

TEAM MEMBER HANDBOOK

Non-Driver



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Welcome!

Thank you for joining the Covenant team! We are pleased you have decided to join us, and we are ready to share an exciting future with you.

Covenant has many opportunities for you to learn and grow as well as work with a group of enthusiastic co-workers committed to serving each other and our diverse customers.

We strive to generate value for our customers and with the highest possible customer satisfaction. We want team members who are looking for a good place to work that offers competitive pay, a positive servant minded work environment, and who are interested in building a career at Covenant.

As a member of this team, we will challenge you to work safely, to focus on our customers' needs, and to work collaboratively with others. You will be challenged to work in a sometimes-unpredictable environment in a business that is competitive and demanding, but also very rewarding and fun. Change is prominent and constant within the industry and the supply chain.

We hope you enjoy working at Covenant and we are very proud to welcome you to our team.

Joey B. Hogan

President – Principal Financial Officer



Our Handbook

As Joey said, *“We want team members who are looking for a good place to work...and a positive work environment”*. This handbook has been designed to assist you in better understanding your role in making this a positive work environment. You will find that it is full of useful policies and procedures designed to provide you with the structure and guidance to make this a much better experience for you and your fellow team members.

Please keep the following in mind as you review the handbook:

1. Whether you are a team member of Transport Management Services, LLC, Covenant Transport, Inc., CTG Leasing Company, Covenant Transport Solutions, LLC, Landair Transport, Inc. or Landair Logistics, Inc., you are part of a family of companies that work together, serving as dynamic logistics problem solvers and providing over-the-road and dedicated trucking solutions to customers across the United States. This Team Member Handbook is a compilation of personnel policies, practices, and procedures currently in effect for each of the companies listed above and who are referred to throughout the Handbook as “Company”.
2. A lot of the information in this handbook is simply defining permitted conduct from prohibited conduct. You have been hired to do a job and are expected to comply with Company rules and applicable state/federal laws each day.
3. In today’s environment, we find ourselves in a constant state of change. The Company is constantly moving, changing, improving and adapting to be better at what we do of course this includes our policies and procedures. The Company reserves the right to make changes to the information in this handbook at any time.
4. This handbook should not be confused with an employment contract or agreement for continued employment. It is not intended to create contractual obligations of any kind. Both you and the Company can terminate your employment at any time with or without cause, notice or progressive discipline.
companies.

This Team member Handbook is not a contract, expressed or implied, for continued employment and does not guarantee employment for any specific duration. No supervisor or manager, or Company representative, other than the President, or the President’s authorized representative, has the authority to enter into any agreement with you for employment for a specified period of time or to make any promises or commitments to you regarding the specific duration of your employment. Further, any agreement entered into by the President or the President’s authorized representative shall not be enforceable unless it is an express, written agreement signed by the President or the President’s authorized representative.



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Nothing in this Handbook or in any other document or policy is intended to violate any local, state or federal law. Nothing in this Handbook is intended to limit any concerted activities by team members relating to their wages, hours or working conditions, or any other conduct protected by Section 7 of the National Labor Relations Act. Furthermore, nothing in this Handbook prohibits a team member from reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission (“EEOC”), National Labor Relations Board (“NLRB”), Securities and Exchange Commission (“SEC”) or any other federal, state or local agency charged with the enforcement of any laws.



Our History

I started this Company together with my wife, Jacqueline Parker, in 1986 with 25 tractors and five non-driving team members. More importantly, I started with a plan to build a trucking company. I was focused on three concepts that I felt were keys to our success:

- 1) Business will be conducted with a philosophy built on strong foundation of Christian principals. Though we are a company made up of imperfect people we always try to do the right thing.
- 2) The professional driver is the number one priority for the company.
- 3) The Company's mission is to provide the highest quality service available within the industry to our customers.



This formula has proven to be very successful as Covenant has become a leader among its peers in the industry. Based on our success on the trucking side of the industry, we have recently expanded our service offerings into warehousing and transportation management and today we are a logistics provider focused on generating value for our customers throughout the entire supply chain.

The entire leadership team at Covenant knows that the success of the Company is dependent upon the collective efforts of all team members. Without all members being engaged and motivated to succeed, we could not survive in this ever-changing, fluid and very competitive marketplace. All job functions are important here, from professional drivers, to warehousemen, to technicians, to management and support staff.

Improving our communication throughout the enterprise has been a huge initiative for several years now. We ask all team members to please keep our leadership team informed by responding to surveys, providing quality feedback, and submitting constructive suggestions to help us continually improve our safety, quality, service and productivity. Your suggestions help us greatly determine and implement the changes that need to be made from year to year.

I am confident that your career with Covenant will be enjoyable and stressful at times. Career opportunities will be plentiful as we grow, and your performance matures. We pray about and strive to have a good place to work and are proud of the tradition, prosperity and work environment that is unique to Covenant. Thank you for joining the Covenant team, and I wish you much success in your career here.

David R. Parker

Founder, Chairman & CEO – Covenant



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Our Mission & Guiding Principles

OUR MISSION

OUR COVENANT STANDS AS ONE OF FAITH – IN OUR FOUNDATION, IN SERVING PEOPLE AND IN GENERATING VALUE WITHIN THE SUPPLY CHAIN.

GUIDING PRINCIPLES



EMPATHY

TREATING OTHERS THE WAY YOU WANT TO BE TREATED



SERVANTHOOD

PUTTING OTHERS BEFORE YOURSELF



VIRTUE

PRACTICING INTEGRITY, HONESTY AND FAIRNESS IN ALL SITUATIONS



Our Vision

Our vision is to be a reliable partner providing...

1. True value-added services for our customers.
2. Well-maintained equipment and a culture that is focused on safety for the at-large driving community.
3. A community our driving team members call home.
4. A culture of performance-based advancement and continuous improvement for our non-driving team members.
5. Comfort that we will do what we say we will do for our vendors and creditors.
6. Transparent information and consistent above-average returns on investment for our owners.

Our Culture & Values

Company Heritage: There are several companies within the Company umbrella, and each is an integral part of the whole organization. That said, like members of any team, each player inevitably has its own unique culture (or personality) that they bring to the group and those unique personalities are not only to be expected but embraced. With that in mind though, there are certain core values that must transcend each player and unite the members as a unit working towards the same purpose and goal. The shared values are what help makeup the overall team chemistry that we need to not only survive in this industry, but to excel to new heights which can be sustained for many years to come. It is those certain core values that the founding owners, executive management, and the Board of Directors are committed to preserving as part of the DNA of our organization. Those include: (i) treating others the same way that you want to be treated, (ii) putting others before yourself, (iii) acting with integrity, and in an ethical manner in all of your business dealings, both with customers, vendors and your fellow team members.

Writing those shared values down is one thing, but living them out on a daily basis is altogether different, but it starts with acknowledging those values as being important, and then making an intentional effort each day to see that your behavior is guided by those values, and when it is not (and it will not always be), to take ownership of any failures and make adjustments for the future.

Challenging Work & Environment: This second item is not so much an aspect of our culture as it is a simple “out-loud” declaration that what we do for a living IS NOT EASY. The evaluation of our culture has led to the conclusion that our work is special in nature...and quite simply, it



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can be tough. People who are employed in any aspect of a trucking organization can have incredibly demanding careers. Our services are time-sensitive, success or failure can sometimes be measured in minutes, and yet we operate in an environment that is often outside of our control (e.g. lots of governmental regulations, swings in the economy, driver shortages, and thin operating margins). As a result, “challenge” seems to come with the territory, but hopefully, that is what you are looking for in a career, not simply a path of least resistance, but a path that provides for challenge which produces growth that is rewarded both personally and professionally. It is important to acknowledge those challenging aspects of our business, not for self-pity, but for honesty’s sake and for encouragement as we *travel this road* together.

Living Well in the Midst of Working Hard: With the foregoing in mind, the company and its leaders recognize that our most important asset – our team members – need to have a “non-business” quality of life that helps offset the rigors of our daily whirlwind in order that we may find and live out a true work-life balance. To that end, we have a renewed focus on team member welfare, specifically in areas such as individual recognition, company sponsored development, celebration events and other initiatives aimed at helping you find more satisfaction, and possibly even joy, in the time you spend working with our company.

Prime Directives of the Prometheus Process, Our Company’s Strategy

Our company employs the Prometheus Process in strategic matters. Below are a few pointers on thinking strategically:

- Strategic planning is a game plan to take us to a desired future with minimum risk
- Strategy allows tactical efforts to have payoff and to be worthwhile; focus on winning the war (strategy), not just battles (tactical)
- Strategic planning and thinking allows you to be offensive; only offense change the environment. Playing defense forces you to always react
- There is NO value in the past –thinking strategically means focusing on the exciting future!
- Strategy has two main functions: 1) Raise the probability of success and 2) Reduce the cost of error
- Strategy = A game plan to create a future that would *otherwise* be unlikely to occur;
Tactics = The actions needed to execute the game plan.



You will hear many terms used concerning the Prometheus Process and Strategy. Below are just a few of those terms:

- Future Picture: Where the organization intends to be at some point in the future broken down into manageable parts called “Key Descriptors”
- Measures of Merit: The manner in which success will be measured for each Key Descriptor; similar to a performance indicator
- Guiding Precepts: Describes an organization’s philosophy, captures what it stands for, and prescribes the behavior it intends to follow as it works to make its Future Picture a reality (rules of engagement and main directives)
- Cardinal Rules: Set of guidelines that are invaluable to follow while planning and executing the Future Picture
- Centers of Gravity (COGs): The high-value leverage points within systems required to change to achieve the Future Picture
- Desired System Effects: What the overall system needs to become in order to make the Future Picture a reality; the required end state for a COG
- Impact Plans: The plan for addressing the desired effect for a COG; it is made up of four parts: desired effect, measures of merit, timeframe, and actions (steps and tactics) to make the COG move

- Systems: Collection of people, processes, and things that interact with each other; the systems must change for the Future Picture to become a reality
 - Internal – The organization itself
 - External – The market environment
- Fractal Analysis: System patterns repeat to the lowest level; simplifies management of complex Centers of Gravity
- Parallel Attacks: Attacking as many Centers of Gravity in the system, in as short a time period as required, in order to overcome system resistance
- Exit Plans: The “points,” in successes or failures, that determine when a business should remove itself from participation in a particular area or activity
- Red Team: Allowing others to look at Strategic Plan with critical eye to expose anything unclear or weak about the plan
- Master Effects Plan: Provides a schedule for realizing each Desired Effect associated with each relevant Center of Gravity; will show each Desired Effect in chronological order, by phase



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In most of our meeting rooms, you will also see the below graphics. It is useful to familiarize yourself with these.

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Guiding Precepts

PRIME DIRECTIVES	RULES OF ENGAGEMENT
<ul style="list-style-type: none">• We are empathetic• We are accountable• We operate with a sense of urgency• We are competitors with integrity• We are focused on value-add	<ul style="list-style-type: none">• We take manageable risks• We have no silos• We think outside the box and challenge the status quo• We prioritize the most value-add first• We listen to others

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Cardinal Rules

1 Think Like An Architect	9 Maximize Friends, Minimize Enemies
2 Focus On The Future	10 Don't Underestimate What It Takes To Win
3 Plan In The Open	11 Don't Deceive Yourself
4 Execute Good Enough Plans	12 Maintain Momentum – By-Pass Barriers
5 Go To Rome!	13 Maintain And Use Reserves
6 Concentrate For Success	14 Be Offensive!
7 Defend All – Lose All!	15 Impose Your Plan!
8 Stay Out of The Balkans!	16 Make Time Your Servant



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Employment Policies

At-Will Employment

The Company and its team members have an “At-Will” employment relationship, terminable by either party at any time for any reason, with or without notice or cause. A team member’s at-will status can be altered only by a written employment contract, executed by the Company’s President or the President’s authorized representative.

The Company reserves the right, at any time, to create, amend, supplement, modify, or rescind, in whole or in part, any policy, procedure, benefit, or provision of this *Handbook*. Handbook policies may change during the year. Other policies, not included in the Handbook, may change as well. For the most up-to-date version of those policies, please contact the Human Resources Department. Some policies and procedures are defined in greater detail and are specific to other locations, allowing compliance with federal, state and local laws.

Since team members are hired at-will, the Company is free to change their working conditions according to business needs and at its discretion. Additionally, the terms and conditions of employment, including compensation, benefits and privileges, can be changed or terminated without any reason and without notice at the Company’s discretion.

Equal Employment Opportunities

It is the policy of the Company to take affirmative action in affording equal employment opportunity to all qualified team members and applicants, regardless of the following legally protected characteristics” race, color, creed, religion, sex, sexual orientation, gender identity, national origin or ancestry, age, disability, pregnancy (including childbirth, lactation and related medical conditions), veteran status, uniformed service member status, citizenship status, physical or mental disability, genetic information (including characteristics and testing), or any other characteristics protected by applicable local, state or federal law. The Company will hire and promote the most qualified applicants using job-related criteria, and will comply with all federal, state and local equal employment laws.

This policy governs all terms and conditions at the Company, including but not limited to policies and practices affecting recruiting, hiring, promotion, demotion or transfer; layoff or termination; compensation; benefits; training and development; treatment during employment; and company-sponsored social and recreational activities. Any team member who violates this policy may be subject to disciplinary action up to and including termination of employment, and in some cases, may also face personal lawsuits and/or other legal liability.



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Anti-Harassment

The Company is committed to providing a work environment that is free of prohibited harassment. As a result, the Company maintains a strict policy prohibiting sexual harassment and harassment against applicants and team members based on any legally-recognized status, including, but not limited to: race, color, creed, religion, sex, national origin or ancestry, age, disability, pregnancy (including childbirth, lactation and related medical conditions), veteran status, uniformed service member status, citizenship status, physical or mental disability, genetic information (including characteristics and testing), or any other characteristics protected by applicable local, state or federal law.

The Company's anti-harassment policy applies to all persons involved in its operations, regardless of their position, and prohibits harassing conduct by any team member of the Company, including supervisors, managers and nonsupervisory team members. This policy also protects team members from prohibited harassment by third parties, such as customers, vendors, clients, visitors, or temporary or seasonal workers. If such harassment occurs in the workplace by someone not employed by the Company, the procedures in this policy should be followed. The workplace includes actual worksites, any setting in which work-related business is being conducted (whether during or after normal business hours), company-sponsored events, or company owned/controlled property.

Sexual Harassment Defined

Sexual harassment includes unwanted sexual advances, requests for sexual favors or visual, verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of employment; or
- Submission to, or rejection of, such conduct is used as a basis for employment decisions affecting the individual; or
- Such conduct has the purpose or effect of unreasonably interfering with a team member's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment includes various forms of offensive behavior based on sex. The following is a non-exhaustive list of the types of conduct prohibited by this policy:

- Unwanted sexual advances or propositions (including repeated and unwelcome requests for dates);
- Offers of employment benefits in exchange for sexual favors;
- Making or threatening reprisals after a negative response to sexual advances;



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- Visual conduct: leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons, posters, websites, emails or text messages;
- Verbal conduct: making or using sexually derogatory comments, innuendos, epithets, slurs, sexually explicit jokes, or comments about an individual's body or dress, whistling or making suggestive or insulting sounds;
- Verbal and/or written abuse of a sexual nature, graphic verbal and/or written sexually degrading commentary about an individual's body or dress, sexually suggestive or obscene letters, notes, invitations, emails, text messages, tweets or other social media postings;
- Physical conduct: touching, assault or impeding or blocking normal movements;
- Retaliation for making reports or threatening to report sexual harassment.

Other Types of Harassment

Harassment on the basis of any legally protected status is prohibited, including harassment based on race, color, creed, religion, sex, national origin or ancestry, age, disability, pregnancy (including childbirth, lactation and related medical conditions), veteran status, uniformed service member status, citizenship status, physical or mental disability, genetic information (including characteristics and testing), or any other characteristics protected by applicable local, state or federal law.

Prohibited harassment may include behavior similar to the illustrations above pertaining to sexual harassment. It also includes, but is not limited to:

- Verbal conduct including taunting, jokes, threats, epithets, derogatory comments or slurs based on an individual's protected status;
- Visual and/or written conduct including derogatory posters, photographs, calendars, cartoons, drawings, websites, emails, text messages or gestures based on an individual's protected status; and
- Physical conduct including assault, unwanted touching or blocking normal movement because of an individual's protected status.

Complaint Procedure

Any applicant or team member who believes they have been subjected to prohibited harassment or retaliation by a co-worker, supervisor, manager, client, visitor, vendor, customer or temporary or seasonal worker of the Company, or who believes another individual has been subject to such conduct, should report it immediately. Applicants and team members are encouraged to report concerns, even if they relate to incidents in the past, involve individuals who are no longer affiliated with the Company, or concern conduct occurring outside of work if



it impacts the individual at work. Complaints can be made verbally, or in writing, to the highest-ranking on-site supervisor or manager or to Human Resources at hradmin@covenanttransport.com. Team members are not required to report any prohibited conduct to a supervisor or manager who may be hostile, who has engaged in such conduct, who is a close associate of the person who has engaged in such conduct, or with whom the team member is uncomfortable discussing such matters.

Team members are encouraged, but not required, to communicate to the offending person that the person's conduct is offensive and unwelcome. Any supervisor or manager who receives a complaint of harassment or retaliation must immediately report the allegation to Human Resources. After a report is received, a thorough and objective investigation will be undertaken. Confidentiality will be maintained to the extent practical and permitted by law. Investigations will be conducted as confidentially as possible and related information will only be shared with others on a need-to-know basis. The investigation will be completed, and a determination made and communicated to the team member as soon as practical. If a complaint of prohibited harassment or discrimination is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken. If a complaint cannot be substantiated, the Company may take appropriate action to reinforce its commitment to providing a work environment free from harassment. The Equal Employment Opportunity Commission ("EEOC") and equivalent state agencies will accept and investigate charges of unlawful discrimination and harassment at no charge to the complaining party. The nearest office of the EEOC and equivalent state agencies can be found in your local telephone directory or online at www.eeoc.gov.

Manager's Responsibility

All supervisors and managers are responsible for:

- Implementing this policy, which includes, but is not limited to, taking steps to prevent harassment and retaliation;
- Ensuring that all team members under their supervision have knowledge of and understand this policy;
- Promptly reporting any complaints to the designated Human Resources Representative so they may be investigated and resolved in timely manner;
- Taking and/or assisting in prompt and appropriate corrective action when necessary to ensure compliance with this policy; and
- Conducting themselves, at all times, in a manner consistent with this policy.

Failure to meet these responsibilities may lead to disciplinary action, up to and including termination.



Protection Against Retaliation

Retaliation is prohibited against any person by another team member or by the Company for using this complaint procedure, reporting proscribed harassment, objecting to such conduct or filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by a governmental enforcement agency. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, failure to hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions or otherwise denying any employment benefit.

Individuals who believe they have been subjected to retaliation or believe that another individual has been subjected to retaliation, should report this concern to the highest-ranking on-site supervisor or manager or to Human Resources. Any report of retaliatory conduct will be investigated in a thorough and objective manner. If a report of retaliation prohibited by this policy is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken. If a complaint cannot be substantiated, the Company may take appropriate action to reinforce its commitment to providing a work environment free from retaliation.

