



# Henkel Employee Handbook for US Employees

2021

## About This Handbook

This Handbook applies to all U.S. based, non-union employees (referred to herein as “you” or “your”) of Henkel of America, Inc., its subdivisions, subsidiaries, and affiliates (referred to collectively as “Henkel”, “Company”, “we” or “us”), except employees based in South Carolina and Puerto Rico who are covered by a separate Handbook. It is intended to serve as a guide to our employment relationship.

This Handbook contains *general* information and guidelines only and is not intended to cover every possible situation that may arise during your employment. For that reason, if you have questions concerning eligibility for a particular benefit, or how a particular policy or procedure applies to you, we encourage you to address your questions to your local Human Resources Business Partner.

***The statements contained in this Handbook are in no way to be interpreted as an express or implied contract between you and us.*** Nor does this handbook, in describing the Company’s policies or procedures, commit the Company to follow any particular procedure in the course of imposing discipline or terminating employment. Accordingly, other than the policy of at-will employment, we reserve the right to change, correct, modify or revoke some or all of the procedures, practices and policies described herein at any time, with or without advance notice.

In addition, some of the items covered in this Handbook, or other employment matters, may be addressed in more detail in a separate policy, benefits document, agreement or collective bargaining agreement. In such cases, the language in the more detailed policy, document or agreement will govern. You should refer to these documents for specific information. If there is ever a discrepancy between this handbook and applicable law, then the law will always govern.

This Handbook, as well as a Spanish version, and many of our other policies and programs are available electronically through the Henkel Intranet: <https://portal.de.henkelgroup.net/irj/portal/na/8LPJGB243FIBP>

Nothing contained in this Handbook is intended to create an express or implied contract to remain in our employ for any specified time period. ***At all times, your employment with us is on an at-will basis, meaning either of us is free to end the relationship at any time for any lawful reason, or for no reason at all.*** At will employment also means that the Company may make decisions regarding other terms of employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work at any time, with or without cause or advance notice. The at-will employment relationship may only be modified by a written document signed by an officer of the Company.

Finally, while every effort has been made to ensure that our policies are consistent with state and federal law, if an inconsistency arises, the policy will be enforced so as to be consistent with the applicable law. Employees who work in certain other states should also consult the Employee Handbook Supplement (“Supplement”) for specific policies which comply with the applicable state law. Where policies in this Handbook conflict with the applicable state Supplement, the Supplement will control.

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## I. ADMINISTRATIVE MATTERS

### Employee Classifications

As an employee of our company, you will fall into two employment classifications, one based on the applicable wage and hour laws and another based on our internal practices. These classifications are defined below:

#### *Wage and Hour Classifications:*

Exempt employees are classified as such if their job duties are exempt from the overtime provisions of the applicable wage and hour laws. The categories of employees who are generally considered exempt include professionals, executives, administrative and commission-based sales employees. Exempt employees are not eligible for overtime pay. They are paid a fixed salary, which is intended to cover all hours worked, regardless of how few or how many. Exempt employees are expected to work whatever hours may be required to satisfactorily complete their job function. The Company intends to maintain the salary basis of all of its salaried exempt employees. Notwithstanding any other provision of this handbook, the Company's policies, including but not limited to discipline and benefits policies, are to be interpreted in accordance with the salary basis requirements of the Fair Labor Standards Act and state law. Please refer to the Salary Basis / Safe Harbor Policy attached to the Handbook for more information.

Hourly Non-Exempt employees are those who do not qualify as exempt under applicable wage and hour laws. They are paid on an hourly basis and are eligible to receive overtime pay in accordance with the applicable wage and hour laws. (see Overtime Pay Policy).

Salaried Non-Exempt employees are those who do not meet the requirements of an exempt employee under applicable wage and hour laws. They are paid on a salary basis and are eligible to receive overtime pay in accordance with the applicable wage and hour laws. (see Overtime Pay Policy).

#### *Internal Classifications:*

Regular Full-Time employees are those who are regularly scheduled to work 40 or more hours per week.

Regular Part-Time employees are those who are regularly scheduled to work at least 20 hours per week, but less than 40. Unless specifically stated herein, employees who work less than 20 hours per week are not eligible for Company-provided benefits.

## **Application for Employment**

Henkel does not employ individuals who are under 18 years of age. During the application process, you were required to complete, date and sign our standard employment application form and/or provide other information (i.e., resume) concerning your background, including your qualifications, education, prior employment history, and criminal convictions consistent with state and federal laws. The information you supply is critical to our hiring decision. If we learn, at any time, that the information you supplied in connection with the application process was false, incomplete or misleading, you will be subject to corrective action, up to and including termination.

## **Employee Referrals**

Realizing that our current employees are an excellent source of potential job applicants, we encourage you to recommend to Human Resources qualified applicants for open positions. Positions eligible for a referral award will be indicated on the posting on the internal job market. Payments are based on continuous employment for a specific time period and can be based on the level and type of position. In the event an applicant you refer is hired and retained, you will receive a referral award if the criteria are met as outlined in the guideline published on the HenkelONEPortal. To be eligible to receive a referral award, you must be on the Company payroll at the time of the eligibility for payout. Certain employees are excluded from eligibility, including those directly involved in the hiring process such as the management staff and supervisors directly responsible for the hiring decision.

## **Internal Job Postings**

Henkel prefers to promote and provide a broader base of opportunities to employees to further their careers by allowing them to self-nominate for open positions. Appropriate job vacancies will be posted on the HenkelONEPortal. Employees are required to notify their current manager when applying for an internal job posting. An employee is eligible to apply for an open position after a minimum of twelve months in the current position for salaried openings and a minimum of six months for hourly openings. Further, the employee's current level of performance, including attendance and disciplinary action, will be considered during the selection process. Please contact your Human Resources Business Partner for [local](#) guidelines on eligibility, selection and notification for any open positions.

## **Employee / Medical Records**

We maintain updated employment files on each employee. Employment records are Henkel property and will be treated the same as other confidential Company information. Your medical information is considered extremely confidential and will be maintained separately from non-medical employment information. Access

to employment and medical records is restricted to authorized persons only. Unauthorized employees shall not view, copy or access employment and/or medical files.

Upon a request to review your own employee file, Human Resources will advise you of the time and place for review in accordance with state and local requirements. A Human Resources Business Partner will be present during the file review and you will be free to make notes concerning the contents of the file, but you may not remove any materials. Unauthorized removal of documents from the file may be grounds for immediate discharge.

### **Privacy Policy for Collection and Use of Personal Information**

In the course of conducting our business and complying with federal, state, and local government requirements relating to such matters as employment, tax, insurance, etc., we may determine that it is necessary for us to collect personal information from you, including but not limited to personal phone numbers, email address, mailing address, banking and other financial data, and government identification numbers, e.g., Social Security number, driver's license number. This information will be protected with reasonable safeguards and used only for business and other legitimate purposes. Although it is not possible to list or foresee all of those purposes, these may include, but are not limited to, those related directly to your employment with the Company, the benefits you receive from the Company, in the course of litigation or other proceedings in which the Company becomes involved, and requests for such information from federal, state or local agencies.

As part of our employment process, we collect the Social Security Numbers (SSNs) of applicants and employees on applications and employee enrollment forms. This information is collected to perform checks or screening on potential employees if necessary, to process payroll and other benefits for current employees, and for other legitimate business purposes. Access to SSNs must be strictly limited to authorized persons who need them to fulfill the tasks described above. Henkel personnel shall treat SSNs and any documents and storage media containing them as confidential and protect them from unauthorized access and use with appropriate administrative, technical and physical safeguards, including some or all of the following, as appropriate to the specific environment and risks to the information: password protection; encryption; limited access; locked offices; locked file cabinets and secure vaults. Any documents and/or storage media containing SSNs must be destroyed in a manner which renders them unusable, unreadable or indecipherable prior to disposal.

The following disclosures and uses of SSNs are prohibited; (1) publicly posting or publicly displaying in any manner an SSN; (2) printing an SSN on any card required for the individual to access products or services; (3) requiring an individual to transmit his/her SSN over the Internet, unless the connection is secure or the SSN is encrypted; and (4) requiring an individual to use his/her SSN to access an Internet web site, unless a password or unique personal identification number or other authentication device is also required to access the Internet web site; and (5) any unlawful disclosure or use of SSNs. This policy does not prevent the collection, use or release of an SSN as required by state or federal law or the use of an SSN for internal verification or administrative purposes.

### **Changes in Your Personal Information**

It is important that you notify your local Human Resources Business Partner of any changes in the following information so we can ensure proper and prompt processing of your payroll and benefits:

- Your name
- Your marital status
- Your address
- Your telephone number
- Number of eligible dependents
- W-4 deductions
- Emergency contact

### **Employment Verification**

All inquiries regarding our past or present employees, whether written, telephonic or electronic, should be referred to the Human Resources Department. Under no circumstances should you release information about another past or present employee over the telephone or in writing. Further, employees are not permitted to make recommendations in their professional capacity as a Henkel employee for past or present employees, including through social media outlets, such as *LinkedIn, Facebook and Instagram*. Please refer all such inquiries to your local Human Resources Business Partner.

Employees are encouraged to provide The Work Number (“TWN”) in response to external requests for information about our past or present employees. TWN verifies the employee’s name, employment status, hire date, and position title (if still active). Current/final pay rate and all other information may be furnished only with the express written authorization from the employee, or unless compelled by law.

The Work Number is available 24 hours a day, 7 days a week.

- Access The Work Number via [www.theworknumber.com](http://www.theworknumber.com) or 1-800-367-2884 Henkel employer code 12904
- Client Service Center:  
1-800-996-7566 (Voice) or  
1-800-424-0253 (TTY – Deaf)  
Monday-Friday, 7:00 AM – 8:00 PM (CST)

If an employee is unable to utilize TWN and needs an employment verification, contact your Human Resources Business Partner for assistance.

## II. PAYMENT OF WAGES, WORK SCHEDULES AND TIMEKEEPING

### Payment of Wages

Wages are paid either on a weekly or bi-weekly basis depending on the local practice. If the normal payday falls on a weekend or company-recognized holiday, paychecks will typically be distributed the previous workday. Paychecks will only be released to you unless you have provided us with written authorization to release the paycheck to an authorized person.

An earnings statement is issued to you each pay period, indicating gross pay, statutory deductions and voluntary deductions, and anything else required by applicable law. The amount of federal withholding is determined by the number of exemptions claimed on Form W-4, Employee's Withholding Allowance Certificate. If your marital status or number of exemptions changes, you should submit a new Form W-4 through MyADP or to the Payroll Service Center via fax at 925-598-2192. Paycheck errors should also be immediately reported to the Payroll Service Center at 866-204-2670.

