

Leave of Absence Policy

Purpose

This policy identifies the leave of absence policies for all Arcwood Environmental employees and its affiliates and subsidiaries. In the event of a conflict between the terms of this policy and applicable law, applicable law will govern and supersede the relevant provisions of this policy. This notice details certain rights and responsibilities that you have regarding leave of absence under the Family and Medical Leave Act of 1993 (FMLA).

Family Medical Leave Act

The Family Medical Leave Act (FMLA) is a federal law that provides eligible employees with unpaid job-protected leave for qualifying family and medical reasons. Eligible employees can take up to 12 work weeks of FMLA in a rolling 12 month period for the adoption, birth, or foster placement of a child; your own serious mental or physical health condition that makes you unable to work; care of your spouse, child or parent with a serious mental or physical health condition; and certain qualifying reasons related to the foreign deployment of your spouse, child or parent who is a military servicemember.

An employee who is the spouse, child, parent, or next-of-kin of a covered servicemember with a serious illness or injury *may* use up to twenty-six work weeks of FMLA leave in a single 12-month period to care for the service member.

To be considered eligible for the FMLA, you must have at least 12 months of service and 1,250 hours worked within the 12 months immediately preceding your requested leave.

If eligible and certified, leave may be taken continuously, as a reduced schedule, and/or intermittently, if needed. For bonding purposes, leave may be taken continuously, but multiple continuous segments may be used if each segment is two weeks in duration or greater..

Special limitations on FMLA apply to certain key employees of the company. If you are a key employee, the company will provide you with separate notices describing these limitations.

If any state leave law also applies to your absence, these plans will run concurrently with FMLA, unless the specified state law indicates otherwise. If the state leave indicates non-concurrency, the state law will supersede this policy. More information regarding FMLA and/or your responsibilities to obtain FMLA can be found on the Total Rewards Portal as well as dol.gov/fmla.

Coordination of PTO with FMLA

Generally, leave under the FMLA is unpaid. However, if an employee has unused PTO available, and the leave request is approved, an employee must use their PTO balance unless another benefit takes over for payment. If PTO is used during a FMLA qualified leave of absence, the FMLA hours will run concurrent with any paid time off during leave.

Disability Insurance

If an employee experiences a non-work-related illness or injury preventing them from working for greater than three consecutive days, Arcwood Environmental's injury/illness disability wage continuation may apply.

To be eligible for this benefit, an employee must be a regular, full-time employee scheduled to work 30+ hours per week. Eligibility for this benefit begins on the first of the month following your date of hire. If eligible, you are automatically enrolled in this benefit, paid for by your employer. Benefits begin immediately upon commencement of disability with no elimination period, as long as certified by a medical provider. You may receive 100% of your current weekly earnings during the benefit period of day one through week thirteen, if approved. Weeks 14 through 26 may be paid at 80% of your current weekly earnings.

For disability leaves extending beyond 26 weeks (180 days), benefits will transition to long-term disability. Full time, regular employees scheduled 30+ hours per week are eligible for this benefit once the short-term disability period ends. The benefit has a waiting period of 180 consecutive days within a 360-calendar day period. Any day that an employee is able to work after the initial start of disability will not count toward the elimination period. Coverage amounts under this policy are 60% of your monthly earnings, up to \$15,000 per month. The coverage minimum is >\$100 of your monthly earnings and coverage maximum is \$17,500. Benefit payments for this policy will be issued by a third-party vendor.

For more information about disability benefits, please visit our Total Rewards page or vendor website.

Benefits While on Leave

While on FMLA, state leave, company leave, and/or employee illness/injury wage continuation for disability, Arcwood Environmental will maintain your coverage under the company health plan under the same conditions as if you had been employed continuously during the leave period. During any portion of paid leave, your share of benefit premiums will be withheld from your disability benefit payments. According to the rules governing our benefit plans, benefit coverage for employees on leave of absence will be terminated after 6 months (180 days) from the start date of the leave.

If your employment ends in conjunction with your six-month benefit termination, your benefits will terminate at midnight on the last day of the month, in which you reach the 180th day of your leave. You will be eligible to continue your current benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA) for up to 36 months after your employment terminates.

