

JANUARY 1, 2018-DECEMBER 31, 2018

AND ACTIVE DUTY WARTIME OR CAMPAIGN BADGE VETERANS  
ARMED FORCES SERVICE MEDAL AWARD VETERANS,  
DISABLED VETERANS, RECENTLY SEPARATED VETERANS,  
FOR DISABLED WORKERS AND FOR  
AFFIRMATIVE ACTION PLAN  
EQUAL EMPLOYMENT OPPORTUNITY

OCEANSIDE, CA 92056

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HERBERT INC.

1. Equal Employment Opportunity Policy Statement  
41 C.F.R. §§ 60-300.44(a); 60-741.44(a)

a. The policy of the Company is to provide equal opportunity to all persons without regard to race, color, sex, sexual orientation, gender identity, religion, national origin, age, disability, and status as Disabled Veteran/Recently Separated Veteran/Armed Forces Service Medal Veteran/Active Duty Wartime or Campaign Badge Veteran (collectively referred to as "Protected Veterans"), or other bases protected by applicable law. Company policy prohibits harassment of applicants or employees related to these bases. The Company has established a continuing affirmative action program to assure equal employment opportunity in all its policy decisions affecting recruitment, selection, assignment, promotion, training, and all other terms and conditions of employment. The EEO/AAP for Disabled Workers and for Protected Veterans, absent data metrics, is available to employees and applicants in the EEO Coordinators office during normal business hours. The Company will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship.

b. For information regarding the Company's internal policies for addressing complaints of harassment, please refer to the Company's Policy Against Harassment.

c. Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or EEO Coordinator. Employees can raise concerns and make reports without fear of reprisal, harassment, intimidation, threats, coercion or discrimination because they: (1) file a complaint with the Company or with federal, state, or local agencies; (2) assist or participate in any investigation, compliance review, hearing, or any other activity related to the administration of any federal, state, or local EEO opportunity or affirmative action statute for disabled persons and Protected Veterans; (3) oppose any act or practice made unlawful by federal, state or local law requiring EEO or Veterans Readjustment Assistance Act of 1974, as amended (VEVRAA) or Section 503 of the Rehabilitation Act of 1973, as amended (Section 503), or the Jobs for Veterans Act of 2002 (JVA), or their implementing regulations.

d. The Company maintains an audit and reporting system to determine overall compliance with its equal employment opportunity mandates and to respond to any specific complaints applicants or employees file with the Company's equal employment opportunity office. Overall responsibility for the implementation of the Company's equal employment opportunity programs and for affirmative action compliance activities is assigned to the EEO Coordinator.

e. Employees who believe themselves covered and wish to benefit under the affirmative action plan are invited to identify themselves and assured that such identification is purely voluntary and refusal to provide it does not subject them to adverse treatment. Such information is considered confidential and is used only in accordance with applicable law.

2. Review Of Personnel Processes 41 C.F.R. §§ 60-300.44(b); 60-741.44(b)

a. The Company ensures that its personnel processes provide for careful, thorough, and systematic consideration of the job qualifications of applicants and employees with known disabilities and for Protected Veterans for job vacancies filled either by hiring or promotion, and for all training opportunities offered or available.

b. The Company ensures that, when Protected Veterans are considered for employment opportunities, the Company relies only on that portion of the individual's voluntary record (including discharge papers) that is relevant to the requirements of the opportunity at issue.

c. The Company ensures that its personnel processes do not stereotype disabled persons or Protected Veterans in a matter which limits their access to jobs for which they are qualified.

