

Hourly Non Exempt Handbook

# Welcome on board.

Start building your future.





101 INTERNATIONAL DRIVE  
FOUNTAIN INN, SC 29644

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# FOUNTAIN INN EMPLOYEE HANDBOOK IMPORTANT NOTICE – DISCLAIMER

## ACKNOWLEDGMENT

THIS HANDBOOK IS NOT AN EMPLOYMENT CONTRACT. I UNDERSTAND THAT YANFENG US AUTOMOTIVE INTERIOR SYSTEMS I, LLC (YFAI) IS AN “AT-WILL” EMPLOYER, AND, AS SUCH, EMPLOYMENT WITH YFAI IS NOT FOR A FIXED TERM OR DEFINITE PERIOD AND MAY BE TERMINATED AT THE WILL OF EITHER MYSELF OR YFAI, AT ANY TIME, FOR ANY OR NO REASON, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT PRIOR NOTICE.

THIS HANDBOOK IS DESIGNED TO ACQUAINT ME WITH YFAI AND TO PROVIDE ME WITH INFORMATION ABOUT WORKING CONDITIONS, EMPLOYEE BENEFITS, AND SOME OF THE POLICIES AFFECTING MY EMPLOYMENT. THIS HANDBOOK DESCRIBES MANY OF MY RESPONSIBILITIES AS AN EMPLOYEE AND OUTLINES THE PROGRAMS DEVELOPED BY YFAI TO BENEFIT EMPLOYEES.

NO EMPLOYMENT GUIDE CAN ANTICIPATE EVERY CIRCUMSTANCE OR QUESTION ABOUT POLICY. AS YFAI CONTINUES TO GROW, THE NEED MAY ARISE AND YFAI RESERVES THE RIGHT TO REVISE, SUPPLEMENT, OR RESCIND ANY POLICIES OR PORTIONS OF THE HANDBOOK FROM TIME TO TIME AS IT DEEMS APPROPRIATE, IN ITS SOLE DISCRETION.

THIS EMPLOYEE HANDBOOK SUPERSEDES ALL PRIOR VERSIONS WHICH ARE HEREBY DECLARED NULL AND VOID. I UNDERSTAND THAT NOTHING CONTAINED IN THIS EMPLOYEE HANDBOOK MAY BE CONSTRUED AS CREATING A PROMISE OF FUTURE BENEFITS OR A BINDING CONTRACT WITH YFAI FOR BENEFITS OR FOR ANY OTHER PURPOSE. I FURTHER UNDERSTAND THAT NO EMPLOYEE, SUPERVISOR, OR MANAGER CAN VERBALLY ALTER OR AMEND THE POLICIES SET FORTH IN THIS HANDBOOK OR ISSUE AN EMPLOYMENT CONTRACT.

I HAVE RECEIVED A COPY OF THE YFAI FOUNTAIN INN EMPLOYEE HANDBOOK AND HAVE READ AND UNDERSTAND THIS HANDBOOK. THIS HANDBOOK IS NOT AN EMPLOYMENT CONTRACT, AND MY EMPLOYMENT IS “AT-WILL” AS DEFINED ABOVE.

EMPLOYEE (Print Name) \_\_\_\_\_

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_



Introduction:  
Welcome to  
the YFAI  
Team!



## ABOUT THIS HANDBOOK

This handbook is a guide for YFAI employees and has been prepared to provide information about the Company, to answer questions about your employment and to explain certain company practices.

This handbook is not intended to be all inclusive and YFAI reserves the right at any time to substitute, modify, revoke, suspend, terminate, or change any or all terms of this handbook, plans, policies, or procedures, in whole or in part, without having to consult or reach agreement with anyone, at any time with or without notice.

Oral statements that are contrary to this statement by any employee, representative, or officer of YFAI shall have no force or effect.

Finally, where the provisions of the handbook conflict with corporate policy or specific written plan documents, such as employee benefit plans, the language of the specific plan document or policy will prevail.

The basis of employment at YFAI is employment at will. Therefore, both parties have the absolute right to terminate the relationship at any time, with or without cause and/or notice.

This handbook is being provided to you for informational purposes only. While YFAI expects you to abide by the practices and procedures described in this handbook, the handbook is not and should not be implied or construed to constitute a contract or contain a contractual commitment, nor does this Handbook contain any enforceable promises of any kind.

Please read this handbook carefully. Your understanding of its contents and suggestions for improvements will ensure good working relationships now and in the future. If you have any questions, feel free to ask your supervisor or a member of the Human Resources team.

We hope that your employment relationship with the company will be both rewarding and enjoyable. Welcome to the YFAI team!







Better life on board  
through superior  
automotive  
interior solutions.

WE LIVE OUR **VISION**



## LETTER FROM LEADERSHIP

*Dear YFAI  
Automotive  
Interiors  
Team:*

### **Welcome to the Yanfeng Automotive Interiors family!**

On July 2, 2015, Yanfeng Automotive Interiors (YFAI) launched. We are the world's largest automotive interiors supplier.

The company is a joint venture between Yanfeng Automotive Trim Systems Co., Ltd and Johnson Controls (to be Adient as of October 31, 2016). This JV builds upon more than 17 years of successful partnership between the two companies.

Since its launch, the joint venture has been successful. We are excited about the future opportunities it represents – and you should be too. As a team, we are leveraging our deep interiors expertise, as well as our local market insights to build best practices that will help us better serve our global customers. Our unmatched global presence, technical expertise and scale help us achieve complete customer satisfaction.

We've come a long way since the launch of our company, and we have more work ahead of us.

By tapping into the passion of our team, we will maintain our sharp focus on the interiors business and our dedication to the continuous innovation that gives our customers industry-leading interiors solutions. We strive to be the premier automotive interiors experts and valuable partners to our automaker customers across the globe.

This book explores our global policies as a company, explains who we are and what we do, and how we can work together to accomplish our goals. We are excited about the future, and look forward to working with you to transform the world of automotive interiors.

Thank you in advance for your commitment to excellence, and your hard work and dedication.

Sincerely,

**Johannes Roters**  
CEO

**Weizhong Wang**  
Deputy CEO

# Our Name

Our name reflects our brand direction:  
**Yanfeng Global Automotive  
Interior Systems Co. Ltd.**

For everyday communications, we use:  
**Yanfeng Automotive Interiors.**

Yanfeng is a combination of:  
**Yan + Feng = Yanfeng**

Translated from Chinese, “Yan” means inheriting and developing  
and “Feng” means pioneer or leader.

How to pronounce it correctly:  
**(yan-fung)**



# COMPANY INFORMATION

YFAI is the world’s leading supplier of instrument panels and cockpit systems, door panels, floor consoles and overhead consoles. Headquartered in Shanghai, the company has more than 100 manufacturing and technical centers in 17 countries and employs over 29,600 people globally. Established in 2015, YFAI is a joint venture between Yanfeng Automotive Trim Systems Co., Ltd, a wholly owned subsidiary of Huayu Automotive Systems Co., Ltd. (HASCO), the component group of SAIC Motor Corporation Limited (SAIC Motor), and Johnson Controls (to be Adient as of October 31, 2016), a global multi-industrial company.

We have made a deliberate decision to focus solely on automotive interiors. This focus allows us to concentrate all of our efforts on developing and delivering best practices across our entire network, and deliver them to our OEM clients across the globe.

Using our unparalleled network of research and development centers, manufacturing plants, and regional talent, we will create a unique portfolio of world-class interiors solutions. We are dedicated to building industry-leading, cost-effective products.



We have a global team of more than 29,600 dedicated employees that make us stand out in the industry. By establishing three well-coordinated hubs in Asia, the Americas, and Europe, we can be close to all of our customers, no matter where in the world they operate. Our executive team brings a wealth of automotive expertise to the table. The company is run by an Executive Committee, which includes the Chief Executive Officer (CEO), Deputy CEO, Chief Financial Officer and Chief Commercial Officer role(s). In order to rapidly respond to local market needs, we will have empowered regional teams in Asia, the Americas, and Europe.

For more information, visit the company's Web site at: [www.yfai.com](http://www.yfai.com).



Our mission is to be our customers' preferred partner for automotive interior solutions.

We will do this through our global capabilities and partnerships, imaginative and cost-effective innovations, and execution excellence.

The basis for our success will be our people – a committed global team with a passion for shaping the future of the interiors industry and delivering sustainable, superior value.

WE LIVE OUR MISSION



## CODE OF CONDUCT

We want Integrity to be the cornerstone for our behavior. For us as a company, Integrity means doing what is right by following ethical norms as well as company policies. Integrity is not some abstract concept; rather, it is a value that must underlie in everything we do. As a member of the YFAI team, you are expected to always uphold this core value. And as leaders, we pledge that you will never be alone in doing so.

Our Code of Conduct (the “Code”) provides guidance for ethical business conduct and serves as the foundation for our commitment to Integrity as a company. The Code is part of our Compliance Management System to support healthy and sustainable growth. We ask you to make the commitment to embrace our Code and join in building a company culture dedicated to Integrity and quality in everything we do. Finally, one of the key initiatives that accompanies the Code is our Integrity Helpline which is an essential element of our Compliance Management System. We urge you to use this tool to report concerns or ask questions regarding behavior which may be inconsistent with the Code. You have our assurance that no employee will suffer from retaliation as a result of any matter reported in good faith.

If you have any questions or concerns related to Compliance, you may call the Integrity Helpline (855-831-3125) or visit [www.yfai.ethicspoint.com](http://www.yfai.ethicspoint.com) to report a Code of Conduct violation or ask a question. The website is available in your local language. All calls will be answered in the language of the country from which you are calling. You may choose to remain anonymous when reporting your concern. We are committed to the principle that there will be no retaliation against those who report possible misconduct in good faith. To learn more about our Compliance program, please visit the company’s Integrity & Compliance portal page.



## CONFLICTS OF INTEREST

YFAI is committed to maintaining high standards of ethical business practices. Conflicts of interest arise when the personal interests of an employee influence, or appear to influence that employee’s ability to act in the Company’s best interest. For example, employees must refrain from accepting payments or other favors that might be regarded as placing yourself under some obligation to a supplier or customer who deals or wants to do business with YFAI.

Additionally, outside activities, such as a second job or self-employment, must be kept separate from your employment at YFAI. Any activity or personal financial interest that could adversely affect the objectivity of your judgement could also interfere with the performance of your duties and responsibilities. Therefore, you must not have a

position with, or financial interest in, another business that interferes with YFAI duties or responsibilities. You must disclose to your manager any financial interest in, or position with (including work as a consultant or advisor), any competitor of YFAI. No outside activity (such as volunteer work) may involve YFAI's name or its employees, or be performed during working hours without the authorization of your manager and Human Resources.

## ETHICS POLICY

YFAI's policy is to conduct its business in accordance with all applicable laws and with the highest standards of business conduct. Our continued business success depends on our customers and shareowners recognizing these qualities as YFAI hallmarks. Even a perception of less than the highest ethical standards by any YFAI board member, officer or employee can damage the reputation of the company.

Examples of ethical business standards include:

- No employee, or member of the employee's immediate family, may be involved with any business that competes with or does business with YFAI unless the involvement is disclosed and approved.
- Business is to be conducted with customers, subcontractors and suppliers on the basis of service, quality, performance and price without giving or accepting anything of value that could influence or appear to influence the outcome of a transaction.
- No false, misleading or artificial entries may be made in the books and records of the company.
- Company resources may not be taken, used, diverted, altered or destroyed without proper authorization.
- YFAI products must meet the required specifications; there can be no unauthorized substitutions.

YFAI will not tolerate discrimination, sexual harassment, or physical or verbal threats, all of which deny employees the opportunity to contribute to the best of their abilities and deprive the company of their full talents. Preventing harassment, discrimination and threats is a matter of respecting each other's dignity which is a basic value at YFAI.



We are all responsible for protecting our culture of Integrity. A potential violation is a serious matter. If you see something or are unsure if something potentially violates the Ethics Policy, speak up! We expect our employees to let us know about any suspected violation of our Ethics Policy. We do not tolerate retaliation against anyone for raising good faith concerns.

If you have a question about the Ethics Policy or you are concerned about a potential violation of the Ethics Policy, you have a number of options:

- Discuss the issue with your supervisor
- Discuss the issue with another supervisor or manager
- Contact your HR Representative
- Via the Internet: [www.yfai.ethicspoint.com](http://www.yfai.ethicspoint.com)
- Via telephone: 855-831-3125

YFAI does not tolerate retaliation for asking questions or raising good-faith concerns of possible violations of the Ethics Policy. Your concerns are taken very seriously. We will investigate reports of possible violations of the Ethics Policy. All employees are expected to fully cooperate with investigations conducted by the Company. Violations of the Ethics Policy are subject to disciplinary action up to and including termination.

## **EQUAL EMPLOYMENT OPPORTUNITY**

It is the policy of YFAI to employ, advance in employment, and treat all employees and applicants for employment without discrimination because of race, color, religion, sex, gender, age, national origin, genetic information, or disability, status as a special disabled veteran, Vietnam era veteran, recently separated veteran or other eligible veteran and to comply with all applicable employment laws.

YFAI facilities maintain Affirmative Action Programs to monitor the employment and advancement opportunities in employment of groups identified by statute and regulation, including minorities, females, and persons with disabilities, special-disabled veterans, and Vietnam-era veterans.



If you are handicapped and disabled or Vietnam era veteran, we would like to include you under our Affirmative Action Program. The Affirmative Action Plan for Handicapped and Disabled and Vietnam Era Veterans is available for review. If you would like to see the Plan, contact the local Human Resources Department during regular working hours.



