



**DISCOVERY**  
L I F E   S C I E N C E S

# EMPLOYEE HANDBOOK



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# Welcome

**Welcome to Discovery!** As you become familiar with our culture and mission, we hope that you take advantage of the opportunities to enhance your career and further Discovery Life Science's goals. We believe that each employee contributes directly to our growth and success, and we hope you will take pride in being a member of our team.

On behalf of your colleagues, we welcome you and wish you every success at Discovery Life Sciences.

This Employee Handbook outlines the policies, programs, and benefits available to eligible employees. It was also developed to describe some of the expectations we have for our employees and will answer many questions about employment with Discovery. We suggest that you familiarize yourself with the contents of the handbook. If you have questions, feel free to ask your supervisor or contact Human Resources.

This Handbook is not a contract and is not intended to create any contractual or legal obligations. You should read, understand, and comply with all provisions of the Handbook. It describes many of your responsibilities as an employee and outlines the programs developed by Discovery to benefit employees.

No Handbook can anticipate every circumstance or question about policy. Discovery reserves the right to revise, supplement, or rescind any policies or portion of the Handbook from time to time as it deems appropriate, in its sole and absolute discretion. The only exception is our employment-at-will policy, permitting you or Discovery to end our relationship for any reason at any time. The employment-at-will policy cannot be changed except in a written agreement signed by both you and the Chief Human Resources Officer of the Company.

Discovery reserves the right to deviate from the policies, procedures, benefits, and working conditions described in this employee handbook at any time, for any reason, and without prior notice. Discovery will make every effort to notify employees when an official change in policy or procedure has been made, but employees are responsible for their own up-to-date knowledge about Discovery policies, procedures, benefits, and working conditions. No provision in this employee handbook can be waived without written permission from Discovery.

# Employment At Will

Employment at Discovery is on an at-will basis unless otherwise stated in a written employment agreement signed by the Chief Executive Officer of the Company.

As such, either party can terminate the employment relationship for any reason at any time, without cause or advance notice. No one has the authority to make verbal statements that change the at-will nature of employment, and the at-will relationship cannot be changed or modified for any employee except in a written agreement signed by that employee and the Chief Human Resources Officer of Discovery.

## Equal Opportunity and Commitment to Diversity

Discovery is committed to providing equality to all employees regardless of race, color, religion, gender, national origin, age, disability, ancestry, gender identity or expression, marital status, veteran status, medical conditions, family care status, sexual orientation, or any other protected characteristic recognized by federal, state or local law. Every employee will be treated fairly and equally under the terms of this handbook. To provide equal employment and advancement opportunities to all individuals, employment decisions at Discovery will be based on merit, qualifications and the needs of the Company. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, promotion, termination, and access to benefits and training. This policy is neither exhaustive nor exclusive. Discovery is committed to taking all actions necessary to ensure equal employment opportunity for all persons in accordance with all applicable federal, state, and local laws.

## Discrimination/Harassment

Discovery prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Harassment and Discrimination includes being treated less favorably than others in a comparable position or suffering hostile, intimidating, or threatening conduct based on a protected characteristic.

Some examples of discrimination or harassment include:

- Making inappropriate or derogatory comments, slurs, or jokes
- Displaying inappropriate or derogatory images, or making derogatory gestures
- Inappropriate or aggressive physical contact with another employee (e.g., pushing, cornering, or using physical presence to intimidate)
- Making harassing, bullying, or inappropriate comments toward another employee outside of the workplace or on social media
- Making decisions about hiring, terminations, promotions and company restructuring based on personal characteristics and not professional merit
- Telling someone they must retire because they are too old to perform their job

This list is illustrative only and not exhaustive. Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or Human Resources. Employees can raise concerns and make reports without fear of retaliation.

## Sexual Harassment

Sexual harassment is defined under state and federal law as unwanted sexual advances, request for sexual favors, and other verbal or physical conduct of a sexual nature whereby:

- Submission to or rejection of such conduct is made either explicitly or implicitly as a term or condition of any individual's employment or as a basis for employment decisions ("quid pro quo").
- Any form of sexually oriented conduct by a peer, especially unwanted verbal, non-verbal or physical conduct of a sexual nature, that creates an intimidating, hostile, degrading, humiliating or offensive environment.

This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser.

The following are examples of conduct that may constitute sexual harassment:

- Unwanted sexual advances, whether or not they involve physical touching
- Offering employment benefits in exchange for sexual favors
- Threatening termination or demotion after a negative response to sexual advances
- Non-Verbal conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects, in person or by email, text, or chat messages
- Verbal abuse of a sexual nature, such as graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations
- Unwanted physical conduct that includes touching, assaulting, or impeding or blocking movements

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor, a member of Human Resources, or through the Compliance Reporting Portal. You can raise concerns and make good faith reports of discrimination or harassment without fear of reprisal or retaliation.

Any member of management who becomes aware of possible sexual or other unlawful harassment must immediately advise the management team, Human Resources, or the Chief Human Resources Officer. Anyone engaging in sexual or other unlawful behavior will be subject to disciplinary action up to and including termination of employment.

