



H&R Block Policy

Subject: Sick Leave
 Policy Number: 308
 Scope: All Associates
 Effective Date: January 1, 2013
 Revision Date: March 3, 2022
 Policy Owner: Vice President, Total Rewards and P&C Systems

Eligibility

H&R Block provides paid sick leave benefits to eligible associates which includes all Regular associates and tax professionals assigned to a military base are eligible for paid sick leave benefits.

State and local laws regulating sick leave benefits may affect this policy. Please see the State/Local Sick Leave Policy Supplement below for different rules that may be applicable in specific jurisdictions.

Please note: Seasonal and temporary associates are not eligible for sick leave benefits, except for tax professionals assigned to a military base or as otherwise required by state or local law.

Sick Leave Grant

Eligible associates will be granted paid sick leave on their date of hire and on January 1 of each year thereafter based on years of service.

Regular full-time associates will be granted paid sick leave as indicated in the following schedule:

Year of Service	Sick Leave
1st Year – Based on Hire Date:	
Hired January – June	5 days (40 hours)
Hired July – September	2 days (16 hours)
Hired October – December	0 days (0 hours)
2nd Year	5 days (40 hours)
3rd and Subsequent Years	10 days (80 hours)

For purposes of determining years of service, only the calendar year of service is used. For example, a regular associate hired in October 2020 is considered to be in his/her second year of service on January 1, 2021, for paid sick leave purposes.

Regular part-time associates scheduled to work 20 or more hours per week will be granted paid sick leave on a prorated basis based on their regularly scheduled hours per week divided by 40. For example, for a part-time associate in their second year of employment regularly scheduled to work 30 hours per week, the calculation would be as follows:

- Full-time associate in second year of employment = 40 hours
- Part-time 30 hours per week: 30 hours divided by 40 hours = .75
- Pro-rated paid sick leave: 40 x .75 = 30 hours

On January 1, any accrued, unused paid sick leave from the prior calendar year will be carried over into the new calendar year. Paid sick leave may only accumulate to a maximum of 90 days or 720 hours, at which point no further paid sick leave will be granted until such time as the associate's paid sick leave balance is reduced below 720 hours.

Paid Sick Leave Usage

Paid sick leave (up to a maximum of 8 hours/day, except where the associate's scheduled daily hours exceed 8 hours) is intended to provide pay continuation to eligible associates who are unable to work due to their own non-job related illness or injury and for eligible associates who are unable to work due to the illness of a spouse, domestic partner (as defined in the Domestic Partner Benefits Program), child, or other household member or for any other absence that would qualify as FMLA leave or that qualifies for use of sick leave under applicable state or local law. It is not required that the associate be eligible for FMLA to be eligible to use sick leave. Sick leave may also be used for any healthcare-related time off (i.e., office visits to a physician or dentist).

H&R Block may at any time request a licensed health care provider's statement from an associate who is absent from work for his/her own illness or injury, except as limited by law. A Request for Leave of Absence must be completed for any absence of more than five days, including absence for a work-related illness or injury. A request can be made by contacting H&R Block's Leave Administrator at (866) 563-3586.

All associates are responsible for accurately reporting paid sick leave taken in the time and attendance system. Managers are responsible for ensuring the accurate, timely reporting of paid sick leave used by associates within their departments.

Absenteeism may result in corrective action up to and including termination, as determined by H&R Block in its discretion, even if available paid time off (vacation, sick leave, etc.) has not been exhausted, unless otherwise required by applicable law.

Rate Paid for Sick Leave

Unless otherwise required by local law, eligible regular associates will be paid for sick leave at their current regular compensation rate at the time the sick leave is taken, and regular associates paid on a base pay plus commission basis will be paid sick leave based only on the associate's base pay; commissions do not apply in this context, unless required by law.

Sick Leave Upon Termination or Transfer

Associates will not be entitled to receive pay for unused sick leave, and any unused sick leave will be forfeited upon termination of employment, except as required by state or local law. Any unused paid sick leave remaining upon termination will be reinstated in the event the associate is re-hired within 12 months from the date of termination. Regular associates who reduce their regularly scheduled hours to less than 20 hours per week will keep their unused sick leave but will not accrue further time except as required by state or local paid sick leave laws.

Sick Leave Compliance

The amount of an associate's accrued and available paid sick leave, in the current pay period and for the year, will appear on each pay statement. Associates should review the statement for accuracy and immediately contact the People and Culture department with any questions regarding the statement.

State/Local Sick Leave Policy Supplement

This supplements H&R Block's Sick Leave policy in the specific state and local jurisdictions that are noted below in Attachment A. H&R Block provides this supplement pursuant to its commitment to comply with all applicable state and local laws and regulations. For questions concerning local paid sick leave laws or regulations not listed here, please contact the People Center at 1-877-2CALLHR.