YFAI is dedicated to providing equal employment opportunity to all persons and requests your support in this effort. The policy applies to all employment practices and actions. It includes, but is not limited to, recruitment, job application process, examination and testing, hiring, training, disciplinary actions, rate of pay or other compensation, advancement, classification, transfer, reassignment and promotions. YFAI's designated person for issues concerning Affirmative Action/Equal Employment Opportunity is:

ATTN: Director of Human Resources  
915 East 32nd Street  
Holland, MI 49423  
Email: [questions@yfai.com](mailto:questions@yfai.com)  
Phone: 616-394-6695

## GENETIC INFORMATION

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers and other entities covered by GINA Title II from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by this law. YFAI does not collect employees' genetic information or family medical history, except in the limited circumstances allowed by law such as for compliance with the Family and Medical Leave Act or Americans with Disabilities Act. Please report suspected violations of this policy to Human Resources or through the Ethics Help Line.

## DIVERSITY

YFAI understands the creative power that comes from bringing knowledgeable people with diverse backgrounds together. That power is one of our most unique competitive advantages. It drives us toward our vision to offer our customers a better life on board through superior automotive interior solutions. With locations in 17 countries, YFAI promotes a culture that provides opportunities for everyone to maximize their personal and professional potential. In turn, those employees use their unique skills, experiences



and perspectives to ensure that our vision is achieved.

YFAI is committed to attracting and retaining talented employees who share an intense dedication to serving our customers. We provide career opportunities to all qualified candidates, including minorities, women and individuals with disabilities, and respect the unique qualities and value that each individual can bring to the company. Above all, YFAI is strongly committed to maintaining an environment where people of all backgrounds can reach their full potential.

## AMERICANS WITH DISABILITIES

YFAI is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis and in accordance with the ADA and all other applicable federal, state, and local laws.

It is the policy of YFAI to make reasonable accommodations to the limitations of qualified persons with disabilities and qualified special-disabled veterans, where those accommodations do not pose an undue hardship on the business, and enable such individual to perform the essential functions of the position for which he/she is applying or in which he/she is employed.

## PLANT COMMUNICATION

YFAI is a changing and growing enterprise with a steady flow of news, developments and announcements. Here are some examples of avenues employees use to gain relevant business information:

- Team meetings will be held to meet with your work group as needed to discuss issues affecting your department and to gain your input to solve problems.
- Town Hall Meetings are regularly conducted by Site Management to discuss topics such as business performance, customer issues, production accomplishments and the general state of the business.
- Information boards, located throughout YFAI facilities, are used to provide you with production line, plant and corporate information.
- In addition, we expect our employees to share information via Skip Level Meetings, You Talks, and other employee related events/meetings.
- Television Monitors are located in the lobby and break rooms and will be updated on a regular basis to reflect information concerning the plant, policies, holiday schedules, benefits information, plant performance, or company sponsored charitable events.



If at any time you have a question or problem regarding your job, hours, pay, working conditions, etc., discuss this with your manager. It is our belief that through open discussion and communication we can work together for a mutually agreeable solution.

## OPEN DOOR POLICY

YFAI encourages the use of our Open Door Policy to voice any comments or concerns. Our employees are the first to spot inefficiencies, waste, lack of fairness related to policy application, and suggestions for improvements.

Any problem that affects your day-to-day efficiency and your future progress must be corrected. Only by knowing about the problem can the Company help correct the situation that will permit you to do your best work. If these situations do occur, please do not hesitate to “get it out in the open”.

Your supervisor plays a key role as a channel of information between you and other YFAI Employees. In most cases, a discussion of the problem with your supervisor is the best and most effective way to resolve the problem.

If you wish to discuss the issue with someone other than your supervisor or your supervisor did not provide a resolution to your concern, please reach out to any member of the YFAI staff for help. Your Human Resources Manager and Plant Manager are also available to speak with you privately regarding any problem you may have.



If you feel that you need to speak with someone outside the facility, you may call the Director of Human Resources. Under no circumstances will this reflect against you or cause hard feelings against you if you choose to use the Open Door Policy.

YFAI  
ATTN: Director of Human Resources  
915 East 32nd Street  
Holland, MI 49423  
Email: [questions@yfai.com](mailto:questions@yfai.com)  
Phone: 616-394-6695

## OUR VALUES



### CUSTOMER

We help our customers achieve success. We take pride in satisfying customers and building mutual trust to create win-win partnerships between them and our company.

We possess deep insight into our customers' strategic goals. We strive to be their partner of choice and actively support their business development and global growth objectives.

We exceed the expectations of our customers through our customer intimacy, cost-effective innovations, and execution excellence to develop superior automotive interior solutions.



### STRIVING

We commit to delivering industry leading quality for our customers. We strive to do it right the first time.

We remain conscientious and focused, always mindful that past achievements do not guarantee future success.

We possess a passion for excellence and a strong entrepreneurial spirit to overcome challenges; recognizing that continuous improvement is the key to future success.



### PEOPLE

We regard our employees as our greatest asset. We provide our people with equal opportunities regardless of their gender, age, ethnic background, and religion. We respect and value diversity.

We foster a safe and constructive workplace that is supportive, offers fulfilling career paths, and enables our people to effectively perform their tasks and work together as a team.

We reward people who create value, and we believe in sharing the success of the company together.



### INNOVATION

We leverage our exceptional capabilities, knowledge, and creativity to further enhance our position as a trend setter in the global automotive industry. We innovate to fulfill the needs of our customers and enable them to develop new business.

We dedicate ourselves to the pursuit of excellence and seek to improve every day.

We value intelligence, tolerate failure in the course of seeking new heights, reward accomplishments, and empower people, all in order to strengthen our core competitiveness.





**RESPECT**

We value diverse backgrounds and views, and encourage open-mindedness to challenge the status quo and propel us forward.

We recognize there will be times when we must agree to disagree and are willing to compromise to realize common goals.

We learn from the best global business practices and adapt and modify them to serve our needs.

**INTEGRITY**

We take morality and justice as the foundation of our behavior as we strive to be excellent corporate citizens.

We view honesty as core to who we are as a company and as people. It is the foundation underlying all of our business decisions.

We honor our promises and fulfill our commitments.

**TEAMWORK**

We share a common vision.

We achieve our vision and goals by coming together and working effectively as an organization without boundaries.

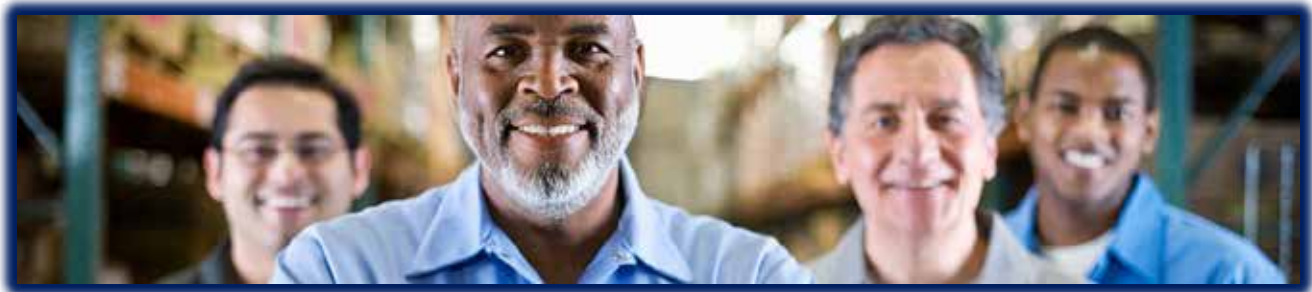
We share wisdom, celebrate success, and take pride in our achievements together.

**SUSTAINABILITY**

We promote the efficient use of resources to the benefit of our planet and all its people.

We view protecting our environment as a key element of our business proposition.

We seek sustainable, profitable growth that will generate value for employees and shareholders in a responsible manner.



## **UNION-FREE**

YFAI believes that unions are unnecessary, and would prefer to deal with employees one-on-one. Our Human Resources policies are specifically designed to meet the needs of employees in a union-free environment by providing open, direct communication with individual employees, the opportunity for individualized personal growth, access to an individualized problem-solving process, and a commitment to offering competitive wages and benefits. As a result, employees are able to work together without the adversity, tension, and conflict that often occur when a union is around.

As you review the various programs, policies and benefits that are available to you as a YFAI employee, we believe that you will find the company recognizes the importance and value of each person. YFAI's policies and programs were not adopted as a result of union negotiation, pressure or threats, but rather were born out of a commitment to meet the needs of our employees.

Our programs and benefits are reviewed frequently to assure they are competitive and fair. No organization is completely free of day-to-day problems, so YFAI strongly supports our open communication programs, which allow you to present concerns to managers for review and resolution.

If anyone should come to you and ask you to sign a union authorization card, the decision to sign or not sign is yours to make. However, we hope that before you sign, you will get the facts about the union and the Company. We believe that if you do this, you will conclude that you do not want a union and you will refuse to sign the card.

If you have any question about YFAI's position on unions, please feel free to discuss it with your immediate Manager, Human Resources or any other member of Management.

## **PERSONNEL RECORDS**

The Human Resources Department maintains a confidential file for each employee. These records are used for compliance with government regulations, benefits administration, and for other personnel related matters. All information is kept confidential and only individuals with a need to know may have access to it. You may review your personnel file by scheduling an appointment with the Human Resources Department.

## **PERSONAL INFORMATION**

It is very important that we keep personnel records up to date. Employees are required to notify the Human Resources Department and call the Adient Benefits Service Center at 844-689-7836 within 30 days of any personal status changes including a change in your legal name, address, marital status, phone numbers, emergency contact

information, birth (adoption) of child, number of dependents, loss of insurance through spouse (or domestic partner) or beneficiary update. Employees are only allowed to make changes to their benefits plan within 30 days of the qualifying life event.

Also inform the Human Resources Department if you have completed any education courses or have obtained a degree during your employment.

## **SOCIAL SECURITY PRIVACY**

YFAI protects the confidentiality of Social Security numbers obtained in the ordinary course of business from employees, vendors, contractors, customers or others. No person shall knowingly obtain, store, transfer, use, disclose, or dispose of a Social Security number that YFAI obtains or possesses except in accordance with state and federal law and this Privacy Policy.

## **iCARE PROGRAM**

At YFAI, we believe in giving back to the community in which so many of our employees live and work. Our mission is to share our corporate financial success and individual resources with those causes deserving our support by allocating corporate charitable contributions while encouraging teammate participation.

iCARE, our global, employee-driven charity program embodies all the values that YFAI truly believes in: Respect, Integrity, Teamwork, Sustainability and People. The engagement and commitment in local communities all over the world bring our company's values to life. Every project is important and significantly helps the building of our brand/image and company reputation in local communities. They also show that YFAI is committed to supporting strong relationships between its employees and non-profit and charitable organizations in cities where we live, work and travel.



iCARE officially launched in April 2016 and is an initiative that encourages employees to form volunteer teams to support projects in environmental stewardship, social service and education efforts in their local communities. Employees can submit their team applications online via the myYFAI employee portal starting April 1<sup>st</sup> of each year.

## QUALITY STATEMENT

All YFAI facilities are certified to ISO/TS (International Organization for Standardization/Technical Specification) 16949:2009 with a vision; to provide a better life on board through superior automotive interior solutions. Our Quality Policy is clear:

**To exceed our customers' expectations with excellent operations, products and services, delivered by passionate employees, committed to continuous improvement.**

We strive to accomplish this by maintaining the certification, which is designed to address quality management in the automotive supply chain. ISO/TS16949:2009 certification is based on eight quality management principles: customer focus, leadership, involvement of people, process approach, system approach to management, continual improvement, fact-based decision making, and mutually beneficial supplier relationships.



The key benefits of being ISO/TS 16949:2009 certified include:

- Helping retain current automotive customers and gain new ones by meeting industry specific requirements.
- Streamlining processes and procedures that lead to product quality and service improvements.
- Demonstrating commitment to quality improves customer perception of the organization.
- Relentlessly pursuing the elimination of waste.
- Striving to constantly improve the skills and competency of our workforce through proactive training.
- Fostering continuous improvement through teamwork and employee empowerment.
- Developing relationships with our suppliers that emphasize continuous improvement in product quality, service, and support.

In addition to the ISO/TS16949:2009 certification, YFAI is certified and compliant with ISO 14001 EMS standards. These standards minimize adverse environmental impacts

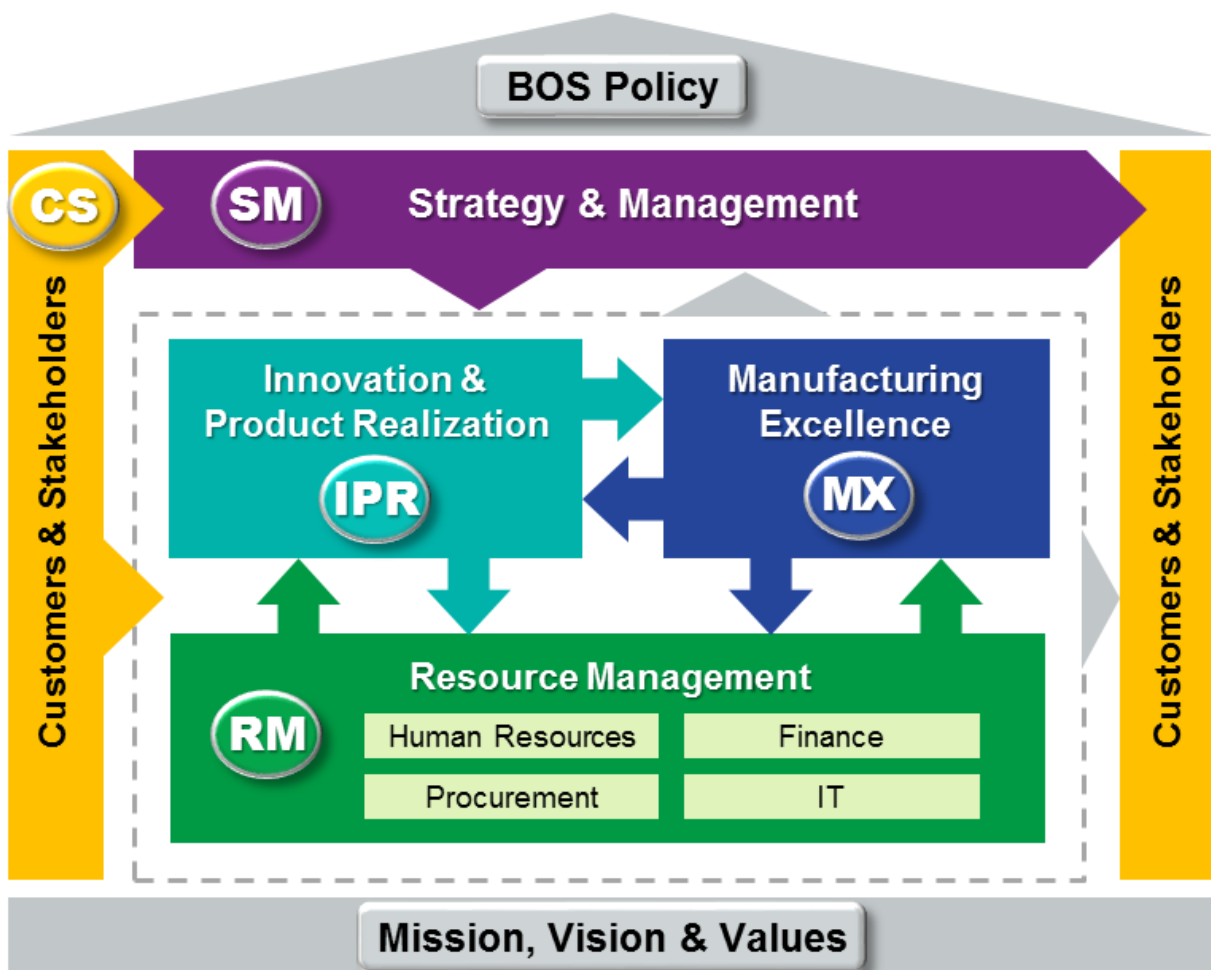


from our operations by conserving natural resources and reducing, minimizing, or eliminating the generation and release of pollutants to the environment. The goal is to continuously evaluate the environmental management system and adopt appropriate objectives and targets in order to improve processes.

