

Hourly Pay Practices Compensation

Work Week

The Company's workweek is Monday through Sunday, beginning at 6:00 a.m. Monday and ending at 6:00 a.m. the following Monday.

Normal Work Schedules

This shift schedule is for plant personnel working under the continuous plant operations guidelines as set forth by the Company from time to time.

1. Shifts will consist of alternating weeks as follows (known as the DuPont Schedule):

Week 1: 4 days worked, 3 days off

Week 2: 4 days off, 3 nights worked

Week 3: 1 night worked, 3 days off, 3 days worked

Week 4: 1 day off, 3 nights worked, 3 days off

The normal four-week (28 day) schedule will have 7 days worked, 7 nights worked and 14 days off.

2. The normal workday will consist of twelve consecutive hours of work. Appropriate rest and meal breaks will be authorized by the supervisor. Provided breaks are reasonable in duration (generally 15 minutes or less), they will be considered time worked.
3. Department managers may schedule overtime or extra shifts when deemed necessary. Overtime will be assigned by supervisors at their discretion to employees qualified for the particular job. Factors which may be considered by supervisors when determining which employees are assigned overtime include, but are not limited to, whether particular employees are seeking to work overtime, previous levels of overtime worked by particular employees, and worker fatigue. Employees are not permitted to work overtime without the prior approval of their supervisor and department head.
4. All hours worked in excess of twelve hours per day or forty hours per week will be paid at time and one-half. All hours worked in excess of 36 hours during a regularly scheduled 36-hour week will be considered overtime.

Short-term absence due to illness, injury, jury duty or funeral leave is not considered hours worked for overtime purposes.

Double time is paid for time worked on the seventh consecutive day in a work week, given that the employee has worked all scheduled hours plus at least half of the regularly scheduled number of hours on each unscheduled day in that work week.

5. Employee attendance at lectures, meetings, and training programs will be considered hours of work if such attendance is requested by management.
 - On days when the employee is scheduled to work and there are less than eight hours of training, the employee is expected to work the remaining hours as scheduled.
 - On days when the employee is scheduled to work and there are eight hours of training, the employee will be paid for the full number of hours he was scheduled to work on that day.
 - On days the employee was not scheduled to work, he will be paid for actual hours spent training.
6. In order to ensure safe and continuous operations, shift relief overlaps of no less than 10 minutes may be required. No shift employee may leave their workstation at the end of their shift until properly relieved. Reliefs are to take place at the proper workstation.
7. Reporting Pay may be granted when an employee reports for work and less than a full day's work is available. However, Reporting Pay will not be granted if the lack of work is the result of conditions beyond the Company's control, if the Company makes a reasonable effort prior to starting time to notify the employee not to report.
8. Shift trades or "swaps" will be permitted in limited cases and depending on the individuals' qualifications. All shift trades must be approved in advance by Shift Team Leaders and must be within the same workweek. Trades will not be permitted if they result in a penalty to the Company.
9. Nonexempt employees will receive a shift differential of \$1.00 per hour for all night shift rotation hours worked.
10. An additional \$3.5 will be paid for each hour worked by employees asked to assume the supervisory role on a given day of supervisor's absence ("Step-Up").
11. Twice a year, a time change occurs relative to Daylight Savings Time. As a result, one shift on the each of these days is impacted. For those employees whose regularly scheduled workday is reduced to eleven hours, the Company will pay the employee for twelve hours. For those employees whose regularly scheduled workday is increased to thirteen hours, the Company will pay the employee for actual hours worked.

Traditional 8 Hour Schedule

1. The normal workweek is Monday through Sunday, beginning and ending at midnight Sunday, and consisting of forty hours.
2. The normal workday will consist of eight and one-half consecutive hours, which includes a thirty minute unpaid meal period. In addition, two fifteen-minute rest breaks for every eight hours worked will be considered time worked. To ensure that there is adequate staffing in your work

unit throughout the workday, your supervisor will designate the time for your breaks and meal period.

