Lexicon

Lexicon-Inc.com

The Lexicon

EMPLOYEE HANDBOOK



Revised May 2026



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SECTION 1 – GENERAL

1.1: Introduction.

The rules and policies set forth in this Employee Handbook (the "Handbook") are generally applicable to all employees of the Lexicon companies, which is a family of companies comprised of (i) Lexicon, Inc. and its subsidiaries and divisions, including Lexicon Industrial Constructors, Lexicon Industrial Maintenance, Lexicon Construction Management, Prospect Steel, Custom Metals, Steel Fabricators of Monroe, Universal, Mill Services, and Heritage Links, (ii) Lexicon Management Group, Inc., and (iii) LX Aviation, LLC (individually and collectively, " Lexicon" or "Company"). Any rules and policies that are applicable only to one or more of the Lexicon companies or their divisions or departments will be set forth in an addendum to this Handbook that has been approved by the respective company. Unless otherwise specified, all references in this Handbook to "manager," "management," "officer," "director," and the like shall refer to those persons holding such positions with Lexicon Management Group, Inc. These rules and policies are not all inclusive. These are subject to revision and modification and are not considered to be rigid and inflexible. There may be occasions when Lexicon changes these policies or gives current ones a different interpretation than previously made to apply to a particular circumstance or more general situation. Lexicon may modify its rules, policies, and benefits, in its sole discretion, as business requires, with or without prior notice. Violations of the policies found within this Handbook, or any applicable addendum may result in disciplinary action. This Handbook, and its rules, policies, and benefits, are not contracts of employment, either expressed or implied.

1.2: At-Will-Employment.

Lexicon employees have the status of "employee-at-will," meaning that there is no contractual right, express or implied, to remain in Lexicon's employ. Lexicon may terminate an employee's employment, or an employee may terminate his or her employment, with or without cause, and with or without notice, at any time for any or no reason. No supervisor or other representative of Lexicon, except for the Chief Human Resources Officer, has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

1.3: Equal Employment Opportunity Statement.

1.3.1: Lexicon is an equal opportunity employer. It is the policy of Lexicon to assure equal employment opportunity in all personnel actions taken. Therefore, all personnel actions and decisions will be made without regard to an individual's race, religion, color, national origin, sex, sexual orientation, transgender status, gender identity, pregnancy, childbirth or related medical condition, age, disability, genetic information, or other legally protected status. Personnel decisions as referred to in this section include, but are not limited to, decisions regarding recruitment and selection of employees, training programs, promotions, layoffs, and terminations, as well as administration of compensation and benefits.

1.3.2: Any complaint of alleged discrimination by Lexicon's managers, supervisors, employees, or any person or organization acting on behalf of Lexicon should immediately be reported to Human Resources or otherwise in accordance with Lexicon's Open Door Policy (1.6) or Complaint Procedure (3.7).

1.4: Diversity, Equity, and Inclusion.

1.4.1: Lexicon is committed to encouraging diversity, equity, and inclusion throughout Lexicon and with regard to all terms and conditions of employment.

1.4.2: Lexicon will seek to:

(a) Provide equity, fairness and respect to all employees and applicants.

(b) Prevent, oppose and avoid all forms of unlawful discrimination in all terms and conditions of employment.

(c) Train employees regarding their rights and responsibilities.

(d) Properly and timely investigate and remediate all claims of unlawful discrimination or harassment.

(e) Periodically review policies and practices to ensure they are being applied and enforced in a fair manner and to make changes to policies and practices when necessary.

1.5: Lawful Communications

Nothing in this Handbook is intended to prohibit or dissuade employees from engaging in communications protected by applicable federal, state, or local law.

1.6: Open Door Policy.

1.6.1: Lexicon recognizes that problems or differences of opinion over work matters may occasionally arise between an employee and his or her supervisor, co-workers, or Lexicon. When a problem does occur, it is to everyone's benefit to attempt to find a prompt and fair solution. That is the purpose of the following open-door procedure:

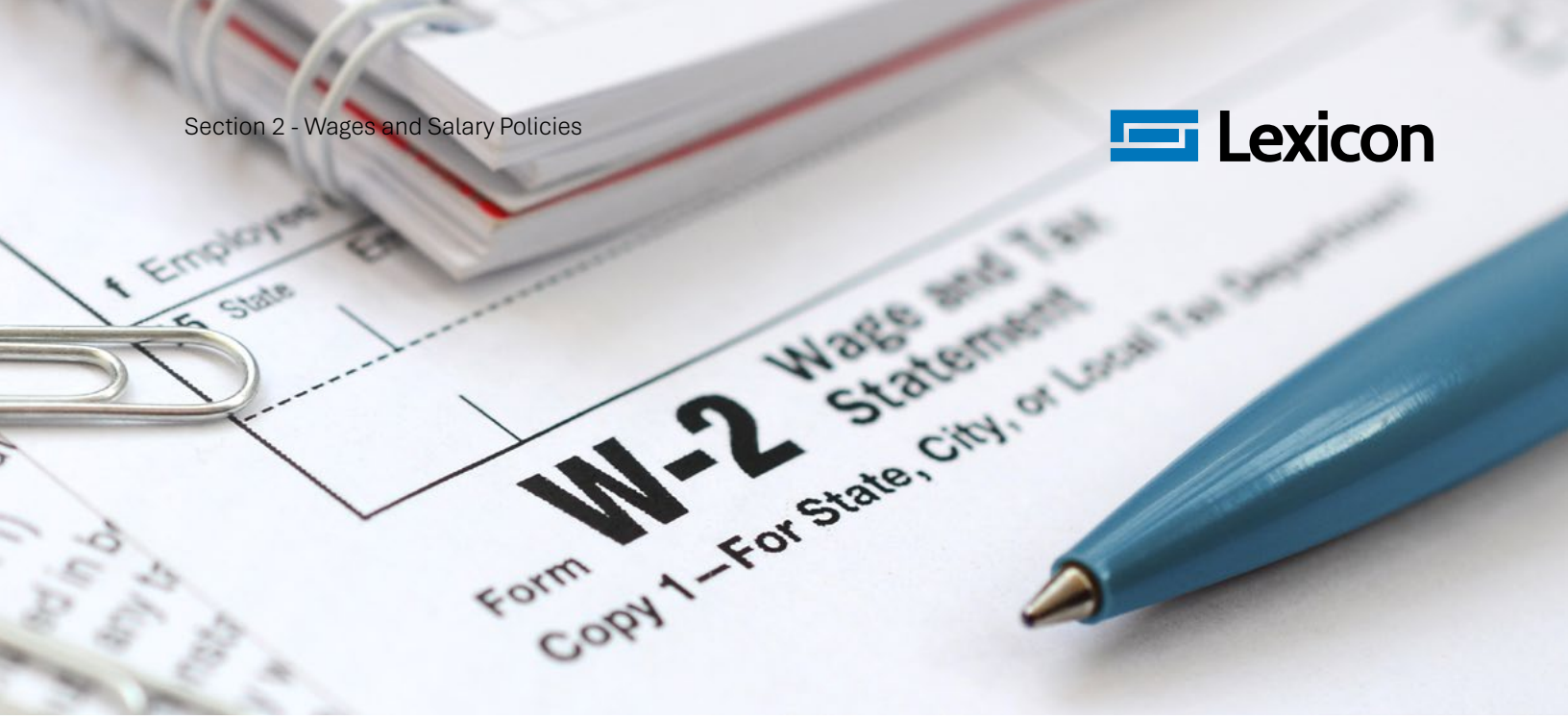
(a) When an employee has a problem or complaint, it should be discussed with the employee's supervisor at the earliest convenient time, generally within ten (10) days. It is hoped that the complaint can be settled at that level.

(b) If no solution is reached, the employee may then discuss the issue with Human Resources.

(c) If, at any time, the employee is not comfortable talking to his or her supervisor regarding the issue, or if the issue involves an employee's supervisor, the employee may approach Human Resources directly for assistance.

1.7: Human Resources.

For those locations that do not have a Human Resources representative on site, you can contact your Office Manager or Site Manager to ask to be put into contact with your Division Human Resources Manager. You can also send an email to LexHR@lexicon-inc.com.



SECTION 2 – WAGE AND SALARY POLICIES

2.1: Recording Time Worked.

2.1.1: Government regulations require that Lexicon keep an accurate record of time worked by employees in order to calculate pay and benefits. Employers must pay non-exempt employees for all the time they actually work.

2.1.2: Non-exempt employees are required to record their arrival times and departure times (including reporting to and leaving work and meal breaks). Depending upon work location, time recording may be done by signing in and out or by use of a time punch clock. If a non-exempt employee fails to record his or her time, the employee must notify his supervisor immediately and accurately report the hours worked. Failure to properly record time may result in disciplinary action, up to and including termination.

2.1.3: The timekeeper will run a report each morning for the previous day's time to determine any tardiness or absence. Supervisors will be given a copy of the report to complete the Absentee Form, which shall then be promptly sent to Human Resources.

2.1.4: Employees are forbidden to record the arrival or departure time of another employee. Anyone caught doing so will be subject to disciplinary action. It is also a violation for an employee to alter his or her own or another employee's time without permission.

2.2: Overtime.

2.2.1: The ability to work required overtime is an essential function of every position at Lexicon. Employees will be required to work overtime (that is, over 40 hours during a single work week) when requested to do so. Lexicon may not be able to notify employees in advance when requiring overtime work, but Lexicon will attempt to forewarn employees of overtime so employees can make any needed arrangements.

2.2.2: Prior approval of a supervisor, however, is required before any non-exempt employee works overtime. Employees working overtime without approval will be subject to disciplinary action. Lexicon will pay overtime at the rate of time and one-half to all non-exempt employees for all hours worked over forty hours during a single work week. Working "off the clock" or asking an employee to work "off the clock" is prohibited and grounds for immediate disciplinary action.

2.3: Deductions from Compensation.

2.3.1: Lexicon makes deductions from compensation in compliance with federal and state law. Under the Fair Labor Standards Act (FLSA), exempt employees must receive a predetermined amount of compensation each pay period, and only certain deductions are permitted. If an employee believes that Lexicon has made inadvertent deductions from his or her compensation, the following apply:

(a) The employee must report such deduction to his or her supervisor or to the Payroll Department.

(b) Each report will be investigated, and a determination concerning the deduction will be made.

(c) If Lexicon determines that the deduction was in error, the employee will be promptly reimbursed.

2.3.2: Lexicon will make a good-faith effort to comply with the provisions of the FLSA and any other applicable federal or state law.

2.3.3: Furthermore, in compliance with all applicable laws, rules, and regulations, and to the fullest extent allowed thereby, Lexicon reserves the right to impose penalties on account of an employee's violation of safety rules of major significance or of rules relating to workplace conduct. Generally, these penalties will, in the case of exempt employees, consist of disciplinary suspensions of one or more full days; and, in the case of non-exempt employees, a reduction in the employee's hourly rate. In no event shall the imposition of such a penalty cause an employee's hourly wage rate to fall below the then-applicable minimum wage.

2.4: Lost or Stolen Check.

2.4.1: If an employee calls to report a lost or stolen check, Lexicon will investigate and, if it determines that such check was in fact lost or stolen, the following procedures will apply:

(a) A stop payment will be issued on the check. The employee will be charged a reasonable fee for this service, which may, at Lexicon's option, be withheld from the replacement or any subsequent check.

(b) Lexicon will mail or fax a copy of the "Indemnity Agreement for Lost, Destroyed, or Stolen Checks or Direct Deposits" to the employee. The employee is required to complete, sign, and return the form to Lexicon before a replacement check can be issued.

(c) Lexicon will issue a replacement check approximately 30 days later.

2.4.2: If an employee calls to report a check that has been accidentally destroyed, the following steps will be taken:

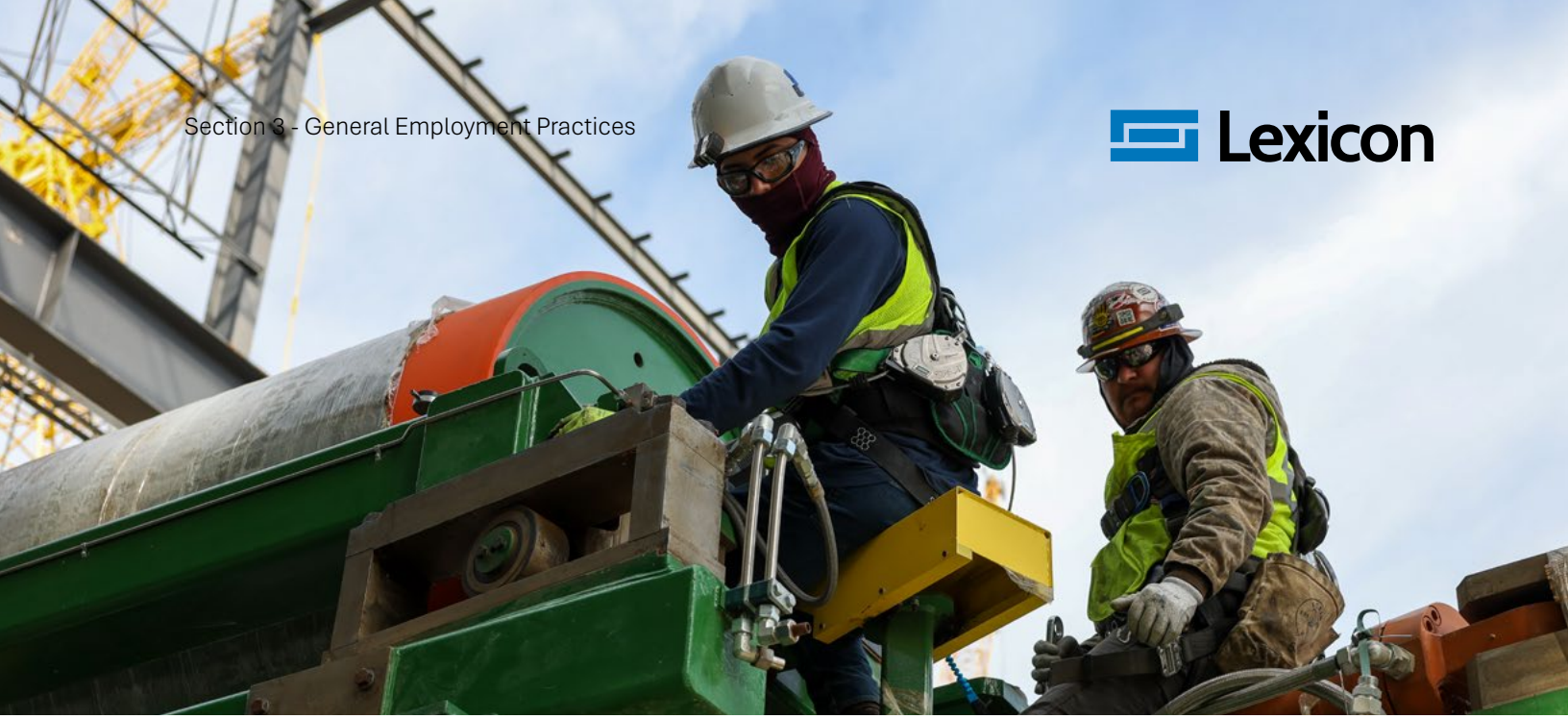
(a) If the employee can provide pieces of the check that make possible its identification, Lexicon will reissue the check immediately.

(b) If there is no evidence of the check, Lexicon will follow the same rules above for a lost or stolen check.

2.5: Advances.

2.5.1: Lexicon may, in its discretion, allow a one-time advance of $200 to each employee who requests one. The employee must work two complete shifts before receiving the advance.

2.5.2: Advanced money will be deducted from the employee's paycheck for the week following receipt of the advance. Employees seeking an advance should complete an advance form and forward same to the Payroll Department.



SECTION 3 – GENERAL EMPLOYMENT PRACTICES

3.1: Introductory Period.

During an employee's first 90 days of employment, management will evaluate his or her job performance. An introductory performance review may be provided to the employee by his or her supervisor. Completion of an introductory period does not change an employee's at-will status or in any way restrict Lexicon's right to terminate employment or change the terms or conditions of employment. If an employee is transferred or promoted to a new position, another 90-day period will apply. Those transferred or promoted employees who do not perform satisfactorily in their new jobs may, at the discretion of management, be returned to their original jobs, if a vacancy exists, or may be terminated.

3.2: Performance Evaluations.

Employees may receive periodic performance reviews. Performance evaluations may review factors such as the quality and quantity of work performed, knowledge of the job, and the ability to work in a positive manner with others. The performance evaluations should help the employee become aware of his or her progress, areas for improvement, and objectives or goals for future work performance. Positive performance evaluations do not guarantee an increase in salary or promotions. Salary increases and promotions are solely at the discretion of Lexicon and may depend upon factors such as business conditions, internal and external market competition and individual performance. After the review the employee will be asked to sign the evaluation report to acknowledge that it has been presented to and discussed with the employee by his or her supervisor and that the employee is aware of its contents. The employee's signature on the evaluation report does not necessarily indicate that the employee agrees with the substance of the report; space is provided for employee comments.

3.3: Employment of Relatives/Personal Relationships.

3.3.1: Generally, an employee's immediate family member may not be considered for employment if such employment would:

(a) Create a direct supervisor/subordinate relationship with a spouse or significant other;

(b) Have the potential for having an adverse effect on work performance; or

(c) Create an actual conflict of interest or the appearance of a conflict of interest.

3.3.2: It is sometimes the case that an employee's family member will, subsequent to hire, fall into one of these scenarios as a result of the assignment, transfer, or promotion of an employee. Should an assignment, transfer, or promotion result in one of the conditions outlined above, attempts may be made to find a suitable alternate position within Lexicon for one of the employees. If arrangements of this nature are not feasible, Lexicon will determine, based upon business needs and other legitimate criteria, which of the employees will be permitted to remain in his or her position.

3.3.3: Exceptions to this policy may be made, in Lexicon's sole and absolute discretion, depending upon business needs and other legitimate criteria, including, but not limited to, job duties and responsibilities.

3.4: Employee Transfers.

3.4.1: Lexicon realizes our talented and dedicated team members are at the core of our success. In an effort to help our employees achieve their career goals, Lexicon permits transfers to open positions in other divisions when the employee is qualified, and it is determined the transfer is in the best interest of both the employee and the organization. Lexicon is committed to the principles of equal employment opportunities for all applicants and employees.

3.4.2: Procedure

(a) In order to be eligible to transfer, an employee must:

(1) Meet the minimum job requirements of the open position.

(2) Be in good standing with Lexicon (i.e., not on any formal disciplinary or corrective action plan).

(3) Have excellent work performance history (i.e., satisfactory reviews from current supervisor).

(4) Have been in current position for at least six months (may be waived in special circumstances).