## INTRODUCTION TO BOS

An important element of our success is our Business Operating System (BOS), which is a best practice of YFAI. Several global documents are released and available today, and we continue to consolidate our individual systems into one system, which is compliant with industry and customer standards (e.g. ISO/TS 16949, ISO 14001, OHSAS 18001, VDA, etc.), and reflects best practices of how we do business on a daily basis around the world.

Our company Vision, Mission and Values provide the foundation for everything we do. Our BOS Policy provides the overall framework and leadership commitment to BOS, which helps to ensure its effectiveness. The diagram below is called, “house of BOS.”



# Operational Policies and Procedures

## CONDUCT

We want to ensure the safety of you and your coworkers and therefore, must observe certain requirements that will benefit the group as a whole. The following is a list of the most important requirements that all employees are expected to follow. The Company expects that all employees will treat our customers and suppliers with respect. Some basic rules help to ensure that these standards are met. Failure to abide by these and any other Company requirements or standards may result in disciplinary action up to possible discharge.

- Sabotage, abuse, misuse, tampering with, or deliberate destruction of, or damage to, Company property including tools and machines.
- Stealing and fraudulent acts, including falsification of Company records, or obtaining pay or benefits through fraudulent means including improper badge scanning.
- Refusal or failure to obey reasonable, direct orders from supervision.
- Sleeping during working hours.
- Harassment; Threatening, intimidating, coercing fellow employees.
- Carelessness or inattention to job duty, which results in injury or damage to company property, or poor quality.
- Failure to report quality problems or broken equipment to management in a timely matter.
- Horseplay, scuffling, running or throwing things.
- Behavior, disruptive language and/or offensive (i.e..sexual harrassement, physical threats) language other employees.
- Any act which endangers life and/or body, even if it does not result in injury.
- Failure to cooperate in Company investigations.
- Leaving your job, your work area or the Plant without permission from your supervisor/manager unless during the meal period.
- Control or possession of concealed or non-concealed weapons, firearms, explosives, or other dangerous devices on Company property or vehicles.
- Gambling.
- Use of cameras on the production floor unless authorized by management.

Should an employee's performance, work habits, overall attitude, conduct or demeanor become unsatisfactory based on violations whether of the above or any other company policies, rules, or regulations, the employee will be subject to disciplinary action, up to and including termination of employment. It is emphasized, however, that any act or omission, which in the judgment of management is not consistent with Company policy, shall be grounds for disciplinary action up to and including termination of employment.

## **NO HARASSMENT**

YFAI is committed to providing a workplace free of sexual harassment as well as harassment based on race, color, religion, national origin, ancestry, age, disability, sexual orientation, status as a special disabled veteran, veteran of the Vietnam era or other covered veteran, or any other characteristics protected from discrimination by law. In adhering to this philosophy, as well as to Title VII of the Civil Rights Act of 1964 and State Fair Employment Acts, the Company will not discriminate against its employees on the basis of sex. Sexual harassment can be a form of sex discrimination and it is, therefore, the policy of the Company to ensure that sexual harassment does not occur. In addition, the Company's policy on sexual harassment applies equally to harassment on the basis of any other characteristic, such as age or race that is protected under federal, state, or local law.

All employees should, therefore, be aware of the following:

- Sexual harassment is strictly prohibited. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, unwelcome or offensive touching, verbal conduct such as sexual jokes or suggestive or obscene comments, written or graphic materials, such as sexually suggestive or obscene documents, pictures, cartoons or photos, as well as any other conduct of a sexual nature, whether written, verbal, or physical.
- Harassment on the basis of any other category protected by law is also strictly prohibited. Under this policy, harassment is conduct that insults, shows hostility towards or makes fun of an individual or group because of his/her race, color, religion, sex, sexual orientation, national origin, ancestry, age, disability or any other category protected by law. This includes, but is not limited to, jokes, comments, slurs, epithets, gestures, posters, cartoons, pictures, drawings, and e-mails.
- All employees are strictly prohibited from sending electronic messages during work time, or on YFAI's equipment if such messages contain offensive material related to sex, race, or other protected categories as described in paragraph 2, above. Similarly, employees who have access to the internet are strictly prohibited from using the internet during work time or while using YFAI equipment to access internet sites which contain offensive materials related to sex, race, or other protected categories as described in paragraph 2, above.

- This prohibition against harassment based on a protected category applies to all employees, including supervisors and managers, as well as to visitors and other non-employees.
- The protections and obligations of this policy apply to all employees as well as to persons assigned to work at YFAI through a temporary help agency.
- If you believe you have been subjected to or witnessed harassment related to a protected category committed by anyone, including visitors and other non-employees, you should immediately report the matter to his/her Department Manager or to a Human Resources Representative. YFAI wants to know of any harassment so it can take appropriate action.
- Every complaint of harassment will be promptly investigated. To the extent consistent with YFAI's obligation to conduct a thorough investigation and take appropriate corrective action, any complaints of harassment will be treated as confidential by the Company consistent with the Company's need to investigate the matter.
- YFAI will take appropriate corrective action, up to and including discharge, against any individual who violates this policy.
- YFAI will not in any way retaliate against anyone who, in good faith, makes a complaint or report of harassment, or participates in the investigation of such a complaint or report. Retaliation by anyone against any individual for reporting a claim of harassment or cooperating in the investigation of same will not be tolerated and will be cause for appropriate discipline, including discharge.
- Allegations of harassment based on a protected category should be brought to the attention of the Human Resource Manager, Plant Manager, or the Human Resources Group at:

YFAI  
ATTN: Director of Human Resources  
915 East 32nd Street  
Holland, MI 49423  
Email: [questions@yfai.com](mailto:questions@yfai.com)  
Phone: 616-394-6695

## WORKPLACE VIOLENCE

YFAI will not tolerate any conduct that threatens, intimidates, or coerces an employee, customer, or member of the public at any time. Accordingly, possession of firearms, weapons, and other dangerous or hazardous devices or substances anywhere on YFAI property will result in immediate discharge.

All suspicious individuals or activities, including actual violence or threats of violence, both direct and indirect, should be reported immediately to Human Resources, your supervisor, or any member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or members of the public. Employees should not attempt to intercede or otherwise become involved with any actual or potentially intimidating, harassing, or violent situation.

Employees are encouraged to bring their disputes or differences with other employees to the attention of a member of management or a Human Resources representative before the situation escalates into potential violence. YFAI will promptly and thoroughly investigate all reports of actual or threatened violence as well as suspicious individuals or activities. The identity of the individual making a report will be protected to the extent most practical. In order to maintain workplace safety and the integrity of its investigation, YFAI may suspend employees, pending investigation. In cases of imminent danger or threat of violence, retreat to a safe location and call 9-1-1.

Employees are responsible for refraining from acts of violence. Employees are strongly encouraged to seek assistance to resolve personal issues, particularly those that may lead to acts of workplace violence. Employees are to report to managers or supervisors any dangerous or threatening situations that occur either in the workplace or outside the workplace if they affect workplace safety.

All threats are considered serious and will be treated as such. Any employee determined to have participated in any threatened or actual violence, or other conduct that violates these guidelines, will be subject to corrective action, up to and including termination of employment.

**Violent acts/behaviors include:**

- Acts/behaviors that are physically assaulting.
- Acts/behaviors that consist of a communicated or reasonably perceived threat of harm to another individual or that in any other way endanger the safety of an individual.
- Acts/behaviors that would be interpreted by a reasonable person as carrying potential for physical harm to the individual.
- Acts which involve carrying or displaying weapons, destroying property, or throwing objects in a manner reasonably perceived to be threatening.
- Acts that consist of a communicated or reasonably perceived threat to destroy property.

## DRUG AND ALCOHOL POLICY

YFAI recognizes the problems that drug and alcohol abuse and addiction can cause in the workplace, and believes that drug and alcohol dependency may be treated. We are committed to providing a safe work environment, one that is free of drug and alcohol use and the adverse consequences of such use. We expect our employees to recognize this commitment and understand that remaining free from the harmful effects of drug and alcohol use at work is a condition of continued employment. We further expect our colleagues providing services on our behalf at any of our facilities to recognize this commitment.

The Company offers assistance to all employees for the treatment of drug and alcohol abuse through an Employee Assistance Program (EAP). Employees are encouraged to voluntarily acknowledge a problem and to undertake a treatment program before any incident or conduct occurs which could lead to disciplinary action under this policy or any other Company policy. If no Company policies are violated, employee participation in EAP does not place an employee's employment in jeopardy. Poor job performance, inappropriate behavior, or violation of Company policy (including this policy), whether due to drug or alcohol use or not, will be subject to disciplinary action up to and including immediate termination.

In keeping with YFAI's objective of a work place that is free of drug and alcohol use, employees will be subject to disciplinary action, up to and including discharge, for violations of the following rules:

- Using, selling, offering to sell, manufacturing, distributing or possessing any illegal or controlled substance or those that cause mind or mood alterations while on the job or on Company-owned or leased property (including vehicles). Any illegal substances found on YFAI property, including Company-owned or leased vehicles, may be turned over to the appropriate law enforcement agency and may result in criminal prosecution.
- Using, selling, distributing or possessing alcohol on any Company-owned or leased property (including vehicles), unless specifically authorized by a Senior Company Manager.
- Reporting to work or working while under the influence of alcohol. "Under the influence of alcohol", for the purposes of this Policy, means a blood alcohol concentration of .02 (grams per 100 ml) or equivalent.
- Reporting to work or working with any amount of an illegal or controlled substance in the employee's system, except pursuant to a valid, current prescription provided that the substance in question doesn't cause any type of impairment.

- Using illegal or controlled substances while off-duty. If the employee's off-duty use results in the presence of a detectable level of such illegal or controlled substances in the employee's system after an employee reports to work. It will also be considered a violation of this policy if an employee tests positive for illegal or controlled substances on any drug test that is administered pursuant to applicable government regulations (e.g., DOT physical exams) even if such test is taken on an employee's day off. In addition, arrests or convictions for off-the-job use may be considered a violation of this policy depending on the circumstances as determined by the company.

YFAI reserves the right to conduct searches of Employee lockers, desks, vehicles or personal effects such as purses, packages, brief cases and lunch boxes brought onto Company property (including vehicles). Employees have no expectation of privacy in any of these items or areas that are on Company-owned or leased property (including vehicles).

### **Drug Related Criminal Convictions**

All employees must report any criminal convictions to the Human Resources Department for drug-related activities in the workplace no later than five (5) days after the incident. Any employee who reports such an incident will be required to satisfactorily participate in a drug abuse rehabilitation program, where required by law, or be subject to the full range of disciplinary actions, up to and including discharge. Failure to report any such convictions will result in termination of employment.

### **Prescription Medicines**

Nothing in this policy prohibits the authorized use of prescription medication that is legally prescribed by a licensed health care professional. However, the employee must discuss with his/her health care professional any mind or mood-altering effects that medication may have or any effects it may have on the employee's ability to safely perform his/her job duties and responsibilities. In seeking such guidance, the employee must accurately describe for his or her physician the nature of his or her work and working environment. Upon reporting to work and before commencing any of his or her duties, the employee must inform his or her supervisor of any work restrictions or safety risks, and request temporary accommodation if required.

### **Substance Testing**

Employees and applicants for employment may be required to submit to substance testing to determine the presence of illegal or controlled substances or alcohol within their systems. YFAI shall determine the appropriate method for such testing, which may include, but is not limited to, urine, breath, saliva, hair follicle tests, or any other recognized valid and reliable testing procedures.