We encourage you to have your pay deposited into your bank account through our direct deposit program. If you elect direct deposit, your paystub will be available electronically on payday via the Payroll Work Center link posted on the Henkel portal, subject to legally-protected exceptions. At any time, you have the option of changing your preference to receive paper paystubs, which will be mailed to your home. Please contact your local Human Resources Business Partner for more details regarding this program.

For any payroll related questions, please contact the Henkel Payroll Service Center as follows:  
Monday-Friday 9:00 AM to 7:00 PM Eastern Time and Saturday 6:00 AM to 3:00 PM Eastern Time  
Phone: (866) 204-2670 Fax: (925) 598-2192

**Paycheck Deductions**

Your paychecks are subject to all applicable tax withholdings. We will make deductions required for all applicable employee benefits based on your benefit elections. We will also make deductions in accordance with any court-mandated garnishment order, including orders for the support of other persons. You should deliver a copy of any such orders to your local Human Resources Business Partner for processing.

If you are paid on an hourly basis, deductions can be made from your regular pay for partial day absences. If you are paid on a salaried basis, deductions cannot be made from your pay for any workweek in which you perform work, except under limited circumstances as authorized by applicable law. Please consult the Salary Basis Safe Harbor attachment to the handbook for additional information.

**Overtime Pay (Non-exempt Employees Only)**

From time to time, non-exempt employees may be asked or required to work overtime to meet our operational needs. You are not permitted to work overtime without obtaining advance management approval in accordance with the procedures established at your work site.

You are typically eligible for overtime if you work more than 40 hours in a single 7-day workweek, as defined herein. Overtime is typically paid to hourly non-exempt workers at the rate of 1½ times your regular rate of pay and to salaried non-exempt workers as provided for under federal law. For purposes of determining overtime eligibility, our workweek typically begins 12:00 AM on Sunday and ends at 11:59 PM on Saturday, and our workday begins at midnight and ends 24 hours later, but start times for workweeks may vary by location. Under no circumstances will we award “comp” time in lieu of paying overtime. To the extent state or federal law requires overtime be paid differently than described above, we will comply with the applicable overtime laws.

All overtime worked by a non-exempt employee must be approved in advance by an employee’s supervisor, not at the employee’s discretion. Non-exempt employees are not to work before, beyond or outside their normal working hours without such prior approval. Employees who fail to work scheduled overtime or who work overtime without prior authorization from a supervisor may be subject to disciplinary action, up to and including termination of employment.

### **Premium Pay**

State law and/or local practice may entitle you to premium pay for working on holidays, weekends or over a certain number of hours or days per work week. To the extent available, local management will provide details of any local premium pay eligibility.

### **Work Schedules**

Our normal hours of operation vary by work site. Your schedule, including rest and meal periods, will be set by local management. If you are a non-exempt employee, you are not permitted to work outside your scheduled work hours absent prior management approval. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours you may be scheduled each day and week.

### **Meal and Rest Breaks**

Employees will be provided meal and rest breaks in accordance with applicable law. Additional details regarding an employee's entitlements to breaks can be found in some of our state supplements or provided by your local management.

### **Smart Work**

Smart Work is a holistic framework that covers the role of offices, employee health, sustainability, workforce digitalization, and mobile work. As part of our mobile work model, we offer three work arrangements that may be available for employees based on the nature of their role. These include:

**On-Site:** Roles that can only be performed on-site.

**Hybrid:** Roles that don't require full presence on-site and can be performed partly remote.

**Off-Site:** Roles that don't require physical presence in the office as they can be performed fully remote.

Smart Work arrangements are voluntary work alternatives that are appropriate for certain positions and locations in Henkel North America, at the discretion of the business. These arrangements should factor in the needs of the employee as well as the company. For additional information, consult the Smart Work page available on the Henkel Portal or reach out to your Human Resources Business Partner.

### **Emergency/Weather Related Closures**

We maintain a policy of being open during inclement weather such as snow, ice, or freezing rain, fires and other natural disasters, or conditions such as road construction, threat or act of war against foreign countries, unless the severity of the conditions and/or municipal or state government rulings close the site.

You should make every reasonable effort to come to work, or continue working if already at work, unless otherwise notified. Supervisors should not dismiss employees unless authorized to do so.

Should a decision be made by local management to close the office, it will be announced by local management or Human Resources and notice will be provided to you through the normal channels used by your site (such as e-mail, voice mail, posting and/or designated phone number). In addition, local management or Human Resources will notify our other locations of their closure and anticipated re-opening.

You should use the designated communication channel for your respective business unit or location if unusual weather or other conditions exist. If there is no announcement, then it is assumed that your site will be open for work. Of course, when unusual circumstances exist, personal judgment should be used. If you decide you cannot get to work or will be late, your supervisor must be contacted. If your supervisor cannot be contacted directly, you should leave a message on his/her voice mail.

Should you elect not to come to work due to inclement weather or other conditions and your site is open for work, then normal attendance rules will apply as determined by local management and Human Resources. Each emergency situation will be reviewed on a case-by-case basis.

During situations where work is not available, hourly non-exempt employees who were not previously notified and report to work shall, at our option or when required by law, be provided with up to 4 hours pay or 4 hours of work. This will not apply under conditions beyond Henkel's control such as acts of nature, lack of power, material shortage or major breakdown. Exempt employees will be compensated for situations outlined in this policy consistent with applicable federal and state wage and hour laws.

### **Timekeeping**

Non-exempt employees are required to record their time and report actual hours worked in accordance with our timekeeping system, including time spent using a mobile device or laptop and other work conducted outside of normal business hours. All employees are required to record exception time, e.g. Vacation, OA/Sick Days and Floating Holidays, in our timekeeping system. You should review your time records for errors. If you find an error, you should immediately report it to your supervisor and the necessary steps will be taken to promptly correct the error.

All non-exempt employees must record their work time exactly as that time is worked - without exception. If an employee forgets to record his/her time, the employee's supervisor must make the correction and the change must be initialed by both the employee and the supervisor. Any employee who fails to follow these timekeeping policies may be subject to disciplinary action, up to and including termination. If requested, it is the employee's responsibility to sign his or her time record to certify the accuracy of all time recorded. The supervisor will review and then approve the time sheets.

It is critical that you submit your time records when due so we can ensure you are paid correctly and without any delays in the issuance of your paycheck. Falsifying time records, including failing to record (working "off the clock") or inflating time worked or tampering with another employee's time records, is expressly prohibited and may result in corrective action, up to and including termination.

### **III. TOTAL REWARDS: COMPENSATION, BENEFITS AND MORE**

#### **Total Rewards Philosophy**

We care for and reward our people. We do this through our Total Rewards program. We have named this program "Total Rewards" because it provides you with a complete picture of the support you receive from us – from your salary and incentive award to health care and retirement – and everything in between.

In total, our program is designed to help:

- Attract and retain talented employees
- Simplify the transition process for those who pursue career paths throughout Henkel
- Ease the process of bringing new employees into the Henkel program following an acquisition
- Align the U.S. with Henkel global programs where possible

The program consists of various components: Health Care (i.e., medical, dental, vision, employee assistance program (EAP), tax advantaged accounts (i.e., Flexible Spending Account, Dependent Care Account, Health Savings Accounts), Voluntary Benefits (i.e., critical illness, accident, hospital indemnity, pet, identity theft, legal, auto and home insurance) Income Protection (i.e., disability benefits, life insurance, accidental death & dismemberment insurance (AD&D)); Retirement Income (i.e., 401(k) plan); Employee Share Program; Paid Time Off (i.e., vacation, occasional/sick, bereavement, etc.); and Compensation. In addition to these discretionary employer benefits, we provide you with all benefits mandated by law, such as workers' compensation insurance, state disability, and unemployment insurance.

Regular employees' eligibility for our benefit plans vary by employee status (part-time or full-time), length of service, and by the specific benefit. For detailed information concerning these plans and the eligibility criteria, please review the applicable Summary Plan Document ("SPD"), visit [www.ybr.com/henkel](http://www.ybr.com/henkel) or contact your local Human Resources Business Partner or the plan provider. If there should be any conflict between the benefits provided and any statement contained in this Handbook, the actual terms of the SPD will control.

## **Compensation**

Our compensation program is a market-based pay for performance program that includes two elements – base pay and incentive pay. When we say our program is market-based, it means we set and maintain competitive compensation levels based on market practice. By doing so, we can maintain compensation levels that help us attract and retain talented employees and reward employees for what they contribute to our business.

We pay to the appropriate U.S. market [rates](#) to ensure that your base pay opportunities are competitive. What you are actually paid also reflects your performance and the skills, knowledge and experience you personally bring to the job. Merit increases are typically reviewed annually, and they may or may not coincide with a performance review. Such increases are discretionary and are based on individual and Company performance.

## **Employee Incentive Plans and Recognition Programs**

We wish to encourage and recognize exceptional contributions to our business through performance-based incentive plans, which provide financial awards that are separate and distinct from any other compensation or benefit program. Each business unit and function (if applicable) will develop their annual incentive plan performance metrics. Please contact your local Human Resources Business Partner for further details, as well as for details on local employee recognition programs.

## **Business Expense Reimbursement / Travel / Company Credit Cards**

We will reimburse you for business-related expenses according to the expense reimbursement procedures and applicable law. These procedures will be separately communicated to those employees who are authorized to incur business-related expenses. Under all circumstances, expenses must be specifically business-related to obtain reimbursement, and our decision regarding the appropriateness of the expenditure will be final and conclusive, subject to legally-protected exceptions.

Some employees will be issued a Company credit card. As with any business expense, charges on the Company credit card must be business-related. Non business-related charges will be deducted from your paycheck only if, but to the fullest extent permitted by law, and subject you to discipline, up to and including termination. Use of a Company credit card is a privilege and, therefore, we reserve the right to discontinue your use of a Company credit card at any time and for any reason. In addition, any misuse of a Company credit card can subject you to corrective action, up to and including termination of employment. If you have any questions as to whether a particular expense is appropriate, consult your supervisor before incurring it.

### **Tuition Assistance and other Benefit Programs**

We maintain other programs and benefits for you that are subject to updates and revisions on a regular basis. Details of any of these programs or benefits are either posted on the Henkel Intranet, the Benefits Service Center ([Henkel Benefits Wallet Card](#)) and/or can be obtained through your local Human Resources Business Partner.