**For California Employees:** The Company encourages prompt, internal reporting of complaints so that we can take appropriate action. In addition, any individual may lodge a complaint of unlawful workplace discrimination, harassment or retaliation with the California Department of Fair Employment and Housing, [www.dfeh.ca.gov](http://www.dfeh.ca.gov), and/or the U.S. Equal Employment Opportunity Commission, [www.eeoc.gov](http://www.eeoc.gov).



## Americans with Disabilities Act (ADA) and Reasonable Accommodation

Discovery is committed to the fair and equal employment of individuals with disabilities under the ADA. Reasonable accommodation will be provided to qualified individuals with disabilities to enable them to perform the essential functions of their jobs or to enjoy the equal benefits and privileges of employment. Employees should contact the Human Resources department to begin an interactive discussion on reasonable accommodation. All accommodation decisions are made based on an analysis of the employees' individual needs and the needs of the Company.

## Pregnant Workers Fairness Act (PWFA)

Discovery complies with the PWFA by making reasonable changes in the workplace to support employees with pregnancy-related limitations. Employees with limitations related to, affected by, or arising out of pregnancy, childbirth or related medical conditions, should contact the Human Resources department to discuss reasonable accommodations.

## Religious Accommodation

Religious accommodations to religious observance and practices should be arranged with the employee's supervisor, who is encouraged to accommodate the employee's request to the extent that is practicable. Employees who may need time off work for religious observance are responsible for giving supervisors at least two weeks' notice of the proposed absence.

## Anti-Retaliation

Retaliation means adverse conduct taken because an individual utilized a lawful right to accommodation, reported an actual or a perceived violation of Discovery policy, opposed practices prohibited by Discovery policies, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- Failing to promote, changing core job duties, or terminating employment due to the employee's participation in reporting or involvement in the investigation process;
- Shunning, avoiding, or bullying an individual who reports harassment, discrimination, or retaliation;
- Express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination, or retaliation; or
- Denying employment benefits because an applicant or employee reported harassment, discrimination, or retaliation or participated in the reporting and investigation process.

Anyone found to be engaging in any type of unlawful retaliation will be subject to disciplinary action up to and including termination of employment.

## Open Door Policy

Discovery is committed to maintaining a positive and productive work environment for all employees. An open-door policy ensures that all employees are free to ask questions, share suggestions, and voice concerns to all levels of management so that we can better understand each other and improve our company. We will listen and take such concerns seriously.

# Employee Benefits

Discovery provides a comprehensive and competitive benefits program for employees and their families. Information on benefit programs is available through respective Summary Plan Descriptions (SPD) which can be provided by Human Resources. The Summary Plan Descriptions will have control over any policy contained within the Handbook. Many countries, states, and municipalities where Discovery employees reside may have mandated benefits specific to that location. No greater or lesser benefits will be granted than those set forth in the relevant state or federal laws.

## Medical, Dental, and Vision

Regular full-time employees working 30 hours or more per week may participate in the medical, dental, and vision insurance plan subject to all terms and conditions of the agreement between Discovery and the insurance carriers. Medical, dental, and vision coverage is effective as of an employee's date of hire.

## Short Term and Long-Term Disability

Discovery provides both short-term and long-term disability coverage to full-time employees working 30 hours or more per week. Eligible employees receive 60% of their base salary while on disability, subject to the terms and conditions of the plan. Disability coverage is effective the first of the month following your 90th day of employment. An employee's disability leave will run concurrently with Family and Medical Leave (FMLA), if eligible. (Discovery will follow all applicable state disability laws/programs.)

## Life Insurance and AD&D

Discovery provides term life and accidental death and dismemberment (AD&D) insurance to regular full-time employees working 30 hours or more per week. Life and AD&D coverage is effective the first of the month following your 90th day of employment. Life and AD&D premiums are paid by Discovery. Employees may purchase additional voluntary life and AD&D to supplement your employer paid life benefit.

## Critical Illness and Accident Insurance

Critical Illness insurance pays a benefit upon the diagnosis and/or treatment of a named critical illness or certain category of major surgery. Plan options let you choose the amount of coverage needed. Accident Insurance pays the employee with cash benefits for expenses that may not be fully covered by your comprehensive health insurance.

## 401 (K) Plan

Discovery recognizes the importance of saving for retirement and offers eligible employees the opportunity to participate in the Company's 401(k) Plan. Information on eligibility requirements, contribution and matching amounts, vesting schedules, and other specific plan information can be obtained from Human Resources.

## Workers' Compensation

Workers' compensation insurance provides coverage to employees with work-related injuries or illnesses. If an employee is injured or becomes ill as a result of their job, it is the employee's responsibility to immediately notify a supervisor of their injury, no matter how minor it appears, in order to receive benefits. Human Resources will work with an employee to complete injury reports, file workers' compensation claims, and assist with referrals to medical care facilities, if necessary. Failure to report a work-related illness or injury promptly could result in denial of benefits. Workers' compensation insurance premiums are paid by Discovery. Workers' compensation coverage may be provided by an insurance company or through a state mandated program.

## Educational Assistance

Discovery encourages the professional development of its employees, especially those who wish to pursue college coursework and/or degree programs. Full-time employees (30 or more hours per week) who have completed six months of employment with the Company, and with no current disciplinary action, may be eligible to participate in the Discovery Educational Assistance Program. Please contact the Human Resources Department for more information about this program.

