

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 1 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\SEC1\5A.DOC	

Fitness for Duty Policy

Statement of Policy

East Penn has a strong commitment to its employees to provide a safe and healthy workplace, and also to conduct business with customers, vendors and the general public in a safe manner. All employees have the responsibility to perform their jobs without unnecessary risk of harm to themselves or other individuals, including maintaining good mental health and awareness and being free of the influence of alcohol or drugs at work. In addition, under the Drug Free Workplace Act of 1988, East Penn has an obligation to take affirmative steps to maintain a workplace free from drugs.

East Penn recognizes that drug and alcohol addictions are treatable conditions and encourages employees to voluntarily seek assistance. The Employee Assistance Program (EAP) is available for any employee or eligible family member who wants to voluntarily seek professional, confidential counseling for drug or alcohol addiction. Quest is the EAP provider for East Penn. Employees or eligible family members may contact Quest at 1-800-364-6352 for assistance. Employees and eligible family members covered under an HMO are also encouraged to use mental health benefits provided as part of the HMO's coverage.

In accordance with this statement of policy, any employee found to be possessing, selling, distributing or under the influence of alcohol, any illegal drug, or a controlled substance (including prescription drugs used without a valid prescription, or not used in accordance with the prescription) while on company property at its work sites or in its vehicles will be subject to strict disciplinary action up to and including termination of employment.

Over-the-Counter and Prescription Medications

For purposes of this policy, illegal drugs include those substances controlled under federal or state law, which are not authorized for sale, possession, or use. Improper use of a controlled substance is the use of a controlled substance, such as a prescription medication that is obtained, distributed or used without a valid prescription, or is not used in accordance with the prescription. It is also against this policy for an employee to use over-the-counter medications and other legal substances in such a manner as to affect his/her fitness for duty (mental function, motor skills, or judgement adversely affected). Any production, maintenance or warehouse employee, or employee working in a safety-sensitive job taking either over-the-counter or legally prescribed medications that have the potential to impair the employee's fitness for duty must report any such medications to the Medical Department in advance of performing any work in order to assess the employee's ability to safely perform the essential functions of the employee's job.

Possession or Use of Medical Marijuana

If an employee is a medical marijuana user, the employee must present to the Medical Department an identification card from the appropriate state agency verifying the employee's current status as a certified medical marijuana user. The Company will make every effort to keep this information confidential, but may need to consult with the employee's physician and share this information with others on a need to know basis. Failure to report medical marijuana certification to the Company may subject the employee to disciplinary action, up to and including termination.

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 2 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\SEC1\5A.DOC	

East Penn is not required to make any accommodation for the use of medical marijuana on Company property, at its work sites or in its vehicles. An employee with a valid prescription or certification for medical marijuana is still subject to discipline for being under the influence of medical marijuana in the workplace in such a manner as to impair an employee's fitness for duty or when the employee's conduct falls below the standard of safety and care normally accepted for that position.

Any production, maintenance or warehouse employee, or employee working in a job designated as safety-sensitive using medical marijuana must report such use to the Medical Department in advance of performing any work in order to assess the employee's ability to safely perform the essential functions of the employee's job. East Penn does not have to take any action that would result in violating federal law. For example, federal DOT regulations prohibit the use of marijuana by employees subject to such regulations even if the employee has a valid medical marijuana prescription or certification such as an over the road truck driver.

In all other respects, the possession, use or dispensation of medical marijuana is prohibited based on the provisions of this Policy.

Overall Policy Guidelines

East Penn recognizes that the use of alcohol or drugs by an employee can jeopardize the safety of other employees, contractors, visitors and the public in general. Accordingly, the company strictly enforces the following rules:

- All applicants who receive a conditional offer of employment will be required to undergo a pre-employment drug screening. This includes co-op, seasonal, part-time, and temporary employees (including those employed-through an outside service or agency). A positive test may result in the withdrawal of the conditional offer of employment. During the hiring process, all applicants will be informed of our Fitness for Duty Policy and its testing requirements. Individuals whose employment status is changed from temporary to regular and regular employees recalled from layoff or employee out of work for more than 7 days due to illness will also be required to undergo drug testing at the time of the status change or return to work.
- Attempting to report to work, or being at work under the influence of alcohol, illegal drugs or improperly used controlled substances is strictly prohibited.
- The use, possession, purchase, sale or distribution of alcohol or any illegal drug on company property is strictly prohibited. Employees violating this prohibition may be subject to disciplinary action up to and including termination, as well as criminal prosecution. (Refer to Company Code of Conduct).
- The company reserves the right to conduct searches on company property. Persons or vehicles entering onto company property are subject to search.
- An employee convicted of an offense related to illegal drug activity or an alcohol-related driving offense must report the conviction immediately to the company either through his/her supervisor or a representative from Personnel.