d. The Company periodically reviews its processes and makes any necessary modifications to ensure that these obligations are carried out. Where the Company deems it desirable, and practical to do so, the Company may consider adopting, among others, the following procedures as a way to facilitate a review of the implementation of these requirements. The following procedures which are (along with other possible procedures) available for consideration by the Company are drawn from, among other things, OFCCP's Regulations implementing VEVRAA, Section 503 and JVA: (1) Where it is deemed desirable and practical, the Company may annotate the application or personnel form of each applicant with a known disability or known to be a Protected Veteran to identify each vacancy for which it considered the applicant; (2) Where it is deemed desirable and practical, the personnel or application records of each individual with a known disability or Protected Veteran may include (i) identification of each promotion for which the employee with a disability or Protected Veteran was considered, and (ii) the identification of each training program for which the individual with a disability or Protected Veteran was considered; (3) Where it is deemed desirable and practical, in each case in which an employee or applicant with a disability or Protected Veteran is rejected for employment, promotion, or training, the Company may append a statement of the reason to the personnel file or application form as well as a description of any accommodations considered if disability was the reason for rejection. The Company may consider making this statement available to the applicant or employee concerned upon request; (4) Where it is deemed desirable and practical, the application form or personnel record may contain a description of any accommodation which made it possible to place an individual with a disability or a Protected Veteran on the job.

3. Physical And Mental Qualifications 41 C.F.R. §§ 60-300.44(c); 60-741.44(c)

a. The Company reviews all physical and mental job qualification requirements as new ones are established to ensure that, to the extent qualification requirements screen out or tend to screen out qualified disabled individuals or Protected Veterans, they are job-related and consistent with business necessity and the safe performance of the job.

b. To the extent that physical or mental job qualification requirements screen out or tend to screen out qualified disabled individuals or Protected Veterans in the selection of employees or applicants for employment or other changes in employment status such as promotion or training, the Company assures that the requirements are related to the specific job(s) for which the individual is being considered and are job related and consistent with business necessity and the safe performance of the job.

**4. Reasonable Accommodation Of Impairments**  
41 C.F.R. §§ 60-300.44(d); 60-741.44(d)

a. The Company makes reasonable accommodation to the known physical or mental limitations of all otherwise qualified individuals with a disability or disabled veterans unless it can demonstrate that the accommodation would impose an undue hardship on the operation of the business.

b. If an employee with a known disability is having significant difficulty performing his or her job and it is reasonable to conclude that the performance problem may be related to the known disability, the Company will attempt to confidentially notify the employee of the performance problem and inquire whether the problem is related to the employee's disability. If the employee responds affirmatively, the Company will confidentially inquire whether the employee is in need of a reasonable accommodation.

c. Employees may contact the EEO Coordinator or other appropriate Company representative at any time to request an accommodation.

**5. Harassment**

41 C.F.R. §§ 60-300.44(e); 60-741.44(e)

The Company has developed and implemented procedures to ensure that its employees with disabilities and Protected Veterans are not harassed because of their disability or Protected Veteran status.

**6. External Dissemination Of Policy, Outreach And Positive Recruitment**  
41 C.F.R. §§ 60-300.44(f); 60-741.44(f)

a. Notice to Subcontractors. The Company undertakes appropriate outreach and positive recruitment activities that are reasonably calculated to effectively recruit employees, including those who are disabled or Protected Veterans. The Company sends written notice of its EEO/AA Policy to subcontractors, including subcontracting vendors and suppliers, requesting appropriate action on their part.

b. Posting with state employment services. Where appropriate, the Company lists suitable employment openings with the state employment service delivery system ("SESDS"), or other approved employment delivery system, in a manner and format permitted by the appropriate SESDS, which will allow that system to provide priority referrals of veterans protected by VEVRAA for that vacancy, and such listings shall be made concurrently with the use of any other recruitment source or effort. The Company will work with each such SESDS agency in each state where it has establishments to advise it, at the time of the Company's first job listing related to the

SESDS, that (1) it is a Federal contractor, (2) it desires priority referrals of Protected Veterans at all locations within the state, (3) provide the name and location of each hiring location within the state, (4) the contact information for the official responsible for hiring at each location, and (5) the contact information of any external job search organization, if utilized.

c. Veteran Recruitment & Outreach. The scope of the Company's efforts depend on the circumstances, and may, where deemed appropriate and practical, include consideration of the following activities:

(1) Recruitment/On-the-Job Training. The Company may enlist the assistance and support of the following sources in recruiting and developing on-the-job training opportunities for qualified Protected Veterans. These might include:

(a) The Local Veterans' Employment Representative in the state employment services nearest to the Company establishment,

(b) The nearest Department of Veterans Affairs Regional office,

(c) College placement officers and the veterans' counselors and coordinators ("Vet-Reps") on college campuses,

(d) The service officers of the national veterans' groups active near the Company establishment,

(e) Local veterans' groups and veterans' service centers near the Company establishment,

(f) The Department of Defense Transition Assistance Program (TAP), or successor program,

(g) Any organization listed in the Employer Resources section of the National Resource Directory, or successor service.