## Employee Assistance Program (EAP)

Discovery recognizes the work-life challenges that our employees and their families sometimes face. The [Employee Assistance Program](#) provides confidential counseling, consultations, and online access to articles, self-assessment, podcasts and more. Services are available 24 hours a day, seven days a week and are provided at no additional cost to the employee and dependents, as defined by the employees' benefits. Employees may seek these services on their own behalf. Participation in the EAP and any information related to their participation is strictly confidential.

## Time Off and Leaves of Absence

Discovery provides Paid Time Off (PTO) and leave of absence in accordance with state and federal law. In cases where an employee is subject to both state and federal laws, and those laws are in conflict, the employee is entitled to leave under the law most beneficial to the employee.



## Paid Time Off (PTO)

Time off with pay is available to regular full-time employees (those working at least 30 hours per week). and will be earned based on length of service, starting with their first full month of hire. PTO is accrued on the first day of each month, and annual accrual rate changes take effect on January 1 of the following year.

**California employees:** Please see CA State Addendum for additional PTO information.

Years of Service	Monthly PTO Accrual	Annual Accrual
Calendar Years 1-4	10.00 hours	15 days
Calendar Years 5-9	13.33 hours	20 days
Calendar Years 10+	16.667 hours	25 days

To take PTO, employees should request advance approval from their immediate supervisor through the timekeeping system. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. PTO requests may be denied when approval of the request could have an adverse impact on the Company performance.

In the event available PTO days are not used by the end of the benefit year, employees may carry over up to the amount of their annual accrual to the next benefit year. If the total amount of unused PTO reaches a “cap” of thirty-two (32) days (256 total hours), further PTO accrual will stop. When the employee uses PTO and brings the available amount below the cap, PTO accrual will begin again.

In exceptional circumstances, an employee may go seek permission to go negative in their PTO balance up to 40 hours, or to take unpaid leave. Unless state law requires otherwise, employees must exhaust their accrued leave before being considered for unpaid leave. Any request for unpaid leave or to create a negative PTO balance must be submitted in writing to the employee’s direct supervisor and Human Resources for review and approval.

**PTO at Termination** – In the event an employee voluntarily resigns, the Company has the right to cancel or modify any previously approved PTO to support business transition efforts. Employees should refrain from requesting PTO during their notice period.

This section does not apply to absences covered by the Family and Medical Leave Act (FMLA), or leave provided as a reasonable accommodation under the Americans with Disabilities Act (ADA).

## Paid Holidays

Discovery generally grants thirteen (13) paid holidays to regular full-time employees (those working at least 30 hours per week) on the following days:

- New Year's Day
- MLK Day
- Memorial Day
- Juneteenth
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day
- Employee's birthday
- Two (2) floating holidays

A holiday will be considered as 8 hours worked at the employee's regular pay rate for the purpose of computing overtime. A recognized holiday that falls on a weekend may be observed on the preceding Friday or the following Monday, as determined by the Company.

A birthday holiday should be taken during the birthday week but may also be taken in the week before or the week after. It may not be carried over or used as an additional PTO day. If a new employee's birthday has passed before the beginning of employment at Discovery, they are not eligible for the birthday holiday until the following year.

Floating holidays are available at the beginning of each calendar year. For the first year of employment, any employee hired before June of that calendar year receives two days; an employee hired in July or later receives one day.

Holidays will be announced in Q4 each year and are subject to change.

**California employees: please reference the California State Addendum for additional information concerning floating holidays.**

## Paid Parental Leave

Discovery will provide up to six (6) weeks of paid parental leave to employees: (1) following the birth of an employee's child (as the maternal or paternal parent); or (2) following the placement of a child with an employee in connection with adoption or foster care. The purpose of paid parental leave is to enable the employee to care for and bond with a newborn or a newly adopted or newly placed child. This policy will run concurrently with Family and Medical Leave Act (FMLA) leave, and/or state pregnancy disability leave, as applicable. Some states offer additional leave benefits; please contact Human Resources for more information on state-specific leave. You must be a full-time employee to be eligible for Paid Parental Leave. Part-time and temporary (interns, seasonal) employees are not eligible for this benefit.

## Amount, Time Frame, and Duration of Paid Parental Leave

Eligible employees will receive a maximum of six (6) weeks of paid parental leave in one continuous period per birth, adoption, or placement of a child/children. The fact that a multiple birth, adoption, or placement occurs (e.g., the birth of twins or adoption of siblings) does not increase the six-week total amount of paid parental leave granted for that event. In addition, in no case will an employee receive more than six (6) weeks of paid parental leave in a rolling 12-month period, regardless of whether more than one birth, adoption or foster care placement event occurs within that 12-month time frame.

Each week of paid parental leave is compensated at 100 percent of the employee's regular, straight-time weekly pay, and will be paid on regularly scheduled pay dates. Paid parental leave must conclude during the six-month period immediately following the birth, adoption, or placement of a child with the employee and cannot be extended beyond this six-month time frame. Any unused paid parental leave will be forfeited at the end of the six-month time frame.