### **Employee Assistance Program**

The Employee Assistance Program (EAP) is a confidential, professional counseling service designed to provide employees and their family members the opportunity to consult with a professional counselor. All employees and their families are eligible to utilize this service on their first day of employment. Through EAP, employees are eligible to meet with a professional counselor for a limited number of consultation visits at no cost. If the situation requires further or more specialized services, the EAP can refer employees to other appropriate resources in the community. The EAP also offers initial assessment, referral services and short-term assistance for a variety of situations, including substance abuse, marital/relationship issues, health concerns, legal and financial concerns. In certain circumstances, the Company may require an employee to comply with a mandatory referral to the EAP as a condition of continued employment. Self-referrals with the EAP are held in strict confidence. EAP records are not available to the Company, unless attendance at the counseling session is mandated by the Company. Brochures on the EAP are available through your local Human Resources Business Partner or visit the Henkel Intranet for further information.

### **Professional Development**

We encourage your professional development through participation in approved seminars and training programs, which are directly related to our operations, activities and objectives and which allow you to improve your job skills and productivity. We will reimburse you for the expenses (including registration fees, accommodations, meals, travel and other expenses that would normally be reimbursed as a business

expense) for approved training programs. Approval from local management must be obtained before you register for the program. For approved certification programs, we will reimburse you for associated expenses upon your successful completion of the program. We reserve the right in our sole discretion to determine the appropriateness of any proposed course, seminar or certification program.

### **Relocation**

The Henkel Relocation Program has been designed to help minimize the uncertainty and challenges of relocating. Henkel has partnered with Plus Relocation Services, LLC (Plus) to assist you in coordinating your relocation. Upon authorization to Plus, you will be assigned a Plus Global Mobility Counselor as your primary point of contact throughout your move. Your Counselor will guide you through each step of the relocation process and outline the information you need to provide to Plus to expedite the move. Your Counselor will review your relocation benefits with you. The distance between the former residence and the new job site must be at least 50 miles greater than the distance between the former residence and the former job site. If you are requested to relocate by Henkel, you must sign a promissory note to receive the relocation payment and agree to repay the total amount according to the terms of the Promissory Note if you are not employed by Henkel for at least one year from Relocation Date. The relocation must be completed, and expenses submitted within one year of the effective transfer or hire date.

### **Service Date and Breaks in Service**

For purpose of determining your eligibility for service awards and company-provided benefits, service begins to be considered on the date you are hired as a regular employee. If you experience a break in service of less than 365 days, you may retain your original hire date for purposes of determining most benefits eligibility. If you experience a break in service of 365 days or more, and the duration of your prior service exceeds the duration of the break in service, the prior service may be recognized to determine an adjusted service date for purposes of determining most benefits eligibility. However, if the duration of the break in service exceeds the duration of the prior service, the employee is not eligible for an adjusted service date, except as required by law. Such adjusted service dates are only provided to employees who voluntarily return to the Company. If an employee is re-hired by the Company through an acquisition, the employee is not eligible for an adjusted service date as provided for in this policy. Please note that this policy is not intended to modify the eligibility or benefit terms of any retirement benefit, including retirement income and retiree welfare benefits, which are governed by the applicable plan documents, and if the law requires a more generous interpretation, the law will govern.

To the extent you are eligible for an adjusted service date, during your first calendar year of re-employment, you will be eligible for sick, vacation, and short-term disability benefits based on the month in which you are re-hired, and pursuant to the schedule of benefits, any waiting periods, or other provisions of these plans as set forth in their applicable policies based on the adjusted service date, subject to legally-protected exceptions. Any time spent working for us through a temporary agency, through a leasing agency, or as an intern is not recognized as service for us, with the exception of prior service as a co-op student in the event of subsequent employment as a regular employee, or as required by law.

### **Corporate Citizenship**

Corporate citizenship has been an integral part of our corporate culture ever since the company was established by Fritz Henkel in 1876. In 2011 the Fritz Henkel Stiftung foundation was established to reflect our long-term commitment to charitable causes. Our goal is to impact the lives of ten million people by 2030. Our engagement is based on the four pillars of our corporate citizenship program: corporate volunteering, social partnerships, brand engagement and emergency aid. Through our MIT volunteering initiative, we support our employees and retirees in their volunteer work. Henkel and the Fritz Henkel Stiftung foundation support projects in the areas of education and science, social initiatives, art and culture, fitness and health, and ecology. Thousands of projects in over one hundred countries have received financial grants. The projects are selected according to our corporate standard for donations, memberships, and sponsorships. Submission instructions and application forms are found under the “About Henkel” section on the portal: [Corporate Citizenship](#)

## **IV. TIME AWAY FROM WORK**

### **Vacation**

Vacations are intended to provide you with paid time off for recreation, relaxation, and a change of pace from the work environment. All regular employees are eligible for paid vacation as outlined below unless local policy differs.

#### *Salaried Employees*

<b>Years of Service</b>	<b>Annual Vacation Accrual</b>
1-4 years	15 days (120 hours)
5-19 years	20 days (160 hours)
20 and over	25 days (200 hours)

*Hourly Employees*

<b>Years of Service</b>	<b>Annual Vacation Accrual</b>
1-4 years	10 days (80 hours)
5-9 years	15 days (120 hours)
10-19 years	20 days (160 hours)
20 and over	25 days (200 hours)

*Accruing Vacation*

Newly hired employees are eligible for vacation accrual based upon the pay period in which they are hired during the first year of employment. That is, new employees will receive a pro-rated vacation accrual based on either 26 or 52 pay periods from the date of hire. If you are actively working on January 1<sup>st</sup> of each subsequent calendar year, you are eligible to accrue vacation time, per pay period, according to the schedule above. Vacation pay is pro-rated based on your regularly scheduled hours as reflected in the payroll system as of January 1<sup>st</sup> of each year. For example, if you are regularly scheduled to work 20 hours per week on January 1<sup>st</sup>, you will be eligible to accrue 40 hours in total of vacation during that calendar year based on a two-week work schedule. Changes in your regular scheduled work hours will affect your accrual rate for vacation days. If your hours are reduced or increased, your accrual rate will be adjusted accordingly to reflect the revised work schedule.

The vacation accrual rate will increase according to the schedule above based upon the year in which the anniversary milestone is achieved. For example, if an employee will reach 20 years of service on June 1, 2021 (based on a June 1, 2001 hire date), the employee will begin to accrue at the rate of 5 weeks as of January 1, 2021.

*Using Vacation*

You are eligible to schedule vacation, with management approval, after 30 days of continuous employment. You must schedule vacation time in advance (preferably 2 or more weeks advance notice) and obtain prior approval from your supervisor to ensure business needs are met.

All vacation is intended to be used in the year in which it is accrued. Any unused accrued vacation time from the prior year is forfeited, unless contrary to state law. You can use up to your annual vacation eligibility prior to it being fully accrued. However, if your employment is terminated for any reason prior to its full accrual, any vacation time previously paid to you that was not fully accrued will be deducted from your final paycheck, to the extent permitted by law. Please note that salary will not be paid in lieu of

vacation, except upon termination or retirement, at which time you will be paid for all accrued but unused vacation.

#### *Vacation Buy/Sell*

During Open Enrollment, you will have the opportunity to buy 1 week of vacation, or to sell 1 week of vacation, for the next calendar year. If you are eligible for 2 or more weeks of vacation as of the next calendar year, you will be eligible to purchase 1 week of vacation. If you are eligible for 3 or more weeks of vacation as of the next calendar year, you will be eligible to sell 1 week of vacation. For the specific rules governing eligibility and the use of purchased vacation, visit [www.ybr.com/henkel](http://www.ybr.com/henkel) or contact your local Human Resources Business Partner.

#### *Leave of Absence*

You are required to use all available vacation time concurrent with an unpaid leave of absence, subject to legally-protected exceptions. If you have no accrued vacation time available, you can use your vacation time up to your maximum annual vacation accrual (maximum California accrual terms apply) during an otherwise unpaid leave of absence. However, if you do not return from the leave, any used unaccrued vacation time must be repaid through either a deduction from your final paycheck, to the extent permitted by law, or by direct payment by you to the Company. During any leave (paid or unpaid) and for the 30 days following a return from leave, your vacation accruals continue on a provisional basis. This provisional accrual can be rolled back if you leave within 30 days following your return, except where prohibited by law.

#### **Disability**

In the event of a long-term illness or disability, Henkel provides disability benefits to preserve your income for a period of time until you can return to work.

- *Short-Term Disability ("STD")* replaces a portion of your income when you are absent from work for an extended period of time due to illness or injury, for up to 26 weeks. The amount of your STD benefits is based on your length of service.
- *Long-Term Disability (LTD)* replaces a portion of your income if you are unable to work for more than 180 days due to illness or injury. You also have the option to purchase additional LTD coverage.

Company disability benefits will be offset by any state disability benefits where applicable. In no event will employees receive more than 100% of their pay for any period of disability. More details and policy documents can be found on [www.ybr.com/henkel](http://www.ybr.com/henkel).

### **Paid Parental Leave**

Regular full-time and part-time employees are eligible for up to six weeks of paid parental leave allowing both mothers and fathers to spend valuable time bonding with the newest member(s) of their family within the first year. Paid parental leave is in addition to disability benefits available for birth mothers under STD. More details and policy documents can be found on [www.ybr.com/henkel](http://www.ybr.com/henkel).

### **Occasional Absences/Sick Days**

Regular full-time and part-time employees are provided with time off in the event of illness/injury to the employee, unanticipated emergencies, or scheduled health appointments. Specifics of this policy are available from your local Human Resources Business Partner or supervisor.

### **Holidays**

Regular full and part-time employees are eligible for holiday pay on certain designated days throughout the year. Employees receive 11 paid holidays, inclusive of national and floating holidays. Holiday schedules will be provided prior to the start of the new year. We reserve the right to modify this schedule of holidays at our sole discretion.

Floating holidays may be used at the employee's discretion for other religious or federal holidays. Floating holidays may be taken in whole or half day increments. To be eligible for floating holiday(s), employees must be hired before December 1.

Regular part-time employees will be paid for the hours they are normally scheduled to work on that day. For example, if you normally work 6 hours on Mondays, you will be paid 6 hours of holiday pay when a holiday falls on a Monday. Similarly, if you are not normally scheduled to work on a holiday, no holiday pay will be provided.

You may be required to work your regularly scheduled hours on the day preceding and following a holiday to receive holiday pay. Paid vacation time or any other legally-protected paid day off is considered a day worked for this purpose. If a holiday falls within your vacation time, you do not need to use a vacation day

for the holiday. You are not eligible for holiday pay if the holiday falls while you are out on an unpaid leave of absence.

If you wish to observe a religious or other holiday other than those designated by us, you can take a vacation day, a floating holiday or time off without pay (unpaid excused absence). You should make your request to your supervisor in advance of the observance to ensure minimal impact on the business. Reasonable accommodations will be made for employees requesting such time off.

