



Paid-Time-Off program-USI

Introduction

Each day you balance multiple commitments, striving to give your best to your profession, your family, and friends. Deloitte LLP and its subsidiaries located in India ("USI" or the "Organization") recognize the importance of helping you fit your career into your life. To that end, USI provides Paid Time Off (PTO) which enables you to take time off from your work schedules to maintain a healthy work-life integration, to attend to personal or family responsibilities and commitments, to recuperate from illnesses or for a much-needed vacation.

The program described in this publication represents the PTO program as of **1st January 2020** for employees on USI payroll. This program document may be modified, revised, discontinued or amended at any time, in whole or in part, for any reason and without prior notice, consent or approval within the sole discretion of USI. The program is intended to be applied in accordance with central, state, and local law. USI has absolute discretion to make the sole and final determination as to any and all issues arising out of this program, including, without limitation, issues pertaining to USI personnel. This program document contains proprietary and confidential information of USI. It is solely for use by and distribution to the individuals who are subject to this program. The information provided in this publication is for information purposes only

What Is PTO?

Paid Time Off or PTO gives you the flexibility — and the responsibility — to manage your time off in a manner best suitable to you and the company. Our PTO program provides you with an allotment of days under Privilege Leaves (PL), Casual Leaves (CL) and Sick Leaves (SL) that encompass time for vacation, personal and sick days, respectively.

In addition, the program also provides Additional Medical leaves (AML) in the event of a prolonged illness.

Eligibility

All USI Employees including fixed term hires and those on reduced work load are entitled to PTO (leaves), categorized as Privilege, Casual and Sick leaves. Intern's eligibility is as per the terms of their internship letter.

Contractors and those on assignment from US and other Member Firms to USI are not covered by this program.

The calendar year for leaves will commence from 1st January through 31st December for the Organization.

In addition to 30 days of leaves, the program will allow employees to request an additional period up to 9 days for prolonged medical leave, subject to the required approvals and other conditions (see below).

The Paid Time Off Leave program allocates the total number of leave days under the following categories:

Privilege Leave (PL): Allows employees to use PLs for attending to personal situations and for a planned time off.

- All FTE's in USI will be entitled to 18 working days of PL in a calendar year. Managing Directors are entitled to 2 additional working days of PL (i.e. 20 days). For MD's, please refer to the MD Benefits brochure on the Partner Director Information Center.
- PL is accrued at the rate of 1.5 working days for each full calendar month worked by an employee and is credited monthly in arrears to the employee's leave account on the last day of each calendar month. An employee joining the Organization during the middle or end of the month will be entitled to leave credits on a prorated basis.

Example, if an employee joins the Organization on or before the 15th of the month, he/she will be given full credit of 1.5 days of PL for that month. If an employee joins on or after the 16th of the month, he/ she will be given PL credit of 0.75 days for that month.

a) PL approval process

- In general, requests for PL should be made well in advance, and the employee should indicate their PL plan to their Service Line Lead or business leader as early as possible to enable proper planning that meets the needs of the practice, office, the clients, and the employee.

PL plans should be submitted at least three weeks in advance. Planned PL exceeding 5 or more working days should normally be discussed in advance with the reporting USI Service Line Lead or the business leader to plan adequately for work deliverables and alternate work arrangements.

- Request for PL may be denied or deferred by the USI Service Line Lead or the business leader, if specific requirements or critical deadlines need to be met or if advance notice is not provided.
- In the event an employee attends to work while on PTO, the hours she/he attends to such work will not be treated as PTO. The employee's USI Service Line Lead or business leader will need to approve work while on PTO. If the requested PTO is for an emergency, the employee or his/her family members (in case the employee is not able to contact the employer), should inform the Service Line Lead / business leader or Talent Business Advisor of the emergency situation and the employee's estimated date of return.

b) Advance Privilege Leave:

- You may not take PL in advance of accruing it. USI recognizes that for some new employees, taking time off before it has accrued may be necessary due to an emergency or personal exigency. If you find yourself in this situation, you must obtain permission from your USI Service Line Lead or business leader. You can avail an advance PL up to a maximum of 10 days or the PL that can be accrued in the remaining duration of the calendar year, whichever is lower. All advanced PLs will be indicated as a negative (-) balance in the employee's PTO PL account and will be deducted from the subsequent accrual to the employee's PTO PL account.
- Approvals received for an advanced PL should be forwarded to the Employee Lifecycle Events team at usileaveadministration@deloitte.com before entering

PL in advance on DTE.

- In case an employee leaves before advanced PLs are adjusted, then a recovery will be made during the full and final settlement.