## Coordination with Other Policies and State Laws

Paid parental leave taken under this policy will run concurrently with leave under the FMLA and/or any state pregnancy disability leave, and all other requirements and provisions under the FMLA will apply. If an employee is eligible for short term disability, the employee will receive paid parental leave immediately after short-term disability and before requests for state paid leave. In cases where an employee is subject to both the state and federal pregnancy leave laws and those laws are in contradiction to this policy, the state law applies.

Employees on Paid Parental Leave will be in an inactive status and should not conduct company business while on leave. The company will maintain all benefits for employees during any parental leave period just as if they were taking any other company paid leave such as PTO.

If a company holiday occurs while the employee is on paid parental leave, the employee will not receive holiday pay. Employees on Paid Parental Leave will not accrue PTO while out on leave.

## Requests for Paid Parental Leave

The employee will provide his or her supervisor and the Human Resources department with notice of the request for leave at least 30 days prior to the proposed date of the leave (or if the leave was not foreseeable, as soon as possible). The employee must complete the necessary Human Resources forms and provide all documentation as required by the Human Resources department to substantiate the request.

## Family Medical and Leave Act (FMLA)

Discovery complies with the federal FMLA and state and local leave laws that require employers to grant unpaid leave to qualified employees for certain medical and family-related reasons. Information regarding FMLA is posted in all Discovery locations and additional information is available at any time by contacting Human Resources. Employees should contact the Human Resources department to discuss FMLA and options for medical leave based on their specific needs.

### Eligibility

The FMLA defines eligible employees as employees who: (1) have worked for the company at least 12 months; (2) have worked for the company at least 1,250 hours in the previous 12 months; and (3) work at or report to a worksite that has 50 or more employees or is within 75 miles of your worksite.

Eligible employees can take up to 12 weeks of unpaid, job-protected leave for the following reasons:

- For the birth and care of the newborn child of an employee
- For placement with the employee of a child for adoption or foster care
- To care for an immediate family member (spouse\*, child\*, or parent) with a serious health condition
- For medical leave when the employee is unable to work because of a serious health condition

\*Discovery defines "Spouse" as a husband or wife as recognized in the state where the individual was married and includes individuals in a common law or same-sex marriage. "Child" includes biological, step, adopted or foster children, as well as legal wards or persons for whom you stand in loco parentis, who is either under 18 years of age OR is 18 years or older and incapable of self-care because of a mental or physical disability.

### Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility or continuing treatment by a healthcare provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school, work, or other daily activities. Subject to certain conditions, the "continuing treatment" requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a healthcare provider or one visit and a regimen of continuing treatment, incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of "continuing treatment."

### Married Couples

If you and your spouse are both employed by Discovery, your combined FMLA for a New Child or for a parent's Serious Health Condition is limited to 12 weeks in a 12-month period. That means, for example, if you take 12 weeks of FMLA leave to care for your newborn child, your spouse is not eligible for FMLA for those purposes in that 12-month period. Similarly, your combined leave to care for a covered service member cannot exceed 26 weeks.

## Military Leave

### **Qualifying exigencies leave-**

Eligible employees with a spouse, child, or parent on active duty or called to active-duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies (as defined in the Department of Labor regulations) arising out of your family member's call to duty.

### **For a covered service member-**

The FMLA also includes a special leave entitlement that permits eligible employees to care for a spouse, child, parent, or next of kin (i.e., nearest blood relative) who is a covered service member with a serious health condition. Up to 26 weeks of leave could be taken during a 12-month period for this type of leave. Unlike other kinds of FMLA, this is available only once.

## Intermittent Leave

In some case employees may be eligible to take intermittent leave or work a reduced work schedule when medically necessary or for qualifying exigencies. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt Discovery operations. While taking intermittent leave, you must comply with all call-in and timekeeping requirements.

## Notice Requirements

Employees must provide a 30-day advance notice of the need to take FMLA when the need is foreseeable, or as soon as knowledge of the need for leave arises. Employees must complete the Family and Medical Leave Request Form and submit it to Human Resources to initiate a conversation about the need for FMLA leave. Employees should make a reasonable effort to schedule leave in a timely manner and so as not to unduly disrupt Discovery' operations. Discovery will provide the required notices to employees requesting leave whether they are eligible or ineligible for FMLA.

## Substitution of Paid Leave

Employees may elect to use PTO during some or all your FMLA. However, employees are responsible for submitting the PTO request in the timekeeping system. Employees on FMLA will not accrue PTO while on leave.

## FMLA and Other Leaves

Other leaves such as Short-Term Disability or Paid Parental Leave will run concurrently with FMLA where permissible by federal, state, and local laws.

## Return from Leave

Employees will be required to provide the return-to-work authorization form from the employees' healthcare provider before returning from leave. Return to work authorization forms must be returned to human resources at least 7 days prior to your return date. On return from FMLA, an employee is entitled to be returned to the same position the employee held when the leave began or to an equivalent position.



## Bereavement Leave

Discovery Life Sciences provides up to three (3) days of base pay for bereavement leave to regular full-time employees. Bereavement leave allows employees to be absent from work due to the loss of an immediate family member in order to make funeral arrangements, and to attend the funeral/memorial service.

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. It is at the discretion of management to provide flexibility based on the situation.