### **Personal Time Off With Pay**

Personal time off with pay provides you with time away from work due to limited designated personal situations or emergencies. Personal time off days can be taken in half or whole day increments.

Regular employees may be granted needed time off with pay, under the following circumstances and up to the following limitations:

- You are entitled to up to 3 personal days for a death in your immediate family to attend the funeral including essential travel time. Immediate family includes father, mother, husband, wife, brother, sister, son, daughter, grandparents, grandchildren, the same in-law, stepfamily or domestic partner relationships.
- You are entitled to 1 personal day for each of the following situations, with prior supervisor approval:
  - Death of an employee's uncle, aunt, niece or nephew or an employee's spouse's or domestic partner's uncle, aunt, niece or nephew
  - Birth or adoption of your child
  - Your wedding day

### **Jury Duty**

Regular full and part-time employees will receive their regular pay for required jury service, which causes you to lose scheduled time from work for a period of up to fifteen (15) days. Compensation you receive for jury duty will not be used as an offset against your regular salary. If jury services extend beyond 15 days, additional pay requires approval from your supervisor and Human Resources Business Partner, and/or will be made in accordance with applicable law. The salary of exempt employees will not be reduced for any week in which they perform any work and also serve on a jury.

You must provide a copy of the jury duty summons to your supervisor as soon as you receive it so we can plan for alternative coverage. You should also furnish proof of jury service upon completion of service to

your supervisor or Human Resources Business Partner. Jury duty time should be recorded in whole or half day increments.

You should return to work on any regularly scheduled workday when released from jury duty early enough to make such a return to work practical; when the jury is not in session; and when excused from jury service, subject to legally-protected exceptions.

### **Military Leave**

The Company will comply with the Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA) and all applicable state laws regulating absence from work for military service. USERRA protects job rights and benefits for veterans and members of the reserves. USERRA prohibits discrimination against employees and provides reemployment protection and other benefits for veterans and employees who perform military service. For more details on military leave benefits, employees should contact their local Human Resources Business Partner.

### **Family Medical Leave**

The Family and Medical Leave Act of (FMLA) allows eligible employees to take up to 12 weeks of unpaid leave during a 12-month leave period for a qualifying event, with job restoration rights and benefits continuation. Except as stated below with regard to leaves to care for injured servicemembers, the 12-month leave period we have adopted for use of FMLA leave is a “rolling year.” A “rolling” year is measured backward from the date you use any FMLA leave.

#### *Eligibility*

You are eligible for FMLA if you: (i) have been employed by the company for at least 12 months; (ii) have worked at least 1,250 hours during the 12-month period immediately preceding commencement of leave; and (iii) work at a site with 50 or more employees, or where 50 or more employees are located within a 75-mile radius of the work site.

#### *Qualifying Events*

If eligible, you will be granted leave if it is requested for any of the following reasons:

- To care for a child born to or placed with you for adoption or foster care;
- To care for a parent, child or spouse with a serious health condition; or
- Because of your own serious health condition that renders you unable to perform your job functions.

FMLA leave will also be granted for servicemember family leave reasons as set forth below. Leave for birth or placement must be completed within the 12-month period following the birth or placement. Certain types of FMLA leave are shared by married couples both working for the company. Consult Human Resources for details.

#### *Notice Requirements*

If you need FMLA leave, you must contact your supervisor or local Human Resources Business Partner who will direct you to file a claim with Lincoln Financial Group. Written notice is required unless it is not practicable to provide it (for example, in an emergency). Advance notice of 30 days must be provided for foreseeable leaves. If the need for leave is not foreseeable, notice must be given as soon as practicable, generally either on the same day or next business day from when you learn of the need for leave. Except for medical emergencies, failure to call or notify us of an FMLA absence in accordance with the applicable call-in procedures may be treated as an unexcused absence. Failure to report to work when leave has been denied will also be treated as an unexcused absence.

#### *Certification/Second and Third Opinions*

When the leave is for a serious health condition for you or your parent, child, or spouse, you will be asked to provide certification from the treating health care provider. We will provide you with a medical certification form to be completed by the appropriate health care provider, which must be returned to us within 15 days. Failure to timely submit a complete and sufficient certification form may result in postponement or denial of leave or other adverse consequences. If the circumstances of your leave change, such as changes in the frequency and duration of intermittent leave, hours/days worked on a reduced work schedule, or the duration of a continuous leave, you will be required to submit additional documentation to substantiate the need for continued leave. The company may also require a second opinion and, if the first and second opinions differ, may require a third opinion; the company may also ask for period recertification during an FMLA leave. The company may also ask for authentication and/or clarification of any medical certification submitted.

#### *Intermittent/Reduced Work Schedule Leave*

Leave may be taken intermittently or on a reduced work schedule basis if medically necessary or if for a qualifying exigency. If you are approved for intermittent or reduced schedule FMLA leave for planned medical treatment, it may be necessary to transfer you to a comparable position (with the same pay and benefits but not necessarily the same duties) that will better accommodate an intermittent or reduced

schedule. If you are taking leave on an intermittent basis you must advise Human Resources at the time of your absence from work if the absence is for your certified FMLA reason.

#### *Paid Time Off*

As with all other unpaid leaves, you will not accrue or be eligible for any paid time off (i.e., vacation, sick, holiday, etc.) during an unpaid FMLA leave period. Further, any accrued vacation or sick days must be substituted for otherwise unpaid FMLA leave, subject to legally-protected exceptions. The substitution of paid leave time for unpaid leave time does not extend the 12-week (or where applicable, the 26-week) leave period. In no case can the substitution of paid leave time for unpaid leave time result in your receipt of more than 100% of your compensation.

#### *Reinstatement; Fitness for Duty Certification*

Upon return from leave, you are generally entitled to return to your position or to an equivalent position of like seniority, status, benefits, pay and other terms and conditions of employment, subject to any applicable exceptions. Employees taking FMLA leave have no greater right to reinstatement or to other benefits and conditions of employment than if they had not taken FMLA leave. A fitness for duty certification may be required prior to your reinstatement if you were on a continuous FMLA leave for your own serious health condition.

#### *Benefits*

Your health benefits will be continued during an approved FMLA leave under the same terms and conditions as if you had been continuously working your regular schedule, provided you pay your portion of the premium payments and otherwise remain eligible for the benefit. Failure to make timely premium payments may result in cancellation of the benefit. Also, if you take FMLA due to your own serious health condition, you may be eligible for payments from other sources such as Worker's Compensation, State Disability, or disability insurance, or paid family leave benefits, if any. Your local Human Resources Business Partner can assist if you believe you may be eligible for these benefits.

#### *State Laws*

State leave laws may vary from this policy. Leave taken under any such state law will run concurrently with leave taken under this policy to the extent permitted by law. We will comply with the applicable state laws on this subject.

## **Servicemember Family Medical Leave**

### *Eligibility*

Eligible employees may take leave for a covered family member's service in the Armed Forces ("Servicemember FMLA"). This policy supplements our FMLA policy and provides general notice of employee rights to such leave. Except as mentioned below, an employee's rights and obligations to Servicemember FMLA Leave are governed by our general FMLA policy.

- When leave is due to a "qualifying exigency", an eligible employee may take up to 12 workweeks of leave during a rolling 12-month period.
- When leave is to care for a servicemember with a serious illness or injury (incurred or aggravated in the line of active duty), an eligible employee may take up to 26 workweeks of leave during a single 12-month period beginning on the first day such leave is taken to care for the servicemember. Leave to care for an injured or ill servicemember, when combined with other FMLA-qualifying leave, may not exceed 26 weeks in a single 12-month period.
- Servicemember FMLA runs concurrently with other leave entitlements provided under federal, state and local law to the extent permitted by law.

### *Qualifying Events*

Servicemember FMLA provides eligible employees unpaid leave for any one, or for a combination, of the following reasons:

- A "qualifying exigency" arising out of an employee's parent, child or spouse's active duty or call to active duty in a foreign country in the Armed Forces; and/or
- To care for a covered family member (parent, child, spouse or person to whom you are next of kin) who has incurred an injury or illness (or has an aggravation of such an injury or illness) in the line of duty while on active duty in the Armed Forces provided that such injury or illness may render the family member medically unfit to perform duties of the member's office, grade, rank or rating.

### *Leave Under State Military Leave Laws*

A growing number of states provide leave for family members of service members. The entitlements for such leave differ from state to state. Our policy is to comply with such laws in any circumstances where they apply to employees of our Company.

Additional information regarding your rights under the FMLA can be found on the Department of Labor website at <https://www.dol.gov/whd/regs/compliance/posters/fmlaen.pdf>.

## Unpaid Personal Leave

An unpaid leave of absence provides you time away from work for a fixed period of time for compelling personal reasons. All regular full-time and part-time employees may be eligible, subject to manager approval.

Unpaid leaves will be considered after you have exhausted your accrued vacation time, and when it is reasonable to assume you will be available to return to regular employment at a designated time. Unpaid leave may be granted for reasons such as the following:

- Personal matters that cannot be handled under the Personal Time Off with Pay Policy.
- Personal convenience, such as extended vacation or an unusual travel opportunity, as long as the absence causes no unreasonable inconvenience or expense to us in our judgment.
- "On loan" for government or community service

Requests will be reviewed on a case-by-case [basis](#) and may be denied for such reasons as unsatisfactory job performance, unavailability of alternative coverage, or our operational needs. Further, leaves will not be granted for the purpose of taking another position, temporarily trying out new work, or venturing into business. Leaving active employment for these purposes is considered a voluntary termination for all purposes.

Requests for unpaid leave (and any extensions to a leave) should be submitted to your supervisor in writing. Leaves will normally be limited to a maximum of ninety (90) calendar days. However, extensions will be considered on a case-by-case basis. You will not be eligible for paid time off benefits (i.e., vacation, sick, holiday) during an unpaid leave. Your group benefits may be impacted by such a leave and, therefore, you should contact your local Human Resources Business Partner for more details.

Your performance and salary review date will not be affected by the leave. If a review date falls during the leave period, the review will occur within 30 days after you return to work and any salary increase shall be applied retroactively to the date used for other employees not on leave. Any incentive awards will be calculated on a prorated basis so long as all eligibility terms are satisfied.

At the conclusion of your leave, we will attempt to place you in your former position or a comparable position of like seniority, status, benefits, pay and other terms and conditions of employment; however, reinstatement is not guaranteed. If unpaid leave is granted for medical reasons, your return to work may be conditioned on you providing a fitness-for-duty certification from your medical provider or one

designated by the Company. If you do not return to work for whatever reason at the conclusion of your leave, your employment will terminate and will be treated as a voluntary termination for all purposes.

