Manager's Name:

Complaint Information:

a) Complaint(s)

Please describe your complaint(s), including the name of the person(s) about whom you are complaining. If your complaint involves specific comments, please include a description of the comments.

b) Related Material

Please list, and if possible, provide copies of, any emails, text messages, letters, notes, memos, diary entries, calendars, reports, or other items that relate to your complaint(s):

c) Persons With Information

Please list any individuals who you believe may have information about your complaint(s):

d) Prior Report(s)

Have you reported your concerns to anyone else at the Company? If so, please provide the name and position of the person to whom you reported the concerns, and the date of the report.

The last questions are optional, but may help facilitate the investigation.

1. Have you filed a claim regarding this complaint with a federal, state or local government agency?

   Yes / No *(please circle one)*

2. Have you instituted a legal suit or court action regarding this complaint?

   Yes / No *(please circle one)*

3. Have you hired an attorney with respect to this complaint?

   Yes / No *(please circle one)*

I understand that if I become aware of additional information that relates to my complaint, I must promptly provide such information to Human Resources. I also am aware that the Company prohibits retaliation against me for filing this complaint, and I agree that I will immediately report any incident I believe is retaliatory using the Company's procedures for reporting retaliation.

______________________________ ______________________________

Employee's Signature *Date completed by*

______________________________ ______________________________

HR or Manager Signature *Date received from Employee*

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Workplace Bullying

Policy

The Company does not tolerate bullying behavior or any behavior that creates a reasonable fear or intimidation response. Individuals who engage in workplace bullying may be disciplined, up to and including termination of employment.

Workplace bullying is the use of force, threats or coercion to abuse, intimidate, or humiliate another employee. Workplace bullying includes, but is not limited to, the following:

- Verbal abuse, such as the use of patently offensive, demeaning and harmful derogatory remarks, insults and epithets;
- Verbal or physical conduct that is threatening, intimidating or obscene;
- Pushing, shoving, kicking, poking, tripping, assaulting, or threatening physical assault, or intentionally damaging a person's work area or property; or
- Sabotage, or deliberately subverting, obstructing or disrupting another person's work performance.

Cyberbullying refers to bullying, as defined above that occurs through the use of a computer, cell phone, smartphone, tablet or other device that transmits electronic information, regardless of whether the device is owned by or located at the Company or connected to the Company network. Cyberbullying is also prohibited.

This policy in no way prohibits employees from engaging in activities that are protected under applicable state and federal laws, including but not limited to any activity that is protected under Section 7 of the National Labor Relations Act, which includes the right of employees to speak with others, engage in workplace debates and protest about their terms and conditions of employment.

Reporting and Response

Employees who are subject to, or witness, workplace bullying are encouraged to notify Human Resources immediately. The Company will promptly investigate the complaint. The Company will maintain confidentiality to the extent possible, consistent with its commitment to investigating the complaint promptly and thoroughly.

If the complaint is verified, the Company will take appropriate remedial and disciplinary action, which may include, but is not limited to, verbal or written warnings, suspension, termination of employment, counseling and other actions. The Company will also report to law enforcement, if appropriate. The complaining party will be advised of the results of the investigation.

Anti-Retaliation

The Company strictly prohibits retaliation against an employee for making a good-faith claim of bullying or for participating in good faith in an investigation of bullying.

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Conflicts of Interest

Policy

Every employee must avoid any activity or association which creates or appears to create a conflict between the employee's personal interests (which includes the interests of the employee's family) and the Company's business interests. The Company has established this policy to guide employees in their actions or relationships so that they will avoid the appearance of having their judgment or the performance of their duties compromised.

A conflict of interest occurs whenever a Company employee permits the prospect of direct or indirect personal gain to influence improperly their judgment or actions in the conduct of Company business. While it is not practical to specify every action by an employee which might create a conflict of interest, the following situations are considered to have that potential and should be avoided unless they are properly disclosed and approved as set forth in this policy.

1. Acquisition or sale of any property, facilities, materials or services (for example, financial, legal or public relations services) by the Company under circumstances where there is direct or indirect compensation to a Company employee or a member of their family. This would not apply where the transaction is governed by corporate policy of the Company, for example, employee relocation or sale of surplus property.
2. Acceptance by a Company employee or member of their family from any individual doing or seeking to do business with the Company of a loan (or guarantee of a loan), payment or service, or excessive entertainment travel or gifts of more than nominal value. This does not preclude exchange of taken gifts or entertainment that conforms to customary industry practices or gifts or entertainment of more than a nominal value if protocol, courtesy or other special circumstances exist provided that such

exchange does not obligate or appear to obligate a Company employee, the Company or any associated third party to deal with the individual in question or such individual's company. (Please refer to the "Guidelines on Receiving Gifts and Entertainment" under Rules and Guidelines, Legal and Compliance Section on MC Square).