Testing for illegal or controlled substances and alcohol may be required under the following circumstances:

Reason for Testing	Definition
<b>Pre-Employment</b>	Pre-employment testing is done as a condition of employment in the United States. Applicants who test positive will have their offer of employment withdrawn. This includes all employment and re-employment, whether for temporary, part-time, or regular full-time positions.
<b>Post Incident Reportable Injuries</b>	An incident involving a reportable injury, near-miss situations, or no injury at all when the Company determines that there is reason to believe the employee may have been negligent or otherwise may have been at fault (in whole or in part) in causing the incident. A reportable injury is one that involves medical treatment (other than first aid), a loss of consciousness, and restriction of work or motion, requires transfer to another job, or results in lost time.
<b>Incidents While Operating Equipment or Vehicles</b>	A workplace or work time accident or near miss accident involving equipment when the Company determines that there is reason to believe the employee may have been negligent or otherwise may have been at fault (in whole or in part) in causing the accident. This section of the policy also applies to drivers of any Company-owned or leased cars, trucks or powered pieces of equipment, such as forklifts. It also applies to anyone receiving a car allowance for an owned, leased or rented vehicle, which is used for Company business.
<b>Property damage</b>	An accident that causes damage to Company property, leased property, and employee or customer property, including, but not limited to, products, physical plants and vehicles when the Company determines that there is reason to believe the employee may have been negligent or otherwise may have been at fault (in whole or in part) in causing the property damage.
<b>For Cause/ Reasonable Cause</b>	If the Company has a reasonable suspicion to believe this policy is being violated. The decision to request a test will be made on factors such as, but not limited to, an employee's speech, erratic or disruptive behavior, appearance, motor skills, smell, and performance of job duties or an admission. The Company may base its determination of reasonable suspicion on any source of information it deems appropriate including information from, but not limited to, co-workers, supervisors, and customers.
<b>As Required</b>	To comply with Federal, State, Provincial or Local Laws or with legally valid client/customer requirements.

## Retesting

An employee submitting to a test for illegal or controlled substances or alcohol under this policy, shall have the right to request a second test within five days of being notified of a positive test result. The employee may have the second test done on the original sample at any approved laboratory. The second test shall be at the employee's expense. A qualified medical doctor or professional will determine which test result is correct in the event of different results.

## Disciplinary Action

A positive test will result in termination.

- In the event an employee is suspended pending results of a test, and the results are negative, the employee will receive pay for time off provided the incident, which triggered the test, does not separately warrant a disciplinary suspension.
- An employee's refusal to submit to, or facilitate searches of, the employee's locker, desk, vehicles or personal effects such as purses, packages, brief cases and lunch boxes will result in disciplinary action, up to and including discharge.
- An employee's refusal to submit to a test when requested to do so will be considered insubordination and will result in disciplinary action, up to an including discharge.
- Any attempt to obtain false or misleading results, including failing to appear for a scheduled test, postponing or rescheduling a test without approval of an appropriate manager, or submitting an adulterated or false sample, shall be considered fraudulent behavior and have the same effect as refusing to consent to the test.

"Drugs" or "Controlled Substance" as used in this policy, refers to alcoholic beverages and any substance or narcotic taken or possessed not under the supervision of a licensed health care professional including, but not limited to, marijuana, cocaine, crack, PCP, heroin, hallucinogens, amphetamines, depressants and barbiturates.

It also includes prescription and over-the-counter medications which are being used illegally, or other than as prescribed, and inhalants, such as glue and nitrous oxide.



## CORRECTIVE ACTION

The Company's best interest lies in ensuring appropriate treatment of all employees and in making certain that corrective actions are made promptly and impartially. The major purpose of any action is to correct the problem, prevent recurrence, and prepare you for satisfactory service in the future. Although employment with YFAI is based on mutual consent and both the employee and YFAI have the right to terminate employment at will, with or without cause or advance notice, YFAI may use progressive discipline at its discretion. Before or during imposition of a discipline, employees may be given an opportunity to relate their version of the incident or problem at issue and provide any explanation or justification they consider relevant.

Where appropriate, a policy of progressive corrective actions will be followed.

- **Verbal Warning:** This is a verbal warning that your conduct is unacceptable and that further infractions will lead to more severe penalties. This warning will be documented and placed in your personnel file.
- **Written Warning:** This warning will describe the unacceptable conduct or performance, and specify the improvement needed. This written warning will be documented and placed in your personnel file.
- **Final Warning With or Without Suspension:** The length of the suspension will vary based on such factors as the severity of the infraction, your performance and disciplinary record. You may be suspended for repeated instances of minor misconduct, or for a single serious offense. A suspension will be an unpaid penalty time period. A record of suspension will be retained in your personnel file.
- **Termination:** If you fail to improve your conduct or performance, you may be subject to termination of employment. You may also be discharged immediately depending on the severity and specifics of the case.

Notwithstanding the foregoing progressive disciplinary procedure policy, YFAI reserves the right to administer corrective actions in such a manner as it deems appropriate to the circumstances, and may, in its sole discretion, eliminate any or all of the steps in the progressive corrective actions procedure. Progressive corrective actions will stay "active" for a 12 month rolling period.

If trends in poor working habits or performance continue, you are subject to termination of your employment. By using progressive performance and corrective actions, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and the Company.

## ATTENDANCE POLICY

Each and every employee has a special “skill set” that brings value to the employee’s team. Being at work every day at the scheduled time is expected and is an important part of all employees’ responsibilities to their fellow team members.

Employees who cannot report for work are required to report in to their supervisor or manager at least one (1) hour before the start of the assigned shift each day of your absence. This call must be made by you personally. A call from a family member will not be accepted, except in very limited circumstances involving an employee’s total incapacity. You are also required to follow call-in procedures for scheduled overtime or when the company requires you to work a different shift. Failure to follow the call-in procedures will result in the doubling of attendance points for that absence.

Employees who miss two (2) or three (3) scheduled work days, not to exceed five (5) days, consecutively for a medically related reason, must provide documentation from a licensed medical provider upon their return to work. One unexcused absence point will be assigned to cover all days associated with the absence.\*

For serious health conditions exceeding 3 days, FMLA should be requested. If the absence does not qualify, a medical provider’s release must be turned in prior to the employee returning to work.

Employees out for longer than one (1) week, must make contact with a member of the Human Resources team each week they are off work until the employee qualifies for Short Term Disability Benefits.

If you have three (3) consecutive workdays no-call/no-show, we will assume you have voluntarily resigned from employment.

When your scheduled shift begins, you are expected to be in the plant and at your appropriate workstation ready to begin work.

### Point System

Type of Absence	Point Amount
Full Shift Absence	<b>1 Point</b>
Consecutive Shift Absences (Up to 5 Days; see policy*)	<b>1 Point</b>
Late (Less than or equal to 2 Hours)	<b>½ Point</b>
Late (More than 2 Hours)	<b>1 Point</b>
Leave Early (Less than or equal to 2 Hours)	<b>½ Point</b>
Leave Early (More than 2 Hours)	<b>1 Point</b>

## Corrective Action

Corrective attendance actions occur as a result of your attendance record in a twelve (12) month rolling calendar period based on the following point totals:

Corrective Action	Point Amount
Counseling With Immediate Supervisor	<b>3 Points</b>
Written Warning/ Discussion with Manager	<b>4 &amp; 5 Points</b>
Final Warning	<b>6 Points</b>
Termination	<b>6+ Points</b>

There may be times when your absence points are accumulated in between attendance reporting times. You will be placed at the proper step in the process based on the points accumulated regardless if earlier warnings have not been documented and delivered. It is your responsibility to keep up with your attendance at work and the expectation is you are aware of your attendance habits at all times. Excused absences include:

- Approved Vacation
- Short Term Disability (see reference)
- Jury Duty
- Bereavement Leave
- Military Service
- Approved Personal Days
- Approved Family Medical Leave

During the first 90-days of your employment, any unexcused absences will result in immediate termination of employment.

## Personal Days

Each employee is granted three (3) unpaid personal days each calendar year. Allocation of personal days will be handled on a prorated basis, by quarter, for employees who are hired during a calendar year:

Hire Date	Personal Days Granted
January - April	3 Personal Days
May – September	2 Personal Days
October - December	1 Personal Day

Personal days should be used for doctor appointments, personal absences, personal illness, illness of a minor child, family emergencies, etc. Personal days must be used within the calendar year in which they are granted. Employees are required to speak directly with the appropriate Supervisor/Manager to request a Personal Day. Personal days should be scheduled and approved in advance when possible, however, the call-in procedures would apply when notice is less than twenty four (24) hours.

Personal days cannot be used the day before or the day after a company paid holiday. Personal days may also be “blocked” on certain days to support production continuity. When this occurs, prior notice will be given.

Personal days taken as outlined above are considered excused absences and do not count against the associate’s attendance record.

## **EMPLOYEE BADGES**

Controlling access to our facility helps to ensure a secure environment for our employees and protection of proprietary product information. Identification badges are used to accomplish this objective. At the time of employment, every employee in the facility will receive an identification badge. Badges should be on your person at all times. Employees should report misplaced badges to Human Resources immediately. There is a \$5.00 replacement fee for lost badges.

## **DRESS CODE AND APPEARANCE POLICY**

Appropriate dress and personal appearance will contribute to a safe and customer oriented work environment. Personal hygiene, neatness, and cleanliness are important to those who work closely with you. A "common-sense" approach to hygiene and appearance will contribute to a successful team-oriented work environment. It is also important that all employees’ health and safety on the job be protected from unreasonable risks concerning dress and appearance in the work environment.

The Fountain Inn facility standard dress code is YFAI logoed attire which is provided to our employees upon hire. Additional apparel can be ordered at the employee’s expense.

Employees working in an office environment for the majority of their worktime and/or who may have frequent contact with customers and/or external vendors, must adhere to a business casual dresscode, including collared, YFAI logoed shirts and pants (non-denim).

YFAI issued and or purchased uniform apparel may not be modified and/or altered without prior authorization.

### Inappropriate Attire:

- Torn and/or ripped clothing
- Non-YFAI logoed hats (unless for a religious purpose)
- Open-toed/heel shoes on the production floor.
- Printing on shirts/outerwear which includes obscene, harassing language or pictures.
- Politically charged images that distract from workplace goals.
- Strapless, spaghetti strap or tank tops.
- Clothing which is extremely tight or extremely loose.
- Clothing which allows undergarments to be exposed.
- Tops or bottoms which show exposed flesh when bending, stooping, or stretching.
- Baggy pants/shorts which hang down below waistline with undergarments showing

On days when the required YFAI logoed apparel is not required as the standard uniform, the guidelines listed below should be followed:

### Appropriate Attire for Manufacturing / Operations Personnel:

- Pants, shorts no shorter than mid-thigh
- T-Shirts, Golf Shirts, Button-Front Shirts

### Appropriate Attire for Office / Support Personnel:

- Pants, Colored Jeans
- Golf Shirts, Button-Front Shirts
- Dress Denim Pant/Skirt Suits
- Blue Jeans if working on production floor

Management reserves the right to determine appropriate dress if not specifically addressed in the policy. If your choice of clothing is determined to be inappropriate, including style, graphics, or fit, your supervisor or manager will require you to make changes. Hourly and non-exempt employees will not be compensated for any time missed because of failure to comply with this policy. If you have any questions about what is considered to be safe or proper attire, please ask your supervisor or manager.

## JOB AND SHIFT VACANCIES

We believe in giving people opportunities to advance within the Company. All open hourly positions (unless it's determined the position will not be filled) will be posted on the employee bulletin board. In addition, salary positions will be posted on the YFAI website. If you are interested in being considered for the job, you should follow the instructions to apply. All or some of the following criteria will be used in determining whether a candidate meets the minimum qualifications of the opening:

- Experience and Training
- Leadership Behaviors
- Job Performance
- Aptitude or Achievement Tests
- Formal Education
- Attendance
- Communication Skills
- Medical Exam (if required for the position)

The goal for filling all openings is to select the most qualified candidate based on ability, performance, and a demonstrated sense of responsibility without regard to race, color, religion, sex, age, national origin, veteran status, marital status, disability, sexual orientation, or position in the organization. The Company believes in a "promotion from within" practice while at the same time seeks to select the most qualified individuals to fill available positions. Interviews will be conducted from among the top qualified candidates (internal and possibly external) to fill the vacancy.

### Position Posting

When full-time positions become available, positions will be posted for full-time YFAI employees. For positions that require specific technical, leadership and/or business skills, interviews may be required. In all instances, the following is required to be considered for a full-time job posting:

- Must be a full-time YFAI employee;
- No quality and/or safety written warnings within the proceeding 6 months;
- Three (3) or less attendance points;
- No voluntary changes in position and/or shift within the proceeding 6 months.

When job postings are awarded, a maximum 30 day training window may be applied to allow proper staff training to take place.



## Shift preference

Employees will be able to apply to work on their preferred shift under the following conditions:

- A full-time opening in the employee's desired department becomes available;
- The employee has no quality and/or safety written warnings within the proceeding 6 months;
- The employee has 4 or less attendance points;
- The employee has not been awarded into a new position and/or a new shift within the proceeding 6 months.

When shift changes are approved, a maximum 30 day training window may be applied to allow proper staff training to take place.

## NEPOTISM POLICY

Nepotism is the practice of favoring relatives because of their relationship rather than because of their abilities; favoritism or patronage granted to relatives in business (e.g., appointment to a job.) It is the policy of the company that no "related employees" are permitted to improperly influence the hiring, work responsibilities, salary, hours, career progress, benefits, termination or other terms and conditions of employment of "related employees."

For purposes of this policy only, "related employees" are those related by blood or marriage. The following examples are only illustrations of the types of conduct that may violate policy:

1. One employee, related by blood or marriage, works directly for another.
2. If a manager or supervisor employed or promoted a relative rather than a more qualified non-relative, that manager would be violating the nepotism policy.
3. A "related employee" is assigned to a position which would permit him/her to influence, or give the appearance of influencing another "related employee's" salary or other conditions of employment.
4. Two employees, married to each other, are in the same line of supervision (one supervises the other).

5. Any executive who has a span of control over an entire site or entity hires a “related employee” or has a “related employee” working within their site or entity.

Employees who marry while both employed by YFAI and are in a direct reporting relationship to each other are required to report said marriage to management immediately.