(5) Submit a completed Transfer Request form to Human Resources for consideration (forms available on-line and through Human Resources).

3.5: Payroll Status Change Notice.

If an employee's address or tax withholding status changes, he or she must update that information themselves on their Arcoro CoreHR account (Lexicon's human resources management system). In addition, if an employee's marital status changes or the number of exemptions previously claimed increases or decreases, the employee is required to complete a new Form W-4.

3.6: Resignation.

When an employee decides to leave for any reason, the employee may be requested to complete an Exit Interview Form before the employee leaves the job site or when the employee picks up his or her final check. Lexicon does request a two-week notice prior to the effective date of the resignation for all employees. Lexicon may decline to have the employee work all or part of the notice period, based upon business needs, in which event Lexicon may, at its discretion, pay the employee for any unworked notice period. For purposes of final pay, benefit eligibility, service credit, and plan year determinations, an employee's separation date is the employee's last day actually worked. Employees shall be paid upon resignation for all vested, unused vacation.

3.7: Complaint Procedure.

3.7.1: Policy. Lexicon gives employees an opportunity to present their work-related complaints through an internal dispute resolution process.

3.7.2: Definition of a Complaint. A complaint is defined as an employee's expressed dissatisfaction concerning an alleged violation of civil law or any interpretation or application of a policy or work rule by management, supervisors, or other managerial employees. Matters that are considered appropriate complaints under this policy are the following:

(a) Allegations that Lexicon's written policies or work rules have been interpreted or applied in a manner which is in violation of either the express provisions or the past application of such policy or work rule.

(b) Allegations of discrimination against an employee because of that employee's inclusion in a legally protected group, including, but not limited to, any local, state, or federal law protecting persons from discrimination because of race, color, sex, sexual orientation, gender identity, age, religion, national origin, disability, other characteristics protected by applicable law, military or veteran status, or any claim of retaliation for engaging in any protected activity under any such statute. Also included are any allegations of a violation of local, state, or federal law governing leaves of absence or pay.

(c) Allegations of breaches of contract between Lexicon and the employee, including, but not limited to, contract claims where the employee is alleged to be a third party beneficiary to a contract, claims of implied contract or implied duty of good faith and fair dealing, claims of wrongful discharge in violation of public policy, or any other claim of wrongful termination on the basis of exceptions to the common law principle of employment-at-will.

3.7.3: Timeliness for Filing Complaints. When an employee has a problem or complaint, it should be discussed with the employee's supervisor at the earliest convenient time, generally within ten (10) days. It is hoped that the complaint can be settled at that level.

3.7.4: Procedure. Employees should first make an effort to resolve any complaint by discussing the problem or issue with the employee's immediate supervisor (provided the supervisor is not alleged to have been responsible for or otherwise to have participated in the action resulting in the problem or complaint). Oftentimes, such a discussion is the most effective method in resolving problems. Employees are encouraged to discuss their problems with their supervisor before contacting the Human Resources Department. However, if the employee is unsatisfied with his or her discussions with the supervisor, or is uncomfortable with proceeding in such a fashion, the employee can obtain a complaint form from the Human Resources Department, complete it, and return the completed form to the Human Resources Department within the time limits set forth in Section 3.7.3. The employee will normally be contacted by the Human Resources Department within five (5) working days after receipt of the complaint form.

3.7.5: Other Rights. Nothing in this Complaint Procedure is intended to reduce, alter, or otherwise limit an employee's rights, duties, obligations, or applicable time period(s) under any local, state, or federal law. Employees remain free to exercise any and all such rights.

3.7.6: Prohibition on Retaliation. LEXICON PROHIBITS ANY RETALIATION AGAINST ANY EMPLOYEE FOR UTILIZING OR PARTICIPATING IN GOOD FAITH IN THIS PROCESS. ANY MANAGER WHO ENGAGES IN ANY ACT OF RETALIATION WILL BE SUBJECT TO DISCIPLINARY ACTION.

3.8: Return of Company Property.

Upon request or at termination of employment, employees must return all Company property, including Company files, documents, equipment, mobile electronic devices, computer hardware, computer software, tools, uniforms, identification cards, keys, access control devices (e.g., key fobs), and other items. Failure to return any Company property or returning Company property in a damaged or unacceptable condition may result in amounts being withheld from the employee's paycheck, in accordance with state and federal laws, and/or referred to a collection agency.



SECTION 4 – EMPLOYEE RESPONSIBILITIES AND COMPANY WORK RULES

4.1: Code of Business Ethics.

4.1.1: General Policy. Lexicon will conduct its business activities and transactions with the highest level of integrity and ethical standards and in accordance with all applicable laws. In carrying out this policy, Lexicon has adopted this Code of Business Ethics (the "Code"). This Code covers a wide range of business practices and procedures. It does not cover every issue or situation that may arise, but it sets out basic principles to guide all employees, officers, and directors of Lexicon. All employees must comply with this Code. Those who violate the standards in this Code will be subject to disciplinary action.

4.1.2: Compliance with Laws, Rules, and Regulations. Lexicon complies with all applicable laws, rules, and regulations in the conduct of its activities and expects its employees to do the same. All employees must comply with applicable federal, state, and local laws, rules, regulations, ordinances, and executive orders.

4.1.3: Conflicts of Interest and Outside Employment.

(a) Employees may hold outside employment so long as they can still satisfactorily perform their job responsibilities with Lexicon and such outside employment does not violate any other Company policies or applicable laws. If Lexicon determines that an employee's outside employment is interfering with the employee's performance or ability to meet the requirements of Lexicon, the employee may be asked to terminate the outside employment if he or she wishes to remain employed with Lexicon.

(b) Employees must avoid situations that create an actual or potential conflict between an employee's personal interests and the interests of Lexicon. A "conflict of interest" exists when an employee's loyalties or actions are divided between the interests of Lexicon and those of another, such as a competitor, supplier, customer, or personal business. A

conflict of interest can arise when an employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. A conflict of interest may also arise when an employee, or members of his or her family, receives an improper personal benefit as a result of his or her position in, or relationship with, Lexicon. Moreover, the appearance of a conflict of interest alone can adversely affect Lexicon and its relations with customers, suppliers, and employees. The appearance of a conflict is to be avoided.

(c) Employees are expected to use good judgment and to adhere to high professional standards. Certain activities which are not proper for Company employees include, but are not limited to: employment with, or creating a business that is, a competitor, customer, or supplier of Lexicon; use of Company time, facilities, or equipment to engage in another business or occupation during working time; performing work for a customer as a representative of Lexicon without Company approval; and any outside activity that results in employees losing time from Company work or otherwise performing unsatisfactorily.

(d) A conflict of interest can also arise with respect to the employment of relatives and persons with close personal relationships. If an employee or someone with whom an employee has a close relationship (e.g., a family member or close companion) has a financial or employment relationship with an actual or potential competitor, supplier, or customer, the employee must disclose this fact in writing to Human Resources.

(e) Employees should consult with Human Resources before engaging in any activity that might be covered by this policy.

(f) In accordance with Lexicon's policies regarding leaves of absence, work in connection with an employee's outside employment is prohibited while that employee is on a leave of absence from Lexicon, with the exception of a military leave of absence.

(g) From time to time, Company employees may be required to work beyond their normally scheduled hours. Employees must perform this work when requested. In cases of conflict with any outside activity, the employee's obligations to Lexicon must be given priority. Employees are hired and continue in Lexicon's employ with the understanding that Lexicon is their primary employer and that other employment or commercial involvement which is in conflict with the business interests of Lexicon is prohibited.

(h) Corporate Opportunities. Employees are prohibited from taking for themselves personally opportunities that are discovered through the use of Company property, information, or their position without the consent of the Chief Human Resources Officer. No employee may use Company property, information, or their position for improper personal gain, and no employee may compete with Lexicon directly while they are engaged or employed by Lexicon. Employees shall not engage in any unfair competition with Lexicon.

(i) Fair Dealing. Employees should endeavor to respect the rights of and deal fairly with Lexicon's customers, suppliers, competitors, and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

(j) Gifts and Entertainment. No gift or entertainment involving any potential or actual customers, vendors, or competitors should ever be offered, given, provided, or accepted by any employee, family member of an employee, or agent unless it: (i) is not a cash gift; (ii) is consistent with customary business practices; (iii) is not excessive in value; (iv) cannot be construed as a bribe or payoff; and (v) does not violate any laws or regulations. If an employee is not certain that any gifts or entertainment are appropriate, please discuss with Human Resources. Any gift or entertainment not satisfying the criteria set forth above must be approved in advance by Lexicon's Chief Financial Officer.

4.1.4: Record Keeping. All of Lexicon's books, records, accounts, and financial statements must be maintained in reasonable detail, must appropriately reflect Lexicon's transactions, and must conform both to applicable legal requirements and to Lexicon's system of internal controls. All Company business data, records, and reports must be prepared truthfully and accurately. This applies equally to email, internal memos, and formal reports. Records should always be retained or destroyed according to Lexicon's Record Retention Policy.

4.1.5: Confidentiality. Employees who come into possession of Lexicon's Proprietary Information, as defined in this Handbook, or confidential information of its customers must safeguard the information from the public and not intentionally or inadvertently communicate it to any person (including family members and friends) unless the person has a need to know the information for legitimate, Company-related reasons. Confidential information must be held in the strictest confidence, and such Proprietary Information and confidential customer information cannot be disclosed by any employee to any third party unless the third party has signed a nondisclosure agreement approved by Company's General Counsel. All employees should be discreet with respect to such confidential information and not discuss or post it in public places.

4.1.6: Protection and Proper Use of Company Assets. No secret or unrecorded fund of Company assets or cash shall be established or maintained for any purpose. Anyone spending or obligating Company funds should be certain that the transaction is properly and appropriately documented and that Lexicon receives appropriate value in return. All employees should endeavor to protect Lexicon's assets and ensure their efficient use. Any suspected incident of fraud or theft should be immediately reported to the employee's supervisor or Human Resources. Company equipment should not be used for non-Company business during working time, which means the time during which an employee is actually engaged in assigned work tasks, though incidental personal use may be permitted if approved in writing by the employee's supervisor.

4.1.7: Payments to Government Personnel. Company assets, facilities, and resources may not be used for political purposes except in accordance with the law and after approval by the Chief Financial Officer. The United States Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to

obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country. In addition, the United States government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer, or delivery to an official or employee of the U.S. government of a gift, favor, or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules.

4.1.8: Reporting Illegal or Unethical Conduct. Employees are responsible for being knowledgeable about Lexicon's policies and ethical standards applicable to their activities and complying with them fully. Employees also have a duty to report any suspected misconduct. Employees who know or have good reason to believe that other employees are engaged in conduct that actually or potentially violates laws, ethical standards, the Code, or other Company policies should report this to Human Resources.

4.1.9: Non-Retaliation. Lexicon does not permit retaliation of any kind, either direct or indirect, against employees for good faith reports of ethical or legal violations. Any employee who attempts to or encourages others to retaliate against an individual because the individual has reported a violation, or has asked questions about ongoing or proposed conduct, will be subject to disciplinary action.

4.1.10: Cooperation in Investigations.

(a) Employees shall cooperate fully in any investigation of an alleged violation of any law, ethical standard, the Code, or other Company policy, and employees may have a duty to maintain the confidentiality of the investigation unless specifically authorized to disclose such information. Failure of any employee to comply with such policies will result in disciplinary action.

(b) Other than as excepted by applicable law, employees shall cooperate fully with Lexicon and any governmental or other authority in any investigation of an alleged violation of any law, ethical standard, the Code or other Company policy, and employees may have a duty to maintain the confidentiality of the investigation unless specifically authorized to disclose such information. Failure of any employee to comply with such policies may result in disciplinary action.

4.1.11: Questions.

(a) If an employee has any questions regarding this Code or is unsure of the correct course of action in a business-related situation, the employee may address those questions to Human Resources for resolution. Such questions will be investigated by Lexicon on a case-by-case basis. In those instances where Lexicon, after review by the Chief Human Resources Officer, approves an activity or situation, Lexicon is not granting an exception or waiver, but is determining that there is no policy violation. No one in Lexicon has the authority to make exceptions or grant waivers to the Code. If Lexicon determines that an activity or situation would be a violation of the Code, then appropriate action will be taken.

(b) Employees are encouraged to contact Human Resources to report any legal or ethical concerns. Human Resources investigates all credible reports. Lexicon is committed to maintaining the confidentiality of such reports to the maximum extent practicable and

will disclose information provided on a need-to-know basis. An employee may report anonymously where local law permits. The more information provided by an employee, the easier it will be for Lexicon to investigate and appropriately respond to an employee's report.

4.2: Rules of Conduct.

4.2.1: Standards. Proper conduct and performance are requirements in any work environment. Lexicon expects employees to follow rules of conduct that will protect the interests and safety of all employees and Lexicon. Employees should at all times be respectful of their co-workers, Lexicon's customers, and Lexicon, and they should conduct themselves in a professional manner. If there are times when those standards are not being met, then Lexicon may point out performance or behavioral problems which require the employee's attention and improvement. In those instances, Lexicon may rely upon various disciplinary actions ranging from verbal warnings up to and including termination of employment by discharge. There is no requirement that disciplinary action follows any specific sequence. Based upon the severity of the conduct, termination of employment by discharge may result from the first offense. The specific disciplinary action utilized will depend upon various factors, including the nature of the violation, prior work history, and tenure.

4.2.2: Disciplinary Action. As used throughout this Handbook, the term "disciplinary action" includes termination of employment by discharge.

4.2.3: Examples. The following non-exhaustive list provides examples of conduct violations that may result in disciplinary action, up to and including termination. This list does not alter an employee's at-will status or limit Lexicon's right to terminate employment or modify the terms and conditions of employment at any time:

(a) Excessive or unauthorized non-protected absenteeism or tardiness (as addressed in the Attendance Policy).

(b) Unauthorized leaves of absence or leaving the job prior to work's end without authorization.

(c) Insubordination or refusal to follow lawful instructions, orders, or directives or to otherwise perform assigned work.

(d) Poor work performance, including inefficient or negligent performance of assigned duties, inactivity on the job, idleness, inattention to duty, sleeping on the job, and negligent or intentional restriction of output or other slowdown.

(e) Possession and/or use of tobacco or food in unauthorized areas.

(f) Theft or any attempted theft. This includes, but is not limited to, misappropriation or unauthorized use of Lexicon's, its employees', or its customers' property, merchandise, telephones, computers, equipment, or material.

(g) Engaging in a fight or assault or threatening violence in the workplace. This includes any conduct that endangers the life, safety, or property of Lexicon or another. Horseplay is prohibited.

(h) Failure to comply with all Company rules, policies, and directives, including, but not limited to, those set forth in the Handbook.

(i) Unauthorized alteration, use, possession, or removal of any of Lexicon's property or material or that of a co-worker or Lexicon's customer.

(j) Breach of trust or dishonesty.

(k) Possession of dangerous materials, such as explosives or weapons, on the premises of Lexicon or Company's customers. However, weapons used for hunting and registered handguns are permitted on Lexicon's premises as allowed by law provided such weapons are kept secured in locked vehicles. To the extent not prohibited by applicable law, weapons may be brought into the workplace only in compliance with and subject to the authorization of Lexicon's Chief Administrative Officer.

(l) Unauthorized possession, use, or copying of any records that are the property of Lexicon or its customers.

(m) Falsification of Lexicon's documents, timecards, reports or records.

(n) Intimidation or coercion of another employee or of a customer of Lexicon for any reason.

(o) Violations of any federal, state, municipal, or other laws or regulations, including, but not limited to, discrimination or harassment based on a protected characteristic.

(p) Intentional or negligent damage to property belonging to Lexicon, another, or Lexicon's customers. This includes destruction or defacing of such property.

(q) Possession (other than as may be contained within mobile electronic devices (see Section 4.7)) or use of recording devices on Lexicon's property without the consent of management.

(r) Indecent conduct, including, but not limited to, vulgarity, excessive use of profane language, and indecent exposure.

(s) Excessive personal phone calls or internet usage that interferes with an employee's ability to perform assigned work tasks during working time.

(t) Having unauthorized personal visitors on the job site.

(u) Poor productivity or workmanship.

(v) Performing unauthorized work, including working unauthorized overtime, and working off the clock or asking an employee to work off the clock.

(w) Concealment of errors, mistakes, or hazards.

(x) Gambling on Lexicon's premises or with Company property.

4.3: Violence in The Workplace.

4.3.1: In compliance with applicable law, including the Occupational Safety and Health Act, Lexicon prohibits any action or course of conduct at the worksite or on or in other Company- or client-owned property that could reasonably be interpreted as a physical act of violence or a threat to harm a person or property. Abusive behaviors—verbal, psychological, or physical—are also prohibited. This prohibition includes, without limitation:

(a) Unwelcomed, embarrassing, offensive, threatening, or degrading language;

(b) Any act that reasonably provokes fear or diminishes a person's dignity or self-esteem;

(c) Unwelcomed verbal or physical assault or threat thereof; and

(d) Bullying.

4.3.2: Workplace violence can be perpetrated by employees, customers, clients, contractors or other third parties.

4.3.3: Employees must immediately report any physically violent behavior (as defined above) in accordance with the reporting procedure found in either Section 3.7 or 4.4 of this Handbook. All reports will be taken seriously. Appropriate disciplinary actions will be taken against the perpetrator.

4.3.4: It is a violation of this policy to take retaliatory action on account of a person reporting violent behavior or participating in the investigation of a report of violent behavior.

4.4: Discrimination and Harassment Prevention Policy and Productive Work Environment

4.4.1: Lexicon is committed to providing its employees with a workplace that is free of illegal discrimination and harassment. To this end, Lexicon maintains a zero-tolerance policy with regard to illegal discrimination and harassment. Employees will be trained to recognize such conduct and the appropriate action to take in the event an employee is aware of any violation of this policy. Lexicon will investigate complaints of discrimination or harassment thoroughly and in a timely fashion. When inappropriate conduct is discovered, Lexicon will take prompt and effective remedial action. Employees who bring possible violations of this policy to Lexicon's attention will be protected from any reprisal on account of having reported a suspected violation of this policy. Working together, we can ensure that all employees are treated with dignity and respect, and the workplace is one in which all employees can thrive.

(a) General Policy. It is the policy of Lexicon to promote a productive work environment and to treat similarly situated employees equally in the terms and conditions of employment. Lexicon does not tolerate discrimination or harassment based on a protected status of any employee by any supervisor, coworker, visitor, or other third party. Discrimination and harassment are contrary to Company policy and will be considered justification for disciplinary or other appropriate action.

(b) Employees are expected to contribute to a productive work environment that is free from illegal harassment or discrimination.