3. Employment by a competitor, regardless of the nature of that employment. While an employee may be directed to work with suppliers, customers and others in furtherance of the Company's interests without creating a conflict, any such action should be done only at the direction of the Company.

4. Placement of Company business of any kind with a company owned or controlled by a Company employee or their family.

5. Acquisition of an ownership interest in an enterprise that is a competitor, customer or supplier of the Company's or has a business relationship with the Company. A conflict of interest does not arise solely through ownership of another company, unless such ownership is more than 1 percent of the entity's total capitalization, comprises of more than 10 percent of the Company employee's total invested portfolio, is a significant part of the employee's or such employee's family net worth or income, or the Company or the Company's employee in question has access to non public information concerning the company in question. (Please see "Securities and Insider Trading Policy", under Rules and Guidelines, Legal and Compliance Section on MC Square).

No employee or any member of their family shall be involved in any of the foregoing or like situations unless the interest, service or undertaking is disclosed to and approved by their Group SVP, Director, Branch Head, or Human Resources.

No employee shall misuse their position with the Company to solicit from present or prospective vendors any discount on personal or family purchases of equipment, materials, or services. However, an employee may accept any discount offered generally to all employees of the Company.

Company's assets are to be used solely for the benefit of the Company. Each employee is responsible for ensuring that corporate assets are used only for valid corporate purposes. The assets of the Company are much more than the physical offices, equipment, inventory, corporate funds, or office supplies. They include technologies, concepts, business strategies and plans, financial data and other information about the business. These assets may not be improperly used to provide personal gain for employees or others. Employees may not transfer any of the assets of the Company to other people, except in the ordinary course of business. On occasion, some assets of the Company no longer needed in the business may be sold to employees and any Company products or surplus assets that are so sold to Company employees or other purchasers shall only be sold through channels authorized by the Company.

A conflict of interest also arises when for personal or family gain a Company employee uses confidential information of the Company before such information is publicly disclosed or before the relevant decision has been completely executed and publicly announced. This prohibition against the use of Company generated information and data for the employee's personal gain would apply in the following situations where conflicts of interest would arise. (Please note that with respect to trading in securities and the use of confidential or inside information, the "Securities and Insider Trading Policy", under Rules and Guidelines, Legal and Compliance Section on MC Square should also be referenced.)

1. Buying, leasing, or otherwise acquiring for their own or family's use rights to any property or materials when the Company employee has access to non public knowledge that the Company is considering buying, leasing or otherwise acquiring the rights to such property or materials.
2. Transmitting to unauthorized persons the Company's operating or financial data, management plans or any other private information that is confidential and/or prejudicial to the Company until such information is made known to the public. When a Company employee participates in industry sponsored professional or civic activities, particular care must be taken to avoid unauthorized disclosure of proprietary or technical data developed for the Company, its suppliers or its customers.

Procedure

1. All employees are required to sign the Conflicts of Interest Certificate.
2. The employee must discuss situations which may be in conflict with this policy or the certification with their authorized manager as circumstances arise. In addition, all employees must update the information on the certification if any situation occurs which would change the contents of the employee's most recent certification statement.

3. The manager, in conjunction with Human Resources and the Legal and Compliance, as appropriate, will decide if an employee is in violation of this policy.

4. Material or willful violation of this policy or certification may result in an employee's immediate termination.

5. Any employee who is aware of a violation of this policy has a responsibility to urge the violator to approach management or to report the violation directly. Failure to do so may result in disciplinary action even if the employee was not directly engaged in prohibited conduct.

Issued **November 1, 2024**

Supersedes **March 1, 2022**

Drug-free Workplace/ Substance Abuse

Policy

It is the goal of the Company to create a drug-free atmosphere in the workplace and it strongly discourages the use of illegal drugs, or abused or non-prescribed prescription drugs, at any time. The Company strives to provide a safe environment for employees and others and to minimize the risk of accidents and injuries. Accordingly, each employee has a responsibility to co-workers and the public to deliver services in a safe and conscientious manner. The Company has adopted a policy that all employees must report to work and remain completely free of illegal drugs and abused or non-prescribed prescription drugs while at work or on duty at any location.

Additionally, an employee must not be under the influence of or materially impaired by alcohol or drugs at any time while on Company property or while conducting Company business. The policy also restricts certain substances and their related paraphernalia from being brought onto the Company's premises and from being in an employee's possession while they are engaging in Company business. Listed below are activities constituting misconduct, and which could lead to disciplinary action, up to and including termination.

Covered Substances

The following substances are covered by this policy:

1. **"Illegal drugs"** as referenced in this policy include all drugs whose use or possession is prohibited by federal law. These include prescription medication that is used in a

manner inconsistent with the prescription or for which the individual does not have a valid prescription. Included within this definition are lawfully controlled substances that have been illegally or improperly obtained.

