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AGREEMENT

This Agreement made and entered into this 16th day of November 2020 by and between Stepan Company located in Fieldsboro, New Jersey, hereinafter referred to as “the Company” contracting for itself and on behalf of its Fieldsboro plant and the United Electrical, Radio & Machine Workers of America and its Machine Tool & Die Local 155, hereinafter referred to as “the Union” acting for and on behalf of itself and members thereof.

QUALITY PROCESS

The Company and Union recognize the Quality Process at Stepan’s Fieldsboro Plant. Work groups shall not make any decision or recommendation inconsistent with the provisions of this Agreement, nor alter, modify or amend any part of this Agreement.

WITNESSETH

WHEREAS, it is the intent and desire of the parties hereto to continue to foster and promote peaceful labor relations; aid toward the economical and profitable operation of the plant; provide methods for a prompt and peaceful adjustment of grievances concerning the interpretation and application of this Agreement; insure against any interruption of work performance; accomplish and maintain efficiency and quality of work; strengthen good will, mutual respect and cooperation between the Company, its employees and the Union, and to that end they have reached an understanding governing conditions of employment, which shall prevail at the plant of the Company.

NOW, THEREFORE, the parties hereto do hereby agree each with the other as follows:

ARTICLE 1

FAIR EMPLOYMENT PRACTICES

Section 1. There will be no discrimination against any employee because of race, color, creed, sex, age, disability, national origin, or any other characteristic protected by applicable law. As described in its Anti-Harassment Policy, the Company maintains a strict policy prohibiting sexual and other forms of harassment of employees or applicants for employment. It is understood that any reference to the masculine gender, as stated in this Agreement, shall refer to employees of either gender.

Section 2. The Company and the Union agree to comply with the Americans with Disabilities Act (ADA). If a reasonable accommodation has an effect on any bargaining unit employee, the Company shall meet with the Union to discuss alternate accommodations prior to implementation. The Union recognizes that it cannot supersede an employee’s statutory rights and/or remedies.

ARTICLE 2 APPLICATION/ RECOGNITION/ CHECK-OFF

Section 1. This Agreement shall govern and control conditions of employment at the plant of the Company located at 201 Fourth Street, Fieldsboro, New Jersey only, and is not to be considered as controlling or governing employment conditions, directly or indirectly, in any other plant owned or operated by STEPAN COMPANY or any of its divisions or subsidiaries.

Section 2. Pursuant to the Certification of Representation issued by the National Labor Relations Board on January 18, 2005 in Case Nos. 4-RC-20942 and 4-RC-20943, the Company recognizes the Union as the exclusive collective bargaining representative of the following bargaining unit:

All full-time and regular part-time production, maintenance and laboratory employees, including Operators, Lab/Utility Operators, Lead Millwright/Industrial Maintenance Mechanics, Maintenance Mechanics, Boiler Operators, Chief Boiler Operator, and Laboratory Technicians employed by the Company at its 201 Fourth Street, Fieldsboro, New Jersey facility, and excluding all other employees, management employees, clerical employees, guards and supervisors as defined by the Act.

The recognition herein granted conveys no rights, expressed or implied, to the Union or any employees, other than the right of the Company's employees within the above-defined bargaining unit to be represented by the Union, as and to the extent specifically provided by the National Labor Relations Act, as amended; the recognition herein granted to the Union refers only to its right to represent the defined group of the Company's employees referenced above.

Section 3. Upon reasonable advance notice to the Plant Manager, representatives of the Union will have the right to visit the plant for purposes of official Union business. When visiting the plant, Union representatives will comply with all Safety & Health policies. Such visits will be limited to non-production areas of the plant, unless approved by the Plant Manager.

Section 4. All present employees of the Company who are covered by this Agreement shall, within 30 days of the effective date of this Agreement, become and remain members of the Union in good standing as a condition of employment. All employees who are hired on or after the effective date of this Agreement shall become and remain members of the Union in good standing as a condition of continued employment coincident with the completion of their probationary period.

It is understood that for the purpose of this provision, a member in good standing means only the obligation of payment of the initiation fee and the uniform dues required as a bargaining unit member.

The obligation of monthly dues to be deducted from the employee's second payroll check of each month, by the Company, must be authorized in writing by the employee. Such dues shall be remitted to the Treasurer of the Local Union in a timely manner. The Union agrees it will indemnify the Company against any financial loss suffered by the Company in complying with this section. The Union also agrees it will not discriminate against any employee who refuses to become a member of the Union, so long as such employee meets their monthly union dues obligation.

ARTICLE 3 REPRESENTATION

Section 1. The Company will recognize four (4) Stewards, one of whom shall be designated the Chief Steward. Such Stewards shall be paid for reasonable time spent in the processing of grievances and in meetings with Company representatives. In no event, however, will an employee receive more than eight (8) hours pay at the applicable straight-time rate for any such day.

Section 2. For the purposes of contract negotiations, the Company will assign each member of the Union's bargaining committee, not to exceed three (3) employees, to the day shift for each full week in which bargaining occurs, and will allow them reasonable time off from regular duties without loss of pay to properly conduct negotiations. Reasonable time off shall include a maximum of one additional hour before and two additional hours after the scheduled starting and concluding times of each formal negotiating session with the Company. In no event, however, will an employee receive more than eight (8) hours pay (or 12 hours pay for 12 hour shift employees) at the applicable straight-time rate for any such day of negotiations.

ARTICLE 4 BULLETIN BOARD

The Company will designate a bulletin board for use by the Union, upon which may be posted official notices of Union meetings or other legitimate Union business.

ARTICLE 5 NO STRIKE – NO LOCKOUT

During the term of this Agreement, there shall be no strikes, stoppages of work, slowdowns or other intentional interference with production. The Company agrees there will be no lockouts.

**ARTICLE 6
SUPERVISORY WORKFORCE**

Supervisors and other non-unit Company personnel shall perform no work of those employees covered by this Agreement except:

- A. In connection with experimentation and research only;
- B. In the interest of avoiding an accident;
- C. In plant emergencies where life or property is in danger;
- D. For the purposes of instructing an employee who is present; and/or,
- E. In the event that a Unit would otherwise be shut down.

**ARTICLE 7
HOLIDAYS**

Section 1. The following days shall be classified as paid holidays regardless of whether they are scheduled working days or not:

- | | |
|--|---------------------------|
| New Year's Day | Thanksgiving Day |
| Memorial Day | Friday after Thanksgiving |
| Independence Day | Christmas Eve Day |
| Labor Day | Christmas Day |
| New Year's Eve Day | |
| Two Floating Holidays (must be scheduled and approved) | |

In the event any additional paid holiday is added to the salaried holiday schedule, the same holiday schedule improvement will automatically apply to all employees covered by this Agreement.

Section 2. The above recognized holidays shall be considered as falling on the calendar day on which they occur except, for those employees regularly scheduled to work Monday through Friday, the holiday that occurs on Saturday shall be considered as falling on the preceding Friday and the holiday which occurs on Sunday shall be considered as falling on the following Monday.