(c) Lexicon prohibits conduct by any employee that:

(1) improperly or illegally discriminates against, harasses, disrupts, or interferes with work performance or operations of an employee; or

(2) creates or contributes to an intimidating, offensive, unlawful, or hostile environment.

(d) Definition of Harassment. Harassment is any annoying, persistent act or actions that singles out an employee to that employee's objection or detriment based on that employee's protected characteristic, which includes, but is not limited to, the employee's race, color, religion, sex, sexual orientation, transgender status, gender identity, age, national origin or ancestry, disability, veteran status, or other protected class status. Examples of harassment include, but are not limited to, any of the following:

(1) Any verbal abuse or ridicule.

(2) Use of epithets, derogatory comments, slurs, or unwanted sexual advances, invitations, or comments based on an individual's protected status.

(3) Interference with an employee's work. This includes physical contact such as assault, blocking normal movement, or other interference directed at an individual because of his or her protected status.

(4) Displaying or distributing sexually offensive or racist materials. This includes derogatory posters, cartoons, drawings, or gestures.

(5) Unwelcome physical contact.

(6) Making sexual, racial, ethnic, or other innuendos or insinuation.

(7) Demanding favors (sexual or otherwise), explicitly or implicitly, as a condition of employment, promotion, transfer, or any other term or condition of employment.

(8) Retaliation for having reported harassment.

(9) Creation or participation in a hostile work environment or an unproductive work environment.

(10) Threat of harm to an employee, his or her family or his or her personal property, whether the threats are direct or implied.

(11) Failure to alter any conduct that may be considered harassment or physically threatening to another employee when instructed by a supervisor.

(12) Discriminating against any employee in work assignments or job-related training due to his or her protected status.

(e) Expectations and Process. It is every employee's responsibility to ensure that his or her conduct does not include or imply unlawful discrimination or harassment in any form. If discrimination, harassment, or suspected discrimination or harassment has taken or is taking place, the following will apply:

(1) Any discrimination, harassment, or suspected discrimination or harassment must be immediately reported to Human Resources. If the conduct involves Human Resources, then it should be reported to an officer of Lexicon. A written statement from the complainant setting forth all pertinent facts may be requested.

(2) Anyone who receives a report of or has knowledge of discrimination against or harassment of others shall promptly inform Human Resources in writing.

(3) Each complaint shall be promptly and thoroughly investigated by Human Resources on a case-by-case basis. All actions uncovered in this investigation will be reviewed and appropriate responses will be made to all parties involved.

(4) Lexicon endeavors to hold the information disclosed during an investigation and determination procedure in confidence to the extent practicable and permitted by applicable law. Such information may be disclosed on a "need to know" basis in order to investigate and resolve or remedy the matter. The cooperation of all employees is expected and required.

(5) Lexicon will not tolerate discrimination, harassment, or any form of retaliation against an employee on account of that employee having either instigated or cooperated in an investigation of alleged discrimination, harassment, or retaliation. Violation of this provision may result in termination of employment by discharge. Perceived retaliation should be reported in accordance with this policy.

(6) Knowingly providing false information during an investigation or complaint procedure is considered serious and will result in disciplinary action.

(7) If, after investigation, Lexicon finds a violation of this policy, it will take appropriate corrective and remedial action.

4.4.2: Lexicon recognizes that false accusations of discrimination or harassment can have serious effects on innocent employees. Lexicon trusts that all employees of Lexicon will continue to act responsibly to establish a working environment free of discrimination or harassment. Lexicon encourages any employee to contact Human Resources about any questions he or she may have regarding discrimination or harassment.

4.5: Attendance Policy.

4.5.1: Regular and On-Time Attendance. Regular and on-time attendance is an essential function of every position with Lexicon. Excessive absenteeism and tardiness are not only inconvenient but also cause costly problems. While it is recognized that an occasional illness or extenuating personal reasons may cause unavoidable absence from work or tardiness, regular on-time attendance is required for continued employment.

4.5.2: Notification. Employees must notify Lexicon of any absence or tardiness. Employees must notify their immediate supervisor as far in advance as possible, but no later than 15 minutes before his or her regular starting time if the employee expects to be absent or late. If the employee fails to provide such notification, the employee will be reported as tardy and applicable disciplinary action

may be administered. This notification is required to provide the supervisor time so that arrangements may be made to alter the distribution of work, if necessary. If an employee does not call in to report an absence for one day, barring unusual or exigent circumstances, the supervisor will consider the job abandoned and Lexicon will record the resignation of the employee on the separation notice. In cases of job abandonment, Lexicon will normally process the separation after the day of no call–no show; however, the employee's separation date for service, benefit eligibility, and PTO payout purposes will be the employee's last day actually worked, unless otherwise required by law.

4.5.3: Disciplinary Action. Any employee who fails to maintain an acceptable attendance record will be subject to disciplinary action. Unexcused absence or tardiness will affect future promotions, pay increases, and safety/annual bonuses.

4.5.4: Schedule. All employees are required to work the scheduled days and hours per week necessary in order to accomplish Lexicon's needs. The schedule will be set each week and may be changed according to the particular job, department, shift, and/or working conditions. If an employee walks off or leaves without authorization prior to the end of the employee's shift, barring unusual or exigent circumstances, the supervisor will consider the job abandoned and Lexicon will record the resignation of the employee on the separation notice.

4.5.5: Doctor's Certificate. Except in cases in which leave is pursuant to the Family and Medical Leave Act ("FMLA") (see Section 5.4), an employee may be required to provide his or her supervisor with a doctor's certificate whenever he or she is absent for more than one day due to illness or injury. The doctor's certificate must state that the employee is receiving medical care and should indicate the approximate date the employee will return to work.

4.5.6: Excused Absence. An excused absence is defined as sickness (self and family), doctor's appointment, acts of God (including flooding, earthquakes, snow, and ice), and other absences with prior approval from the employee's supervisor, including, but not limited to, personal business or the funeral or death of a member of the employee's immediate family.

(a) To the extent permissible under applicable law, an excused absence may be required to be made up on the next available day off to assist in keeping all work schedules.

(b) Absences will be considered excessive if there are six (6) excused absences in a calendar year. Excessive absenteeism does not apply to any leave protected by the FMLA or other law.

4.5.7: Unexcused Absence. An unexcused absence is any absence that is not an excused absence. Disciplinary actions for unexcused absences can include, but are not limited to, verbal reprimand, written warning, suspension, and termination of employment by discharge.

4.5.8: Tardiness. Tardiness is clocking or signing in any time after the start of a shift or break. Anyone who clocks or signs in after the start of a shift will not be paid for the tardiness. Disciplinary actions for tardiness can include, but not be limited to, verbal warnings, written warnings, suspension, and termination of employment by discharge.

4.6: Use of Communication Systems.

4.6.1: Lexicon maintains communication services and equipment to assist in the conduct of its business. It provides the following guidelines for the authorized use of these communication systems:

(a) Supervisors are responsible for instructing employees on the proper use of email and the on-line services used by Lexicon for both internal and external business communications.

(b) All Lexicon communication services and equipment, including the messages transmitted or stored by them, are the sole property of Lexicon. Lexicon may access and monitor employee communications and files as it considers appropriate. Employees have no reasonable expectation of privacy in communications or files sent on or to Lexicon equipment or a Lexicon-issued account.

(c) Employees are prohibited from adding or removing software from any Lexicon computer without authorization from the Information Technology ("IT") Director. Only authorized Lexicon employees are permitted to alter the content of any Lexicon computer.

(d) Employees should use Lexicon's electronic mail, telephone systems and online services primarily for business purposes but limited personal use is allowed provided such usage:

(1) Is limited to non-working time, such as meal and break periods and before and after work.

(2) Is not excessive and does not interfere with either Lexicon's operations or the employee's responsibilities and duties.

(3) Is not used to misrepresent Lexicon, its employees, or its customers.

(4) Does not have the potential to cause embarrassment to Lexicon by the use of false information.

(5) Does not compromise the integrity of any Lexicon network components, including hardware and software.

(6) Does not violate federal, state, or local laws, regulations, or policies or any provision of this Handbook or other Lexicon policies.

4.6.2: Employees should exercise care so that no personal correspondence appears to be an official communication of Lexicon.

4.6.3: Employees are prohibited from removing or tampering with another employee's electronic mail/voice mail in an effort to obtain private and/or confidential information. Lexicon may access such information to the extent it deems appropriate.

4.6.4: Improper use of Lexicon's communication services, and equipment will result in disciplinary action. Improper use includes any misuse as described in this policy as well as any unlawful harassing, discriminatory, defamatory, or sexually suggestive written, recorded, or electronically transmitted messages.

4.7: Mobile Electronic Device Policy.

4.7.1: Definition of Mobile Electronic Device. For purposes of this policy, a mobile electronic device is any hand-held or other portable electronic communication, viewing, listening, recording, gaming, computing, or global positioning device, including, but not limited to, cell or satellite phones, smart phones, pagers, personal digital assistants ("PDAs"), global positioning satellite units, laptop computers, iPads or tablet devices, audio listening devices, video viewing devices, portable gaming systems, and other similar devices and their accessories.

4.7.2: Use of Mobile Electronic Devices While at Work. Limited usage of personal mobile electronic devices for personal purposes during working time or in work areas is allowed provided such usage is not excessive and does not interfere with either Lexicon's operations or the employee's safety, responsibilities, or duties. Employees must also comply with all rules of Lexicon and Lexicon's customers regarding the possession or use of mobile electronic devices in designated areas. Lexicon will have the right to obtain access to personal mobile electronic devices for legitimate business purposes, which could include, without limitation, an investigation of possible trade secret or other intellectual property misappropriation or other workplace investigations, or may arise with respect to Lexicon's duty to preserve or produce evidence relevant to litigation. Lexicon Employees who use personal mobile electronic devices to conduct Lexicon business consent to Lexicon's review of business-related contents on those devices to the extent permitted by applicable law.

4.7.3: Use of Mobile Electronic Devices While Driving. The use of a mobile electronic device while driving may present a hazard to the driver, employees, and the general public. Business calls on a mobile electronic device can be made when using the voice-activated or other hands-free mode while driving, but such calls should be kept short and should circumstances warrant (e.g., heavy traffic, bad weather, construction zones, etc.), individuals should locate a lawfully designated area to park to continue the call. Otherwise, the use of a mobile electronic device for any purpose while driving or in traffic is prohibited, including, but not limited to, the use of a mobile electronic device to access information on the Internet or to compose, read, or send an electronic message (text messaging or emailing). Employees must adhere to all federal, state, or local rules and regulations regarding the use of mobile electronic devices while driving. For purposes of this policy, driving includes the use or operation of any equipment, machinery, or vehicle.

4.7.4: Company-Provided Mobile Electronic Devices. Employees who are issued Company mobile electronic devices must comply with all service and use restrictions. It is the responsibility of each employee to use reasonable care in handling and protecting mobile electronic devices provided by or paid for by Lexicon. Company-provided mobile electronic devices may be used for limited personal use provided that such usage is not excessive and does not interfere with either Lexicon's operations or the employee's responsibilities and duties. Lexicon may require an employee to reimburse Lexicon for expenses arising from the employee's unauthorized or excessive personal use of a Company-provided mobile electronic device. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce a mobile electronic device for return or inspection.

4.7.5: Monitoring. Lexicon reserves the right to review the phone records, call logs, text messages, email messages, voicemails, and other electronic records on a mobile electronic device provided by or paid for by Lexicon and to obtain relevant information from the telephone company or

carrier. Employees should not consider information on mobile electronic devices provided by or paid for by Lexicon to be private, including phone records, call logs, text messages, email messages, voicemails, and other electronic records. Employees have no right nor expectation of privacy with regards to the use of mobile electronic devices provided by or paid for by Lexicon and, by use of such devices, consent to all company-sponsored monitoring.

4.7.6: Disciplinary Action. Any employee who fails to comply with the provisions of this Mobile Electronic Device Policy may be: (i) subject to loss of associated privileges; (ii) held financially liable for any costs associated with the improper use; and (iii) subject to disciplinary action.

4.8: Computer Usage Policy.

4.8.1: Purpose. To set forth policies on the acceptable usage of Lexicon's desktop computers, laptop computers, handheld computers, mainframes, networks, servers, and other similar devices, including Lexicon's email, intranet, and internet system, as well as all computer software (collectively and individually the "System").

4.8.2: Scope. This Computer Usage Policy is applicable and binding on all employees of Lexicon, its contractors, vendors, partners, associates, and all others accessing and/or using the System (collectively and individually "Users").

4.8.3: General.

(a) The System and all data transmitted, received, or stored using the System are the exclusive property of Lexicon. Such data includes, but is not limited to, documents, files, passwords, and all email, intranet, and internet messages and attachments composed, sent, or received.

(b) The System is primarily for business use.

(c) Users are permitted limited personal use of the System provided such usage:

(1) Is limited to non-working time.

(2) Is not excessive and does not interfere with either Lexicon's operations or the individual User's responsibilities and duties.

(3) Does not have the potential to cause embarrassment to Lexicon, its employees or its customers through the use of false information.

(4) Does not compromise the integrity of any Company network components, including hardware and software.

(5) Does not violate federal, state, or local laws, regulations, or policies or any provision of this policy or other Company policies.

(d) Each User's Outlook email box shall not exceed 350 megabytes of disk space on the Lexicon network. If a User exceeds the maximum limit, a warning box will appear notifying the User to clean his or her email box. This ensures the integrity of the entire Lexicon email system, the reduction of virus infections, and the overall stability of sending and receiving business related email in a timely and accurate manner.

4.8.4: No Privacy Expectations. Lexicon reserves the right to monitor, intercept, review, record, and/or store all data transmitted, received, downloaded or stored using the system, including tracking and monitoring use of the internet and websites visited. Lexicon may exercise this right at any time without prior written notice or consent of the User. Lexicon's interest in monitoring, intercepting, reviewing, recording, and storing data includes protection of Company data, managing the System's use, preventing the transmission or receipt of inappropriate materials, and ensuring that this policy is not violated. Users should not consider information on the system private, and Users have no right or expectation of privacy with regard to the receipt, transmission or storage of data on Lexicon's system.

4.8.5: Other Prohibited Uses.

(a) Users are not permitted to:

(1) Use large amounts of disk space or bandwidth (i.e., the capacity of Lexicon's communications line) for activities unrelated to Company business. Such prohibited activities include sending chain letters, emailing, or downloading large files (e.g., music, graphics, games, videos, etc.), using continuous on-line connections for data or video streaming, interactive/on-line or network games, music, or other similar activities.

(2) Intentionally or negligently permit the use of the System by unauthorized persons (e.g., friends, family, or others).

(3) Override or avoid security and System integrity procedures and devices.

(4) Use the System to create or store any offensive or disruptive messages or materials. Among those which are considered offensive are messages or materials that contain sexual implications, racial or ethnic slurs, or other comments that offensively address someone's age, sex, sexual orientation, religion, national origin, ancestry, disability, or physical attributes, or other protected characteristic. In addition, the System must not be used to communicate other improper messages, such as a message or material that is defamatory, obscene, or violative of applicable law.

(5) Use the System to commit or facilitate any crime, including, but not limited to, compromising the security of non-Company systems or sending obscene emails over the Internet with the intent to annoy, abuse, threaten, or harass anyone.

(6) Intentionally use the System to create, access, view, disseminate, or store discriminatory, harassing, or otherwise inappropriate information or graphical depictions, including information that is maliciously untrue, defamatory, sexually explicit, violent, racist, or otherwise in violation of Company policies or applicable laws.

(7) Use the System, without proper authorization to access, view, store, send, or receive copyrighted materials; trade secrets; proprietary information; Company-related material subject to the attorney-client privilege, the work product doctrine, or the confidentiality rule; or similar materials.

(8) Use the System to reveal customer sensitive information without consent.

(9) Use the System to infringe on any copyright or license agreement.

(10) Use the System to store, operate, or use any media or software that is in violation of its copyright or license agreement.

(11) Use the System for gambling of any kind.

(12) Access any other User's email, files, or documents without proper authorization.

(13) Download and install any form of instant messaging service.

(14) Copy or store Company information onto virtual data storage systems, such as cloud-based repositories, without prior authorization from the IT Director.

(b) Due to Lexicon's proprietary interest in all files and documents created by Users, any such files or documents emailed or transmitted in electronic or printed format to third parties must be limited to the minimum amount of information necessary to achieve the desired result.

(c) Users should, to the extent permitted by law, limit participation in business-related listservs (i.e., an automated mailing or discussion list). Participation in personal-related listservs (e.g., breaking news updates, weather updates, etc.) is prohibited.

(d) No former User may access or use the System without authorization.

4.8.6: Litigation.

(a) Emails, including attached documents, are regarded as a business record and, as such, may be discoverable by outside parties in a legal proceeding against Lexicon or the individual.

(b) User email will be treated consistently with Lexicon's Record Retention Policy.

4.8.7: Security.

(a) To help to ensure that there is no unauthorized access to the System, passwords shall be changed periodically as determined by the IT Director.

(b) User passwords, usernames, and any other authentication credentials used to gain access to the System (collectively "Authentication Credentials") are confidential. Each User is accountable for maintaining the security of his or her Authentication Credentials and for all usage under them. Users are prohibited from sharing their Authentication Credentials with anyone, including the IT Department.

(c) Users should log out of the System when not using their computers for extended periods of time.

(d) Users should not open suspicious email or attachments that are believed to contain a virus or other destructive mechanism. Email attachments of certain types should not

be opened without verification of the sender or the IT Department. Such types include files with the following extensions: .exe, .com, .bat, and any others as provided by the IT Department.

(e) Confidential Proprietary Information, as defined in this Handbook, should not be sent over the System, unless with appropriate warnings, safeguards, or encryption.

(f) Lexicon is not liable for User submission of credit card information or other sensitive data over the System.

(g) Users are prohibited from using the System to download software without the authorization of the IT Director.

(h) Users may not encrypt any emails without obtaining written permission from their supervisor or appropriate personnel. If approved, the encryption key(s) must be made known to Lexicon.

4.8.8: Procedures.

(a) Investigations. Lexicon is committed to the protection of each individual User's rights with regards to equal protection and a work environment free of illegal harassment, discrimination, retaliation, or other illegal conduct. To aid in ensuring the quality of the work environment, we encourage and require our Users to report suspected violations of this policy. All reports and investigations will remain confidential to the extent practicable.

(b) Acknowledgment/Consent. Each User who will be accessing and/or using the System should receive a copy of this policy on or before the first day of use, upon its initial distribution, and upon any amendment to this policy. Users will be required to read the policy at that time, then sign and date a form acknowledging they have done so. The User's signature on the form titled "Computer User Agreement" indicates the User has received the policy, read and understood the policy, and is thereby voluntarily consenting to Lexicon monitoring, intercepting, reviewing, recording, and/or storing all electronic communications, as well as data transmitted, received, downloaded, or stored using the System.