2. **"Alcohol"** as referenced in this policy includes beverage or medicine containing alcohol.

Prohibited Activities

The following activities are prohibited:

1. Drug Use/Distribution/Possession/Impairment

The Company strictly prohibits impairment by, or the use, sale, attempted sale, conveyance, distribution, manufacture, purchase, attempted purchase, possession, cultivation, and/or transfer of illegal drugs, in any amount or any manner, regardless of the occasion, while at work, or on duty at any location, including, but not limited to, onsite office locations, remote working locations (for example, home workspace) or any other location where one performs job duties.

2. Alcohol Use/Impairment

All employees are prohibited from the excessive consumption of alcohol or medicine containing alcohol rendering the employee materially impaired at any time while at work, or on duty at any location, including, but not limited to, onsite office locations, remote working locations (for example, home workspace) or any other location where one performs job duties. The modest consumption of alcohol may be approved at social events and celebrations sponsored by the Company. If you choose to consume alcohol at Company functions, you must do so responsibly, use sound judgment, maintain your obligation to conduct yourself properly and professionally at all times, and ensure the safety of yourself and others. Furthermore, lawful off-duty alcohol use, while generally not prohibited by this policy, must not interfere with an employee's job performance.

3. Prescription and Over-the-Counter Drugs

This policy does not prohibit the possession and proper use of lawfully prescribed or over-the-counter drugs. However, an employee taking medication should consult with a health care professional or review dosing directions for information about the medication's effect on the employee's ability to work safely, and promptly disclose any work restrictions to the authorized manager or Human Resources. Employees are not required to reveal the name of the medication or the underlying medical condition unless they are seeking an accommodation. To the extent permitted by law, the Company reserves the right to transfer, reassign, place on leave of absence or take other appropriate action regarding any employee during the time the employee uses medication that may affect their ability to perform their duties safely. The Company will comply with all requirements pertaining to providing reasonable accommodations, including the use of medical marijuana for those individuals who are certified under applicable state law.

Procedure

1. An employee who engages in conduct in violation of this policy is subject to disciplinary action, up to and including immediate dismissal or, as a condition of continued employment, may be required to participate in and successfully complete drug or alcohol abuse counseling, rehabilitation or an employee assistance program.

2. An employee who is receiving counseling, rehabilitation or treatment for substance abuse may use available vacation, sick leave, or, if eligible, family and medical leave. Health insurance often covers the costs of such services, but costs not covered must be paid by the employee. In certain circumstances, and to the extent permitted by law, the Company may require such employees to receive clearance from a treatment provider before returning to work, and/or to test negative on a return-to-work drug and/or alcohol test. In addition, the employee may be asked to submit to follow-up testing for a period following the return to work, if applicable law permits.

3. In the event of another violation of this policy following counseling, rehabilitation or an employee assistance program, the employee may be subject to disciplinary action, up to and including immediate dismissal.

4. An employee who voluntarily seeks help for substance abuse (self-referral) by contacting the Company may be provided an opportunity to pursue counselling, rehabilitation, or an employee assistance program. An employee's decision to seek help voluntarily will not be used as a basis for disciplinary action, although the individual may be transferred, given work restrictions, or placed on leave, as appropriate. A request for help is considered voluntary only if it is made before the employee is asked to

submit to any drug or alcohol test or is discovered to have otherwise violated this or any other Company policy. In short, a request to seek help after a Company policy is violated will not act as a basis to avoid discipline, including termination of employment when determined appropriate.

5. An employee who wishes to receive information regarding counseling, rehabilitation, or employee assistance programs may request such information from Human Resources.

Issued **November 1, 2024**

Supersedes **April 7, 2022**

Workplace Violence

Policy

The safety and security of our employees is of the utmost importance to the Company. Because of this, the Company has a zero-tolerance policy for workplace violence. The Company will not tolerate threats or acts of violence, including intimidation, bullying, physical or mental abuse, coercion and harassment, that involve or affect Company employees, contractors, customers, or visitors, that occur on Company owned or controlled property, or that occur while at a Company sponsored event or while conducting Company business.

The Company's prohibition against threats and acts of violence applies to all persons involved in the Company's operations, including but not limited to Company employees, contract workers, and temporary workers. Please also refer to the Equal Employment Opportunity/Anti-Harassment Policy and the Workplace Bullying Policy.

If you witness or are subjected to any conduct you believe violates this Policy, you must report the conduct in accordance with the Procedure below. The Company strictly prohibits retaliation against an employee for reporting in good faith suspected violations of this Policy, or for participating in good faith in an investigation of suspected workplace violence.