While not as common, if your benefit and employment termination dates do not coincide, you may be eligible to continue participating in the health plan. The Patient Protection and Affordable Care Act (ACA) states that healthcare coverage may continue if you have an average of 30 hours or more per week during a given measurement period (12-month look back period). Your employer grants hours for the time you are on approved health leave of absence. If you meet the ACA hours requirement, you are eligible to continue participating in your current health plan election. This plan would include base dental and critical illness coverage. If you are enrolled in enhanced dental or vision plans, these benefits will terminate at midnight on the last day of the month in which you reach the 180th day of your absence. All other benefit coverages will terminate at midnight on your termination date.

Company Leave Plans

Birth Parent Leave

Regular, full-time employees are eligible to request Birth Parent Leave beginning the first day of the month following hire. Employees may use up to 8 weeks of company-paid time off.

The Birth Parent Leave must be used immediately following birth for 8 weeks of recovery time and can be used only by the employee if they give birth. Leave can only be taken continuously. During this period, the employee will receive 100% of their base wage paid via payroll. All taxes and benefit deductions will be withheld from the payment, including 401(k) contributions. This will function as an automatic increase to the Short-Term Disability benefit if any individual is approved for less than 8 weeks for post-partum recovery. No additional benefit will be issued for those granted 8 weeks of post-partum recovery under the short-term disability wage continuation benefit.

Birth Parent Leave is available to use only once in a rolling 12-month period. A birth parent who has taken 12 weeks of Company paid leave is not eligible for additional bonding or family leave in the same rolling 12-month rolling period.

Parental Bonding Leave

Regular, full-time employees are eligible to request Parental Bonding Leave beginning the first day of the month following hire. Leave under this policy is associated with the birth of an employee's own child or for placement of a child with an employee in connection with adoption or foster care.

Under this policy, employees may use up to 4 weeks of company-paid time off at 100% of their current base wage. Leave time must be taken in a minimum of 2-week increments and must be fully used within 12 months of the birth, adoption, or foster care placement. This leave plan runs concurrently with FMLA and/or any other available state or municipal leave plans. Additional unpaid (or paid with available PTO) leave under FMLA may be taken only if entitlement is available.

For birth parents, this leave cannot be used while on Short-Term Disability and/or Birth Parent Leave.

For foster parents, bonding leave is the shorter of 4 weeks or the time the foster child resides with the foster parent. A lifetime maximum of 12 weeks of paid time off for this reason is available.

Parental Bonding and Family Care leaves are available to use only once in a rolling 12-month period. These leave reasons share entitlement, therefore only 4 weeks total can be used for any combination of Parental Bonding and Family Care leaves. A birth parent who has taken 12 weeks of Company paid leave is not eligible for additional bonding or family leave in the same rolling 12 month period.

Family Care Leave

Regular, full-time employees are eligible to request Family Care Leave beginning the first day of the month following hire. Leave under this policy is intended to provide the employee with up to 4 weeks of 100% company-paid time off to care for a qualified family member with a serious illness or injury. Intermittent usage is permitted for this leave, but time must be taken in no less than 1-hour increments.

Entitlement time under this leave plan is shared with Parental Bonding leave and is limited to a combined total of 4 weeks in a rolling 12-month period. This leave plan also runs concurrently with FMLA and/or any other available state or municipal leave plans applicable to the request.

The serious illness/injury of a family member is limited to those conditions of a family member that would qualify as a serious health condition under the FMLA's definition. A qualified family member is defined as those listed under the FMLA's family member eligible relationships (parent, spouse, child), unless state law specifies otherwise. If state law definition of an eligible family member exceeds that defined by the FMLA, then the state law will supersede.

Parental Bonding and Family Care leave plans are available to use only once in a rolling 12-month period. These leave reasons share entitlement, therefore only 4 weeks total can be used for any combination of these leaves. A birth parent who has taken 12 weeks of paid leave is not eligible for additional bonding or family leave in the same rolling 12-month period.

Military Leave

The company complies with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and applicable state law pertaining to military leave. Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with applicable law.

Up to 10 days within a 12-month period will be paid at 100% of the employees' current weekly wages for National Guard and Military Reserve absences, however accrued paid time off may be used for this leave if the employee chooses.

Notice should be given to Human Resources and arrangements for leave made as early as possible before departure. Employees must notify Human Resources of their intent to return to employment as required by applicable law. No attempt is made in this policy to cover all possible situations and circumstances that may arise in connection with the military service of an employee. Therefore, as military leave situations arise, employees should consult with Human Resources for complete details regarding their military leave rights.

