



## FAQ — FLEXIBLE PAID TIME OFF (FLEXIBLE PTO)

### **What is Flexible Paid Time Off?**

Flexible Paid Time Off (Flexible PTO) is a new time-off policy for legacy SPARC U.S.-based exempt associates that aligns policies across Catalyst Brands.

Associates eligible for Flexible PTO can use it to take time off for most any reason, such as vacation, sick days, holidays, bereavement, or jury duty, or for day-to-day needs, such as family obligations or medical appointments.

Under Flexible PTO, you will no longer earn a set number of PTO or sick days and are not required to track your time off in Dayforce or PeopleSoft. Instead, you can request time off, as needed. All requests are subject to leader approval and performance expectations.

### **Who is eligible for Flexible PTO?**

All U.S.-based exempt (salaried) legacy SPARC associates will move to Flexible PTO beginning January 1, 2026. Non-exempt (hourly) associates will participate in a separate PTO plan applicable to all non-exempt Catalyst Brands associates.

### **Do I still need to request time off in advance?**

Yes. Time off requests must be submitted in advance and approved by your leader. The goal is to provide flexibility while ensuring business needs are met.

### **How do I request time off under Flexible PTO?**

Associates should request time off directly with their manager—verbally, via email or Teams, or through a calendar entry. Because Flexible PTO does not use a dedicated system, managers will set and communicate the process their teams should follow.

### **How much time can I take off?**

There is no pre-set limit, but time off must be reasonable, pre-approved, and aligned with your role, expectations, and performance. Flexible PTO gives associates the ability to take needed time off without drawing from an accrued balance, while still supporting business and staffing needs.

### **Does Flexible PTO mean unlimited time off?**

No. Flexible PTO is not unlimited, but it does remove the requirement to manage against a fixed number of accrued hours or days. Time off must still be reasonable, pre-approved, and aligned with business needs.



### **What kinds of time off does Flexible PTO cover?**

Flexible PTO is designed for personal time away, including:

- Vacation or travel
- Mental health or self-care days
- Sick time
- Bereavement
- Personal appointments
- Holidays not observed by the company
- Jury Duty
- Volunteer days

### **What does Flexible PTO *not* cover?**

Flexible PTO is **not** a replacement for:

- Short-Term Disability (STD)
- Parental or Medical Leave
- Other company-paid or unpaid leaves of absence

For these situations, please continue to follow existing leave of absence processes and policies.

### **What if I need to take a leave of absence?**

If an associate expects to be away from work for a duration of greater than seven (7) calendar days for a reason otherwise covered by the Leave of Absence policy or another company policy, the associate should first contact their HR Business Partner to discuss whether a Leave of Absence is appropriate. The Absence Management Center can be reached at 1-877-527-0722 to explore Leave of Absence options.

### **How does this affect Summer Fridays?**

With the move to Flexible PTO, legacy SPARC's formal Summer Friday policy (early log-off at 2 p.m. between Memorial Day and Labor Day) will be retired and will not apply in 2026. However, leaders are encouraged to continue supporting flexibility on Fridays, when business needs allow, using the new Flexible PTO framework.

### **What happens to my unused PTO?**

PTO earned in the SPARC program will be kept on record through December 31, 2025, after which those hours will be forfeited in alignment with existing policy, unless otherwise required by law.



If you reside in a state that prohibits the forfeiture of earned PTO, your unused accrued PTO will be frozen as of 12/31/2025, and no additional time will be accrued. These hours will be paid to you at termination or at some future date determined by the company if prior to your termination.

**What if my role changes?**

If you move to a non-exempt (hourly) role, you'll transition back to the standard PTO accrual policy starting the first pay period after your change.

**What if I leave the company?**

Flexible PTO cannot be used to extend your employment and may not be used during your final two (2) weeks unless otherwise approved. If you resign after taking time off without returning to work, your last day worked will be considered your final day of employment.

**Who should I contact with questions?**

Your HR Business Partner is your best resource for questions about the Flexible PTO policy or how it applies to your individual situation.