Section 2a. Holidays will generally be observed on the calendar day on which they occur, however, for the 7 day employees, when a holiday is observed on an employees' scheduled day off, the employee shall be entitled to move the holiday and schedule an alternate day off. Employees must submit their request via the Stepan Company payroll system electronically. The date of the scheduled Holiday off and the alternate date is submitted electronically, two weeks in advance of the holiday. If the employee does not have their alternate date determined at the time the electronic request is submitted, the employee will need to record TBD in the comments section in the Stepan Company payroll system, and electronically submit the actual alternative day off, two weeks in advance. This process is required for payroll purposes. The alternate day off must be applied to a scheduled work day.

Section 3. Employees who do not work on the above holidays shall receive holiday pay consisting of eight (8) hours (12 hours for 12 hour shift employees) pay at their straight time hourly rate.

An employee who works on any of the above holidays shall receive two (2) times their straight time rate of pay for all hours worked plus straight-time holiday pay of eight (8) hours (12 hours for 12 hour shift employees).

Section 4. Employees with 31 or more days of continuous employment will receive holiday pay of eight (8) hours at their straight time rate for recognized holidays.

- a. An employee on layoff will not receive holiday pay; however, employees laid off up to fourteen (14) days prior to a holiday will receive pay for such holiday.
- b. An employee absent the workday before or the workday after a holiday will not receive holiday pay unless the reason for the absence is submitted in writing to the department manager and is acceptable to the Company.
- c. An employee scheduled to work on a holiday, but who fails to report for work will not receive holiday pay unless the reason for the absence is submitted in writing to the department manager and is acceptable to the Company.
- d. An employee on a paid leave of absence that exceeds fourteen (14) days will not be eligible for holiday pay.
- e. An employee on an unpaid leave of absence will not be eligible for holiday pay.

**ARTICLE 8
VACATIONS**

The vacation benefit schedule below indicates the employee's paid vacation eligibility based upon years of service with the Company. The employee's years of service are calculated based upon the number of complete years of service the employee will attain prior to December 31st of the current calendar year.

Years of Service	Vacation Benefits
< 12 months	Prorated
1 – 4 year(s)	10 days
5 – 11 years	15 days
12 – 19 years	20 days
20 years or greater	25 days

Employees hired after January 1st of each calendar year will be eligible for paid vacation based upon the number of full months remaining in that year. The

employee will be eligible for 1/12th of the vacation benefit for each full month employed, rounded to the next highest number of days.

The vacation benefit schedule for employees required to work a twelve (12) hour rotating shift follows:

Years of Service	Vacation Benefits
< 12 months	Prorated
1 – 4 year(s)	7 12 hour days
5 – 11 years	10 12 hour days
12 – 19 years	14 12 hour days
20 years or greater	17 12 hour days

If a holiday falls within an employee's scheduled vacation period, the employee will be paid for the holiday and not for vacation. This will not reduce the employee's vacation benefits for the year as the vacation day may be scheduled later in the same year. Under no circumstances will vacation pay be made in addition to holiday pay.

Vacation hours will be paid at the employee's base pay rate as of the date vacation is taken. Vacation hours are calculated based on a forty (40) hour week, therefore each day of benefit is equivalent to eight (8) hours of pay (except as noted otherwise for employees working a twelve (12) hour shift). Vacation pay does not include overtime or other premium pay; however vacation hours are included for the purposes of calculating overtime eligibility. Vacation benefits will be paid during the pay period which corresponds to the day in which they are taken.

Insofar as possible, vacations will be granted at the time desired by the employee, but the right to allot vacation periods and to change vacation periods is reserved by the company in order to ensure orderly operations. Department procedures may require that each employee provide advance notice to their manager in order to prevent scheduling conflicts. In addition, all vacation requests must be submitted through the Stepan Company payroll system, provided that employees have access to the system on and off site.

An employee who is unable to utilize their vacation benefits during the calendar year due to special business-related circumstances may request pay in lieu of vacation or the option to carry over up to five (5) days for the next year. Requests for pay in lieu of time off and carry over days must be approved by the department Vice President and received by Human Resources for final approval no later than December 1st. Requests received after the December 1st deadline will not be considered. Days carried over from the prior year must be used prior to January 31st. After January 31st carry over days expire and will be forfeited.

Upon termination of employment for any reason, the employee will receive compensation for any earned vacation days not taken and any vacation days

accrued for the following year. Accrued vacation time is calculated in hours and is defined as 1/12th of the annual eligible amount for each full calendar month of service employed during the current year.

Vacation Lock In

The lock in period will run from November 15th through December 15th of each year. A vacation lock in is based on seniority. Lock in vacation requests must be submitted to the direct supervisor. No locked in vacation request will be processed until December 16th. Beginning December 16th, vacation scheduling will be on a first come, first serve basis, that is based on who requests time off first rather than based on seniority. These requests must also be submitted to the direct supervisor with at least seven (7) days notice of the day(s) being requested. The direct supervisor will then have five (5) days to provide a written response. A list of locked in vacations will be posted by January 15th. Locked in vacation weeks may be canceled by the employee after January 1st. A locked in vacation week that is canceled must be rescheduled as a week's vacation, and may not be substituted for single vacation days.

As long as plant coverage can be maintained, an employee may utilize up to ten (10) vacation days per year as single days, three (3) of which may be taken in increments of ½ days. Requests for all vacation (other than Emergency Vacation) that has not been locked in must be approved at least one day before the work schedule is posted. Emergency Vacation may not be taken in ½ day increments. Single vacation days scheduled on holidays will be paid at eight (8) hours vacation pay and eight (8) hours holiday pay. The holiday cannot be moved.

Emergency Vacations: If appropriate plant coverage can be maintained, or with supervisor approval, employees may take up to three (3) of their earned vacation days with less than thirty-six (36) hours advance notice to their direct supervisor, provided that notification occurs prior to the beginning of their scheduled shift, and approval is granted through verification of eligibility of vacation time.

The Company may blackout certain periods when vacations may not be taken or may schedule all vacations while the plant is completely or partially shutdown.

New hires are not eligible to take vacation until after they have satisfactorily completed their probationary period. In the event such employee is unable to take vacation before year end as a result of their probationary period, he/she will be permitted to take the vacation, or pay in lieu thereof, within ninety (90) days following the completion of their probationary period.

ARTICLE 9 CLASSIFICATIONS & RATES OF PAY

1. During the term of this Agreement, the classifications of jobs and the rates of pay applicable thereto shall be as set forth in Schedule A of this Agreement.

All rate changes will be effective on the closest Monday in which the schedule date falls.

2. An employee who is temporarily transferred shall receive the higher of either his own rate of pay, or the rate for the job into which he is transferred, for the duration of such transfer.
3. All employees hired on or after the date of this Agreement will be enrolled in direct deposit for all pay.