### **Other Disability Leaves**

In addition to the leaves described above, employees may take a temporary disability leave of absence if necessary, to reasonably accommodate a workplace injury or a disability within the meaning of federal and/or state law.

The duration of a leave under this section shall be consistent with applicable law, but in no event shall the leave extend past the date on which an employee becomes capable of performing the essential functions of his or her position, with or without reasonable accommodation. For a full explanation of leave duration and reinstatement rights, employees should contact their local Human Resources Business Partner.

### **Other Leaves**

We recognize that you may be entitled to additional leaves of absence in accordance with various local, state or federal laws, and we intend to comply with such laws. These leaves are addressed in the individual state supplements. In the event you need time off for a reason mandated by law, you should speak with your local Human Resources Business Partner prior to the time for leave and appropriate arrangements will be made.

### **“Moonlighting” While on Leave**

During a leave of absence, whether paid or unpaid, you may not engage in outside employment without the express written approval of your local Human Resources Business Partner.

## **V. YOUR RIGHTS**

### **Equal Employment Opportunity (“EEO”) Policy**

Our diverse customer and consumer base require the diverse talents and perspectives of all of us. Henkel, an equal opportunity employer, is committed to equal opportunity for all employees and applicants. This EEO Policy governs all aspects of employment, including selection, job assignment, promotion, compensation, discipline, termination, and access to benefits and training. In order to provide equal employment and advancement opportunities to all individuals, employment decisions will be based on merit, qualifications, and abilities. We do not discriminate in employment opportunities or practices on the basis of race, color, creed, religion, sex, pregnancy (which includes childbirth and related medical

conditions, breastfeeding), sex stereotyping (including assumptions about a person's appearance or behavior, gender roles, gender expression, or gender identity), gender, gender identity, gender expression, national origin, ethnicity, age, mental or physical disability, sexual orientation, ancestry, medical condition, marital status, military service or veteran status, citizenship status, genetic information, union membership, political affiliation or any other status of an individual protected by applicable law. We interpret these protected statuses broadly to include both the actual status and also any perceptions and assumptions made regarding these statuses.

This policy applies to all areas of employment, including recruitment, testing, screening, hiring, selection for training, upgrading, transfer, demotion, layoff, discipline, termination, compensation, benefits, and all other privileges, terms, and conditions of employment. This policy and the law prohibit employment discrimination against any employee or applicant on the basis of any legally protected status outlined above.

The Company also makes reasonable accommodations for qualified applicants and employees with disabilities unless doing so creates an undue hardship, in accordance with all legal requirements. Any applicant or employee who requires an accommodation to perform the essential functions of the job should contact your Human Resources Business Partner to request that accommodation. The Company will work with that individual to attempt to identify a reasonable accommodation that will not impose an undue hardship on the Company.

If you think there has been a violation of our EEO policy, it should be reported in accordance with the Complaint Resolution Procedure discussed below.

### **Policy Prohibiting Harassment**

This policy and the law forbid any employee, manager, supervisor, officer, director, client, vendor, or any other third party that an employee encounters in connection with company business, to harass, discriminate, or retaliate against any company employee, applicant, contractor, intern, or volunteer, on the basis of any legally protected status or activity. We do not tolerate harassment against our employees, whether by an employee, supervisor, vendor, or customer. In this Policy, "harassment" means unwelcome objectionable, intimidating, or hostile speech, behavior or conduct targeted at a person because of her or his race, color, creed, religion, sex, pregnancy (which includes childbirth and medical conditions, breastfeeding), sex stereotyping (including assumptions about a person's appearance or behavior, gender roles, gender expression, or gender identity), gender, gender identity, gender expression, national origin,

age, mental or physical disability, ancestry, medical condition, marital status, military or veteran status, citizenship status, sexual orientation, genetic information, or any other status of an individual protected by applicable law. We interpret these protected statuses broadly to include both the actual status and also any perceptions and assumptions made regarding these statuses. This policy also prohibits offensive conduct that does not rise to a violation of law, as explained below.

The conduct prohibited by this policy, whether verbal, physical, or visual, includes any discriminatory employment action and any unwelcome conduct that is inflicted on someone because of that individual's protected status. Among the types of unwelcome conduct prohibited by this policy are epithets, slurs, negative stereotyping, intimidating acts, and the circulation or posting of written or graphic materials that show hostility toward individuals because of their protected status. Henkel prohibits that conduct in the workplace, even if the conduct is not sufficiently severe or pervasive to constitute unlawful harassment.

Sexual harassment deserves special mention. Harassing conduct based on gender often is sexual in nature but sometimes is not. This policy forbids harassment based on gender regardless of whether the offensive conduct is sexual in nature. Any unwelcome conduct based on gender is also forbidden by this policy regardless of whether the individual engaged in harassment and the individual being harassed are of the same or are of different genders.

According to the U.S. Equal Employment Opportunity Commission ("EEOC"), unwelcome sexual advances, requests for sexual favors, and other verbal, physical or visual conduct based on sex constitute unlawful sexual harassment when (1) submission to such conduct becomes an implicit or explicit term or condition of employment, (2) submission to or rejection of the conduct is used as the basis for any employment decision, or (3) the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

This policy forbids harassment based on gender regardless of whether it rises to the level of a legal violation.

#### *Examples of Prohibited Sexual Conduct*

Prohibited sexual conduct can take many forms including, but not limited to:

- Abusive, offensive, or unwelcome sexual conversation, innuendo, jokes, or teasing;
- Unwelcome sexual flirtation, advances, or propositions;
- Unwelcome touching, petting, kissing, hugging, pinching, or brushing against another person;

- Explicit demands for sexual favors or subtle pressure for sexual activity;
- Offensive, insulting, or suggestive gestures, leering, sounds, or comments, whether or not said in the person's presence;
- Using a position of responsibility to threaten or reward someone for sexual favors;
- Continuing to ask someone for dates after the person has made clear she or he does not want to go;
- Displaying sexually explicit or suggestive graffiti, clothing, cartoons, photographs, calendars, or the like;
- Sending sexually graphic material through our e-mail system, voice mail, texting, radios, etc., or using Company Internet, Company mail, or Company computers for viewing such material.

#### *Examples of Other Kinds of Prohibited Conduct*

This Policy also prohibits conduct targeted at a person because of characteristics protected by applicable law. The following are examples:

- Slurs, jokes, or derogatory stories or comments, whether or not members of the targeted group are present;
- Displaying graffiti or other derogatory or insulting writings;
- Sabotaging, damaging, or interfering with the work of anyone;
- Other hostile, intimidating, or threatening speech or conduct.

#### **Policy Prohibiting Retaliation**

We prohibit retaliatory conduct against anyone who complains about conduct in violation of this Policy or who participates in a workplace investigation. Under this Policy, retaliatory conduct is as severe an offense as harassment or discrimination. Adverse actions that can form the basis of retaliatory conduct can take many forms, including but not limited to:

- Discharge, demotion, or any other discipline of the employee;
- Unfavorable changes in the employee's work assignment, workload, pay, benefits or other terms of employment;
- Talking negatively about that employee to others, or "shunning" or ostracizing her or him;
- Sabotaging, damaging, or interfering with the employee's work;
- Applying different standards or expectations to the employee;
- Other hostile or inappropriate conduct or treatment that affects the employee's workplace, equipment, tools, or personal effects.

## **Complaint Resolution Procedure**

If you feel you have been subjected to discrimination, harassment, retaliation, or other inappropriate workplace behavior, or have witnessed such conduct, you must report the matter **immediately** to your supervisor or a Human Resources Business Partner. If you observe or become aware of any suspicious workplace activity, situation, or incident you have a “duty to report” to your supervisor, local Human Resources Business Partner, or security personnel. Alternatively, you can report such conduct anonymously through the **Compliance Line (1-888-662-7878)** or at [www.henkeethics.com](http://www.henkeethics.com). You do not have to report violations to your immediate supervisor or the person violating company policy. We will accept complaints in writing or orally. You are expected to cooperate with any investigation by providing factual information to our investigators.

Any manager or supervisor who is aware of conduct inconsistent with this policy or who receives a report of conduct inconsistent with this policy must report it immediately to a member of the Human Resources Department.

### *Investigation Process*

Once a complaint is made to us, a member of the Human Resources Department, Corporate Compliance, Corporate Security or a neutral third party who is not involved in the alleged harassment or retaliation, will promptly begin an investigation. The matter will be treated in confidence to the extent feasible.

Complainants and witnesses will have the opportunity to provide information in a confidential setting, such as providing the information outside of their work area. Parties involved in the situation, including the reporting party, anyone identified as the target of the behavior (if different than the reporting party), and anyone who allegedly violated this policy will be offered an opportunity to be interviewed or to otherwise respond to a report under this policy. The Company may put certain interim measures in place, such as a leave of absence or a transfer, while the investigation proceeds.

### *Corrective Action for a Policy Violation*

Once the investigation is complete, the Company will reach a conclusion. That may be a conclusion that a violation occurred, as explained immediately below. The Company might also conclude, depending on the circumstances, either that no violation of policy occurred or that the Company cannot conclude whether or not a violation occurred. We will take timely, appropriate corrective action for violations of our policies. No one is immune from corrective action, regardless of his or her seniority or position. The specific corrective action imposed will depend on the nature of the offense and other relevant factors, and may include reassignment, changes in reporting relationships, training, or other measures the Company deems

appropriate under the circumstances. Discipline may be imposed even for a first offense, ranging from a verbal warning up to and including discharge. The Company may take corrective action for any inappropriate conduct discovered in investigating reports made under this policy, regardless of whether the conduct amounts to a violation of law or even a violation of this policy. If the person who engaged in harassment is not employed by the Company, then the Company will take whatever corrective action is reasonable and appropriate under the circumstances.

If you disagree with the Company's conclusions and/or corrective actions, you may contact the appropriate Human Resources leader for your business unit. Alternatively, you can report your concerns anonymously through the **Compliance Line (1-888-662-7878)** or at [www.henkelethics.com](http://www.henkelethics.com).

### **Breastfeeding**

Henkel supports breastfeeding mothers by accommodating those mothers who wish to express breast milk during the workday when separated from her newborn child. Any employee who is breastfeeding her child will be provided reasonable break times to express breast milk for her baby. Each location will have a designated room for this purpose other than a bathroom. Employees should contact their local Human Resources Business Partner for additional information regarding the facilities available at their work location.

### **Henkel Social Standards**

Henkel complies with applicable international labor standards and local laws and regulations as set forth in the Henkel Social Standards. The Social Standards define for our employees, customers, suppliers, investors and the communities in which we operate the ethical and social values we respect and our commitment to uphold human rights. These derive from our key corporate value: "We value, challenge and reward our people". The Henkel Social Standards are available on the Portal.