Bereavement leave will be granted unless there are unusual business needs or staffing requirements in conflict with granting the leave. Employees may, with their supervisors' or managers' approval, use any available paid leave for additional time off as necessary.

Discovery defines "immediate family member" as the employee's: spouse, registered domestic partner, parent, child, grandparent, grandchild, or sibling; spouse's parent, child, or sibling; or child's spouse. These definitions include an employee's full, step, or half relations.

## Time Off to Vote

Discovery encourages employees to fulfill their civic responsibilities by participating in local and national elections. Generally, employees can find time to vote either before or after their regular work schedule. If employees are unable to vote in an election during their nonworking hours, Discovery will grant up to two hours of paid time off to vote. In states that provide for more time, Discovery will follow state specific requirements. Employees should request time off to vote from their supervisor at least two working days prior to the Election Day.

## Jury Duty

Discovery encourages employees to fulfill their civic responsibilities by serving on jury duty when required. Employees must present the jury duty summons to their supervisor as soon as possible so that the supervisor may accommodate their absence. Employees are expected to report for work whenever the court schedule permits. Either Discovery or the employee may request an excuse from jury duty if, in Discovery's judgment, the employee's absence would create serious operational difficulties. Full-time employees will continue to receive their usual compensation while serving jury duty if required by state or local law. Subject to the terms, conditions, and limitations of the applicable plans, Discovery will continue to provide all applicable benefits for the full period of leave associated with jury duty.

## Other Court Duty

Employees who are subpoenaed by federal or state authority, or at the request of Discovery, will receive regular pay for the time required to comply with the subpoena. Work time missed for this reason must be reported as soon as possible to the supervisor. For all other court appearances, the leave determination will be made according to state and local laws. If you are a plaintiff or witness in a court proceeding, especially if you or your immediate family members are the victim of a serious crime, you should contact Human Resources to discuss your leave.

## Military Leave

Employees will be granted time off for military training or service in accordance with the Uniformed Services Employment and Reemployment Rights Act. Employees must notify their supervisor and give inclusive dates of military training as soon as possible and provide a copy of the military orders as soon as the orders are available. Upon return from military leave with an honorary discharge, employees will be granted the same seniority, pay, and benefits as if they had worked continuously, to the extent provided by law. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination.

# Employment Categories

## Employment Classifications

Each employee is designated as either Exempt or Non-Exempt, based on federal, state, and local wage and hour laws. Non-Exempt employees are entitled to overtime pay for overtime hours worked. Exempt employees are not eligible to receive overtime pay. An employee's Exempt or Non-Exempt classification may be changed only upon written notification by Human Resources.

## Employment Status

Each employee will be assigned to an employment status as described below:

- **Full-Time Status:**

Full-time employees are employees who are regularly scheduled to work a full-time schedule of 30 hours or more per week. Generally, regular full-time employees are eligible for Discovery Life Sciences' benefit package, subject to the terms, conditions, and limitations of each benefit program.

- **Part-Time Status:**

Part-time employees are employees not in a temporary status who have a work schedule that varies in hours or that is otherwise less than 30 hours per week. Part-time employees retain that status unless and until notified of a change. While part-time employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for most of Discovery's other benefit programs.

- **Temporary Status:**

Temporary employees are employees who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project like summer interns or seasonal employees. This does not apply to contract workers. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all Discovery's benefit programs.

# Pay and Timekeeping

## Work Schedules

The Company's core hours of operation are 8:00 a.m. – 5:00 p.m. in the employees timezone. Unless otherwise stated or approved by their manager, full-time employees are expected to work a 40-hour schedule each week. Varying shifts or individual schedules may differ from these hours due to operational demands. Each employee will be notified of their work schedule by their manager. Employees are required to be present and ready for work during the schedule established for them. The Company reserves the right to adjust the start and end times, total hours, or shifts as needed and will make every attempt to notify employees well in advance of such changes. Employees should contact their supervisor with any questions regarding their work schedule.

Daily lunch breaks are strongly encouraged, and in some locations, are required by state or local law. In those circumstances, employees are required to take the necessary breaks throughout the day or be subject to disciplinary action.

## Payroll

All employees are paid on a biweekly (every two weeks) basis, which is a total of 26 bi-weekly pay periods in a calendar year. In some years, this might result in an additional pay period. Payroll week starts on Monday of each week and ends the following Sunday. Pay for the previous pay period will be issued on the following Friday. All work hours must be submitted and approved by close of business on Monday for the preceding bi-weekly pay period. Discovery will make certain legally required deductions according to federal, state, and local tax laws from every employee's compensation.

Overtime pay for non-exempt employees will be calculated based on hours worked that exceed 40 hours per payroll week. In cases where an employee is subject to both the state and federal overtime laws, the employee is entitled to overtime according to the higher standard. All overtime must be approved in advance by a supervisor. Discovery does not support comp time for exempt employees.

Each paycheck will include earnings for all work performed through the end of the applicable payroll period. All payrolls will be transmitted electronically via a direct deposit to the employee's account. Promptly notify the Human Resources Department if you notice any discrepancies in your pay.