ARTICLE 10 SAFETY & HEALTH

Section 1. The Company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. As such, all employees are required to attend prescheduled monthly safety meetings as a condition of employment. The purpose of these meetings will primarily be for training, but also may be used for soliciting safety suggestions and discussions on safe working practices and procedures. Appropriate make-ups will be scheduled at a mutually convenient time for those who missed the scheduled sessions. Protective wearing apparel, devices and equipment provided to safeguard the employees will be provided by the Company in accordance with the requirements of law and the practices prevailing as of the date of this Agreement. Employees will make continuous use of such apparel, devices and equipment furnished for their protection, which are to be used by them under safety rules. The Company will continue to provide safety glasses, including prescription lenses, as well as other safety equipment as required.

Section 2. Employees shall observe all rules and regulations of the Company for the protection of life, limb, and health and for the preservation of the Company property. A copy of the safety rules of the plant shall be furnished to the employees by the Safety Department.

Section 3. The parties agree that safety is a mutual concern. The Company shall have ultimate responsibility for safety, the promulgation of rules and regulations, and the establishment of safe working procedures. The Union will cooperate in any safety program designed to encourage employees to observe safety regulations and to maintain the area and equipment in a safe condition. To that end, the parties shall mutually support the efforts of the Fieldsboro Site Safety Committee and all other safety committees.

The Company recognizes its obligation to provide and maintain a workplace free of hazards to the safety and health of employees. It is understood that employees must cooperate in matters of safety and health, and that no employee may be required to perform work that he reasonably believes would endanger his personal safety or health.

Section 4. Any employee injured on Company premises shall be paid at his rate of pay for any time lost on the day of such injury, and for time lost during regularly scheduled working hours due to subsequent medical treatment. If an employee suffers a compensable injury necessitating his absence from work for thirty (30) days or more, the Company will pay such employees' medical insurance premium, during the term of such absence, providing the employee pays his monthly contribution for such coverage, by the first of each month. The Company will provide an injured employee with appropriate transportation to an appropriate medical facility for treatment and back to the plant following treatment.

Section 5. Safety Shoes. Each employee must wear approved safety shoes at all times while on the job. The Company will pay each employee \$275 on the closest pay day after November 1st of each contract year to be used toward the purchase of safety shoes. (Only that portion of shoe allowance pay that is covered by original receipts for shoe purchases will not be taxed.) The cutoff date for submission of receipts is October 1st.

Section 6. Uniforms. The Company will provide six (6) uniform sets and will provide three (3) lab coats per year for the Laboratory Technicians, per Contract year through a uniform service. One jacket will be given at the beginning of the Contract, and replaced as needed.

Section 7. Substance Free Workplace. The Company and the Union are mutually concerned about problems related to drug or alcohol abuse and agree to work together to deal with this problem as defined in the Substance Free Workplace Policy.

No employee who comes forward and requests help in an alcohol and/or drug rehabilitation program will have his job security jeopardized providing the employee is not in violation of any other Company rules and regulations. The parties agree that every effort will be made to ensure that such matters are treated with utmost confidentiality. The employee will be returned to his regular classification upon completion of an appropriate treatment program.

Section 8. Emergency Response Plan. The Company and the Union recognize the importance of an effective Emergency Response Plan (ERP). All employees are required to actively participate in the ERP. Regular training will be required of all ERP members.

ARTICLE 11 MANAGEMENT RIGHTS

All rights of management that the Company had prior to the execution of this Agreement shall be retained by the Company except as specifically changed by the terms hereof.

The Union acknowledges as the exclusive function of management its rights to hire, to promote, to demote, to classify, to transfer or to layoff, respectively, for lack of work; to discipline, suspend or discharge any employee for just and proper cause, subject to the grievance and arbitration procedures set forth elsewhere in this Agreement; to make, modify and to fairly and consistently enforce reasonable work rules to be observed by its employees; to determine the nature and kind of business conducted by the Company; to determine the equipment and materials to be used; to determine the products and services to be offered; to schedule production and determine the methods and processes of such production; and to determine the number of employees to be employed and to assign such employees to perform the duties of their respective job classifications, all except as limited or prohibited by the terms of this Agreement.

The Company agrees to give first preference for available work to its employees within the bargaining unit as heretofore described. Notwithstanding this commitment, however, the Company retains the right to subcontract work which cannot be performed by its bargaining unit employees due to a lack of equipment, skill, or available facilities, or which is caused by spikes in the workload. In addition to the above reasons, the Company retains the right to subcontract maintenance work due to reliability, quality, timeliness of completion, warranties or guarantees, or for capital projects. Prior to making a decision to subcontract out any work which will result in a permanent reduction in the number of bargaining unit workers, the Company will so notify the Union and will confer with the Union upon request to ensure that the Company is not abusing its rights to subcontract work in order to avoid the posting of a permanent job or the hiring of adequate number of personnel. Every three (3) months, the Company and the Union will meet to review subcontracting of maintenance work to examine outside services, details of the work and quality delivered. In addition, this time will be used to assess our maintenance skill sets, reviewing a skills matrix to identify strengths and gaps and discussing progress to close skill gaps.

Flexibility is required in the Company's manufacturing environment, and employees may be required to perform or assist with tasks they are capable of performing that are normally performed by another job classification. The Company shall maintain the right to change, modify, subtract, or add to the job duties of an existing job classification or create new job classifications after discussion with the Union. The discussion will include the job title, the applicable rate of pay, and a description of the duties to be performed. The rate of pay may be a matter for arbitration if the parties cannot agree on a new rate where there

has been a substantial change in duties. If there is a disagreement between the parties as to the appropriate rate of pay, the Company may initially set the rate of pay, and the issue before the arbitrator shall be whether the rate set by the Company bears a reasonable relationship to the rates of pay, duties and responsibilities of other job classifications. Nothing shall prevent the Company from implementing any changes under this provision in the event that the Union arbitrates the rate of pay.

ARTICLE 12

SENIORITY

Section 1. Definition. Seniority is defined as an employee's length of continuous service with the Company at its Fieldsboro, New Jersey plant. In the event two or more employees start work on the same date, their respective seniority will be determined by last name then first in alphabetical order.

Section 2. Seniority List. The Company will provide the Union with an updated seniority list every six (6) months showing the names, rates of pay and date of hire of all employees covered by this Agreement. The Company will also notify the Chief Steward of any changes or additions to the bargaining unit.

Section 3. Loss of Seniority. An employee's seniority shall be lost and employment terminated under the following conditions:

- a. If an employee retires or voluntarily leaves the employ of the Company;
- b. If an employee is discharged for just cause;
- c. If an employee is absent from work due to injury, illness or layoff:
 1. For a period greater than one (1) year for an employee with less than five (5) years of continuous service.
 2. For a period greater than two (2) years for an employee with five (5) or more years of continuous service.
- d. If an employee fails to report for work within seven (7) days of recall.
- e. If an employee is absent from work for three (3) consecutive working days without notifying the Company.
- f. If an employee engages in other employment during an approved leave of absence.

Section 4. Probationary Period. The probationary period for employees hired or rehired shall be up to one hundred twenty (120) calendar days. Upon mutual agreement between the Company and the Union, this probationary period for any individual employee may be extended for up to one hundred twenty (120) additional calendar days. Probationary employees shall not acquire seniority until

they have completed the probationary period at which time their seniority date shall be the date of their most recent hire.