(c) This policy should be reviewed by each User on a semi-annual basis.

4.8.9: Violations. Any user who fails to comply with the provisions of this policy may be:

(a) subject to loss of associated privileges;

(b) held financially liable for any costs associated with the improper use;

(c) subject to disciplinary action, if applicable; and

(d) subject to criminal penalties.

4.8.10: Contacts.

(a) Questions concerning this policy or the use or operation of the System should be directed to the IT Director or IT technicians.

(b) Questions or reports concerning the improper use of the System should be directed to the IT Director.

4.9: Software Copying and Usage Policy.

4.9.1: Purpose. The purpose of this section is to set forth policies for compliance with copyright laws and license agreements entered into with the owner or publisher of Computer Software.

4.9.2: Scope. This Software Copying and Usage Policy is applicable and binding on all employees of Lexicon, its contractors, vendors, partners, associates, and all others accessing and/or using Lexicon's desktop computers, laptop computers, handheld computers, mainframes, networks, servers, and other similar devices (collectively and individually "Users").

4.9.3: Definitions.

(a) "Computer Software" or "Software" is a written program or procedures or rules and associated documentation pertaining to the operation of a computer system. The term includes, but is not limited to, purchased or commercial Software, sound, graphics, images, or datasets; shareware; freeware; shelfware; and electronically stored documentation and the media that hold it. It also includes Software downloaded from networks (including the Internet).

(b) "Company Software" is defined as Computer Software purchased or acquired by Lexicon or by a User as part of his or her role at Lexicon. It also includes Computer Software written by Company Users if creating such Software is a Company-related task.

(c) "Non-Company Software" is any Software that is not Company Software.

4.9.4: General.

(a) Any use of Company Software, including shareware, must comply with all copyright laws and with the terms of the license granted by the Software owner, including any prohibitions against simultaneous use on multiple computers.

(b) Lexicon does not, and will not, condone illegal copying of Computer Software or the use of illegally copied or obtained Computer Software.

(c) No illegally obtained or illegally copied computer software is allowed on company computers.

(d) Any User who causes unauthorized Computer Software to be installed or loaded in connection with his or her role at Lexicon or who acquires unauthorized Computer Software in connection with his or her role at Lexicon is in violation of this policy.

(e) Unauthorized use, installation, or copying of any computer software is not permitted.

(f) The installation or use of Company Software on Company computers is permitted provided that such Software has been authorized for installation by the Information Technology ("IT") Director.

(g) The installation or use of Non-Company Software on Company computers is permitted provided that the use of such Software: (i) is not excessive and does not interfere with either Lexicon's operations or the individual User's responsibilities and duties; (ii) does not compromise the integrity of any Company network components, including hardware and Software; (iii) complies with Lexicon's Computer Usage Policy; and (iv) has been authorized for installation by the IT Director. The Non-Company Software must be free of viruses or other destructive mechanisms. Any Non-Company Software violating this policy shall be removed from the User's computer. Such removal shall be documented with a copy provided to the User.

(h) The installation or use of Company Software on a computer not owned by Lexicon, even if the purpose is to perform Company-related work, is prohibited unless such use is authorized in writing by the IT Director and is permitted in the Software's license agreement. Unauthorized installation or use constitutes theft of Company property. If the Software's license does not allow concurrent use and Lexicon requests a User to perform such work, Lexicon should purchase a separate license or copy of the Software for installation on the User's computer. The User is responsible for removing the Software from his or her computer upon: (i) the termination of his or her relationship with Lexicon, or (ii) a request by the IT Director.

(i) Whenever a user receives a copy of computer software from Lexicon or requests computer software to be loaded or installed on a Company computer, he or she is responsible for being familiar with the license agreements for that software and must abide by the stipulations included in the license agreements associated with that software.

(j) Individual users are accountable for software they load or install on Company computers or which they supply for loading or installing on Lexicon's computers or networks. Individual users are also accountable for any software on Company computers over which they have control.

4.9.5: Proof of Ownership of Software.

(a) Computer Software purchased by, and/or licensed to, Lexicon is a business resource and, therefore, should be safeguarded and accounted for in the same manner as other Company resources.

(b) The following must be kept by Lexicon's IT Department in a safe place and must be made available for review or inspection:

(1) All commercial Computer Software license agreements, records of purchase, and original and back-up disks (or other distribution media).

(2) All license or use agreements for shareware or freeware Software.

(3) All reports documenting the removal of Non-Company Software.

(4) Any written authorizations for the use of Company Software on a computer not owned by Lexicon.

(c) The following are examples of documents which can be used to show ownership or the right to use Software:

(1) The dated purchase order, invoice, or sales receipt for purchased Software or proof of a site-license agreement covering all copies in use or accessible by Users in Lexicon.

(2) The original Software distribution media.

(3) The original documentation.

(4) For Software that is bundled with, or preloaded on, computer systems purchased by Lexicon, an itemized listing of the Software on the dated purchase order, invoice, or sales receipt for the computer.

(5) For Software downloaded from external networks or acquired from noncommercial sources, a statement indicating the nature of the Software (e.g., downloadable commercial Software, shareware, freeware, or public domain), the use and registration requirements for the Software, and proof of registration of the Software, when applicable. Acquisition of Software universally known to be available free to the general public does not have to be documented. It is recognized that the extent of documentation needed for freeware or public domain Software will not be as extensive as for other types of Software.

(d) Proofs of purchase or ownership must cover ALL copies in use or accessible by Users in Lexicon.

4.9.6: Software License Registration. Registration with the owner(s) or publisher(s) of Computer Software purchased by, or received from, Lexicon for installation on a computer in connection with one's role at Lexicon must include Lexicon as the licensee.

4.9.7: Procedures.

(a) Investigations. Lexicon is committed to upholding all copyright laws in the use of Lexicon's computer equipment and systems. To aid in ensuring Lexicon's compliance with copyright laws, we encourage and require all Users to report suspected violations of this policy. All reports and investigations will remain confidential to the extent practicable.

(b) Acknowledgment/Consent. Each User who will be accessing and/or using the System should receive a copy of this policy on or before the first day of use, upon its initial distribution, and upon any amendment to this policy. Users will be required to read the policy at that time, then sign and date a form acknowledging they have done so. The User's signature on the form titled "Computer User Agreement" indicates the User has received the policy, read and understood the policy, and agrees to abide by the terms of the policy.

(c) This policy should be reviewed by each User on a semi-annual basis.

4.9.8: Violations. Any user who fails to comply with the provisions of this policy may be:

(a) subject to loss of associated privileges,

(b) held financially liable for any costs associated with the improper use,

(c) subject to disciplinary action, if applicable, and

(d) subject to criminal penalties.

4.9.9: Implementation.

(a) The IT Director is responsible for adopting overall procedures to implement this policy.

(b) The IT Director must have documented procedures in place for removing any Non-Company Software installed on Company computers which violates this policy.

(c) With a goal of ending unauthorized copying and use of Computer Software, the IT Department will perform the following duties and functions:

(1) Purchase and distribute Software to Users.

(2) Maintain an inventory of all Software.

(3) Maintain information on the purpose and function of the Software used by all Users.

(4) Arrange site licensing agreements whenever possible through which a publisher would authorize Lexicon to make multiple copies of Computer Software for use within Lexicon.

(5) Label all Company Software to indicate what uses are permitted.

(6) Maintain backup copies of all Computer Software to be issued to Users if their primary copy fails.

(7) Provide facilities for safely storing Software when not in use.

(8) Maintain open communication with each department, its supervisors, and Users regarding Software use.

(9) Ensure that all Users accessing and/or using the System have signed a Computer User Agreement.

(10) Receive reports from anyone who knows or suspects that unauthorized copying is taking place.

(11) Initiate proceedings against any User copying Software without authorization.

(12) Retain any other documentation generated in carrying out this policy.

4.9.10: Contacts.

(a) Questions concerning this policy or the installation, use, or operation of Computer Software should be directed to the IT Director or the IT technicians.

(b) Questions or reports concerning the improper or unauthorized use of Computer Software should be directed to the IT Director.

4.10: Social Media And Social Networking Policy.

4.10.1: Employees may wish to publish or post information on the internet such as by contributing to or participating in blogs, message boards, profile pages, chat rooms, and social networking or content sharing sites such as Facebook, LinkedIn, YouTube, Instagram, TikTok, and X. Lexicon does not wish unnecessarily to interfere with an employee's choice to engage in such activities outside of working hours and by using non-Company owned equipment. At the same time, however, some personal conduct, even when engaged in during non-working hours and by using non-Company owned equipment, has the potential to adversely affect Lexicon's personnel, relationships, or standing in the community. Consequently, this policy is applicable to all employee conduct, not just that in which an employee engages during working hours or on Company-owned equipment.

(a) Publishing or posting non-business-related content during working hours is prohibited.

(b) Publishing or posting non-business-related content through the use of Company owned or provided equipment is prohibited.

(c) Publishing or posting trade secrets or other confidential Proprietary Information about Lexicon's operations or customers is prohibited.

(d) Publishing or posting trademarks, copyrighted material, or other intellectual property of Lexicon is prohibited.

(e) Publishing or posting personal or confidential information about Company employees without their permission is prohibited.

(f) Publishing or posting content that directly identifies you or any other employee as an employee of Lexicon without the prior written approval of Human Resources is prohibited. If you already maintain a personal blog or website that identifies you or another employee as an employee of Lexicon, you must immediately report this fact to Human Resources.

(g) Lexicon expects that its employees conduct themselves on-line in a manner that is consistent with this Handbook, including Lexicon's policies prohibiting unlawful harassment and discrimination.

(h) Nothing contained in this section is to be interpreted in a manner that impinges upon an employee's rights under the National Labor Relations Act or other applicable law.

4.11: Recording Devices in The Workplace.

Due to the potential for issues such as invasion of privacy (employee and client), sexual or other harassment (as defined by our harassment/discrimination policy), and protection of confidential

or proprietary information, employees may not take, distribute, or post pictures, videos, or audio recordings while on working time. Employees also may not take pictures or make recordings of work areas unless specifically requested by site management to support an active inquiry or investigation. An exception to the rule concerning pictures and recordings of work areas would be to engage in activity protected by the National Labor Relations Act, OSHA, or other laws.

4.12: Confidentiality of Proprietary Information.

4.12.1: Employees have a duty to protect and not disclose, use, or publish Proprietary Information (defined below) of Lexicon or its customers, except to the extent necessary to carry out the employees' duties and responsibilities to Lexicon. Upon termination of employment, no employee will retain any documents containing Proprietary Information and will deliver to Lexicon by the date of termination any such documents (including all copies/duplicates) in the employee's possession or under the employee's control, and no employee will use any Proprietary Information for the employee's own purposes or for the purposes of others in any future jobs. This obligation of confidentiality is not extinguished by termination of employment.

4.12.2: The term "Proprietary Information" means any and all confidential and/or proprietary knowledge, data, or information owned or possessed by Lexicon or its employees that is not generally known to the public, especially if such knowledge, data, or information gives Lexicon a competitive advantage or its disclosure would harm Lexicon. Proprietary Information may be prepared or developed by or for Lexicon or may be otherwise developed or received by Lexicon under such circumstances that warrant classification as Proprietary Information. Proprietary Information specifically includes, but is not limited to, (i) information covered by the Arkansas Trade Secrets Act, A.C.A. § 4-75-601(4); and (ii) sales data; customer or potential customer lists and information; supplier lists or information; business estimates; personnel records; accounting procedures; building plans; promotional information; price lists; profit information; cost information; manner of operations; security procedures; business plans, processes, projections, and any data and information providing the basis therefore; and business methods (including manufacturers, production, marketing, distribution, and product specifications);and management reports compiled or maintained by Lexicon in any form. Specifically, customer relationships are Proprietary Information.

4.12.3: This obligation of confidentiality shall not preclude employees from (i) the use or disclosure of information generally known to the public; (ii) disclosure required by law or court order; (iii) the use of information generally known in the trade or industry; and (iv), the use of an employee's own skill, knowledge, know-how, and experience.

4.13: Outside Employment.

4.13.1: Employees are required to obtain written approval from their supervisor before participating in outside employment. Approval will be granted unless the activity conflicts with Lexicon's interest. In general, outside work activities are not allowed when they:

(a) routinely or frequently prevent the employee from fully performing work for which he or she is employed at Lexicon, including overtime assignments;

(b) involve organizations that are doing or seek to do business with Lexicon, including actual or potential vendors or customers; or

(c) violate provisions of law or Lexicon's policies or rules.

4.13.2: See Section 4.1.3 for additional obligations regarding outside employment and Lexicon's status as primary employer.

4.14: Financial Interest in Other Business.

An employee and his or her immediate family may not own or hold any significant interest in a supplier, customer, or competitor of Lexicon, except where such ownership or interest consists of securities in a publicly owned company and those securities are regularly traded on the open market.

4.15: No Solicitation or Distribution.

4.15.1: To protect employees and others from interruptions and annoyances during employees' working time while maintaining a safe working environment, Lexicon prohibits the distribution of literature in paper or other form in working areas at any time or anywhere on Company premises during the working time of the employee distributing or the employee being distributed to. Lexicon also prohibits solicitation during the working time of an employee doing the soliciting and any employee on the receiving end of any such solicitation. "Working time" means the time during which an employee is engaged in performing his or her work tasks for Lexicon, excluding scheduled meal and break periods and time before and after an employee's shift. These guidelines also apply to solicitation by electronic means involving employees who have been granted access to Lexicon's email systems. Persons who are not employed by Lexicon are not permitted to distribute material or solicit on Company premises or in work areas at any time. Lexicon maintains its posting areas for the sole purpose of communicating information from Lexicon to its employees and to post notices required by law. Only designated management personnel may place notices or take down materials from the posting areas. Each employee is responsible for reviewing the posting areas on a regular basis.

4.15.2: Lexicon's exception to the policy involves materials that address charitable, philanthropic, and/or community activities supported by Company management and Company-sponsored programs related to its products and services.

4.16: Vehicle Policy.

4.16.1: Objective. This Vehicle Policy sets forth the rules for employees of Lexicon regarding the use of vehicles for Company business as well as Lexicon's assignment of vehicles to employees or Lexicon's payment of a vehicle allowance for use of an employee's personal vehicle.

(a) Use of Vehicles for Company Business.

(1) In the process of performing the employee's job duties, an employee may be required either to drive a Company vehicle or drive a rental or personal vehicle for Company business. All employees of Lexicon who engage in either of these activities mentioned are required to have a valid driver's license and current adequate insurance coverage. If requested, the employee shall provide related documentation to Lexicon. Any change in the employee's license and/or insurance must be immediately reported to Lexicon. Any employee who has an expired, suspended, or revoked license may not drive a Company vehicle or a rental or personal vehicle to do Company business. Anyone who violates this policy will be subject to disciplinary action.

(2) Lexicon may, in its sole discretion and subject to its prior written approval, reimburse an employee for the use of a vehicle for Company business. If the employee is authorized to utilize the employee's personal vehicle, reimbursement in such circumstances will be based on the current year IRS mileage reimbursement rate per mile. The employee shall account for the actual total mileage driven for such travel and report the mileage eligible for reimbursement on the employee's expense report. If the employee is authorized to utilize a rental car, the employee should follow all Company directives regarding the use of Lexicon's corporate rental programs. Reimbursement for rental cars in such circumstances will be for the reasonable cost of a rental car of a size appropriate to the number of persons using it.

(3) Any employee who drives a Company vehicle on a regular basis must report any change in his or her driving record that could result in a suspended or revoked license or a change in insurability or rates for insurance coverage. If an employee is receiving a vehicle allowance for his or her personal vehicle and his or her license expires, is suspended, or is revoked for any reason, such employee's vehicle allowance will be canceled until his or her license is renewed.

(4) No employee is to drive a Company vehicle, or a rental or personal vehicle used to do Company business in an unlawful, unsafe, or reckless manner. Citations are issued to the employee and not Lexicon; therefore, the employee shall be responsible for any penalties, fines, or other encumbrances resulting from or due to any citations.

(5) If an employee is involved in a motor vehicle accident, however small, with a Company vehicle or a rental or personal vehicle used to do Company business, the employee must promptly report the accident to his or her supervisor. If the employee requires medical attention, but the injury is not life threatening, the employee should contact Lexicon's corporate safety department before going to the doctor or hospital. It is the employee's responsibility to provide Lexicon with accurate paperwork and a detailed accident report.

(b) Assignment of a Company Vehicle to Employee.

(1) At the sole discretion of Lexicon, Lexicon may provide a Company-owned or leased vehicle to a qualified employee for the employee's use in conducting Company business as well as transportation between the employee's assigned office or project location and his or her residence. Lexicon has the sole right to determine eligibility for assignment and use of a Company vehicle. No employee is entitled to the use of a Company vehicle. Prior to the assignment of a Company-owned or leased vehicle, the employee must pass a Company required drug test and disclose and verify any vehicular accidents or any moving violations that have occurred within the last three (3) years, including, but not limited to, a conviction or pending charge of driving under the influence, driving while intoxicated, reckless driving, or leaving the scene of an accident. If requested, the employee shall authorize Lexicon to obtain the driver records from the issuing state(s) of the employee's driver's license(s) and shall execute and deliver any releases, consents, and other documents as may be necessary to obtain such records.

(2) The type, style, and make of the vehicle issued to the employee are at the sole discretion of Lexicon. The vehicle shall be properly licensed, inspected, and insured. Lexicon has the right to search any Company vehicle at any time.

(3) Lexicon retains all rights applicable to Company-owned vehicles and, at Lexicon's sole discretion, may terminate the employee's use or assignment of Lexicon vehicle at any time for any reason whatsoever. Upon such termination and notification to the employee, the employee must immediately deliver the vehicle to Lexicon's home office or other location designated by Company with all keys, remote locking devices, and any other accessories provided by Lexicon or included with the vehicle. The vehicle shall be inspected by Company, and, at the discretion of Lexicon, the employee shall be responsible for any damage, repairs due to employee made modifications, or replacing any missing components or accessories.

(c) The following rules apply to the use of Company vehicles:

(1) The employee must maintain the vehicle in a clean and neat appearance at all times, including responsibility for washing and cleaning the vehicle (the employee will not be reimbursed by Lexicon for such expenses).

(2) The vehicle is to be operated only by Lexicon employees. Operation of the vehicle by anyone other than Company employees is not allowed unless approved in writing by an officer of Lexicon.

(3) The vehicle shall not be modified in any way unless approved in writing by an officer of Lexicon.

(4) The employee will schedule all maintenance, repairs, and license/inspection renewals with Lexicon's equipment department as necessary and in accordance with manufacturer recommendations.