Casual Leave and Sick Leave: The PTO program provides an allotment of 12 working days in a year under a common pool for Casual and Sick Leave that can be used flexibly by the employees as CL and/or SL

- CL/SL is accrued at the rate of 1 working day for each full calendar month and credited at the beginning of the month.
- For those joining on or before 15th of a month, full 1 day of CL/SL will be credited at the start of the month. If employees join on or after the 16th of the month, 0.5 days of CL/SL will be credited at the end of the month.

a) Casual leave (CL)

- Casual leave (CL) is intended to allow employees to attend to any urgent unforeseen situations or personal matters.
- Employees can take maximum of 2 days CL at a stretch and if any leave is extending beyond two days, it would need to be entered in DTE as PL or SL depending on the reason.
- There is no limit on the number of times a CL can be taken in a month as long as there is available balance of CL/SL.
- Only accrued leave days from CL/SL pool can be used. Advance CL is not allowed.

b) Sick Leave (SL)

- Sick Leave (SL) is intended to allow employees time off for an appointment with a doctor or health care provider or on account of personal sickness or illness.
- In case of an insufficient CL/SL balance, employees can request for an advanced SL. For an advanced SL request for 4 or more days, approvals from manager and service line leader along with medical certificate are required to be submitted to usileaveadministration@deloitte.com.
- A maximum of 12 SL days can be requested in advance from the overall common pool of CL/SL in a year depending on the month when the request is placed. (e.g., in the month of July, one can only request 6 advance SL leaves, as they would have already accrued the remaining 6 in previous months between January to June).
- The advanced SL will be adjusted against future credit of 1 CL/SL per month. In case an employee separates before the adjustment of SL, then a recovery will be made during the F&F settlement.

I. Additional Medical Leave (Event based):

- In the event of prolonged illness, if all leaves from CL/SL quota for the year are exhausted, employees can request for additional medical leave of up to 9 paid days, subject to providing an appropriate medical certificate from a licensed medical provider along with the acknowledgement mail from manager/service

line leader of having been informed of the same.

- Please note: Additional Medical Leave can precede or follow any available PL.
- Employees will not be able to enter Additional Medical Leave in DTE on their own. Approvals received for Advance Medical Leave should be forwarded along with the medical documentation and the acknowledgement of intimation to manager/service line leader to the Employee Lifecycle Events team at usileaveadministration@deloitte.com to update the leave details from the backend on DTE.

II. Leave Carry Forward and Encashment

All unused Privilege Leave will be carried forward and considered for encashment.

a) Year-end carry forward and encashment of Privilege Leave (PL):

- At the end of each calendar year (December), all unused PL balances will be carried forward to next year. However, employees have an option to request for encashment of up to 8 days of unused PL every year in December and carry forward the rest (if any) to the next calendar year. (e.g., if an Employee has 12 days of PL balance remaining in December, they can request to encash up to 8 days and carry forward remaining 4 days to next year). Employees are required to make their request for encashment during year end (between January 1 – January 15) by filling up a request form.

b) Maximum Privilege Leave accrual:

- Max PL that can be accrued over the years is 60 days. The maximum available PL balance cannot exceed 60 days at the end of a calendar year under any circumstances. Any PL balance in excess of 60 days at the end of the calendar year will lapse permanently.

c) PL encashment at the time of retirement/separation

- All accrued but unused PL balance (up to a maximum of 60 days) will be encashed at the time of an employee's retirement/separation from USI. The amount will be reflected in the full and final statement.
- PL encashment will be made on the basis of the last drawn basic pay and subjected to applicable income tax.

d) Treatment of unused CL/SL:

- Any unused CL/SL can neither be carried forward to the following year nor encashed at the end of the calendar year/during separation/retirement. Any unused CL/SL will lapse at the end of the year.

PTO During Reduced Workload

In case an employee moves to a Reduced Workload schedule, PTO accrues at the same percentage as the reduced workload percentage (e.g., if an employee reduces his/her workload to 60%, his/her PTO will be accrued at 60% of a full-time employee's accrual rate). PTO balances earned before the reduced workload are not affected.

PTO During A Global Assignment

All USI employees who move to the payroll of a Deloitte Touche Tohmatsu Limited (DTTL) member firm or its affiliate or subsidiary on an assignment for a period of over 4 weeks, will not have their PL, CL/SL accrue within USI. In the month of departure, if departure date is on or before the 15th of the month, 0.75 days of PL and 0.5 days of CL/SL will be credited to the employee's PTO account and if the departure date is on or after the 16th of the month, 1.5 days of PL and 1 day of CL/SL will be credited. The PTO account will be frozen until the employee returns to USI. An employee cannot avail accrued but unused USI PTO during his/her global assignment. In the month of arrival in India post completion of the global assignment, the employee's PTO account will be re-activated as of the employee's first work day upon return to USI and all available balances will reflect in their account. In the month of return to USI, if the return date is on or before the 15th of the month, 1.5 days of PL and 1 day of CL/SL will be credited to the employee's PTO account and if the return date is on or after the 16th of the month, 0.75 day of PL and 0.5 day of CL/SL will be credited.

Please note that in the event an employee comes back to India after finishing his/her global assignment in the following calendar year,

- any accrued but unused PL balance from the previous year will be carried forward up to a max of 60 days.
- any accrued but unused CL and SL from the previous year will lapse permanently at the end of each calendar year.

PTO During Notice Period

Availing PL during one's notice period, pending separation from USI, is generally discouraged due to business needs and any such requests should be rare and are at the discretion of the employee's USI Service Line Lead or business leader in conjunction with the Talent Business Advisor. Accrued but unused Sick Leaves/Casual Leaves can be availed as appropriate and necessary.

PTO Entry into DTE

S No	Leave Type	Code
1	Privilege Leave	PLV
2	Casual Leave	CLV
3	Sick Leave	SLV
4	Additional Medical Leave	Will be entered at the backend by the Leaves team after receiving the approval e-mails, the medical certificate, and any other necessary details.