Additionally, the Company prohibits the use or possession of any firearm, weapon or any other dangerous device on Company owned or controlled property, while at a Company sponsored event

or while conducting Company business, to the maximum extent permitted by applicable law. This prohibition includes all Company facilities and employees, regardless of whether the employee has a concealed weapons permit or is otherwise authorized by law to possess, carry, or use the weapon. This policy prohibits the possession of concealed weapons as well as weapons carried openly.

Threats and acts of violence include, for example:

- Hitting or shoving a person.
- Throwing an object toward a person or property in a way likely to cause fear, injury, or damage.
- Gestures that may reasonably be interpreted as threatening, irrespective of intent.
- Threatening to harm a person or their family, friends or associates, or their property.
- Intentional destruction or threat of destruction of property owned, operated or controlled by the Company.
- Harassing or threatening phone calls, emails or other communications.
- Intimidating or attempting to coerce an employee to do wrongful acts.
- Possession or use of a firearm or other weapon.
- The willful and repeated following of another person, as in surveillance or stalking.

Prohibited threats and acts of violence include those:

- Occurring on Company premises, regardless of the relationship between the parties involved in the incident.
- Occurring off Company premises and involving someone who is acting in the capacity of a representative of the Company.
- Occurring off Company premises involving an employee if the threats or acts affect the business interests of the Company.
- Occurring off Company premises, of which an employee is a victim or a target, if the Company believes that such incident may lead to an incident of violence on Company premises and
- Resulting in the conviction of an employee or agent of the Company, or an individual performing services for the Company on a contract or temporary basis, under any criminal code provision relating to violence or threats of violence when that act or the conviction adversely affects the legitimate business interests of the Company.

Violations of this policy will lead to disciplinary action, up to and including dismissal. A violation of this policy may also result in arrest and prosecution.

Definitions

Firearms, weapons and dangerous devices include guns, rifles and firearms of any type, including those for which the holder has a legal permit, knives, ammunition, bombs, bows and arrows, clubs, slingshots, blackjacks, metal knuckles and similar devices that by their design or intended use are capable of inflicting serious bodily injury or lethal force.

Company owned or controlled property includes any premises where the Company is an owner or tenant and maintains a business presence, including but not limited to any office space, associated common areas and parking areas, company vehicles, and premises temporarily rented or controlled by the for a company sponsored event.

A Company sponsored event is one that is promoted by and communicated about by the Company through formal or informal means.

Conducting Company business includes, among other things, activities generally within the scope of a person's formally or informally assigned work responsibilities, visits to customer and vendor sites, attendance at conferences and trade shows, business-related travel and entertainment and business-related meetings wherever conducted.

Procedure

1. If you become aware of an imminent violent act or threat of an imminent violent act, immediately contact local law enforcement, as well as office Security staff (if the incident occurs in the New York Office) or building Security staff (in all other offices). In addition, promptly notify Human Resources.
2. All Company personnel must notify their Group SVP or Human Resources, either directly or through their authorized manager, if they witness or think they may have witnessed violence, threats or other workplace safety concerns; if they receive any threats or communications that may be interpreted as threats; if they are victims of violence within the scope of this policy; if they are aware of weapons on the premises or if they are aware of or suspect any other potential violation of this policy.
3. After receiving such notification, the Company will initiate an investigation and will respond using any internal or external resources deemed necessary.

4. Any person who violates this policy may be required to leave Company property and may be required to remain off the premises until the investigation has been completed.

5. All Company personnel must report threats of violence against them that may target them at Company owned or controlled property, on Company business, or at a Company event. Company personnel are strongly encouraged to report violence or threats of violence against them that are not covered by this policy, such as domestic violence, so the Company may have the opportunity to offer them support.

6. All Company personnel who apply for or obtain an order of protection or restraining order that applies to Company owned or controlled property must promptly notify Human Resources and provide a copy of the order of protection or restraining order. If the application is pending before a court, they must also provide a copy of the petition submitted to the court. Company personnel are required to promptly report the outcome of any application for such an order of protection or restraining order, as well as promptly reporting any change in status of any such order.

Issued **November 1, 2024**

Supersedes **June 15, 2022**

Corrective Action Process

Policy

The Company's policy is to treat all employees equitably and to administer all policies, procedures, rules, and regulations consistently.

Appropriate disciplinary action should be taken when:

a. An employee's performance of their assigned job duties is unsatisfactory,

b. An employee's conduct violates the "Guidelines for Appropriate Employee Behavior," or

c. An employee violates the policies, procedures, rules, or regulations of the Company.

Purpose of Corrective Action Process

The Corrective Action Process is required to notify the employee of unacceptable performance or conduct and, except in the case of the most serious offenses or performance issues, to give the employee an opportunity to improve. The Company nonetheless reserves the right to terminate the employment of any employee at any time with or without cause.