(5) The vehicle will be used for Company business only. Lexicon vehicles are not to be used for any other purpose or for towing trailers (except Company trailers for Company business) unless approved in writing by an officer of Lexicon.

(6) The vehicle will not be driven under the influence of drugs or alcohol.

(7) Possession, transportation, or consumption of alcohol or illegal drugs in the vehicle is prohibited.

(8) The employee must immediately report an accident or damage of any kind to Lexicon equipment department. Under no circumstances are any repairs to be made without the approval of Lexicon equipment department. A Company equipment damage report must be completed as soon as practicable and provided to Lexicon equipment department in the event the vehicle is damaged in any way.

(9) Should the vehicle be involved in an accident, causing damage or bodily injury of any kind, the employee, or nearest relative in the case the employee is not able,

shall report the accident with all relevant information immediately or as quickly as possible to both Lexicon equipment department and Company management. A copy of any governmental reports, citations issued, and other applicable documents including information of other vehicles or persons involved shall be provided by employee to Lexicon as quickly as possible.

(10) Employee shall not encumber the vehicle in any way that may cause risk or financial loss to Lexicon.

(11) Employee shall be responsible for any penalties, fines or other encumbrances caused by or due to employee's unsafe, illegal, or improper use of the vehicle.

(12) Employee is responsible for loss of any personal items due to fire, theft, naturally occurring events, or any other reason not under the control of Lexicon.

(d) Company Paid Vehicle Allowance.

(1) At the sole discretion of Lexicon, Lexicon will pay a weekly or monthly vehicle allowance to an employee in addition to salary as compensation for the portion employee uses their personal vehicle for Company business. In all such cases, the amount paid as a vehicle allowance includes consideration for the cost of maintenance, fuel, cleaning, registration, licensing, insurances, wear and tear, depreciation, repairs, and all other ownership and operating costs. Lexicon shall not pay or separately reimburse an employee who receives a vehicle allowance for any costs associated with the use of the employee's vehicle.

(2) Under this policy, the employee is to maintain the applicable vehicle in good working order and a neat and clean appearance recognizing that the vehicle is a representation of Lexicon to the public and Lexicon's customers and potential customers.

(3) Lexicon, in its sole discretion, shall establish the amount of the vehicle allowance to be paid to an employee based upon such employee's classification and scope of duties. The amount of the vehicle allowance shall be agreed to in writing by the employee prior to commencement of its payment.

(4) Employees receiving a vehicle allowance are not allowed to use Company vehicles unless approved by Lexicon in writing prior to such use.

(e) Modification. Lexicon may amend or modify all or any portion of this Vehicle Policy at any time, with or without prior notice.

(f) Tracking/Monitoring Devices. Lexicon reserves the right to place tracking devices (monitoring, for example, speed, location, time, and driving patterns) and/or cameras in Company-owned vehicles and in employee vehicles that are used for Company business. The employee's use of Company-owned vehicles or personal vehicles for Company work shall serve as the employee's agreement to such monitoring.

4.17: Consent to Search And Inspection.

4.17.1: Lexicon reserves the right at all times while employees are entering, departing, or on Company or its customers' premises to have properly authorized supervisors or search personnel (including drug detection dogs) conduct unannounced searches and inspections of, without limitation, lockers, desks, file cabinets, etc., as permitted by applicable law. In addition, properly authorized supervisors or search personnel (including drug detection dogs) may conduct unannounced searches and inspections of employees' personal effects, including, but not limited to, baggage, briefcases, boxes, bags, parcels, lunch boxes, food/beverage containers, clothing, and vehicles. Any search conducted will be for the purpose of determining misconduct of persons on Company or its customers' property, including, but not limited to, theft of property, drug use, etc. An employee's entry onto or into the property of Lexicon or Lexicon's customer for purposes of conducting Company business shall constitute that employee's consent to and authorization for Lexicon's search and inspection pursuant to this policy.

4.17.2: Lexicon will normally attempt to notify an employee before conducting a search of his or her personal effects. However, if in the exercise of its discretion Lexicon deems it warranted, searches may be initiated without prior notice and conducted at times and locations as deemed appropriate by Lexicon. AT NO TIME will Lexicon conduct body searches or touch employees or others incident to a search, nor will Lexicon request employees or others to remove any clothing except, for example, coats or other articles which will not compromise employee privacy during these searches and inspections.

4.18: Dress Code.

4.18.1: Attire. Lexicon offers office employees the opportunity to dress in casual business attire, but some positions and circumstances may call for more formal attire. This casual dress code is intended to allow employees to work comfortably. However, employees are responsible for ensuring that their dress projects a positive image to customers and to the public. All clothing should be in good condition and appropriate for a business atmosphere and for the work being performed. To that end, supervisors may determine and enforce guidelines for workplace-appropriate attire for their departments.

4.18.2: Guidelines. Employees should use good judgment and follow the guidelines below in determining appropriate dress.

(a) Acceptable Attire. For purposes of this policy, casual business attire means clothing that allows employees to feel comfortable at work yet is appropriate for an office environment and for the work being performed. Casual business attire includes but is not limited to: slacks (which includes cropped slacks and capris), khaki pants, jeans (that are neat and without tears or holes), sports shirts, skirts, dresses, and sweaters.

(b) Unacceptable Attire. Unacceptable clothing includes, but is not limited to, sweatpants, workout attire, cutoffs, halter tops, dresses or skirts that are excessively short, shorts, and plastic or rubber flip flops.

4.18.3: Questions. If an employee has any questions regarding the dress code policy, please contact Human Resources.

4.19: Media Inquiry Policy.

4.19.1: Lexicon desires that all information that is released to the media on behalf of Lexicon be true and accurate. The term "media" is defined as television, radio, or any printed or electronic publications. Media coverage includes, but is not limited to, news or press releases, press conferences, photo opportunities, filming on Lexicon's premises, television/radio appearances, and television/radio/newspaper interviews.

4.19.2: It is imperative that only designated personnel speak for Lexicon to deliver an appropriate message and to avoid giving misinformation in any media, government, or other inquiry. If an employee receives an inquiry from the media, government, or another third-party, he or she is expected to indicate that he or she is not authorized to comment for Lexicon. All media, government, or other third-party inquiries, whether verbal or written and regardless of subject, should be directed to either Lexicon's Chief Executive Officer or Chief Administrative Officer. These individuals are responsible for evaluating the media request and either providing an answer or directing the request to the appropriate spokesperson. No one other than these individuals or their designee may represent Lexicon to the media.

4.20: Job Site Release Policy.

If requested, Lexicon shall provide a release to a former employee to work for another contractor on a job site where Lexicon is performing work only if (a) 45 days have elapsed since the termination of the former employee's employment with Lexicon; or (b) the former employee was laid off by Lexicon because of a permanent reduction in work force. A former employee will not be eligible for a release if he or she was terminated due to (a) repeated safety violations or (b) a significant safety violation that was likely to cause serious injury or death, including, but not limited to, a fall protection violation, a lockout/tagout violation, a confined space violation, or unsafe equipment operation.

4.21: Summary Description of the Substance Abuse Policy and Program.

4.21.1: Summary Description. This is a summary description only. A complete copy of the Substance Abuse Policy and Program is provided to management, safety professionals, and other designated employees, as appropriate, and is available for review by any employee upon request to their safety representative. This summary description is designed to highlight the main features of the Substance Abuse Policy and Program. It is not the complete Substance Abuse Policy and Program, which should be read carefully in its entirety. In case of any conflict between the provisions of the complete Substance Abuse Policy and Program and this summary description, the provisions of the complete Substance Abuse Policy and Program will control.

4.21.2: Purpose. Lexicon is committed to providing a safe work environment for its employees. The illegal use of drugs and use of alcohol and controlled substances pose an unacceptable risk to safe and efficient operations. To help ensure a drug-free workforce, the illicit use, possession, sale, conveyance, distribution, or manufacture of illegal drugs, intoxicants, or controlled substances is prohibited. Employees may use legally prescribed and over-the-counter medications, but they must be fit for duty and able to work safely. Employees may not report to work or remain at work if any medication or substance affects their ability to perform their job safely.

4.21.3: Notification. Employees must notify Lexicon when a medication may affect their ability to perform their job safely, but only when needed to evaluate fitness for duty, workplace safety, or possible accommodation. Lexicon may require appropriate medical documentation or a fitness-for-duty evaluation when there is a reasonable basis to do so.

4.21.4: Prescription and Controlled Medications. The lawful use of prescribed or over-the-counter medication, by itself, will not violate this policy. However, impairment, unsafe work, or inability to perform essential job duties safely may result in removal from duty and corrective action, consistent with applicable law.

4.21.5: Alcohol Use. Employees may not use, possess, or be under the influence of alcohol while working, on Company property, or while conducting Company business, except at Company-sanctioned events where alcohol is expressly permitted by management. Employees may not report to work or remain at work if alcohol use affects their ability to work safely. Lexicon may require alcohol testing as permitted by law. Violations may result in removal from duty and corrective action, up to and including termination.

4.21.6: Testing. One of the requirements for consideration of, or continued employment with, Lexicon is the passing of appropriate pre-employment, random, post-accident, and "for-cause" substance abuse tests. Testing may also be required for safety-sensitive positions and/or to meet customer requirements. Testing will be conducted only as permitted by applicable federal, state, and local law; specimen type and method may vary by jurisdiction and role.

4.21.7: Drug Testing and Confirmation. Initial drug tests are screening tests only. Any non-negative result must be confirmed by a certified laboratory before it is treated as a verified positive result. Where applicable, confirmed results may also be reviewed by a Medical Review Officer before final employment action is taken.

4.21.8: Verified Positive Test Results. No final employment decision will be based solely on an initial screening test. Verified positive results may result in corrective action, up to and including termination or removal from further employment consideration, consistent with applicable law.

4.21.9: Refusal to Test or Tampering. Refusal to take a lawful substance abuse test, refusal to cooperate in the testing process, or any attempt to alter, substitute, or tamper with a test specimen shall be treated as a positive test and will result in termination or removal from further employment consideration, consistent with applicable law.

4.21.10: Impact to Benefits. Lexicon may contest unemployment or workers' compensation benefits, to the extent permitted by law, based on a verified positive post-accident drug or alcohol test.

4.21.11: Disclosure of positive test results. Lexicon may disclose a verified positive test result or other testing-policy violation to a customer when required or permitted by law, contract, or customer requirements. A customer may restrict or prohibit the individual from working on current or future projects.

4.21.12: Disputed Test Results. Any applicant or employee who disputes a drug test result may request confirmation testing of the split sample by a certified laboratory. Lexicon will maintain chain-of-custody procedures and submit the split sample for confirmation testing as appropriate. An employee

may be placed on unpaid leave pending the result and will be paid for scheduled time missed if the confirmed result is negative. An applicant may be required to advance the cost of the confirmation test, subject to applicable law, and will be reimbursed if the confirmed result is negative. A confirmed positive result will be handled under the section for verified positive test results.

4.21.13: Reemployment. Termination resulting from a confirmed positive drug or alcohol test does not guarantee reemployment; however, reemployment may be considered on an individual basis. Factors considered may include the amount of time since the positive test, employment history during the period of separation, the specifics of the test result, prior performance and work history, treatment pursued, and other jobrelated considerations.

4.21.14: Conditions of Reemployment. As a condition of reemployment, rehired employee may be subject to an individualized program of unannounced follow-up drug and/or alcohol testing at Lexicon's discretion for a period of up to one (1) year, to the extent permitted by applicable law. This program is in addition to the standard random testing protocol.

4.21.15: Medical Marijuana. Lexicon will comply with applicable state and local laws regarding medical marijuana. However, employees may not possess, use, distribute, sell, or be under the influence of marijuana while working, on Company property, while operating Company vehicles or equipment, or while conducting Company business. Nothing in this policy requires Lexicon to permit impairment at work, unsafe work, or any use of marijuana that is prohibited by law or inconsistent with job safety requirements.

4.21.16: Except for applicants for, or employees in, safety-sensitive positions, Lexicon will not take adverse action against an applicant or employee solely based on the individual's status as a qualifying medical marijuana patient or state-registered designated caregiver under applicable state law.

4.21.17: Governing Law. Lexicon will administer this policy and any related testing in accordance with applicable federal, state, and local law. If any part of this policy conflicts with applicable law, the law will control.

4.22: Summary Description of The Safety, Health, and Environmental Protection Manual.

4.22.1: Summary Description. This section is a summary only. A complete copy of the Lexicon Safety, Health, and Environmental Protection Manual ("Protection Manual") is provided to management and other designated employees, as appropriate, and is available for review by any employee upon request. This summary is intended to highlight the main features of the Protection Manual, but it is not a substitute for the full Protection Manual. In the event of any conflict between this summary and the full Protection Manual, the full Protection Manual will control.

4.22.2: Overview. Lexicon is committed to providing a safe and healthy workplace and to protecting property and the environment. The Safety, Health, and Environmental Protection Manual is intended to help minimize exposures that could result in injury, illness, property damage, or environmental incidents and to support compliance with applicable safety, health, and environmental laws, regulations, and standards. The Protection Manual establishes the policies, procedures, and work

practices used to support safe operations throughout Lexicon. Because of the wide range of services performed and work environments encountered by Lexicon, the Protection Manual cannot address every possible condition or hazard. When necessary, additional site-specific, facility-specific, or task-specific requirements may be developed to address particular exposures or operating conditions.

4.22.3: Philosophy. At Lexicon, safety, health, and environmental protection are fundamental to the way we work. Safe work will not be compromised for production, schedule, or any other business objective. Our goal is zero incidents, and we believe injuries, illnesses, and environmental incidents can be prevented through planning, hazard recognition, effective controls, training, and personal accountability. Every employee shares responsibility for maintaining a safe workplace and protecting the environment. Working safely and following established procedures are conditions of employment.

4.22.4: Employee Responsibilities. Employees are expected to comply with all applicable Company safety, health, and environmental rules, procedures, and work practices. This includes, among other things, performing work safely; following established procedures; using required personal protective equipment; using only tools, equipment, and vehicles for which they have been trained and authorized; reporting unsafe conditions, unsafe acts, and hazards promptly; stopping and seeking guidance when unsure how to perform work safely; reporting to work fit for duty; reporting incidents as required; and participating in and cooperating with any and all accident investigations.

4.22.5: Incident Reporting. All employees are required to immediately report all work-related incidents, injuries, illnesses, unsafe conditions, property damage, environmental incidents, and near misses to their supervisor or other designated Company representative, regardless of severity. Timely reporting is required so that appropriate medical attention, corrective action, regulatory review, and incident investigation can occur.

4.22.6: Failure to Report. Failure to promptly report a work-related incident, injury, illness, near miss, unsafe condition, property damage, or environmental incident is a violation of Company policy and may result in corrective action, up to and including termination of employment.

4.22.7: Accountability. Compliance with the Safety, Health, and Environmental Protection Manual, together with any site-specific, facility-specific, or task-specific requirements, is mandatory. Employees who fail to follow applicable safety, health, or environmental requirements or engage in unsafe conduct may be subject to corrective action, up to and including termination of employment, consistent with Company policy and applicable law.

4.22.8: Continuous Improvement. Lexicon is committed to continually improving its safety, health, and environmental performance. Employees are expected to participate in training, raise concerns, report hazards, report incidents, and support efforts to improve workplace safety, health, and environmental protection.

4.23: Additional Duties and Responsibilities of Employees Working with Work Release Inmates.

4.23.1: From time to time, Lexicon employs work release inmates (the “Inmates”) from the Department of Corrections, and Lexicon must comply with the rules and regulations established by the Department of Corrections. For that reason, all Company employees are responsible for complying with the following rules and must promptly report the occurrence of any violation of such rules to Human

Resources. Employees who violate these rules, who aid or assist anyone to violate these rules, or who fail to promptly notify Lexicon of a violation of these rules will be subject to disciplinary action, and subject to criminal penalties.

4.23.2: No Access to Telephones or Internet. Inmates shall not use a telephone for any reason and may not receive telephone calls while at Lexicon's facilities or on a Company job site. In short, Inmates may not, under any circumstances, make or receive personal telephone calls while away from their unit. Use of Company or job site telephones, possession of a mobile electronic device (see Section 4.7.1), or the use of a mobile electronic device is prohibited. The use of a mobile electronic device by an inmate is typically a felony, and many states have imposed the same sentences and fines on anyone allowing the use of a mobile electronic device by an Inmate. This restriction also applies to the use of a computer that has internet access.

4.23.3: Prohibition on Driving. Inmates are restricted from driving a vehicle of any kind other than a forklift or a piece of motorized equipment required to perform their job duties.

4.23.4: No Visits. Inmates may not receive visits during the time they are on Company premises or at a Company job site.

4.23.5: Work Area Assignment. All Inmates are required to remain within the immediate area of their job assignments at all times. Leaving such area is prohibited.

4.23.6: Indebtedness. Inmates may not borrow money from Lexicon, its employees, or others, and Inmates shall not make any purchases on credit.

4.23.7: Sexual Misconduct. Inmates are prohibited from developing personal or physical relationships with the employees of Lexicon. Any knowledge of or observance of a personal or physical relationship with an Inmate must be reported to Human Resources. Employees are not to be on an Inmate's visitation or phone list nor have contact with an Inmate during non-working hours.

4.23.8: Inmate Property. Inmates may not store money or other personal possessions at Lexicon's facilities or on a Company job site. Employees are not to accept any property or possession from an Inmate nor store or hold an Inmate's property.

4.24: Smoking Policy.

To ensure that Lexicon provides a comfortable and safe workplace for its employees, all of Lexicon's administrative offices are smoke-free. As permitted by law, Lexicon has designated areas where employees and guests may smoke. Employees and guests may speak with Human Resources or the site superintendent to inquire about the location of the smoking area(s). All employees and guests are required to extinguish smoking material before entering Lexicon's administrative offices. Employees on customer sites are required to comply with all rules of Lexicon's customers with regard to smoking. In the absence of posted rules, employees are encouraged to refrain from smoking on customer premises.

4.25: Security Policy.

4.25.1: Lexicon has a large variety of assets that are of great value and importance to our competitiveness and success. These assets include Lexicon's physical assets as well as its confidential

and proprietary information. The protection of these assets is critical, and their misuse, theft, or loss may jeopardize the future of Lexicon.

(a) Securing the Workplace. Each employee is personally responsible for protecting the property and information entrusted to him or her. Information left on desks or other areas may result in providing an opportunity for others to gain access to the confidential information of Lexicon or its customers. Employees must secure confidential information and make sure that at the end of each day all work has been secured. When work product or documents containing confidential information are to be discarded, they must either be shredded or discarded in a locked confidential waste container (where available) in accordance with Lexicon's Record Retention Policy. If an employee suspects that information or assets have been stolen, misused, or lost, this suspicion should be reported immediately to Human Resources.