(2) Actions for meaningful employment opportunities. The Company may consider taking the actions below, as appropriate and practical, to help provide meaningful employment opportunities to protected veterans:

(a) The Company may hold formal briefing sessions on Company premises, with representatives from recruiting sources, with tours and explanations of current and future openings, and arrangements for referrals of applicants, follow up with sources, and feedback on applicant disposition.

(b) The company's recruitment efforts at educational institutions may incorporate special efforts to reach students who are Protected Veterans.

(c) The Company may try to participate in work-study programs with Department of Veterans Affairs rehabilitation facilities which specialize in training or educating disabled veterans,

(d) Protected veterans may be made available for participation in career days, youth motivation programs, and related activities in their communities.

(e) The Company may take steps it deems necessary to attract qualified Protected Veterans not currently in the work force who have requisite skills and can be recruited through affirmative action measures. (OFCCP's regulations state that these persons may be located through the local chapters of organizations of, and for, any of the classifications of Protected Veterans).

(f) The Company may consider listing job openings with the National Resource Directory's Veterans Job Bank, or any future service that replaces or complements it.

d. Disability Recruitment & Outreach. The scope of the Company's efforts depend on the circumstances, and may, where deemed appropriate and practical, include consideration of the following activities:

(1) Recruitment/On-the-Job Training. The Company may enlist the assistance and support of the following sources in recruiting and developing on-the-job training opportunities for qualified individuals with disabilities. These might include:

- (a) The State Vocational Rehabilitation Service Agency (SVRA)
- (b) The nearest Employment One-Stop Career Center (One-Stop) or American Job Center,
- (c) The Department of Veterans Affairs Regional Office nearest the Company establishment,

(d) Entities funded by the Department of Labor that provide recruitment or training services for individuals with disabilities, such as those provided (in 2014) through the Employer Assistance and Resource Network (EARN),

(e) Local Employment Network (EN) organizations listed in the Social Security Administration's Ticket to Work Employment Network Directory,

(f) Local disability groups, organizations, or Centers for Independent Living (CIL) near the Company,

(g) Placement or career offices of educational institutions that specialize in the placement of individuals with disabilities,

(h) Private recruitment sources, such as professional organizations or employment placement services that specialize in the place of individuals with disabilities.

(2) Actions for employment opportunities. The Company may consider taking the actions below, as appropriate and practical, to help provide employment opportunities to individuals with disabilities:

(a) The Company may hold formal briefing sessions on Company premises, with representatives from recruiting sources, with tours and explanations of current and future openings, and arrangements for referrals of applicants, follow up with sources, and feedback on applicant disposition.

(b) The company's recruitment efforts at educational institutions may incorporate special efforts to reach students who are individuals with disabilities.

(c) The Company may try to participate in work-study programs with Department of Veterans Affairs rehabilitation facilities which specialize in training or educating disabled veterans,

(d) Individuals with disabilities may be made available for participation in career days, youth motivation programs, and related activities in their communities.

(e) The Company may take steps it deems necessary, appropriate and practical to attract qualified individuals with disabilities not currently in the work force who have requisite skills and can be recruited through affirmative action measures. (OFCCP's regulations state that these persons may be located through the State and local agencies supported by the U.S. Department of Education's Rehabilitation Services Administration (RSA), local Ticket-to-Work Employment Networks, or local chapters of groups or organizations that provide services for individuals with disabilities.)

e. Assessment of External Outreach and Recruitment Efforts.

(1) Annually, the Company shall evaluate the effectiveness of its outreach and recruitment efforts for individuals with disabilities and Protected veterans.

(a) The Company will document that evaluation. The documentation will include the criteria it used to evaluate its outreach and recruitment efforts.