Good Faith

The initiation of a good faith complaint of harassment or retaliation will not be grounds for disciplinary action, even if the allegations cannot be substantiated. Any individual who makes a complaint that is demonstrated to be intentionally false may be subject to discipline, up to and including termination.

Support for Individuals Impacted by Harassment or Retaliation

The Company will strive to assist anyone who has been subjected to unwelcome harassment or retaliation to feel more comfortable in the work environment. Such assistance may, but does not necessarily include, transfer or reassignment. Any such assistance is at the Company's sole discretion.



Accommodations in the Work Environment

Disability

To comply with applicable laws ensuring equal employment opportunities for individuals with disabilities, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or a team member, unless undue hardship and/or a direct threat to the health and/or safety of the individual or others would result. Any team member who requires an accommodation in order to perform the essential functions of their job, enjoy an equal employment opportunity, and/or obtain equal job benefits should contact Human Resources to request such an accommodation. Human Resources will communicate with the team member and engage in an interactive process to determine the nature of the issue and what, if any, reasonable accommodation(s) may be appropriate. In some cases, this interactive process may be triggered without a request from the team member, such as when the Company receives notice from its own observation or another source that a medical impairment may be impacting the team member's ability to perform essential job functions.

Team members who believe they need an accommodation must specify, preferably in writing, what barriers or limitations prompted the request. The Company will evaluate information obtained from the team member, and possibly the team member's health care provider or another appropriate health care provider, regarding any reported or apparent barriers or limitations, and will then work with the team member to identify possible accommodations, if any, that will help to eliminate or otherwise address the barrier(s) or limitation(s). If an identified accommodation is reasonable and will not impose an undue hardship on the Company and/or a direct threat to the health and/or safety of the individual or others, the Company will generally make the accommodation, or it may propose another reasonable accommodation which may also be effective. Team members are required to cooperate with this process by providing all necessary documentation supporting the need for accommodation and being willing to consider alternative accommodations when applicable. The Company will also consider requests for reasonable accommodations for medical conditions related to pregnancy, childbirth and lactation where supported by medical documentation and/or as required by applicable federal, state or local law. Team members who wish to request unpaid time away from work to accommodate a disability should speak to Human Resources.



Religion

The Company will provide reasonable accommodation for team members' religious beliefs, observances, and practices when a need for such accommodation is identified and reasonable accommodation is possible. A reasonable accommodation is one that eliminates the conflict between a team member's religious beliefs, observances, or practices and the team member's job requirements, without causing undue hardship to the Company.

The Company has developed an accommodation process to assist team members, management, and Human Resources. Through this process, the Company establishes a system of open communication between team members and the Company to discuss conflicts between religion and work and to take action to provide reasonable accommodation for team members' needs.

The intent of this process is to ensure a consistent approach when addressing religious accommodation requests. Any team member who perceives a conflict between job requirements and religious belief, observance, or practice should bring the conflict and request for accommodation to the attention of Human Resources to initiate the accommodation process. The Company requests that accommodation requests be made in writing, and in the case of schedule adjustments, as far in advance as possible.

The Company does not tolerate harassment, discrimination and/or retaliation related to religious beliefs and practices or any other aspect of employment. If a team member believes he/she has been subject to harassment, discrimination and/or retaliation based on his/her disability or religious beliefs or practices, he/she can use any of the resources described above to report his/her concerns. Contact Human Resources by emailing hadmin@covenanttransport.com with any questions or requests for accommodation.

How to Report a Complaint

Team members that believe they have been subjected to conduct that violates these policies, need special accommodation, or have a question or concern should contact Human Resources at hadmin@covenanttransport.com or a member of the Executive team.



Conduct

The Company believes our team members are responsible individuals who are interested in working together so that the business will grow and prosper. The Company's guidelines, policies and procedures exist to identify expectations for everyone. Problems can be avoided if team members abide by these guidelines, policies and procedures, which exist to ensure the safety, well-being, and success of all team members. Failure to abide by The Company's policies, guidelines and procedures may result in disciplinary action, up to and including immediate termination of employment.

Corporate Code of Conduct

This Code of Conduct and Ethics (the "Code") applies to all directors, officers, and team members of Covenant Transportation Group, Inc. and its subsidiaries (collectively, the "Company"). It also applies to all directors, officers, and team members of the Company's controlled affiliates, team members who serve as directors or officers (or an equivalent position) of any non-controlled affiliate, and to team members of entities included in the Company's consolidated financial statements under the equity method (collectively, "Covered Persons").

For team members, this Code is part of the terms and conditions of each team member's employment with the Company; provided, however, the Code does not create an expressed or implied employment contract and is not intended to be interpreted as a contract. To the contrary, it presents guidelines and constitutes a statement of principles to which all Covered Persons are held accountable.

General Statement

The Company is committed to the highest standards of ethical and professional conduct. This Code establishes basic standards of business practice, as well as professional and personal conduct that are expected of all Covered Persons. These standards require honesty and candor in the Company's activities. The Company's executive officers and members of its financial management team also are subject to the Quarterly Financial Integrity Statement. For additional information, please refer to the Company's Team Member Handbook and any supplements thereto. The Company expects all covered persons to abide not only by the "letter" but also the "spirit" of the Code.



This Code also sets forth procedures for bringing complaints or issues before management or the Audit Committee on a confidential, anonymous basis. You should review the procedures carefully.

Basic Principles of Ethical Corporate Conduct

Because the Company is judged by the performance and public perception of its directors, officers, and team members, each Covered Person has a responsibility to always act in a manner that merits public trust and confidence consistent with the highest standards expected of directors, officers, and team members of a publicly owned corporation.

The principles set forth below are basic principles that must be followed:

1. Be ethical in all relationships in carrying out your duties for the Company.
2. Avoid actual and apparent conflicts of interest between work and your personal interests and, if there are any such conflicts or potential conflicts, seek approval beforehand from the Company's Corporate Compliance Department, or if you are an officer, from the Audit Committee of the Board of Directors.
3. Obey all applicable laws, rules and regulations governing the Company's business, wherever it is conducted, and do not take any action, either personally in completion of job duties or on behalf of the Company, that violates any such law or any other significant law or regulation, the violation of which would reflect poorly on you or the Company. Do not take advantage of the Company, its team members, customers, vendors, suppliers, or any other third parties.
4. Be aware of and comply with antitrust laws. Substantial damages can arise from an antitrust violation and convictions under antitrust laws can result in jail terms. Discussions with competitors relating to past, present, or future pricing policies, rates, bids, discounts, promotions, profits, costs, terms or conditions of sales, choice of customers, territorial markets, production capacities, or plans may be prohibited by antitrust laws. Discussing such items at trade association meetings may also give rise to antitrust law violations.
5. Treat the Company's property and funds with the same care and respect you would treat your own property and funds. The Company's property and funds belong to its stockholders. Do not improperly charge rates or service charges and do not fail to charge for services the Company renders.
6. Foster an atmosphere in which personal integrity and fair dealing is part of what you do.
7. Be honest and candid with regard to all reporting of financial results. Be timely and accurate in all your reporting tasks and activities. Do not change or alter numbers or facts to make yourself or someone else look better. Always express and report the truth.



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8. Do not engage in conduct that creates an actual or potential conflict of interest. For example, do not:
 - a. Deprive the Company of a business opportunity;
 - b. Take for your own advantage a business opportunity that belongs to the Company;
 - or
 - c. Help others violate (a) or (b), if they are in a position to divert a Company opportunity for their own benefit.
9. At all times comply with the terms of your Confidentiality, Non-Disclosure and Restrictive Covenant Agreement (for team members who have signed one) or other similar contract with the Company. For all team members, keep all confidential information of the Company in strict confidence, and do not directly or indirectly disclose or transmit any such information to any person who is not employed or contractually engaged by the Company at the time of such disclosure, and then, only in the ordinary course of your duties for the Company. This applies to all types of confidential information about the Company, its team members, and its customers, which may include freight rates, Company or customer financial information, pricing policies, the identity of customers, trade secrets, Company accident, medical records and proprietary information, *both while you are employed or providing services for the Company and after you leave the Company or stop providing services for the Company.*

Additionally, team members who by virtue of their performance of their job responsibilities have the following information, should not disclose such information for any reason, except as required to complete job duties, without the permission of the team member at issue: social security numbers, driver's license or resident identification numbers, financial account, credit or debit card numbers, security and access codes or passwords that would permit access to medical, financial or other legally protected information.

10. Never disclose confidential Company information in any form or forum, including, without limitation, on any personal website, blog, social media page, or any other publicly available internet forum. Do not use or attempt to use any such information for your personal advantage or for the benefit of the Company's competitors.
11. Do not post anything online that may be construed as representing the Company. Regarding use of the Company's logo or other trademarks, team members should make sure that these are not used on any personal website, blog, social media page, or any other publicly available internet forum in a way that suggests the Company sponsors the team member's personal content therein.
12. Business gifts and entertainment are courtesies designed to build goodwill and sound working relationships among business partners. We do not, however, want to obtain business through improper means as to gain any special advantage in a relationship. Business gifts that compromise, *or even appear to compromise*, our ability to make



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objective and fair business decisions are inappropriate. Simply stated, offering or accepting bribes, kickbacks, or pay-offs is always prohibited.

The issue of gifts and gratuities may have legal implications when the government, a government entity, or other regulated entity is involved, and serious consequences can result from mishandling these relationships.

The decision to offer or accept gifts or entertainment should be made only in compliance with legal and ethical requirements, and with the involvement of a manager if you are unsure of the appropriate course. In all circumstances, gifts should be reasonable.

13. Treat all persons in an ethical manner, regardless of such factors as race, color, sex, sexual orientation, national origin, religion, gender, disability, marital or family status, military status, age, or other factors unrelated to the Company's business. Adhere to equal employment practices. Extend ethical conduct to every team member, customer, vendor, and supplier of the Company.
14. Do not perform any acts of harassment or any acts that create the potential for harassment. Harassment may take many forms, including, without limitation, sexual advances, propositions, threats, threatening conduct, and unwanted physical contact.
15. Be thoroughly familiar with, adhere to, and fully comply with all Company policies and procedures, including, without limitation, this Code, the Quarterly Financial Integrity Statement, the Company's Insider Trading Policy, the Company's Reporting Procedures for Accounting Matters, and other standards of conduct. Team members should feel free to contact Human Resources if they have any questions.
16. Conduct business in a way that protects the health and safety of the Company team members, other people, and the environment. Team members should act in a manner that ensures compliance with all applicable governmental and private health, safety, and environmental requirements, including contributing to an alcohol- and drug-free workplace.
17. Foster a safe working environment free of violence. Acts or threats of violence in any form will not be tolerated.
18. Invest the time necessary to learn your job thoroughly and learn from your colleagues who have more experience in the transportation business.
19. Promptly report to your supervisor, the Human Resources Department, or the Audit Committee any irregularities or apparent wrongdoing, including violations of the matters listed in this section and all facts surrounding any such incident.
20. Do not withhold, misrepresent, or misconstrue facts or information when reporting any matter to your supervisor or superior or reporting violations of this Code or any other standards of conduct to your supervisor, the Human Resources Department, or the Audit Committee.



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21. Any Company team member who is in possession of material, non-public information concerning the Company's financial condition, operations, properties, or prospects may not trade in securities of the Company during the period commencing fourteen days prior to the end of each fiscal quarter and ending when two full trading days have passed after the Company has announced its results for the preceding fiscal quarter (the "Quarterly Blackout Period"). Material, non-public information means information that is both material and non-public. Information is "material" if a reasonable investor would consider the information important in deciding whether to buy, sell, or hold a company's securities, or if the information could reasonably be expected to affect the market price of those securities.

The Company's Insider Trading Policy maintains prevalence over the above general statement when dealing with directors, Section 16 officers, other team members subject to Quarterly Blackout Periods, and mandatory pre-clearance of trades as listed and maintained in the Company's Insider Trading Policy.

Examples of Conduct That Violates This Code

The following are examples of conduct that violates this Code:

- Acts of dishonesty and/or embezzlement, including borrowing money from the Company without approval of a senior officer or using Company property for personal use or personal gain.
- Accepting or giving bribes or kickbacks to or from the Company's customers, vendors, or suppliers.
- Making favorable freight arrangements for customers that result in you obtaining a personal benefit.
- Misusing Company property, including tractors or trailers.
- Abusing or misusing property belonging to customers, vendors, suppliers, and other third parties.
- Looking up or obtaining information on workstation screens, company records, or elsewhere about the Company's financial or proprietary information, unless there is a business need to do so that has been expressly approved by your supervisor.
- Using Company information for your own benefit or to benefit someone else, either directly or indirectly.
- Trading in the Company's stock while in possession of material, non-public information about the Company.
- Falsifying or destroying Company records or documents except as part of a normal and previously approved record destruction program.



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- Failing to report any matters accurately or timely to a supervisor or superior or misrepresenting or misstating facts in any oral or written report.
- Failing to report wrongdoings to senior management.
- Performing work for a person or entity that has a business relationship with the Company or for a person or entity that competes with the Company without prior approval of management.

The examples above are not all-inclusive but have been set forth as examples of conduct violating the Code. The Company reserves the right to determine if and when conduct constitutes a violation of this Code, whether or not the conduct is specifically identified in the Code.

Where to Get More Information

If you do not understand or have any questions about any portion of this Code, contact Tripp Grant, Chief Accounting Officer, via phone (423-463-3221), in person, via email to tgrant@covenantlogistics.com, or in writing to:

Corporate Controller
400 Birmingham Highway
Chattanooga, TN 37419

Who Handles Complaints

If you believe that you or someone else may be in violation of the Code, you may submit your complaints, reports, or concerns, on a confidential or anonymous basis as follows:

1. Calling the toll-free ethics hotline (888) 260-5921;
2. Via the web: <https://secure.ethicspoint.com/domain/media/en/gui/22075/index.html>
3. Writing or verbally notifying the Internal Audit Department, Human Resources, your supervisor, an officer of the Company; or

Writing to the Company's Audit Committee:

Chairperson of the Audit Committee
Covenant Transportation Group, Inc.
P.O. Box 22997
Chattanooga, Tennessee 37422

Indicate "To be opened by the Audit Committee only" on your envelope.



The Company forbids retaliation, and no action will be taken against you for asking questions about the Code, about activities that you are considering engaging in, or for reporting a perceived or actual violation of the Code, even if it turns out that there was in fact no violation. Team members may be subject to disciplinary action for intentionally false claims.

Report of Matters to Audit Committee

When an issue is raised pertaining to the Code, the Internal Audit Department will take appropriate action under the circumstances; provided, that the Corporate Compliance Department shall report all matters to the Chairperson of the Audit Committee relating to any (i) alleged violation of the Code by any director, executive officer, or any Designated Officer (as defined below) (the "Alleged Code Violation"), (ii) complaints, reports, or concerns regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters (collectively, "Accounting Matters"); (iii) violation of applicable securities laws, rules, and regulations relating to financial reporting (a "Legal Allegation"); (iv) retaliation against any team members who make any allegations relating to (i) – (iii) above (a "Retaliatory Act"); and (v) other matters required to be addressed by the Audit Committee (A) set forth in the Reporting Procedures for Accounting Matters, the Charter of the Audit Committee, as amended from time to time (the "Charter"), or otherwise, and (B) pursuant to all applicable laws, rules, and regulations.

The Audit Committee has the continuing duty to review the performance of the Company's Chief Executive, Operating, Financial, and Accounting Officers, and other members of the financial management staff, as well as to provide independent and skilled guidance to the Board of Directors in fulfilling its responsibilities and to ensure the fairness and accuracy of the Company's Accounting Matters.

Pursuant to Section 301 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder and its Charter, the Audit Committee established reporting procedures for the receipt, retention, and treatment of complaints (collectively, a "Complaint") received by the Company and Audit Committee on issues regarding Alleged Code Violations and Accounting Matters as well as other matters. A copy of the Reporting Procedures for Accounting Matters is available on the Company's website at

<https://www.covenanttransport.com/investors/investors-governance>.

Complaints may be made to the Company anonymously pursuant to the section titled "Who Handles Complaints." If the Complaint is, or is required to be, addressed by the Audit Committee, then the Audit Committee will take the following actions upon receipt of such Complaint:



The Internal Audit Department and Chairman of the Audit Committee will review the Complaint and determine whether the full Audit Committee needs to review.

- The Audit Committee will determine, in its sole discretion, whether the matters set forth in the Complaint relate to or involve a material violation of this Code or any Company policy or have a material adverse effect on the Company's financial statements, results of operations, or financial controls.
- The Audit Committee may investigate the matters alleged in any Complaint by any procedure it deems appropriate.
- The Complaint, if it involves a material matter, will be reviewed by the Company's outside legal counsel, as appropriate, and the Audit Committee will take any necessary action to remedy the matters set forth in the Complaint, including, without limitation, presenting such Complaint to the Company's Board of Directors and independent public accountants for further action if the Audit Committee determines there is substance to the matters alleged in the Complaint.
- Complaints that are not substantiated will be dismissed, but such Complaints will be retained by the Audit Committee for an appropriate period of time, as determined by the Audit Committee, or by the Corporate Compliance Department, as determined by the Corporate Document Retention Policy.
- No team member will be subject to discipline for bringing a Complaint to the Audit Committee's attention.
- Team members who intentionally bring a fraudulent claim will be subject to disciplinary action, up to and including termination.

Notwithstanding anything to the contrary herein, any Complaints relating to accounting matters, alleged code violations, legal allegations, or a retaliatory act shall be subject to the procedures set forth in the Reporting Procedures for Accounting Matters.

Any Complaints received by the Audit Committee (or the Company's outside legal counsel) will be retained in a separate, confidential file restricting access only to members of the Audit Committee and the Company's outside legal counsel.

Code of Ethical Conduct Waivers

A waiver of any of the rules of the Code must be requested in writing and may be granted in certain limited circumstances. Any waiver will be denied or granted by the Board of Directors. The Chief Financial Officer has authority to grant a waiver for team members who are below the rank of Vice President, subject to approval of the Audit Committee of the Board of Directors. Waivers will be reported or disclosed in accordance with the applicable requirements of the Securities and Exchange Commission and Nasdaq.



All waivers of this policy must be reported to the Audit Committee.

Failure to Comply

Engaging in prohibited conduct or not adhering to this Code, or any other standards of conduct adopted by the Company, may lead to disciplinary action against a team member, which may include, without limitation, a warning or letter of reprimand, demotion, salary reduction, loss of eligibility for a salary increase, bonus, or equity compensation, suspension without pay, or termination of employment, issued in any order in the Company's sole discretion. If you have any questions or doubts about whether your conduct might pose a conflict or a potential conflict of interest or be otherwise prohibited, refer the matter to your immediate supervisor or the Corporate Compliance Department.

Special Provisions (Relating Only to Principal Executive Officer and Senior Financial Officers)

The Sarbanes-Oxley Act of 2002 and the rules and regulations of the Securities and Exchange Commission issued pursuant thereto require the Company to disclose in its annual report whether it has adopted a code of ethics for its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (the "Designated Officers").

For purposes of this requirement, the code of ethics means a codification of standards that is reasonably designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company;
- Compliance with applicable governmental laws, rules, and regulations;
- Prompt internal reporting to an appropriate person or persons identified in the Code of violations of the Code; and
- Accountability for adherence to the Code.