(b) Access Control Devices. Security access cards, fobs, and/or similar devices ("access control devices") may be issued to an employee to give access to secured entry doors for the area(s) in which the employee needs access to work. Access control devices are intended for the sole use of the employee to whom issued and should never be given to any other person including other employees. If an employee loses an access control device, the IT Department must be notified immediately. Upon request or at termination of employment, employees must return their access control devices.

4.26: Animal/Pet Policy.

4.26.1: In creating a healthy and safe environment, animals and pets are prohibited on Company premises or at a Company job site with the exception of service animals for individuals with disabilities. Except to the extent otherwise provided by law, a service animal is any animal individually trained to do work or perform tasks for the benefit of an individual with a disability and does not include an animal whose sole function is to provide emotional support, comfort, therapy, companionship, therapeutic benefits, or to promote emotional well-being.

4.26.2: The following requirements are applicable to a service animal and its owner:

(a) a service animal must be licensed in accordance with applicable regulations and wear any required vaccination tags;

(b) a service animal must be immunized against diseases common to that type of animal;

(c) a service animal must be in good health;

(d) an owner must provide verification that the service animal meets minimum training standards from a recognized school for service animals;

(e) the service animal must wear some type of easily recognized identification symbol (e.g., a harness or backpack);

(f) the owner of the service animal must be in full control of the service animal at all times; and

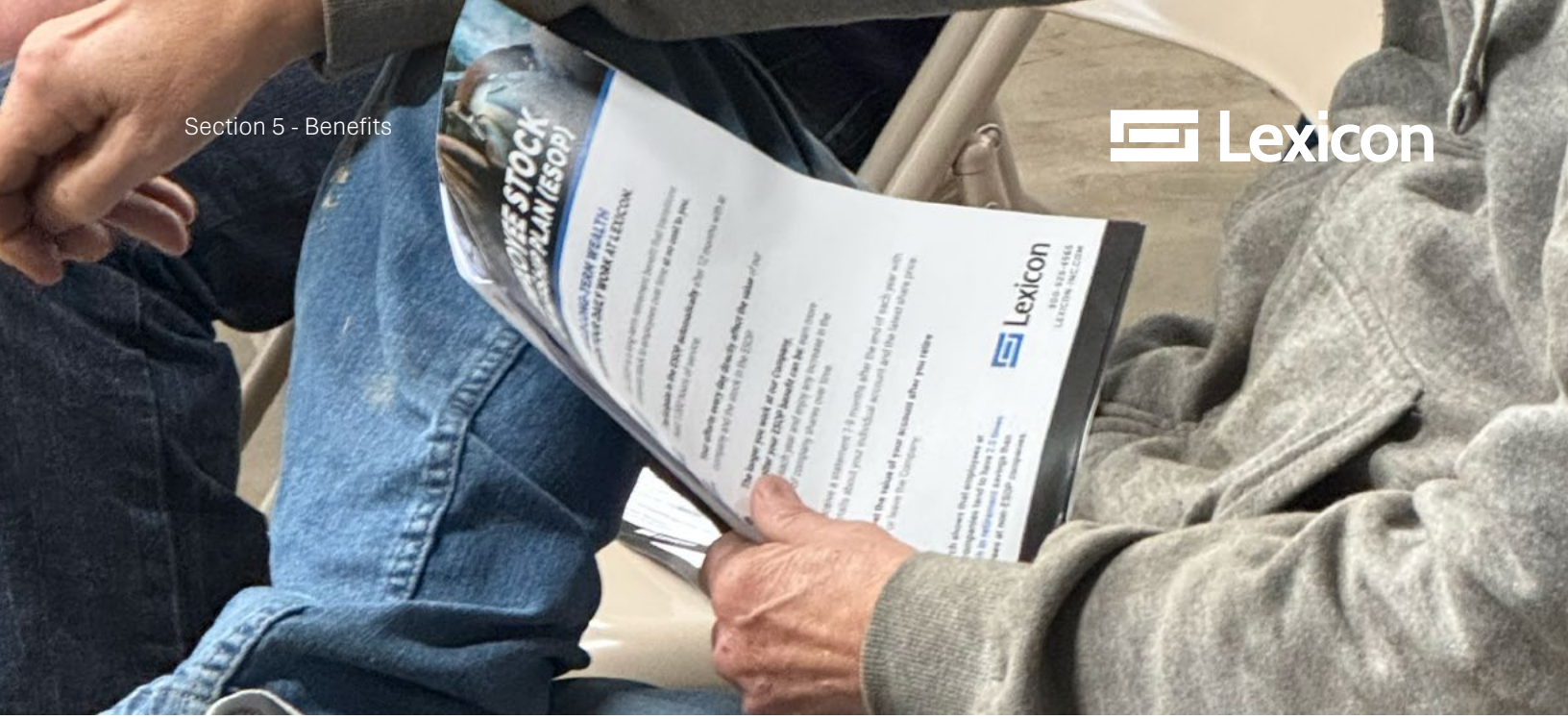
(g) the owner of the service animal is responsible for appropriate waste clean-up and overall cleanliness of the service animal.

4.26.3: Lexicon shall have the right to ask for the removal of a service animal if:

(a) the service animal is unruly or disruptive (e.g., barking, running around, or distracting others); the service animal is ill; or

(b) the service animal is unclean and/or noisome.

(c) Service animals will not be allowed in mechanical areas or rooms (i.e., areas or rooms containing equipment, machinery, utilities, controls, or chemicals), any area or room where protective clothing is worn, or any other area or room management designates as being unsafe for a service animal.



SECTION 5 – BENEFITS

5.1: Employee Stock Ownership Plan (ESOP).

5.1.1: Lexicon and the Employee Stock Ownership Plan (ESOP).

(a) Lexicon transitioned into an employee-owned company effective January 1, 2025. This significant move was made to preserve the strong employee culture and provide additional wealth-building opportunities for the employees who are responsible for our ongoing success. While the information provided in this summary is intended to be accurate, in the event of an inconsistency between the terms of the ESOP plan document and the terms summarized herein, the terms of the ESOP plan document will always control.

(b) What is an ESOP?

(1) An Employee Stock Ownership Plan (ESOP) is a company-sponsored retirement benefit that gives eligible employees an opportunity to obtain ownership interests in Lexicon over time. Instead of employees contributing their own money, Lexicon makes contributions to the ESOP on behalf of employees. These contributions are used to provide employees with shares of company stock in an account set up for them.

(2) The ESOP is designed to help employees build long-term financial security and share in the success of the business.

(c) Who Is Eligible to Participate?

(1) You become eligible to participate in the ESOP when you (1) are at least 18 years old; AND (2) have completed one full year of service with Lexicon (which means working at least 1,000 hours in a 12-month period).

(2) You will enter the ESOP as a participant retroactively on the January 1st of the year you meet the requirement.

(3) Some employment categories are excluded from participation in the ESOP under IRS rules and plan rules (e.g., interns, leased employees, or employed through an agency or Department of Corrections).

(d) How Your ESOP Account Works.

(1) You do not make contributions. Lexicon makes contributions to the ESOP each year, at its discretion.

(2) Contributions are allocated to eligible employees who (1) worked at least 1,000 hours during the year; AND (2) are employed on the last day of the year (except for those who retire, pass away, or become disabled).

(3) Eligible employees receive an allocation based on their share of total eligible compensation.

(4) Over time, the value of an ESOP participant's account may grow based on Lexicon's performance.
Employee-owners should discuss with their manager how their contributions impact company performance and what additional ways they might be able to create the greatest influence on the value of their ESOP shares.

(e) Vesting: When the Stock in Your ESOP Account Becomes Yours

(1) "Vesting" means ownership. As you complete years of service with Lexicon, you earn the right to keep a larger portion of your ESOP account — even if you leave Lexicon.

(2) The vesting schedule is:

Years of Service:	Less than 2 years	2 Years of Service	3 Years of Service	4 Years of Service	5 or more Years of Service
Vested %:	0%	25%	50%	75%	100%

(3) Notwithstanding the schedule above, you are automatically 100% vested if you:

(i) Reach your Normal Retirement Date,

(ii) Become totally and permanently disabled, or

(iii) Pass away.

(iv) Years of service towards meeting vesting requirements include eligible service before and after the ESOP began. Generally, you will receive one year of service under the ESOP for every four years of service with Lexicon prior to the establishment of the ESOP.

(f) Diversification: Before retirement, diversification of some employer stock is available over a six-year period when you attain both age 55+ and 10 years of participation in the ESOP.

(g) Distributions: Accessing Your ESOP Account. Your ESOP account is generally meant for retirement. You cannot withdraw money while still employed (no loans or in-service withdrawals are allowed under the ESOP). You will be eligible to receive your vested account after certain events:

(1) Retirement. When you retire, you will be eligible to receive your full, vested account. Payments will start no later than the year after your retirement year. You are eligible for retirement under the ESOP in any of the following scenarios:

(i) You reach the age of 65 with any years of service,

(ii) You reach the age of 60 with 20 years of service, or

(iii) You have 30 or more years of service, regardless of your age.

(2) Termination of Employment. If you leave Lexicon before retirement:

(i) You are eligible to receive only the vested portion of your account.

(ii) Distribution will begin no later than the end of the sixth (6th) Plan Year following the year of your termination.

(iii) If your vested balance is $7,000 or less, it may be paid out to you automatically as a lump sum.

(iv) If your vested balance is more than $7,000, you can choose when to begin receiving benefits, but payments must begin within the ESOP's timelines.

(v) Permanent Disability. If you become totally and permanently disabled, your account becomes 100% vested and distributions will be eligible to begin the following year.

(vi) Death. If you pass away, your account becomes 100% vested, and your beneficiary will receive payment no later than the year following the year in which you pass away.

(h) How Benefits are Paid. Distributions may be made as a lump sum or in equal annual installments generally over no more than 5 years, in the form of cash. You may be able to roll your funds over into a different qualifying retirement fund such as an IRA, which can help you to avoid the 10% early withdrawal penalty that may be imposed by the IRS for a person receiving funds before reaching the age of 59½.

(i) What Happens if You Are Rehired. If you return to work before having a long break in service, you may resume participation and your prior service may count. If you previously received a distribution, certain repayment rules may apply to restore your account.

(j) Miscellaneous

(1) The ESOP is regulated by federal laws including the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code.

(2) The ESOP does not guarantee a specific benefit amount; account values depend on company performance and Lexicon's annual valuation.

(3) This summary is written in plain language for the employee handbook.

(4) The official ESOP Plan Document governs all rules. If there's ever a conflict, the Plan Document prevails.

5.2: Americans with Disabilities Act.

Lexicon and all affiliate companies will not exclude from job opportunities persons with disabilities unless those persons are actually unable or unqualified to do the job. Job opportunities include hiring, firing, promotions, training, and compensation. Lexicon will offer a "reasonable accommodation" to the known physical or mental disabilities of a qualified applicant or employee unless this accommodation would pose an undue hardship on Lexicon's operations. Employees or applicants are responsible in the first instance to request accommodation. Human Resources will engage with the employee, and others within Lexicon as appropriate, in an interactive process to determine whether Lexicon can make accommodations. Lexicon may accept the employee's requested accommodation or offer other reasonable accommodations. Lexicon may call the Job Accommodation Network for suggestions of accommodations for a particular disability if necessary.

5.3: Workers' Compensation.

5.3.1: Workers' compensation coverage for work-related injuries and illnesses is provided to Lexicon employees in accordance with applicable state law. Benefits, eligibility, and claim administration are governed by applicable law and the terms of Lexicon's workers' compensation coverage.

5.3.2: Employees must promptly report any work-related injury or illness to their supervisor, Lexicon Safety Department, or Human Resources as soon as possible, preferably immediately, and no later than the end of the workday on which the incident occurred, unless the employee is physically or mentally unable to do so. Employees must also complete any required Company incident report forms within 24 hours, or as soon as reasonably practicable under the circumstances. In the event of emergency medical treatment outside normal business hours, notice must be provided as soon as reasonably possible.

5.3.3: Prompt reporting is required so that Lexicon may investigate the incident, provide appropriate direction regarding medical care, and timely administer the claim. Failure to timely report may delay claim handling or benefits administration and may result in disciplinary action in accordance with Lexicon's disciplinary policy.

5.3.4: Except in emergencies, employees are expected to follow Company procedures regarding reporting and authorized medical treatment for work-related injuries, subject to applicable law.

Unauthorized treatment may affect claim administration or payment, to the extent permitted by law. Lexicon may require medical evaluations or examinations in connection with a reported injury, return to work, fitness for duty, or claim administration, in accordance with applicable law.

5.3.5: Following a work-related incident, Lexicon may require drug and/or alcohol testing in accordance with Company policy, applicable law, and legitimate business or safety-related reasons.

5.4: Family/Medical Leave Policy.

5.4.1: Eligibility. Employees who have been employed by Lexicon for at least 12 months (which need not be consecutive) and who have worked at least 1,250 hours during the 12-month period immediately preceding the start of Family and Medical Leave are eligible employees. The time period for calculating time taken for FMLA will be a rolling 12-month period measured backward from the date an employee uses any FMLA leave.

5.4.2: Basis for Taking Leave. The bases for taking FMLA leave are: the birth of an employee's child, including care of the newborn child within one year of birth; placement of a child with the employee for adoption or foster care, including care of the newly placed child within one year of placement; employee's serious health condition or for the care of a qualifying family member with a serious health condition; and because of any qualifying exigency arising out of the fact that the spouse, son, daughter, or parent of the employee is on active duty or has been notified of an impending call to active duty status in support of a contingency operation. If both an employee and his or her spouse are employed by Lexicon, their combined time off may not exceed 12 work weeks during any 12-month period for birth, adoption, or foster care, or care of a parent with a serious health condition. Each employee is, however, eligible for the full 12 weeks within a 12-month period to care for a son, daughter, or spouse with a serious health condition, or the employee's own serious health condition.

5.4.3: Service Member Family Leave. An eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained while in the line of duty on active duty is entitled to up to 26 weeks of leave in a single 12-month period to care for the service member. Employees requesting this type of FMLA leave must provide certification of the family member or next of kin's injury, recovery, or need for care. This certification is not tied to a serious health condition as for other types of FMLA leave. This is the only type of FMLA leave that may extend an employee's FMLA leave entitlement beyond 12 weeks to 26 weeks.

5.4.4: Intermittent Leave. Leave taken for serious health conditions may be taken on an intermittent basis (not all at one time) when medically necessary. On agreement between the employee and Lexicon, an employee may choose to take FMLA leave on a reduced leave schedule. This may involve reducing his or her usual number of hours per workday or work week during the leave. If an employee is taking leave on an intermittent or reduced-leave basis, he or she is still entitled to the equivalent of a total of 12 weeks of leave during the applicable rolling 12-month period.

5.4.5: Workers' Compensation Absence. When an employee is on leave due to an on-the-job injury or illness that is a serious health condition under the FMLA, the workers' compensation absence and FMLA leave will run concurrently.

5.4.6: Employee Notice and Scheduling Requirements. An employee requesting family leave is required to give 30 days' notice before the date leave is to begin, except for bona fide emergencies. When a family leave is related to a serious health condition, the employee must make a reasonable effort to schedule treatment so as not to unduly disrupt Lexicon's operations.

5.4.7: Applying for a Family or Medical Leave. Employees should complete and submit a written request for FMLA leave. This request should be sent to Human Resources. A copy of the Leave of Absence Request Form can be obtained at the job site from the Office Manager or Human Resources. A copy of any documentation concerning an employee's FMLA leave will be placed in the employee's medical file.

5.4.8: Use of Paid and Unpaid Leave. As a general rule, family and medical leave are unpaid. Exceptions to this rule include:

(a) Employees who have available unused vacation time remaining at the commencement of their FMLA leave will be required, at the commencement of FMLA leave, to use one-half of their vacation time prior to going on unpaid FMLA leave. Employees may, but are not required to, use all of their available vacation time while on FMLA leave so as to minimize the chance of a disruption in pay during FMLA leave.

(b) Where an employee who is taking leave as a result of his or her own serious health condition qualifies for short-term disability benefits.

(c) Where an employee is salaried and is on leave to attend to his or her serious health condition or the needs of his or her spouse, son, daughter, or parent who has a serious health condition. Approval of paid time off under this provision is at the discretion of Lexicon's Chief Human Resources Officer. Factors that may be taken into consideration include the employee's longevity, performance, severity of health condition, duration of leave, etc. Lexicon may choose to pay some, none, or all of the requested time off.

5.4.9: Outside Employment While on Leave. While on leave of any sort, an employee may not work at another job. Obtaining or continuing other employment may result in cancellation of the employee's leave.

5.4.10: Medical Certification and Reporting Requirements. Lexicon requires that family leave related to a serious health condition be supported by a certification issued by the health care provider of the employee or employee's spouse, son, daughter, or parent, as appropriate. A copy of this certification shall be provided to Human Resources in a timely manner, generally within 15 days of the notice of the need for leave. Subsequent to the initial medical certification, an employee on FMLA leave will be required to furnish recertification from a healthcare provider. At the end of FMLA leave taken for an employee's own serious health condition, the employee will be asked to present a doctor's certificate of fitness to return to work.

5.4.11: If Lexicon questions the validity of the certification provided, it may require, at Lexicon's expense, that the employee obtain a second opinion. If the second opinion conflicts with the original opinion, Lexicon may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by Lexicon and the employee. This third opinion will be considered final and binding on both parties.

5.4.12: Maintenance of Health Benefits. Lexicon will continue to provide health insurance benefits while an employee is on FMLA leave in the same manner and to the same extent it would have if no leave had been taken. This means that if some of an employee's insurance premiums are paid regularly by the employee, then the employee must continue to pay those premiums while on FMLA leave. In other words, in order to continue insurance benefits while an employee is on FMLA leave, he or she must continue to pay for all insurance premiums the employee would have paid had he or she not been on FMLA leave. Human Resources should be contacted when an employee requests FMLA leave, and the employee will be sent a letter stating the premiums that would need to be paid during FMLA leave. Employees are urged to discuss the payment of premiums and continuation of health insurance benefits in advance of taking FMLA leave with Human Resources. AN EMPLOYEE'S FAILURE TO PAY ANY PREMIUMS HE OR SHE OWES COULD RESULT IN LOSS OF INSURANCE BENEFITS.

5.4.13: Return from FMLA Leave. When an employee returns to work following FMLA leave, he or she will be:

(a) Restored to the position held by the employee when the leave began; or

(b) Restored to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. Any disputes as to what constitutes "equivalent" should be reviewed with Human Resources.

5.4.14: Limitations on Reinstatement. If an employee would have been laid off or otherwise terminated had he or she not been on FMLA leave, any right to reinstatement will be whatever it would have been had he or she not been on a leave of absence when the layoff or termination occurred.