(b) The criteria shall include the current and prior two years data collected pursuant to 41 C.F.R. §§ 60-300.44(k); 60-741.44(k), which is data for the total of all jobs at the establishment, specifically:

- 1) The total number of applicants for all jobs at the establishment;
- 2) The total number of applicants who self identified (or are otherwise known to be) Protected Veterans;
- 3) The total number of applicants who self identified (or are otherwise known to be) Individuals with Disabilities;
- 4) The total number of applicants hired at the establishment;
- 5) The total number of Protected Veteran applicants hired;
- 6) The total number of applicants with disabilities hired;
- 7) The total number of job openings at the establishment;
- 8) The total number of jobs filled at the establishment (by new hire or competitive promotion).

(5) The Company may include articles on the accomplishments of disabled employees and Protected Veterans in Company publications.

(4) As deemed appropriate, the Company may discuss the policy thoroughly at both employee orientation and management training programs.

(3) The Company may, as needed, publicize in its Company publications its anti-discrimination and anti-harassment policies, conduct special meetings with executive, management and supervisory personnel to explain, from time to time, the intent of the Company's anti-discrimination and anti-harassment policies and individual employee responsibility for effective implementation.

(2) The Company may, as needed, periodically inform all employees and applicants of its commitment to engage in affirmative action to increase employment opportunities for qualified individuals with disabilities and Protected Veterans.

(1) The Company may include its policies on equal employment and harassment in its Employee Handbook or other publications.

c. The scope of the Company's efforts depends on the circumstances, and may, where deemed appropriate, include consideration of the following potential activities:

b. The Company includes EEO/AA Policy, including its policy of affirmative action efforts to employ and advance in employment qualified Protected veterans and qualified individuals with disabilities, in its policy manual or equivalent document, or otherwise makes it available to employees, and to the extent there exists a union, notifies union officials of its EEO/AA Policy and requests their cooperation.

a. The Company recognizes the value of adequate internal support from supervisory and management personnel and other employees. To assure greater employee cooperation and participation in the Company's efforts with respect to the disabled and Protected Veterans, the Company has developed internal procedures to communicate its obligation to engage in affirmative action efforts to employ and advance in employment qualified Protected Veterans and qualified individuals with disabilities. These procedures are designed to foster understanding, acceptance and support among the Company's executives, management, supervisory and other employees and to encourage such persons to take the necessary actions to aid the Company to meet its obligations.

**7. Internal Dissemination Of Policy 41 C.F.R. §§ 60-300.44(g); 60-741.44(g)**

(3) The Company will document all activities it takes under this section and retain that documentation for three (3) years.

(2) If the Company concludes that the totality of its recruitment and outreach efforts were not effective in identifying and recruiting qualified individuals with disabilities and Protected Veterans, it will identify and implement alternative efforts, including, as appropriate, from among those listed in Section 6 of this AAP.



(6) When employees are featured in employee handbooks and similar employee publications, the Company may consider including individuals with disabilities and Protected Veterans, as well as all other employees.

**8. Audit And Reporting System 41 C.F.R. 60-300.44(h); 60-741.44(h)**

a. The Company has designed and implements an audit and reporting system that: (1) Measures the effectiveness of the Company's affirmative action program; (2) Indicates any need for remedial action; (3) Determines the degree to which the Company's objectives are being attained; (4) Determines whether individuals with known disabilities and Protected Veterans have had the opportunity to participate in all Company sponsored educational, training, recreational and social activities; and (5) Measures the Company's compliance with the affirmative action program's specific obligations. The Company documents actions taken to comply with the foregoing matters.

b. Where the Company finds the affirmative action program to be deficient, the Company will undertake necessary action to bring the program into compliance.

**9. Responsibility For Implementation 41 C.F.R. §§ 60-300.44(i); 60-741.44(i)**

The EEO Coordinator is responsible for the Company's affirmative action activities and for implementing, monitoring, and administering the Program. The EEO Coordinator has been given top management support and the necessary staff to manage implementation of this Program. Managers are responsible for implementation of the Affirmative Action Program within their area of responsibility.

**10. Training 41 C.F.R. §§ 60-300.44(j); 60-741.44(j)**

The Company trains all personnel involved in the recruitment, screening, selection, promotion, disciplinary, and related processes to ensure that the commitments in the Company's affirmative action program are implemented as to the disabled individuals and Protected Veterans.