All provisions of the Code apply to the Designated Officers. In addition, each Designated Officer shall be responsible for the full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company.



Any Designated Officer who is found to have violated any provision of the Code, including any of the special provisions set forth herein, will be, at the discretion of the Company's Board of Directors, subject to disciplinary action, which may include, without limitation, a warning or letter of reprimand, demotion, salary reduction, loss of eligibility for a salary increase, bonus, or equity compensation, suspension without pay, or termination of employment, issued in any order in the Company's sole discretion.

Public Availability

In accordance with the applicable requirements of the Securities and Exchange Commission and Nasdaq, this Code will be made publicly available on the Company's website at <https://www.covenanttransport.com/investors/investors-governance>



Conflicts of Interest

Business dealings that appear to create an actual or potential conflict between a team member's ability to complete job duties efficient and effectively and the team member's personal interests are prohibited. The Company recognizes your right to engage in activities of a private nature and unrelated to the Company's business outside of your employment; however, you must disclose any possible actual or potential conflicts of interest so that the Company may assess and prevent potential conflicts of interest from creating an actual conflict. A potential or actual conflict of interest occurs whenever you are in a position to influence a decision that may result in personal gain for you or an immediate family member as a result of or at the expense of the Company's business dealings.

Outside Employment

Due to the highly competitive nature of our industry, team members are restricted from certain associations or working arrangements with organizations that compete or conflict with The Company Transport's business. In some circumstances, limited exceptions may be allowed. If you are interested in pursuing outside employment of any kind, you must first present the details of the outside employment arrangements to your manager. The manager will then elevate the request as necessary to attain proper approval. You may not work for or receive compensation for services from any competitor, customer or supplier without the approval of The Company Transport.

Many situations involving outside employment are likely to present conflicts of interest. Even when approval is granted, you must take appropriate steps to separate company and non-company activities. The Human Resources department will assist you in determining what steps are appropriate. Similarly, while employed by The Company, team members are prohibited from organizing a business that competes or will compete with the Company.



Gifts & Entertainment

The following policy applies to all directors, officers, and team members of the Company and its subsidiaries (together, the "Company").

Excessive gifts, gratuities or entertainment can be viewed as a means to improperly influence business relationships and can also give rise to actual or perceived conflicts of interest. In order to maintain independent judgment and action, we must avoid any potential conflict or appearance of conflict with the interests of the Company. Gifts and gratuities should not be accepted or extended if they could, or if they give the appearance that they could, be reasonably considered to improperly influence the Company's business relationship with or create an obligation to a customer, vendor or contractor; violate laws, regulations or our Code of Conduct and Ethics; constitute an unfair business inducement; or cause embarrassment or negatively impact the Company.

The guidelines contained within this policy are intended to help us recognize and avoid the situations that are most likely to cause a real or potential conflict of interest. It is impractical to try to list every situation or circumstance that might lead to a conflict of interest. For this reason, there is no substitute for our own good judgment. When in doubt about whether a situation you are engaged in or contemplating will cause a conflict with the interests of the Company, you are encouraged to make a timely disclosure of the facts to your supervisor or to the Internal Audit Department.

Accepting or offering a gift, favor, service, or privilege, including travel or entertainment, to or from an existing or potential customer, vendor or supplier, or a subordinate, peer or supervisor that is of more than a nominal value, and that exceeds the level of business courtesies extended in accordance with accepted ethical business standards or otherwise is specifically limited below – thereby creating a conflict of interest – is prohibited and will be considered a violation of this policy – a terminable offense.

If a team member has any doubt as to whether accepting or offering a gift would violate such policy, then that team member should consult with their supervisor. If the supervisor has any questions regarding the matter, he/she should consult with the Internal Audit Department for guidance. If a prohibited gift is received, it must be returned promptly, accompanied by an explanation of this policy.

Occasionally, a supplier may offer a discount on services or products purchased by Company team members. Such discounts can only be accepted when they are available to all team members and notice of such fact is given to all team members. *Specifically:*



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From Vendors/Suppliers:

Do not accept any bribes or kickbacks (in any form) from the Company's vendors or suppliers. You may accept traditional holiday or promotional gifts (amounts of \$100 or less per gift) from vendors or suppliers and/or business breakfasts, lunches or dinners (amounts of \$100 or less per occurrence). All gifts and business meals received exceeding \$100 must be reported to the Internal Audit Department on the "Corporate Gift and Entertainment Form" within ten (10) business days of receipt.

You may accept tickets or passes allowing attendance to athletic, cultural or similar events from vendors or suppliers (valued at no more than \$300 per event). You may not attend athletic, cultural or similar events of a substantial value (as defined above) from any vendor or supplier in excess of two times per year from the same vendor/supplier, or four times a year from any vendor/supplier. Attendance at athletic, cultural or similar events must be reported to the Internal Audit Department on the "Corporate Gift and Entertainment Form"¹ within ten (10) business days of receipt. Exceptions to the above require the written approval of one (1) of the following four (4) officers: Chief Executive Officer, President, Chief Financial Officer, or the Chief Administrative Officer. Cash gifts are strictly prohibited. Gift certificates are acceptable as long as they meet the requirements defined above.

From Subordinate to Supervisor

Gifts from a subordinate to their supervisor should be limited to those situations in which a gift of reasonable value (not to exceed \$100 per team member) is given in recognition of a commonly recognized event or occasion (wedding, birth of a child, retirement, etc.) or in recognition of service or accomplishment. Under no circumstances may a cash gift be given by a subordinate to their supervisor. Gift Certificates are acceptable as long as they do not exceed \$100 per team member.

From Supervisor to Subordinate:

Supervisors and managers should use their best judgment when offering a gift to a subordinate. A gift to a subordinate should not create an environment of bias among team members, nor should it interfere with the productivity of the subordinate, the subordinate's peer group or the department as a whole. Gifts should be reasonable. Any team member receiving a gift which seems excessive or otherwise violates Company rules or applicable law should contact the Internal Audit Department immediately. Not adhering to this Policy may lead to disciplinary action against a team member. If you have any questions or doubts about whether your conduct might pose a noncompliance issue, it is recommended that you contact your immediate supervisor or the Internal Audit Department.



Diversity

We are a group and culture made up of many different individuals. Therefore, we believe in having respect for multiple views and beliefs. The Company strives to create an inclusive workplace where everyone is treated in an ethical manner regardless of any legally protected characteristic, as listed above. We want every team member to feel they can be themselves so they can reach their potential and help us all achieve our business and strategic goals. We encourage all team members to embrace the value that comes through the variety of individuals and perspectives employed in our organization.

Workplace Bullying

Workplace bullying will not be tolerated. Violations of this policy will result in disciplinary action up to and including termination.

Bullying is defined as the use of force, threats or coercion to abuse, intimidate or humiliate another team member. The following are examples of bullying:

Verbal bullying is:

- Persistent name calling that is hurtful, insulting or humiliating;
- Using a person as the butt of jokes;
- Threatening, intimidating, or verbally assaulting others;
- Slandering, ridiculing or maligning a team member or their family;
- Sabotage, or deliberately subverting, obstructing or disrupting another person's work performance;

Physical bullying is:

- Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; and/or
- Damage to a person's work area or property.

Gesture bullying is:

Nonverbal threatening gestures or glances that convey threatening messages.

Exclusion bully is:

- Socially or physically excluding or disregarding a person in work-related activities.



Team Member Confidentiality

It is the responsibility of every team member to maintain the confidentiality of Company information at all times, including but not limited to vendor, supplier and customer lists and route, delivery details, contact and pricing information or non-public financial, product or services information concerning any vendor, customer or the Company. Additionally, team members who by virtue of their performance of their job responsibilities have the following information, should not disclose such information for any reason, except as required to complete job duties, without the permission of the team member at issue: social security numbers, driver's license or resident identification numbers, financial account, credit or debit card numbers, security and access codes or passwords that would permit access to medical, financial or other legally protected information. This obligation stays in place even outside of work or after your employment with the Company ends. Team members are responsible for not disclosing or using any private, confidential, proprietary, or competitive information of the Company (as described above), nor that of its customers, suppliers, and vendors. Team members are not authorized to make copies of any confidential Company records or reports or to forward, copy or otherwise download or store any such records (including e-mails or other computer documents) on a home or other personal computer, personal communication device or hard drive without prior Management approval in writing. All e-mails and other documents created, received or sent using Company computers are Company records for purposes of this policy.

The transmission or disclosure of any information which may jeopardize the security of our operations or any person's physical safety also is expressly prohibited by this policy.

Confidential Information does not include information lawfully acquired by non-management team members about wages, hours or other terms and conditions of employment, if used by them for purposes protected by §7 of the National Labor Relations Act such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection. Nothing in this Team Member Handbook prohibits a team member from communicating with any governmental authority or making a report in good faith and with a reasonable belief of any violations of law or regulation to a governmental authority, or disclosing Confidential Information which the team member acquired through lawful means in the course of employment to a governmental authority in connection with any communication or report, or from filing, testifying or participating in a legal proceeding relating to any violations, including making other disclosures protected or required by any whistleblower law or regulation to the Securities and Exchange Commission, the Department of Labor, or any other appropriate government authority.



Further, team members are hereby notified that under the 2016 Defend Trade Secrets Act (DTSA): (1) no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret (as defined in the Economic Espionage Act) that: (A) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and, (2) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court or arbitration proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by order in that proceeding.



Media Requests

To ensure that the Company communicates with the media in a consistent, timely and professional manner about matters related to the Company, if you are ever contacted by any representative from the media (newspaper, general or trade magazine, radio or television station, or a business-related association) to make a statement, provide an interview or otherwise provide information on behalf of the Company, you should notify Corporate Communications, that you have been contacted by the media whenever you are asked to speak on behalf of the Company so that the Company knows that a media inquiry has been made. .

Corporate Communications Contact Information

Email: communications@covenanttransport.com

Do not respond to media inquiries on the Company's behalf without authorization. This rule does not prevent you from speaking with the media, but you should not attempt to speak on behalf of the Company unless you have specifically been authorized to do so by an officer of the Company.

If you should receive a call from a media representative outside the company seeking someone to speak on behalf of the Company:

- Thank them for their call
- Do not forward their call to anyone other than the Communications Team.
- Politely refuse to answer any questions seeking a response on behalf of the Company.
- Let the caller know that it is company policy to direct all media requests seeking a response on behalf of the Company to the Communications Team and assure the caller that you will forward their request to the appropriate person authorized to speak on behalf of the company.
- Write down the caller's name, the company they represent, and their contact information.
- Send the information you received to the Communications Team (communications@covenanttransport.com) as soon as possible, preferably immediately

The Communications Team will notify a member of Executive Management, who will make the final decision about how the Company will respond to the request.



Information Technology Policy

Scope

This Information Technology Policy applies to all Users (as defined below) of IT Systems (as defined below), including but not limited to, all team members, agents, representatives, vendors, and any other users. It applies to the use of all IT Systems, including systems, networks and facilities administered by IT Systems, as well as those administered by the Company. Use of IT Systems, even when carried out on a personally owned computer that is not managed or maintained by the Company, is governed by this policy.

Purpose of the Policy

The purpose of this policy is to ensure an information technology infrastructure that promotes the basic business strategy of the Company. In particular, this Policy aims to promote the following goals:

- To ensure the integrity, reliability, availability and superior performance of our IT Systems;
- To ensure that use of our IT Systems is consistent with the law as well as the principles and values that govern the use of other company facilities and services;
- To ensure that our IT Systems are used for their intended business purposes; and
- To establish processes for addressing policy violations and sanctions for violators.

This Information Technology Policy provides guidelines for the permissible use of the Company's IT resources as well as for the Company's access to information about and oversight of these resources. This policy addresses circumstances that are particular to the IT arena and is intended to augment, but not to supersede, other relevant Company policies.

Policy Definitions

IT Systems: These are the computers, terminals, printers, networks, modem banks, online and offline storage media and related equipment, software, hardware, data files, and telecommunications equipment that are owned, leased, managed or maintained by the Company. For example, IT Systems include institutional and departmental information systems, desktop and laptop computers, the network, telecommunications systems and general access computer clusters.



User: A "User" is any person, whether authorized or not, who makes any use of any IT System from any location. For example, Users include a person who accesses IT Systems from the network computer cluster, or via an electronic network.

Permissible Use

IT Systems may be used for their authorized purposes -- that is, to support the business functions of The Company. The particular purposes of any IT System as well as the nature and scope of authorized, incidental personal use during working time may vary according to the duties and responsibilities of the User. Any personal use which interferes with the business use of any IT System or with the User or any other person's ability to complete job duties, or which damages or otherwise harms any IT System, or violates this or any other Company policy, or the law, is strictly prohibited and will be grounds for disciplinary action, up to and including termination of employment. Personal use should take place outside working time whenever possible.

Proper Authorization

Users are entitled to access only those elements of IT Systems that are consistent with their level of access and authorization.

Proper Use of Photos

Users are encouraged to upload an appropriate profile picture to their Office 365 profile account in order to help make internal connections virtually. All pictures must be appropriate headshots of the team member only.

Prohibited Conduct

Prohibited conduct includes but is not limited to the following:

Any use that impedes, interferes with, impairs or otherwise causes harm to the business activities of the Company or of others.

Interference

All Users are expected to respect the shared nature of our IT Systems resources by avoiding activities that unreasonably tax these resources or that, through frivolous or otherwise wasteful or negligent use, goes beyond the intended use of the system. Specifically, Users must not



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unduly interfere or impede system operations or task the performance of, or service to, other Users in any way, including by "resource hogging," misusing mailing lists, forwarding any "chain letters" or virus hoaxes, "spamming" (spreading e-mail or postings widely and without good purpose), or "bombing" (flooding an individual, group, or system with numerous or large email messages). Knowing or reckless distribution of unwanted e-mail or other unwanted messages is prohibited. Behavior that may cause excessive network traffic or computing load is not allowed. Users who are not familiar with or who otherwise have reason to question the legitimacy of the source of a message should not open or forward that message without checking with an IT Systems administrator. Users also must not load any hardware, software or computer programs onto our IT Systems without the prior approval of an IT Systems administrator.

Harassing or Threatening Use

The possession, construction, display or distribution of offensive graphic or written materials using Company resources, threats or implied threats or repeated unwelcome contacts with any other person or entity, or any other inappropriate behavior as determined by management.

Use Damaging the Integrity of the Company or other IT Systems

This includes but is not limited to the following:

Attempts to Defeat System Security - Users must not defeat or attempt to defeat any IT System's security – for example, by "cracking" or guessing and applying the identification or password of another User, compromising room locks or alarm systems or deleting or disarming any security block put in place by our IT Department or otherwise.

Unauthorized Access or Use - Users must not seek to obtain unauthorized access to our IT Systems or permit or assist any others in doing the same. For example, the Company or individual may not use non-public IT Systems without specific authorization. Similarly, Users are prohibited from accessing or attempting to access data on IT Systems that they are not authorized to access. Users must not make or attempt to make any deliberate, unauthorized changes to data on an IT System. Users must not intercept or attempt to intercept, or access data communications not intended for that User, for example, by any form of network monitoring, running network "sniffers" or otherwise tapping phone or network lines.

Disguised Use - Users must not conceal their identity when using IT Systems, except when the option of anonymous access is explicitly authorized by a Company policy or otherwise. Users are also prohibited from masquerading as or impersonating others or otherwise using a false identity when using IT Systems.



Distributing Computer Viruses - Users must not knowingly distribute or launch computer viruses, worms or other rogue programs.

Modification or Removal of Data or Equipment - Without specific authorization, Users may not remove or modify any Company-owned or administered equipment or data from our IT Systems.

Use of Unauthorized Devices - Without specific authorization, Users must not physically or electrically attach any additional device (such as an external disk, printer or video system) to our IT Systems.

Use in Violation of Law - Use of our IT Systems in violation of civil or criminal law at the federal, state or local level is strictly prohibited. Users must not download, send, keep or forward any type of illegal material from any source. Illegal material, if unintentionally received, must not be further distributed within the Company. If you receive any such material, you must report it to your Department Head, The Company's IT Department, and/or HR immediately. If reports or complaints regarding possible illegal material are received, these will be thoroughly investigated, and appropriate disciplinary or other action taken against those responsible for transmitting the same. Examples of such uses are: promoting a pyramid scheme; distributing illegal obscenity; receiving, transmitting or possessing child pornography; infringing copyrights or trademarks; and making bomb threats.

NOTE: With respect to copyright infringement, Users should be aware that copyright law governs (among other activities) the copying, display and use of software and other works in digital form (text, sound, images, and other multimedia).

Use in Violation of The Company Contracts - All use of our IT Systems must be consistent with the Company's contractual obligations, including limitations defined in software and other licensing agreements. Questions regarding such parameters should be directed to our IT Department.

Use in Violation of The Company Policy - Use in violation of other Company policies also violates this policy. Relevant Company policies include, but are not limited to, the Company's Anti-Harassment policy, including Sexual Harassment, as well as the Company, subsidiary, departmental and local work-unit policies and guidelines regarding use of IT Systems.

Download, other storage, access, printing or forwarding of pornographic or other sexually explicit materials using our IT Systems is expressly prohibited and will be grounds for disciplinary action, up to and including termination of employment.



Use to Copy or Forward Confidential Information – No confidential information, described in the Confidential Information policy above may be copied, forwarded or otherwise distributed to anyone whether in or outside the Company without authorization using our IT Systems.

Incidental Personal Use of Resources

The Company recognizes that its team members may occasionally need to make personal use of Company IT Systems and does not wish to prohibit such use altogether. The overriding principle that should govern all personal use of these resources is that personal use of Company resources is authorized only so long as (i) the Company incurs no additional cost from that use and (ii) the use does not interfere with the User or anyone else’s business use or violate any Company policy or the law. Such use must not be impact other team members’ ability to complete their job duties, must be of limited duration and frequency and should be restricted during working time to occasional matters that cannot be addressed during non-working time. It is the responsibility of both team members and managers to ensure that the incidental personal use of our IT Systems is kept to a minimum during working time. Supervisors are expected to take appropriate disciplinary action for abuses.

During working time, no personal or other non- Company business solicitation of any kind may be engaged in using our IT Systems.

Company Right to Monitor System Use

The Company provides work materials and resources required to perform the duties involving the use of IT resources for each position as needed. These work materials are the property of the Company Transport. The Company may access or monitor any IT systems, including networks, e-mail, internet use and any or all materials stored in such areas, if the Company (as approved by HR and/or legal counsel) determines access is appropriate for business reasons. By agreeing to employment with the Company, you consent to have all communications and activity on the Company’s IT Systems monitored and recorded, with or without notice.

Penalties for IT Policy Violation

Individuals violating the Company’s IT Policy may be subject to disciplinary action, up to and including termination of employment and legal action; and any other actions as management deems appropriate. Matters involving possible illegal conduct will be referred to the police.



Cell Phones

While we appreciate the need to connect with friends and family throughout the day, excessive personal cell phone use (i.e. phone calls, text messaging, watching videos, monitoring of social media sites) during working time can impact the team member's ability to complete job duties. Team members are encouraged to ask friends and family to keep phone calls, texts, other forms of messaging and emails to a minimum during standard working hours. Ringtones should be set to vibrate while in the office. When attending meetings, cell phones should be set to silent.

