

# **Flexible Time Off (FTO) Policy**

## **Effective Date: April 1, 2024**

## Purpose

Paid time away from work offers employees the opportunity to rest and relax away from the demands of the workplace. Taking time away is critical to maintaining a healthy work-life balance, and Zebra encourages employees to leverage the Flexible Time Off (FTO) policy to address needs outside of the workplace. FTO aims to provide eligible employees with the flexibility to take time off as needed, provided they continue to meet their role's responsibilities and the needs of the business.

## Policy Scope

U.S. based exempt employees are eligible to participate in Flexible Time Off (**FTO**) and are not eligible for any other form of Paid Time Off ("PTO").

## Policy Details

Eligible employees may use FTO for any reason including vacation, personal, sick/illness<sup>1</sup>, etc. FTO does not have minimums, maximums, or a set balance; however, the maximum number of consecutive weeks that an eligible employee may take is two weeks at one time. Exceptions to the two weeks at one time rule can be made by your manager. Please discuss with your manager prior to scheduling time off in Kronos. With FTO, employees will still be expected to communicate with their managers and provide reasonable advance notice where the use of time off is foreseeable. Employees must submit their FTO requests via Kronos and have them approved by their manager ahead of time, where possible. When entering FTO in Kronos, employees will designate their FTO as "Sick/statutory" or "Personal/vacation/statutory."<sup>2</sup>

---

<sup>1</sup> FTO may be use for any reason, including but not limited to vacation, personal, sick/illness and any of the reasons below:

- diagnosis, treatment, recuperation, or preventative care (including attending appointments with medical providers) for a medical or mental health condition, illness, or injury of employee or employee's family member;
- safe time reasons including legal action, counseling or other services for domestic abuse, sexual assault, or stalking ("safe time")
- the closure of the business or an employee's need to care for a child whose day care or school has been closed for public health or safety reasons, or care for the employee or the employee's family member where health authorities determine that the individual's presence will jeopardize others' health; or
- for any other purpose set forth in an applicable state or local law or ordinance designating specific permitted uses for safe and sick time or leave.

For purposes of this policy, family member means an employee's spouse, domestic partner, child, including a biological, adopted, foster, or step child, legal ward, child of a spouse or domestic partner, or any individual with whom the employee has or had an in loco parentis relationship, a parent (including a biological, adopted, foster, or step parent), parent of a spouse or domestic partner, or any individual who was the employee's legal guardian or has or had an in loco parentis relationship with the employee, sibling, grandparent, grandchild, a member of the employee's household, or anyone related by blood or affinity equivalent to a family relationship.

<sup>2</sup> In any location that may mandate that employees be able to take a minimum amount of paid time off ("**Statutory PTO**"), any FTO recorded in Kronos will count towards the required Statutory PTO. Statutory PTO may include applicable laws and regulations which provide employees paid sick time or safe time or leave. Unless otherwise provided by law, Statutory PTO shall not be vested or accrued and shall not be paid out when an employee leaves the Company.

Time away from work is beneficial, and all employees are encouraged to take it; however, no particular amount of time off is promised, guaranteed, vested or accrued and the amount of FTO employees take will vary for each individual. Because employees do not accrue paid time off under FTO, no “unused” FTO time will carry over from year to year and FTO will not be paid out when an eligible employee leaves the Company. FTO is not a form of additional wages for service but is part of our approach to providing a flexible work schedule. FTO cannot be taken after the last day worked in order to extend the period of employment.

### **Coordination with Leaves of Absence**

Zebra offers several types of leaves of absences (e.g. FMLA, STD, Parental), which are separate from FTO. Generally, a maximum of two consecutive weeks may be taken with other leaves of absences. Please refer to those specific policies for additional information on how FTO coordinates with those specific leave policies.

For example:

- Employees on an unpaid leave of absence may use up to two consecutive weeks of FTO to receive pay during the unpaid leave.
- Employees on a paid leave of absence may use FTO to extend such leave for up to two consecutive weeks.
- Employees may use FTO during the 5-day elimination period when going out on Short-term Disability Leave.

Employee will not be paid at a rate of greater than 100% of base salary.

### **Legacy PTO**

As of March 31, 2024, employees stopped accruing PTO hours. Employees with any accrued, unused PTO hours as of April 1, 2024, will have those hours banked separately and it will be referred to as “Legacy PTO.” Employees with Legacy PTO may use Legacy PTO in combination with paid Short-term Disability Leave benefits to supplement pay if the STD leave continues from week 7 up through 26 weeks. Note: FTO cannot be used to supplement pay from weeks 7 through 26. Refer to STD policy for further details. In addition, employees who have Legacy PTO may request to use Legacy PTO when FTO is not available.

Any Legacy PTO not used by an employee will be paid out upon separation of employment.

**Transition/Policy Effective Date**

The FTO policy will become effective April 1, 2024. Beginning April 1, 2024, eligible employees will no longer accrue PTO under Zebra PTO policies.

An exception to this policy may only be made by the Chief People Officer or their designee/Policy Owner.

## Issuance and Revision History

Policy Originator	Effective Date	Version Number	Summary of Change
Tom Noble	04/01/2024	1.0	Initial Release
Tom Noble	07/15/2024	2.0	Added language about extending employment by taking FTO