## **VI. ON-THE-JOB EXPECTATIONS AND PERFORMANCE FEEDBACK**

### **Corrective Action**

We recognize our continuing responsibility to properly administer rules and regulations in a fair and consistent manner. Regulations for acceptable employee conduct are necessary for the protection of the rights and safety of our employees and the efficient and effective operation of our business.

Discharge for poor performance, failure to meet our standards and/or misconduct will often, but not always, be preceded by a warning. The primary purpose of any corrective action or discipline is to rehabilitate the employee and eliminate the conduct that gave rise to the corrective action. Discipline may typically include a first warning, second warning and final warning prior to termination. However, we reserve the right to skip steps or proceed directly to termination without resort to prior disciplinary steps when we deem such action appropriate based on the individual circumstances. Your local disciplinary policy is available from your Human Resources Business Partner.

The policies outlined in this Handbook (and our Code of Conduct) are intended to provide examples of the type of conduct that may result in corrective action. We will determine, in our sole discretion, whether an act requiring corrective action has occurred and what action is appropriate. The examples of acceptable and unacceptable behavior outlined in this Handbook, as well as the list below, are not all-inclusive, and may be subject to legally-protected exceptions. Should instances of unacceptable conduct arise which are not discussed in the Handbook, we may still initiate corrective action, up to and including termination of employment.

1. Creating unsafe conditions, committing an unsafe act or violating a safety practice/procedure.
2. Leaving work without authorization during scheduled work time.
3. Excessive unprotected and unexcused absenteeism or tardiness or any absence without appropriate notice.
4. Deliberately hindering or limiting production or other work.
5. Productivity or job performance that does not meet company standards.
6. Sleeping while on duty.
7. Taking more time than is allowed for breaks.
8. Insubordination.
9. Engaging in personal business activities during work hours without company permission.
10. Theft or unauthorized possession of Company property or property of other employees.
11. Possession, distribution, sale, transfer, use, or working under the influence of alcohol or illegal drugs on Company property, or while on duty, or while operating Company vehicles or equipment.
12. Committing a crime while at work or when using Company property.
13. Fighting, horseplay, threatening or harassing other employees.
14. Possession of dangerous or unauthorized materials, such as explosives or firearms or other weapons, on Company property or while on duty.
15. Causing damage or loss of Company property or the property of another employee either intentionally or as a result of gross negligence.

16. Falsification of employee or other Company records.
17. Deliberate disclosure of proprietary or confidential Company information.
18. Unlawful or improper conduct off Company premises which adversely affects the employee's relationship to their job, fellow employees, or workplace.
19. Violation of any local, corporate or Henkel Company policy.
20. Making or knowingly using a falsified document (e.g., time card, delivery receipt, etc.) or the filing of a fraudulent document or claim for benefits.
21. Other unacceptable employee actions or inappropriate behavior.

This list is intended to be representative of the types of activities that may result in corrective action. It is not exhaustive, is not intended to be comprehensive and does not change the employment-at-will relationship between you and the Company. Other factors may be considered in determining the severity of the corrective action to be administered.

Please remember that employment with the Company is at the mutual consent of the Company and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice. Nothing in this policy should be construed to limit employees' rights to discuss their wages, hours or working conditions, or otherwise engage in protected concerted activity under Section 7 of the National Labor Relations Act. Any question regarding these and other rules should be discussed with your appropriate supervisor or with your Human Resources Business Partner.

### **Attendance**

You are expected to assume diligent responsibility for your attendance, which means reporting to work on time and staying through the end of your scheduled shift. Failure to adhere to these basic principles causes disruption to the workplace, impacts operational efficiency, and imposes a burden on your co-workers.

If you have reliability issues, including excessive unprotected and unexcused absences, tardies, and/or leaving early, you will be subject to corrective action, up to and including termination. A copy of the applicable attendance policy is available from your local Human Resources Business Partner.

Should you need time off from work for any reason (excused or unexcused absence), you must provide your supervisor with advance notice in accordance with the call-in procedures established by local management so that appropriate coverage can be arranged. Failure to provide notice consistent with the applicable call-in procedure will subject you to disciplinary action.

## **Substance Abuse Policy**

You are required to report to work in an appropriate mental and physical condition so you can perform your job in a safe and satisfactory manner. The use of illegal drugs or alcohol is inconsistent with the behavior we expect of our employees, subjects our employees and the public to unacceptable safety risks, and undermines our ability to operate effectively and efficiently. To that end, we have adopted a Substance Abuse Policy, the terms and conditions of which are set forth below:

- The use, possession, distribution, transfer, manufacture, or sale of illegal drugs or alcohol or being under the influence of illegal drugs or alcohol, is strictly prohibited while on company premises, engaging in company business, or operating a vehicle or potentially dangerous equipment owned, leased, or authorized by us.
- We also prohibit the use of illegal drugs or alcohol during non-working time to the extent it impairs your ability to perform on the job or undermines the reputation or integrity of the company.
- Any employee who is convicted by a federal, state, or local court of a drug-related offense that occurred outside the work environment, must inform their supervisor or Human Resources Business Partner of the conviction within 5 working days, including convictions for driving under the influence of alcohol.
- Alcohol may be consumed in moderation in connection with company-sponsored events and functions pre-approved by management. If alcohol consumption is permitted during a company event, you are expected to exercise good judgment and caution. We will provide transportation home for an attendee at a company event if necessary.
- If you are under the influence of any legally prescribed medication that may impair your ability to perform your job in a safe and effective manner, you must advise your supervisor or local Human Resources Business Partner of that fact, and the precise type of medication involved, before reporting for work. We will determine, in consultation with you and/or a company-designated physician, whether you can continue to safely perform your job functions. We will consider reasonable accommodations consistent with applicable law. Prescription drugs obtained without a prescription or which are not used for prescribed purposes are also prohibited under this policy. Further, you may not solicit prescription drugs from other employees, or provide your prescription drugs to other employees.
- We reserve the right to make offers of employment contingent upon passing a substance abuse test. To the extent you have started to work before we obtain the results of a pre-employment test, and the test results are positive, the offer of employment will be withdrawn.

- To the fullest extent permitted by applicable law, existing employees will be subject to substance abuse testing (including alcohol) at our expense under the following circumstances:
  - Reasonable suspicion
  - Random (to the extent permitted by law)
- Existing employees will be compensated for testing time.
- You may be transferred to another position or suspended with pay until the results of a substance abuse test are obtained. If the results are positive, we reserve the right to deduct any compensation paid during the suspension period from your paycheck to the fullest extent permitted by law.
- All substance abuse testing will be conducted by a substance abuse testing provider of our choosing in accordance with applicable law. For on-site testing, confirmation testing of a positive test result will be performed by a laboratory certified by SAMHSA.
- All substance abuse test results will be communicated to the Human Resources Department to ensure privacy. Records relating to substance abuse testing will be kept confidential and maintained in a separate file. Test results will only be shared with members of management with a need to know.
- You have the right to obtain, upon written request, the results of your substance abuse test and to an explanation in a confidential setting of a positive test result.
- A “violation” of this policy includes a positive test result, refusal to submit to a substance abuse test, failure to report to a substance abuse test in a timely manner, adulteration, or attempted adulteration of a sample provided in connection with a test.
- If you violate this policy, in most instances it will result in termination. However, in limited circumstances, in lieu of termination we may require you to complete a substance abuse treatment program acceptable to us as a condition of continued employment. You will be subject to random testing for a period of time determined by us. The cost of the treatment program is also your responsibility, except to the extent such expense is covered by the medical benefit plan. Voluntary participation in a treatment program will not result in disciplinary action, in and of itself. However, substance abuse or dependency will not excuse unacceptable performance or violations of our policy that would otherwise result in corrective action or termination. To the extent time off is taken for the treatment program, you will be required to use any available paid time off. If paid time off is unavailable, any leave granted under this policy will be unpaid.
- Employees with drug and alcohol problems are encouraged to seek help before they become subject to discipline for violating this or other Company policies. The Company will support, assist, and accommodate such employees to the extent required by applicable law. Management can

assist employees in a confidential manner, by referring them to the EAP, providing them with information about [other] community resources for evaluation, counseling, and treatment, and helping them utilize any available employee benefits. Employees will not be disciplined by the Company because they request assistance. Employees may not, however, escape discipline by requesting assistance after they violate the Company's policies. In addition, employees who request assistance will not be excused from complying with the Company's policies, including its standards for employee performance and conduct.

- If you operate a company vehicle requiring a commercial driver's license, you will be required to comply with the rules and regulations as outlined by the U.S. Department of Transportation (DOT) and will be subject to random and all other forms of testing required by the DOT.
- To ensure compliance with this policy, we reserve the right to inspect you, as well as any articles and property in your possession. We also reserve the right to inspect lockers, desks, boxes, company vehicles, personal vehicles, packages, lunchboxes, containers, and other objects brought on to our property that may conceal alcohol, illegal drugs, and/or other inappropriate materials.

### **Conflicts of Interest**

You have a responsibility to avoid situations and relationships that involve actual or potential conflicts of interest. Generally, a conflict of interest arises whenever your personal interests diverge from your responsibilities to us. Put another way, a conflict of interest is created whenever an activity, association or relationship of yours might impair your ability to act in our best interest.

Examples of situations that are, or could be, perceived as conflicts of interest and should be avoided include:

- Conducting our business with a firm that is owned, partially owned, or controlled by you or your relatives or friends.
- Placing yourself in a position where you are in competition with us, or appropriating or diverting to yourself or others a business opportunity or idea which belongs to us or in which we may have an interest.
- Working as an employee or a consultant for a competitor, customer or supplier of the Company, or doing any work for a third party that may adversely affect your performance, judgment, or ability to devote the necessary time and attention to your duties.
- Using our property, materials, supplies, funds or other resources for personal gain.
- Soliciting or requesting gifts or gratuities from third parties who do business or hope to do business with us.

- Accepting, directly or indirectly, payments, services, or loans from a supplier, contractor, subcontractor, customer or organization doing business, expecting to do business with, or competing with us. The only exceptions to this rule are infrequent gifts of nominal value (\$50.00 or less), or infrequent entertainment personally hosted by a vendor representative (such as a restaurant meal) in conjunction with business discussions. Accepting a gift or entertainment of any value is prohibited if offered in exchange for a business commitment. Gifts of cash are absolutely prohibited. You must refuse or return any improper gratuity.