The Company prohibits the use of cell phone cameras/video during working time and in work areas to protect corporate security, confidentiality and team member privacy.

The Company has a zero-tolerance policy regarding cell phone use while driving on business. For the safety of our team members and others, it is imperative that team members do not use cell phones to place/receive phone calls, send/receive text messages, surf the web or send/read e-mails while driving on business. A hands-free device may be used when driving, only if permitted by applicable law. If a team member works in a state with greater or different rules, the Company will comply.

Any team member who violates the cell phone policy is subject to disciplinary action, up to and including termination of employment.



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Social Media

Social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers. However, use of social media also presents risks and carries with it responsibilities. We have established the following guidelines for all The Company team members with regard to the use and representation of the company name, its products and services, its customers, and all related information.

Guidelines

Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates or otherwise adversely affects members, customers, suppliers, people who work on behalf of the Company or the Company's legitimate business interests may result in disciplinary action up to and including termination.

Postings that include discriminatory remarks, harassment, and threats of violence or similar prohibited or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Content Guidelines

- Do not post content about the Company, management, or co-workers that is threatening, intimidating, harassing, or a violation of the Company's policies against discrimination or harassment on account of any protected class referenced in the Company's Equal Employment Opportunity policy or the attached addenda to this Handbook.
- You should not make knowingly or recklessly false statements about the Company's products or services, or the products or services of its customers, vendors or competitors. This includes refraining from taking jobs at competitors, partners, or other companies in our industry, even if the statement is made in jest. You should not post any content, image or video of yourself that identifies you as a Company team member and depicts you engaging in illegal conduct, such as acts of violence or the illegal use of drugs, or in conduct that violates any Company policy.



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- Maintain the confidentiality of the Company’s trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, knowledge and technology. Do not post internal reports or other internal business-related confidential communications.
- Respect financial disclosure laws. It is illegal to communicate or give a “tip” on inside information to others so that they may buy or sell stocks or securities. Such online conduct may also violate the Insider Trading Policy.
- Do not create a link from your blog, website or other social networking site to a The Company website without identifying yourself as a Company associate.
- Never represent yourself as a spokesperson for The Company. If the Company is a subject of the content you are creating, be clear that your views do not represent those of the Company, or its customers, suppliers, or business partners. If you publish a blog or post online related to the work you do or subjects associated with the Company, make it clear that you are not speaking on behalf of the Company. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of the Company.”
- Keep in mind the speed and manner in which information posted on a blog, webpage, and/or social media networking site is received and often misunderstood by readers. It is equally always wise to remember that what you say in social media can be seen by anyone.

Using Social Media at Work

Refrain from using social media for personal reasons during working time or on equipment we provide unless it is work-related as authorized by your manager or consistent with the Company Equipment Policy. If you are posting as part of your job duties and you are a non-exempt team member, you must be recording time and not post for work purposes outside working time. Do not use the Company email addresses to register on social networks, blogs or other online tools utilized for personal use.

FOR MORE INFORMATION: If you have questions or need further guidance, please contact your Human Resources representative.



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Policies

Team Member Privacy

The company recognizes and respects its team members' right to privacy in their personal information and takes all reasonable precautions to protect the sensitivity of team members' confidential information. Personal information will be shared with internal, external or interdepartmental partners for business purposes only. Examples of these purposes are tax and financial reporting, benefit administration, new hire reporting and wage garnishment processing. Every effort is made to protect personal information when sharing it for business purposes.

In addition, we make every effort to protect the confidentiality of applicants' and team members' social security numbers obtained and used in the course of business. All executives, managers and team members are expected to adhere to this policy. Any team member violating the provisions of this policy and its operating procedures will be subject to disciplinary action, up to and including termination of employment.

Attendance & Punctuality

The success of The Company is dependent on each team member's consistent effort to report for work each day at the scheduled time. You are expected to report to work on time, on all scheduled workdays and during all scheduled work hours. If you expect to be late or absent, you must notify your manager as far in advance as possible, but no later than one hour before your scheduled starting time (policy may vary by department). This policy applies for each day of your absence. If you are absent three consecutive days and fail to notify your manager, it will be considered that you have abandoned your position and a voluntary termination will be processed accordingly. Failure to comply with this policy may result in disciplinary action, up to and including termination of employment.

Team members are expected to show up awake and ready to work. Team members caught sleeping on the job will be subject to disciplinary action in accordance with the attendance and punctuality policy and in accordance with all applicable local, state and federal laws.

Excessive absenteeism or tardiness may result in disciplinary action up to and including termination of employment, unless the absence or tardiness is excused or approved. The following are examples of types of time off that will not be considered grounds for disciplinary action under this policy:



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- Time off that was previously approved, including vacation;
- Paid sick and safe time provided under a mandatory sick and safe time leave law;
- Approved state and federal leaves of absence, including but not limited to jury duty leave, military leave, leave protected under the Family and Medical Leave Act or similar state laws, and time off or leave specifically approved by the Company as an accommodation under the Americans with Disabilities Act or similar state laws; and/or;
- Time off due to a work-related injury that is covered by workers' compensation.

Each situation of absenteeism, tardiness or early departure will be evaluated on a case-by-case basis. Even one unexcused absence or tardiness may be considered excessive, depending upon the circumstances. However, the Company will not subject team members to disciplinary action or retaliation for an absence, tardiness or early departure for which discipline may not be imposed under applicable law. If the team member believes that an absence, tardiness or early departure is (or should be) excused pursuant to applicable law, the team member should notify their manager of this fact as soon as possible, but no later than at the time of the absence, tardiness or early departure. (For the required timing of a team member's notice of the need for a foreseeable leave of absence, see the applicable leave policy). If a team member believes they have mistakenly been subject to disciplinary action for an absence, tardiness or early departure that the team member believes is or should be excused/approved, the team member should promptly discuss the matter with their manager or Human Resources. The Company will investigate the situation and any errors will be corrected. Team members who fail to report for work without any notification to their supervisor and whose absence continues for a period of 3 days (No Call / No Show) will be considered to have abandoned and voluntarily terminated their employment, absent extraordinary circumstances.

*Warehouse team members see attached Addendum for additional policies

Business Travel & Expenses

The Company recognizes the value of travel to its overall success. The Corporate Travel Policy has been established to define acceptable business travel and expenses and provide guidelines while controlling travel costs. Adherence to the policy ensures not only costs savings for The Company, but also provides a consistent and reasonable level of comfort to all team members traveling on company business. The Company shall assume no obligation to reimburse expenses that fall outside the boundaries of this policy.

Falsification of expense reports or receipts, or submitting personal expenses for reimbursement, constitutes a violation of this policy.



Alcohol Free & Drug Free Workplace

The Company has a commitment to their respective team members, customers, shareholders and the public to promote a safe work environment and to provide service to our customers in a safe, efficient manner. Team members are expected to report to work and to remain free of alcohol and/or illegal or unauthorized drugs.

The Company is committed to an alcohol-free and drug-free workplace. The establishment of an Alcohol-free and Drug-free Workplace policy is consistent with the Company's desire to provide a safe, productive work environment for all team members. This requires team members to abstain from using alcoholic beverages, illegal drugs, and/or drugs that adversely impact performance (subject to the below provisions) prior to the start of their workday, during the work period, during lunch and/or other work breaks or otherwise while on or in Company property.

Illegal Drugs: Team members are prohibited from consuming, using, possessing, selling, manufacturing or dispensing illegal drugs at any time (whether at or away from work) and/or in violation of any applicable law. For purposes of this policy, illegal drugs include, but are not limited to, narcotics, cocaine, amphetamines, hallucinogens and/or marijuana (whether synthetic or organic). Marijuana remains illegal as a matter of federal law and therefore the use of marijuana and marijuana products is prohibited by this policy. The Company will accommodate individuals who are medically certified to use marijuana by their home state where required to do so by law, but in no case may a team member use or possess marijuana or marijuana products at work or during work time or work while impaired.

Alcohol: Subject to Paragraph 3 below, team members are prohibited from consuming, possessing, selling or dispensing alcohol during any of the periods described in the opening Policy Content paragraph above, including but limited to:

In the course and scope of performing his or her duties for the Company at any time or any place (including without limitation, whether off-site or during periods of travel which are Company paid or reimbursed); or

Representing the Company at any business event, social function, or other activity, specifically including while entertaining or interacting with any current or prospective customer, vendor, supplier or their representatives or team members.

Off-Duty: For purposes of clarification, Paragraph 2 above is not intended to apply during any periods or times when a team member is off-duty, on personal-time, and/or otherwise not involved in work or business activities for the Company.



Company Property, Vehicles and Equipment: Team members are prohibited from consuming, possessing, selling or dispensing alcohol at any time while: (i) on Company premises or on any property owned, rented or leased by any Company affiliate, and/or (ii) operating or riding in any vehicle or equipment that is owned or leased by the Company or any Company affiliate.

Prescribed and Over the Counter Medications: Any individual taking prescribed medication should consult with his/her physician(s) to determine whether the medication may have an adverse effect on his/her job performance or workplace safety. Team members also should review the listed side effects of any over-the-counter medication they are taking. Team members taking prescribed or over-the-counter medications which are likely to adversely affect their job performance or workplace safety must report such use to Human Resources before starting to work each day while they are taking such medications. Team members will not be required to report the name of the prescription medication or the reason they are taking it, only the possible effects of it. Human Resources may temporarily restrict or modify the team member's work assignments in accordance with applicable law. The Company will comply with all interactive and reasonable accommodation requirements for any team member who needs an accommodation as a result of taking prescription medication.

All team members are permitted to provide a note from their physician (must be from the prescribing physician for a prescribed medication) stating their release to work or restriction(s) relating to medication they are taking to Human Resources as part of this interactive and accommodation process.

Any team member who is in possession of or otherwise under the influence of a prescription medication at work without a valid prescription for the same is also in violation of this policy.

Team Member Assistance: The Company encourages team members and their families to work with the Company's Team member Assistance Program (EAP) to resolve substance-abuse problems before they start to affect the team member's personal or professional life. The program provides confidential assistance to team members in problem identification, evaluation, counseling and referral services for emotional, behavioral, medical, personal and chemical-dependency problems that team members and their families may experience. EAP references are available on the Company's team member bulletin boards or can be obtained from the Human Resources department.

Additional Provisions: Pursuant to the Drug-Free Workplace Act of 1988 and Company policy, team members must report any conviction under an alcohol or drug statute that occurs on Company premises, on Company time or while conducting Company business off Company



premises within five days after conviction. For purposes of this policy, conviction includes a plea of guilty or no contest.

Team members must, as a condition of employment, abide by the terms of this Alcohol-free and Drug-free Workplace Policy. Team members who do not are in violation of this policy and are subject to disciplinary action, up to and including immediate termination of employment and referral for prosecution pursuant to applicable law.

Management is responsible to ascertain that the team members under their supervision appear to be free of alcohol and illegal or unauthorized drugs and to identify individuals who do not appear to be fit for duty. All team members are required to report to management any violation, or possible violation, of the Alcohol and Drug-free Workplace policy, whether such violation relates to themselves or other team members.

Searches of a team member's person or of any Company or personal property (which is brought onto or into Company property) will be conducted as deemed necessary by HR and/or legal counsel in order to enforce this policy and for any other business reason. A team member's refusal, delay, interference, tampering with or other failure to comply with a requested search will be grounds for immediate termination.

The Company's Drug-Free Workplace drug and alcohol testing requirements include the following:

Pre-Employment Drug Screening: All job applicants including contractors, who have received a conditional offer of employment, must show themselves to be free from the presence of illegal drugs through a drug screening (drug test). The Company will not hire applicants who refuse to comply with these pre-employment drug screening requirements. An applicant who refuses to submit to or fails to appear for a requested drug-screening collection or whose test results are positive shall be disqualified from employment at the Company. Such disqualification shall not be removed for a period of six months from the date that such test was administered or offered, whichever is later. An applicant may then reapply for employment after six months.

Random Drug Testing: Subject to applicable laws, the Company may, from time to time, require randomly selected team members to undergo drug testing. Once a team member has been selected for random testing, the Company may not waive the selection and must insist that the team member submit to testing.

Post-Accident: A team member will be required to undergo drug and/or alcohol testing if the Company has reasonable suspicion that the team member or another person has sustained a



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work-related injury or if the Company's property has been damaged as a result of the team member's use of drugs or alcohol. Drug and/or alcohol testing is required anytime a team member is involved in an on-the-job injury or where damage to Company property occurs. Team members are required to complete a post-accident drug screen within 16 hours after reporting the injury. Failure to complete the post-accident drug screen during this timeframe could result in denial of the worker's comp claim.

Reasonable Suspicion Drug Testing: A team member may be required to undergo drug and/or alcohol testing if a supervisor/manager determines there is reasonable suspicion that the team member has violated the Company's Alcohol-free and Drug-free Workplace Policy. Management must contact Human Resources if there is reasonable suspicion that a team member is under the influence or impaired at work.

Positive Test Results: A team member's positive test for illegal or otherwise unauthorized drugs or alcohol will be grounds for disciplinary action, up to and including immediate termination of employment and referral for prosecution pursuant to applicable law.

Refusal to Test: Team members and job applicants have the right to refuse to submit to drug and alcohol testing or post-treatment monitoring. However, refusal is considered a positive test result and subjects the applicant or team member to all prescribed consequences for such positive test results, including but not limited to immediate termination of employment for misconduct. Team members or applicants who tamper with, delay or otherwise interfere with a requested test will be subject to immediate termination and/or will not be hired.

Non-Discrimination: In accordance with the requirements of the Americans with Disabilities Act, the Company does not discriminate against team members or applicants who are qualified individuals with a disability who are not currently engaged in use of illegal drugs and who do not otherwise violate the provisions of this policy, including but not limited to individuals who:

1. Have successfully completed or who are currently participating in a supervised rehabilitation program and are no longer engaging in such use; or
2. Have otherwise been rehabilitated successfully and are no longer engaging in such use.

In the administration of screens/tests, The Company Transport will reasonably accommodate qualified individuals with disabilities (as defined by federal or state law), including the provision of alternatives to urine sample screens/tests to individuals who are unable to provide a urine sample for medical reasons.



Tobacco Free Workplace

A tobacco-free environment helps create a safe and healthy workplace. Smoking and secondhand smoke are known to cause serious lung diseases, heart disease and cancer. The Company recognizes the hazards caused by tobacco use and exposure to secondhand tobacco smoke. Our policy to provide a tobacco-free environment for all team members and visitors was established to keep a safe, healthy, and productive workplace environment. This policy covers the smoking of any tobacco or tobacco-like product, the use of oral tobacco products such as “spit” tobacco, and the use of electronic cigarettes or “e-cigarettes” and vapor cigarettes. This Policy applies to both team members and non-team member visitors of the Company at all locations.

No use of tobacco or tobacco-like products (including without limitation cigarettes and “spit tobacco”) or e-cigarettes will be allowed within all the Company locations at any time. Smoking, tobacco use, or vaping shall be permitted only in the designated smoking areas located outdoors. All materials used for smoking in designated smoking area, including cigarette butts and matches, will be extinguished and disposed of in appropriate containers. Breaks for use of tobacco, tobacco-like products, or e-cigarettes in addition to normal rest periods are not allowed.

Procedure

Visitors will be informed of the Tobacco-free Policy by their hosts when appropriate.

The Human Resources department will help team members who want to quit smoking or using tobacco or tobacco-like products by helping them access recommended smoking cessation programs and materials through our benefits carrier(s).

Any violations of this policy will be handled through appropriate disciplinary procedures.



Violence Free Workplace

The Company is committed to preventing workplace violence and to maintaining a safe work environment. Given the concerns about the level of violence in society in general, we have adopted the following guidelines to deal with intimidation, harassment, threats and actual violence that may occur in connection with our operations. This policy applies to all team members at any time and is not limited in scope by location or a particular medium of communication (e.g., phone calls, QUALCOMM messages, e-mails, social network postings, text messages, live conduct/words, etc.)

All team members, including supervisors and temporary team members, are expected to work in an ethical manner and must refrain from threatening, intimidating, and violent actions at all times. Team members are expected to refrain from engaging in physical fighting, “horseplay” or other conduct that may be perceived as physically threatening or dangerous to others. Firearms, weapons and other dangerous or hazardous devices or substances are prohibited from all Company properties, including rigs and trailers. Team members are prohibited from storing firearms in Company vehicles.

Conduct that threatens, intimidates or coerces another team member, a customer, or a member of the public at any time, including off-the-clock situations on or near Company property involving individuals associated with the Company will not be tolerated. This prohibition includes all acts of harassment, including, but not limited to, harassment that is based on an individual’s sex, sexual orientation, race, age, religion, gender, gender identity, religion, national origin, disability or any other characteristic protected by federal, state or local law.

All threats of (or actual) violence, both direct and indirect, should be reported immediately to your immediate supervisor, other management member, the Incident Response Center (866)339-0492 and/or law enforcement personnel. This includes threats by team members, as well as threats by customers, contractors, vendors, solicitors or other members of the public. When reporting a threat of (or actual) violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to your supervisor/manager or the Incident Response Center. Do not place yourself in danger. If you see or hear a commotion or disturbance in or near your work area, do not try to intercede if doing so will put you or others at risk of injury. Call the IRC or 911 immediately.

The Company will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report



will be protected to the extent possible. In order to maintain workplace safety and the integrity of its investigation, the Company may suspend team members, with or without pay, pending the results of the investigation. Anyone who is found to be responsible for threats of (or actual) violence or other conduct that is in violation of this policy will be subject to prompt disciplinary action up to and including termination of employment.

We encourage all team members to bring their disputes or differences with other team members to the attention of their manager or the Human Resources Department before the situation escalates. The Company is eager to assist in the resolution of team member disputes and will not discipline team members for raising such concerns in good faith. It is our belief that by helping to prevent violence in the workplace, our Company is helping to foster a safer and better society.



Video Security

The Company strives to maintain a safe and secure environment for its team members and visitors. In pursuit of this objective, certain company facilities and properties are equipped with video security cameras which record at all times. These systems are used to ensure the protection and safety of our team members, visitors, vendors, assets, property, and to assist law enforcement should situations arise. Reasonable efforts are made to safeguard the privacy of all parties. Video cameras are not in areas where there is a reasonable expectation of personal privacy such as restrooms. The systems are positioned to record areas where team member interactions could or do occur and will complement other security measures that assist with maintaining a safe and secure environment. Images from the video system are digitally stored for approximately 30 days and only authorized team members have the ability to access and review footage. Any images captured by the system shall be kept secure and not available to general public viewing. Video recordings may be used to identify person or persons responsible for company policy violations, criminal activity, or actions considered disruptive to business operations.

Relationships in the Workplace

Personal relationships between team members are bound to happen but can cause various problems, including interference with the work operations or job performance, damage to team member morale and productivity and accusations of favoritism or disparity. For these reasons, the Company reserves the right to take the appropriate action where team members of any level develop a personal relationship that results in conflict of interest for the Company, including possible transfer or termination of employment. This includes, but is not limited to friends, roommates, family and romantic relationships.