Procedure

Depending on the severity or nature of the action, Human Resources will determine which step of corrective action, as described below, is required. If an offense or performance issue is of sufficient severity, corrective action may begin at an advanced stage, up to and including immediate termination of employment. Therefore, the Company maintains the right to terminate any employee, as outlined in this policy, without taking all the following corrective actions.

The Corrective Action Process may include counseling, warnings, a Performance Improvement Plan (PIP), or termination of employment.

Except for situations that may warrant corrective action at an advanced stage, managers of employees with performance or conduct issues will follow the process outlined below.

1. The manager counsels the employee about the issue, documenting the counseling by email or in the PEP check-in, mid-year review, or final review.
2. The manager gives the employee a first warning, documenting the performance or conduct issue and the improvement required.
3. The manager gives the employee a second warning to notify the employee that further performance or conduct issues may result in further disciplinary action up to and including termination, documenting the performance or conduct issue and the improvement required.
4. Human Resources recommends either a PIP or final warning, documenting the performance or conduct issue and the improvement required. The manager informs the employee that if they continue to have performance or conduct issues, their employment will be terminated.

   Managers must consult with Human Resources before initiating any step of the Corrective Action Process other than counseling. Managers will tell employees at each step that the employee may provide written comments in response to the warning.

   Documentation on the employee's PEP cannot be used in lieu of any step of the Corrective Action Process. Any warnings and PIPs will be retained in the employee's file after obtaining necessary approvals. The Corrective Action Process will be "reset" one year from the date of the most recent corrective action, except in the case of repeated misconduct.

Counseling

The employee's immediate manager will use counseling as a first effort to correct the employee's issues in performance of duties or personal conduct. When an employee's work or conduct is unsatisfactory and counseling does not correct the situation, a manager will use a warning as a way of placing the employee on notice about unacceptable performance or conduct. The manager will counsel the employee promptly after any issue arises and will summarize the counseling in an email for clarity, as well as documenting it on the employee's next PEP check-in or review.

First Warning

A manager will issue a first warning in response to poor performance or inappropriate conduct. The manager will consult with Human Resources and the appropriate SVP before issuing a first warning. When issuing a first warning the manager will take the following actions:

1. Document that counseling has taken place or why counseling was not conducted.
2. Review with Human Resources the contents of the warning prior to the delivery of the warning.
3. Explain to the employee in what way their conduct or performance has been unacceptable. Review with the employee exactly what is expected and why.
4. Establish a reasonable period for the employee to correct the problem.
5. Send a written follow-up of the warning to the employee and to Human Resources to confirm the contents of the warning.
6. Give the employee the opportunity to respond in writing to the warning.

Second Warning

If an employee has received a first warning and once again exhibits poor performance or engages in inappropriate conduct, the manager should issue a second warning. The second warning does not need to relate to the issue that was the subject of the first warning. The manager should include all pertinent information in the second warning including the date and nature of the first warning. The manager will give the employee the opportunity to respond in writing to the warning on the warning form.

Before issuing the second warning, the manager should submit the contents of the warning for review by Human Resources and the appropriate SVP which will include a notice to the employee that a continuation of the practice may result in dismissal.

Final Warning

When an employee has received a first and second warning and once again exhibits poor performance or engages in inappropriate conduct, the manager may issue a final warning. A manager can issue a final warning for the first occurrence of a very serious offense. If the poor performance or inappropriate conduct that would be the subject of a final warning is related to one of the previous warnings, Human Resources may recommend a PIP in lieu of a final warning. The manager must submit the final warning to Human Resources and the appropriate SVP for review before issuing it to the employee.

Performance Improvement Plan

The manager may issue a Performance Improvement Plan (PIP) after an employee's performance has not improved after the second warning has been issued. In general, the PIP should be used to address performance-related issues and a final warning should be issued to address conduct-related issues. Human Resources will determine whether a PIP or final warning is appropriate. In certain cases, depending on the severity of the conduct underlying the previous warnings, Human Resources may recommend that a final warning be given in lieu of a PIP.