3. If you are a part-time employee, your working hours and schedule will be determined by your supervisor.
4. The schedule of working hours for employees will be determined by their supervisor or department Manager. Supervisors will notify employees of their starting, ending, break times and meal periods.
5. Department managers may schedule or require overtime when deemed necessary.
6. Nonexempt employees (those employees subject to minimum wage and overtime provisions of the Fair Labor Standards Act) will be paid overtime for all hours in excess of forty hours worked during a workweek and/or eight hours worked in a work day.
7. Short-term absence due to illness, injury, jury duty or funeral leave is not considered hours worked for overtime purposes.
8. Double time is paid for time worked on the seventh consecutive day in a work week, given that the employee has worked all scheduled hours plus at least half of the regularly scheduled number of hours on each unscheduled day in that work week.
9. Nonexempt employees are not permitted to work overtime without the prior approval of their supervisor.
10. Employee attendance at lectures, meetings, and training programs will be considered hours of work if such attendance is requested by management.

Exceptions to the Normal Schedule

To ensure adequate support of internal and external customers, it is Company policy not to establish continuing schedules that vary from the standard work schedule. However, there may be some work assignments where it makes business sense to have employees arrive earlier or later and depart earlier or later than the normal schedule.

Business Necessity

A situation may occur where business requirements dictate temporary exceptions to the normal work schedule. For example, it may be necessary to schedule an employee or group of employees to work outside the normal schedule, (i.e., Compress the 5-day, 40-hour workweek into four 10-hour days to complete an important deadline-driven project). Exceptions of this type require prior authorization by the supervisor and appropriate notation on the timecard.

Employee Request

Employees may occasionally have a personal situation beyond their control that prevents them from working the normal work schedule. For example, a summons to appear in a court case as a witness, a school emergency involving the employee's child, etc. In these situations, the manager may authorize the employee to make-up the time missed from work rather than charge it against available Paid Time-Off. In order for make-up time to be authorized, the following requirements must all be met:

- a. The employee has a good attendance record and is otherwise in good standing.
- b. The employee has provided proper notification of the absence to the manager.
- c. Appropriate management or supervisory staff must be present during the make-up time period.

- d. The time missed must be made-up during the same week; i.e., time cannot be missed during one workweek and made-up during the next.

Make-up time is at the manager's discretion and must be properly documented and authorized by the manager on the employee's timecard.

A note about work schedule exceptions:

All exceptions to the normal work schedule must be justified by business necessity and cannot impair the requirement for adequate staffing throughout normal work hours. Continuing exceptions to the normal work schedule require prior approval by the Site Leader having responsibility for the department or operating area requesting such exception.

Time Records

If you are an hourly (non-exempt) employee, the time you start and finish work each day must be accurately recorded on a time record. Your supervisor must approve your hours worked at the end of each week, and all overtime worked each day.

- a. Our attendance records are Company records, and care must be exercised in recording the hours worked, overtime hours, and absences. Nonexempt employees are not permitted to commence work before their normal starting time or stop work after their normal quitting time without the prior approval of their supervisor. Violations of this policy are serious, and will result in appropriate disciplinary action, up to and including immediate discharge.
- b. Employee time records are to be reviewed by their appropriate supervisor.
- c. The completion of another employee's timesheet by anyone unauthorized to do so, or the falsifying of any time record is prohibited and may be grounds for disciplinary action, up to and including termination. The supervisor or payroll administrator may note corrections to the timesheet if needed to comply with policy.
- d. Exempt employees are not required to sign in or out; however, it is the responsibility of each exempt employee to notify their supervisor regarding exceptions to the normal workday. Vacation and Disability time off must be recorded on the vacation tracker issued by Human Resources.

Leaving the Premises

Non-exempt (hourly) employees are required to notify their supervisor or Shift Team Leader whenever they leave the premises during the workday and report in to them upon their return. Whenever time away from the office is work-related, (an outside meeting, Company banking, etc.), employees must notify their supervisor prior to leaving the office and report in to them upon their return.

Breaks and Lunch Periods

Field, Production and Operating Personnel

Appropriate rest and meal breaks will be authorized by the supervisor. Provided breaks are reasonable in duration (generally 15 minutes or less), they will be considered time worked.

Office Employees

Supervisors are responsible for determining and communicating break schedules for office employees under their direction. One morning and one afternoon break of up to 15 minutes each is permitted. Office employees are compensated for breaks, and are not required to clock-out for normal break periods.

Lunch Periods are also scheduled by your supervisor which are not compensated and generally last one hour. Your supervisor will advise you of your scheduled lunch period. During your meal period, you should attempt to be free from job responsibilities. Non-exempt employees may not work during their lunch period without prior supervisory approval. If you are a non-exempt employee, and unusual circumstances cause you to remain on the job during the lunch period, you will receive compensation for that time.