All team members should not enter into a relationship of “romantic” nature with a manager. These types of relationships and any others that create a real or potential conflict of interest must be brought to the attention of senior management and the Human Resources department. The Company will take steps to remedy the situation to avoid an adverse situation in the workplace. These steps will include but are not limited to transfer or reassignment of schedule or shift changes, etc. Failure to disclose such relationships will result disciplinary action up to and including termination of employment. Team members in a supervisory or managerial role are strictly prohibited from engaging in a romantic relationship with anyone who directly reports within their direct line of authority.

Relatives of current team members are eligible for employment as long as such employment does not create an actual, potential, or perceived conflict of interest or negatively impact the Company. The Company reserves the right, in its sole discretion, to restrict the placement or



assignment of team members in cases where relatives may work together, supervise one another, have access to sensitive or confidential information, or any other reason the Company deems necessary. Relatives of management personnel cannot be hired or transferred into their relative's direct line of authority or within his/her authority to make employment decisions. For purposes of this policy, a relative is any person who is related by blood, marriage or adoption, or whose relationship with the team member is similar to that of persons who are related by blood, marriage or adoption as determined by the Company at its sole discretion. **Any team member currently working with or reporting to a relative as of February 2020 will be deemed grandfathered into this policy and will not be required to change their position. Senior management reserves the right to take appropriate action as stated in this policy above.*



Appearance Policy

Dress Code – Casual

We encourage our team members to dress comfortably in casual attire that is neat, clean and appropriate. Team Members should always use their best judgement to dress with professionalism and not wear anything that would offend or make their coworkers feel uncomfortable.

This policy applies to all office team members, terminal team members, warehouse office team members, temporary team members, team members working at onsite customer locations and consultants who work during the normal business hours of daily operations, nighttime operations, and seasonally, and who are not required to wear uniforms in their job capacity.

All team members are required to come to work dressed in casual attire that is neat, clean, modest, safety-conscious, and appropriate for the job being performed. Team members are expected to present a businesslike image to clients, visitors, customers, and the public. For some positions, this may include business dress; for others, it may require uniforms and/or required job-specific personal protective equipment. For all positions, basic personal grooming and appropriate hygiene is required. However, senior leadership reserves the right to declare a “customer” day at any time, where business attire is required, and jeans & t-shirts/sweatshirts are not allowed to be worn. In the event that would occur, proper notification would be given to all team members.



Covenant

Appropriate Casual Dress:

The following guidelines define appropriate casual attire:

APPROPRIATE		INAPPROPRIATE
	<i>Pants</i>	
Jeans - Clean, Neat and free from holes and frays		Sweatpants, leggings or exercise wear
Khakis or Chino style pants		Shorts or Skorts (including bermuda or walking shorts)
Capri Pants		Crops above the knee level
Leggings - only allowed under garments that meet the length requirement for dresses/skirts		
	<i>Shirts</i>	
Polo collar knit or golf shirts		Inappropriate t-shirts /sweatshirts
Oxford style shirts		Crop Tops, clothing showing the midriffs
T-shirts & Sweatshirts - can not be offensive. Must be free of foul and/or offensive images or language		Exercise wear or tank tops
Blazer's or sportscoats		Halter, razor back or thin spaghetti strapped tops
Blouses or sweaters		Sheer tops without appropriate undergarments
Company logo wear		
	<i>Dresses/Skirts</i>	
Length must be no shorter than 3.5 inches from the top of the knee		Dresses or skirts that are shorter than 3.5 inches from the top of knee
		Halter, razor back or thin spaghetti strapped dresses
	<i>Shoes</i>	
Dress or casual shoes		Beach or gardenware shoes (including "croc")
Athletic/tennis shoes - must be clean and neat		Tennis shoes that appear to be worn and unclean ("yard mowing" shoes)
Sandals -		



Examples of prohibited attire include the following but are not limited to the below:

- Revealing necklines and/or styles of any attire
- Shorts, walking shorts, Capri or other cropped pants that end at or above the knee
- Bib overalls, sun dresses, athletic or other sportswear
- Faded, frayed, or denim with holes; jeans that are too baggy, slouchy, or form-fitting.
- Tube tops, tank tops and cut-off shirts or short shirts or other clothing exposing the midriff, side, or bare back; any clothing with undergarments showing
- Any apparel with harassing, discriminatory or obscene language, symbols, or logos from competitor or other organizations
- Clothing with holes or in serious disrepair
- Spandex, leggings, and tight materials that are not covered by other looser material that meets the minimum length requirement (i.e. one badge length from the top of the knee)
- Safety-inappropriate or otherwise inappropriate shoes, accessories or other items

Night Operations

For individuals working nights or seasonally on nights, the “casual” dress code is still applicable. The weekend code is applicable on Saturday and Sunday only.

Weekend Operations

For individuals working during the weekend hours, meaning 9:00 a.m. Saturday morning through 8:00 a.m. Monday, in addition to the casual dress code outlined above; Shorts that are appropriate length may be worn.

Team members working nights, weekends, or seasonally will be instructed by their respective departments about any other appropriate business dress as it pertains to those jobs during the off-hours of operation. All other parts of this policy are in full force.

Hair

Team members must wear a hairstyle that is safe for the team member’s specific job duties. For example, long hair may need to be pulled back.



Covenant

Earrings and Other Body Piercings

No visual piercing other than earrings are permitted at work. Ear gauges, tongue, nose, eyebrow, and other facial and visible bodily piercing are not permitted. When working or visiting safety-sensitive areas, earrings should not pose a safety hazard. Please check with the department manager about rules in these areas.

Jewelry

When working or visiting safety-sensitive areas, jewelry should not pose a safety hazard from dangling. Please check with the department manager about rules in these areas.

Body Art/Tattoos

Visible body art on the chest, front of neck, and face is not allowed or must be properly covered. Body art cannot contain obscene, harassing, or discriminatory graphic or written material or any material that may violate other company policies such as the “No Harassment Policy” (i.e. nudity, profanity, aggressive, or violent content).

Colognes, Perfumes and other scented products

Colognes, perfumes, and other scent products can be distracting and may cause discomfort to those with sensitivities. While these products are permitted, please keep personal scent use to a minimum. Please be courteous and refrain from using these products if you work around people who do not prefer working around, or have sensitivities to, these products.

Other Special Occasion Days

The Company may, at its discretion, designate various days as special attire days (e.g., a day for costumes or a theme-based dress, or a day where dressier attire is needed for a special visitor/event, etc.), or other dress code deviations. For these events, clothing must again, meet the central purpose of coming to work dressed in a clean, modest, safety-conscious, and professional manner that is appropriate for the job you perform.

Nothing in this policy is intended to prevent team members from wearing a hair covering or facial hair style that is consistent with their cultural, ethnic or racial heritage or identity. This policy will be interpreted to comply with applicable local, state or federal law.



Accommodations

The Company will reasonably accommodate exceptions to this policy if required due to a team member's religious beliefs, medical condition or disability. Team members who need such an accommodation should contact their supervisor or Human Resources.

Violations of the Appearance Policy

This list does not include all appearance rules. Management will determine and address other instances of prohibited appearance/dress code if they occur. Anyone violating the personal appearance policy may be sent home to make the necessary adjustments. Any absence to obtain appropriate clothing will be considered unpaid for non-exempt team members. Individuals violating this policy may be subject to the disciplinary action process.



Solicitations, Distributions & Posting Information

The Company has established the following rules applicable to all team members and non-team members that govern solicitation, distribution of written material and access to Company property:

- Team members may engage in solicitation activities only during nonworking times. No team member may engage in solicitation during their own working time or during the working time of the team member or the team members at whom such activity is directed;
- Team members may distribute or circulate any written or printed material only in non-work areas, during nonworking times. No team member may distribute or circulate any written or printed material in work areas at any time, or during their own working time or the working time of the team member or team members at whom such activity is directed;
- Non-team members are not permitted to solicit or to distribute written material for any purpose on Company property; and
- Off-duty team members are not permitted in work areas.

Strict compliance with these rules is required.

As used in this policy, "working time" includes all time for which a team member is paid and/or is scheduled to be performing services for the Company; it does not include break periods, meal periods, or periods in which a team member is not performing and is not scheduled to be performing services or work for the Company.



Call Monitoring

The Company values quality and training and for these purposes intends to monitor or record telephone conversations over business telephones as part of normal business operations. No team member should have any expectation of privacy as to his or her telephone usage. Team members may be disciplined for violations of the Company policy based on recorded telephone conversations over business telephones. Any personal calls may be inadvertently monitored or recorded if conducted on business telephones.

Official Reference Checks & Employment Verifications

All official inquiries on behalf of the Company regarding a current or former Company team member must be referred to the Human Resources department. Under no circumstances should you release employment information regarding a current or former team member on behalf of the Company.

In response to an outside request for official information regarding a current or former team member, the Human Resources department will furnish only a team member's name, dates of employment, job title and department. With written authorization from the team member, compensation information will be provided. No other data or information regarding any current or former team member will be furnished in response to an official request for a reference.

Employment Eligibility & Work Authorization

The Company is committed to employing only individuals who are authorized to work in the United States and who comply with applicable immigration and employment law. As a condition of employment, every individual must provide satisfactory evidence of their identity and legal authority to work in the United States within three business days of commencing employment. If the team member cannot verify their right to work in the United States within three (3) business days of employment, the Company will be required to terminate their employment immediately.

E-Verify

The Company participates in E-Verify, a program which confirms employment eligibility by electronically comparing the information provided on the I-9 Form with records from the Social Security Administration and Department of Homeland Security databases. E-Verify will classify a team member as "Employment Authorized", "Tentative Non-confirmation" or "Final Non-



confirmation”. We are committed to following the guidelines provided by the Department of Homeland Security concerning any “Tentative Non-confirmation” or “Final Non-confirmation” result we receive.

Please contact your manager or the Human Resources Department with any questions concerning the employment eligibility process.

Emergencies

In the event of an emergency in the office or involving co-workers, you should immediately call the Incident Response Center (IRC) at extension 4911 or dial 911 to notify the police and/or fire department as necessary. In addition, after contacting emergency response personnel, notify a member of the management team and/or Human Resources of the situation as soon as possible.

In the event of an emergency, the Human Resources department will contact your emergency contact(s) listed in our HR information system. Please be sure to keep this information updated at all times.



Progressive Discipline Policy

Corrective Action is an effort to assist team members with self-correcting problematic behaviors or workplace performance issues. Not all behavioral or performance problems will be given the opportunity to self-correct; certain types of conduct may be warrant immediate action, up to and including termination for a first offense.

If team members neglect their duties or violate established policies, rules and procedures, they subject themselves to disciplinary action, which may include the following, issued in any order in the Company's sole discretion:

- Verbal Warning
- Written Warning
- Final Warning (with or without suspension)
- Termination

Other types of discipline may include demotion, suspension and/or reduction in pay or bonus. In determining appropriate discipline, the severity of the conduct and previous disciplinary actions may be considered. Because each employment issue is different, management has the discretion to skip one or all of the steps mentioned above if the circumstances warrant.

The fact that the Company has or has not utilized any of these actions does not set any precedent or constitute a waiver by the Company of any of its rights and should not be relied upon in future disciplinary situations by any team member. This process is subject to change at any time without notice or cause at the discretion of the Company, should not be considered an employment contract and does not change a team member's "At Will" status.



Team Member Property Investigations

All workspaces including desks, file cabinets and lockers are company property. The use of personal locks on any such company property is forbidden. No company property may be used to house personal files or items. Company equipment – such as computers, photo copiers or printers – should not be used for personal business in violation of Company rules or applicable law. No team member should have any expectation of privacy with respect to use of company property, company equipment or any items of information stored therein.

Company supplies or services including postage, incoming mail and office supplies should also be limited to business use only. The Company is not responsible for lost or stolen packages delivered for personal reasons. Please do not use the Company's address as the equivalent of your home address.

To improve security and protect team members, all The Company workspace and property and all team member possessions (such as briefcases or purses) brought into a Company facility may be subject to search by management or Security staff at its discretion and without notice. This search policy is intended to act as a deterrent to prohibited practices or conduct by team members. A search is not necessarily indicative of any individualized suspicion or wrongdoing against any team member. The Company has and reserves the right to install security or surveillance cameras on the property at any time without notice for purposes of protecting team members and company property and enforcing company policies. Any and all video footage is the sole property of The Company and is not available for viewing by or for any unauthorized personnel or purposes. If a non-exempt team member is present during any search or inspection, the team member must report the time spent during the search or inspection as working time.



Lactation Policy

The Company will provide a reasonable amount of break time to accommodate a team member desiring to express breast milk for an infant child. Team members needing breaks for lactation purposes may use ordinary paid rest breaks or may take other reasonable break times when needed. If possible, the lactation break time should run concurrently with scheduled meal and rest breaks already provided to the team member. If the lactation break time cannot run concurrently with meal and rest breaks already provided or additional time is needed, the lactation break time will be unpaid for non-exempt team members.

Team members will be relieved of all work-related duties during any unpaid break. Where unpaid breaks or additional time are required, team members should work with their supervisor regarding scheduling and reporting the extra break time. Where state law imposes more specific requirements regarding the break time or lactation accommodation, the Company will comply with those requirements.

Because exempt team members receive their full salary during weeks in which they work, all exempt team members who need lactation accommodation breaks do not need to report any extra break time as “unpaid.”

The Company will provide team members with the use of a room or a private area, other than a bathroom or toilet stall, that is shielded from view and free from intrusion from coworkers and the public. The Company will make a reasonable effort to identify a location within close proximity to the work area for the team member to express milk. This location may be the team member’s private office, if applicable.

The Company will otherwise treat lactation as a pregnancy-related medical condition and address lactation-related needs in the same manner that it addresses other non-incapacitating medical conditions, including requested time off for medical appointments, requested changes in schedules and other requested accommodations.

Team members should discuss the location for storage of expressed milk with the Human Resources department.

For team members working in a jurisdiction that has a mandatory lactation accommodation law, the Company will comply with all legal requirements, including providing greater or different benefits than those indicated here.



Covenant

Payroll & Compensation

Regular Pay Procedures

Non-driver team members are paid on a weekly or bi-weekly basis (depending on the location), on Thursdays through Direct Deposit to personal bank account(s). If a regularly scheduled payday falls on a holiday, team members may be paid on the previous business day. Payroll will not be released to team members prior to the day designated by the set pay schedule. The Company reserves the right to correct payroll errors on future paychecks in compliance with state and local laws.

From time to time, the Company will permit team members to make certain purchases (example: Company store purchases) via payroll deduction upon receiving written confirmation from the team member. Team members are responsible for reviewing these payroll deductions on their paystubs for accuracy.

You should review your paystubs every pay period and bring any errors to the attention of your direct supervisor. If necessary, your supervisor will contact the Payroll Department for further review and correction.

Fair Labor Standards Act

The Fair Labor Standards Act and applicable state laws establish requirements for minimum wages, overtime pay, recordkeeping and child labor standards. The Company adheres to the FLSA and applicable state laws when setting the terms of employment for all of its team members. In accordance with the FLSA and state law, the Company classifies all of its team members as exempt or non-exempt and pays all of its non-exempt team members overtime based on their hours worked and state overtime laws.

Employment Categories

The Company has established various categories of employment to meet its operating needs and to permit options in hiring team members. A change in a team member's classification is effective only with approval from the Human Resources department. All team members are classified in one of the following categories:

Regular Team Members: Regular team members include full-time and part-time team members. Regular team members working 30 hours per week, or more are benefit eligible.



Only regular full-time team members are eligible for paid vacation, holidays and sick days, unless otherwise required by applicable law.

Temporary Team Members: Temporary team members work on either short-term or long-term assignments (one year maximum) that have a predetermined start and end date. Temporary team members are not eligible for benefits, unless otherwise required by applicable law.

Seasonal Team Members: Seasonal team members work on short-term that have a predetermined start and end date. Seasonal team members are not eligible for insurance benefits, unless otherwise required by applicable law.

Interns: Interns work on short-term seasonal assignments meant to introduce working at the Company. Interns are not eligible for benefits, unless otherwise required by applicable law.

Rehire / Reinstatement

A former team member who is re-hired within 30 days of their termination effective date will be reinstated with original hire date and automatically reinstated in all benefits.

If re-hired any time after 30 days from the termination date, the former team member is considered a new hire from the effective date of the reemployment and no service credit will be granted. Regarding group insurance benefits and retirement savings plans, plan documents will govern the treatment of the break in service regardless of the length of time. If the plan documents do not indicate service credit eligibility, the team member must re-satisfy the eligibility waiting period.

If a team member works in a state with greater or different rules, the Company will comply.

Classification of Team Members

Team members in certain positions that meet criteria set forth by law may be exempt for the overtime provisions of the FLSA and applicable state law. Exempt team members are ineligible for overtime due to their job activities, responsibilities, and rates of pay, and are compensated on a weekly or bi-weekly salary basis.

All other team members are non-exempt – meaning they are subject to the overtime provisions of the FLSA and applicable state laws. If you have any questions about your classification, please contact the Human Resources department.



Covenant

Overtime Pay

Non-exempt team members will receive additional pay for working overtime hours as required by applicable federal and state law. Non-exempt team members must not work overtime without prior approval of a manager. Non-exempt team members who work overtime without required prior approval may be subject to disciplinary action, up to and including termination of employment. Depending on company work needs, you may be required to work overtime. If you refuse to work overtime when requested without a compelling or satisfactory reason, you are not fulfilling the requirements of your job. The regular work week for full-time team members is 40 hours with team members regularly scheduled to work eight hours per day.

NOTE: Please refer to the California addenda for overtime information pertaining to team members working in California.

Timekeeping

Our timekeeping systems vary by location. See your supervisor for instructions to access the correct timekeeping system at the location you are employed.

Non-Exempt Team Members

Non-exempt team members must clock in and out through the applicable time system at their location. Team members may not clock in from any device besides the computer at their workstations or the kiosk/timeclock provided at your location (whichever is applicable). All compensable time including hours worked, overtime and paid time off must be accurately recorded in the Company's timekeeping system. It is your responsibility to ensure that all hours worked are properly recorded or to notify your manager if you have hours that need to be recorded.

Team members are not permitted to clock in from their mobile device (if available) without being at work and cannot clock in more than 5 minutes early or out more than 5 minutes late without management approval.

In the event you are approved to work outside of the office either from home or at a remote location, you must report all hours worked to your supervisor or follow timekeeping procedures instructed by management to ensure proper payment of wages for hours worked. Prior supervisor approval is required before working remotely.



It is a violation of the Company's policy for anyone to instruct or encourage another team member to work "off the clock," to incorrectly report hours worked, or to alter another team member's time records. If any team member is directed or encouraged to incorrectly report hours worked, or to alter another team member's time records, they should report the incident immediately to a supervisor.

Violation of these timekeeping procedures would lead to disciplinary action up to and including termination of employment.

Exempt Team Members

All exempt team members must keep accurate records of days worked and paid time off in the time keeping system. Managers should notify Human Resources immediately of unapproved absences lasting more than one day. Under federal law, exempt team members may be subject to pay deductions for an unexcused absence from work of one or more full days. The Company is not required to pay exempt team members their full salary for days not worked in the team member's initial or final week of employment, for penalties imposed in good faith for infractions of safety rules, or for weeks in which an exempt team member takes unpaid leave or intermittent leave under the Family and Medical Leave Act (FMLA). In these circumstances, full day deductions may be made from exempt team members' salaries.