1. Employees, who marry while both employed by YFAI are “related employees” and treated in accordance with these guidelines.
2. One of the married employees will be required to transfer to another supervisor or department within a reasonable time frame, but not more than 30 days, following said marriage.

In no instance, may one “related employee” supervise, directly or indirectly, another “related employee.” “Related employees” are allowed to work in the same department or facility provided no implicit or explicit reporting relationship exists.

In addition, employees involved in a dating relationship with another current employee may not occupy a position that will be working directly for or supervising the employee with whom they are involved in a dating relationship.

YFAI also reserves the right to take prompt action if an actual or potential conflict of interest arises involving relatives or individuals involved in a dating relationship who occupy positions at any level (higher or lower) in the same line of authority that may affect the review of employment decisions.

If a relative relationship or dating relationship is established after employment between employees who are in a reporting situation described above, it is the responsibility and obligation of the supervisor involved in the relationship to disclose the existence of the relationship to management.

The individuals concerned will be given the opportunity to decide who is to be transferred to another available position. If that decision is not made within 30 calendar days, management will decide who is to be transferred or, if necessary, terminated from employment.

In other cases where a conflict or the potential for conflict arises because of the relationship between employees, even if there is no line of authority or reporting involved, the employees may be separated by reassignment or terminated from employment. Employees in a close personal relationship should refrain from public workplace displays of affection or excessive personal conversation.

## SOLICITATION AND DISTRIBUTION POLICY

YFAI prohibits the solicitation, distribution and posting of materials on YFAI property by any employee or non-employee, except as may be permitted by law and this policy. The sole exception to this policy are charitable and community activities supported by YFAI management and YFAI sponsored programs related to Company products and services.

Non-employees may not solicit employees or distribute literature of any kind on YFAI premises at any time. In addition, former employees are not permitted onto YFAI property except for official business, as may be authorized by law, or as authorized by Human Resources.

Employees, on-or-off-duty, may not solicit other employees during working times, except in connection with a YFAI approved or sponsored event. Working time includes the time the employee or the person soliciting or being solicited is or should be properly engaged in job duties.

Employees may not distribute literature of any kind during working times, or in any working area at any time, except in connection with a YFAI -sponsored event.

The Company e-mail system may not be used during working time to solicit or advertise for religious or political causes, commercial enterprises, outside organizations, or any other non-job related solicitations or advertisements.

The posting of materials in designated posting areas or electronic announcements via the Company's email system are permitted as long as such postings are not obscene or violate the Company's harassment policies. All postings and/or company-wide electronic communications must be authorized by Human Resources.

## ELECTRONIC COMMUNICATIONS

The personal computer has revolutionized the manner in which we communicate and do business. For the purposes of this policy, computing resources are defined to be all Company-owned or leased computer hardware, including workstations, mobile phones and laptop computers, software, networks and other assets. Electronic activity is any activity on computing resources including: the generation, modification or storage of data; the transmission or



receipt of data, including electronic messaging, e-mail, telephone systems, cellular phones/texting and faxing; and the viewing of data. Data includes documents, messages (including texts), information and software programs, generated, modified, stored, transmitted or received through electronic activity.

- Employees may use YFAI computing resources during working time for authorized business purposes only.
- Employees are expected to report security violations immediately via methods indicated in the corporate Ethics handbook.
- Employees must protect sensitive information and agree not to copy licensed software except in accordance with corporate policies, standards, and procedures.
- Employees must follow corporate policies, standards, and procedures where it relates to the reproduction, destruction, or modification of information.
- Sending, receiving, or displaying text or graphics that may be reasonably construed as obscene is prohibited.
- Employees may not download or use software from the Internet or from sources not authorized by management.
- Employees are not permitted to share UserIDs and passwords with anyone unless required to do so to troubleshoot a problem with computer equipment or the UserID.
- Employees cannot attempt to access resources without obtaining prior permission from management.
- Employees will be held accountable for all actions performed under the UserIDs assigned to them.
- The Company may monitor electronic activity for system maintenance or for other business reasons with or without notice to users. All messages created, sent, received or stored in the system are and remain the property of YFAI.
- YFAI reserves the right to access, review, copy, or delete information on its communications systems, including e-mail messages and disclose such information to any party (inside or outside YFAI) that it deems appropriate. While it is impossible to list all of the circumstances, some examples are the following:
  - When the Company receives a legal request to disclose e-mail messages;

- When the Company has reason to believe that the employee is using e-mail in violation of Company policies.

## **Use of Illegal Software**

The use of illegal computer software is against the law and contrary to the ethical standards of YFAI and will not be allowed. Under no circumstances are illegal copies of software to be made for either Company or personal use. Employees making, acquiring, or knowingly using unauthorized copies of computer software or allowing others to make unauthorized copies of Company-acquired software will face corrective action up to and including termination.

## **INCLEMENT WEATHER**

Our employee's health and safety is extremely important to us. When it appears that the local weather may compromise the operability of the facility, we will make the best informed decision and will communicate the status of the plant/business closure.

Information regarding plant/facility closing will be available in the following communication avenues:

- Plant Communication Phone Line:

In the event that the plant is open, all current attendance requirements will be in effect. It remains everyone's individual responsibility to arrive safely and on time. Please allow extra time when driving.



## **REDUCTION IN FORCE**

One of our primary objectives is to ensure that every full-time YFAI employee has steady employment. Managers and Supervisors, at all levels, will exercise care in determining their need for people so as to minimize the possibility of a reduction in our work force. In the event it is necessary to reduce our workforce, the following actions may be taken prior to any such reduction:

- Employees will be encouraged to use their vacation time.
- The use of outside contract work will be minimized or eliminated.
- Volunteers may be given the opportunity to take time off without pay.
- Consideration will be given to a four day work week or to a plant shutdown period.

In the event a reduction is necessary, employment will be reduced to meet the needs of the business. The order of the layoff is determined by management based on the skills, knowledge and abilities that are necessary to perform ongoing or future work. When management determines that one or more employees possess substantially equal skills, knowledge, and abilities, the order of the layoff will be determined by length of service.

# SAFETY POLICY AND PROCEDURES



## **HEALTH AND SAFETY COMMITMENT**

YFAI promotes the wellbeing of all employees. Our goal is to keep our dedicated staff and our world in good condition. Nothing is more important than the life and health of our employees in all working scopes and processes.

Our health and safety commitments include:

- Prevention of injuries and occupational illnesses through continuous improvement of the Health and Safety Management System.
- Exceed all applicable legal and Company requirements with regard to the safety and occupational hazards at each location.
- Reduce risks wherever chemical, combustible, explosive, poisonous or any other kinds of hazards exist. Continually improve preventive safety measures in order to protect people from any harm.

Efforts to create a safe and healthy working environment and to promote safety skill and awareness are the duties and obligations of all management and employees.

## **ENVIRONMENTAL MANAGEMENT SYSTEM**

While engaged in providing first-class automotive interior systems, the Company is focused on reducing any negative impact of products, activities and services onto the environment. Our goal is to be an excellent, environmental friendly, and sustainable corporate citizen.

Our commitments are:

- Exceed all applicable legal and other requirements.
- Promote continuous improvement of Environmental Management Systems and environmental performance.
- Promote pollution prevention; strengthen the management of chemicals and hazardous wastes to minimize any unfavorable impacts on the environment.



- Actively seek the opportunities to increase the utilization rate of energy and other natural resources, as well as reduce waste / landfill usage by means of recycling and reuse.
- Proactively take part in environmental social activities and make contributions to solve the environmental concerns.

## **SAFETY POLICY AND PROCEDURES**

Working in a safe, conscientious manner is a reasonable expectation and a measure of individual performance. Safety rules are established to protect our employees' health and welfare. Employees are expected to know and comply with all safety rules.

Our goal is to obtain a world class safety rating. To reach this goal, all employees must be adequately trained, possess the necessary skills and maintain good safety awareness.

Accident prevention is everyone's responsibility. Personal injuries and loss of property as a result of accidents are unnecessary and most often, preventable.

The following safety considerations, if followed, can help prevent accidents.

- Employees are expected to come to work prepared with appropriate attire and required personal protective equipment.
- Look around your work area for items that might be a hazard.
- When operating machinery and/or tools, employees must use guards and safety devices as they are designed to protect.
- If you are servicing or repairing equipment, make sure the equipment is properly locked out in accordance with the required Lock Out/Tag Out procedure.
- All drink containers in production or meeting areas must be sealed with a lid to prevent spilling.
- It is critical that employees report any unsafe acts, unsafe conditions, damage to company property, a near-miss or any injury, no matter how insignificant to a member of the management team.



## SAFETY RULES

- Unauthorized operation of or tampering with equipment is prohibited. No employee will be around or operate a machine unless he or she has been trained in the use of the machine. Only properly certified/authorized employees may operate powered industrial trucks and overhead cranes.



- Equipment safety switches will not be bypassed or taped up. No machine shall be operated unless all safety guards are in place. Employees must never intentionally bypass a Poke-yoke device.
- Unsafe conduct, such as pushing, shoving, running, horseplay, fighting, or threatening behavior is prohibited on Company property.
- Fire extinguishers, eye wash and safety showers, and all other emergency equipment and exits will be kept free from obstacles. In addition, sharps containers must be maintained on the production floor and disposed of properly. Know the location and use of this equipment in your area.
- Make sure you know and understand the departmental safety rules of the area where you are working. When your duties take you into other operating areas, know the safety rules of those areas and be governed by them.
- All water spills, oil spills, leaks, etc. are to be cleaned up immediately. If for any reason it is not possible to do, mark the spill or leak area with safety cones. No work other than clean-up operations are to be performed which requires employees to take steps through the spill or a leak.
- All machinery will be “locked out” prior to performing maintenance. Follow “lock out” procedures.
- Food and open-container drinks must be confined to authorized break areas. All clear personal drink containers in production or meeting areas must be sealed with a lid to prevent spilling. The containers can contain ice and water only.
- All employees will report to the designated locations for accounting at each drill or alarm. Know the location of fire and safety exits.
- Cut-resistant gloves and sleeves are required when using scissors or other tools with sharp edges. Position free hand in such a manner that it will not be in the path of the cutting edge. Always cut away from the body and be alert at all times.
- Lift correctly; grasp object to be lifted firmly, push upward with legs, keeping body straight. No attempt should be made to lift objects that require undue strain. Get help when needed. Do not lift over 35 pounds.

- **PERSONAL PROTECTIVE EQUIPMENT**

As part of our safety program, all Employees will be given training in the use of personal protective equipment used on the job. We will also conduct periodic specialized training in the use of CPR, First Aid, Emergency Procedures, and other training as required by the Occupational Safety and Health Administration.

All employees, as a condition of employment, are to wear approved eye, ear, and foot protection in designated areas when working in or visiting any manufacturing area.

Failure to wear required personal protective equipment will result in corrective action.

### **Steel Toe Safety Shoes**

Steel Toe safety shoes protect employees from serious toe injury and must be worn by everyone who works in the plant. The Company will provide up to \$100 for one pair of approved safety shoes upon initial employment (within the first year of employment) through the company-approved provider.

The Company will contribute up to \$100 for a new pair of safety shoes per calendar year, in the employees anniversary month.

### **Safety Glasses**

Employees are required to wear approved safety glasses with side shields when on the plant floor.

Upon employment, employees will be provided, free of charge, an initial pair of non-prescription safety glasses. Replacement cost for misplaced safety glasses is at the employee's expense. If non-prescription safety glasses are damaged due to work related activity, they will be replaced free of charge.

Prescription lenses, if required, will be provided upon employment. Lens enhancements (i.e.: as no-line bifocals) are paid for at the employee's expense. A full overview of the prescription safety glass program is available through the EHS department

After initial employment, the following guidelines apply to renew prescription safety glasses:

- Eye examination fees are at employee expense. This expense may be offset by obtaining vision care insurance.
- YFAI will provide ANSI approved prescription safety glasses, which includes, frame, lenses, polycarbonate lenses, and permanently attached side shields every other year. This is available only with a new prescription for lenses.
- If an employee's prescription should change after 1 year, YFAI will replace lenses only for the same frame.

- YFAI will provide prescription safety glasses that are damaged due to work related activity.

## Hearing Protection



Hearing protection may be required in designated areas when working or visiting any manufacturing area. Before entering a production area, please check the required PPE. Hearing protection will be provided if required.

## HAZARDOUS COMMUNICATION

Safety Data Sheets (SDS) of all chemical substances used in the plant are available upon request. Only preapproved chemicals having an SDS on file are allowed in YFAI facilities.

All employees will receive periodic training concerning the chemical substances found in the workplace. Such training will include:

- Requirements of OSHA Standard CFR 1910.1200.
- Review, explanation, and location of the Safety Data Sheets (SDS).
- Work practices you can use to protect yourself and the proper use of personal protective equipment.
- How to read, interpret, and use the information contained on chemical substance labels and Safety Data Sheets (SDS).

All employees exposed to chemical substances must be advised by their Supervisor of any associated chemical hazards and any required protective measures.

All Safety Data Sheets (SDS) are located as a hard copy in the Safety Office, on a disk, and on the desktop of every YFAI Fountain Inn maintained computer.

## WORK AREAS

In accordance with Health and Safety Policies and Procedures for the health, safety and welfare of our employees, contractors, and visitors, work areas must be kept clean and orderly at all times.

You are responsible for maintaining work and common break areas in a clean and orderly fashion. To fulfill this responsibility, you are required at a minimum, to do the following:

- Place coats, boots, umbrellas, and other items of clothing in designated areas so that work stations are not unnecessarily cluttered.

- Consume any food or beverages (in open containers) only in the cafeteria or in employee break areas so that work areas are kept free of food and related litter. Only clear liquids are permitted in production areas.
- Prior to the end of the workday, clean and store all tools and equipment and properly secure any items, papers, or information of value.