**11. Benchmarks for Hiring Protected Veterans 41 C.F.R. § 60-300.45**

The Company adopts the annual hiring benchmark as established by OFCCP and published on the OFCCP website. It is the measure of the percentage of total hires in all jobs at the establishment that are Protected Veterans. It is not a quota, but only a means to measure the Company's progress toward achieving or continuing equal employment opportunity for Protected Veterans. The pertinent data appears in the Appendices.

12. Utilization Goals for Individuals with Disabilities  
41 C.F.R. § 60-741.45

a. Utilization Goal. OFCCP has mandated a utilization goal of seven (7) percent employment of individuals with disabilities for each job group in the Company's establishment. OFCCP may periodically change this percentage utilization goal.

b. Annual Evaluation. The Company will annually evaluate its utilization of individuals with disabilities in each job group. The pertinent data appears in the appendices.

c. Identification of Problem Areas. 41 C.F.R. § 60-741.45(e).

(1) If the percentage of individuals with disabilities in any job group is less than the utilization goal, the Company will take steps to determine whether impediments to equal employment opportunity exist. That determination of whether such impediments exist will be based on an assessment of (1) the Company's personnel processes, (2) the effectiveness of its outreach and recruitment efforts, (3) the results of its AAP audit, and (4) other areas in the Company's judgment that might affect the success of the AAP.

(2) Being under the arbitrarily determined utilization goal does not itself necessarily trigger such an assessment of potential impediments, nor does it by itself necessarily lead to a conclusion that an impediment to EEO exists. The evaluation, assessment and conclusions will be based on a review of the totality of factors. OFCCP regulations are clear that the utilization goals is not a quota or a ceiling, and that failure to have utilization attain the goal is not a finding of, or an admission of, discrimination in violation of applicable regulations.

d. Action-Oriented Programs. 41 C.F.R. § 60-741.45(e). If the Company specifically identifies problem areas, it will develop and execute action-oriented programs designed to correct the identified problems. Such programs may include, where deemed appropriate or advisable, (1) modifications of personnel policies to ensure equal employment opportunity for individuals with disabilities, (2) alternative or additional outreach and recruitment efforts, including those mentioned in Section 6 of this AAP and in the regulations at §§ 60-741.44(f)(1) and (2).

**Appendix A**  
Evaluation of External Outreach and Recruitment Efforts

A. Evaluation of External Outreach and Recruitment Efforts. [41 C.F.R. §§ 300.44(f)(3); 741.44(f)(3)]. The data related to number of applicants and hires of individuals with disabilities and Protected Veterans, and the representation of individuals with disabilities in each of the Company's job groups, and other relevant data does not cause the Company to conclude that significant impediments exist to equal employment opportunity for Protected Veterans or individuals with disabilities or that the Company's outreach and recruitment efforts have been ineffective. These conclusions are based on, among other things, (1) the specific data as gathered pursuant to 41 C.F.R. §§ 60-300.44(k) and 741.44(k), (2) data as gathered and referred to in Section 6 of this AAP, and (3) the Company's records as gathered of referrals of Protected Veterans or individuals with disabilities by governmental and non-governmental entities, both for the past year, and where appropriate, the prior two years.

B. Problem Areas. [41 C.F.R. § 741.45(e)]. In analyzing the Company's personnel processes, the effectiveness of its outreach and recruitment efforts, the results of any AAP audits the Company has conducted, and the percentage of employees in each job group who are individuals with disabilities, the Company has concluded that there are no identified impediments to equal employment opportunity for individuals with disabilities, and thus, no identified problem areas. Pursuant to the OFCCP regulations, the fact that the Company has not attained the utilization goal in one or more job groups does not constitute discrimination against individuals with disabilities, and thus, does not itself necessarily constitute a problem area or indicate an impediment to equal employment opportunity.

C. Action-Oriented Programs. 41 C.F.R. § 741.45(f). In the absence of identified problem areas regarding individuals with disabilities, no specific action-oriented programs for correction are specified. However, in our ongoing effort to ensure the absence of impediments to equal employment opportunity for individuals with disabilities, the Company will continue to review personnel processes, as well as considering other actions, including actions identified in Sections 6 and 7 of this AAP.