Pay Exceptions

Overtime and Double Time

Depending on Company work needs, employees will be required to work overtime when requested to do so. Prior approval of a supervisor, however, is required before any non-exempt employee works overtime. Employees working overtime without approval will be subject to disciplinary action. However, any employee who does in fact work overtime, whether assigned by a supervisor or not, must report the amount of overtime he or she worked and such employee will be paid for such overtime.

When determining total hours worked during a workweek for overtime payment purposes, holidays worked, floating holidays and vacation hours are counted as time worked. Personal Time (personal illness, family illness and funeral leave) along with jury duty taken during a workweek are not considered as time worked when determining overtime payments due.

Overtime

- a. Overtime for non-exempt employees is equal to the employee's regular hourly rate times 1.5.
- b. Scheduled Overtime: Last 8 hours of a regular scheduled 48 hour week assuming that the work guidelines are met. Prior supervisory approval is not necessary if working the DuPont schedule in which case these OT hours are built into your work schedule.
- c. Unscheduled Overtime: Any hours worked outside of normal work schedule.

Double time

- a. Double time rate is paid at two times your normal hourly rate.
- b. Is paid for work performed on the 7th consecutive worked day for all hours worked if 4 hours of work is performed on the previous 6 days.

Call-Out Pay

- a. Compensation for non-exempt employees who have left the plant site and are asked to return are paid the greater of 2.6 hours overtime or actual hours worked at the appropriate rate.

- b. In lieu of a call-out, remote off-hour troubleshooting occurs when non-exempt employees solve issues over the phone outside of their normal work schedule, without having to return to the site. Non-exempt employees will be paid for time spent troubleshooting technical problems or issues over the phone from off-site at standard overtime rate for actual time spent to resolve such issues.
- c. When call-outs for overtime significantly reduce an Employee's rest period between work days, the Employee may, after obtaining approval from their supervisor:
 - 1. be sent home early from their normal scheduled workday following the call-out,
 - 2. be allowed to leave work after completion of the call-out work and report for their normal schedule workday after a minimum of 8 hours rest,
 - 3. be allowed to work through their normal scheduled workday after arriving at work in response to the call-out,
 - 4. If the employee chooses not to work scheduled hours on their next scheduled work day, vacation or time off without pay will be utilized.
 - 5. Any regularly schedule work hours missed based on option (a) or (b) above will be paid at the Employee's normal rate of pay for those scheduled work hours.

Misc.

An employee may, with leader authorization, "flex" his or her schedule on an informal basis to manage personal needs without incurring overtime, as long as the total number of hours worked within a single week does not exceed 40. A common example of "schedule flexing" is working an extra hour on Monday to be able to leave early on Tuesday. This is permitted as long as approved by the leader and documented and communicated to the site time keeper.

Inclement Weather

Employees will follow this policy for any extreme weather conditions and emergency situations (i.e., freeze, tornado, flood, adverse inclement weather conditions) or operating circumstances as declared by site leadership. It is the policy of Monument Chemical to remain fully operational during most periods of inclement weather; however, where extraordinary circumstances warrant, the company reserves the right to reduce operations to the facility. Thus, employees should refer to the company intranet site or will be notified by email or text during periods of adverse weather to find out the site's status.

Regardless of whether the facility is fully operational or not, all employees will be expected to make reasonable efforts to get to work. It is each employee's decision as to whether it is safe to report to work during such weather. Site arrival / departure times may be adjusted to avoid severe weather travel times and will be communicated in advance. Employees must advise their manager or supervisor as soon as possible if they are unable to report to work due to inclement weather.

If an employee is unable or elects not to report to work, the employee will use paid time off or take leave without pay. For business reasons, if essential employees are required to report to work, you will be paid in a fair and equitable manner.

Management and employees should use discretion during severe weather to ensure employee safety is maintained at all times.

Weather Event Pay Practice

- a. This practice applies from the time site leadership declares severe weather status or limitation of operation to the time site leadership declares the termination of severe weather status.
- b. Employees working Emergency Response; (i.e., working during severe weather) will be paid 2x their hourly rate (double time) for all hours (24/7) declared by leadership.
- c. Employees working in preparation or as early returnees as determined by site leadership will be compensated in a fair and equitable manner.
- d. If management requests an employee not to report to work, it will be considered an excused absence with pay at straight time.