The Company shall have the right to separate from its employment any probationary employee at any time during the probationary period for cause. In that event, such employee shall not have recourse to the grievance or arbitration procedures.

Section 5. Layoffs and Recalls.

- a. Layoffs will be by plant seniority among those employees affected, provided that the employees retained shall have the necessary qualifications to perform the job under normal supervision and be physically able to perform the duties of the job.
- b. Employees who are to be laid off due to lack of work shall be notified of the effective date of layoff as far in advance as practicable. The steward will be provided a copy of such notice. Employees will be given at least five (5) working days notice of layoff, or pay in lieu thereof for each previously scheduled day of work for the employee in the five (5) workday period following notification.
- c. Recall from layoff will be by plant seniority; meaning that employees with the higher seniority will be the first recalled, provided they have the necessary qualifications to perform the job under normal supervision and are physically able to perform the job.
- d. When recalling employees from layoff, the Company will notify those employees to be recalled by registered mail or telephone at the last known address on file with the Company. All contact information will be verified with each employee at the time of layoff. An employee so notified will have five (5) days in which to arrange his return to work following receipt of the registered letter or telephone contact. An employee who fails to return to work on the agreed date, without a reason acceptable to the Company, will be terminated and lose all seniority rights; however an employee may decline recall to any job other than the job from which he was initially laid off and still retain recall rights. The Company will provide copies of all recall notices to the chief steward.

Section 6. Bumping. Bumping is permitted only in cases of layoff or reduction in classification and shall be administered in accordance with the following rules:

- a. Mechanics may not be bumped except by a senior employee who has worked as a Maintenance Mechanic for at least 1 year in the past 3 years.
- b. Boiler Operator employees may not be bumped except by a senior employee holding a valid Boiler Operator license.

- c. Laboratory/Utility employees may not be bumped except by a senior employee.
- d. Employees bumping to a lower paying job will receive the lower rate of pay at the start of training. Employees bumping to a higher paying job will receive the higher rate of pay at the completion of their training.
- e. Employees bumping into a job will receive a one hundred twenty (120) calendar day evaluation period to demonstrate that they have the qualifications and ability to perform the job. Employees determined to not have the qualifications or ability to perform the job shall be laid off, and the qualified senior employee shall be recalled to the position.

Section 7. An employee who accepts a position with the Company outside the bargaining unit will retain all seniority rights accumulated to the time of leaving the bargaining unit, and will be credited with seniority for the time spent outside the bargaining unit if the employee returns to the bargaining unit within ninety (90) days. Such an employee who returns to the bargaining unit after ninety (90) days shall only return as the lowest senior employee in the classification, but shall retain full seniority for the purposes of vacation and other benefits, if any. Employees who are temporarily transferred on a voluntary basis to a position outside the bargaining unit for less than one hundred twenty (120) days shall continue to pay dues and shall not lose any seniority.

ARTICLE 13 OVERTIME & PREMIUM PAY

Section 1. Payment. For employees who normally work 8 hour shifts, hours worked by an employee in excess of 8 hours in a workday and in excess of 40 hours in a payroll week and for hours worked on Sunday shall be paid at the rate of 1½ times their straight time rate of pay. For employees who normally work 12 hour shifts, hours worked by an employee in excess of 40 hours in a payroll week shall be paid at the rate of 1½ times their straight time rate of pay.

Section 2. Premium Pay. Employees working a seventh (7th) consecutive day in a payroll week will receive pay at two (2) times their straight time rate. Employees will also receive pay at two (2) times their straight time rate for all hours worked over twelve (12) consecutive hours. For Sundays that are worked on the 6th day in a payroll week, the employee will receive 1½ times their straight time rate plus the equivalent of one hour of the current Boiler Operator (Black Seal) pay rate for the Sunday.

Section 3. No Pyramiding. There shall be no pyramiding of overtime or premium pay. The highest single premium rate shall apply.

Section 4. Overtime Work. It is understood and agreed that reasonable overtime is a requirement of the Company; unscheduled overtime will be filled voluntarily to the greatest extent possible.

Section 5. All overtime worked by employees shall be paid for in one quarter (1/4) hour increments.

Section 6. For purposes of computing overtime, an absence due to any of the following reasons shall be counted as days worked:

- A. The day on which any injury was actually sustained on the job;
- B. Bereavement leave, vacation time or court duty;
- C. Holidays on which no work is scheduled, however in no event will employees receive more than the straight-time rate for holidays observed and not worked;
- D. A day on which the employee reports for work on his regular shift and actually works the full scheduled hours available but is sent home for reasons beyond his control before the end of his shift.

Section 7. Employees shall not be required to take off any time for the purpose of offsetting overtime worked in a scheduled workweek.

Section 8. In order to provide some predictability in the process of scheduling overtime, the Company agrees, to the greatest extent possible, to schedule employees for coverage as follows:

- For Operators, #1s will generally be scheduled to cover #1s, and #2s will generally be scheduled to cover #2s.
- For Laboratory/Utility Operators, 7-day Lab/Utility Operators will generally be scheduled to cover 7-day Lab/Utility Operators, and 5-day Lab/Utility Operators will generally be scheduled to cover 5-day Lab/Utility Operators.

ARTICLE 14 HOURS OF WORK

Section 1. The workweek for all employees will consist of seven (7) consecutive days beginning with the first work shift on Monday. Eight (8) consecutive hours per scheduled workday will constitute a normal workday, and five (5) days or forty (40) hours per week will constitute a normal workweek, excluding 12 hour rotation.

Section 2. Except in the event of an emergency, no employee will be required to work more than twelve (12) consecutive hours.

Section 3. The Company will advise each employee of their normal work schedule as far in advance as possible, but no less than four (4) days prior to the start of the new shift. Shift hours will normally be scheduled as follows:

<u>Eight (8) Hour Rotation</u>	<u>Twelve (12) Hour Rotation</u>	<u>Steady Day Shift</u>
Day Shift: 7AM to 3PM	Day Shift: 7AM to 7PM	7AM to 3:00PM
Evening Shift: 3PM to 11PM	Evening Shift: 7PM to 7AM	
Midnight Shift: 11PM to 7AM		

Shift start times may be modified to adapt to the area's needs with management consent and the majority consensus of affected employees.

Section 4. Except as stated in Article 17, nothing in this Agreement shall be construed as a guarantee of any number of hours of work per workday or per week.

Section 5. The Company shall provide two (2) twenty (20) minute breaks for all eight (8) hour rotation or steady shifts. An additional break of twenty (20) minutes will be provided for those employees who work overtime. Breaks will be provided for twelve (12) hour rotation employees as their schedule permits.

Section 6. Where applicable, employees shall be assigned to shifts on a rotating basis unless otherwise agreed to by the Company and the Union. Shift assignments shall be by seniority preference, however employees may be placed on rotating or other appropriate shift schedules as may be required to maintain proper coverage by qualified employees on each shift, on a basis consistent with established practice.