An exempt team member's salary will not be reduced when the team member works part of a week and misses part of a week due to service as a juror, witness or in the military or for lack of work, though deductions may be made to offset amounts a team member receives as jury or witness fees, or for military pay. The Company may also make lawful deductions from a team member's salary for penalties imposed in good faith for infractions of safety rules of major significance.

It is company policy to comply with the salary basis requirements of the Fair Labor Standards Act (FLSA) and applicable state law. The Company prohibits any deductions from pay that violate the FLSA or applicable state law.

If an exempt team member believes that an improper deduction has been made to their salary, the team member should immediately report this information to Human Resources or a supervisor. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the team member will be promptly reimbursed for any improper deduction made.



Meals & Rest Breaks

It is the Company's policy to comply with all laws regarding meal and rest breaks.

If a team member works in a state where there are no applicable meal or rest break requirements, the Company will provide break time as appropriate, subject to operational needs and supervisor discretion. The Company does not contract to provide such break time in these states.

Any rest breaks of short duration (lasting between five and 20 minutes) will be counted as "hours worked" and paid accordingly. Meal breaks lasting 30 minutes or more are not considered "hours worked" for purposes of federal law and will not be paid for nonexempt team members.

Team members must be completely relieved from work duties during any unpaid meal break. Nonexempt team members must record the beginning and ending time of their meal breaks each day on their time records.

Holidays Worked

The Company may from time to time ask team members to work on a company-paid holiday to meet business needs. If you are a non-exempt, holiday-eligible team member and are requested to work on a company-paid holiday, you will receive the number of hours of holiday pay equivalent to your normal schedule, plus you will be paid time and a half your regular hourly rate of pay for hours worked that day. The hours paid for the holiday do not count toward overtime calculations. If you work overtime on the holiday, you will receive standard overtime payment. All holiday hours worked for non-exempt team members must be requested and approved by a manager before team members perform the work.

If you are an exempt, holiday-eligible team member and are requested to work on a company paid holiday, you will be paid for the holiday plus one day's pay. Director's and above are not eligible for additional days' pay. If you work in a state with greater or different rules, the Company will comply.

Garnishments, Child Support, Liens & Levies

The Company follows the law with respect to court-ordered deductions, such as liens, levies, garnishments, child support orders and other court-ordered matters. If you have questions about court-ordered deductions or charges, you must contact the issuing court. The Company



cannot change or stop a court-ordered deduction without receiving a written order or other official document from the issuing court or other agency stating it is permissible to do so.

As allowed by law, a weekly administrative Fee up to \$5 is charged for child support deductions. Unless required by law, The Company is not required to notify team members of orders received against their wages. It is each team member's responsibility to know that an order has been issued affecting them. All payroll deductions will be reflected on each team member's wage statement as required by applicable state law.

W-2 Annual Statements

The Company is required to provide all team members a Form W-2 Wage & Tax Statement each calendar year. W2s are provided either (1) electronically through our team member self-service portal or (2) emailed to team members at their home address on file no later than January 31st each year; varies based on the division you are employed. All W2's that are available through the team member self-service portal will remain available electronically for 2 years. Contact the Payroll Department if you have questions concerning your W2.

Personnel Records

You are responsible for keeping your personal information updated with the Company. This includes changes to the following types of information:

- Legal name for you
- Name of dependents (if needed for tax or benefit information)
- Marital status (if needed for tax or benefit information)
- Address, telephone number and cell number
- W-4 deductions
- State tax information
- Emergency contact information

How to Update Your Personnel Record

If your team member self-service portal allows team member updates then you should log in to that system to update your address, phone number, direct deposits, W-4's and other important transactions. If you do not have a team member self-service portal, contact your Human Resources department to update your information.

Remember: *It is YOUR responsibility* to keep your information updated and accurate.



Covenant

Talent Management

Performance Management

The Company's performance management program is designed to foster open communication and growth, help you set goals for the coming year, hold you accountable for meeting those goals while offering timely and productive feedback throughout the year. We consider performance management to be an "ongoing process" – not a one-time event each year. Generally, you will work with your direct supervisor/manager on this process.

The Company attempts to review each team member's performance on a regular basis. You and your direct supervisor are also encouraged to meet during the year to discuss your performance. Formal performance evaluations typically include an annual review of overall performance. However, the Company does not promise or contract to provide performance evaluations at any set interval and reserves the right to modify the timing for performance reviews as well as issue disciplinary action before or after a performance review. Positive team member evaluations do not guarantee increases in salary or payment of bonuses or any type of discretionary compensation or even continued employment. Promotions, salary increases, and discretionary payments of any kind are solely within the discretion of executive management and depend upon many factors in addition to individual performance.

The Company expects you to maintain the level of performance necessary to achieve company goals and to meet the specific operational needs of your department. In most situations, the Company will try to inform you of deficiencies in behavior or work performance and afford you the opportunity to resolve deficiencies or to improve your work performance.

While the Company may try to work with you to correct performance or behavior problems, sometimes immediate disciplinary action, up to and including termination of employment, may be necessary. The Company reserves the right to determine what disciplinary action is appropriate based on the facts of each case, including your record of prior performance, behavioral problems, or safety violations. Not all forms of disciplinary action are appropriate in each situation. It is not required for each disciplinary step to be taken before a team member may be discharged. All team members remain employed at will and nothing in this policy is intended or should be construed to modify or eliminate at-will employment.



Internal Job Postings

The Company encourages you to seek higher-level positions and opportunities for which you qualify within the company. You are encouraged to be proactive regarding your career, and to apply for positions within the organization. To do so, follow these guidelines:

- Generally, team members are encouraged to stay in their current role for at least 6 months. If team member has less time in the role, a transfer must be approved by an EVP of the current department. Team members must have a record of satisfactory performance, attendance, and punctuality.
- Each team member applying for an internal job posting will be considered for the new position with all other applicants; both internally and externally.
- Each team member must meet the minimum requirements for the job they apply for and be able to perform the essential functions of the position, with or without reasonable accommodation.
- Internal job posting application must be submitted by all team members who are interested in any posted position on the Company's website.
- All internal job applicants will receive notice from HR as to whether they will be interviewed for a posting.

If you wish to apply for an internal job posting, we recommend that you discuss your intentions with your manager and with the Human Resources Department so that it may be determined if your skills fit the requirements of the desired job. You should also feel free to discuss your career aspirations with your manager or Human Resources representative at any time. An updated list of job postings is communicated weekly on COVENANT CONNECT.

Team Member Referrals

The Company encourages team members to recommend candidates for open positions. We appreciate your help in finding qualified, talented candidates in the market. To refer a candidate, please contact your Human Resources representative.



Covenant

Paid Time Off

Vacation

Exempt Team Members

All full-time, exempt team members hired beginning January 01, 2015 are eligible for paid vacation time in accordance with this policy. **Landair team members hired prior to 2015 will follow the schedule below.*

In the initial year of employment, team members who are hired between January 1 and August 31st will be eligible upon completion of ninety (90) days of continuous service to receive 80 vacation hours which will be prorated for the rest of the calendar year from the date of hire. The calculation of pro rata vacation time will be rounded to the nearest whole, 8-hour day.

Those team members hired on or after October 1 are not eligible to receive vacation time for the calendar year in which they were hired but will be eligible to receive 80 vacation hours the following calendar year upon completion of ninety (90) days of continuous service.

All vacation days must be used by the end of the calendar year in which the team member becomes eligible, unless the team member works in a state that requires carry over to the following year, in which case the Company will comply with all applicable requirements.

On January 1 of the calendar year following your date of hire and any January thereafter, you will be eligible for the vacation benefits as described further in this policy.

<u>Years of Service</u>	<u># of Vacation Hours</u>
1-6 years	80 Hours
7-9 years	120 Hours
10 – 24 years	160 Hours
25 – 29 years	200 Hours
30+ years	240 Hours



Unused vacation time does not carry over into the next calendar year and will not be paid out to the team member upon termination of employment unless required by the state. The Company will follow all state mandated requirements regarding vacation payout.

Team members should notify their manager at least two weeks in advance of taking vacation time. Vacation requests will be approved on a “first come/first served” basis. All vacation requests are subject to manager approval.

Team members may not take over 40 hours of vacation consecutively without executive management’s prior approval.

Non-Exempt Team Members

All full-time, non-exempt team members hired beginning January 01, 2015 are eligible for paid vacation time in accordance with this policy. **Landair team members hired prior to 2015 will follow the schedule below.*

In the initial year of employment, team members who are hired between January 1 and June 30 receive 40 vacation hours after ninety (90) days of continual service. Those team members hired July 1 or later receive no vacation for the remainder of that calendar year. No vacation may be taken prior to ninety (90) days of continual service.

On January 1 of the calendar year following your date of hire, you will be eligible for 40 hours. Any January thereafter, you will receive the number of vacation hours based on your years of service that year.

<u>Years of Service</u>	<u># of Vacation Hours</u>
1 year	40 Hours
2-6 years	80 Hours
7-9 years	120 Hours
10 – 24 years	160 Hours
25 – 29 years	200 Hours
30+ years	240 Hours



Unused vacation time does not carry over into the next calendar year and will not be paid out to the team member upon termination of employment unless required by the state. The Company will follow all state mandated requirements regarding vacation payout.

Team members should request approval for vacation time at least two weeks in advance of taking vacation time. Vacation requests will be approved on a “first come/first served” basis. All vacation requests are subject to manager approval.

If a team member works in a state that requires payout of vacation at the end of employment, the team member will be paid out at their current regular rate of pay.

Team members may not take over 40 hours of vacation consecutively without Executive management’s prior approval.

Exceptions to Vacation Policy

This vacation policy does not apply to those regular team members who work a schedule of 7 days on / 7 days off.

Part Time to Full Time Conversion

Team members who convert from Part time – Full Time will maintain their original service date for benefit purposes. Vacation will be granted based on the original hire date.

Birthdays

Full-time, regular team members are eligible to receive a paid Birthday holiday each year during their employment. This paid leave accrues each year as of the team member’s actual birthday but can be used at any time during the ensuing year subject to manager approval. This paid leave expires if not used before the team member’s next birthday, unless otherwise required by applicable law. Pay for this day will be calculated based on the team member’s straight time pay rate (as of the date the day is used) multiplied by the number of hours the team member would otherwise have worked that day. Unused Birthday leave pay will not be owed to the team member or paid out in the team member’s final paycheck upon any separation of employment, unless otherwise required by applicable law.



Holidays

Holidays are a time to celebrate and spend time with family and friends. To provide you with time away from the office, The Company observes the holidays listed below. Because of the nature of our business, you may be required to work on a holiday.

New Year's Day

Memorial Day

Independence Day

Labor Day

Thanksgiving

Christmas Day

Holidays that fall on a Saturday will be observed on the preceding Friday and holidays that fall on Sunday will be observed the following Monday. Some business units may need change the scheduled day of observance based on business needs. If a change is required it will be communicated in advance.

Full-time, regular team members are eligible for paid holidays immediately upon hire. To be paid for a holiday, you must be actively at work (or applying vacation pay or other approved leave time) the business day before and after the holiday. Team members will receive 8 hours for all paid holidays.



Volunteer Time Off (VTO)

The purpose of the Company’s volunteer program, known as “Covenant in the Community” is to support community activities. Team members are encouraged to support and are supported with local community philanthropic activities.

The intention of this program is to create community engagement opportunities for team members that are meaningful, purposeful and helps those in need. At the same time, the Company recognizes that participating in these activities will also enrich and inspire the lives of our team members. ‘Community’ is not defined as just local community but may encompass a global perspective.

A Volunteer Opportunity

A “Volunteer Opportunity” is defined as: “A company approved or endorsed activity away from your desk that is available for all team members to participate.”

Amount of Time

All regular full-time non-driving team members can volunteer up to 8 hours (1 day) per calendar year based on the Company’s giving and volunteering guidelines. More than one organization may be chosen. If you are not sure of the status of your chosen organization, please contact volunteer@covenanttransport.com for guidelines.

All part time non-driving team members but work at least 20 hours per week to be eligible for 4.0 hours per calendar year.

- Team members will be paid at their regular rate of pay for the volunteer hours taken
- Time off can be taken in the following increments:
 - Minimum of 4 hours per opportunity
- VTO is refreshed at the beginning of each calendar year and cannot be accrued or carried-over into the following year—It is a “use it or lose it” policy.
- Usage of this time does not affect vacation accrual or sick leave usage or PTO.

Note: Disaster Response Volunteering is managed separately based on individual skill sets and community needs. Please contact volunteer@covenanttransport.com for guidelines and to request consideration.



Eligibility

All full-time or part time team members of the Company are eligible to participate in this program after one month from date-of-hire. The team member must be in good standing. The team member must provide reasonable notice to their supervisor and work demands can take priority over the VTO request. Team members can choose a volunteer opportunity of their choice or work together with other company members on a team volunteer activity.

Ineligibility

Team members are ineligible to participate in the VTO program if:

- The team member is on a Performance Improvement Plan (PIP)
- The team member's employment with the Company terminates for any reason

The Company reserves the right to modify, amend, suspend or discontinue this program at any time without prior notice. The Company also reserves the right to revoke approval if it is felt that the team member is misusing the program.

Approval Process

Team members must complete the VTO time-off request inside GreenShades or Novatime (whichever is applicable) and submit to his/her supervisor at least one week before the requested time off. The supervisor should consult with Human Resources with any questions or concerns before approving or denying the request. Approval is at the discretion of the team member's supervisor and HR. Examples of appropriate uses for VTO with a Company Volunteer Opportunity:

- Building a house for Habitat for Humanity
- Volunteering at a food bank
- Cleaning up a beach, park or trail

Examples of inappropriate uses for VTO:

- Taking a ski vacation and charitably giving ski lessons
- Coaching your child's basketball team
- Attending your child's PTA conference

VTO may not be used for organizations that discriminate based on any legally protected characteristics.



Covenant

Sick Days

Exempt Team Members

Wellness Day

All full-time, exempt team members are eligible for 1 paid wellness visit day per calendar year. This paid day is to be used for the purpose of attending your annual wellness examination and/or physical.

Sick Days

Full-time, exempt team members are eligible for up to 5 company paid sick days per calendar year. This paid time is to be used in the event of the team member or the team member's dependent(s) (1) illness or injury or (2) scheduled medical/dental procedure that prevents the them from attending work. These days are NOT to be used as scheduled personal days. Unused vacation time will be required to be used if all available paid sick days have been exhausted. Paid sick days may be taken in 4-hour or 8-hour increments.

Unused wellness or sick days may not be carried over into the next calendar year. Unused wellness or sick days will not be paid out in the team member's final paycheck upon any separation of employment.

For team members working in a jurisdiction that has a mandatory sick leave law or a jurisdiction that defines how sick leave may be used or accrued, the Company will comply with all legal requirements, including providing greater or different benefits than those indicated here. In such a situation, the leave the team member is entitled to under the law may run concurrently with the leave provided under this policy, to the extent permissible under applicable law.

Non-Exempt Team Members

Full-time, non-exempt team members are eligible for up to 5 company paid sick days per calendar year. This paid time is to be used in the event of the team member or team member's dependent(s) (1) illness or injury, (2) scheduled medical/dental procedures or (3) attending the team members annual wellness exam that prevents the them from attending work. Paid sick days may be taken in 4-hour or 8-hour increments.

In the initial year of employment, team members who are hired between January 1 and August 31 will be eligible upon completion of ninety (90) days of continuous service to receive 5 paid sick days which will be prorated for the rest of the calendar year from the date of hire. The



calculation of pro rata paid sick days will be rounded to the nearest whole, 8-hour day. Those team members who are hired on or after September 1 are not eligible to receive paid sick days for the calendar year in which they were hired.

Starting in the calendar year of the team member's 1-year anniversary of employment, the team member will receive 5 paid sick days on January 1 during each year of service.

The days are not to be used as scheduled personal days but instead are intended to be used in the event of illness/injury or for scheduled medical/dental procedures. Unused vacation time will be required to be used if all available paid sick days have been exhausted. Team members cannot request to take an unpaid sick day if they have unused sick time available. All available sick time must be used in the event a team member needs to miss work due to illness/injury.

Any remaining unused sick days as of December 1st each year will be paid out to all non-exempt team members in the month of December. No unused paid sick days may be carried over into the next calendar year. No unused paid sick days will be owed to the team member or paid out in the team member's final paycheck upon any separation of employment.

For team members working in a jurisdiction that has a mandatory sick leave law or a jurisdiction that defines how sick leave may be used or accrued, the Company will comply with all legal requirements, including providing greater or different benefits than those indicated here. In such a situation, the leave the team member is entitled to under the law may run concurrently with the leave provided under this policy, to the extent permissible under applicable law.



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Serious Health Condition Pay

Non-Exempt Team Members

In the event a non-exempt, full-time team member experiences a serious health condition as defined under the Family Medical Leave Act (“FMLA”) and has been with the company for 5 years, the team member will be eligible to receive 1 week of serious health condition pay for each year of service with the Company up to a maximum of 12 weeks if approved for an FMLA leave. This paid leave benefit is only available for a team member’s personal serious health condition and not for any other type of approved FMLA leave. If a team member desires to access this benefit, the team member must notify HR in writing before the next regular payroll after the team member’s FMLA leave is approved. Regardless of a team member’s tenure with the Company, this paid leave benefit will run concurrent with the approved FMLA leave and will not, under any circumstance, exceed 12 weeks. This paid leave benefit may be used over multiple FMLA leave events but cannot exceed a total of 12 paid weeks cumulatively over the term of your employment. This paid leave benefit is intended as a financial supplement to full-time, non-exempt team members similar to the Company’s short-term disability coverage. No unused FMLA paid leave benefit will be owed to the team member or paid out in the team member’s final paycheck following any separation of employment.

Exempt Team Members

In the event an exempt, full-time team member experiences a serious health condition as defined under the Family Medical Leave Act (“FMLA”) and is approved for FMLA leave, the team member will be eligible to receive 1 week of paid FMLA leave for each year of service with the Company up to a maximum of 12 weeks. This paid leave benefit is only available for a team member’s personal serious health condition and not for any other type of approved FMLA leave. If a team member desires to access this benefit, the team member must notify HR in writing before the next regular payroll after the team member’s FMLA leave is approved. Regardless of a team member’s tenure with the Company, this paid leave benefit will run concurrent with the approved FMLA leave and will not, under any circumstance, exceed 12 weeks. This paid leave benefit may be used over multiple FMLA leave events but cannot exceed a total of 12 paid weeks cumulatively over the term of your employment. This paid leave benefit is intended as a financial supplement to full-time, exempt team members similar to the Company’s short-term disability coverage. No unused FMLA paid leave benefit will be owed to the team member or paid out in the team member’s final paycheck following any separation of employment.



Paid Parental Leave Policy

Paid parental leave is a paid leave provided to care for a team member's own newborn child or the placement of a child with the team member for adoption or foster care. Team members are eligible for this paid leave benefit once per calendar year. Paid parental leave is not charged against the team member's other paid leave credits, and the maximum number of paid time-off which can be used for parental leave is two (2) weeks. The paid parental leave is compensated at the following levels:

- Less than one full year of service at time of birth: 1 week of salary/or regular pay for 40 hours
- After one full year of service at time of birth: 2 weeks of salary/or regular pay for 80 hours

Team members are eligible for paid parental leave upon hire.