Supervisors and Managers are responsible for having their employees maintain their work areas according to the requirements of this policy. This includes:

- Ensure that aisles, floors, and walls are free of debris and other unnecessary items and that all end-of-the-shift tasks have been performed;
- Monitor the facilities and equipment and issue maintenance requests where appropriate;
- Arrange for the removal of any items from the workplace that are not needed for the flow of business or the enhancement of employee safety;
- Report any existing or potential workplace hazards and safety violations to your Supervisor, Manager, or HSE Coordinator.
- Ensure the proper disposal of all trash, waste, and scrap.

You should inform your Supervisor, and/or Manager of any concerns about working conditions. You must abide by the smoking restrictions established by state or local law and may smoke only in the areas where it is specifically permitted by our policy.

## **ELECTRONIC DEVICES POLICY**

Personal cell phones and other electronic devices such as smartphones, two-way radios (unless work related), headphones, pagers, I-pods, MP3 players, cameras, video cameras, televisions and CD players cannot be used during working times. All electronic communication devices may only be used during non-working times, in non-working areas, for example, employee break/meal times.

Cell phones may be used in a work area for business purposes. In addition, managers and supervisors may need to take pictures of the facility or products in an effort to capture specific areas of concern. Managers and supervisors with a specific business need for having a cell phone in the work area are encouraged to use extreme caution, resolve the issue quickly, and put the phone away immediately following the business at hand. If possible, managers with business cell phones should go to a non-production area in order to make or receive work-related calls.

## THREATS OF VIOLENCE

YFAI goal is to provide all employees with a safe, violence-free workplace. Therefore, threats of physical violence or acts of actual violence against employees, visitors, guests, or other individuals by anyone on Company property are prohibited and will not be tolerated. Such actions should be reported to a supervisor and/or Human Resources immediately so the appropriate action can be taken.

The following conduct is strictly prohibited under this policy:

- Physical Assaults – Any physical assault such as hitting, pushing, kicking, holding, or other unwelcome touching. Physical damage to company property.
- Physical violence – Any threats of physical violence, including direct verbal threats, or physical intimidation. Verbal confrontations that escalate to a potential threat of physical violence
- Possession of Weapons – Any possession of weapons, including firearms, knives, chains, dangerous chemicals, explosives, or other objects carried for the purpose of injuring or intimidating others.

Employees are encouraged to report violations of this policy to a supervisor or to Human Resources, or to call 911 for outside assistance. Employees are encouraged to err on the side of safety when determining whether to report anything which may constitute a violation of this policy. Retaliation against individuals who report violations of this policy is strictly prohibited.

In addition, if any employee feels that he or she is in danger of suffering an injury, notify Human Resources so that an assessment of the appropriate security measures can be made and undertaken.

Employees who believe they may commit an act of workplace violence are encouraged to seek immediate assistance from the Employee Assistance Program.

Employees who may be involved in or who witness a violent incident in the workplace may benefit from counseling or other forms of assistance. Resources are available through the Employee Assistance Program to provide such support.

Anyone who makes threats of physical harm, engages in physically threatening behavior, or engages in violent acts on YFAI property will be disciplined, up to and including termination of employment. In keeping with our commitment to provide a safe workplace, the possession or use of any weapons (guns, knives, etc.), explosives, or other hazardous substances or devices on Company property is also prohibited. Our employees, customers, suppliers, and guests are prohibited from possessing firearms or other weapons during work hours, while on our property and at events sponsored by

YFAI. You are further prohibited from carrying weapons in employer provided vehicles or in personal vehicles while performing company business.

## VISITORS IN THE WORKPLACE

All access entrances into the Company will be locked at all times and badge access controlled. Anyone entering the facility must have an employee badge or present a photo ID and sign-in at designated entrances in order to receive a temporary badge. This includes visitors, vendors, and other individuals not currently employed at the facility. The temporary badge must be worn and visible at all times while in the facility.

If you see any individual without a badge, employee or visitor, it is your responsibility to ask the individual if they have a badge. If they don't have one, you can let them know they are not authorized to be in the facility and you can help them get in contact with their YFAI contact and sign-in properly (if you are uncomfortable challenging an unidentified individual, please contact your supervisor or manager immediately).

If an employee has a visitor, the employee is responsible for escorting the visitor at all times in the facility, for the visitor's conduct, and must provide the visitor personal protective equipment (if applicable).

Children are not readily visible to material handling operators or other personnel moving about their job. Children are also inquisitive and have a tendency to dash away from adults to investigate the unknown. In order to provide a safe environment for employees and visitors at the facility, no one under the age of 18 is allowed in the operations area without prior approval from Human Resources and/or Safety and this authorization is strongly discouraged while work is in process. If an employee has a business need while children are in their care, the employee must stop at the visitor lobby and ask for assistance or contact their immediate supervisor. Guest of employees, including children must remain in the visitors lobby with adult supervision at all times.

In addition, former employees are not allowed on Company property. Any employee found admitting a former employee through one of the employee entrances will be subject to corrective action up to and including termination of employment. If you see an unauthorized person at work, notify your supervisor immediately or direct the person to the reception area.



## TOBACCO USE AND SMOKING

Tobacco use and smoking will only be allowed in the designated tobacco use and smoking areas only.



THANK YOU FOR  
OBSERVING OUR  
NO SMOKING  
POLICY

The use of tobacco products, including e-cigarettes (vapor) and chew tobacco and non-tobacco products, is not allowed in the manufacturing area, restrooms, lunchroom, office areas, training room, outside of the employee's car in the parking lot or the entrance and exit areas. The designated tobacco use and smoking area will be provided as long as it is maintained at an acceptable level and users will be required to dispose of tobacco and smoking material (i.e., cigarette butts, cigars, etc.) appropriately.

## WORKERS' COMPENSATION

*(Employee Reporting Requirement Policy)*

The Workers' Compensation Employee Reporting Requirements Policy will communicate the employee requirements for the reporting of work-related injuries or illness. Workers' Compensation covers all employees for all injuries or illness that occur as a result of performing their job duties through the course of employment.

YFAI has the responsibility to provide each employee with a safe place to work and prompt medical treatment in the event of a work-related accident or illness. Employees have the responsibility to work safely, report unsafe work conditions, report injuries immediately and in the event of an injury or illness, return to work as soon as released by the physician.

Injuries that result from an activity that is social or recreational are not normally covered by workers' compensation. This includes lunchtime sporting activities. Injuries that occur during these activities and need medical attention should be reported to your health insurance company.

All injuries incurred on the job must be reported to your appropriate supervisor, Health and Safety, or to Human Resources immediately. An employee who is off work due to a work-related injury or illness diagnosed by a physician and approved will receive payments from Workers' Compensation; not through YFAI. Benefits will be paid in accordance with your location's state law.

In order to assist with prompt medical attention and a safe return to work, employees must use the following procedures for work-related injuries or illnesses.

1. All injuries and illnesses must be reported IMMEDIATELY to your team lead/supervisor and the Health and Safety manager.



2. The Health and Safety manager must authorize all outside medical treatment. In the event that the safety manager is not available to give authorization, appropriate medical care will be given and the safety manager will be notified as soon as possible.
3. Medical treatment obtained without company approval may not be covered by Workers' Compensation.
4. All medical restrictions must be reported immediately to the Health and Safety Manager. Employees with restrictions (including a no-work restriction) due to an on-the-job injury or illness are required to report to work as scheduled, report directly to the Safety Manager's office, and wait until the Safety Manager performs an assessment of light duty work assignments that may be available to the employee.
5. Employees are required to provide the safety manager with all medical discharge instructions and prescriptions. Employees are encouraged to schedule follow-up appointments during off work hours.
6. Light duty assignments may be available for workers with restrictions associated with an on-the-job injury or illness. The EHS department will work with employees where this option is available.
7. The employee is responsible for informing the treating physician/agency that if a return-to-regular work is not possible, the company will provide suitable modified work based on the physical restrictions identified.
8. The employee is responsible for co-operating with the employer in identifying suitable work that is consistent with any medical restrictions identified.
9. The employee is responsible to maintain communication and provide the safety manager with all required documentation and follow-up information throughout the duration of the process. Failure to do so may result in a claim denial.
10. The employee is responsible for cooperating with health care initiatives and other rehabilitation measures to assist in the safe return to work process. Failure to do so may result in a claim denial or closing of claim.
11. Failure to report an injury immediately may result in corrective action.
12. Employees working under the light duty program are not eligible to work overtime.

## **EMERGENCY PROCEDURES**

Emergency signals and procedures have been established to guide all Employees in the event of a tornado, fire, or other emergency. Layouts are posted throughout the facility indicating Emergency Evacuation Routes, Tornado Shelters, and the location of emergency equipment. Please familiarize yourself with these layouts and our emergency procedures.

## **ACCIDENT INVESTIGATION**

All accident must be thoroughly investigated to ensure proper reporting takes place to eliminate the unsafe condition. Within 24 hours after an accident, we will investigate the accident using the Problem Solving Procedure (8D). All employees are expected to give full cooperation in an investigation.

## **NEAR MISS REPORT**

Near Miss Reports are available throughout our facility. It is important for near misses to be reported and investigated as it is for accidents or illnesses. Employees are responsible for documenting all near miss accidents on an accident investigation report.

## **SAFETY COMMITTEE**

YFAI is committed to a safe workplace and to the health and well-being of our employees. We have an active Safety Committee that meets regularly to review safety policies and practices and to conduct safety investigations and periodic inspections for hazards. Please give the Committee your full cooperation. We encourage all Employees to participate in the Safety Committee.

## **COMPANY AND PERSONAL PROPERTY**

Employees who want to take our property or equipment off premises must have their manager's written authorization. Removing property or equipment without authorization will result in disciplinary action, up to and including termination of employment. You are responsible for the proper care and return of all Company property and equipment assigned to their possession.

You may be searched, questioned, and subject to surveillance whenever the Company believes this is necessary to maintain security. All personal property brought onto the premises, such as vehicles, packages, briefcases, backpacks, purses, bags, and wallets, are subject to inspection. In addition, we may inspect the contents of lockers, storage areas, file cabinets, desks, and work stations at any time and may remove all Company property and other items that are in violation of our rules and policies.

# YOUR PAY AND BENEFITS

## COMPENSATION

YFAI compensation programs are designed to focus our employees on meeting strategic individual, team, and/or business group goals. These goals align with overall business objectives including the creation of shareholder value. Our philosophy helps us retain, attract, and motivate high caliber employees who work together for YFAI's continued success.

Human Resources conducts periodic reviews and surveys of local industry wages and benefits. As appropriate, adjustments to wages and benefits will be considered in conjunction with our business needs, pay philosophy and local industry standards.

## WORK SCHEDULE AND PAY

All employees will be notified of their expected work hours and starting wage at the time of hire.

The payroll period begins on Monday and ends on the following Sunday. Paydays occur every week on Friday for the preceding weekly pay period. If a payday falls on a holiday or weekend, employees will receive their direct deposit on the closest business day.

Paychecks will not be given to anyone other than the employee unless the employee has provided his or her Human Resource Representative with a signed, dated statement authorizing another individual to pick up the employee's paycheck.

Swiping another employee's time record or falsifying any time record is prohibited and may be grounds for disciplinary action, up to and including termination.

Occasionally regular full-time YFAI employees may be called in to work on their scheduled time off on an emergency or unplanned basis. When you are called in on an emergency basis, you will be paid a minimum of four (4) hours report in pay or the actual number of hours worked, whichever is greater.

If you come into work for your scheduled shift and your supervisor has no work available and sends you home, you will be paid a minimum of two (2) hours or the actual hours worked whichever is greater. If you are scheduled for training or project work, you will be paid for the actual hours clocked for the activity.

## DIRECT DEPOSIT

For the convenience of our employees and the Company, all employees are required to sign up for direct deposit. It is your responsibility to ensure that the bank account on file with the payroll department is current and accurate. Employees with direct deposit will not receive paper statements. Payroll information is available through ADP iPay Statement.

In order to view your pay statements and complete forms W-2, register for iPay via an Internet Browser through the following steps:

- Go to <https://ipay.adp.com>
- Click on “Register Now” and use Company Code: PCSZPF
- Enter the registration code: JCI2-W2
- Verify your identity.
- Enter your contact information. Enter your security information.
- View your user ID and create your password.
- Company Code: PCSZPF

Your password must contain between 8 and 20 characters and have at least one alpha and one numeric character. You will be assigned a system-generated User ID. The security questions you set-up will be used to verify your identity if you ever forget your User ID or password.

You have the ability to access and view your pay statement and Forms W-2, both current and historical (going back three years). You can also access the same document and information via your mobile phone by downloading the ADP Mobile Solutions App on your personal mobile device. The App is free and available for both Android and Apple users. If you have any issues accessing iPay, please call the EHRO Team at 1-855-505-8337 for further assistance.

## TIME RECORDS

In accordance with state and federal regulations, records must be kept of all hours worked by non-exempt employees, including overtime. Time cards or other record keeping methods may be used for this purpose. Each week your supervisor will be responsible to review and approve your time card. If there is a discrepancy with the hours on your paycheck, you should first go to your supervisor to make sure all time was reported correctly. Your supervisor is responsible to correct any errors related to hours submitted.

Before beginning work, all employees will be provided with a time badge, and will be instructed on how to use a time clock. Employees will be responsible for punching in and out according to the scheduled shift. Failure to punch in or out properly will result in an incorrect or a delayed paycheck as well as the assignment of unexcused absence points. If you fail to punch in or out correctly, or if you inadvertently make a mistake, you must contact your immediate Supervisor, or Manager promptly for correction.

The time badge is your responsibility. Worn or damaged badges must be returned to Human Resources. Lost badges will be replaced at a cost to the employee of \$10.00; payable via payroll deduction.

No employee may clock in/out for another employee. Failure to comply with this policy is a serious violation of company policy and procedure and may result in termination without prior warnings.