Discovery will make certain legally required deductions according to federal, state, and local tax laws from every employee's compensation. Discovery also offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

## Timekeeping

Accurately recording time worked is the responsibility of every employee. Time worked is the time actually spent on the job performing assigned duties, including checking and responding to emails or phone calls after hours, and any work performed during lunch and break times. Non-exempt employees are expected to accurately record their time by clocking in and out of the timekeeping system. Employees should clock in upon arriving to work and clock out when leaving work, and for lunch or unpaid breaks. Should an employee forget to clock in or out, they should notify their immediate supervisor to make the necessary adjustments to ensure time is recorded accurately. Altering, falsifying, tampering with time records, or recording time on another employee's timecard may result in disciplinary action up to and including termination of employment.

**California employees:** Please see CA State Addendum for meal and rest break information.

## Attendance and Punctuality

Attendance is an important part of employee performance. Discoverys expects employees to start their workday on time, engaged and ready to perform their jobs. Scheduled work times are not appropriate for pursuit of personal interests (e.g., excessive cell phone use, reading personal books or magazines, internet or email use, extended conversations, etc.). Essentially, "work time" is for work, and it is the employee's responsibility to maintain productivity.

"Tardiness" includes reporting for work late, leaving work early, or taking an extended meal or rest break. If it is impossible to report for work as scheduled, employees should notify their supervisor as soon as possible. If the absence is to continue beyond the first day, the employee must notify their supervisor. Unexcused absenteeism or tardiness is grounds for disciplinary action including possible termination of employment. Even excused absenteeism or tardiness, if it becomes excessive, is a ground for discharge. Absences for three (3) consecutive workdays without notification will be considered a voluntary termination.



# Performance Management

## Position Descriptions

Discovery maintains position descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, determining exempt or non-exempt status, and establishing a basis for making reasonable accommodations for individuals with disabilities. Position descriptions are reviewed periodically and may be updated to reflect any changes in position, duties, and responsibilities. All employees will be expected to help ensure that their position descriptions are accurate and current, reflecting the work being done.

Contact your immediate supervisor, or Human Resources if you have any questions or concerns about your position description.

## Performance Management

Annual and mid-year performance evaluations will be conducted to provide supervisors, managers, and employees the opportunity to identify and evaluate goals, describe and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. Discovery may choose to award employees with base salary increases and bonuses based on merit, individual performance, and overall company performance. Pay increases and bonuses are at the discretion of management.

## Progressive Disciplinary

All employees are expected to meet Discovery standards of work performance. Work performance encompasses many factors including attendance, punctuality, personal conduct, job proficiency, and general compliance with company policies and procedures. If an employee does not meet these standards, Discovery may take corrective action up to and including immediate termination. Discovery recognizes that there are certain types of issues that are serious enough to justify either a suspension or, in extreme situations, termination of employment, without going through the usual progressive discipline steps. Employment with Discovery is based on an at will agreement; however, Discovery may use progressive discipline at its discretion for work performance management.

# Health and Safety

## Drug and Alcohol Use

While conducting business-related activities, whether on or off Company premises, no employee may use, possess, distribute, sell, or be under the influence of illegal drugs (as defined by applicable local, state, and federal laws). Discovery employees are not permitted to be under the influence of alcohol while at work. If an employee attends an event during the workday and consumes alcoholic beverages, that employee will not be allowed to return to work that day.

Violations of this policy may lead to disciplinary action up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Employees with questions or concerns about substance dependence or abuse are encouraged to discuss these matters with their supervisor or Human Resources to receive assistance or referrals to the Company's Employee Assistance Program (EAP). Employees who have problems with alcohol and certain drugs, but that has not resulted in, and are not the immediate subject of, disciplinary action may request approval to take unpaid time off to participate in a rehabilitation or treatment program. Leave may be granted if the leave will not cause Discovery any undue hardship.

Employees with questions or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor or Human Resources.

## Tobacco

All Discovery locations are "Tobacco-Free." This includes cigarettes, cigars, pipes, e-cigarettes, smokeless tobacco, or other tobacco products. In these areas, the use of tobacco products by Discovery employees is prohibited. This includes all buildings, campus grounds, parking areas, and roads. Employees who want to cease tobacco use may utilize the Employee Assistance Program as a resource. Employees are encouraged to contact their immediate supervisor if other assistance is needed.

## Emergency Closings and Inclement Weather

When an employee cannot report to work or leaves work early due to inclement weather, the employee should consult with their supervisor beforehand to determine how to account for the time away from. If possible, employees should work remotely if they cannot report to work. If no tasks can be performed remotely, Discovery will not require the use of PTO. An earnings code will be used for nonexempt timecards for those who are unable to work remotely. In extreme cases, these circumstances may require the closing of a work facility. However, the management of each location will determine whether the facility will close and communicate that decision to employees. They will also decide which personnel may be necessary to conduct normal business operations.

## Firearms and Weapons

Except as otherwise permitted by law, Discovery prohibits the possession, transportation, sale and use of firearms, explosives, or other dangerous weapons and materials in the workplace.

## Medical Clearances

Discovery reserves the right to require current employees and/or applicants to whom an offer of employment has been made to undergo drug screens, medical examinations, and/or obtain certain vaccinations as deemed medically necessary and job-related, or required by a given facility such as a clinical site. All such examinations will be paid for by Discovery. Medical examinations paid for by Discovery are the property of the Company and these records will be treated as confidential and maintained in the employee's confidential file. However, records of such examinations, if required by law or regulation, will be made available to the employee, persons designated and authorized by the employee, public agencies, relevant insurance companies, or the employee's doctor.