If both parents are employed by the Company, a maximum of 2 weeks of paid leave under this policy may be used between the two team members (following the above schedule) for the purpose of caring for a newborn or adopted or foster care-placed child. Both team members, however, will be entitled to family and medical leave (FMLA leave) if both team members are otherwise eligible for this type of leave for the purpose of caring for a newborn or adopted or foster care-placed child.

Temporary or seasonal team members are not eligible for paid parental leave under this policy.

Continuation of Benefits: Health insurance benefits will continue to be provided during the paid parental leave under this policy at the same rate that applies to current, active team members. Paid leave benefits for vacation and other forms of paid leave provided by the Company also will continue to accrue while a team member is using paid parental leave under this policy.

Requirements for Obtaining Paid Parental Leave: The team member must provide to their direct supervisor 30 days' notice of the need to use paid parental leave (or as much notice as practicable if the leave is not foreseeable). The team member must also complete the necessary leave request forms and file them with the Human Resource Department.

Use of Paid Parental Leave: Team members who qualify for paid parental leave must use the leave in full-week increments. The leave also must be used within the first year of the birth or placement of the child for whom it is being used to care for.



After the maximum amount for which the team member qualifies of paid parental leave has been exhausted, subsequent leave will continue to be covered under other applicable Company policies. For example, the federal Family and Medical Leave Act (FMLA) allows team members up to 12 work weeks of unpaid leave in a rolling 12-month period. Team members in certain states may also be eligible for leave under applicable state law. Paid parental leave under this policy will run concurrently with/will not extend FMLA leave or other similar state leaves of absence. After a team member's paid parental leave is exhausted, the team member will be required to use his/her available paid vacation time, which will also run concurrently with/will not extend FMLA leave, unless the team member is receiving other wage replacement benefits in certain other states.

Team members who are not eligible for FMLA leave should refer to the Company Leave of Absence Policy in order to be aware of what will happen after the maximum paid parental leave for which they qualify under this policy and any other paid leave for which they qualify under the Vacation, Sick Leave and other applicable Company policies has been exhausted, regarding the continuation of insurance coverage and other benefits for team members on an approved unpaid leave of absence.

For team members working in a jurisdiction that has a mandatory sick leave law or a jurisdiction that defines how sick leave may be used or accrued, the Company will comply with all legal requirements, including providing greater or different benefits than those indicated here. In such a situation, the leave the team member is entitled to under the law may run concurrently with the leave provided under this policy, to the extent permissible under applicable law.



Bereavement

In the event of the death of an immediate family member, full-time regular team members may request up to three paid working days off for bereavement. Immediate family members include spouse, parents, stepparents, mother-in-law, father-in-law, children, stepchildren, brother, brother-in-law, stepbrother, sister, sister-in-law, stepsister, grandparents, grandchildren, and step grandparents. Team members must notify their immediate supervisor as soon as reasonably possible regarding the need for this leave.

Unpaid bereavement time off for the death of a non-immediate family member, or additional leave time under this policy may be provided at the discretion of the Company. Team members may substitute accrued vacation pay in lieu of unpaid bereavement leave.

Part-time, temporary and seasonal team members may be eligible for unpaid time off with supervisor approval.

For team members who work in a state with greater or different rules, the Company will comply.

Jury Duty

The Company believes jury duty is important. When you receive notification that you have been selected as a prospective juror, you should advise your direct supervisor as soon as reasonably possible after receipt of any jury summons or subpoena or court order, but before appearance is required. If you are called for examination or to serve on a jury, you will receive your base pay for the number of hours you were scheduled to work each day of Jury Duty. The Company requires proof of jury duty served. Under no circumstances will team members be terminated, coerced or penalized because they request or take leave in accordance with this policy.

For team members who work in a state with greater or different rules, the Company will comply.

Time Off to Vote

If you do not have sufficient time outside of working hours to vote in an official state-sanctioned election, you may take off enough working time to vote. Your manager may specify the time to be taken at the beginning or end of the regular working shift. Under these circumstances, you will be allowed a maximum of three hours of time off during an election day without loss of pay, unless a team member works in a state with a greater or different rule. If



you are requesting time off to vote, you must notify your manager by twelve o'clock noon on the day before the election.

If your workday begins three or more hours after the opening of the polls or ends three or more hours before the closing of the polls of the county where you are a resident, you may not take time off to vote.

For team members who work in a state with greater or different rules, the Company will comply.

Team members may be entitled to other types of paid or unpaid time off under applicable state or federal laws such as for military service or other reasons. Team members are expected to give as much notice as possible for their need for any leave not specifically covered by this policy or this handbook as soon as they learn of the need.

The Company will comply with all applicable requirements.



Leaves of Absence

The Company's leaves of absence programs were designed to provide time off for serious situations requiring you to be away from the office for medical or family purposes. All leaves of absence must be requested in advance (when possible) and approved by your manager, Human Resources or the Company's third-party administrator (UNUM in most cases) as applicable. If you fail to return to work following your approved leave, your employment will be subject to The Company's attendance and punctuality policy as outlined in the Policies section of this handbook. If you are unable to return to work at the scheduled time due to a legally protected reason, you should request an extended leave of absence before the expiration of the initial leave of absence. The Company will comply with all applicable legal requirements, including but not limited to, providing reasonable accommodations, in extending leave time. Team members are responsible for providing the necessary paperwork to assist the applicable approver with approving/denying leave requests. Failure to supply this information may result in a delay of benefits.

Leaves of absence may be paid, unpaid or a combination depending on the circumstances of the leave, and as specified by the Company's policies and state and federal law. While on leave, you are responsible for the team member portion of the cost of your benefits. All payments made by the Company are subject to all applicable taxes and benefit premiums and will be made in accordance with the Company's regular payroll schedule.

The Human Resources department will help coordinate your leave and provide further guidance on the various federal laws, state laws and Company policies outlined below. If you have questions regarding leaves of absence, please contact your Human Resources representative.

FMLA – Family & Medical Leave Act

The Family and Medical Leave Act (FMLA) provides for an unpaid type of leave which is available for eligible team members who have a need to be away from work to care for their own serious health condition or that of a qualifying spouse, parent or child with an eligible serious health condition or other qualifying reasons. The Company will grant family and medical leave in accordance with the requirements of applicable federal and state law in effect at the time the leave is granted. Although the federal and state laws sometimes have different names, the Company refers to these types of leaves collectively as "FMLA Leave." In any case, team members will be eligible for the most generous benefits available under applicable law.



How to Apply for FMLA Leave

*Contact your Human Resources representative to determine the appropriate leave application process.

If utilizing UNUM (3rd party provider) To apply for FMLA leave, team members must meet all eligibility requirements and call UNUM at (866)747-5871 to request FMLA leave. An UNUM pamphlet with complete information is available from HR. UNUM approves or denies all The Company FMLA leave requests. All required documentation must be received, and leave must be requested ahead of time/as soon as you become aware of the need (30 days in advance whenever possible) when requesting a foreseeable leave. A request must be made to UNUM pursuant to our normal call-ahead policies for unforeseeable leave, unless you can show that such notice was not possible – in this event, you must still give notice of the need for unforeseeable leave as soon as practicable. You must also notify your manager of your need for FMLA leave whenever notifying UNUM for our planning purposes as well.

If your location does NOT utilize a 3rd Party provider - Your Human Resources department will assist with your leave of absence request.

What Happens After You Apply?

If utilizing UNUM (3rd party provider) - Unum will consider your leave as a “pending” leave until all required paperwork is returned by the deadlines provided. Team members requesting leave are responsible for making sure their request (and the documentation of the medical provider certifying the leave) is complete and is received by UNUM by the deadlines provided. Failure to do this will result in leave denial. UNUM will approve or deny all leave requests.

If your leave application is approved, UNUM will notify the Human Resources Department of the dates which are approved. Your medical condition and treatment are not disclosed by UNUM, since only the approval dates are given to The Company. Your status will then be changed by Human Resources to “Family Medical Leave” in The Company’s system, and the approved dates will be issued to your manager.

If your leave is denied, you may discuss this with UNUM, or you may apply for other available leaves, if you are eligible. If you have already taken time off while your request for leave was “pending” and based on the documentation you provide to UNUM your leave is not ultimately approved (or you do not return any documentation to UNUM), this time off will be handled under The Company’s normal attendance policies and as such may be deemed unexcused.



If your location does not utilize UNUM, your Human Resources representative will guide you through the leave of absence application process.

Team Member Eligibility

To be eligible for FMLA Leave benefits, team members must: (1) have worked for the Company for a total of at least 12 months; (2) have worked at least 1,250 hours over the previous 12 months as of the start of the leave; and (3) work at a location where at least 50 team members are employed by the Company within 75 miles, as of the date the leave is requested. Eligibility requirements may differ for team members who have been on a protected military leave of absence. If team members are unsure whether they qualify, they should contact Human Resources.

Reasons for Leave

Federal and state laws allow FMLA Leave for various reasons. Because team members' legal rights and obligations may vary depending upon the reason for the FMLA Leave, it is important to identify the purpose or reason for the leave. FMLA Leave may be used for one of the following reasons, in addition to any reason covered by an applicable state family/medical leave law:

- The birth, adoption or foster care of a team member's child within 12 months following birth or placement of the child (Bonding Leave);
- To care for an immediate family member (spouse, child, or parent with a serious health condition (Family Care Leave);
- A team member's inability to work because of a serious health condition (Serious Health Condition Leave);
- A "qualifying exigency," as defined under the FMLA, arising from a spouse's, child's, or parent's "covered active duty" (as defined below) as a member of the military reserves, National Guard or Armed Forces (Military Emergency Leave); or
- To care for a spouse, child, parent or next of kin (nearest blood relative) who is a "Covered Servicemember," as defined below (Military Caregiver Leave).



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Definitions

- “Child” for purposes of Bonding Leave and Family Care Leave, means a biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability at the time that Family and Medical Leave is to commence. “Child,” for purposes of Military Emergency Leave and Military Caregiver Leave, means a biological, adopted or foster child, stepchild, legal ward, or a child for whom the person stood in loco parentis, and who is of any age.
- “Parent” for purposes of this policy, means a biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the person. This term does not include parents-in-law. For Military Emergency leave taken to provide care to a parent of a deployed military member, the parent must be incapable of self-care as defined by the FMLA.
- “Covered Active Duty” means (1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty (or notification of an impending call or order to active duty) in support of a contingency operation as defined by applicable law.
- “Covered Servicemember” means (1) a member of the Armed Forces, including a member of a reserve component of the Armed Forces, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness incurred or aggravated in the line of duty while on active duty that may render the individual medically unfit to perform their military duties, or (2) a person who, during the five (5) years prior to the treatment necessitating the leave, served in the active military, Naval, or Air Service, and who was discharged or released therefrom under conditions other than dishonorable (a “veteran” as defined by the Department of Veteran Affairs), and who has a qualifying injury or illness incurred or aggravated in the line of duty while on active duty that manifested itself before or after the member became a veteran.
- “Spouse” means the other person with whom an individual entered into marriage as defined or recognized under state law for purposes of marriage in the state in which the marriage was entered into, or, in the case of a marriage entered into outside of any state, if the marriage is valid in the place where entered into and could have been entered into in at least one State. This includes common law marriage and same sex marriage in places where these marriages are recognized.



- “Key team member” means a salaried FMLA-eligible team member who is among the highest paid 10 percent of all the team members employed by the employer within 75 miles of the team member's worksite.

Length of Leave

The maximum amount of FMLA Leave will be 12 workweeks in any 12-month period when the leave is taken for: (1) Bonding Leave; (2) Family Care Leave; (3) Serious Health Condition Leave; and/or (4) Military Emergency Leave. However, if both spouses work for the Company and are eligible for leave under this policy, the spouses will be limited to a total of 12 workweeks off between the two of them when the leave is for Bonding Leave or to care for a parent using Family Care Leave. The applicable "12-month period" utilized by the Company is the 12-month period measured backward from the date a team member uses FMLA leave. Under this method the 12-month period is measured backward from the day the team member uses any FMLA leave.

The maximum amount of FMLA Leave for a team member wishing to take Military Caregiver Leave will be a combined leave total of 26 workweeks in a single 12-month period. A "single 12-month period" begins on the date of the team member's first use of such leave and ends 12 months after that date. If both spouses work for the Company and are eligible for leave under this policy, the spouses will be limited to a total of 26 workweeks off between the two when the leave is for Military Caregiver Leave only or is for a combination of Military Caregiver Leave, Bonding Leave and/or

Family Care Leave Taken to Care for a Parent

To the extent required by law, some extensions to leave beyond a team member's FMLA entitlement may be granted when the leave is necessitated by a team member's work-related injury or illness or by a “disability” as defined under the Americans with Disabilities Act and/or applicable state or local law. Certain restrictions on these benefits may apply.

Intermittent or Reduced Schedule Leave

Under some circumstances, team members may take FMLA Leave intermittently, which means taking leave in blocks of time, or by reducing the team member's normal weekly or daily work schedule. A team member may take leave intermittently whenever it is medically necessary to care for a seriously ill family member, or because the team member is seriously ill and unable to work.



Leave taken intermittently may be taken in increments of no less one hour. Team members who take leave intermittently or on a reduced work schedule basis for a planned medical treatment must make a reasonable effort to schedule the leave so as not to unduly disrupt the Company's operations. Please contact Human Resources prior to scheduling planned medical treatment. If FMLA Leave is taken intermittently or on a reduced schedule basis due to foreseeable planned medical treatment, we may require team members to transfer temporarily to an available alternative position with an equivalent pay rate and benefits, including a part-time position, to better accommodate recurring periods of leave.

If a team member's request for intermittent leave is approved, the Company may later require the team member to obtain recertification of their need for leave. For example, the Company may request recertification if it receives information that casts doubt on a team member's report that an absence qualifies for FMLA Leave.

To the extent required by law, some extensions to leave beyond a team member's FMLA entitlement may be granted when the leave is necessitated by a team member's work-related injury/illness or a "disability" as defined under the Americans with Disabilities Act and/or applicable state or local law. Certain restrictions on these benefits may apply.

Notice and Certification

Bonding, Family Care, Serious Health Condition and Military Caregiver Leave Requirements

Team members are required to provide:

- When the need for the leave is foreseeable, 30 days advance notice or such notice as is both possible and practical if the leave must begin in less than 30 days (normally this would be the same day the team member becomes aware of the need for leave or the next business day);
- When the need for leave is not foreseeable, notice within the time prescribed by the Company's normal absence reporting policy, unless unusual circumstances prevent compliance, in which case notice is required as soon as is otherwise possible and practical;
- When the leave relates to medical issues, a completed Certification of Health-Care Provider form within 15 calendar days (for Military Caregiver Leave, an invitational travel order or invitational travel authorization may be submitted in lieu of a Certification of Health-Care Provider form);
- Periodic recertification (if required by law); and



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- Periodic reports during the leave.

Certification forms are available from Human Resources. At our expense, we may require a second or third medical opinion regarding the team member's own serious health condition or the serious health condition of the team member's family member. In some cases, we may require a second or third opinion regarding the injury or illness of a Covered Service Member. Team members are expected to cooperate with the Company in obtaining additional medical opinions that we may require.

When leave is for planned medical treatment, team members must try to schedule treatment so as not to unduly disrupt the Company's operation. Please contact Human Resources prior to scheduling planned medical treatment.

Recertification After Grant of Leave

In addition to the requirements listed above, if a team member's Family and Medical Leave is certified, the Company may later require medical recertification in connection with an absence that the team member reports as qualifying for Family and Medical Leave. For example, the Company may request recertification if (1) the team member requests an extension of leave; (2) the circumstances of the team member's condition as described by the previous certification change significantly (e.g., absences deviate from the duration or frequency set forth in the previous certification; team member's condition becomes more severe than indicated in the original certification; team member's encounter complications); or (3) the Company receives information that casts doubt upon the team member's stated reason for the absence. In addition, the Company may request recertification in connection with an absence after six months have passed since the team member's original certification, regardless of the estimated duration of the serious health condition necessitating the need for leave. Any recertification requested by the Company will be at the team member's expense.

Military Emergency Leave Requirements

Team members are required to provide:

- As much advance notice as is reasonable and practicable under the circumstances;
- A copy of the covered military member's active-duty orders when the team member requests leave and/or documentation (such as Rest and Recuperation leave orders) issued by the military setting forth the dates of the military member's leave; and



- A completed Certification of Qualifying Exigency form within 15 calendar days, unless unusual circumstances exist to justify providing the form at a later date.

Certification forms are available from Human Resources.

Failure to Provide Certification and to Return from Leave

Absent unusual circumstances, failure to comply with these notice and certification requirements may result in a delay or denial of the leave. If a team member fails to return to work at leave's expiration and has not obtained an extension of the leave, the Company may presume that the team member does not plan to return to work and has voluntarily terminated their employment.

Compensation During Leave

Generally, FMLA Leave is unpaid. However, team members may be eligible to receive benefits through state-sponsored programs or the Company's sponsored wage-replacement benefit programs. Team members are required to use accrued vacation and serious health condition pay, to the extent permitted by law and the Company's policy. Team members may also choose to use a portion, or all of their paid sick days as requested. All payments of wage-replacement benefits and accrued paid leave will be integrated so that team members will receive no greater compensation than their regular compensation. The use of paid benefits will not extend the length of a FMLA Leave.

Benefits During Leave

The Company will continue making contributions to team members group health benefits during their leave on the same terms as if team member had continued to actively work. This means that if the team member wants their benefits coverage to continue during their leave, they must also continue to make the same premium payments that they are required to make for themselves and/or their dependents. Team members taking Bonding Leave, Family Care Leave, Serious Health Condition Leave, and Military Emergency Leave will generally be provided with group health benefits for a 12-workweek period. Team members taking Military Caregiver Leave may be eligible to receive group health benefits coverage for up to a maximum of 26 workweeks. In some instances, the Company may recover premiums it paid on the team member's behalf to maintain health coverage if the team member fails to return to work following a FMLA Leave.

The team member's length of service as of the leave will remain intact, but accrued benefits such as vacation and sick leave may not accrue while on an unpaid FMLA Leave.



Job Reinstatement

Under most circumstances, team members will be reinstated to the same position they held at the time of the leave or to an equivalent position with equivalent pay, benefits, and other terms and conditions of employment. However, team members have no greater right to reinstatement than if they had been continuously employed rather than on leave. For example, if a team member would have been laid off if they had not gone on leave or, if their position was eliminated during the leave, then the team member will not be entitled to reinstatement.

Prior to being allowed to return to work, a team member wishing to return from a Serious Health Condition Leave must submit an acceptable release from a health care provider that certifies the team member can perform the essential functions of the job as those essential functions relate to the team member's serious health condition. For a team member on intermittent FMLA leave, such a release may be required if reasonable safety concerns exist regarding the team member's ability to perform their duties, based on the serious health condition for which the team member took the intermittent leave.

Key team members may be subject to reinstatement limitations in some circumstances. If team members are considered a "key team member," those team members will be notified of the possible limitations on reinstatement at the time they request a leave of absence.