## **GRACE PERIOD**

To encourage promptness and preparation for the workday employees may clock-in up to 14 minutes earlier than the scheduled start of the shift. Time will be rolled down to the scheduled shift time. Employees are not permitted to conduct any work-related activities until the start of the scheduled shift. If approved by the supervisor and a business need arrives, employees may begin work and will be compensated for that time. Employees also will be given up to 14 minutes after the end of the scheduled shift to clock-out. Overtime will be paid after this point and must be pre-approved by the supervisor.

## **MEAL PERIOD**

YFAI provides a meal period during the course of each workday.

Supervisors/Managers are responsible for balancing work loads and scheduling the meal period and should take into consideration the work load and the nature of the job performed. Whenever necessary, the duration and time of meal periods may be changed.

Employees are allowed to leave YFAI premises during their meal period. You may not leave early or extend the meal period beyond the assigned period. Employees will be subject to attendance points if tardy when returning from their meal period.

A cafeteria area is provided for you to use during meal periods. No employee may consume food or beverages (except water in container with secure lid) in production areas. Employees on meal breaks should not interfere with other employees who are continuing to work.

## **REST PERIODS**

Hourly and nonexempt employees (those covered by the minimum wage and overtime requirements of the Fair Labor Standards Act) will receive a break.

Breaks may not be taken during the first (1) hour or last (1) hour of the work shift without permission from the supervisor, and/or Manager.

Supervisor/Managers are responsible for scheduling the time for nonexempt hourly employees' rest breaks and will consider the work load and the nature of the job performed. Whenever necessary, the frequency and time of rest periods may be changed due to safety requirements.

Time spent on rest breaks will be compensated as working time, and you are not required to clock out and in on your time cards. However, you are expected to be punctual in starting and ending your breaks; failure will result in attendance points.

Rest breaks may be taken in the designated smoking/break areas or cafeteria. You are not permitted to leave Company premises during this period. Food or beverages are prohibited in the work area at all times, including during rest breaks. Please do not interfere with other employees who are continuing to work.

Length of Shift	Length of Break
8 Hours	40 Minutes
10 Hours	50 Minutes
12 Hours	60 Minutes

## OVERTIME POLICY

Due to the cyclical nature of the business and our customers' needs, overtime hours may be necessary. From time to time, you may be asked to work longer than your normal scheduled shift. Your supervisor will give you as much advance notice as possible when extra work is required. Supervisors/Managers will try to attempt to fill overtime needs with volunteers. However, the Company reserves the right to require any employee to work overtime in order to meet customer requirements.

In accordance with all state and federal regulations, all non-exempt and hourly employees will be paid overtime for all hours worked over 40 hours in a workweek at a rate of 1.5x the base rate. Overtime hours will be considered as apart of the shift schedule whether it be voluntary or mandated. Normal attendance policy guidelines will apply to missed time.

## TRAVEL REIMBURSEMENT

It is important that all business expenses of employees reimbursed by YFAI meet the "necessary and reasonable" test which reflects sound business policy as well as compliance with the Internal Revenue Service and any other taxing authorities.

Expenses for approved travel will be paid or reimbursed when properly documented by the employee and approved by the departmental manager. Reimbursable expenses are those expenses of a reasonable nature and reasonable cost level which you incur for authorized travel.

All approved travel expenses should be submitted on the designated expense report with final approval by the appropriate manager before submitting to finance for reimbursement.

## **BENEFITS OVERVIEW**

YFAI offers a wide-range of benefits to eligible full-time employees that are competitive within the industry. Benefits protect you from the expense of serious illness/injury or loss of income due to non-work related disability. Available benefits are detailed in the Benefits Summary Plan and in your YFAI Personalized Benefit Program booklet. Your benefits may be personalized to fit your own particular needs. Benefits may include:

### **Health Care**

- Medical Insurance Plans
- Dental Insurance Plans
- Vision Insurance Plans
- Flexible and Dependent Care Spending Account, Health Savings Account

### **Income Protection**

- Employee Life Insurance
- Accidental Death and Dismemberment (AD&D) Insurance
- Optional Employee and Dependent AD&D Insurance
- Disability Plans

### **Long-Term Financial Security**

- Savings and Investment Plan (401K Plan)

### **Time Off and Education**

- Vacations and Holidays
- Personal Days
- Tuition Assistance

To the extent any information in this handbook conflicts with the information, procedures, or description of benefits in the applicable plan documents, the applicable plan documents will control.

You will be automatically enrolled in the high deductible health plan if you do not manually register yourself for medical benefits or choose to opt out.



Should you choose to opt out of benefits but would still like to participate in the FSA, you must manually sign up. You have 30 days from your date of hire to elect and enroll in your benefits program.

If you have a medical emergency before your packet arrives, let the doctor know you work with Yanfeng/Adient and provide your name, SSN, and DOB. It may take 4-6 weeks for your insurance cards to arrive.



## 401K SAVINGS PLAN

To assist our employees in planning and shaping their futures, newly hired employees will be automatically enrolled in the plan. With automatic enrollment, 6% of your before-tax pay will be deducted from your paycheck, deposited in your plan account, and invested in a retirement fund with a target date closest to the year you will turn 65. While this benefit is designed to make investing for your future easy, you are not obligated to participate.

## VACATION

YFAI recognizes that vacations are a valuable benefit designed to provide a time to relax and the opportunity to return to work refreshed. Accordingly, employees are encouraged to use all available vacation time in any given year. Vacation time cannot be transferred from one vacation year to the next vacation year. Every effort is made to accommodate employee desires with respect to scheduling of vacation time. Your supervisor is responsible for approving any such time.



Employees that have successfully completed their initial (90) day employment probationary period are eligible for vacation based on the following years of service:

<b>Years of Service as of 12/31 of the Vacation Year</b>	<b>Vacation Allowance</b>	<b>Monthly Accrual</b>
1 to 5 Years	80 Hours	6.66 hrs
5 to 10 Years	120 Hours	10 hrs
10+ Years	160 Hours	13.33 hrs

The vacation year will run from January 1st through December 31st. Vacation can be taken in advance of accruing time, but the employee's vacation balance will reflect a negative balance. \*A negative vacation balance will be deducted from the final paycheck.

Vacation pay is the employee's regular rate of pay for the approved time off and generally will be paid on the regularly scheduled payday. Vacation must be taken in a minimum of 4 hour increments.

Employees should submit vacation plans/requests to their Supervisor and/or Manager at least 48 hours in advance of the requested vacation date. The Supervisor and/or Managers are responsible for ensuring adequate staffing levels. The earlier the vacation request, the more likely the vacation request can be accommodated. Pre-planning of absences due to doctor's or personal appointments versus calling in the day of the appointment will greatly help with the staffing of your department and assure you that vacation time off can be granted. Plant leadership representatives have the right to deny the vacation request should personnel levels fall below manning requirements.

### **Shutdown**

YFAI anticipates shutting down the plant each year to coincide with its Customers' shutdown. When this happens, YFAI will give all employees as much advance notice as reasonably possible. YFAI reserves the right to require the use of five (5) vacation days during scheduled customer downtime as is standard throughout our industry. YFAI will make every attempt to communicate this well in advance.

### **Vacation Time for New Hires**

New employees begin to accrue paid vacation immediately but may not take any vacation until their 90 day introductory period has been satisfied.

For employees with less than one year of service, they will be credited with the following vacation entitlement based on their hire date. This schedule is based up on a date of hire on or before the fifteenth (15<sup>th</sup>) of each month. If the date of hire is after the fifteenth (15<sup>th</sup>), accruals would be based on the following chart:

## Unused Vacation

Employees who have not taken or scheduled all their vacation by the end of December will lose their time at the end of

Hire Date	Hours
After January 15th	80 Hours
After February 15th	80 Hours
After March 15th	72 Hours
After April 15th	64 Hours
After May 15th	56 Hours
After June 15th	48 Hours
After July 15th	40 Hours
After August 15th	32 Hours
After September 15th	24 Hours
After October 1st	0 Hours
November	0 Hours
December	0 Hours

unused vacation that month.

## HOLIDAYS

YFAI observes a number of holidays. While the number and list of holidays may change slightly each year to accommodate customer/business necessity or local practice, the holidays generally observed are:

- New Year's Day
- Martin Luther King Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day and Friday following Thanksgiving Day
- Christmas Eve and Christmas Day

To receive holiday pay, employees must work the full scheduled shift before and the full scheduled shift after the holiday. Vacation days will count as time worked before or after the holiday. Voluntary work during holiday breaks or shut-downs will not count as time worked before or after the holiday. An employee must work the first normal scheduled workday before and after the holiday to be eligible for holiday pay.

Pay for holidays will be calculated based on the employee's hourly wage. Only regular full-time employees are eligible for holiday pay.

If a recognized holiday falls during an eligible employee's paid vacation period, holiday pay will be provided instead of the vacation benefit being applied.

If an eligible employee works on a recognized holiday, he or she will receive 8 hours of holiday pay, plus wages for the number of hours worked on the holiday.

Paid time off for holidays will be considered as time worked for the purpose of determining and computing overtime pay.

If you are on a Medical Leave of Absence or Family Medical Leave you will not be eligible to receive holiday pay.

## **EDUCATION REIMBURSEMENT**

YFAI reimburses employees for education costs when the following criteria are met:

- The education is career/job related and to the mutual benefit of the employee and the company.
- There is a presumption of continued employment.
- All courses must be taken outside of work hours.
- Tuition reimbursement is not available to a) Temporary full-time or part-time employees; or b) Employees with an inactive status; or c) Employees with less than one full year of employment with YFAI; or d) Employees that are not currently meeting minimum performance requirements.
- Employees must obtain pre-approval by the management team for tuition reimbursement under this policy.

In no event shall an employee be entitled to the alternative of selecting additional taxable compensation in lieu of tuition reimbursement benefits.

For more detailed information, please see a member of the Human Resources Team.

## **LEAVES OF ABSENCE**

The purpose of this section is to identify the types of leave of absence offered to employees and the steps that need to be taken for an employee to be placed on a leave

of absence. Leaves of absence include Bereavement, Medical, Military, Jury Duty, Personal and Family Medical Leave.

In the event that a leave of absence is required, employees must contact Human Resources to receive appropriate information and procedures. Whenever possible, leave of absence arrangements should be made prior to the start of the leave, and it is the employee's responsibility to provide YFAI any required updates on their status for the duration of the leave of absence.

An unpaid personal leave of absence may be granted according to local standards. Unpaid personal leaves of absence are not automatically granted. You must get advance approval from your Department Manager and the Human Resources Manager.

Any employee who is found to be working at another job while on a leave of absence, medical leave, Worker's Compensation or leave approved under the FMLA will be terminated. Employees off work over one year will lose length of service and must re-apply for employment, unless the leave is covered under the military leave policy.

Benefits, such as vacation, do not accrue while on leave of absence, and Company health insurance may be continued provided that the employee arranges to pay and does pay the monthly premiums for coverage and/or that of dependents while on leave. In addition, wage adjustments will not be made during this period of time.

### **Medical Leave Of Absence (Must be approved by Short/Long Term Disability Provider)**

To help meet your financial needs if you are temporarily unable to work, the Company pays the total cost for your Short Term Disability (STD) and Long Term Disability (LTD) plan coverage. Both plans are designed to partially replace lost wages if you can't work. To be eligible for benefits, you must satisfy an elimination period, be under a doctor's care, be considered disabled, and provide all required documentation in a timely fashion to the STD/LTD administrator.

### **Bereavement Leave**

The loss of an immediate family member is a traumatic event in an employee's life. YFAI wishes to provide paid time off in the event of the death of an immediate family member.

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. YFAI regular full-time employees are eligible for Bereavement Leave (up to three work days ending on the day after the funeral) on the first day of employment:

Bereavement pay is calculated on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, bonuses, or shift

differentials. Pay for bereavement leave is not considered as time worked for the purpose of computing overtime.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their manager's approval, use any available paid leave for additional time off as necessary.

YFAI defines immediate family member, for the purpose of this policy, as:

- Parent
- Child
- Spouse
- Mother-in-law
- Brother
- Sister
- Step-Parent
- Step-Child
- Employee's Grandparent
- Father-in-law
- Grandchild

### **Military Leave**

This policy applies to all regular, full-time salaried and designated hourly non-union employees of all domestic businesses and the corporate office of Johnson Controls, Inc.

Members of a United States Armed Forces Reserve Unit or the National Guard are granted military leave for the period required to perform active duty for training or inactive duty training. Employees who are called for a Reserve or National Guard emergency will be granted an unpaid leave of absence in compliance with applicable state and federal law. Employees will be paid for the pay loss between military pay and their normal salary for up to two weeks of Reserve or National Guard duty.

Employees called to active duty in the Armed Forces will be placed on an extended unpaid leave in accordance with state and federal law and upon return will be reinstated to their former position or a position of like seniority, status or pay. Employees called to active duty in the Armed Forces should notify the Employee Relations department. Differential between military pay and allowances and regular salary (including any applicable shift premium) will be paid for up to two weeks of absence per year. Base salary (including any applicable shift differential) will be paid during the period of absence. Immediately upon returning to work, the employee is to present a copy of the military pay voucher so a proper deduction can be made from the next paycheck. Included in the deduction will be all base pay and all allowances (except those which are reimbursement for actual costs incurred, such as travel allowance) for each workday of absence.

Exceptions to this policy must be approved by the Group Human Resources Vice President and the Executive Director, Corporate Human Resources.

## **Jury Duty**

YFAI encourages employees to appear in court for witness duty when subpoenaed to do so. If employees have been subpoenaed or otherwise requested to testify as witnesses by YFAI, they will receive paid time off for the entire period of witness duty.

YFAI encourages employees to fulfill their civic duties and responsibilities by serving jury duty when required. Jury duty pay will be calculated on the employee's base salary. Only regular full-time employees are eligible to be paid for jury duty leave. Pay for jury duty is not considered as time worked for the purpose of computing overtime.

Employees must present the jury summons to their supervisor as soon as possible in order that arrangements may be made to accommodate the employee's absence. Of course, the employee is expected to report for work whenever the court schedule permits. Employee will receive full pay for Jury Duty, minus the amount compensated from courts. All monies compensated from courts should be turned in immediately to an immediate Supervisor or Manager.