## Safety

To assist in providing a safe and healthy work environment for employees, customers, and visitors, Discovery has established a workplace safety program. Safety training and precautionary measures within this program will vary by department and job responsibilities. Individual supervisors and managers have the responsibility for implementing, administering, monitoring, and evaluating the safety program within their respective departments. The success of this program depends on the alertness and personal commitment of all.

Safety is the responsibility of all employees. Each employee is expected to obey safety rules and to exercise caution in all work activities, and immediately report any unsafe condition to the appropriate supervisor. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents resulting in injury that occur while the employee is at work, employees should immediately notify the appropriate supervisor, manager, or Human Resources, regardless of how insignificant the injury may appear. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, Quality, or with Human Resources.

## Security Inspections

Discovery prohibits the possession, transfer, sale, or use of illegal or prohibited materials on its business premises, including Company-leased, -rented or -owned space or property, and surrounding areas that may constitute the business premises. Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of Discovery Life Sciences. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of Discovery at any time, either with or without prior notice.

## Visitors in the Workplace

To provide for the safety and security of employees and the facilities at Discovery, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances. Visitors should be escorted by an employee of Discovery while on company property. Employees are responsible for the conduct and safety of their visitors. If an unauthorized individual is observed on Discovery's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance. Guidance regarding expectations for visitors in the workplace is available on the Company intranet.

## Workplace Violence Prevention

Discovery is committed to maintaining a safe environment for our employees, customers, and visitors. Conduct or language that is dangerous or threatening, or coerces another employee to use such language, toward anyone will not be tolerated. All violent threats of violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor, manager, Human Resources, or through the Compliance Reporting Portal. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. Discovery will promptly and thoroughly investigate all reports of violence or threats of violence and of suspicious individuals or activities.

# Policies and Procedures

## Personal Appearance

Employee appearance contributes to Discovery culture and reputation. Employees are expected to present themselves in a professional manner that results in a favorable impression by clients and customers.

Discovery leaders may exercise reasonable discretion to determine appropriateness in employee dress and appearance. Employees who do not meet a professional standard may be sent home to change, and non-exempt employees will not be paid for that time.

No dress code can cover all contingencies, so employees must exert a certain amount of judgment in their choice of clothing to wear to work. If you are uncertain about what is acceptable attire, please ask your supervisor or Human Resources for clarification prior to wearing.

Because all casual clothing is not suitable for the office, these guidelines will help you determine what is appropriate for the workplace.

In our work environment:

- **Clothing that reveals too much cleavage, your back, your chest, your stomach, or your underwear, is not appropriate for a place of business.**
- **Employees should wear clothing that is comfortable and practical for work, but not distracting or offensive to others.**
- **Any clothing that has words, terms, or pictures that may be reasonably considered offensive, as determined by HR or management, to other employees is unacceptable.**
- **Clothing that works well for the beach, yard work, dance clubs, exercise sessions, and sports contests are not appropriate. Torn, ripped, frayed, or dirty clothing is unacceptable. Yoga pants are not acceptable.**

Contact your manager or Human Resources if you have questions as to what constitutes appropriate workplace attire. Regardless of work location, in office, hybrid, or remote, prudent judgment on appropriate work attire is expected. Where necessary, reasonable accommodation may be made for a person with a disability or religious accommodation.

## Telecommuting

Discovery may allow employees to telecommute; however, telecommuting is not an entitlement or companywide benefit, and it does not change the employees' terms and conditions of employment. Please reference the [Global Telecommuting Remote Working Policy](#) for more information.



## Nepotism (Employment of Relatives)

Family relationships and or romantic relationships within the same reporting structure and or business unit may create a conflict of interests, perceived bias, favoritism, and may have a negative effect on the work environment. Discovery may hire relatives of employees if the candidate and employee will not be working in the same department, report to the same manager or to each other, or oversee any processes that will affect the other party. Family members is defined as: spouse or significant other, parent/stepparent, child/stepchild, grandparent, grandchild, brother/brother-in-law, sister/sister-in-law, uncle, aunt, nephew, niece, in-laws (father, mother, son daughter).

## Outside Employment

Discovery will not preclude employees from holding outside employment as long as they continue to meet the performance standards of their job at Discovery. Employees should inform their manager of any outside employment, and the manager, with the assistance of Human Resources, will make the determination of whether the outside employment creates a conflict of interest with Discovery.

## Personal Information Changes

It is the responsibility of each employee to keep their personal data accurate and current at all times. Employees can make changes to personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such information in the timekeeping system. Should you need assistance making these changes, please contact a member of the Human Resources team.

## Access to Personnel Files

Discovery maintains a personnel file for each employee. Personnel files are the property of Discovery and accessible for limited internal business use. All other access to the information they contain is restricted based on state law. Discovery will not release information from personnel files without written consent or without an appropriate court order, subpoena, or government request. With reasonable advance notice, employees may review their own personnel files in the presence of a member of Human Resources. Note that all files with Protected Health Information as defined by Health Insurance Portability and Accountability Act (HIPPA), as well as employee verification files are separated from the employee's core personnel file. Any unauthorized disclosure of information from a personnel file is grounds for disciplinary action, including termination.