Section 7. Employees within the same classification may exchange shift designations, provided that the Company agrees to the exchange and the exchange does not result in overtime, or additional overtime should overtime already be scheduled.

Section 8. An employee whose schedule is changed with less than five (5) calendar days notice shall be paid at double the employee's regular straight time hourly rate for all hours worked on the first day of the revised shift schedule. This provision shall not apply:

1. When the employee is returning to his regularly scheduled shift;
2. When the shift change is necessitated by reasons beyond the control of the Company such as job bidding, contract negotiations; or
3. When employees agree to exchange shifts by mutual consent, and with the approval of the Company.

Section 9. Employees will have up to an additional 15 minutes paid for turnover time with the next shift. This will be structured time, taking place in the dedicated work areas or areas assigned by management, to support the daily management

system used to enhance communications and support safe, efficient and effective operations.

Section 10. The Company will attempt not to schedule employees on their scheduled days off to the greatest extent possible. Volunteers will be utilized as noted in Article 13, Section 4 as a first step, and various avenues will be considered. The Company and Union will monitor the work schedule on a weekly basis and concern areas will be addressed. In addition, the Company will not assess attendance points to employees who are scheduled on their normal days off and are unable to work for eight (8) of their regularly scheduled days off, provided notice is submitted to the scheduler by Tuesday of the week prior to the requested day off.

ARTICLE 15 JOB BIDDING

Section 1. Posting.

Lab/Utility Operator job postings will include a focus area designation of Batch Making or Lab/Utility Operator.

Jobs which are posted for bid will be awarded to the senior qualified bidder in accordance with the procedures outlined below:

- A. Whenever a job opening occurs, the position will be posted for a period of seven (7) calendar days. The posting will identify the position by job classification, temporary (up to 90 days) or permanent and department. An employee eligible to bid may apply in writing to Human Resources within the posting period and a notice announcing the successful bidder will be posted within the following seven (7) calendar days.
- B. The position that is vacated by the successful bidder in "A" above will be posted for a period of seven (7) calendar days. The posting will identify the position by job classification, temporary (up to 90 days) or permanent and department. An employee eligible to bid may apply in writing to plant Human Resources within the posting period and a notice announcing the successful bidder will be posted within the following seven (7) calendar days. Vacant positions resulting from this award will be posted.

Section 2. Evaluation and Training Period. The successful bidder will be given an evaluation and training period in the new position of up to one hundred twenty (120) calendar days, except in maintenance where the evaluation and training period will be up to one hundred eighty (180) calendar days. The Company will award positions to the successful bidder and will pay the applicable rate on the earlier of the 61st day of the evaluation and training period, or the 150th day after the position was awarded, or earlier at the discretion of the Company.

An employee will be informed that they have the right to the presence of a steward during any evaluation during an employee's evaluation and training period. These evaluations will occur monthly.

A successful bidder who fails to make satisfactory training progress in a bid position, or who ultimately fails to qualify for a bid position will be notified in writing and removed from the bid position and the next senior qualified bidder will be awarded the bid and given an evaluation and training period as provided above.

A successful bidder who withdraws from an awarded job up to and including their first monthly review will return to their former position. If the employee withdraws their bid after the first monthly review and their former position has been filled, the employee will be assigned to an open position after consultation with the Union and will be paid at the rate of the position being performed. If the employee fails to qualify for the bid position at anytime during their evaluation and training period, the employee will return to their former position.

Section 3. Guidelines. The objectives of the Company and the Union are to offer reasonable opportunities for job bidding. Accordingly, the following guidelines apply:

- A. In the event no eligible employees bid on a posted position, the Company will assign either an employee with the least seniority or hire a new employee.
- B. Maintenance positions will be posted for application, however only employees that have successfully passed a Mechanical/I&E Aptitude test will be considered.
- C. Boiler Operator positions will be posted as a trainee and will remain at their current rate until they have passed the Black Seal Boiler Operator in charge test. All other provisions of the evaluation and training period will apply.

ARTICLE 16 MEALS

Any employee who is required to work more than two hours beyond their regular shift will be paid a meal allowance of the equivalent of one-half hour of the current Boiler Operator (Black Seal) pay rate, less applicable deductions.

ARTICLE 17 REPORT IN/ CALL IN

Section 1. Any time an employee is called to report to work and responds by complying with this request and this time requested is not part of their regular schedule, payment not less than four (4) hours at one and-a-half times their current regular rate of pay will be made regardless of the amount of time spent on site performing work.

Section 2. An employee who reports to work in the usual manner on a regularly scheduled workday, and has not been told not to report for work at least 24 hours before hand, shall be guaranteed at least four (4) hours of any work available, or in lieu of such work, four (4) hours pay at the applicable rate of pay.

Section 3. The on-call maintenance employee covers hours outside the regular maintenance shift, up to a maximum of fourteen (14) hours in a twenty-four (24) hour period. The on-call maintenance employee will not be responsible to return to their regular shift hours until they have had at least ten (10) hours of rest.

All other employees will be entitled to ten (10) hours of rest between shifts.

ARTICLE 18 DISCIPLINE

Section 1. The Company retains the right to discipline employees for just cause; however, the parties agree that records of disciplinary action will not be cited in future disciplinary actions provided the employee has not had subsequent disciplinary action for 12 months in the case of verbal or written warnings or for 18 months in case of disciplinary suspension.

It is mutually agreed that discipline shall be administered as close to the underlying incident as possible, and the Company will make every effort to conclude the necessary investigation and issue required discipline within fourteen (14) calendar days from the date the Company became aware of the incident. In the event any investigation requires more than fourteen (14) calendar days to complete, notice will be given to the Union. However, the maximum allowable period following an underlying incident in which discipline may be issued shall be thirty-five (35) calendar days, unless there is a written agreement between the Company and Union which specifies an extension of time.

Section 2. Copies of all notices given to employees shall be provided to the steward. An employee will be informed that they have the right to the presence of a steward during any discipline investigation or meeting with management.

Section 3. It is agreed that all grievances filed to contest the discharge of an employee shall be initiated at Step 3 of the procedure contained elsewhere in this Agreement.

Section 4. Employees may view their personnel file and its records in Human Resources upon written request. The file, or contents of the file, may not be removed from this department at any time.

ARTICLE 19 GRIEVANCE AND ARBITRATION

Section 1. A grievance shall be defined as any dispute between the Union, or any of its members, and the Company, which is submitted to the Company and involves an alleged violation of an express provision of this Agreement, including disputes over the application of discipline, or disputes involving the meaning, interpretation or application of any of the terms or provisions of this Agreement. Once a grievance has been submitted, an earnest effort shall be made to settle a dispute as promptly as possible by utilization of the procedure outlined herein. During an employee's probationary period, the Company shall not be restricted by this Agreement in dealing with such employee.

STEP 1

Within ten (10) calendar days following the alleged violation, or when the Union or the employee learned of (or may reasonably be expected to have learned of) the alleged violation, the aggrieved employee and / or the steward shall verbally present the dispute to the appropriate supervisor. At that time, the merits of the issue and the remedy being sought for settlement will be discussed with the supervisor. The supervisor involved will investigate the circumstances and give the employee and the steward a response within ten (10) calendar days following the discussion.

