



Title: **Flexible Vacation Time Policy**

Policy No.: **HR-6-1B: Flexible Vacation Time**

Department: Human Resources

Supersedes: January 4, 2021

Date: January 21, 2021

Authorization: Chief Administrative Officer

General

RRD (the “Company”) fosters a workplace where its employees are treated as responsible, trustworthy adults who are measured on their performance and contributions to the Company. RRD employees perform a wide variety of important functions that contribute to the overall success of the Company. The focus for exempt employees (i.e., employees who are not eligible for overtime), whose responsibilities sometimes require working extended hours and weekends, should be on goals and objectives and completion of their responsibilities based on performance, not hours worked. It is the Company’s intention to empower employees not eligible for overtime with the freedom they require to balance the responsibilities of both their work and personal lives, thereby maximizing their contributions and value to the Company. Effective January 1, 2021, eligible employees will not have a set maximum amount of vacation time that they can take in a calendar year.

Eligibility

All exempt employees (i.e., employees not eligible for overtime) not working in California are eligible for Flexible Vacation Time (“FVT”) under this Policy.

Use of Flexible Vacation Time

While this FVT Policy is designed to provide employee with maximum flexibility, it also requires that employees act responsibly when using vacation time. Each department may establish its own procedures for requesting vacation time. Eligible employees are expected to coordinate with their manager in advance as appropriate when scheduling vacation time.

With manager approval, eligible employees may take vacation time for purposes such as relaxation, rejuvenation, travel, vacation, and/or personal business, as needed, provided that they are meeting or exceeding their performance expectations/goals and professional obligations.



Not all vacation time requests will necessarily be approved. Managers will evaluate the needs of the business, other employees' requests, previous and planned future use of FVT, and whether employees are meeting performance standards, among other factors, when reviewing requests for FVT. The Company reserves the right to deny a request for FVT for any reason, including due to business needs, if other team members have already asked for FVT during the same time, or if the employee requesting FVT appears to abuse the Policy. Requests for FVT should not be denied as a method to discipline employees or to approve FVT for another employee who made a later request. Employees and managers should use common sense and adhere to Company policies when requesting/approving FVT. Effective communication is vital to make this policy work for everyone.

Requests of more than ten (10) consecutive vacation days at one time may require a second level of approval to ensure adequate coverage and consistency with business needs.

Employees who abuse the FVT Policy may be subject to disciplinary action, up to and including separation. For example, excessive unapproved, unscheduled vacation time may result in disciplinary action, up to and including separation.

No Accrual or Carry Over

Because no particular amount of time off is promised, guaranteed, vested, earned, or accrued under this policy, there is no accrual or carry over of paid time off for those who do not take FVT. Employees are not entitled to be paid for any FVT when their employment with the Company ends.

Application to Leaves and Other Benefits

This FVT policy does not supersede the Company's policies for illnesses, disabilities, parenting, and other leaves of absence, such as the Company's policies regarding Family Medical Leave Act ("FMLA"), Non-Medical and Medical Personal Leave, Maternity Leave, Short-Term Disability ("STD"), Long-Term Disability ("LTD"), Workers' Compensation, Military Leave, and paid sick leave, some of which are mandated by law. The Company permits and expects employees who are qualified to take a leave of absence to do so. Up to three weeks of FVT, if approved, may be used concurrently with an unpaid leave of absence, including FMLA. This FVT policy does not otherwise apply to leaves of absence, and FVT under this policy cannot otherwise be used to compensate employees for leaves of absence for reasons covered by the Company's leave policies, including STD and LTD, and including in situations where an employee is not approved for a leave of absence.

FVT also may not be used to extend a leave of absence, or a paid sick leave absence, beyond the amounts provided under applicable law and Company policy. Employees who have



exhausted their leave entitlements, but need additional time off, should contact their HR Representative.

If employees qualify for and are granted a leave of absence under the Company's policies, and applicable law provides that employees may substitute accrued vacation time for unpaid time, employees may not use FVT for such leave, as FVT is not accrued. Consistent with Company policy and applicable law, FVT-eligible employees may be able to use paid sick time (where eligible) concurrently with a leave of absence when the leave of absence is for a reason for which paid sick time is provided (e.g., an employee's own illness or the illness of a child or parent).

Future Changes to This Policy

This policy is not intended to be a contract between the Company and you, and this policy does not in any way impact the "at-will" nature of the employment relationship between the Company and you. The Company reserves the right to change this policy prospectively at any time in any way, with or without notice. Federal, state, and local law regarding paid time off is subject to change from time to time, and the Company will comply with all applicable laws.

References:

- HR Policy 6-4: Leave of Absence
- HR Policy 6-5: Family and Medical Leave
- HR Policy 6-7: Paid Maternity
- HR Policy 6-9: Military Leave