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 3 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\S\SEC1\5A.DOC	

- If the company becomes aware of an arrest and/or conviction for illegal drug activities, either in or away from the workplace, the employee and surrounding circumstances will be subject to investigation, to include alcohol and drug screening if necessary. If convicted, disciplinary action may be taken, up to and including termination of employment.

Alcohol & Drug Testing

In an effort to maintain a safe workplace, free of the influence of alcohol and drugs, testing will be conducted post-incident, for cause and on a random basis for employees subject to DOT regulations and for employees in rehabilitation under this policy. Refusal by an employee to submit to drug or alcohol testing as required by this policy will result in the employee's immediate termination from employment with East Penn.

A positive test result for the presence of alcohol is defined as equal to or greater than 0.04% blood alcohol level.

- East Penn uses the guidelines established under U.S. Department of Transportation Mandatory Drug and Alcohol Testing Program in testing for the presence of illegal drugs.
- ± • Once an employee has been notified to report for alcohol or drug testing, the employee may not avoid testing. If an employee evades a test, disciplinary action will be taken according to the Company Code of Conduct.
- Admitting to East Penn or the EAP provider that he/she has, or may have an alcohol or drug abuse problem will be mandated and subject to testing.
- Initiating a voluntary request for help with an alcohol or drug abuse problem will be mandated and subject to testing.
- Revealing that he/she is not in compliance with the terms and conditions of a prescribed program of care will be disciplined accordingly.

Post-Incident Testing

An employee who has an accident that results in serious injury to himself/herself or a fellow employee, or that results in serious damage to plant, product, property or equipment, where the presence or influence of alcohol, an illegal drug or an improperly used prescription drug cannot be ruled out as a contributing cause of the incident will be required to submit to a drug and alcohol screening tests. A serious injury is defined as an injury which requires the need for immediate medical attention by a trained medical professional (e.g., doctor, RN, ERT, EMT, etc.) and the medical care provided is beyond that considered "first aid treatment" by OSHA. Serious damage to plant, product, property or equipment is defined as damage where the amount of the loss or cost of repair/replacement is \$1,000.00 or more.

If an accident investigation reveals the employee is at fault, and the employee tested positive for drugs or alcohol, this will be considered a Group III violation under the Company Code of Conduct. If an accident investigation reveals the employee is not at fault, and the employee

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 4 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\SEC1\5A.DOC	

tested positive for drugs or alcohol, this will be considered a Group II violation under the Company Code of Conduct.

Probable Cause Testing

If a supervisor or other authorized company representative has cause to believe that an employee is under the influence or in possession of alcohol, an illegal drug or an improperly used controlled substance while on company property, the employee will be required to submit to a drug and alcohol screening test.

Random Testing

Introductory Period. Employees in their Introductory Period (180 days or extended for any reason) are subject to random testing under the requirements of this policy.

DOT Mandated Testing. Drivers of company vehicles who are covered by the Department of Transportation's Mandatory Drug and Alcohol Testing Program will continue to be subject to the regulatory requirements of that program, including random alcohol and drug testing, as well as the provisions of this policy.

Rehabilitation Testing. Random testing is conducted during the rehabilitation period for an employee who has a positive alcohol or drug test under Probable Cause Testing, Post-Incident Testing or Random DOT Testing.

On-Site Service Provider Testing

Employees who perform on-site work or services at a facility of a customer of East Penn are subject to any (1) drug testing requirements required by a customer in order for the employee to be admitted to a customer's facility and (2) additional testing required by a customer while the employee is on-site.

Employee Status for Positive Tests

An employee who is required to submit to an alcohol or drug test will be removed from his/her job pending the result of the confirmation test if the result of the initial screen is positive.

The following actions will be taken with an employee who has a confirmed positive result under a Probable Cause, Introductory Period or DOT Random, Post-Incident (Group II violation), or On-Site Service Provider test.

1. The employee in his/her Introductory Period or any extension will be subject to termination from employment.
2. The employee will be considered unfit for duty and will be suspended from work without pay until the Medical Department clears him/her to return to work.
3. The employee will be referred to the Employee Assistance Program (EAP) provider for evaluation and development of a program of care. The employee will be required to sign any releases required so the EAP provider may conduct an evaluation and advise the company as to the employee's compliance/non-compliance with the prescribed program

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 5 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\SEC1\5A.DOC	

of care. Failure by the employee to sign any releases required by the EAP, or failure to comply with all the terms and conditions of the program of care as prescribed by the EAP is grounds for immediate termination from employment with East Penn Mfg.