5.4.15: Failure to Return to Work Following FMLA Leave. If an employee fails to return to work after all job protected leave is exhausted, Lexicon will assume that the employee has resigned, and the employee may be liable for the contribution of insurance premiums during the leave period. If an employee requires leave beyond this 12-week entitlement as an accommodation to a disability, as defined by the ADA or other applicable state law, the employee must request additional leave. This request will be considered on a case-by-case basis.

5.4.16: Questions. If an employee has any questions regarding any part of this policy, please contact Human Resources. Additions, deletions, and revisions to this policy are the responsibility of Human Resources and shall be subject to approval by Lexicon's management and, as applicable, review for legal compliance.

5.5: Vacation Policy.

5.5.1: Purpose. Lexicon recognizes that full-time employees need a scheduled time away from normal work duties for their personal well-being. For these purposes, a full-time employee is an employee who regularly works an average of at least 30 hours per week.

5.5.2: Scope. This vacation policy is applicable to and binding on all employees of Lexicon.

5.5.3: Vacation Time. Lexicon grants annual vacation leave with pay to full-time employees based on the following schedule:

Length of Continuous Service	Total Eligible Vacation
1 Year	10 Days
9 Years	15 Days
20 Years	20 Days
30 Years	25 Days

(a) If a full-time employee regularly works less than 40 hours per week, then such employee will receive vacation benefits on a prorated basis. For example, if a full-time employee regularly works an average of 30 hours per week, the employee would be eligible for 75% (30 hours divided by 40 hours) of the applicable number of days of vacation.

(b) Eligibility Date and Calculation of Vacation Amount Awarded in Year of Eligibility.

(1) This vacation policy is based on the calendar year.

(2) An employee's date of initial eligibility to receive vacation is based on the length of continuous service from his or her date of hire.

(3) During the calendar year in which an employee first becomes eligible, he or she will receive a pro-rated amount of eligible vacation, as discussed and illustrated below. Beginning with the calendar year following the date an employee first becomes eligible, he or she will receive the full amount of eligible vacation. For employees who are eligible for an increase in vacation after achieving a greater length of continuous service, the employee will receive the full amount of increased vacation at the beginning of the year in which these employees are first eligible for the increased vacation.

(c) Pro-rated vacation amounts will be calculated as follows:

(1) Determine the number of full calendar months remaining in the calendar year following the month of eligibility,

(2) Divide the number of full calendar months remaining by 12 months,

(3) Multiply this percentage by the number of days of increased eligible vacation, and

(4) Round this product up to the next whole number.

(d) Examples. Calculations of vacation days are shown in the following examples:

(1) Example: a full-time employee who is eligible for 10 days after one year of continuous service.

Hire Date	August 15, 2020
Eligibility Date	August 15, 2021
Full Calendar Months Remaining	4 (Sept., Oct., Nov. and Dec.)
Full Months Remaining/12 Months	33.33%
Vacation Eligibility for a Full Year	10 Days
Pro-Rated Eligible Vacation	3.33 Days
Rounded Pro-Rated Eligible Vacation	4 Days

(2) In this example, the employee will receive 4 days of vacation in 2021. This vacation can be taken between August 15, 2021 and December 31, 2021. Beginning January 1, 2022, this employee would be eligible for 10 days of annual vacation.

(3) Example: a full-time employee who is eligible for an increase in vacation from 10 days to 15 days after 9 years of continuous service.

Hire Date	August 15, 2020
Eligibility Date for 10 Days	August 15, 2021
Eligibility Date for 15 Days	August 15, 2029
Increased Vacation Eligibility	5 Days

(4) This employee would be eligible for 4 days of vacation in 2021 and 10 days of vacation in 2022, as discussed in the previous example. Beginning January 1, 2029, the employee would be eligible for 15 days of annual vacation.

5.5.4: Vacation Pay.

(a) Generally, an employee must work the regularly scheduled workdays before and after any paid vacation period in order to be eligible to receive vacation pay. Exceptions to this rule may be made when an absence is subject to paid sick leave or FMLA leave.

(b) Pay for vacation time will be at the employee's regular rate of pay.

(c) Pay in lieu of unused vacation is not allowed except in the case of termination, at which time vested, unused vacation will be included in the employee's final paycheck. Payment of unused vacation/PTO is a payout of earned time and does not extend an employee's employment, separation date, service credit, or eligibility into a later pay period, month, or benefit/plan year. Employees may not use accrued vacation/PTO to delay their separation date after their last day worked.

(d) Vacation pay, whether taken as time off or pay in lieu of vacation upon separation, will not be considered as time worked for the purpose of computing overtime during the week in which any vacation pay is received.

5.5.5: Carry Over of Vacation Time. Lexicon encourages employees to use vacation time in the year in which it is accrued. When that is not practicable, employees may carry over a maximum of 5 days of vacation time accrued in the current calendar year to be used no later than March 31 of the following calendar year. Vacation time that is carried over to the following calendar year but not used by March 31st of that year will be forfeited, except as required by applicable state law. Some circumstances may warrant additional consideration and should be submitted to Human Resources for review.

5.5.6: General Policy Provisions.

(a) Lexicon reserves the right to determine when the employee actually takes vacation.

(b) Job requirements will always have precedence over vacation schedules.

(c) Vacation requests should be made by all employees (salaried and hourly) at least three (3) weeks prior to the desired vacation time whenever possible or as the employee's supervisor directs.

(d) Vacation must be approved by the employee's supervisor and senior management.

(e) When possible, employees are strongly encouraged to use vacation between Christmas and the New Year's holiday.

(f) Length of service may be considered in the event of a conflict of vacation schedules.

(g) Vacations should ordinarily be taken in increments of one (1) full workday. However, the employee's supervisor has the authority to approve vacation in increments of one-half (1/2) workday in limited situations.

(h) A holiday observed by Lexicon that falls during the vacation period will be considered as a paid holiday and not vacation time.

5.6: Holiday Policy.

5.6.1: Lexicon has identified the following set of holidays, depending on if you are a corporate office employee or employed within one of its divisions. Employees must have worked for ninety (90) continuous days to be eligible for holiday pay. Generally, an employee must work the full day before and after a holiday to be eligible for holiday pay. Part-time employees are eligible for up to four (4) hours of holiday pay if they are scheduled to work on the actual holiday.

5.6.2: A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday. Part-time employees will be paid the number of hours they are scheduled to work on the actual holiday. If they are not scheduled to work on the day of the holiday, part-time employees will not receive any holiday pay.

Holiday	Corporate Office	Field and Division Offices
New Year's Day	✓	✓
Martin Luther King Day	✓	✓
Memorial Day	✓	✓
Independence Day	✓	✓
Labor Day	✓	✓
Thanksgiving Day	✓	✓
Day after Thanksgiving	✓	
Christmas Eve	✓	
Christmas Day	✓	✓
Floating Holiday	✓	✓

5.7: Bereavement Leave Policy.

5.7.1: At Lexicon, we recognize the profound impact that the loss of a loved one can have on our employees. We are committed to providing compassionate support to our team members during their time of personal loss and grief. This policy outlines our commitment to assisting employees as they navigate the challenges of bereavement.

5.7.2: All active employees, regardless of length of service, are eligible for benefits under this policy. We may ask for documentation, such as a death certificate or obituary.

(a) Paid Bereavement Leave:

(1) In the event of a death in the employee's immediate family or household, they may be allowed up to five (5) days away from work with 40 hours of pay. The employee's immediate family is defined as follows:

(i) Employee's spouse, domestic partner, or fiancé;

(ii) Child (natural, step or in-law);

(iii) Parents (natural, step or in-law);

(iv) Siblings (natural, step or in-law);

(v) Grandchild (natural, step or in-law), or

(vi) A person living in the household of the employee.

(2) Employees are allowed three (3) days away from work with 24 hours of pay in the event of death of a close relative, defined as:

(i) Grandparents (natural, step or in-law);

(ii) Aunts or Uncles (natural, step or in-law); or

(iii) Nieces or Nephews (natural, step or in-law).

(3) Employees are allowed up to four hours of unpaid bereavement leave to attend the funeral of a fellow regular employee or retiree of Lexicon, provided such absence from duty will not interfere with normal operations of Lexicon. Where there are more employees wishing to attend the services than a department feels like it can support due to business needs, priority will need to be defined within the applicable department(s).

(4) Bereavement leave may be taken consecutively or as separate days, as needed. Generally, bereavement leave should be utilized within two weeks of the known event. Exceptions can be requested for planned future travel or services.

(5) We fully appreciate that many of our loved ones do not live nearby, which can add to the time one may need to be with their family during times of loss. To assist, bereavement leave may be taken alongside other forms of leave, such as vacation or personal leave, with the approval of the employee's supervisor. Please discuss your specific needs with your HR representative or your supervisor.

(6) To foster a supportive and empathetic culture, Lexicon offers access to grief counseling services or resources to support employees' emotional well-being during their time of loss. You can contact our HR department for information about these resources or contact our Employee Assistance Program offered through SupportLinc at 1-888-881-5462, or www.supportlinc.com (group code: lexicon). Counselors are available 24 hours a day, 7 days a week, and you can meet with a counselor in person, by phone, or video.

5.8: Paid Time Off (PTO).

Employees eligible under this Paid Time Off (PTO) are corporate office employees and certain field office personnel (superintendents, office managers, safety personnel, document control personnel, purchasing personnel, and quality control personnel) who have worked a minimum of ninety (90) continuous days. Eligible employees are entitled to three (3) paid Excused Absences (as defined in Section 4.5.6 above) per calendar year ("PTO"). An eligible employee may use PTO at his or her convenience provided that it is requested in writing at least twenty-four (24) hours in advance of the PTO requested, except in cases of emergency, and is subject to approval by his or her supervisor. PTO may be taken only in increments of one-half (1/2) workday, and it does not accumulate from year to year. Under no circumstances will payment in lieu of PTO be given, and PTO not taken when an eligible employee terminates will be forfeited.

5.9: Paid Sick Leave Compliance Policy Statement.

5.9.1: In accordance with applicable state and local laws, Lexicon provides paid sick leave to eligible employees only in locations where such leave is required by law, as outlined in the table below. Paid sick leave may be used for qualifying reasons as defined by applicable legislation, which may include, but are not limited to:

(a) Personal illness, injury, or health condition

(b) Preventive medical care

(c) Care for a family member experiencing illness or medical treatment

(d) Public health emergencies, including workplace or school closures due to communicable diseases

(e) Other qualifying reasons as outlined by specific state legislation

5.9.2: Legal Compliance. Sick leave requirements vary by jurisdiction and may change over time. Lexicon complies with all applicable federal, state, and local sick leave laws in every location where we operate, including any requirements enacted after the publication of this policy. Employees may contact Human Resources for additional clarification as needed.

5.9.3: Accrual and Usage

(a) Employees accrue sick leave in accordance with the governing state or local ordinance. Accrued sick leave can be used after any applicable waiting periods and may be carried over or capped as permitted by law. Employees will not be retaliated against for using their legally protected sick leave. Unless otherwise required by law, unused paid sick leave will not be paid out upon separation or transfer.

(b) With the exception of Puerto Rico, paid sick leave applies only until an employee becomes eligible to use vacation time. Once vacation is available for use (after the applicable service requirement is met), paid sick leave no longer applies—even if the employee has exhausted available vacation hours at the time leave is needed for illness. Employees in Puerto Rico will have a separate paid sick leave bank in addition to available vacation.

5.9.4: Employee Responsibilities. Employees are expected to notify their manager or HR as soon as practicable when the need for sick leave arises. Requests for documentation will be made in accordance with applicable legal requirements and only when necessary.

5.9.5: Implementation and Review. Our Human Resources team continuously monitors state and local legislation to ensure our policies remain current and compliant. Training, communication, and regular audits are conducted to support proper implementation and usage.

5.9.6: The following chart is representative of the Paid Sick Leave guidelines as set for each state as of the date of this publishing. Lexicon will review these guidelines annually and update according to changes in regulations set forth by each state. If you have questions regarding regulations in your state, please contact Human Resources.

PAID SICK LEAVE BY STATE

Alaska	**Eligible Employees:** All employees working in AK who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 56 hours **Carryover allowed:** 56 hours **Waiting Period:** 90 days	**Illinois ★**	**Eligible Employees:** All employees working in IL who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 40 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours **Carryover allowed:** 40 hours **Waiting Period:** 90 days	**Minnesota**	**Eligible Employees:** All employees working in MN who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 48 hours **Carryover allowed:** 48 hours (max of 80 hours) **Waiting Period:** None
Arizona	**Eligible Employees:** All employees working in AZ who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours **Carryover allowed:** 40 hours **Waiting Period:** 90 days	**Maine**	**Eligible Employees:** All employees working in ME who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 40 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours **Carryover allowed:** 40 hours **Waiting Period:** 120 days	**Nebraska**	**Eligible Employees:** All employees working in NE who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 56 hours **Carryover allowed:** 56 hours (max of 80 hours) **Waiting Period:** None
California ★	**Eligible Employees:** An employee who works for the same employer in CA for 30 days or more during a year who has not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked **Accrual Limit:** 80 hours or 10 workdays per year **Carryover allowed:** 40 hours **Waiting Period:** 90 days	**Maryland ★**	**Eligible Employees:** All employees working in MD who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours **Carryover allowed:** 40 hours (max of 64 hours) **Waiting Period:** 106 days	**Nevada**	**Eligible Employees:** All employees working in NV except temporary, seasonal or on-call workers who have not yet earned vacation **Accrual:** 0.01923 hours of paid sick leave for each hour worked **Accrual Limit:** 40 hours per year **Carryover allowed:** 56 hours (max of 80 hours) **Waiting Period:** 90 days
Colorado	**Eligible Employees:** All employees working in CO who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked **Accrual Limit:** 48 hours per year **Carryover allowed:** 48 hours **Waiting Period:** None	**Massachusetts**	**Eligible Employees:** All employees working in MA who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours **Carryover allowed:** 40 hours **Waiting Period:** 90 days	**New Jersey**	**Eligible Employees:** All employees working in NJ who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours per year **Carryover allowed:** 40 hours **Waiting Period:** 120 days
Connecticut	**Eligible Employees:** All employees working in CT who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours **Carryover allowed:** 40 hours **Waiting Period:** 120 days	**Michigan**	**Eligible Employees:** All employees working in MI who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 40 hours worked; accrual begins upon hire **Accrual Limit:** 72 hours **Carryover allowed:** 72 hours **Waiting Period:** 120 days	**New Mexico**	**Eligible Employees:** All employees working in NM who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 64 hours **Carryover allowed:** 64 hoursd **Waiting Period:** None

★ *Indicates states with additional local regulations*

PAID SICK LEAVE BY STATE					
New York	**Eligible Employees:** All employees working in NY who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 56 hours per year **Carryover allowed:** 56 hours **Waiting Period:** None	**Puerto Rico**	**Eligible Employees:** All employees working in PR except temporary, seasonal or on-call workers **Accrual:** One day per month if worked 130 hours **Accrual Limit:** 12 days per year **Carryover allowed:** 12 daus (max 15 days per year) **Waiting Period:** 90 days	**Washington ★**	**Eligible Employees:** All employees working in WA who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 40 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours per year **Carryover allowed:** 40 hours **Waiting Period:** None
Oregon	**Eligible Employees:** All employees working in OR who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 30 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours per year **Carryover allowed:** 40 hours (max of 80 hours) **Waiting Period:** 90 days	**Rhode Island**	**Eligible Employees:** All employees working in RI who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 35 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours per year **Carryover allowed:** 40 hours **Waiting Period:** 90 days	**Washington, DC**	**Eligible Employees:** All employees working in DC who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 37 hours worked; accrual begins upon hire **Accrual Limit:** 56 hours per year **Carryover allowed:** 56 hours **Waiting Period:** 90 days
Pennsylvania ★	**Eligible Employees:** All employees working in Philadelphia, Sllegheny County or Pittsburgh who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 35 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours per year **Carryover allowed:** 40 hours (max of 72 hours) **Waiting Period:** 90 days	**Vermont**	**Eligible Employees:** All employees working in VT who have not yet earned vacation **Accrual:** One hour of paid sick leave for every 52 hours worked; accrual begins upon hire **Accrual Limit:** 40 hours per year **Carryover allowed:** 40 hours **Waiting Period:** up to one year		

★ *Indicates states with additional local regulations*

5.10: Personal Leave of Absence.

While there are a variety of ways to take paid time off, there could be additional circumstances for which an employee may need time off which is not covered by another policy or program. In these instances, the employee should speak to Human Resources to consider if a request for a personal leave of absence might be a consideration. Any approved leave would be unpaid but would not count against an employee's attendance. The employee would be responsible for paying benefit premiums during this absence.

5.11: Jury Duty.

5.11.1: A leave of absence for jury duty will be granted to any full-time or part-time employee who has been notified to serve. During this leave, employees will be compensated by payment of an amount equal to the difference between their jury duty pay and their regular wages (regular wages being their hourly rate based on a 40-hour work week). An employee on jury duty is expected to report to work any day he or she is excused from jury duty. This includes an employee calling his or her supervisor when excused from service before the employee's regular workday ends. This benefit will not be paid in excess of one year.

5.11.2: Upon receipt of the notice to serve on jury duty, the employee should immediately notify his or her supervisor as well as Human Resources. Additionally, a copy of the notice to serve on jury duty should be attached to the employee's attendance record for attendance purposes.

5.11.3: Upon the employee's return, the employee must notify Human Resources and must submit a signed Certificate of Jury Service indicating the number of days served.

5.12: Military Leave Policy.

5.12.1: This policy complies with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and applicable state law. Military service counts as continuous service for pension vesting and benefit accrual and returning employees may make up missed contributions in accordance with USERRA.

5.12.2: Employees who are members of the uniformed services are entitled to military leave without loss of benefits. Cumulative leave generally may not exceed five years, subject to statutory exceptions.

5.12.3: Full-time employees will receive the difference between their normal pay (based on a 40-hour workweek, excluding overtime) and military pay for up to one year of service. Employees must provide proof of military pay.

5.12.4: Employees on military leave under 31 days may continue health coverage at no additional cost. For longer leaves, coverage may continue for up to 24 months at up to 102% of the full premium. Upon reemployment, coverage is reinstated immediately without waiting periods or pre-existing condition exclusions.

5.12.5: Returning employees are entitled to prompt reemployment in the position they would have attained if continuously employed, or an equivalent position, with full seniority restoration. Reporting deadlines after release from service are: (a) under 31 days - next scheduled work period; (b) 31-180 days - within 14 days; (c) over 180 days - within 90 days. Reemployed employees receive protection from discharge without cause for up to one year, depending on length of service.

