Flexible Time Off (FTO) for Non-Exempt (Hourly) Employees

FAQ

1. Why are we making this change?

   Our success has always been – and will continue to be – a direct result of our people. We must engage, hire and retain top talent to continue to be successful. Our business transformation requires an extremely motivated and engaged workforce and we need to provide policies that energize employees rather than prohibit them.

2. What is the new policy?

   Effective January 1, 2017, employees will have an allocated single “bank” of paid time off to cover vacation, sick and floating holiday days, which will be referred collectively as paid time off. Employees can utilize the bank of days at their discretion, subject to manager approval. This policy allows employees the flexibility to best choose how they want to use their designated time off. The time off policies described in this communication are applicable to the non-union employees of the company.

   Time off for employees covered by collective bargaining agreements is addressed in those agreements and is different from what is described in this communication.

3. Who is eligible?

   All non-union, non-exempt (hourly) employees who work at least 30 hours per week are eligible. For employees who work less than 30 hours a week, local state or city sick time ordinances may apply (please consult with your local HR representative for additional information).

4. Is my accrued paid time off amount changing?

   The accrual rates for paid time off include vacation, sick and floating holiday plans. The amount of days allocated is not changing, while the new policy allows you more flexibility in the manner in which you might use such paid time off:

<table>
<thead>
<tr>
<th>If Your Service Equals</th>
<th>In the Following Calendar Year You’ll Get</th>
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<tbody>
<tr>
<td>Less than 4 years</td>
<td>16 FTO days</td>
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<tr>
<td>4-9 years</td>
<td>21 FTO days</td>
</tr>
<tr>
<td>10 or more years</td>
<td>26 FTO days</td>
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   While your annual paid time off allotment is determined as of January 1st of each year, it accrues monthly throughout the year, at the start of each month of service. For new hires, your paid time will also accrue monthly, on a pro-rata basis, based on the number of months in your partial calendar year of employment. For up to date paid time off balances, please refer to Workday.
Accrued and unused paid time off cannot be carried over from one calendar year to the next unless required by state law (e.g., in California, where time off will carry over from year to year, but subject to the accrual caps set forth below). If you leave the company having taken more time than what has been accrued, Tribune Publishing reserves the right to recoup that pay from your final paycheck, subject to state law restrictions. In connection with a termination of employment, employees will be paid out for any accrued and unused paid time off.

Accrual rates will vary based on time worked. Please contact your local Human Resources manager for details. Temporary employees are not eligible for paid time off. Employees do not accrue paid time off during leaves of absences or other periods of inactive service.

California based employees may accrue up to 1.5 times their annual paid time off accrual. Once this accrual cap has been reached, then such employees will not accrue any additional paid time off until they have used some of their accrued time to bring it below the cap (and there will be no retroactive grant of paid time off for time during which the accrual was at the cap).

5. **What type of time off is not covered?**

This policy does not apply to absences that may be covered under: bereavement, jury duty, Family Medical Leave Act (FMLA) or similar state laws, jury duty, Short-Term Disability (STD), Worker’s Compensation, military leave and defined company holidays. These absences are covered under separate policy as described in the employee handbook.

When the circumstances warrant it, employees may be required to apply for a leave of absence (which may include STD, Long-Term Disability (LTD), and/or FMLA provisions, and such time off may be unpaid if the employee has exhausted available FTO).

6. **How do I request FTO?**

The process itself is not changing. You must seek your supervisor’s approval and should continue to request time off through the current online request process via the KRONOS system. Employees must continue to notify those who need to know about the timing and duration of any time off.

7. **How far in advance do I need to request FTO with my manager?**

Employees should give their manager as much notice in advance as possible, just as they do today, with the exception of time off due to illness (in which we ask you provide your supervisor with as much notice as possible).

8. **What if I have an emergency or a family situation that requires my absence?**

We understand that life cannot always be planned in advance. Employees should discuss any situation that requires their absence directly with their manager.
9. **Will Tribune Publishing still have an official holiday calendar?**

Yes, we will continue to have a universal holiday calendar. Our employees across the country deliver exceptional products to customers every day of the year, including holidays, and critical personnel will continue to be compensated for holiday work accordingly. Non-exempt, non-union employees will get nine company paid holidays, as well as the equivalent of one floating holiday that is included in their “bank” of time off under the new policy.

*The holiday dates are included in the Payroll Calendar and are as follows:*

- January 2: New Year’s Day Observation
- January 21: Martin Luther King, Jr. Day
- February 20: President’s Day
- May 27: Memorial Day
- July 4: Independence Day
- September 2: Labor Day
- November 28: Thanksgiving Day
- November 24: Day after Thanksgiving
- December 25: Christmas Day

Paid holidays for union employees are covered by their collective bargaining agreements and may be different from those given to non-union employees.