These situations, and others like them, where your loyalty to us could be compromised, must be avoided. If you believe you are involved in a potential conflict of interest situation, you have a responsibility to discuss it with your supervisor or local Human Resources Business Partner before engaging in the activity. A more detailed discussion regarding conflicts of interest and other business practices that should be avoided can be found in our Code of Conduct, which is posted on the Henkel intranet site or from your Human Resources Business Partner. You are expected to review and comply with the Code of Conduct

### **Moonlighting**

Outside employment is permitted as long as such employment complies with Henkel's Conflict of Interest Policy and does not negatively affect your ability to meet performance expectations.

### **Personal Relationships in the Workplace**

Consenting "romantic" relationships or familial relationships (i.e., parent/child, sibling/sibling) between a supervisor and subordinate employee may at some point lead to actual or perceived favoritism, integrity concerns, or business complications for all concerned -- the supervisor, the subordinate, other employees, and us. Accordingly, we strongly discourage such relationships and any conduct that is designed or may reasonably be expected to lead to the formation of any such relationships. A "supervisor" in this context includes all officers, executives, managers, supervisors, or other employees with any type of supervisory responsibility.

If a romantic or familial relationship between a supervisor and subordinate does develop, it is the responsibility and mandatory obligation of the supervisor to promptly disclose the existence of the relationship to his/her supervisor or local Human Resources Business Partner. We shall inform others of the relationship on a need-to-know basis only.

Upon being informed or learning of the existence of such a relationship, we will manage the situation on a case-by-case basis in a way that minimizes the effect on employee morale and productivity, and ensures our policies are not violated. Under no circumstances will the supervisor be permitted to participate in activities or decisions that may reward or disadvantage the subordinate employee (activities include, but are not limited to, hiring, performance evaluations, promotions, compensation, work assignments and discipline). In some cases, we may deem it appropriate to reassign or terminate one or both of the employees.

Relatives of employees will be considered for employment on an equal basis with all other candidates and will be hired if they are considered to be the best qualified candidate for the job and possess the requisite criteria to perform the job. Preferential treatment will not be afforded to relatives in the hiring process. All employment offers to relatives of existing employees who hold a position at a Director level or higher must be approved by the Vice President/Director, Human Resources in advance of the offer being extended.

### **Personal Appearance**

Our customers and business partners judge us by the attention we show to personal appearance and attire. Accordingly, you are expected to maintain a clean, neat and well-groomed appearance and exercise good personal hygiene during working hours or when representing us.

The Company does not discriminate against employees for traits historically associated with race, including, but not limited to, hair texture and protective hairstyles, such as braids, locks, and twists. The Company also will consider any requests for exceptions to this policy as an accommodation for religious dress and grooming practices in accordance with the requirements of applicable law.

Details of your dress code expectations may be established and communicated to you by local management. If your appearance is deemed unacceptable, you will not be permitted to work until you conform with proper dress standards. Questions regarding our dress code expectations should be directed to your supervisor or local Human Resources Business Partner.

### **Workplace Solicitation/Distribution**

We want to protect you from constant requests for contributions, solicitations, advertising, and literature from outside individuals and organizations. Accordingly, you are not permitted to solicit your fellow employees nor distribute literature to them when either you or your co-worker is on working time. Distribution of literature or printed material by you is also prohibited at any time in working areas. Work time means those hours that you are on duty, excluding breaks, meal times, and other specifically

designated rest periods during the workday. Work area includes all company property except rest rooms, break areas, cafeteria, parking lots and other areas where no productive work is performed at any time.

Non-employees are prohibited from soliciting our employees or distributing literature at any time on our premises (including parking lots) or through our internal communication systems. Any such activity should be immediately reported to your supervisor or local Human Resources Business Partner.

Each of our work sites has an area where work-related notices are posted. Personal items or announcements should not be posted at the work site without management approval.

### **Local Work Rules**

You may be subject to additional rules or expectations mandated by your local management team. These rules and expectations carry the same weight and significance as those included in this Handbook. Violations of these local rules will subject you to corrective action.

### **Performance Feedback**

Your performance and compliance with our work expectations is vital to our success. Therefore, from time to time (typically annually), your supervisor will review your job progress. Such reviews are intended to provide the basis for a better understanding between you and us with respect to your job performance, potential and development. If your supervisor determines that you are not performing your role in a satisfactory manner, you will be provided feedback on your deficiencies and the improvements required. Such feedback may be communicated either through verbal or written performance counseling, performance expectations documents, and performance improvement plans. If performance deficiencies are not corrected in a timely manner, it may lead to corrective action, up to and including termination. You should note that a good performance evaluation does not guarantee a pay raise, because pay increases may not occur every year, nor is a good performance evaluation or a pay raise (or any other compensation or incentive) a promise of continued employment. Your employment is expressly at the will of you and the Company. Either you or the Company may terminate the employment relationship with or without cause and with or without notice at any time. Nothing in this policy alters at-will employment.

### **Social Media Policy**

All employees are required to comply with Henkel's Social Media Policy and act in accordance with all other policies, including confidentiality, discrimination/harassment when using social media. Detailed information as well as the Social Media Policy can be found on the global HenkelONEPortal under <http://social-media>.

## VII. PROTECTING OUR ASSETS AND INFORMATION

### Internal Communication and Information Access

#### *Internal Communication Systems*

Our computer and information technology systems, software, hardware (including, but not limited to, servers, laptops, desktops, etc.), equipment, files, code, applications, data, electronic mail (e-mail), telephone, mobile telephone, voice mail, and Internet access (collectively “internal communication systems”) are company-provided technologies and belong exclusively to us. However, we may engage the services of third party service providers, including providers of cloud based computing solutions, to support and supplement our internal communications systems. Some of these providers are located in or have servers located in jurisdictions outside the United States and accordingly all data and information which you create, store, send or receive on our internal communication systems may from time to time be stored securely on our behalf on third party service provider servers in other jurisdictions. Additional information in relation to the transmission or storage of such data or information is available from Human Resources.

The purpose of these internal communication systems is to facilitate your ability to perform your job efficiently and productively. Accordingly, our internal communication systems should be used primarily for matters of concern to our operations, and not for communications of a personal or private nature. Personal devices (e.g. iPhone, iPad) that are configured to be used for work purposes are considered internal communication systems and are subject to the same guidelines as Henkel-provided equipment, to the extent that they are used for work related purposes or to store, transmit, or communicate work related information.

Internal communication systems Henkel operates, provides, or otherwise makes available to employees are property of Henkel. As stated above, these systems include email, voicemail, computers, mobile devices, applications, and Internet access. All data, information, code and files created, stored, sent, received, or otherwise processed on Henkel information technology or communication systems are Henkel’s exclusive property. Henkel thus reserves the right to access, review, audit, intercept, delete, search, use, and disclose data, information, code and files on or transmitted by our internal communication systems any time, without advance notice to you, in connection with (without limitation) operations, security, the conduct of disciplinary hearings, investigations, litigation and business continuity. Employees should thus be aware that the contents of voicemails, emails, and any other electronic communications may be accessed, monitored, intercepted, searched, disclosed, or otherwise used for a variety of purposes. You should have no expectation of privacy in anything you create, store, send, or receive on our internal

communication systems, of either a personal or business nature whether from a company or personal account.

### *Unauthorized Use*

Under no circumstances are you permitted to use our internal communication systems to access, receive, view, display, transmit, or store any material that is, in our sole discretion, inappropriate, unprofessional, or illegal, including, but not limited to, sexual comments, messages or images, or comments that might offend someone on the basis of his or her race, age, gender, sexual orientation, religious or political beliefs, national origin or disability, or any other category protected by law, or any other offensive or defamatory material. In addition, you are prohibited from using our internal communication systems to disseminate our confidential and proprietary business information to anyone outside the company, or to unauthorized persons within the company. Unauthorized use of our internal communication systems for commercial ventures, or religious or political causes is also prohibited.

### *Security*

You should take steps to ensure the security of your internal communication systems. All activity performed under your user ID is your responsibility. Using an unauthorized computer account or accessing any data or systems for which you are not authorized is prohibited. You must lock your computers when you leave your work area so others cannot access your computer or view information on the screen. Further, you must not retrieve or read e-mail or voice mail messages that are not directly sent to you.

We maintain electronic security systems and any attempts to bypass this system are prohibited. All software is to be used in accordance with its license agreement, the manufacturer's specifications and related copyright laws. You are prohibited from installing, downloading and using programs or disks which have not been approved by management.

### *Personal Use*

Occasional, limited, and appropriate personal use of our internal communication systems or your own electronic devices (i.e., pager, cell phone, blackberry) is permitted at work if the use does not 1) interfere with your work performance; 2) interfere with any other user's work performance; 3) have undue impact on the operation of our internal communication systems; or 4) otherwise violate any other provision of this policy or any other policy, guideline, or standard of conduct. However, this privilege does not create any rights of ownership or privacy in your personal data, files, code and information on our internal communication systems. Henkel reserves the right to access, review, audit, intercept, delete, search, use,

and disclose such personal data, files, code and information on our internal communication systems any time, without advance notice to you, for legitimate business purposes including but not limited to the conduct of disciplinary hearings, investigations, litigation and business continuity.

### **Confidential Information**

The protection of confidential business information and trade secrets is vital to our interests and success. Confidential information includes, but is not limited to, the following examples: business plans; product designs, drawings and formulas; test and development data; customer or prospective customer, vendor, supplier and distributor information; financial information; marketing strategies; pending projects and proposals; personnel and payroll records that we have a duty to maintain as confidential; pricing data; contract terms; proprietary production processes; third party information that we have a duty to maintain as confidential; and other business-related information, which, if made available to our competitors or the public, would be advantageous to such competitors and detrimental to us.

You are required to maintain the confidentiality of our confidential information, both during your employment and after your employment ends, regardless of the reason. Accordingly, under no circumstances shall you disclose or utilize – directly or indirectly – our confidential information to any outside person or entity without explicit written authorization from a Company officer. We will pursue all legal avenues to protect our confidential information. If you are uncertain whether information is confidential, you should contact your supervisor or local Human Resources Business Partner for clarification before disclosing the information.

You may be required to enter into a more detailed written confidentiality agreement confirming your understanding of our confidentiality expectations.

Henkel will not discharge 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 employer, or (c) consistent with Henkel's legal duty to furnish information.

## **Ownership of Works**

All ideas, discoveries, inventions, improvements, artworks, software, computer programs, compositions, conceptions and materials prepared or conceived by you during your employment with us that is usable in or relating to our business (“Works”) belong to us. You must assign to us all of your rights, titles and interests in such Works. You may not use or transfer to others any Works other than in connection with our business, or with the written consent of a Company officer. You must execute all documents, and otherwise provide proper assistance, at our request and expense, during and after your employment with us, to enable us to obtain patents, copyrights and other legal protection for the Works in any country.

