



## PAID TIME OFF POLICY

### PURPOSE

Mister Car Wash (Mister) encourages work/life balance and has established a paid time off (PTO) policy to allow our employees time away from work. PTO is available to use for vacation, sick or safe time, personal days, store holidays and other leaves of absence. See also “Related Policies, Procedures, and Forms” below.

### SCOPE

All Mister employees (full- or part-time) are covered under this policy.

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The following table outlines the PTO available to each employee based on their respective position and length of service:

| Tenure                    | Tier 1<br>Accrual Rate*   | Tier 2<br>Accrual Rate*  | Tier 3*   |
|---------------------------|---|--|---|
| 0-12 months               | Maximum annual hours: 48<br>1 hour PTO per 30 hours worked                                | Maximum annual hours: 80<br>3.077 hours PTO per pay period   | No annual maximum accrual<br><br>Refer to “PTO: Tier 3 Employees” below |
| 13-24 months              | Maximum annual hours: 60<br>1 hour PTO per 30 hours worked                                | Maximum annual hours: 120<br>4.615 hours PTO per pay period  |   |
| 25-60 months              | Maximum annual hours: 96<br>1 hour PTO per 30 hours worked                                | Maximum annual hours: 120<br>4.615 hours PTO per pay period  |   |
| 61+ months                | Maximum annual hours: 128<br>1 hour PTO per 20 hours worked                               | Maximum annual hours 160<br>6.154 hours PTO per pay period   |   |
| <i>Eligible employees</i> | <i>All hourly non-management store employees</i><br><br><i>PT / variable HQ employees</i> | <i>All store management positions</i><br><br><i>All regional support and maintenance positions</i><br><br><i>HQ non-exempt employees</i> | <i>Regional management HQ exempt employees</i>                          |

**\*California, Illinois, Washington Employees Only:** See state-specific provisions of “PTO: Tier 1 and Tier 2 Employees” below.

### PTO: Tier 1 and Tier 2 Employees

For Tier 1 and Tier 2 employees (see table above), PTO is calculated based on an employee’s position and length of service with Mister. PTO generally begins to accrue upon hire and will continue to accrue until you’ve reached your maximum annual hours, as indicated in the table above. At the end of each calendar year, a Tier 1 or Tier 2 employee may carry over up to 80 hours of accrued, unused PTO to the next year, except as required by applicable law. Any accrued and unused PTO in excess of 80 hours at December 31 each year cannot be carried over, and will not be available for use, except as required by applicable law.

A Tier 1 or Tier 2 employee who wants to use accrued PTO hours for reasons unrelated to sick- or safe-time purposes (as defined below) should first ask their manager and, if approved by their manager,



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then request the time off through Dayforce. PTO for reasons other than for sick- or safe-time purposes are subject to the manager's approval.

Accrued PTO hours, whether used for vacation, sick or safe, or personal time, will be paid at the employee's base rate at the time of use. Except as required by applicable law, accrued PTO is a use-it or lose-it benefit. Any accrued, unused PTO hours at the time of separation from employment (for any reason) will not be paid to the employee, except as required by applicable law. PTO may not be used in lieu of notice of resignation.

If an employee is rehired within twelve (12) months of separation, then previously accrued but unused PTO (including sick-or safe-time) will be reinstated, unless it was previously paid to employee upon separation.

**California Employees Only:** Notwithstanding the provisions of the table above, Tier 1 employees may accrue PTO hours up to the annual maximum accrual amount listed in the above table, and Tier 2 California employees may accrue PTO hours up to one and a half times (1.5x) their respective annual accrual based on the accrual rates in the above table (*Except in the first 12 months, where all accruals stop once the annual hours max is reached and will commence again at the start of month 13*). Once the accrual threshold is reached, no additional PTO will accrue until some currently accrued hours are used, at which point PTO will recommence accruing up to the threshold. All accrued, unused PTO hours remaining at December 31 each year will carry over to the following calendar year. Accrued, unused PTO hours will be payable to California Tier 1 and Tier 2 employees upon separation from employment.