The Company and Union agree that any settlement of a Step One grievance will not establish precedent.

STEP 2

If not settled at Step 1, the grievance may be reduced to writing and presented to the Human Resources Manager within the ten (10) calendar days following receipt of the supervisor's response to the verbal presentation of the grievance. The Human Resources Manager (or designate) will discuss the matter with the chief steward, the Steward and the employee(s) involved in an effort to resolve the dispute. The Human Resources Manager will present a written response to the chief steward within the ten (10) calendar days following this discussion.

STEP 3

If the grievance is not settled at Step 2, the Union may appeal the grievance to the Plant Manager (or designate) within the ten (10) calendar days following receipt of the Human Resources Manager's written response. The Plant Manager (or designate) will schedule a meeting with

the chief steward and a UE staff member, to be held within ten (10) calendar days, to discuss the grievance. The aggrieved employee or witnesses may be called when deemed necessary by either party. Within ten (10) calendar days after this meeting, the Plant Manager (or designate) will provide the Company's final answer, in writing, to the chief steward.

Section 2. It is agreed that time is of the essence. If any time limit is not complied with, the grievance will be automatically decided against the party who failed to comply, unless an extension has been mutually agreed to in writing.

Section 3. It is agreed that the processing of grievances shall not unduly interfere with the continuity and efficiency of plant operations.

Section 4. Grievances, including those pending Arbitration, may be settled or withdrawn at any time upon mutual, written agreement between the Company and the Union.

Section 5. Notwithstanding the procedures contained herein, a grievance filed to contest the discharge of an employee shall be initiated, in writing, at Step 3 within ten (10) calendar days following the date of the discharge.

Arbitration

If a grievance is not satisfactorily settled at Step 3, the Union may, within thirty (30) calendar days of its receipt of the Plant Manager's written answer, refer the grievance to Arbitration by (a) notifying the Company of its intention to seek Arbitration, AND (b) transmitting a request to the Federal Mediation and Conciliation Service (FMCS) for a list of seven (7) arbitrators. Within ten (10) calendar days of receipt of this list, either of the parties shall have the option of requesting a second list of seven (7) arbitrators, but such option must be exercised by (1) notifying the other party in writing, AND (2) transmitting a new request to FMCS, within this ten (10) day period. Within the seven (7) day period following acceptance of the list of arbitrators, the parties shall mutually schedule a meeting for the purpose of alternately striking names from the list until only one arbitrator remains. Unless it is otherwise mutually agreed in writing, the final, unstricken name shall be the arbitrator selected to decide the grievance. The parties shall jointly send to the arbitrator notice of his selection, along with a request for his earliest available dates upon which to convene the hearing.

Arbitrator's Authority and Decision

The arbitrator shall have no authority to amend, modify, nullify, ignore or add to the provisions of this Agreement. He shall consider and decide only the particular issue(s) presented to him in writing by the Company and the Union, and his decision and award shall be based solely upon his interpretation of the terms of

this Agreement relative to the facts of the grievance presented. The award of the arbitrator shall be final and binding upon the Company, the Union and the employee(s) involved. An award of back pay shall be limited to a period not to exceed the occurrence of the circumstances giving rise to the grievance.

Arbitration Fees and Expenses

The proper fees and expenses of the FMCS shall be borne equally by the Company and the Union. No member of the Union shall have the right to invoke arbitration outside the procedures of UE Local 155. Each party shall bear any fees and costs associated with its own representatives and for time lost by its witnesses. The Company and the Union will share the fees and expenses of the arbitrator equally. If any one party requests and obtains a transcript of the arbitration hearing, that party shall bear the cost, including a copy for the arbitrator. If the parties mutually agree to utilize a transcript, they shall share the cost equally.

ARTICLE 20 JURY DUTY

The Company will pay an employee at the regular straight time hourly rate of pay for up to eight (8) hours per day (12 hours for 12 hour shift workers) for time lost on scheduled workdays when summoned for service on a jury or otherwise summoned via subpoena for any court case. The Company in calculating the employee's lost wages shall not consider any monies from the courts for such service. Monies paid to the employee by the court do not need to be turned into the Company. To be eligible for jury duty pay employees shall furnish reasonable proof of the days actually served that caused the absence from work due to jury duty service.

ARTICLE 21 BEREAVEMENT LEAVE

In the event of death in the employee and/or spouse's immediate family, (i.e., spouse, children, mother or father, brother or sister, stepmother or stepfather, grandmother or grandfather, or grandchildren), the employee will be excused from work for three (3) consecutive scheduled work days, for the purpose of attending or arranging for the funeral. Regularly scheduled working days missed by the employee during the three (3) scheduled work day period described above will be paid at the employee's straight time regular rate of pay to a maximum of twenty-four (24) hours for eight (8) hour shift employees and thirty-six (36) hours for twelve (12) hour shift employees. Additional time off without pay may be requested and will not be unreasonably denied by the Company.

ARTICLE 22 LEAVES OF ABSENCE

Section 1. A leave of absence may be granted solely at the discretion of the Company. An employee may request such leave of the Company by filing a written application with the Plant Manager. The length of a leave of absence shall be contingent upon the reasons advanced for the need of such leave and shall be arranged by the applicant with the Company. A leave of absence shall be considered as granted without pay and without loss of seniority when the Plant Manager approves the written request in writing. Any employee, who obtains a leave of absence under false pretenses, engages in other employment during a leave of absence, except as permitted by this Article, or who fails to report for work on or before the expiration date of his leave shall be considered as having quit and lost all seniority. Application by an employee for an extension of a leave of absence, when necessary, shall be made, or at least confirmed, in writing, in advance of the expiration date. Any extension of a leave of absence granted shall be only upon written approval of the Plant Manager.

Section 2. Military Leave. The Company shall grant employees a leave of absence in order to maintain their status on an active reserve basis. The length of such leave shall be limited to a two (2) week tour of active duty, unless the employee's unit is called to active service by military command. During the first two (2) weeks of a tour of duty, the Company will pay the employee the difference between compensation received for such service and his normal base salary. In the event the leave extends beyond two (2) weeks, the Company will pay no compensation, unless the employee requests to use vacation for this purpose.

Section 3. FMLA. All leaves of absence requested and approved under the provisions of the FMLA will be administered under the provisions of the Family Medical Leave Act and Company policy. However, an employee on FMLA will not be required to apply vacation time to the leave itself.

Section 4. Leave for Union Business. The Company will grant, upon written request of the Union and with reasonable notice, short-term leaves of absence without pay for the purposes of Union business. Such short-term leaves shall not exceed twenty-one (21) days in the aggregate during any contract year, and will not apply to more than two (2) employees at the same time. Such requests will not arbitrarily or unreasonably be denied.

ARTICLE 23 BENEFIT PROGRAMS

Section 1. Retirement Plan. Any Fieldsboro hourly employee hired before June 30, 2006 will continue to be a participant in the Stepan Retirement Plan for Salaried Employees. An employee may retire at or after age 63 without incurring any penalty. If, during the life of this Agreement, the age at which a salaried employee may retire without penalty is lowered below age 63, the same benefit provision will apply to the Fieldsboro hourly employees.