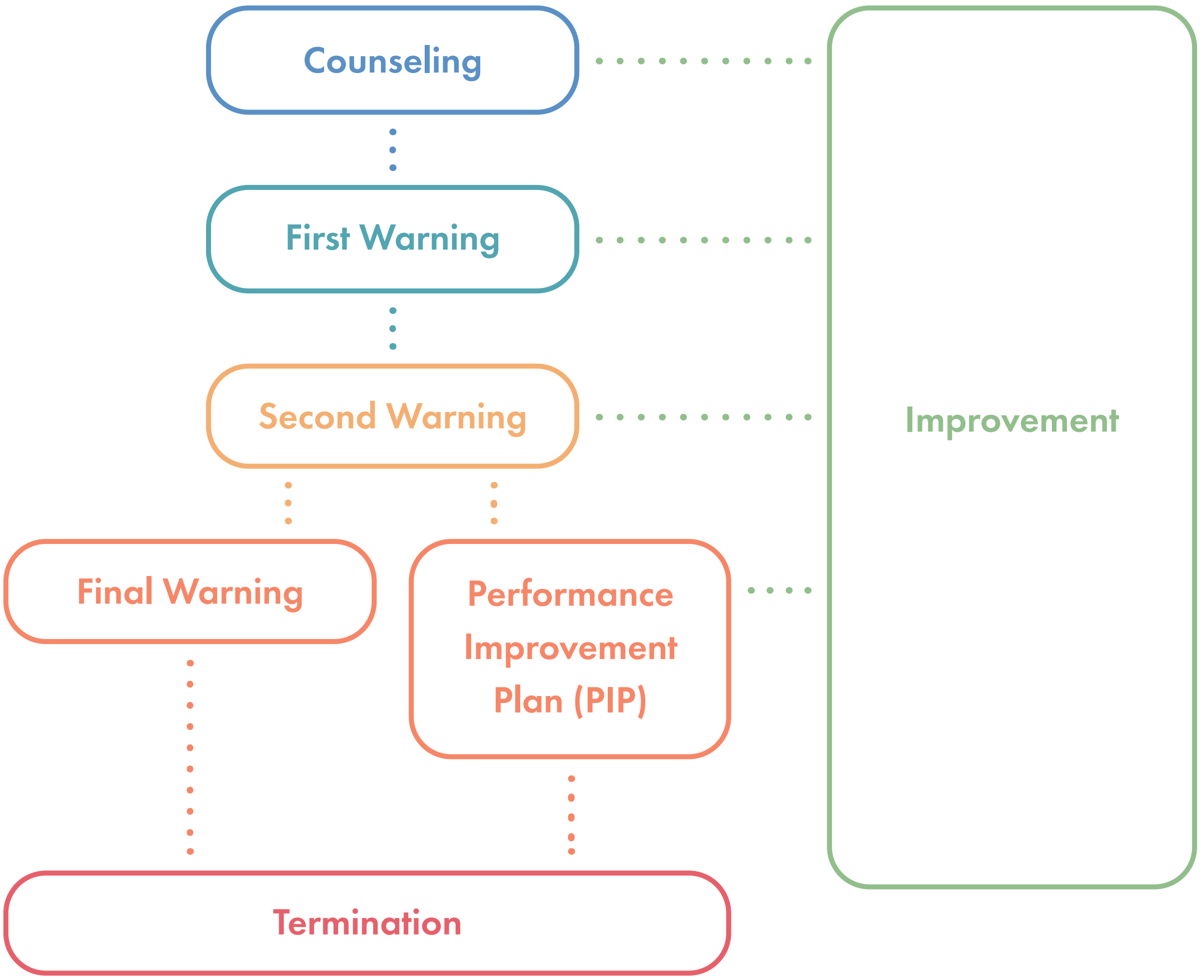
The PIP is designed to facilitate constructive discussion between an employee and their manager and to clarify the work performance to be improved. The manager develops the PIP with the purpose of outlining expectations and activities to help the employee to attain the desired level of performance. Before issuing the PIP, the manager must submit the contents of the PIP for review by Human Resources and the appropriate SVP.

Termination

The manager may terminate an employee if an employee's performance has not improved after the Final Warning or PIP has been issued or in the case of a severe offense, such as workplace violence or embezzlement. If the manager wants to terminate an employee, the manager will take the following actions:

- Consult the appropriate SVP and Human Resources to confirm that termination is appropriate. With the assistance of Human Resources, prepare a notice of termination summarizing the reasons for the termination.
- Conduct the termination with assistance from Human Resources. Human Resources will put a copy of the notice of termination in the employee's file.

The following chart illustrates the Corrective Action Process:



Issued **November 1, 2024**

Supersedes **October 1, 2020**

Grievances

Policy

The Company desires to have a working environment that is supportive and generally positive for all staff. In part, this can be accomplished when employees feel that they are able to bring problems, issues of policy and questions to management for resolution. Our policy is to provide an opportunity for employees to raise issues and seek help when necessary. Following are guidelines for handling routine employee issues that may arise.

For more serious matters, please refer to "Reporting Suspected Violations of Law or Company Policy", under Rules and Guidelines, Legal and Compliance Section on MC Square.

Procedure

1. The primary responsibility for helping employees solve problems rests with the authorized manager. In most cases employees should begin the process by discussing the issue with their authorized manager and the matter should be settled promptly within the department level.

2. The authorized manager who is contacted by an employee should address the issue as soon as possible. If it is outside their area of responsibility, they should inform Human Resources or the next level of management within their organizational unit, whichever is appropriate. The employee should be kept informed of all steps taken on their behalf.