Eligibility

Regular associates in those state and local jurisdictions noted below in Attachment A will be eligible for sick leave *according to the more favorable of* the general sick leave policy above or as set out in this supplement. Conversely, seasonal associates in the state and local jurisdictions in Attachment A will be eligible for sick leave only as set out in this supplement. Please note: associates may not accrue paid sick leave under both H&R Block's general Sick Leave Policy and under the State/Local Sick Leave Policy Supplement.

Sick Leave Grant

Sick leave under this supplement, is accrued at the rate of 1 hour for every 30 hours worked, up to a maximum of 80 hours annually. On January 1, any accrued, unused sick leave from the prior calendar year will be carried over into the new calendar year. Total sick leave may only accumulate to a maximum of 80 hours, at which point no further sick leave will be granted until such time as the associate's sick leave balance is reduced below the maximum.

Sick Leave Upon Termination

Upon termination, associates will not be entitled to receive pay for unused sick leave under this supplement. Any unused sick leave remaining upon termination will be available in the event the associate is re-hired within 12 months from the date of termination. After that time, any unused sick leave will be forfeited.

Sick Leave Usage

Sick leave awarded under H&R Block's usual sick leave policies will apply toward the local legal requirements; the two will not be added together. Paid sick leave accrued under these local legal requirements can be carried over from year to year, subject to the caps described above.

Sick leave can be used for the purpose described in our general sick leave policy, or for any other reason for which sick leave must be made available pursuant to applicable local law.

To use sick leave, associates must get permission from their manager, unless provided otherwise by applicable local law. Associates using paid sick leave under this Supplement are not required to search

for or find a replacement employee to cover the periods of time in which they are absent from work. For foreseeable absences, associates should notify their manager, verbally or in writing, as far in advance as reasonably possible. For unforeseeable absences, associates should notify their manager, verbally or in writing, before the start of their shift, or, if circumstances prevent that notice, as soon as practicable. Associates are responsible for accurately reporting sick leave taken in the time and attendance system.

Associates may not be required to provide documentation of the associate's need to use sick leave for sick or safe purposes (as described in the local ordinances) unless the absence exceeds three consecutive workdays, and/or the certification is otherwise allowed by federal, state, or local law.

Sick leave used by associates pursuant to local ordinance is not considered part of an associate's absenteeism rate and is not considered when evaluating attendance. (This is the same rule that is applied to leave taken under the Family and Medical Leave Act.) In addition, no adverse action will be taken against an associate based on his or her use of accrued sick leave pursuant to local law.

For purposes of this supplement, and where consistent with applicable state or local law, "**eligible family member**" shall include an associate's: (1) spouse (including a domestic partner, registered domestic partner, civil union partner, life partner, or, if these are not applicable, a designated person of the associate's choice), (2) children, (3) parents, (4) grandparents, (5) grandchildren, (6) siblings, and, in limited jurisdictions (7) any individual related by blood or affinity whose close association with the associate is the equivalent of a family relationship, or (8) a person with whom an associate has shared for the preceding twelve (12) months a mutual residence and with whom an associate maintains a committed relationship. These relationships shall be interpreted broadly to include biological, adopted, and foster, legal guardian, or "in loco parentis" relationships of an associate or an associate's spouse.

Paid Sick Leave Compliance

H&R Block prohibits discrimination or retaliation against associates because of an associate's request for, or use of, legally mandated paid sick leave under state or local law. If you believe that you have been treated unfairly on account of your use of legally mandated paid sick leave, or your request for legally-mandated paid sick leave, please immediately report this concern to the People Center so that the matter may be reviewed and appropriate corrective action may be taken.

The amount of an associate's accrued and available paid sick leave, in the current pay period and for the year, will appear on each pay statement. Please review the statement for accuracy and immediately contact the People and Culture department if you have questions regarding the statement.

ATTACHMENT A

State	Jurisdiction/Scope	State	Jurisdiction
Arizona	Statewide	New Mexico	Statewide (effective 7.1.22) Bernalillo County
California	Statewide	New York	Statewide
			New York, NY
	Berkeley, CA		Westchester County, NY
	Emeryville, CA	Oregon	Statewide
	Los Angeles, CA	Pennsylvania	Philadelphia, PA
	Oakland, CA		Pittsburgh, PA
	San Diego, CA		Allegheny County, PA
	San Francisco, CA	Rhode Island	Statewide
Santa Monica, CA			
Colorado	Statewide	Vermont	Statewide
Connecticut	Statewide	Washington	Statewide
Illinois	Chicago/Cook County, IL		Seattle, WA
Maryland	Statewide		Tacoma, WA
	Montgomery County, MD		
Massachusetts	Statewide	Washington, D.C.	District wide
Michigan	Statewide		
Minnesota	Duluth, MN		
	Minneapolis, MN		
	St. Paul, MN		
New Jersey	Statewide		