Section 2. Life Insurance. The Company will provide life insurance coverage for each employee equal to 200% of annual base pay, rounded to the next highest \$1,000.00.

Section 3. Company Paid AD&D. The Company will provide Accidental Death & Dismemberment coverage for each employee equal to 100% of annual base pay, rounded to the next highest \$1,000.00.

Section 4. Healthcare. The Company will offer to all employees covered by this Agreement, the same optional medical, dental and vision plans offered to all eligible salaried Stepan employees in the US. The Stepan Company Employee Benefit Welfare Plan Summary Plan Description defines eligibility and benefit provisions. In the event that changes to the Stepan Company Employee Benefit Welfare Plan occur (inclusive of changes in health care benefits or employee contributions), the same modifications will apply to all employees covered by this Agreement.

At the Union's option at least ninety (90) days prior to any open enrollment periods occurring during the term of this Agreement, the Union may notify the Company that it wishes to discuss one or more alternative plans to provide these coverages to bargaining unit employees. The parties agree to engage in these discussions on a good faith basis with the understanding that: (1) any such plans must cover all bargaining unit employees; (2) the cost to the Company shall not exceed the average cost per employee for its salaried employees in that same plan year; and (3) the Company will provide its contributions to the Union, which shall be responsible for administering the plan and paying any providers.

Section 5. STD. Short-term disability benefits will be paid in accordance with the State of New Jersey Temporary Disability Benefits Law. The Company will provide an additional \$250 per week supplemental disability benefit up to 26 weeks, less applicable deductions. This \$250 is over and above the State of New Jersey benefit.

Section 6. Long Term Disability Plan. The Company will provide long-term disability coverage for each employee after 3 months of service. Coverage will be in accordance with the Plan Document and in general, will be up to 60% of base wages.

Section 7. Savings and Investment Retirement Plan. Employees may elect to save up to the maximum allowable amount under the provisions of the Savings and Investment Retirement Plan. During the life of this Agreement, any changes in the Savings and Investment Retirement Plan will apply to all employees covered by this Agreement.

a. The Company matching contribution will be made each pay period, immediately vested, and be equal to one hundred percent (100%) of the first six percent (6%) of each employee's eligible compensation under the terms of the Savings and Investment Retirement Plan.

b. A Roth contribution feature is available allowing employees to make tax advantaged contributions on either a before-tax basis, as is currently the case, or on an after-tax basis as Roth contributions. Both types of employee contributions will receive the same treatment for purposes of the matching contribution.

c. To make it easier for employees to save more for retirement, an automatic increase feature will be added. This is in addition to the existing default automatic enrollment rate of six percent (6%). Employees contributing at the default rate will see their rate of contribution increase by one percent (1%) absolute each year (e.g., from 6% to 7%) until the employee is contributing ten percent (10%) of his or her compensation. Employees may elect to opt out and contribute a different percentage or zero at any time in accordance with the Savings and Investment Retirement Plan's procedures.

Section 8. Profit Sharing. Employees will be eligible on their date of hire for annual profit sharing contributions. Employees will be vested in their profit sharing account balance after two years of service in accordance with the terms of the Savings and Investment Retirement Plan. Profit sharing contributions will be made in an amount determined in the Company's discretion to the Savings and Investment Retirement Plan or to the Employee Stock Ownership Plan II or to both plans. During the life of this Agreement, any changes to profit sharing under the terms of the Savings and Investment Retirement Plan will apply to all eligible employees covered by this Agreement.

Section 9. Optional Life and AD&D Plans. Employees may elect to purchase additional life and/or additional accidental death & dismemberment coverage, via payroll deduction for themselves and their spouse/dependents in accordance with the provisions of the Company group coverage.

Section 10. Employee Stock Purchase Plan. Employees may elect to purchase Stepan Company common stock via payroll deduction in accordance with the provisions of that Employee Stock Purchase Plan.

Section 11. Employee Assistance Plan. The Company will provide an Employee Assistance Plan for the voluntary use of employees and their dependents covered by this Agreement.

Section 12. Medical Examination. The Company will provide mandatory, bi-annual physicals and fit for duty examinations for all employees. Such physicals will continue to be scheduled by EHS&S during working hours and the Company will work with the provider to expedite the medical exam process. As an option, employees may comply with the bi-annual physical requirement through their own physician. In order to receive reimbursement for their own physician, all company recommended tests must be completed (the company will provide a list of annual physical requirements), and a copy of physical records is to be sent to the company physician. The tests and/or procedures listed in Schedule B will be included in the physical or examination.

Section 13. Work Performance Bonus. Employees will receive a Work Performance bonus award of 4 hours pay less applicable deductions for each full calendar month an employee has no recorded absence from work or scheduled safety/training meetings. Awards accumulated each year for the period from November through October will be paid on or about November 15th of the current calendar year. Only absences due to vacations, holidays not scheduled, bereavement leave, jury duty, or personal/sick days will be counted as days worked for the purpose of determining the Work Performance bonus award.

An employee's first three (3) occurrences of lateness (up to 15 minutes each) or leaving early, in any combination, in each year will not affect eligibility for the Work Performance Bonus.

Section 14. Changes. The Company shall not initiate changes to the plans except as agreed to in Sections 1, 4, 5, 6, 7 and 8 or where required by an agency of the Federal or State government, or where necessary to conform such plans to the law, or applicable regulations and requirements of the insurance carrier or financial institution involved. The Company will give notice to the Union if such changes occur.

Section 15. In the event that a national health insurance plan is enacted, negotiated health insurance benefits shall be maintained and the Company shall be required to pay any direct premiums or taxes which may be levied on employees for coverage under any such plan; provided, however, that the total payments by the Company shall not exceed the amount being paid for private insurance at the time such national health insurance plan is enacted.

Section 16. Personal/Sick Days.

Employees may have up to forty (40) hours at straight time for the period December 1 through November 30 with pay, for personal illness or business. Requests made for personal days require a minimum of two (2) hours advance notice made to a member of supervision. Any unused hours will be paid to the employee at his straight time rate on the first full payroll period in December.

ARTICLE 24 PLANT CLOSURE

Section 1. In the event a decision is made to cease operations, in whole or in part, at the Company's Fieldsboro, New Jersey facility, the Company shall notify the Union as soon as is possible of such decision.

Section 2. The affected employees may elect, at the time of permanent layoff, to be placed on a list for hiring consideration at other Stepan U.S. facilities. Employees on the list shall be given consideration for job openings for which they are qualified. They shall remain on the list for twelve (12) months from the date of the shutdown; however, an employee who twice declines offered positions shall be removed from the list before twelve (12) months. This provision shall

only be valid to the extent it does not conflict with any other existing collective bargaining agreement at the other Stepan facilities.