3. If the employee does not get a satisfactory response in a timely manner from their authorized manager, the employee should discuss the issue with a more senior manager within their organizational unit or Human Resources.

4. If no solution is reached, Human Resources will conduct its own investigation of the grievance. Employee confidentiality will be protected to the extent possible during this process.
5. Human Resources will notify the employee of the results of the investigation.
6. The ability to raise issues and questions about policy, working conditions etc. is the employee's right and retaliation in any form will not be tolerated.

11 Conclusion of Employment

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- Involuntary Termination
- Verification of Employment/Letters of Reference
- Employee Right of Review
- Human Resources File Record Retention
- Government Agency Inquiries
- Providing Employee Information to Third Parties

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Voluntary Termination

Policy

The Company recognizes that employees may terminate employment voluntarily at any time.

Procedure

1. The employee submits a written notice of resignation to the authorized manager. Employees are requested to give at least ten working days of notice.
2. The authorized manager sends the notice of resignation to Human Resources.
3. Human Resources determines whether any pay or earned vacation is due and coordinates with Payroll.
4. Human Resources arranges an exit interview with the terminating employee and gives them a confidential exit questionnaire to complete.
5. At the exit interview, the Human Resources representative will discuss the Termination Checklist which covers such items as:
    - Termination of group insurance plans, rights of conversion and COBRA
    - Vacation pay (if any)
    - Wages due (if any)
    - Vested rights in retirement plan(s)
    - Loans, advances, reimbursements (if any)

- Any other information required by Company policy or state/federal law
- Discuss the collection of all Company property

6. Each employee will be provided with a copy of the Termination Checklist.

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Supersedes **October 1, 2020**

Involuntary Termination

Policy

It is the absolute prerogative of management to terminate any employee, at any time, with or without cause and with or without counseling. Employees who are ultimately terminated due to poor work performance, attendance, or any other activity which is deemed unacceptable to the management of the Company may, under certain circumstances, receive severance pay and benefits in lieu of advance notice.

Employees who are released due to lack of work/ restructuring should receive notice and severance pay although granting of Severance Pay, even in a lack of work situation or restructuring, is at management discretion.

Procedure

1. No employee shall be terminated without the authorized manager consulting with Human Resources.
2. If the termination is due to poor work performance, attendance, or a minor violation of policy, etc., it is recommended that corrective actions be taken by the authorized manager prior to the termination. (See the Corrective Action Process Policy).
3. Once the decision has been made to terminate an employee, the employee's authorized manager and Human Resources will meet with and notify the employee of the decision.

4. Human Resources determines whether or not any pay or earned vacation is due to the terminated employee. Severance pay will usually be in a single, lump-sum payment.

5. At the exit interview, Human Resources will discuss the Termination Checklist which covers such items as:

   - Termination of group insurance plans, rights of conversion and COBRA
   - Vacation pay (if any)
   - Wages due (if any)
   - Vested rights in retirement plan(s)
   - Loans, advances, reimbursements (if any)
   - Any other information required by Company policy or state/federal law
   - Discuss the collection of all Company property
   - Each employee will be provided with a copy of the Termination Checklist.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Verification of Employment/ Reference Letters

Policy

In order to ensure that all requests for job references are handled in a consistent, fair and lawful manner, all inquiries for information must be referred to Human Resources. No other manager or supervisor is authorized to release references for current or former employees on the Company's behalf. Our policy is to disclose only the dates of employment and the title of the last position held. If an employee (active or terminated) authorizes disclosure in writing, we will also provide the current/last base salary and bonus amount and verify the previous known home address and phone number.

Letters of reference are typically provided only upon request for employees who are terminated due to lack of work. Such letters should state the above facts as appropriate, state that the individual in question was "an employee in good standing" and the reason(s) for termination. Reference letters should not be written for employees who are resigning or involuntarily terminated. If a resigning employee indeed requests a letter, the letter's contents should be the same as for an individual who has been terminated for economic reasons. Letters for involuntary termination should provide only the objective data listed under "written requests" above.

Procedure

1. Management is instructed to refer all inquiries for references (verbal or written) to Human Resources. Under no circumstances should a member of management engage in a conversation about a former employee with a prospective employer.
2. Human Resources will confirm or supply data as outlined above but should not discuss an individual's attitude, work habits, or behaviors.
3. Human Resources will prepare reference letters, adhering to the guidelines in the policy statement.
4. A copy of all reference letters must be retained in the employee's file.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Employee Right of Review

Policy

All employees have the right to review information about them which is maintained by the Company (human resources files, information stored in the computer, etc.), held at either the employee's branch office or in the New York Office. In addition, employees have the right to correct or explain any record via addendum. Under no circumstances will original information be altered or removed from the file.