5.12.6: Employees should provide advance notice of military leave when reasonably possible and submit a copy of their orders to Human Resources. Lexicon may request documentation to confirm reemployment eligibility.

5.12.7: Employees on military leave may elect to use accrued paid leave during their absence.

5.12.8: Lexicon prohibits discrimination or retaliation based on military service or the exercise of USERRA rights. Concerns should be reported to Human Resources immediately.

5.13: Furlough Policy.

5.13.1: Lexicon, recognizes the importance of maintaining a stable workforce while also adapting to changing business needs. Furloughs serve as a temporary solution to address short-term employment gaps, bridging the period between the conclusion of one assignment or season and the commencement of the next. This policy outlines the process for implementing furloughs and defines the rights and responsibilities of both employees and Lexicon during these periods.

5.13.2: Eligibility: This policy applies to all full-time and part-time Lexicon employees who are actively employed by Lexicon on an assignment that has ended, and for whom Lexicon has identified potential future projects within a timeframe of no more than six (6) months. Selection for furlough will be based upon business needs, departmental requirements, skill alignment with upcoming project, performance criteria, or other factors determined by management.

5.13.3: Benefits: During a furlough, while Lexicon will suspend the provision of company-paid benefits (medical, vision, dental, life, and critical illness coverage), employees may have the option to continue certain benefits, like health insurance, through COBRA or similar programs. Lexicon will provide information and assistance regarding available benefits during this period.

5.13.4: Communication: Lexicon commits to maintaining open communication with furloughed employees regarding updates, changes, and reintegration plans. Employees will be promptly informed of any developments affecting their furlough status or return-to-work prospects.

5.13.5: Compensation during Furlough: Furloughed employees will not receive regular pay during unpaid leave. However, they may be eligible for unemployment benefits or other financial assistance programs available in their jurisdiction.

5.13.6: Return to Work: Furloughed employees will be offered recall opportunities as soon as an eligible project start date is confirmed, provided their qualifications match those required for the job site. Pay rates and per diem may vary based on job site locations. Lexicon will provide advance notice of the return-to-work date and any necessary instructions. Upon returning to work, employees absent for more than 30 days will need to undergo a drug screen, and confirm any changes in their status since their last working day that could affect their ability to perform their duties at the new location, such as changes in driving status.

5.13.7: Seniority Calculation upon Return-to-Work: Lexicon acknowledges the significance of retaining experienced employees and appreciates their ongoing commitment. While on furlough, seniority will not accrue as employees are not actively working. However, upon returning to work after the furlough period, employees will resume their seniority status from the point at which it left off before the furlough, ensuring continuity of benefits and entitlements. For example, an employee who has 9 months of seniority at the time of a furlough, will have 9 months of seniority when they restart three months later.

5.14: Break Time for Nursing Mothers.

5.14.1: Lexicon is pleased to provide employees with reasonable, periodic breaks and a private, secure, and sanitary room or other location in close proximity to the employees' work areas (which, in some cases, may be the employee's normal workspace if such is appropriate), in order that employees may express breast milk. To the extent practicable, such breaks will run concurrently with paid or unpaid break time already provided to the employee. If the break time is unpaid, the employee shall, during the break, be completely relieved from duty.

5.14.2: In implementing this policy, it is Lexicon's intention to help to ease an employee's return to work after maternity leave, to minimize illnesses, to provide a workplace that is supportive of employees' family responsibilities, and to comply with all applicable laws, including, but not limited

to, the federal Pregnant Workers Fairness Act, Providing Urgent Maternal Protections for Nursing Mothers Act, Patient Protection and Affordable Care Act, Arkansas Code Annotated Section 11-5-116, and corresponding laws in states other than Arkansas. To the extent any provision of this policy is contradicted by an applicable state or federal law, the applicable law shall control.

5.15: Compliance with Unpaid Leave Laws (State and Local Requirements)

5.15.1: Applicability and Purpose: In addition to leave provided under Lexicon policies such as Family and Medical Leave (§5.4), Personal Leave of Absence (§5.10), and other benefit programs, certain states and local jurisdictions require employers to provide unpaid, job-protected leave for specific purposes. Lexicon provides unpaid leave in accordance with all applicable federal, state, and local laws in the jurisdictions in which it operates. These legally required leaves may apply based on an employee's work location and individual eligibility criteria.

5.15.2: Types of Covered Leave: Depending on applicable law, employees may be eligible for unpaid, job-protected leave for reasons that may include, but are not limited to:

(a) Pregnancy-related disability or medical conditions

(b) Domestic violence, sexual assault, or stalking-related leave

(c) School activities or educational involvement for a child

(d) Jury service leave required by applicable law beyond what is provided under Section 5.11.

(e) Voting leave or civic participation (where required)

(f) Family care obligations beyond federal FMLA

(g) Military-related protections beyond federal law

(h) Other protected leaves established by state or local statute

Eligibility, duration, documentation, and reinstatement rights will be governed by applicable law.

5.15.3: Coordination with Other Leave Policies: Where permitted by law, unpaid leave under this section may:

(a) Run concurrently with other applicable leave programs, including FMLA (§5.4) or Workers' Compensation.

(b) Require employees to use available paid leave (such as PTO or vacation) concurrently, where permitted by applicable law

(c) Be administered alongside or instead of discretionary Personal Leave of Absence (§5.10), depending on the circumstances

Nothing in this policy is intended to reduce or limit any rights provided under applicable law.

5.15.4: Requesting Leave and Employee Responsibilities: Employees requesting unpaid protected leave must:

(a) Notify their supervisor or Human Resources as soon as practicable

(b) Provide documentation where required by applicable law

(c) Comply with applicable reporting or certification requirements

Lexicon will administer all requests in a manner consistent with legal requirements and business operations. Failure to meet these obligations may, where permitted by law, result in delay or denial of leave approval.

5.15.5: Legal Compliance and Policy Updates: Laws governing unpaid leaves of absence vary significantly by jurisdiction and may change over time.

(a) Lexicon complies with all applicable federal, state, and local laws regarding unpaid leave, including any laws enacted or amended after the publication of this Handbook.

(b) If any portion of this policy conflicts with applicable law, the law will control.

(c) Employees may contact Human Resources for additional information regarding rights and eligibility under applicable unpaid leave laws.

5.16: Benefits Disclaimer (Medical, Dental, Life Insurance, 401k, Prescription Drug).

5.16.1: Lexicon has established a variety of employee benefit programs designed to assist employees and employee eligible dependents in meeting the financial burdens that can result from illness and to help employees plan for retirement. Depending upon an employee's status (e.g., full-time regular, part-time, temporary, etc.) and length of service with Lexicon, and subject to the requirements of the individual plans, Company employees may be eligible to participate in the following benefit plans, all of which are subject to change without notice:

(a) Medical and Prescription Plans

(b) Dental Insurance

(c) Life, AD&D, and Disability Coverage

(d) 401(k) Retirement Plan

(e) Other supplemental options

5.16.2: Employees' rights can be determined only by referring to the full text of the official plan documents, which are available for employees' examination from Human Resources. To the extent that any of the information contained in this Handbook is inconsistent with the official plan documents, the provisions of the official documents will govern in all cases.

5.16.3: Please note that nothing contained in the benefit plans described herein shall be held or construed to create a promise of employment or future benefits, or a binding contract between Lexicon and its employees, retirees, or their dependents for benefits or for any other purpose. All employees shall remain subject to disciplinary action to the same extent as if these plans had not been put into effect.

5.16.4: Lexicon reserves the right, in its sole and absolute discretion, to amend, modify, or terminate, in whole or in part, any or all of the provisions of the benefit plans described herein, including any health benefits that may be extended to retirees and their dependents. Further, Lexicon reserves the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply, and interpret the benefit plans described herein, and to decide all matters arising in connection with the operation or administration of such plans.

5.16.5: For more complete information regarding any of Lexicon's benefit programs, please refer to the official plan documents and the summary plan descriptions or contact Human Resources. If an employee loses or misplaces the summary plan descriptions, please contact Human Resources for another copy.

ACKNOWLEDGEMENT

In consideration of my employment or continued employment with Lexicon, I agree to conform to the rules and policies of Lexicon, including those set forth in this Handbook. I hereby acknowledge that I have been given the opportunity to review the contents of this Handbook and that I understand same. I further acknowledge that I have been given the opportunity to ask questions concerning the contents of this Handbook and have sought and received additional information concerning any issues about which I needed clarification or further explanation. I will be cooperative in complying with the policies set forth therein. I understand that revisions may be made to the Handbook at any time, without notice.

Further, I agree that the Handbook is not a contract of any kind, implied or expressed, including one for employment, but is for my information only. Lexicon reserves the right to vary from the policies stated in this Handbook, in specific instances or in general application, in its discretion. I acknowledge that my employment is at-will and that, as such, I can be terminated with or without cause, and with or without notice, at any time, at the option of either Lexicon or myself.

_____ _____

Employee Signature Date

_____ _____

Employee Code

_____ _____

Supervisor Signature Date



APPENDIX A - SPANISH TRANSLATION OF SECTION 5.4 FAMILY/MEDICAL LEAVE POLICY

5.4 FAMILIA/ POLITICA DE LICENCIA MEDICA.

(a) Elegibilidad. Los empleados que hayan sido contratados por la compañía por al menos 12 meses (los cuales no tienen que ser consecutivos) y que hayan trabajado al menos 1,250 horas durante el período de 12 meses, inmediato anterior al inicio de Licencia Médica y Familiar, son los empleados elegibles. El período de tiempo para calcular el lapso que tendrá la FMLA, será un período de 12 meses consecutivos que se calcula hacia atrás desde la fecha en que un empleado uso cualquier licencia FMLA.

(b) Bases para tomar licencia. Las bases para tomar la licencia FMLA son: el nacimiento de un hijo del empleado, incluyendo cuidados del recién nacido dentro del primer año de nacimiento; entrega de un niño con el empleado para la adopción o acogimiento, incluyendo el cuidado del niño recién llegado dentro del primer año de la entrega; enfermedad grave del empleado o por el cuidado de un familiar de clasificación con una condición de salud grave; y por cualquier exigencia calificada que surja del hecho de que el cónyuge, hijo, hija, padre o madre del empleado se encuentre en servicio activo o haya sido notificado de una llamada urgente de servicio activo en apoyo a una operación de contingencia. Si tanto un empleado y su cónyuge son empleados de la Compañía, su tiempo fuera combinado no puede superar las 12 semanas de trabajo durante cualquier período de 12 meses para el nacimiento, adopción o acogimiento, o el cuidado de un padre con una condición de salud grave. Cada empleado puede, sin embargo, optar a las 12 semanas dentro de un período de 12 meses para cuidar de un hijo, hija o cónyuge con una condición de salud grave o enfermedad grave del empleado.

(c) Salida de un familiar miembro del Ejército. Un empleado elegible que sea el cónyuge, hijo, hija, padre, o los familiares de un miembro de servicio militar que se está recuperando de una enfermedad o lesión graves sufridas mientras se encontraba en el cumplimiento de su deber en servicio activo, tiene derecho a un máximo de 26 semanas de licencia en un solo período de 12 meses, para cuidar al miembro del servicio. Los empleados que solicitan este tipo de licencia FMLA deben proporcionar la certificación del familiar o prueba de la lesión, la recuperación de los familiares, o la necesidad de atención. Esta certificación no está ligada a una condición de salud grave como con otros tipos de licencia FMLA. Este es el único tipo de licencia FMLA que puede extender una licencia de empleado FMLA, el derecho de ausentarse de 12 semanas a 26 semanas.

(d) Salida intermitente. Un licencia tomada para condiciones graves de salud pueden tomarse en forma intermitente (no todos a la vez) cuando sea médicamente necesario. Por acuerdo entre el trabajador y la empresa, y los empleados pueden optar por tomar licencia FMLA en un horario de ausencia reducido. Esto puede implicar la reducción de su número habitual de horas por día de trabajo o de la semana de trabajo durante la licencia. Si un empleado toma una licencia o se ausenta de forma intermitente o reducida, él o ella sigue teniendo derecho al equivalente del total de 12 semanas de licencia durante el período aplicable de 12 meses consecutivos.

(e) Compensación por Ausencia de Trabajadores. Cuando un empleado está de baja debido a una lesión en el trabajo o una enfermedad que es una condición de salud grave bajo la FMLA, la compensación por ausencia de los trabajadores y la licencia FMLA se ejecutan simultáneamente.

(f) Aviso para empleados y requisitos de programación. Un empleado que requiera de una licencia familiar deberá dar aviso de 30 días antes de la fecha en que inicie la ausencia, excepto por emergencias de buena fe. Cuando una licencia por razones familiares está relacionada con una enfermedad grave, el empleado debe hacer un esfuerzo razonable para programar el tratamiento a fin de no interrumpir indebidamente las operaciones de la Compañía.

(g) Cómo solicitar una licencia médica o familiar. Los empleados deben completar y presentar una solicitud por escrito para tener una licencia FMLA. Esta solicitud debe ser enviada al Departamento de Recursos Humanos. Una copia del Formulario de Permiso de Ausencia deberá ser requerida en el sitio de trabajo en la Oficina del Administrador o en el Departamento de Recursos Humanos. Una copia de la documentación relativa a la licencia FMLA de un empleado se colocará en su expediente médico.

(h) Uso de ausencias pagadas y sin pagar. Como regla general, las licencias familiares y médicas no son pagadas. Las excepciones a esta regla son las siguientes:

(i) Se requiere que los empleados que tienen disponible tiempo de vacaciones no utilizado al comienzo de su licencia FMLA será requerido, al comienzo de la licencia FMLA, utilizar la mitad de su tiempo de vacaciones para ir sin pagar licencia FMLA. Los empleados pueden, pero no están obligados a, utilizar la totalidad de su tiempo de vacaciones disponibles, mientras que con la licencia FMLA deben minimizar la posibilidad de una interrupción en el pago durante la licencia FMLA.

(ii) Cuando un empleado que está tomando la licencia como resultado de su propia condición seria de salud, califica para tener una incapacidad de corto plazo.

(iii) Dónde un empleado es asalariado y está de licencia para atender su condición de salud grave o las necesidades de su esposo o esposa, hijo, hija, padre o madre que tengan una condición de salud grave. La aprobación del tiempo libre pagado bajo esta disposición, se dará a consideración del Director de Recursos Humanos de la Compañía. Los factores que pueden ser tomados en consideración incluyen la longevidad del empleado, el rendimiento, la gravedad del estado de salud, la duración de la licencia, etc. La empresa puede optar por pagar algunos, ninguno, o todo el tiempo libre solicitado.

(i) Empleo externo durante la licencia. Durante la licencia de cualquier tipo, un empleado no puede trabajar en otro empleo. La obtención o continuar en otro empleo puede resultar en la cancelación de la licencia del empleado.

(j) Certificación Médica y Información de Requisitos. La Compañía requiere que un permiso familiar relacionado con una condición seria de salud sea comprobado mediante una certificación expedida por el proveedor de cuidados de la salud del empleado o el cónyuge del empleado, hijo, hija, padre o madre, según el caso. Una copia de dicho certificado deberá ser proporcionada al Departamento de Recursos Humanos de una manera oportuna, por lo general dentro de los 15 días siguientes a la notificación de la necesidad de la licencia. Posterior a la certificación médica inicial, se requerirá al empleado que proporcione la re-certificación de un profesional de la salud. Al final de la licencia FMLA disfrutadas por enfermedad grave de un empleado, se le pedirá que presente un certificado médico de aptitud para volver al trabajo.

(k) Si la empresa pone en duda la validez de la certificación prevista, podrá exigir, con cargo a la empresa, que el empleado obtenga una segunda opinión. Si el segundo opinión entra en conflicto con la opinión original, la Compañía podrá requerir, bajo su propio costo, que el empleado obtenga la opinión de un tercer médico designado o aprobado conjuntamente por la empresa y el empleado. Esta tercera opinión se considerará definitiva y vinculante para ambas partes.

(l) Mantenimiento de beneficios para la salud. La Compañía continuará proporcionando beneficios de seguro de salud, mientras que el empleado está de licencia FMLA de la misma manera y en la misma medida que si no la hubiera tomado. Esto significa que si algunas de las primas del seguro de los empleados son pagadas con regularidad por el empleado, este debe seguir pagando las primas, mientras tenga la licencia FMLA. En otras palabras, con el fin de continuar con los beneficios de seguros, mientras que un empleado tiene un FMLA, él o ella debe seguir pagando por todas las primas de seguro que el empleado habría abonado si él o ella no ha tenido una licencia FMLA. El Departamento de Recursos Humanos debe ser contactado cuando un empleado solicita una licencia FMLA, y el empleado se le enviará una carta indicando las primas que debería pagar durante la licencia FMLA. Se insta a los empleados a discutir el pago de las primas y la continuación de los beneficios de seguro de salud antes de tomar la licencia FMLA con Recursos Humanos. SI EL EMPLEADO FALLA EN PAGAR CUALQUIER PRIMA, PODRIA RESULTAR EN QUE ÉL O ELLA PIERDAN LOS BENEFICIOS DEL SEGURO.

(m) Regreso de la licencia FMLA. Cuando un empleado regresa al trabajo después de la licencia FMLA, él o ella será:

(i) Restaurado a la posición mantenida por el empleado cuando comenzó la licencia; or

(ii) Restaurado a un puesto equivalente con beneficios equivalentes, pago y otros términos y condiciones de empleo. Cualquier disputa sobre lo que constituye “equivalente” deben ser revisados con el Departamento de Recursos Humanos.

(n) Limitaciones a la reincorporación. Si un empleado ha sido despedido o se da por terminados, aunque él o ella no hayan estado en una licencia FMLA, cualquier derecho a la reincorporación se determinara si él o ella no han estado en un permiso de ausencia mientras se produjo el despido o terminación.

(o) Faltas por regresar al trabajo después de una licencia FMLA. Si un empleado no regresa al trabajo después de que se agote toda la cobertura de la licencia, la Compañía asumirá que el empleado ha renunciado, y el empleado puede ser responsable por la contribución de las primas de seguros durante el período de licencia. Si un empleado necesita salir más allá del derecho a 12 semanas como una adaptación a una discapacidad, como definición la ADA u otra ley estatal aplicable, el empleado debe solicitar una licencia adicional. Esta solicitud será considerada caso por caso.

(p) Preguntas. Si un empleado tiene alguna pregunta con respecto a cualquier parte de esta política, por favor póngase en contacto con el Departamento de Recursos Humanos. Las adiciones, supresiones y modificaciones a esta política son la responsabilidad del Departamento de Recursos Humanos y estarán sujetas a la aprobación de la administración de la Compañía y, según corresponda, a revisión para el cumplimiento legal.