4. The employee must have a negative alcohol and drug test result prior to returning to work.
5. The employee will be subject to random (rehabilitation) testing for alcohol and drugs for three (3) years following his/her return to work.
6. If at any time subsequent to his/her return to work the employee tests positive for alcohol, an illegal drug or an improperly used prescription drug, his/her employment with East Penn will be terminated.

Administration

Pay Status. An employee whose initial alcohol or drug screen is positive will be paid his regular base rate of pay (and plant bonus if applicable) for all hours the employee was regularly scheduled to work between the time he/she scanned out after having completed the testing and the time he/she returns to work, if the confirmation test result is negative.

An employee whose initial alcohol or drug screen is positive will not be paid for time not worked if the confirmation test is positive. Furthermore, the employee will remain unpaid for 3 working days, or until his/her return to work after clearance by the Medical Department, whichever period is longer.

Rehabilitation Guidelines. The EAP provider will work with an employee to make every attempt to develop a program of care that will allow the employee to return to work as soon as possible and maintain his/her regular work schedule. An employee participating in a prescribed program of care under the provisions of this policy is expected to comply fully with all the terms and conditions of the program. The employee must advise his/her assigned EAP counselor immediately if for any reason he/she fails to comply with any of the terms or conditions of his/her program of care. An employee who fails to do so and is found not to be in full compliance with all the terms and conditions of his/her program of care will be terminated from employment with East Penn.

An employee who must miss a regularly scheduled work day in order to participate in a prescribed program of care under the provisions of this policy will be considered excused without pay, unless the employee elects to use a paid day to which he/she is entitled.

Disability. An employee may make an application for disability benefits. The normal plan rules governing eligibility, waiting period and payment of benefits apply.

Policy Implementation. East Penn managers and supervisors, working with the Medical and Personnel Departments, are responsible for the proper and timely administration of the policy in their respective organizations.

Any questions as to the interpretation or administration of the policy should be directed to the Vice President of Personnel or the Assistant Vice President of Personnel.

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 6 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\SEC1\5A.DOC	

The Vice President of Personnel is responsible for maintaining this policy and securing appropriate senior management approvals prior to implementation of any modifications.

FMCSA

Beginning January 6, 2020, a repository was created by the Federal Motor Carrier Safety Administrators to collect information on drivers' DOT drug and alcohol violations occurring under the Company's FMCSA DOT testing program.

East Penn Mfg. and service providers are required to report DOT drug and alcohol testing program violations to the Clearinghouse. Motor carriers, medical review officers, third-party administrators and substance abuse professionals must provide information when a driver:

- Tests positive for drugs or alcohol;
- Refuses drug and alcohol testing; and
- Undergoes the return-to-duty drug and alcohol rehabilitation process.

The following records will be collected and maintained in the Clearinghouse:

- A verified positive, adulterated, or substituted drug test result;
- An alcohol confirmation test with a concentration of 0.04 or higher;
- A refusal to submit to any test required by Subpart C of Part 382;
- An employer's report of actual knowledge, as defined to §382.107, including:
 - On duty alcohol use pursuant to §382.205;
 - Pre-duty alcohol use pursuant to §382.207;
 - Alcohol use following an accident pursuant to §382.209; and
 - Controlled substance use pursuant to §382.213;
- A substance abuse professional report of the successful completion of the return-to-duty process;
- An employer's report of completion of follow-up testing.

The Clearinghouse will aid East Penn Mfg. in learning of a driver's need start or continue with the necessary steps in the DOT return-to-duty process (i.e., Substance Abuse Professional (SAP) program) in order to operate a commercial motor vehicle (SMV).

FMCSA requires motor carrier employers to:

- Query the system for information on driver applicants, and
- Search the database annually for current employees.

Before any Company may gain access to the information in the Clearinghouse, the driver must grant consent. Failure to provide consent prevents East Penn Mfg from hiring a CDL driver candidate or continuation of employment for actively employed CDL drivers.

<i>EAST PENN manufacturing co., inc.</i>			
EAST PENN POLICIES AND PROCEDURES MANUAL			
Revision No.: 6	Effective Date: 4/7/97	Page 7 of 7	Change # 5671
Approved By: Robert D. Harrop		Document No.: EPPM\PER\SEC1\5A.DOC	

Record of Revisions

Revision #	Revision Date	Description
1	6-15-15	Change #2570: EAP changed to Quest.
2	1-28-16	Change #2978: Added Mandated mental health and anger management treatment.
3	8-7-18	Change # 4401 Reworked entire policy
4	1-6-2020	Change #5132 Added FMCSA regulations
5	3-2-2020	Change #5256 Added On-Site Service Provider Testing
6	6-3-2021	Change #5671 updated to coincide with current practices