EssilorLuxottica

Arizona Paid Sick and Safe Leave Regulations

Frequently Asked Questions

Q. Who is eligible for Arizona Paid Sick and Safe Leave?

A. All full-time and part-time (including casual part-time and seasonal) employees who perform work in the state of Arizona are eligible for the paid sick and safe leave benefit.

Q. How much paid time does an employee receive under the new Paid Sick and Safe Leave Plans?

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- **Part-Time Employees** accrue one hour of paid sick leave for every 30 hours worked, up to a maximum of 40 hours per year. Employees can carry over 40 accrued hours of unused sick leave and may only use 40 hours of paid sick leave in any one year.
- **Full-Time Employees** who've been with the company less than a year, accrue one hour of PTO for every 30 hours worked, up to a maximum of 40 hours during their first year of employment. After the first year, employees will follow the standard PTO plan for full-time employees.

Q. Why PTO instead of Paid Sick and Safe Leave for Full-Time Employees?

A. The law allows companies to meet the paid sick leave requirements with a PTO plan as long as it is at least as generous as what the law requires. By modifying the accrual rate during the first year of employment, our new Full-Time PTO plan for Arizona employees will provide the coverage required while still offering flexibility.

Q. When does PTO/Paid Sick and Safe Leave accrual begin?

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Employee Status	Accrual Date Begins
Part-Time	7/1/2017 or Date of Hire, whichever is later
Full-Time employed < 1 year	Accrual begins at Date of Hire, with a higher accrual rate beginning 7/1/2017
Full-Time employed > 1 year	Date of Hire (No Change)

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Q. When can I use PTO/Paid Sick and Safe Leave?

A. Employees may use their accrued PTO/Paid Sick Leave for the following reasons:

- Any absence related to the diagnosis, treatment or preventative care of an employee's or family member's mental or physical illness, injury or health condition.
- A business or school closure caused by order of a public official.
- Issues related to the employee or family member being a victim of domestic violence, sexual assault or stalking.

"Family member" is defined as the spouse or domestic partner of an employee, the biological, adoptive, step or foster parent or child of the employee (including in-laws), the grandparent or grandchild of the employee, the sibling of an employee, or a person with whom the employee has the equivalent relationship of close family.

Q. Can I use accrued PTO/Paid Sick and Safe Leave Immediately?

A. Full-time employees may use PTO for the reasons listed above, and any other reason, as soon as it is accrued. Part-time employees may use accrued sick leave after they have been employed 90 days.

Q. How do I check accrued PTO/Paid Sick and Safe Leave balances?

A. Accrued PTO/Paid Sick Leave will appear on employee paychecks beginning July 21, 2017. Part-time employees will see accrued time under "Sick Balance" on their paystub and full-time employees will continue to see PTO.

Q. How will we input and track an employee's use of paid sick leave?

A. Managers will enter as PTO in the timekeeping system for both part-time and full-time employees. The hours used will be deducted from the PTO or Sick Balance shown on the employee's paycheck. Beyond the negative PTO balance allowed under the Full-Time PTO plan (does not apply to part-time employees), an employee will not be paid for any hours taken in excess of his or her accrued balance.

Q. Will we require employees to give us notice of their need for paid sick leave?

A. Yes. When the need to take sick leave is foreseeable, such as a scheduled appointment, the employee shall provide advance notice and should make a reasonable effort to schedule the sick leave in a manner that does not unduly disrupt business operations. Where unforeseeable, employees will be required to notify us as soon as practicable and follow the normal call-in procedures, unless a legitimate reason prevents them from doing so.

Q. Will an employee be asked to provide a doctor's note or other documentation verifying the need for earned sick and safe time?

A. We may require written documentation for use of earned sick and safe time that exceeds 3 consecutive days on which the associate was scheduled to work. Examples of documentation include doctor's notes, police reports, protective orders, etc.

If management feels an employee is abusing the Paid Sick Leave benefit, they can contact Employee Relations via the Employee Relations icon on <u>HR Central</u>. Possible signs of abuse may include, but are not limited to:

- Repeated use of unscheduled sick leave on or adjacent to weekends, regularly scheduled days off, holidays, vacation, or pay day.
- Taking leave on days when other leave has been denied.
- A pattern of taking leave on days when the associate is scheduled to work a shift or perform duties perceived as undesirable.
- Evidence that an associate engaged in an activity that is not consistent with the associate being sick or with the associate using sick time for a preventative medical appointment.

Q. Can an employee be required to find coverage for their absence?

A. No. An associate is not required to find a replacement to cover their shift, but is encouraged to seek out and participate in voluntary shift trades.

Q. Can paid sick leave count as an absence under the attendance policy?

A. No. It is unlawful for employers to count paid sick leave as an absence that may result in discipline, discharge, demotion, suspension, or any other adverse action. However, any related

absences extending beyond an employee's accrued PTO/Paid Sick Leave balance will count as an unexcused absence, provided the absence is not covered by a Company-approved leave of absence or other applicable law.

Retaliation against any employee that asserts his or her rights to receive paid sick leave is strictly prohibited.

Q. Is using paid sick leave the same as taking intermittent leave under the Family Medical Leave Act (FMLA)?

A. No. Paid sick leave differs from intermittent FMLA leave in many ways. Most importantly, employees do not have to contact EssilorLuxottica Leave and Disability or submit medical certification paperwork before using paid sick leave. As long as employees have accrued enough hours of PTO/Paid Sick Leave to cover their absences and provided sufficient notice for their individual circumstance, they may use their PTO/Paid Sick Leave without further Company approval.

Note: Employees should still contact EssilorLuxottica Leave and Disability at 1-866-431-8484 to initiate a leave of absence if their absence is due to their own or a family member's serious health condition. Please refer employees to the EssilorLuxottica Employee Guide for additional information on FMLA and Company Medical Leave requirements. In such cases, employees may choose to use their accrued, unused PTO/Paid Sick Leave while taking a leave of absence. Managers should enter the time in the POS, which will run concurrently with their designated leave of absence.

Q. What If an employee's employment status changes in a calendar year? A.

- **Part-Time to Full-Time:** If an employee's status changes from part-time to full-time, their status change date will be the date used to determine when full-time rules begin to apply. Employees will not lose the paid sick leave they have accrued and will need to contact HR Central at 1-866-431-8484 to request that their remaining accrued Sick Balance be transferred to PTO hours.
- **Full-Time to Part-Time:** If an employee's status changes from full-time to part-time, any accrued, unused PTO hours beyond the annual 40-hour paid sick leave requirement will be paid out at the time of their status change. They will then be eligible to begin accruing paid sick leave under the part-time Paid Sick Leave plan.

Q. Are we required to pay out an employee's accrued, unused paid sick leave when the employee terminates?

A. Part-time employees will not be paid out their remaining sick leave balance. Full-time employees will be paid out their remaining PTO balance.

Q. If I leave the company and am re-hired, will I need to re-accrue paid sick leave?

A. Previously accrued, unused paid sick leave will be reinstated for part-time employees if they are rehired within nine months of separation. Full-time employees, however, will begin accruing all over again, as remaining PTO balances are paid out at the time of termination.