Section 3. In the event that the Company ceases any area of operations at the Fieldsboro Plant causing the termination of any employees covered by this Agreement, the employees terminated will receive the equivalent of one week's pay for each year of completed service, plus one additional week's pay, up to a combined maximum of 26 week's pay, plus the equivalent of 4 months of the Company's cost for that employee's continued health care coverage.

ARTICLE 25 SEPARABILITY

Any provisions in this Agreement which are or may become in conflict with any existing or future executive orders, governmental regulations or laws, are and shall be modified to the extent of the conflict for the effective period of such orders, regulations or laws. If any court or Federal or State law should invalidate any part of this Agreement, such decision or law shall not invalidate the entire Agreement. The parties agree that neither the Union nor Company will be bound to consider any subject of bargaining during the term of this Agreement.

TERM OF AGREEMENT

This agreement shall remain in full force and effect until 11:59 p.m. on November 15, 2023, and shall be automatically renewed for a period of one year unless notice in writing for modification or termination is given by either party to the other between the 90th and 30th day prior to the expiration date of this agreement.

IN WITNESS THEREOF, the parties hereto have set their hands and seals.

STEPAN COMPANY

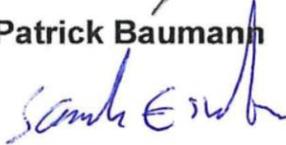
UNITED ELECTRICAL, RADIO
AND MACHINE WORKERS OF
AMERICA, LOCAL 155

Negotiations Committee

By:



Patrick Baumann



Sam Eskandar



Stacey Santoleri

By:



Tara McCauley



Paul Paradise



Jeffery Thomas



John Slaight

SCHEDULE A

Section 1. CLASSIFICATIONS & RATES OF PAY

CLASSIFICATION	<u>Effective 11/16/2020</u>	<u>Effective 11/16/2021</u>	<u>Effective 11/16/2022</u>	
Classification	Current	11/16/2020	11/16/2021	11/16/2022
Boiler Operator (Black Seal)	\$36.62	\$37.54	\$38.47	\$39.44
Boiler Operator (Blue Seal)	\$36.97	\$37.89	\$38.84	\$39.81
Chief Boiler Operator (Blue Seal)	\$38.39	\$39.35	\$40.33	\$41.34
Lab Technician	\$38.39	\$39.35	\$40.33	\$41.34
Lab/ Utility Operator	\$38.39	\$39.35	\$40.33	\$41.34
Lead Millwright/Industrial Maintenance Mechanic	\$38.39	\$39.93	\$40.92	\$41.95
Mechanic	\$37.70	\$38.83	\$39.80	\$40.80
Operator	\$38.39	\$39.35	\$40.33	\$41.34

The E&I and Mechanics will receive 4 hours pay at their regular straight time rate for each week of on-call coverage. The premium shall be paid in addition to any pay for time actually worked.

General pay increases:

2020: 4% for Lead Millwright, 3% for Mechanic; 2.5% for other classifications

2021: 2.5%

2022: 2.5%

Section 2. Newly hired employees will be hired at \$6.00 below the applicable job classification rate shown above. If the employee's performance is satisfactory to the Company, the rate shall be increased in the following manner: \$2.00 at the end of the probationary period; \$2.00 at the end of year 1; and \$2.00 at the end of year 2. The Company may accelerate the increases provided above.

Section 3. The Schedule Premium is \$1.70 per hour until November 15, 2021; \$1.75 per hour from November 16, 2021 until November 15, 2022; and \$1.80 per hour thereafter. The Schedule Premium is payable to all employees other than those on straight day shift. Day shift employees temporarily assigned to other shifts will receive the Schedule Premium.

SCHEDULE B

COMPONENTS OF STEPAN FIELDSBORO BI-ANNUAL PHYSICAL

- Examination by physician
- Audiometric testing with interpretation
- Electrocardiogram with interpretation
- Urinalysis (to rule out onset of diabetic emergency)
- Chest X-Ray (PA and Lateral) with interpretation by radiologist
- Pulmonary Function Test (Spirometry)
- Venipuncture
- Cardiac Risk and Chem Profile – 25 including:

BUN	Glucose
Electrolytes	HDL
Uric Acid	Total Cholesterol
Calcium	Cholesterol/HDL ratio
Phosphorus	SGPT
Total and Direct Bilirubin	SGOT
Total Protein	Creatinine
Albumen	LDH
Globulin	Alkaline Phosphates
Prostate Specific Antigen (PSA)	

- Respirator Fit Testing

A letter will be provided to each examinee with a summary of the exam and copies of x-ray, EKG and lab reports for review by the employees' personal physician.

SCHEDULE C

UNEXCUSED ABSENCE POLICY

Purpose

The purpose of this guideline is to inform employees of their unexcused absences so that the unexcused absences do not continue.

Guideline

Employees who accumulate the number of unexcused absences in a calendar year (January 1 through December 31) will be disciplined according to the schedule below. Unexcused absences consist of leaving early, late arrival, and calling off.

Discipline for Unexcused Absences will be as follows:

- 3 = Counseling
- 5 = Verbal Warning
- 6 = Written Warning
- 7 = One (1) day Suspension
- 8 = Termination

Each instance of lateness or leaving early up to two (2) hours counts as one-half (1/2) of an occurrence. Multiple consecutive days missed for the same illness will be considered one (1) day. Employee's absences will be considered excused if they provide a doctor's note upon their return to work from what would otherwise be an unexcused absence.

This is in accordance with Fieldsboro Plant Rule #1, which reads, "Failure to be regular in attendance: including absenteeism, tardiness, and leaving work early..."

MEMORANDUM OF UNDERSTANDING

FIELDSBORO PLANT DONNING AND DOFFING FLAME RESISTANT CLOTHING COMPENSATION

Employees who have shift turnover responsibilities will be compensated by adding twelve (12) minutes of pay for each actual day worked, thus providing adequate time to change into (don) and change out of (doff) FRC clothing.

Exceptions to the FRC clothing payout are:

Employees will not be compensated for donning/doffing for any of the non-working hours listed below:

Vacation	Personal
Emergency Vacation	Jury Duty
Floating Holiday	Bereavement Leave
Holiday (not worked)	Leaves of Absence
Sick	Leaving early unscheduled (doffing)

Employees reporting to work or leaving work at a non-standard time will swipe upon arriving or just prior to leaving so that donning or doffing will be done while already on the clock and they will not be eligible for any additional compensation.

Maintenance department and warehouse: Employees in the maintenance and warehouse departments are required to don and doff into their FRC clothing while already on the clock and are not eligible for any additional compensation.

Process for compensation of FRC clothing:

Typically, FRC clothing compensation will be recorded as overtime pay and added to the hourly employee's regular overtime pay for the week. Wage Type Code for donning/doffing at overtime rate is 5310. Wage Type Code for donning/doffing at overtime double is 5311.

FRC clothing compensation will be calculated as 12 minutes per day (.20 hours/day).

Examples:

4 days worked = .80 hours (4 x .20 hours/day)
5 days worked = 1.00 hours (5 x .20/hours/day)
6 days worked = 1.20 hours (6 x .20/hours/day)
7 days worked = 1.40 hours (7 x .20/hours/day)