



## Flexible Time Off Policy Employee FAQ

### **What is the Flexible Time Off (FTO) policy?**

The Flexible Time Off (FTO) policy gives you the flexibility to take personal time, without having to worry about how many hours you've accrued. It's effective March 1, 2017.

### **Why is Salesforce implementing the FTO policy?**

Here are a few reasons that we've implemented the FTO policy for specific U.S. employee populations:

- We trust you to get the job done. This change allows you to take the time off that you need, when you need it.
- We want Salesforce to be a place where you want to grow your career.
- Progressive and flexible programs like this are becoming more common among our competitors and peer companies in the industry. We aim to deliver rewards that are competitive so that we can continue to attract and retain the industry's top talent—like you!

### **What's the best practice for taking time off under the new FTO policy?**

It's all about giving you the freedom and flexibility to take time off whenever you need it. You no longer have to worry about how many hours you've accrued. When taking any time off, it's important to keep your team informed and schedule your time off as far in advance as possible. This will allow for appropriate coverage plans to be in place before you take your time off.

### **On the PTO plan, if I had hours accrued, the expectation was that I could take them. How will that change under the FTO plan??**

We trust you to use your best judgment and be conscientious when deciding how to exercise your FTO. As long as you notify your manager and coworkers ahead of time (the more notice, the better) and do your best to ensure that your work is covered while you're out, you should have no concerns about taking time off whenever you need it.



### **What are my responsibilities when taking time off?**

You will continue to request time off from your manager in a reasonable manner and you must obtain your manager's approval prior to taking time off. You must notify your team and delegate responsibilities during your absence.

### **Who's eligible for FTO?**

Effective March 1, 2017, exempt (salaried) employees in grades 7 and above (managers or individual contributors) in the United States are eligible for FTO. Prior to March 1, 2017, only directors (grade 9) and above in the United States were eligible.

We have been implementing FTO in phases for the last several years and will continue to explore expanding it to other populations.

### **How do I know my grade?**

An email will be sent in mid-February, 2017, to notify employees of their eligibility (based on Workday data as of February 10, 2017). If you are unsure of your grade level, your manager can view your grade level and relay this information to you.

### **Can I opt out of the policy?**

No, you cannot.

### **When do I stop accruing PTO?**

If you're currently a grade 7+ exempt employee in the United States, you'll become eligible for FTO on March 1, 2017, and will stop accruing PTO on February 28, 2017.

### **How should I handle taking time off before March 1?**

Continue to log PTO requests in Workday as normal until February 28, 2017.

### **What happens if I get promoted into a grade 7+ exempt role?**

On the effective date of your promotion, you'll automatically become eligible for the FTO policy. Following your promotion, you'll be paid out any accrued PTO by the end of the second pay period, after the start of the following quarter.

### **How do I see how many hours of PTO I have accrued?**

You can view your total accrued PTO hours in Workday under Time Off. If you are viewing your balance in ADP, you may see a different amount. This is due to a lag time (ADP updates are done following the current pay period) that we are



currently working to resolve. The amount listed in Workday is the correct balance.

### **What happens to the PTO that I have accrued?**

Employees will receive an email in mid-March with their PTO balance as of February 28, 2017. You'll be paid out any unused PTO on March 31, 2017 at your current rate of pay.

Please remember that PTO does not accrue while you're on a leave of absence or receiving any disability compensation, such as State Disability Insurance or Workers' Compensation Insurance.

### **How is my PTO payout taxed?**

You'll be taxed at the supplemental tax rate. Per IRS Publication 15, Circular E, any payments that are not regular wages are taxed at this rate.

### **Is my PTO payout eligible for contributions to my 401k or the ESPP?**

The payout is not eligible for ESPP or 401k contributions or matching.

### **How does this work with leaves (medical, jury duty, military, etc.)?**

This program does not supersede any of Salesforce's current leave policies. If you will be out for more than five days for any reason other than vacation (e.g., illness, caring for an ill family member, parental leave, disability, jury duty, etc.), you must contact the Matrix at 855-354-6937 to determine if you qualify for a special leave.

### **How will this program impact me if I take a personal leave of absence?**

Under our personal leave of absence policy, you have the option to use your accrued PTO prior to starting your leave. Under the FTO policy for U.S. Grade 7+, however, this will not be an option, as you will no longer have any accrued PTO.

### **What about my floating holidays?**

Under the FTO policy, you'll no longer have designated floating holidays, as you'll have the flexibility to take personal time when you need it, without having to worry about how many floating holidays you have available.

### **What about paid sick time off?**

As an FTO participant, you're provided with 24 hours of sick time each year (or more if required by state or local law). You'll receive a new accrual each fiscal



year.

**How does this work with Sabbaticals and Volunteer Time Off?**

Under our sabbatical policy, you have the option to use your accrued PTO to supplement your time off. Under the FTO policy for U.S. Grade 7+, however, this will not be an option, as you will no longer have any accrued PTO. There will be no impact to you under the Volunteer Time Off (VTO) policy. You will continue to have seven (7) business days available and will receive your standard pay for any day taken under VTO.

**Why is this policy only available in the U.S. at this time?**

Many countries have laws and regulations about how much time off employers must provide and how much time off employees must take each year. Before we can consider expanding the program to other regions, we must do further research on the feasibility of implementing FTO programs in our other countries.