**Illinois Employees Only:** Notwithstanding the provisions of the table above Tier 1 and Tier 2 Illinois employees, accrued, unused PTO hours will be payable to Illinois Tier 1 and Tier 2 employees upon separation from employment.

**Washington Employees Only:** Notwithstanding the provisions of the table above, there is no limit on annual PTO accrual for Washington Tier 1 and Tier 2 employees. Any accrued, unused PTO hours at the time of separation from employment (for any reason) will not be paid to Washington employees.

See "PTO: Sick- or Safe-Time Purposes" below for additional information.

### **PTO: Tier 3 Employees**

Mister has adopted an open PTO program for Regional Management and Headquarters (HQ) exempt employees. Each such employee is afforded the flexibility to take vacation, to take time off for sick- or safe-time purposes (as defined below), and to use for personal needs. These employees do not accrue paid time off and are encouraged to take the time needed to operate at peak performance subject to the following:

- Advise your manager at least 2 weeks ahead of schedule when you intend to take planned time off; notify your manager as soon as possible on days you need to be out unexpectedly.
- Coordinate with your manager to help arrange coverage for any of your responsibilities, especially those that are time-sensitive, during your time off (other than for sick- or safe-time purposes).
- Understand taking PTO (except for sick- or safe-time purposes) is subject to your department's business needs and that your direct supervisor can deny PTO if your taking PTO (except for sick or safe time purposes) interferes with business needs or individual performance.
- Unreasonable or excessive use of the open PTO program may result in disciplinary action.

See "PTO: Sick- or Safe-Time Purposes" below for additional information. The Tier 3 PTO program does not supersede the Mister Car Wash *Leave of Absence Policy* or *Paid Parental Leave Policy*. Any

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leaves of absence under the *Leave of Absence Policy* or *Paid Parental Leave Policy* or applicable federal or state law for Tier 3 PTO eligible employees will be governed by those policies.

### **PTO: Sick- or Safe-Time Purposes**

An employee may use available PTO for any of the following "sick- or safe-time" purposes:

- For the illness or healthcare of an employee or the employee's immediate family member (see below).
- If an employee or a family member is a victim of domestic violence, sexual assault or stalking.
- When an employee's place of business or family member's school or place of care has been closed due to a public emergency, health-related reason, or another unexpected closure.
- Other reasons required by a jurisdiction with a mandated paid sick- or safe-time law if the employee is scheduled to work in that jurisdiction.

For purposes of PTO, "immediate family member" means any of the following:

- Regardless of age, a biological, adopted, foster child, stepchild, child of a domestic partner, is a legal guardian, or a child for whom the employee stands in the place of a parent, regardless of age or dependency status.
- A biological, adoptive, stepparent, foster parent, legal guardian of the employee or the employee's spouse or domestic partner, or a person who stood in place of a parent for the employee when the employee or the employee's spouse or domestic partner was a minor child.
- A sibling, grandparent or grandchild (whether biological, step, adopted or foster) of the employee or the employee's spouse or domestic partner.
- A spouse or registered domestic partner of an employee.
- Any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

Each employees' sick- or safe-time hours, as may be required by applicable law, are included in the employee's eligible PTO hours shown in the table above. The PTO hours accrued and used on an employees' paystub also reflect the employee's usage of sick- or safe-time. Each employee's Dayforce account shows the respective use of PTO for safe- or sick time and other eligible uses. An employee who uses all available PTO for any reason, including for reasons other than for sick- or safe-time, will not have additional PTO provided for sick- or safe-time, or other reasons, except as required by applicable law.

Employees' rights for sick- or safe-time may vary by jurisdiction, particularly with respect to COVID-19; Mister reserves the right to modify its sick- or safe-time provisions or payroll practices without updating this Policy in order to comply with changing laws and regulations.

