

Don't Forget To T.R.U.S.T

To act as one team.

Passionate Employee owners who have fun and create positive relationships by collaboratively working together, striving to be better at everything we do while remaining accountable to ourselves.

To always show respect.

Embrace diversity, treating everyone with integrity, dignity, humility, and professionalism while providing a healthy, safe environment for employees and the communities we serve.

To understand the job.

Be steadfast in gaining knowledge, insight, and a commitment to own our words, actions, decisions, and the ability to compromise.

To be of service.

Deliver results that meet or exceed expectations for both internal and external customers, upholding our commitment to world-class quality and service standards.

To be transparent in our actions.

Be honest and practice open communication that lacks hidden agendas or conditions.



ESOP

EMPLOYEE STOCK OWNERSHIP PLAN

Have More
Questions About
ESOP?

Reach out to your facility
ESOP member or email:
ESOPcommittee@havilandusa.com

ESOP
HAVILAND



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What is ESOP?

ESOP stands for **Employee Stock Ownership Plan**.

Which means that 100% of the Haviland Enterprises, Inc. stock is owned by employees via a Trust. Employees benefit from the long-term success of the company.

How Do I Qualify?

- Being 18 years or older
- Work 1,000 Hours
- Enter the Plan on January 1st OR July 1st (following the date of hire)
- Must be Employed on December 31st
- Reach 6 years of employment to be fully vested

What Is Vesting?

Vesting is the percentage of your account balance you would receive if you left the company. Below is the Vesting schedule with Haviland Enterprises, Inc:

<u>Years of Employment</u>	<u>Vesting Percentage</u>
Year 1	0%
Year 2	20%
Year 3	40%
Year 4	60%
Year 5	80%
Year 6	100%

What Does it Mean For Me?

On top of a 401(K) match, which most companies provide, Haviland also gives employees shares of Haviland Enterprises, Inc. stock each year. **This stock contribution ranges from 7-8 % of total wages and is calculated based on your wages and years of service.**

This equates to an additional **\$3,000/ year** for someone making \$40,000/ year.

You do NOT need to contribute any of your own money to receive shares.

You will **benefit each year** from this stock contribution **in addition to benefiting from any increases in stock price** during your tenure with the company.

Your retirement account **will grow faster** due to the ESOP stock contributions.

We all have the ability to positively impact the company's performance, which will contribute to the **growth in your retirement account** along with the accounts of your coworkers.

The size of the benefit depends on the long-term performance of the company.



How Can I Maximize Value?

Work Safely

Do things right the first time

Go the extra mile - even if its not "My Job"

If you see something - Speak Up!

- Subpar work
- A mistake in a formula
- Coworker forgetting a step in the process
- A process improvement to drive efficiency

Maintain a positive attitude

Work as a TEAM

ESOP vs. 401(K)

Here are some similarities and differences that can help you understand the difference between a ESOP company vs a 401(K):

Similarities:

Employee Retirement Plan

Company contributes money to the plan each year

Governed by the **Department of Labor (DOL)** and **Internal Revenue Service (IRS)**

Differences:

Employees do NOT need to contribute to receive a company contribution.

ESOP invests in company stock instead of publicly traded companies.

ESOPs give employees the ability to impact their retirement.

Downside: Heavy reliance on the performance of one company