State Leave Plans

If you live in a state which has enacted a law providing wage replacement and/or job protection for any reason, these benefits will run concurrently with any other leave plan applicable. If the state leave indicates non-concurrency within their leave law, the state will supersede this policy.

Employees in states with such benefits should follow the state's guidance for eligibility qualifications and claim administration. If applicable, see your state government website for details. Except for the state of New York, employees must file claims directly with their state for benefits. New York employees should file their claim with our vendor. Please see the Total Rewards site for more details.

At no time can your total benefits exceed 100% of your base wages or the maximum duration of the most generous leave plan available. If you are eligible for wage replacement through a state leave plan, an estimate may be applied to your company-paid benefit in the amount you will be eligible for under the state plan to ensure greater than 100% payment is not received. Once the state makes their award, an adjustment may be made to your benefit if the amount varies from the estimate.

Other Leave

This policy is not intended to cover all possible leave plans that may be applicable or available for all situations. Many states may have job protected or funded policies that could apply to a reason for leave not included in this document. If you have questions about time out of work on a leave of absence, please reach out to Human Resources so that available options and programs can be discussed.

Requirements and Information for All Leave

Employees must always provide their supervisor and Human Resources with a written request for leave within 30 days of the request, or as much notice as practicable if leave is not foreseeable. All the above leaves also require submission of documentation for approval. If a leave is requested, you must submit completed certification and/or other applicable documentation within fifteen calendar days. A leave of absence will not be granted until required certification is provided. Failure to submit necessary documentation within the 15- calendar day timeframe (or any extension requested during that timeframe and granted by HR due to extenuating circumstances) may result in the denial and unauthorized leave subject to disciplinary action, up to and including termination.

Leave of Absence documentation and/or Parental and Family Leave Request forms are located on the Total Rewards portal. Forms completed in entirety, along with required documentation, must be submitted to HRS@arcwoodenviro.com. It is important to note that Human Resources must receive all medical certifications and physician's notes. All information will be kept confidential and on file and separate from the employee's personnel file. Please reach out to Human Resources if you have any questions about the requirements for leave.

Leave must be recertified each year if the need for leave is expected to continue beyond the initially certified 12-month period. This annual certification is subject to eligibility requirements continuing to be met.

The employer may require an employee to provide recertification of the medical necessity for intermittent leave in any event, every six months. Except as provided above, the employer may request recertification no more than once every 30 days in conjunction with an employee's absence unless: the employee requests an extension of leave, circumstances described by the previous certification have changed, or the employer receives information that casts doubt upon the validity of the certification. Recertifications are at the employee's expense. No second or third opinion on recertification may be needed. Only a second or third opinion may be requested on the annual certification form. Recertifications are not needed for leave to care for a covered servicemember or because of a qualifying exigency arising out of the fact that the employee's spouse, child, or parent is on active duty or call to active-duty status in support of a contingency operation.

If the need for intermittent or reduced schedule applies, leave must be taken in no less than 15-minute increments. You must make reasonable efforts to schedule your leave so that it is the least disruptive to your work schedule or company's operations. In addition, if you request intermittent or reduced schedule leave, the company may require that you transfer temporarily to an available alternative position, with equivalent pay and benefits, for which you are qualified, and which better accommodates intermittent or reduced schedule leave. You must follow normal call-in procedures and time limits for each day of absence unless you become incapable of providing notice in that manner and/or within those time limits.

Upon return from FMLA (within the 12 week leave period), employees will be restored to their same or equivalent position with equivalent benefits, pay and other terms and conditions of employment. Certain salaried, key employees of the company may be denied restoration if their reinstatement would cause substantial and grievous economic injury to the company. If, during FMLA leave, a layoff or other event occurs that would have changed or even eliminated your job had you not taken leave, you will have no greater rights than if you had been continuously working during the FMLA leave. If the employee does not return to work at the end of the FMLA period, their position will no longer be protected, and the company has the right to fill your position based on business need.

If your employment ends prior to using the full leave benefit, the unused portion is forfeited.

Use of the benefits described in this policy other than for its intended purpose, if substantiated, will result in the revocation of benefits and disciplinary action up to and including termination.