**Tier 1 and Tier 2 Employees:** PTO used for sick- or safe-time purposes should be designated in Dayforce as "Sick Time" by Tier 1 and Tier 2 employees when requesting PTO. When the need for PTO for sick- or safe-time purposes is foreseeable, employees should try to provide at least seven (7) calendar days advance notice to their manager. If the need is not foreseeable, employees should try to provide notice as soon as possible and in any event within 24 hours, if practicable. If an employee has questions about sick or safe time usage, they should contact HR. Employees using PTO for sick- or safe-time reasons who are away from work for three (3) or more consecutive work days may be required to provide reasonable documentation to verify their request; failure to provide such documentation may result in HR denying such request.



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**Tier 3 Employees:** For each Tier 3 employee (see table above), 48 hours, or the minimum amount required under applicable law, of sick- or safe-time will be pre-loaded in Dayforce each calendar year. It is the employee's responsibility to record use of this time through Dayforce. Any remaining balance of sick safe time is forfeited at the end of each calendar year, and a new balance will be pre-loaded on January 1, except as required by applicable law.

### **HOLIDAYS**

Mister stores are closed on the following holidays: New Year's Day, Easter, Thanksgiving and Christmas. Hourly field employees are not paid for holidays when the stores are closed and the employee does not work; employees may use accrued and unused PTO for these occasions, or they may take the day unpaid.

Mister HQ is closed on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving, and Christmas Day. If the holiday falls on a Saturday, it will be observed on Friday; if the holiday falls on a Sunday, it will be observed on Monday. All HQ employees are paid for these holidays.

Mister may schedule work on an observed holiday as necessary, subject to providing accommodation based on religion as required by applicable law.

### **BEREAVEMENT**

Mister recognizes that the loss of a family member is a difficult life event, that may require time to grieve and fulfill personal obligations. Mister provides paid bereavement time off to its employees in connection with the loss of certain family members. Bereavement time off is limited to the death of an employee's spouse, child, parent, sibling, step-parent, step-child, or step-sibling. This bereavement time off is separate from and in addition to any available PTO

In the event of an eligible family member's death, Mister will, upon demonstration of the eligible family relationship, pay a Tier 1 or Tier 2 employee for up to three (3) days of bereavement time off using the average number of hours the employee worked in the last full pay period, up to a maximum of eight hours per day. Reasonable documentation may be required; failure to provide documentation may result in denial of bereavement time off.

### **GENERAL PROVISIONS**

Mister prohibits discrimination and retaliation against employees who request or use PTO for sick- or safe-time purposes or who make a complaint about suspected violations of this Policy or for other exercise of time-off related rights.

This PTO Policy is intended to meet or exceed the requirements of all applicable federal, state, county, and local laws and regulations. If any provision of this policy conflicts with applicable laws and regulations, the applicable laws and regulations will govern. Questions can be directed to Human Resources at 1-844-529-7392 or emailing HRhelp@mistercarwash.com.

### **RELATED POLICIES, PROCEDURES, AND FORMS**

- Leave of Absence Policy (HR.3005-MCW-POL)
- Paid Parental Leave Policy (HR.3006-MCW-POL)

### **REVIEW**

This procedure will be reviewed annually and updated as necessary.

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| Name and Title                                 | Date (YYYY-MM) |
|--|----------------|
| Anna Zappia, Vice President of Human Resources | 2021-02        |

### APPROVAL

| Name, Title, and Signature   | Date (YYYY-MM) |
|--|----------------|
| <i>Anna Zappia</i><br>Anna Zappia, Vice President of Human Resources | 2021-02        |

### HISTORY

| Version | Issue Date | Updated by  | Revisions   |
|---------|------------|-------------|---|
| V.1     | 2019-10    | Anna Zappia | Document modified from prior version dated 2/9/2018 to adopt new format and revise PTO rollover provisions. |
| V.2     | 2021-02    | Anna Zappia | Updated sick- or safe-time provisions and other language. Added state specific provisions                   |