

# **DXC/AMERICAS: U.S. FLEXIBLE VACATION POLICY**

Effective Date: 09/01/2017

## **1. POLICY**

- 1.1.** At DXC Technology Company, employees work hard to meet our commitments to deliver to our clients and contribute to the company's growth. To give our best and live a well-balanced life, we all need to take time off for rest, relaxation and rejuvenation. We also believe you should take responsibility for managing your own time, and to collaborate and openly communicate with your department to support one another with workload, whenever possible.
- 1.2.** To that end, we have adopted a Flexible Vacation Policy ("Policy") where each eligible employee is afforded the flexibility to take planned vacations as needed in accordance with the terms of this Policy.

## **2. APPLICABILITY**

- 2.1.** This Policy applies to all U.S.-based employees of DXC Technology Company and its subsidiaries and affiliates, including but not limited to Enterprise Services LLC and Computer Sciences Corporation (collectively "DXC" or the "Company"), but excluding employees covered by the Service Contract Act (SCA) and employees in U.S. territories such as Puerto Rico. However, if any specific provision of this policy directly conflicts with federal, state or local laws or regulations, then the relevant law or regulation will supersede that section or provision of this Policy, but the remainder of this Policy will remain in effect.
- 2.2.** Regular full-time, regular part-time, and limited-term U.S. based employees of DXC, as defined by DXC, are eligible for vacation under this Policy. Temporary and Casual employees as defined by DXC are not eligible for vacation under this policy.
- 2.3.** Exceptions to this Policy require the prior written approval of the Chief Human Resources Officer.

## **3. REQUIREMENTS**

### **3.1. Vacation Usage**

- 3.1.1.** Eligible U.S.-based employees are not credited with and do not earn, vest, or accrue vacation or maintain vacation balances. Instead of a set amount of allowable vacation at certain rates of crediting or accrual, this vacation is to be open and flexible.
  - 3.1.1.1.** Employees will be notified if their state requires a different treatment of unused vacation balances, but regardless, employees will not be credited with, earn, vest, or accrue vacation as of the effective date of this policy, and any vacation balances as of the effective date must be used before employee can request Flexible Vacation.
- 3.1.2.** Employees are strongly encouraged to use this benefit. However, vacation requests must be pre-approved by the employee's manager, if possible, at least two weeks in advance.
- 3.1.3.** Requests will be reviewed in accordance with business needs; taking into consideration workload requirements, available coverage, the degree to which objectives/projects are being met, and other business factors. Sometimes, it may be necessary to decline or postpone a request, but this is less likely if we communicate effectively and plan time off with as much notice as possible. Below are a few examples of where Managers may consider rejecting or postponing vacation requests, however other examples may exist:
  - 3.1.3.1.** Other team members with similar or complementary duties have previously asked for vacation or leave during the same time.

- 3.1.3.2. The time in question is too busy or includes an important deadline for the employee asking for vacation.
- 3.1.3.3. An employee appears to abuse the policy. Managers need to work with Human Resources if abuse appears to be an issue to identify next steps.
- 3.1.3.4. The employee is not satisfying his or her duties.
- 3.1.4. Vacation cannot be taken for more than ten (10) consecutive workdays at a time, after which an employee must be actively back at work for at least twenty (20) consecutive workdays before he or she can request additional vacation.

### **3.2. Vacation Pay**

- 3.2.1. Vacation will be paid at the employee's base rate of pay in effect at that time the vacation is recorded and approved except as otherwise indicated in this Policy. Vacation pay will not include overtime or any special forms of compensation such as commissions or bonuses. Vacation is not considered hours worked for purposes of determining overtime for non-exempt employees.
  - 3.2.1.1. For regular full-time hourly employees, vacation pay will be calculated based on an employee's hourly base rate. For full days of vacation, vacation pay will be calculated on the regularly scheduled workday.
  - 3.2.1.2. For regular part-time employees, vacation pay will be calculated based on their regularly scheduled workday.
  - 3.2.1.3. Whenever paid holidays occur during paid vacation, the holiday should be recorded as paid holiday rather than a paid vacation day.
  - 3.2.1.4. Per diem payments or subsistence allowances will not be granted during paid vacation with exception of housing and disturbance allowances paid to employees who are temporarily relocated or who are relocated to a foreign country. Per diem payments and subsistence allowances will cease on the last day worked prior to the start of the paid vacation period and will not resume until the day the employee reports back to work or otherwise becomes eligible again for such payments.

### **3.3. Recording Time**

3.3.1. Paid vacation must be coded in the following manner:

#### **3.3.1.1. Exempt employees:**

- 3.3.1.1.1. May use vacation in full workday increments, or partial workday increments when absent for less than a full workday. When absent for less than a full workday, employees should record the number of hours worked during a partial workday, and record the balance of the hours to the correct category or leave account (e.g., Sick Leave, Family Medical Leave Act (FMLA), unpaid Leave, approved vacation, etc., as appropriate).

#### **3.3.1.2. Nonexempt employees:**

- 3.3.1.2.1. Should record hours to the appropriate authorized paid or unpaid leave category for every hour not worked during the scheduled workday.

### **3.4. Leaves of Absence**

- 3.4.1. Vacation is designated as time off work for personal reasons including trips, outside activities and/or outside commitments not covered by another policy. If you will be away for a reason covered by another policy, such as a Leave of Absence policy, your time of work will be recorded and salary continuation will be provided in accordance with the applicable policy. If you anticipate you will need to take a Leave of Absence, be sure to contact Human Resources and your manager as early as possible to plan.

### **3.5. Disability Benefits**

3.5.1. Employees who have elected Short-term Disability (STD) and/or Long-term Disability (LTD) will record time as directed by the assigned Leave Administrator.

### **3.6. Workers' Compensation**

3.6.1. Employees who receive lost time benefits through an approved workers' compensation claim will retain all unused accrued Leave, if applicable, as of the date the workers' compensation benefits commence. Employees may integrate such Leave, if applicable, and then any available vacation per this Policy with the appropriate workers' compensation benefits.

### **3.7. Separation of Employment**

3.7.1. Under the Policy, employees are not credited with and do not accrue vacation; therefore, employees will not receive compensation for flexible vacation when leaving DXC unless required by state law.

## **4. KEY DEFINITIONS**

4.1. Not Applicable.

## **5. VIOLATIONS**

5.1. Any DXC employee who knowingly violates or attempts to violate this Policy shall be subject to disciplinary action, up to and including separation from DXC subject to applicable local employment laws and regulations.

## **6. RELATED POLICY**

- 6.1. U.S. Sick Leave
- 6.2. U.S. Leaves of Absence With Pay
- 6.3. U.S. Leaves of Absence Without Pay
- 6.4. Employee Classification