



FAQ — NON-EXEMPT PAID TIME OFF

Beginning Jan. 1, 2026, non-exempt (hourly) legacy SPARC associates will begin earning Paid Time Off (PTO) hours under the Catalyst Brands PTO policy.

Who is eligible for PTO?

All full-time associates begin accruing PTO hours on their date of hire. Part-time associates become eligible for PTO after one year of service.

How much PTO will I earn?

Full-time associates can accrue up to 136 hours (17 days) per year, beginning on their hire date. The amount of time you accrue increases with tenure, up to 272 hours (34 days) after 25 years of service.

Time accrues per pay period based on your actual hours worked. For example, on your date of hire, you will earn 0.0654 hours of PTO for every hour worked. In a two-week pay period in which you work 80 hours, you will earn 5.232 PTO hours. Over 26 pay periods in the year, you have the opportunity to earn $5.232 * 26 = 136$ hours.

Part-Time associates accrue PTO following one year of service at a rate of 0.0192 hours per hour worked. The maximum PTO accrual for a part-time associate is 40 hours per year.

See the chart below for the full-time PTO accrual rate:

Years of Service	Accrual Rate	Annual Hours Max	PTO Days Equivalent	# Hours Worked to Earn One Hour PTO
< 1 Year	0.0654	136	17	15.3
1 to < 5 Years	0.0692	144	18	14.5
5 to < 10 Years	0.0846	176	22	11.8
10 to < 15 Years	0.0923	192	24	10.8
15 to < 25 Years	0.1115	232	29	9
25+ Years	0.1308	272	34	7.6

What hours are counted for PTO accrual?

Hours worked and hours taken for PTO are included in the PTO accrual calculation each pay period. Overtime is not excluded, but 80 hours is the maximum an associate can receive credit for in a biweekly pay period.

**Will I receive holiday pay?**

Yes! Full-time associates receive holiday pay for company-observed holidays for up to eight (8) hours if they do not work on the holiday. You are not required to use your PTO hours to receive holiday pay for a holiday you do not work on.

If you do work on a company-observed holiday, you will receive an hour-for-hour deposit into your PTO bank for every hour you work. However, you will not receive holiday pay. For example, if you work 8 hours on a company-observed holiday, you will receive a deposit of 8 hours into your PTO bank.

Holiday pay is separate from time-and-a-half pay for associates on company-observed holidays. All associates who work on a company-observed holiday receive pay at a rate of time-and-a-half.

Will I continue to have a separate bank for sick time?

In general, no. PTO can be used for vacation, if you are sick or not feeling well, to care for a family member, to tend to personal business, or for most reasons for which you would request time away from work, with some exceptions.

Certain part-time associates will continue to earn paid sick leave if required by law.

Does this mean I will have fewer PTO days than under the SPARC policy?

In most cases, no. While the way you accrue time will be different, and while there will no longer be separate paid sick days, the total number of paid days off should be similar to what you earned under the SPARC policy prior to 2026.

For example, an associate with at least one year but fewer than five years of service accrued a combined total of 26 PTO and sick days under the SPARC policy. Under the Catalyst Brands policy beginning 1/1/2026, this same associate will earn 18 PTO days and receive 8 company-paid holidays for a total of 26 paid days off.

Will my unused 2025 SPARC PTO days carry over into 2026?

Yes. You may carry over up to 40 hours into 2026. These hours will be available for use through the end of the 2026 fiscal year.

Will I see my full annual allotment on 1/1/2026 as we have in the past?

No. You will see any hours you have carried over, but as you earn time on a per-pay-period basis, your available PTO balance will increase throughout the year. As you use time, that time will be deducted from your available balance.