



OBJECTIVE:

This policy provides guidelines and details regarding Destination Pet's ("the Company") Flexible Time Off and Parental Leave benefits.

EFFECTIVE DATE:

March 24, 2025

AUDIENCE:

This policy applies to all Support Center Employees, including District Directors, District Vet Directors, and Area Vice Presidents.

PROCEDURE/POLICY:

Policy Superiority and Definition

- 1.0 As of March 24, 2025, this policy supersedes and replaces the Company's prior Paid Time Off ("PTO") policy as it applies to employees described under the audience mentioned above.
- 2.0 Effective March 24, 2025, applicable employees are not provided vacation based on years of service, services performed, or any other criteria, and the accrual of all vacation time will cease. Employees will have until March 24, 2025, to utilize existing accrued PTO. Any accrued time not used by March 24, 2025, will be "frozen" and paid out upon the employee's separation from the company, unless an applicable exception outlined below applies.
- 3.0 Under this policy, an Employee is eligible to take as much vacation time away from work with pay, that is consistent with the Employee's job duties, Company needs, and Company obligations. The Employee may use Flexible Time Off ("FTO") when absent from work for vacation, travel, or some other personal reason—including non-extended or temporary illnesses in states or localities that do not provide mandatory Paid Sick Leave. In states or localities where Paid Sick Leave is mandated by law, this policy does not apply to absences related to you or your family member's illness or injury or to leaves of absence, which are covered by separate Company policies.

Policy Guidelines

- 4.0 An employee must be employed and have worked for the Company for no less than 90 days to qualify for FTO.
- 5.0 Part-Time employees do not qualify for FTO or Parental Leave.
- 6.0 When time off is needed, employees should submit a request to their immediate supervisor to determine their ability to take time. Employees are responsible for managing their workload, discussing any time off with their supervisors, and meeting the goals set by the Company.
- 7.0 Absent extenuating circumstances, an employee should provide their supervisor with at least two weeks' advance notice of any proposed FTO usage.



- 7.1 The more notice provided, the more opportunity for the supervisor to plan accordingly and consider a FTO request.
- 7.2 Failure to provide adequate notice may result in the denial of a FTO request.
- 8.0 In reviewing requests for FTO, the supervisor will consider business needs, employee's workload, and employee's performance.
 - 8.1 Requests for FTO beyond 10 consecutive business days require an additional approval from the Vice President of your department, or approval from the CHRO, CFO, or CEO.
- 9.0 It is the employee's responsibility to schedule and request FTO through Workday.
 - 9.1 If employee does not schedule and request FTO, their supervisor will schedule a minimum of five days per year for the employee.
- 10.0 Supervisors should make every reasonable effort to accommodate employees' Flexible Time Off (FTO) requests while ensuring business operations are not disrupted. This involves understanding employees' needs, evaluating the impact on business, and maintaining open communication to find mutually agreeable solutions.
- 11.0 Employees are not limited in the amount of FTO they may take under this policy. The Company expects employees to use good professional judgment regarding when and how much FTO to request at any given time.
 - 11.1 Employees on a Performance Improvement Plan (PIP) or within 30 days after its completion who submit an FTO request will have their request evaluated on a case-by-case basis.
- 12.0 This policy does not supersede the Company's leave policies. For example, this policy does not apply to the following:
 - 12.1 Absences for which sick leave is available (in applicable states or cities);
 - 12.2 Absences during which you are receiving Workers' Compensation benefits;
 - 12.3 Military leave;
 - 12.4 FMLA
 - 12.5 Absences during which you are eligible to receive wage replacement benefits under any short-term or long-term disability plan, or state-mandated paid-family leave plan.
- 13.0 Employees seeking Parental Leave (leave sought for the birth, adoption, or foster placement of a child that would also qualify under FMLA) may qualify for company-paid leave based on their tenure. Employees with at least one year at the Company will receive 4 weeks of paid parental leave. Those employed for more than two years will receive 6 weeks.
 - 13.1 The amount of paid parental leave is determined by the employee's tenure at the start of the leave.
- 14.0 Employees on approved, non-parental FMLA leave are limited to using a maximum of two weeks of paid flex time. However, if the FMLA leave is unpaid and the employee has frozen PTO, they may access their frozen PTO bank to receive pay during their FMLA leave. Under no circumstances may an employee receive more than their regular daily wage.
- 15.0 If an employee resides in a state where sick leave is required by law, they must use their accrued sick leave before using any other type of paid leave.



Employee Separation

FTO is not an additional form of wages and does not accrue. Instead, it is part of the Company's promise to provide employees with work-life balance. There is no cash-out of FTO upon separation from employment; however, if the employee had accrued hours that were "frozen" under the previous PTO policy, such hours will be paid upon separation.