



Paid Time Off (PTO)

TITLE: Paid Time Off (PTO) Policy
EFFECTIVE DATE: January 1, 2022
BUSINESS AREA: Human Relations
COVERED: Full-time/Part-Time; Non-union; Salaried/Hourly; U.S.

I. PURPOSE AND SCOPE

Bimbo Bakeries USA (“BBU” or the “Company”) believes that paid time off (“PTO”) is necessary for work-life balance and the well-being of the associate. Full-time and part-time associates not covered under a collective bargaining agreement will accrue PTO each year work is performed. PTO is intended for associates to use time off however they wish (i.e., vacation, sick time, and for floating holidays outside of the BBU Holiday Policy).

II. POLICY

Associates accumulate one-twelfth of their PTO accrual for each month worked to their maximum entitlement, except that associates in California will be paid out based on a daily accrual. A newly hired associate will receive PTO on a prorated basis for the remainder of the calendar year in which they are hired, as set forth in this policy.

The amount of PTO for the calendar year is determined by the service anniversary that will occur in the calendar year. For example, if a full-time associate was hired on June 15, 2020, on January 1, 2030, they are eligible for 23 days of PTO in 2030, even though the associate’s 10th service anniversary would not occur until June 15, 2030.

All PTO must be used in the calendar year in which it is accrued. PTO not used by the end of a calendar year will be forfeited, unless prohibited by applicable law. As a result, the Company will not buy back or otherwise pay out PTO that is not used before the end of the calendar year. Deferral or accumulation of PTO to a succeeding year is not permitted.

If an associate works in California, Montana or Nebraska rollover of PTO is permitted, however, an associate’s accrual will be subject to a cap of 1.5 times the amount of PTO the associate is eligible for in the current calendar year. Once an associate reaches this cap, additional PTO will not accrue until the associate’s PTO total falls below the cap. The associate will then begin accruing PTO from that date forward until the cap is reached again.



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A. Full-Time Associates

Following the end of the calendar year in which an associate is hired, a full-time associate has PTO eligibility at the beginning of the calendar year based on their years of service as shown below:

<u>Years of Service</u>	<u>PTO Days (Hours)</u>
1-4	18 (144)
5-10	23 (184)
11-19	28 (224)
20+	30 (240)

B. Part-Time Associates

PTO for part-time associates will be prorated based on the number of regular hours worked during the prior year. For example, a part-time associate with 3 years of service who worked 20 hours on average per week in last year will be eligible for 9 PTO days (72 hours) this year.

C. New Hire Allotment

If an associate is hired after the plan year begins then the PTO hours are allotted according to the following schedule and should be used by the end of the year:

<u>Month of Hire</u>	<u>Full-Time Associates PTO</u>	<u>Part-Time Associates PTO</u>
	<u>Days (Hours)</u>	<u>Hours</u>
January	18 days (144)	40 Hours
February	16.5 days (132)	37 Hours
March	15 days (120)	34 Hours
April	13.5 days (108)	31 Hours
May	12 days (96)	28 Hours
June	10.5 days (84)	25 Hours
July	9 days (72)	22 Hours
August	7.5 days (60)	19 Hours
September	6 days (48)	16 Hours
October	4.5 days (36)	13 Hours
November	3 days (24)	10 Hours
December	1.5 days (12)	4 Hours

D. Terminated Associates

Earned, unused PTO will be paid out when an individual leaves the Company based on the number of months worked during the calendar year in which the associate leaves. If the associate's employment ends on or after the 15th of the month, for PTO accrual purposes, the associate will receive credit for a full month worked, except that associates in California will be paid out based on a daily accrual.



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If an associate leaves the Company after having used more PTO in the calendar year than the associate has earned, the balance owed will be deducted from any final payment due, except as prohibited by state law.

Associates may not extend their last days worked by using PTO.

E. Rehired and Transferred Associates

Provided no severance has been paid to the associate, an individual rehired by BBU within 6 months of their termination date will receive credit for prior service when determining PTO eligibility.

If the associate has transferred from Grupo Bimbo, the associate's years of service with GB will be recognized by BBU. However, PTO entitlement received by the transferred associate will be based on the schedule set forth in this policy.

III. GENERAL

PTO must be scheduled in advance and approved by the associate's supervisor to ensure adequate coverage for business operations. PTO must be taken in full or half day increments, not by the hour. Each associate is responsible for tracking and reporting time off, as well as ensuring PTO is used.

PTO will not be considered hours worked for the purposes of computing weekly overtime.

IV. PAID SICK TIME

Associates who work at BBU locations in jurisdictions that have legally-mandated sick time should review the addendum to this policy for information on how this policy applies to them. To the extent portions of the addendum conflict with this Policy, the addendum shall apply. All other associates are expected to utilize PTO when taking sick time.

All questions regarding the interpretation and administration of this policy should be directed to your local Human Relations Business Partner.

BBU maintains an at-will employment relationship with its associates. This means that the Company or the associate may terminate the employment relationship with or without cause at any time. This policy is not an employment contract and BBU reserves the right to change or discontinue the policy. When a provision of this policy conflicts with an applicable collective bargaining agreement, the collective bargaining agreement will control. This policy will also be administered consistent with all applicable laws.