Confidentiality

Documents relating to medical certifications, recertifications or medical histories of team members or team members' family members will be maintained separately and treated by the Company as confidential medical records, except that in some legally recognized circumstances, the records (or information in them) may be disclosed to supervisors and managers, first aid and safety personnel or government officials.

Fraudulent Use of FMLA Prohibited

A team member who fraudulently obtains Family and Medical Leave from the Company is not protected by FMLA's job restoration or maintenance of health benefits provisions. In addition, the Company will take all available appropriate disciplinary action against the team member due to such fraud.

Nondiscrimination

The Company takes its FMLA obligations very seriously and will not interfere, restrain or deny the exercise of any rights provided by the FMLA. We will not terminate or discriminate against



any individual for opposing any practice, or because of involvement in any proceeding related to the FMLA. If a team member believes their FMLA rights have been violated in any way, they should immediately report the matter to Human Resources.

Additional Information Regarding FMLA

Team members should contact Human Resources regarding any FMLA questions they may have.

State Law

A number of states have family leave laws that provide leave benefits which exceed those available to team members under the FMLA. Team members should contact Human Resources for additional information.

Non-FMLA Medical Leave of Absence

Team members who believe they need a medical leave of absence (and who are not eligible for FMLA or a related state law or who have exhausted FMLA) should contact the Human Resources department to discuss their options. Determinations regarding whether to grant the leave, the length of leave, continuation of benefits or reinstatement following leave will be made in accordance with applicable law. Medical certification of the need for the leave may be required. If approved, leave under this policy will run concurrently with leave under any other applicable local, state or federal law, to the extent permissible under federal law.

Personal Leave of Absence

Management has the discretion to approve a personal leave of absence for a maximum of twenty-one (21) days, without pay, for short-term personal reasons. As allowable by state law, a team member will be required to exhaust all earned vacation time at the beginning of any leave of absence. Requests for personal leave will be granted based on the circumstances surrounding the individual request and business needs. Managers must notify Human Resources of the approval of any personal leave of absence so that it may be recorded appropriately. Personal leaves may only be granted once every rolling 12- month period. Team members who do not return to work after the approved 21 days will be administratively terminated. Team members who are administratively terminated at the end of the 21- day leave may be eligible for rehire if all other requirements for employment are met. Team members rehired within 30 days of the administrative termination will maintain their original



hire date and benefit status upon rehire. Reinstatement following personal leave is not guaranteed.

Eligibility

An eligible team member is any part-time or full-time team member that has been employed for at least 6 months

Notification Requirement

The team member must provide advanced thirty (30) day notice, if applicable, to his/her manager in order to request a personal leave of absence. The request should include the reason for the leave and specific dates he/she is requesting to be out along with expected return to work date.

Continuation of Insurance

Team members enrolled in the Company's insurance plans must plan to pay their regular premiums during leave time. Failure to pay required premiums will result in cancellation of benefits.

The Company provides regular, full-time non-driver team members with short-term disability insurance (team member only), which provides a portion of replacement earnings for a qualifying disability period. The criteria for short-term disability benefits differs from FMLA leave, so each has its own forms for you and your medical provider to complete. FMLA leave will run concurrently with any approved Short-Term Disability benefits for eligible team members. The *GET IN GEAR with Benefits Non-Driver Guide* contains more details about the Short-Term Disability benefit.

Applying for Short-Term Disability (STD) Benefits

If you are enrolled in short-term disability insurance, you can initiate a short-term disability benefits claim by calling UNUM at (866)747-5871 as soon as your physician determines you are unable to work for an extended period of time. In addition, you must notify the Human Resources department regarding your inability to work.



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Long Term Disability

The Company also provides regular, full-time non-driver team members with long-term disability insurance (team member only), which provides a portion of replacement earnings for a qualifying disability period. You must be enrolled in short-term disability to be eligible for long-term disability benefits. The criteria for long-term disability benefits differs from FMLA leave and short-term disability benefits, and so each has its own forms for you and your medical provider to complete. FMLA leave will run concurrently with any approved Disability benefits for eligible team members. The *GET IN GEAR with Benefits Non-Driver Guide* contains more details about the Long-Term Disability benefit.

Applying for Long Term Disability (LTD) Benefits

If you are enrolled in long-term disability insurance and your disability is expected to continue beyond the STD maximum 22-week benefit period, your claim will automatically be moved to LTD in accordance with applicable law and policy. UNUM may need updated medical information to process your LTD claim. LTD benefits will not begin until UNUM has approved your claim. Please direct your questions regarding your LTD claim to UNUM at (800)633-7479.

Military Leave

The Company is proud of our team members who serve in the military. If you are requested to report for military duty, you will be excused for absences needed for your service.

Team members who are members of the National Guard or United States Reserve will be granted a temporary leave of absence without pay while engaged in military duty ordered for purposes of military training, drills, encampment, naval cruises and special exercises or like activities. This leave is not to exceed 17 calendar days annually, including time involved in going to and returning from such duty, unless otherwise required by applicable law. Collateral benefits will not be restricted or terminated because of a team member's temporary incapacity as a result of the team member's duty in the National Guard or Naval Militia, if the team member is ordered to duty or training for 52 weeks or less.

Reinstatement

Team members who are members of the National Guard or a state National Guard will be entitled to reinstatement upon return from a military leave for active service, so long as certain conditions are met. Team members returning from leave who were full-time team members will be restored to the same position or to a position of similar seniority, status and pay unless



the employer's circumstances have so changed as to make it impossible or unreasonable to do so and part-time team members will be restored to the same position or to a position of similar seniority, status and pay, if any exists, so long as:

- The team member is an officer or enlisted member of the National Guard of any state;
- The team member was called to active duty by the Governor of the state in which he or she serves in the National Guard or by the President of the United States;
- The team member received a certificate of satisfactory service in the National Guard;
- The team member is still qualified to perform the duties of the position;
- The team member's position was not temporary.

Time Limits for Reinstatement

- 1-30 days of service or for a fitness-for-service exam: Team member must return to work by the beginning of the first regularly scheduled work period after the end of the calendar day of duty, plus time required to return home safely and an eight-hour rest period. If this is impossible or unreasonable, then as soon as possible.
- 31-80 days of service: Team member must apply for re-employment no later than 14 days after completion of military service. If this is impossible or unreasonable through no fault of the team member, the application must be submitted as soon as possible.
- 181 or more days of service: Team member must apply for re-employment no later than 90 days after completion of military service.

For one year following reemployment, the Company will not discharge the team member without cause. Failure to return to work at the end of a military leave as provided by applicable law will result in the termination of your employment.

The Company will not discriminate against members of the military or naval services of any states or the United States.

To qualify for a military leave, you must provide Human Resources with a copy of your military service orders. The Company will comply with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and any other federal or state laws which are applicable to your military leave. Questions regarding military leaves should be directed to Human Resources.



Leave Extensions for All Leave Types

If you are unable to return to work for a medical reason pertaining to your own serious health condition, you must apply to extend your leave in order to cover the absence, before the leave is scheduled to end. For FMLA, if you need an extension of your approved leave, you must contact the 3rd party provider (UNUM) or contact the Human Resources department and follow their leave request process to apply for an extension.

Benefits Continuation While on Approved Leave

You must be on an approved leave in order to remain eligible for team member benefits. You will be billed separately for your required premiums during your leave. (If you do not receive these invoices, you must contact Human Resources to notify them of this.) Failure to pay the required premiums by the due date may result in termination of the benefits retroactive to the last date premiums were paid. If your benefits are terminated, you may have to wait until the next annual enrollment period to re-enroll in the lapsed benefits.

Benevolence Fund While on Approved Leave

The Company has a voluntary, team member-supported fund designed to provide temporary financial support for eligible emergency or crisis situations. Under certain circumstances, individuals on leave may be eligible for short-term assistance under this program. Please refer to the Get it in Gear – Non-Driver Benefit’s Guide eligibility and program details.



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Benefits & Perks

The Company benefits package is designed to assist you and your eligible dependents in meeting the financial burdens that can result from illness, disability, death, retirement and other personal issues. If any information in this handbook, the non-driver benefits guide or other benefits literature contradicts information in the master contracts or plan documents, the master contracts or plan documents shall govern in all cases. The Company reserves the right to amend or terminate any of its benefits programs or to change the team member contribution levels under any benefits plan with or without prior notice.

Benefits

All full-time, regular team members scheduled at least 30 hours per week are eligible to participate in the Company's benefits program on a contributory basis. Team member contributions are made through regular payroll deductions. The exact amounts you are required to contribute will vary according to the type of coverage you select.

The Company provides the following benefits to eligible team members as long as they meet all Plan eligibility requirements:

- Medical
- Health Savings Account
- Dental
- Vision
- Basic Life Insurance
- Short Term / Long Term Disability Insurance
- Voluntary Life Insurance for Team Member, Spouse and Child(ren)
- Voluntary Critical Illness/ Voluntary Accident
- Team member Assistance Program
- 401K Plan

For more information regarding the Company's benefits, please refer to the *GET IN GEAR with Benefits– Non-Driver Guide*.

To maintain eligibility, employment must remain in active status. For example, the team member must be working regularly scheduled shifts for the Company, or subject to other policies and requirements, on an approved leave of absence. Specifically, a team member's eligibility for medical, dental, vision, life, disability, retirement and health savings account will generally terminate immediately at the time of termination of employment. In such instances,



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team members and their eligible dependents may be eligible for continuation of some benefits pursuant to COBRA.

COBRA Continuation

If you and/or your dependents lose eligibility for coverage in the Company's group health plans due to COBRA qualifying events, you may be eligible to continue coverage at your own expense for a certain period of time, as designated under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA). Examples of COBRA qualifying events include, but are not limited to:

- Termination of employment with The Company for reasons other than gross misconduct
- Reduction in hours resulting in the loss of group health coverage
- Divorce or legal separation
- Dependent child ceases to be a dependent child under the group health plan

More information will be provided to you by the Company's third-party administrator should a qualifying event occur.

For more information on COBRA coverage or eligibility, please see your benefits guide or contact your Human Resources representative.

Workers Compensation Benefits

Despite everyone's best efforts to work safe and watch out for their own safety and the safety of others, sometimes accidents and injuries still happen on the job.

The Company abides by the workers' compensation laws as set forth by state law. Workers' compensation benefits are available to eligible team members for work-related injuries and illnesses in accordance with applicable law. Each work-related injury or illness MUST be reported within 24 hours of the incident. Failure to do so may result in a delay in benefits or other claim processing, and/or even in a claim's denial, and/or disciplinary action. All injury claims will be thoroughly investigated.

To report a work-related injury or illness, please notify your direct supervisor and/or the Incident Response Center (IRC) immediately. Per the Company's Alcohol Free and Drug Free Workplace Policy, you will be subject to mandatory post-accident drug screen. The post-accident drug screen must be completed within 16 hours after the injury is reported unless extenuating circumstances prevent you from being able to complete the test (i.e. being



hospitalized). Failure to complete the drug screen during this timeframe could result in the worker's comp claim being denied.

It is a violation of The Company policy, and potentially a crime, to provide false, incomplete or misleading information knowingly to any party regarding an on-the-job injury and/or a workers' compensation transaction for the purpose of committing fraud. The Company will aggressively investigate and prosecute fraudulent claims. Penalties include imprisonment, fines and denial of benefits.

The Company does not discipline or otherwise punish or retaliate against team members for filing a claim for workers' compensation benefits. Such team members are subject to all Company policies, however, including all safety rules, the drug and alcohol policy, attendance policies and the above policy regarding the duty to report all on-the-job accidents, illnesses and injuries as soon as they occur and the prohibition of fraud. Accordingly, team members who are injured on the job may still be disciplined for violating a Company policy, even though they will not be subject to discipline for filing a workers' compensation claim.

Unemployment Insurance

Under individual state unemployment laws, certain team members who are eligible may receive weekly benefits from the government in the event they become unemployed. The Company pays the entire cost of this insurance. For further details about this program, please contact your Human Resources representative.

EAP – Team Member Assistance Program

Our EAP program is designed to help our team members lead a happier and more productive life at home and at work. We encourage our team members to seek confidential assistance as needed from qualified Licensed Professional Counselors. This program helps our team members deal with problems in a confidential and safe environment by providing three visits available at no additional cost to the team member.

Should you require assistance with any problem which is impacting your personal and/or professional life, we encourage you to contact the EAP service at (800)854-1446 or at www.unum.com/lifebalance.



Corporate Chaplains of America

In addition to our EAP Program, the Company provides trained, professional full time Chaplains to provide personalized care at no cost to the team member. Maintaining confidentiality is the cornerstone of the program so private information shared with the Chaplain is NEVER disclosed to the Company unless at team member's request. *Local, state and federal laws require full disclosure in cases of child abuse or where persona safety is at risk.

The Chaplain's provide assistance in the following areas:

- Premarital counseling
- Marriage and family support
- Divorce care and support
- Spousal and child abuse
- Financial and budgeting mattes
- Planning and performing funeral services
- Courtroom visits
- Death and dying
- Hospital services
- Serious illness
- Depression, Anxiety and Mental Health issues
- Suicide prevention
- Addiction
- Long term grief support

Chaplain Contact Information:

Terry Brooks: Chattanooga (tbrooks@chaplain.org) 877-322-2427; Ext. 4421

Janice McKoy: La Vergne (jmckoy@champlain.org) 877-322-2427; Ext. 5119

George Sherman (gsherman@chaplain.org) 877-322-2427; Ext 4453

Kenny Bailey (kbailey@chaplain.org): 877-322-2427; Ext. 85131



Life Event Changes

Elections made as a new hire or during open enrollment must remain in effect for the entire plan year (January 1st – December 31st) unless you experience a life event. Some examples of common qualifying events include:

- Gain or loss of employment or other coverage
- Marriage, divorce or legal separation
- Birth or adoption
- Dependent children attaining age 26
- Death
- Legal judgments or decrees
- Change in employment status for your spouse
- Spouse's open enrollment

If you experience a life event, you have 31 days to notify a Benefits representative in the Human Resources Department of changes you would like to make to your pre-tax benefits. All changes will take place the date of the actual event (assuming the change is made within the 31- day period). In most instances, if the change is retroactive, back payroll deductions are due. The Human Resources Department reserves the right to require documented proof such as a marriage certificate or letter confirming coverage under another plan.

Birth Exception: Medical coverage changes take effect on the child's date of birth as long as the 31st day notification requirement is met.

If you are unsure whether an event would qualify as a life event or if you have questions, please contact Human Resources.



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Termination of Employment

Separation from the Company

The Company strives to create an ethical work environment that will allow individuals to have a long, fruitful career with us. However, we understand that various reasons may necessitate your leaving the Company. If you wish to resign your employment, we would appreciate if you would notify the Company at least two weeks in advance of your intended resignation so that we can locate a replacement. Such notice should preferably be given in writing to your direct supervisor with a copy sent to the Human Resources Department.

Insurance Benefits

COBRA (Medical, Dental & Vision)

Upon termination of employment, each insurance carrier will be notified. The last day of insurance coverage will be the last day of employment with The Company, unless COBRA is elected. Benefits eligible for continuance under COBRA are Medical, Dental and Vision.

Eligible participants will receive a COBRA packet at their home address within 30 days of the COBRA qualifying event (employment termination). The COBRA packet contains information regarding your rights under COBRA and instructions for electing coverage.

COBRA (Consolidate Omnibus Budget Reconciliation Act) – an IRS and DOL employer law requiring continuation provisions for a qualified beneficiary losing insurance coverage under a health, dental or Rx plan. The qualified beneficiary (team members and/or dependents) active on coverage the day before a qualifying event has an individual right for continuation of coverage for a period of time. These benefits are provided to the qualified beneficiary on a self-pay basis and may also include a 2% administrative fee.

Team members who elect COBRA medical, dental and/or vision coverage will be responsible for the full monthly premium plus 2% administration fee.

Questions regarding COBRA may be directed to Web Benefits Design (the Company's COBRA administrator) at 888-510-5635.



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Supplemental Policies

Team members who have chosen a supplemental policy through UNUM will be able to continue Critical Illness, Accident and Voluntary Life policies by continuing their bank drafts.

Team members who have elected supplemental life insurance coverage, such as Voluntary Team member Life, Voluntary Spouse Life, and/or Voluntary Child Life, must contact UNUM at (800)445-0402 (www.unum.com) to convert and/or port their life insurance into an individual policy upon termination. Election forms to convert or port coverage and initial premium payment must be submitted to UNUM within 31 days of employment termination.

401(k) Retirement Plan

Upon employment termination, participants may rollover their vested account balance into another qualified plan or IRA account or request disbursement of their funds. Any loans not paid off may be subject to default and applicable taxes and penalties. Total processing time for 401k distributions and/or rollovers is 4 to 6 weeks. To initiate the distribution or rollover, the team member should contact Transamerica at (800)755-5801. A customer service associate will walk the team member through the entire process to its completion.

Unused Vacation

Unused vacation time will not be paid out in the team member's final paycheck upon separation of employment, unless otherwise required by applicable law.

Final Pay

Any payment due will be provided on the next regular pay period or as mandated by the state in which the team members work. Payment will be provided in the same method as it was provided while actively employed (direct deposit or paper check) unless otherwise mandated by state law.

Pay Stubs & W2's

Pay stubs and W-2s may be accessed and printed from your respective company's team member self-service portal for up to 2 years following termination of employment.



Team Member Acknowledgement of Receipt of Handbook

By completing the review of this handbook through CTG Policies, I acknowledge that I have received and read a copy of the Company's Team Member Handbook. I understand that the Team Member Handbook sets forth the terms and conditions of my employment with the Company as well as the duties, responsibilities and obligations of employment with the Company. I understand that the Company has provided me various alternative channels (including anonymous and confidential channels), to raise concerns of violations of this handbook and company policies and encourages me to do so promptly so that the Company may effectively address such situations, and I understand that nothing herein interferes with any right to report concerns, make lawful disclosures, or communicate with any governmental authority regarding potential violations of laws or regulations. I agree to abide by and be bound by the rules, policies and standards set forth in the Team Member Handbook.

I acknowledge that my employment with the Company is at-will, meaning that it is not for a specified period of time and that the employment relationship may be terminated at any time for any reason, with or without cause or notice, by me or the Company. I further acknowledge that only the President or that person's authorized representative has the authority to enter into an agreement that alters the fact that my employment with the Company is at-will. Any such agreement must be in writing and signed by the President or an authorized representative.

I further acknowledge that the Company reserves the right to revise, delete and add to the provisions of the Team Member Handbook, but that all such revisions, deletions or additions must be in writing. No oral statements or representations can change the provisions of the Team Member Handbook. Furthermore, the Company's policy of at-will employment may only be changed as stated in the prior paragraph.

I understand and acknowledge that nothing in this Team Member Handbook or in any other document or policy is intended to prohibit me from reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission ("EEOC"), National Labor Relations Board ("NLRB"), Securities and Exchange Commission ("SEC") or any other federal, state or local agency charged with the enforcement of any laws.

I also understand and acknowledge that nothing about the policies and procedures set forth in this Team Member Handbook should be construed to interfere with any team member rights provided under state or federal law, including Section 7 of the National Labor Relations Act.



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I have read and understand the above statements.

Team Member Signature

Print Name

Date

By viewing this document on Covenant Learn and clicking on either "Next" or "Exit" from the end of the course, you are certifying that you have read and understand this handbook.