## **Recording Devices**

During working time, you are prohibited from taking pictures or videos or making audio recordings unless you are engaging in protected, concerted activity. During non-working time, you are prohibited from surreptitiously, covertly or secretly taking pictures or videos or making audio recordings on Company property and/or during a Company event. You are further prohibited from taking pictures or videos or making audio recordings at any time that would invade the privacy rights of others (for example, in lavatories) or where the subject of the picture, video or recording is confidential, including business information or a trade secret.

## **Company Equipment and Property**

You are expected to exercise care in the use of company-owned equipment, supplies and property (collectively “Company property”) and to use such property only for authorized business purposes. Loss, damage or theft of Company property should be reported at once.

Upon termination of your employment, or at any time upon the request of management, you are expected to immediately return all Company property (including any copies) in your possession or control, whether in electronic or hard copy form. The value of any unreturned or damaged property may be deducted from your wages to the fullest extent permitted by law. We may also pursue any outstanding balance owed through legal proceedings.

## **Privacy and Inspection**

We respect the privacy of our employees, but at the same time, we must take reasonable measures to maintain security and a safe, efficient work environment. In order to promote a safe, secure and productive workplace, we reserve the right to use surveillance cameras to monitor work areas, in accordance with local law. In addition, we reserve the right to search and inspect any vehicle, briefcase,

purse, lunch box, toolbox, package or article/item belonging to any person entering or leaving Henkel property and to search and inspect any office, computer (including any and all information contained therein), desk and/or locker of any employee. There shall be no expectation of privacy as it relates to such articles or items while on company premises.

Although we may make available lockers and desks for your convenience while at work, please remember that that all lockers and desks are the sole property of Henkel and that we reserve the right to open and inspect lockers and desks, as well as any contents that are in lockers or desks. We are not responsible for any articles that are in a locker or desk that are lost, damaged, stolen or destroyed.

An inspection of employee lockers or property can occur at any time, with or without advance notice or consent. It may be conducted before, during, or after working hours by the appropriate supervisor, manager or security staff designated by the company. The unauthorized possession or removal of Henkel or employee property, records or other materials may lead to corrective action, up to and including termination. If an employee refuses to cooperate in any inspection, the employee may be subject to corrective action.

## **VIII. YOUR SAFETY**

### **Possession of Firearms or Other Weapons**

Employees are expressly prohibited from carrying firearms or other weapons on to company property or while engaged in company business, regardless of whether the weapon is concealed, except as permitted by state law. This prohibition applies to any individual (not just employees) who comes on Company premises. Regardless of whether an employee or individual has a license to carry a weapon, the employee or individual is not allowed to possess such weapons on Company premises. Exceptions apply to members of law enforcement or security guards hired by us, or as required by state law.

To ensure compliance with this policy, we reserve the right to inspect any articles and property in your possession. We also reserve the right to inspect lockers, desks, boxes, company vehicles, personal vehicles, packages, lunchboxes, containers, and other objects brought on to our property.

### **Workplace Violence Policy**

As a Company, we are firmly committed to providing a workplace that is free from acts of violence or threats of violence. In keeping with this commitment, we have established a strict policy that prohibits any

employee from threatening or committing any act of violence in the workplace, while on duty, while on Company-related business, or while operating any vehicle or equipment owned or leased by the Company. This policy applies to all employees, including managers, supervisors, and non-supervisory employees. As part of this policy, the Company seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity towards violence, even prior to any violent behavior occurring.

In order to achieve our goal of providing a workplace that is secure and free from violence, we must enlist the support of all employees. Compliance with this policy and the Company's commitment to a "zero tolerance" policy with respect to workplace violence is every employee's responsibility.

Employees are required to report any incident involving a threat of violence or act of violence immediately to their supervisor or, if they prefer, to Human Resources. Management personnel will investigate the matter and take appropriate corrective action. This may include the imposition of disciplinary action against any employee who violates this policy, up to and possibly including immediate termination.

If employees become aware of any workplace security hazards or identify methods of increasing security in the workplace, they should report that information to their supervisor or to Human Resources immediately. Employees are required to report violations of this policy, including any incidents involving actual or threatened violence. The Company will not tolerate retaliation against any employee who reports workplace violence.

If you have any questions concerning this policy, please contact Human Resources.

### **On-the-Job Injuries**

The Company provides a comprehensive workers' compensation insurance program in accordance with state law, which covers work-related injuries or illnesses. The Company pays the entire cost of all Worker's Compensation Insurance. If you suffer a work-related injury, you must report the accident to your supervisor or local Human Resources Business Partner immediately. If required, you should seek medical attention. You may be required to provide a doctor's work release as a condition of your return to work and after each doctor's visit. It is extremely important that any injury or illness occurring during or arising out of an employee's employment with the Company be reported as soon as reasonably possible after the employee becomes aware of the injury or illness, regardless of how minor it may appear. Failure to timely report any accident, illness or injury may affect an employee's eligibility for any workers' compensation

benefits to which he or she may be entitled. Employees who file fraudulent claims will be subject to termination.

If you have medical restrictions resulting from a work-related injury, you may also be eligible for light duty work (to the extent it is available, and you can perform the assignment within your medical restrictions). Contact your local Human Resources Business Partner for assistance. Employees can report workplace injuries and illnesses without fear of retaliation, which is strictly prohibited by this policy.

### **Smoking**

Smoking, electronic cigarettes, vaping products and chewing tobacco are prohibited in the workplace and in company vehicles. An area may be designated outside where you may engage in these activities. You may visit this area only during your authorized meal and break periods. Cigarette butts should be placed in the proper receptacle, and not brought in the work premises or left on windowsills, thrown on the ground, or placed in other inappropriate places.

### **Safe Driving Policy**

Safety is the top priority while driving in connection with our business. Therefore, you must wear safety belts, follow all posted signs and speed limits, drive defensively, and take sufficient breaks when driving for extended period of time. We also do not encourage you to use cellular telephones or other electronic devices when operating an automobile. If it is necessary to use a mobile device while driving, you must use a hands-free device if permitted by local law. You should not attempt to use any data transmission device while driving. Further, employees are advised that any vehicle citations they may receive for violating any driving laws, including cell phone/personal electronic device usage laws, are the employees' responsibility. The Company will not pay for any such tickets or citations. It is each employee's responsibility to operate their vehicle in a safe and legal manner. If you are involved in an automobile accident while driving on company business, you must immediately report it to your supervisor or local Human Resources Business Partner.

### **Corporate Social Events**

All employees are required to comply with Henkel's Corporate Social Event Guidelines when participating or organizing corporate events to ensure the safety of all employees. The Corporate Social Event Guidelines can be found on the global HenkelONEPortal.

## **IX. IF YOU LEAVE**

### **Resignations**

If you decide to leave for any reason, we request that you provide us with 2-weeks' advance written notice; however, we reserve the right to accept your resignation upon notice, or any time before the end of the 2-week notice period. In that case, you will be paid through your last day of work.

### **Exit Procedures**

At the time of separation, or earlier upon our request, you must immediately return any company credit cards, keys, phones, laptop computers, uniforms, or other company property in your possession. Your work site may have additional exit procedures, such as an exit interview, that you will be requested to follow. A final paycheck will be issued to you in accordance with state law. Deductions will be taken from your final paycheck for debts owed to us as permitted by applicable law. You should consult with your local Human Resources Business Partner regarding any outstanding payroll and benefits issues.

Even after you leave, you are expected to maintain the confidentiality of company confidential information (as described in the Confidential Information Policy) and comply with any agreements regarding non-solicitation or non-competition that you may have signed during your employment.



**DISCLAIMER AND ACKNOWLEDGEMENT OF RECEIPT**

I understand and agree that it is my responsibility to read and familiarize myself with the Henkel Employee Handbook, and applicable state addenda, which are incorporated herein by reference. I understand that this Handbook supersedes all prior handbooks, policies, brochures or directives relating to the items addressed herein. I recognize the Company is free to change, correct, modify or revoke the Handbook or any of its terms (except employment at-will), at any time, with or without notice.

I understand that statements contained in this Handbook (as well as other Company documents, materials or statements) constitute guidelines only, and are in no way to be interpreted as an express or implied contract between the Company and me.

I understand that my employment is at-will, which means that either the Company or I have the right to end the employment relationship at any time, for any lawful reason or no reason, and that the Company may terminate or change the terms of my employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work, with or without cause or notice. I understand that the at-will nature of my employment cannot be modified, except by a written instrument signed by an officer of the Company.

By signing below, I acknowledge that I have received a copy of the Handbook and that I am responsible for reading and familiarizing myself with the contents of this Handbook as well as future revisions to the Handbook upon notification.

Employee Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **SALARY BASIS / SAFE HARBOR POLICY**

The Fair Labor Standards Act (FLSA) is a federal law which requires that most employees in the United States be paid at least the federal minimum wage for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a workweek.

However, Section 13(a)(1) of the FLSA provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional or outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees. To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$684 per week, of which nondiscretionary bonuses and incentive payments (including commissions) paid on an annual or more frequent basis may be used to satisfy up to 10% of the minimum salary. Some state laws also provide for exemptions from both minimum wage and overtime pay, which have different requirements than the FLSA. Job titles do not determine exempt status. In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department's regulations, as well as any applicable state law requirements.

### **Salary Basis Requirement**

To qualify for exemption, employees generally must be paid at not less than \$684 per week on a salary basis, of which nondiscretionary bonuses and incentive payments (including commissions) paid on an annual or more frequent basis may be used to satisfy up to 10% of the minimum salary. These salary requirements do not apply to outside sales employees, teachers, and employees practicing law or medicine. Exempt computer employees may be paid at least \$684 per week on a salary basis or on an hourly basis at a rate not less than \$27.63 an hour. State law requirements may be higher. Being paid on a "salary basis" means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee's work. Subject to certain exceptions delineated by the United States Department of Labor, an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any workweek in which they perform no work. If the employer makes deductions from an employee's predetermined salary because of the operating requirements of the business, that employee is not paid on a "salary basis." If the employer makes deductions from an employee's salary in a partial-day increment, the employee generally is not paid on a "salary basis." If the employee is ready, willing and able to work, deductions may not be made for time when work is not available.

### **Company Policy**

It is our policy to comply with the salary basis requirements of the FLSA and state law. Therefore, we prohibit all company managers from making any improper deductions from the salaries of exempt employees. We want employees to be aware of this policy and that the company does not allow deductions that violate the FLSA or state law.

### **What To Do If An Improper Deduction Occurs**

If you believe that an improper deduction has been made to your salary, you should immediately report this information to your Human Resources Business Partner. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made. The Company does not tolerate any retaliation against those who make such reports.