

209 - Paid Time Off for Non-Exempt Employees

Company Policy – HR (United States)

As a services organization, Avnet’s strength comes from our people so we strive to provide a fulfilling work experience that allows employees to thrive professionally and personally. This philosophy is reflected in our commitment to employee well-being and our robust benefit programs.

We firmly believe that time away from the workplace is critical to both employee well-being and business performance. Avnet recognizes that employees have diverse needs for time off from work and provides a Paid Time Off (PTO) benefit to meet those needs.

Purpose

The purpose of this policy is to provide guidance to employees and their managers on how PTO benefits operate. PTO promotes a flexible approach to time off. Employees are accountable and responsible for managing their own PTO hours to ensure adequate reserves if they need to cover vacation, illness, appointments, emergencies, or other situations that require time off from work.

Scope/Application

This policy applies to U.S. based **non-exempt** employees only. Our exempt employees utilize Avnet’s Flexible Time Away (FTA) benefits. Please refer to the exempt FTA policy.

Regular, full-time, non-exempt employees earn PTO time based on length of service with Avnet.

Regular, part-time, non-exempt employees who are scheduled to work 20 or more hours per week, but less than 40, qualify for pro-rated PTO based on their scheduled work hours.

Policy

New employees do not accrue PTO during the first 90 days of employment. After 90 days of employment employees begin to accrue PTO benefits each biweekly pay period. On the first paycheck following 90 days of employment, the new hire will receive PTO time equivalent to what they would have accrued during the first 90 days of employment.

New hires are eligible to use PTO hours after 90 days of employment. Employees can view their current PTO balance on their paychecks and in Workday.

Employees do not accrue additional PTO time during any pay period in which they have accrued the maximum allowable PTO benefit, which is one time (1X) the annual PTO benefit.

NOTE: If an applicable state or local law provides for a greater benefit, the benefit provided by such law applies.

The following chart shows PTO earned based on length of service and maximum accrual:

Length of Service	PTO Hours	Maximum Accrual
1 – 4 years	128 hours (16 days)	128 hours (16 days)
5 – 9 years	168 hours (21 days)	168 hours (21 days)
10 - 14 years	208 hours (26 days)	208 hours (26 days)
15 - 19 years	224 hours (28 days)	224 hours (28 days)
20+ years	240 hours (30 days)	240 hours (30 days)

Effective January 9, 2017

CONFIDENTIAL - FOR INTERNAL USE ONLY

PTO Scheduling

Whenever possible, PTO should be scheduled in advance. PTO is subject to manager approval, department staffing needs and established departmental procedures.

Unscheduled absences will be monitored and employees may be counseled when the frequency of unscheduled absences adversely affects the operations of the department. Refer to the [Attendance Standards Policy](#) for additional guidance.

After an absence due to illness lasting five or more consecutive workdays, employees will be required to provide a health care provider's release before returning to work. In addition, Avnet reserves the right to request a health care provider's note during any sick related absence.

Use of PTO

Employees are required to use available PTO when taking time off from work. Electing to go unpaid for an absence is not an option. PTO hours taken should be recorded in eTime by noon (Arizona Time) the Monday following the end of each pay period.

Holiday During a PTO Period

If an Avnet observed holiday occurs during a period of an employee's PTO, this day will be paid as a holiday and will not be considered as time taken for PTO.

PTO Pay and Overtime

PTO hours paid will not be considered as hours worked for the computation of overtime. In most states, non-exempt employees are eligible for overtime after 40 hours in a workweek, but this could vary per state law.

Status Changes

If an exempt employee moves to a non-exempt role, they will transition to Avnet's non-exempt PTO policy. If the employee has more than a year of service, they will receive PTO time equal to one year's worth of accrual based on their scheduled weekly hours as of the date of the change. If the employee has less than a year of service, the amount of PTO added to their accrual will be prorated based on hire date and the employee's new non-exempt accrual rate.

If a non-exempt employee moves into an exempt role, they will transition to Avnet's FTA policy and shall not be paid out accrued PTO unless required by local law.

PTO Pay upon Termination

At the end of employment, unused accrued PTO hours will be paid out on the employee's final Avnet paycheck, regardless of the reason for termination. However, employees who leave Avnet before 90 days of employment are not entitled to any payout of PTO.

Definitions

- Rate of Pay for PTO: Hourly salary and applicable adders
- Regular Employees: Excludes temporary employees
- Non-exempt: Employees entitled to overtime compensation for hours worked over 40 in a workweek

Administration and Review

Avnet's Human Resources Vice Presidents (EM/TS/CSG/Logistics/Services) are responsible for the continuous administration of this policy.

Effective January 9, 2017

CONFIDENTIAL - FOR INTERNAL USE ONLY