Procedure

1. An Employee will be permitted to examine their human resources file in the presence of their authorized manager or Human Resources. The employee will be told, upon request, how the information is accumulated and that it is subject to management review for the purposes of promotion, transfer, etc.

2. No material shall be removed from the file by the employee. However, the employee will be allowed to take notes, or add rebuttal statements or relevant information they think should be on file.

3. Without prior approval of Human Resources, employees will not be permitted to review investigative files, files pertaining to potential or actual litigation and human resources planning documents (succession charts) or any source information which contains data about more than the one employee who is requesting the right of view.

4. Information collected about the employee will not be used for any purposes other than that which is part of the employee/employer relationship without prior employee consent.

5. An employee will always be provided access to human resources files in accordance with applicable law.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Human Resources File Record Retention

Policy

Information which is collected and maintained by Human Resources pertaining to employees must be objective, job related and/or required by law. Employee records must meet the criteria of this policy as well as legal requirements.

It is recommended that all information intended for retention in the human resources file be written in English. All employee information should be measured against the guidelines stated below prior to its initial or continued retention.

1. All documents gathered upon hire, e.g. application form, resume, personal information forms, will be kept in the file or in the Company's online HR/Payroll system.
2. All documents relative to job performance, i.e. appraisals, memos to the file, etc., must be job related and free from subjective evaluation. They should measure job performance or job related behavior against a specific standard or job objective.
3. Written warnings (coaching records) which are no longer relevant and are more than 5 years old should be destroyed.
4. All medical records, I9 documentation, etc., will not be retained in the human resources file. These items will be kept in separate, confidential file.
5. Human resources files will be maintained by the Company as per the retention period shown in the Company's file retention schedule.

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Supersedes **October 1, 2020**

Government Agency Inquiries

Policy

All contacts with governmental investigatory agencies concerning Company human resources practices will be managed by Human Resources in consultation with Legal and Compliance. These inquiries may concern items such as unemployment claims, safety, wage practices, etc. to name only a few. All government inquiries pertaining human resources practices are covered by this policy.

Procedure

1. If the contact is made by mail, the original correspondence should be immediately sent to Human Resources. The correspondence will be reviewed and if necessary, Legal and Compliance will be contacted for guidance. In some cases, outside counsel may be engage.

2. If the contact is made by phone, the individual receiving the call should inform the caller that Company policy states that all such inquiries must be referred to Human Resources and then the call should be transferred to a manager within Human Resources. If possible, the receiver of the call should get the caller's name, the agency involved, and a return number in case the transfer to Human Resources fails. Upon the completion of the phone conversation, the receiver of the call should then immediately inform Human Resources.

3. If an investigator arrives unannounced, the employee contacted should be cordial, ask for proper identification and obtain information as outlined in (2) above if there is no Human Resources Manager on site. The employee contacted should inform the investigator that, in accordance with Company procedures, Human Resources will contact them as soon as possible. The employee contacted should then speak with Human Resources immediately and give them the details obtained. Human Resources will be responsible for notifying Legal and Compliance.

4. Human Resources will work closely with line and staff management, as well as Legal and Compliance, to ensure that the Company response will contain all appropriate information so that the agency may quickly and accurately complete their investigation.

Issued **November 1, 2024**

Supersedes **October 1, 2020**

Providing Employee Information to Third Parties

Policy

The Company receives requests soliciting voluntary information on employees from banks, mortgage companies, etc. Mandatory requests for employee information (e.g. subpoenas, etc.) are also received.

In order to ensure that the rights of employees are protected with respect to information released about them by the Company to third parties, the following outlines the Company's response to the party making the request and the Company's perceived obligation to the employee under both types of information requests.

Procedure

1. Voluntary Requests

a. In all situations, the employee will be advised that a request has been received and the nature of the information requested.

b. If the employee authorizes the release of the information, they are entitled to a copy of the completed form that was sent to the requesting party.

c. If the employee wishes that all or any portion of the information not be released, the third party will be notified that it is Company policy to withhold all such information unless authorized by the employee.

d. The employee will also be advised of their right to review their human resources file prior to the release of the file, if appropriate, and to add explanatory information if desired. Under no circumstances will original information be altered or removed from the file.

2. Mandatory Requests

a. Upon receiving a mandatory request for employee information, the receiving party must contact Human Resources which will notify Legal and Compliance, if appropriate.

b. Where legally permissible and pending the advice of Legal and Compliance, the employee will be notified of the request and the type of information requested, prior to releasing the required information. The employee will also be advised of their right to review their human resources file prior to the release of the file, if appropriate, and to add explanatory information if desired. Under no circumstances will original information be altered or removed from the file.

Contact us

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Mitsubishi Corporation (Americas)