## Resignation

As a professional courtesy and to ensure a smooth transition, we encourage employees to provide at least two weeks' notice of the employee's resignation from Discovery. All resignations must be confirmed in writing, include an effective date, and be provided to Human Resources. Employees are not permitted to utilize PTO during their notice period unless they have leadership approval.

Upon termination of employment, an employee's final check will include unused and/or carried over PTO that has been earned through the last day of work, unless otherwise stated in an offer letter or employment agreement. Employees must return all Discovery property immediately upon request or upon termination of employment. Where permitted by applicable laws, Discovery may withhold from the employee's check or final paycheck the cost of any Discovery property that is not returned. Discovery may also take all actions deemed appropriate to recover or protect its property.

Rehire eligibility is determined at time of reapplication. If an employee's break in service is within 90 days of the employee's termination date, the original seniority date will be honored for PTO and benefit plan participation purposes.

## Verification of Employment

External parties routinely contact Discovery for information on a former or current employee's work history and salary. Requests should be referred to and completed by Human Resources. Requests for verification of employment can be emailed to [people@dls.com](mailto:people@dls.com). Human Resources will only provide dates of employment by Discovery and job title in response to a request. Requests for salary information will only be provided when the request is accompanied by the employee's signed authorization to release such information. Discovery will not provide an employee's termination reason unless expressly requested for completion of state required documents (i.e. unemployment claims).

## Social Media

Social media provides employees with an efficient means of communication and can be used for recruitment, marketing, professional development, expanding business contacts, and professional networking. Employees should avoid any inappropriate or disrespectful comments and must at all times adhere to the company's discrimination and harassment policies when posting on social media.

Employees may engage in social media activity during work hours, provided it is directly related to their work, does not interfere with their work performance, and is approved by their manager. Social media may not be used by employees to share trade secrets or any information about the company that is regarded as proprietary and/or confidential, especially patient, donor, or customer information. Any post which refers to Discovery must contain a disclaimer, prominently displayed on the site, that the employee is expressing their personal views and not the views of Discovery. The disclaimer will not serve as a protection from disciplinary action if the employee posts information which violates company policy or federal, state, or local law.

Employees should also be aware that clicking on links or downloading information from such sites may compromise company security.

Employees may not post company specific information, represent the company, or utilize company logos without the company's permission. Employees who violate any portion of this policy will be subject to disciplinary action, up to and including termination.

## Electronic Data, Computer, and Communication Systems

Discovery electronic data, computer, and communication systems are intended for business purposes and may only be used in the course of fulfilling job duties. These include but are not limited to all cellular and wired phone systems, corporate business, and Internet applications, workstations, email and text messages, files, intellectual property, and business documents. Employees must respect the rights of other users, respect the integrity of the Company Technology and observe all relevant laws and regulations.

Discovery Life Sciences maintains ownership over all Company Technology and all data created, sent, received or stored on or using Company Technology. Subject to compliance with applicable laws, Discovery reserves the right to and may from time to time inspect, access, audit, monitor and/or record users' use of and access to Company Technology and any information accessed, created, modified, stored, sent, received, copied, manipulated, or otherwise handled in any way, by or through any Company Technology, at any time, in its sole discretion, without notice to any user.

These actions will be performed only as reasonably necessary to ensure compliance with this Policy and other Company policies, to detect and prevent loss or theft of Confidential Information, personal information or other misconduct, to conduct investigations into suspected inappropriate or unlawful activity, to meet legal disclosure, and other compliance requirements.

Discovery reserves the right to implement controls in respect of Company Technology at any time in its sole discretion where it is deemed necessary to protect the security of the Company Technology, Confidential Information, personal information, or other assets.

All employees must separately sign an acknowledgment that they have received and agree to abide by this policy as set out in Number: IT 1001 Acceptable Use.

## Media Relations

Discovery does not permit its employees to contact or speak with the media (i.e., TV, radio, printed media, social media, etc.) concerning research, business affairs, and any company-related matters without prior permission from the Chief Executive Officer. Release of unauthorized information may adversely affect Discovery operations and reputation. Our personal contact with the public and our customers – whether in person, over the phone, through email, or other social media outlets – is a reflection not only of ourselves, but also of the professionalism of Discovery.

## Solicitation/Fundraising

Discovery Life Sciences recognizes that employees may have interest in events and organizations outside the workplace. However, employees may not use company email or other company resources to solicit, fundraise, or distribute literature related to these interests.

## Grievances

Discovery is committed to providing the best possible working conditions for its employees. This commitment involves encouraging an open and frank atmosphere in which any employee problem, complaint, suggestion, or question receives a timely response from Discovery supervisors and managers.

If employees disagree with established rules of conduct, policies, or practices, or if a situation occurs where employees believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to discuss the problem with their immediate supervisor or Human Resources. No employee will be penalized, formally or informally, for voicing a complaint with Discovery in a reasonable, business-like manner.

Reporting a grievance is separate from reporting a policy violation, or ethical, legal, and compliance issues. Please reference the Discovery Reporting and Non Retaliation Policy for information on how to make a formal report of this nature.