If employee is NOT selected for jury duty, they are expected to report back to work.

YFAI may ask the employee to reschedule the period of jury duty if, in the company's judgment, the employee's absence, at the designated time, would create serious operational difficulties.

Insurance benefits will remain in effect and unchanged for the full term of the jury duty absence.

## **Family Medical Leave Act (FMLA)**

This policy establishes the requirements for family and medical leave and military family leave under the Federal Family and Medical Leave Act (FMLA). The Company provides leave in accordance with this law and any applicable state and local laws.

### *Eligibility Requirements*

Employees are eligible for FMLA if:

- They have worked for the Company for at least one year (need not be continuous); and
- They have worked at least 1,250 hours over the previous 12 months.

### *Calculation of Leave*

The Company calculates FMLA on a “rolling backward 12-month basis.” This means that the 12-month period is measured backwards from the date an employee uses any FMLA. Each time an employee takes FMLA, the remaining leave entitlement would be any balance of the annual entitlement that has not been used during the immediately preceding 12 months. However, a rolling forward 12-month basis is used to track the up to 26 weeks of family military leave available to care for an injured service member.

### *Types of FMLA*

The Company provides up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For the birth of the employee’s child, to bond with the employee’s newborn child, or for the placement of a child for adoption or foster care and to bond with that child;
- To care for the employee’s spouse, child, or parent (but not parent “in-law”), who has a serious health condition;
- For the employee’s own serious health condition that makes the employee unable to perform their job; or
- Because of certain military family leave entitlements or to care for a covered service member with a serious injury or illness as described in the section entitled Types of Military Family Leave.

### *Definition of Serious Health Condition Qualifying for FMLA*

- A serious health condition is an illness, injury, impairment, or physical or mental condition that involves:
- An overnight stay in a hospital or other medical care facility;
- Conditions that incapacitate the employee or the employee’s family member (spouse, child or parent) for more than three consecutive days and require ongoing medical treatment (either multiple appointments with a health care provider, or a single appointment and follow-up care such as prescription medication);
- Chronic conditions that cause occasional periods when the employee or the employee’s family member (spouse, child or parent) are incapacitated and require treatment by a health care provider at least twice a year; and
- Pregnancy (including prenatal medical appointments, incapacity due to morning sickness, and medically required bed rest),

### *Types of Military Family Leave*

#### *Qualifying Exigency Leave*



Eligible employees with a spouse, parent (but not parent “in-law”), or child on covered active duty or has been notified of an impending call or order to active duty status may use up to 12-weeks of leave to address certain qualifying exigencies.

Qualifying exigencies may include:

- Issues arising from the military member’s short notice deployment (i.e., deployment within seven or less days of notice);
- Attending military events and related activities;
- Certain child or parental care and related activities arising from the military member’s covered active duty, including arranging for alternative child or parental care;
- Making or updating financial and legal arrangements to address a military member’s absence while on covered active duty;
- Attending counseling for the employee, the military member or the child of the military member;
- Taking up to 15 calendar days of leave to spend time with a military member who is on short-term, temporary Rest and Recuperation leave during deployment; and
- Certain post-deployment activities within 90 days of the end of the military member’s covered active duty

### *Military Caregiver Leave*

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period.

A covered service member is either:

1. A current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is in outpatient status, or is on the temporary disability retired list, for a serious injury or illness. A serious injury or illness is one that was incurred in the line of duty on active duty that may render the service member medically unfit to perform the duties of his or her office, grade, rank or rating. A serious injury or illness also includes injuries or illnesses that existed before the service member’s active duty and that were aggravated by service in the line of duty on active duty; or
2. A veteran who is discharged under conditions other than dishonorable within the five-year period before the employee first takes military caregiver leave to care for that veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness. A serious injury or illness is one that was incurred by the veteran in the line of duty on active duty in the Armed Forces or that existed before the veteran’s active duty and was aggravated by service in the line of duty on active duty and is either:

- A continuation of a serious injury or illness that was incurred or aggravated when the veteran was a member of the Armed Forces and rendered the service member unable to perform the duties of the service member's office, grade, rank or rating;
- A physical or mental condition for which the veteran has received a Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater;
- A physical or mental condition that substantially impairs the veteran's ability to work because of a disability or disabilities related to military service, or would do so absent treatment; or
- An injury that is the basis for the veteran's enrollment in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

### *Benefits during FMLA Leave*

The Company will maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. For employees on paid leave, the employee portion of the premium payment will be deducted from the employee's paycheck. Employees who are on unpaid leave are responsible for making timely premium payments by contacting the Service Center at 844-689-7836.

If employee premium payments are more than 30 days late, coverage may be terminated. Employees may be required to repay the Company any premiums the Company paid on the employee's behalf.

### *Protections during FMLA Leave*

Upon return from FMLA leave, an employee will be restored to his or her original position or an equivalent position with equivalent pay, benefits, and other employment terms. If leave extends beyond the FMLA entitlement or the employee does not return to work at the expiration of the FMLA leave, the employee does not have return rights under FMLA. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

### *Substitution of Paid Leave for Unpaid Leave*

FMLA is generally unpaid. Employees may choose or the Company may require use of accrued paid leave while taking FMLA. Under these circumstances both the paid and unpaid leave count as family and medical leave. FMLA will run concurrently with short or long term disability leave, or worker's compensation leave. In order to use paid leave for FMLA leave, employees must comply with the rules of the Company's paid leave policies.

### *Use of Leave*

An employee does not need to use leave in one block. Leave may be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company's operations. Leave due to qualifying exigencies may also be taken intermittently.

### *Employee Responsibilities to Request Leave in Advance*

An employee must request leave from Human Resources. Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and must comply with normal call-in and attendance procedures. Failure to make a proper and timely request may result in denial of leave and discipline under applicable attendance rules. Employees must provide sufficient information for the Company to determine if the leave qualifies for FMLA protection and the anticipated timing and duration of the leave.

Once a condition has been approved for FMLA leave and the employee needs additional leave for that condition, the request must mention that condition or the need for FMLA leave. If the employee does not provide enough information to know that the leave may be covered by the FMLA, the leave may not be protected.

### *Medical Certification Required*

Employees will be required to provide a certification and periodic recertification supporting the need for leave. Failure to provide a timely and adequate certification or recertification may result in delay or denial of leave and disciplinary action or discharge.

### *Company Responsibilities*

The Company will inform employees requesting leave whether they are eligible under FMLA. Eligible employees will be informed of any additional information required as well as the employee's rights and responsibilities. Ineligible employees will be provided a reason for the ineligibility. Employees should immediately contact Human Resources if they dispute the Company's determination.

### *Fitness for Duty and Return to Work*

Employees taking FMLA leave for their own serious health condition must provide a fitness for duty certificate from a health care provider before returning to work. If the employee is provided a list of essential job functions, the fitness for duty certificate must address the employee's ability to perform these essential functions. If a complete fitness for duty certificate is not timely received, return to work may be delayed or denied.

Failure to return to work at the end of the approved leave may result in termination of employment. On returning to work, paid breaks are provided for nursing mothers.

## **TERMINATION OF EMPLOYMENT**

The Company requests that employees give two (2) weeks written notice of your intent to resign. If you are absent from work for three consecutive days without being excused or giving proper notice, we will assume you have voluntarily resigned from employment. All Company property must be returned prior to the employee receiving their final paycheck including:

- YFAI identification cards
- Keys
- Credit Cards
- Tools
- Cell Phone
- Computer Equipment

If you owe YFAI any money or are responsible for any lost or damaged property, those accounts are to be settled as originally agreed or by deduction from final pay, unless prohibited by law.

Eligible benefits, as defined by our continuation coverage plan, will be sent to each employee by the healthcare provider.

Requests for employment references are available via HR Atlas: 855-505-8337

Employees who terminate from the Company (voluntary or involuntary) will receive a payout of any accrued, but unused vacation. Vacation taken in advance of accrual will be deducted from the final paycheck.

## **BENEFIT CONTINUATION**

The Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under YFAI's health plan when a "qualifying event" would normally result in the loss of eligibility. Under COBRA, the employee or beneficiary pays the full cost of coverage at group rates plus an administration fee. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

YFAI provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under the health insurance plan. The notice contains important information about the employee's rights and obligations.



# LifeWorks

Healthy. Engaged. Productive.

YFAI recognizes that all employees experience problems of a personal nature during their lives, whether it is related to personal health or a family member's health, finances, emotional disturbances or substance abuse. Without treatment, these problems can affect family relationships, on-the-job performance, workplace relationships and attendance.

LifeWorks is an Employee Assistance Program (EAP) brought to employees free of charge by YFAI to help manage personal issues at work or at home. LifeWorks consultants are available 24 hours a day, 7 days a week, 365 days a year.

The program helps employees with personal issues from helping aging parents to raising safe and responsible kids, from dealing with stress to relationships and staying healthy. They are even available as a resource to help find a pet sitter or a landscaping service. In addition, LifeWorks helps by providing resources for:

- Marital conflicts
- Grief and loss issues
- Alcohol or drug abuse
- Legal problems
- Elder care resources
- Child care referrals

## **Will anyone at work know I'm using the EAP?**

A key element of the EAP is confidentiality. Regardless of the referral method, interaction with the local EAP coordinator will be held in absolute confidence. Your discussion with EAP counselors will be held in strictest confidence. No information is shared with anyone without your written consent. Your involvement with the EAP does not become part of personnel records and in no way affects your employment with YFAI unless participation is initiated by the company as a result of a documented performance problem. Involvement with an EAP does not absolve you from disciplinary action if a performance issue exists.

## **How do I contact the EAP?**

You can make an appointment by calling the EAP directly at any time (888-267-8126) or visiting the website at [www.lifeworks.com](http://www.lifeworks.com) (Username: Adient / Password: lifeworks). When you call, you must identify yourself as an employee of our company to receive the benefit. If you prefer, a Human Resources Representative can help set up a meeting for you in the strictest confidence. Brochures are available in Human Resources.

## REFERRAL BONUS

Employees can get up to \$1,500 as a bonus by referring a qualified person who is hired. Two bonus levels are available:

- \$1,500 for a salaried exempt position
- \$750 for a salaried non-exempt position

Have your referral supply you with an electronic version of his or her resume and their email address. Then follow the below process:

- Access the HR Atlas Portal → Click on Career Opportunities
- Click on North America Opportunities → Click on job title
- At the bottom of the job description, click “Refer a friend for this job.”
- Complete each resulting page, inserting the referral’s email address and attaching the electronic version of the resume.

If your referral is hired and remains onboard for 90 days, HR will inform payroll to pay you the bonus. You will receive a separate bonus check during the normal payroll cycle, within 30 days of payroll’s notification. Both you and your referral must be employed by YFAI at payout.

To qualify, your referral must:

- Possess the skills, qualifications and minimum requirements of the job.
- Begin employment and remain as an active YFAI employee for 90 days.
- Be logged in the YFAI career section job list as a “referral” before being hired (via the online process).

The bonus does not apply to:

- Referrals of whom HR has knowledge AND whom HR is actively recruiting.
- Applicants surfaced through company recruiting advertisements, third-party firms or other efforts.
- Referrals currently employed by YFAI, or affiliates.
- Referrals who are temporary or contract employees working for YFAI.
- Referrals for part-time positions, internships or irregular employment.
- Positions not posted on the Job Postings site.

Any eligible employee can earn a referral bonus except:

- Anyone Grade 176 and above.
- The hiring manager or anyone directly involved in the hiring process.
- Exempt-level employees in the Human Resources department.

All decisions concerning eligibility are subject to final review by the Human Resources department.

## Adient Benefits Supplier Information

Service	Supplier	Contact Information
Medical	BCBS Illinois	877-224-9584 <a href="http://www.bcbsil.com">www.bcbsil.com</a>
Prescription	Prime Therapeutics	855-457-0005 <a href="http://www.myprime.com">www.myprime.com</a>
Dental	MetLife	855-676-9338 <a href="http://metlife.com/mybenefits">metlife.com/mybenefits</a>
Vision	VSP	800-877-7195 <a href="http://www.vsp.com">www.vsp.com</a>
Vision	Heritage	1-800-252-2053 <a href="http://www.heritagevisionplans.com/vision">www.heritagevisionplans.com/vision</a>
Flexible Spending Account	AonHewitt	844-689-7836 <a href="http://www.adient.com/bewell4life">www.adient.com/bewell4life</a>
Health Savings Account	UMB	844-689-7836 <a href="http://www.adient.com/bewell4life">www.adient.com/bewell4life</a>
Employee Assistance Program	Ceridian (Adient LifeWorks)	Service Center: 888-267-8126 Website: <a href="http://www.lifeworks.com">www.lifeworks.com</a> User Name: Adient Login: lifeworks
Short/Long Term Disability	UNUM	866-225-9597 <a href="http://www.unum.com">www.unum.com</a> Policy #: 466770
Life Insurance	MetLife	800-638-6420
BeWell4Life	WebMD	888-321-1492
Enrollment & Call Center	AonHewitt	844-689-7836 <a href="http://www.resources.Hewitt.com/adient">www.resources.Hewitt.com/adient</a>
Pension	AonHewitt	866-496-1999 <a href="http://www.resources.Hewitt.com/adient">www.resources.Hewitt.com/adient</a>
401K	Fidelity	800-856-2363 <a href="http://www.401K.com">www.401K.com</a>
Investment Advice	Financial Engines	877-401-5762
IT Support	North American IT Help Desk	844-831-3134
Business Travel	Concur (Carlson Wagonlit Travel)	877-241-6610

**No provision of this Handbook is intended to infringe upon or alter employee rights under federal, state, and local employment laws and regulations including but not limited to the NLRA.**



# Notes

# Notes





**YANFENG AUTOMOTIVE INTERIORS**

101 INTERNATIONAL DRIVE, FOUNTAIN INN, SOUTH CAROLINA, 29644