



Military Leave Policy

About Military Leave

One of the benefits provided under the Uniformed Services Employment and Reemployment Rights Act (USERRA) is unpaid, job-protected time away from work for qualifying activities including participation in military funeral services, fitness-for military-duty examination, annual military training, and fulfillment of active duty deployment orders. This policy covers how Kimberly-Clark (K-C) complies and coordinates pay and benefits under USERRA and action you need to take when going on and returning from military service.

Policy Eligibility

You're eligible for leave under this policy if:

- you're an active full-time or part-time salaried or hourly paid employee not covered by a collective bargaining agreement, an intermittent/temporary employee, intern or co-op, and
- you're enlisted in the Armed Forces, National Guard, or covered Uniformed Services as defined by USERRA.

Amount of Military Leave

In general, USERRA offers up to a total (cumulative) of five years of unpaid, job-protected leave for qualifying military service. You can find more information about USERRA by visiting [dol.gov](https://www.dol.gov).

Compensation While on Military Leave

Note: Any paid benefits described in this section are available to active full-time or part-time (regularly scheduled for 20 or more hours per week) salaried or hourly paid employees not covered by a collective bargaining agreement. All leave for intermittent/temporary employees, interns, or co-op is unpaid.

Fitness-for-Military-Duty and Military Funeral Service

- For absences related to fitness-for-military-duty examinations or your participation in a military funeral service, you can choose to use paid time off such as personal holidays or vacation if you want to be paid for your absence. Otherwise, the absence will be unpaid.

Mandatory or Elective Training

- For mandatory or elective training, you may apply for a paid benefit from K-C. The paid benefit is available if you receive pay from the military for training and that amount is less than your K-C base pay (calculated by Matrix as 40 hours per calendar week regardless of actual scheduled work hours); in that case, K-C will pay you the difference between K-C base pay and military pay. The maximum paid benefit is up to two weeks (intermittent or continuous) per calendar year. The pay differential benefit isn't available if your military pay is more than K-C base pay for the same time period.

Active Deployment

- If you're called to active duty deployment during wartime (defined as activities related to military force), you may apply for a paid benefit from K-C. The paid benefit is available if the amount of military pay you receive is less than your K-C base pay (calculated by Matrix as 40 hours per



calendar week regardless of actual scheduled work hours); in that case, K-C will pay you the difference between K-C base pay and military pay. The maximum paid benefit is up to 12 months (intermittent or continuous) per rolling 12-month period. The paid benefit isn't available if your active duty deployment isn't during wartime or if military pay during a wartime deployment is more than K-C base pay for the same time period.

If you're an hourly-paid employee, Matrix will use your base (straight) pay rate as of the start of your leave period to calculate your benefit. Military leave doesn't count as hours worked for overtime calculations.

If you're a salaried-paid employee, Matrix will use your annual salary amount as of the start of your leave period, converted to an hourly pay rate to calculate your benefit.

If you're eligible for a paid benefit, Matrix will notify K-C payroll of the amount owed to you, and the payment will be processed with your normal payroll frequency.

Any change in pay that may take effect during your leave period will not change the amount of your paid military leave benefit.

See the *Requesting Military Leave* section of this document for information about reporting your military leave and requesting pay differential.

Compensation Upon Return from Active Duty Deployment

Note: The paid benefit described in this section is available to active full-time or part-time (regularly scheduled for 20 or more hours per week) salaried or hourly paid employees not covered by a collective bargaining agreement. Intermittent/temporary employees, interns, and co-op are not eligible for this paid benefit.

K-C recognizes the challenges that may come with returning to civilian life following an active duty deployment (peacetime or wartime). To help manage the transition, K-C offers up to 80 hours of pay over a two-calendar-week leave period (40 hours per week regardless of actual scheduled hours). If you choose to take the paid leave, it must be taken in one continuous block of time upon your return from deployment/release from active duty and before returning to work. If additional time off is requested, work with your Team Leader to use other paid time off, like personal holidays or vacation before returning to work.

For any paid post-deployment leave you request, Matrix will use your K-C pay rate in place at the time post-deployment leave begins when calculating base pay as described in the *Compensation While On Military Leave* section. Any pay increase you may be eligible to receive during post-deployment leave will not be used in base pay calculation.

When you contact Matrix about your military leave (see *Requesting Military Leave* section of this document), your Absence Management Specialist will ask about time off you may plan to take following your return from deployment and will manage your leave accordingly.



Benefits

Health & Welfare

Your K-C benefits coverage will continue during military leave at the same cost you pay while you're actively working. If you're called to active duty, you'll be billed for the amount owed for coverage; otherwise, like in the case of annual training, the cost of coverage will be deducted through payroll. You also have the option to drop K-C benefit coverage within 30 days following the start of your leave if you plan to use coverage provided by the military during your leave. You'll be eligible to re-elect K-C benefit coverage within 30 days after your return-to-work date.

401(k) & Profit Sharing Plan

Any pay you receive from K-C under this policy is considered 401(k) eligible earnings meaning that contributions will be deducted from your check if you're participating in the 401(k), and the paid benefit will count toward the calculation of any discretionary profit sharing contribution. You may also be eligible to make up missed 401(k) contributions and earn Company matching contributions for your military leave period. Contact Fidelity upon your return to work with questions about make-up contributions.

Call **800-551-2333** to reach the K-C Benefits Information Line. From there, choose the Health & Welfare option to speak to an Empyrean representative or choose the 401(k) & Pension option to speak with a Fidelity representative.

Requesting Military Leave

Step	Details	Tips & Resources
Step 1: Notify your Team Leader.	As soon as you learn about upcoming military service that will require you to be away from work, notify your Team Leader so he/she can plan for covering your work while you're away. The most important information needed is how long you're expected to be away and any additional time off you may want to take upon your return to work.	Review/update your Workday profile to include your personal email address and phone number so your Team Leader can stay in touch with you.
Step 2: Notify Matrix.	Matrix will help manage your leave including the calculation of any pay differential you're eligible to receive and to help you request time off immediately following your return to work. You can upload copies of your orders and military pay vouchers using Matrix's website or mobile app. If you're eligible for pay differential, Matrix will advise K-C payroll of how much to pay.	Matrix Phone: 877-202-0055 Monday – Friday 9 a.m. to 5 p.m. ET Online: Matrixabsence.com Mobile App: Matrix eServices Mobile (iOS and Android)



Important Things to Note

Job Protection

K-C complies with all state and federal laws related to qualifying military service. In addition, K-C's Code of Conduct prohibits subjecting you to discipline or retaliation for the good faith usage of your benefits, including paid or unpaid military leave benefits. However, you may be subject to disciplinary action, up to and including termination of employment, if you're found to have taken absences under this policy fraudulently.

Military Leave and Family Medical Leave of Absence (FMLA)

FMLA doesn't run concurrently with USERRA but does offer some military-related time off including up to 12 weeks for qualifying exigency and up to 26 weeks for military caregiver leave. Review the [FMLA Policy](#) for more information.

Military Leave and Holidays

Each year, K-C sets Company-paid holidays. Like other leaves of absence, holiday pay will not be provided during military leave.

Military Leave Interaction with State or Federal Laws

If there exists applicable state or federal laws granting military leave, you'll be provided with the greater benefit offered by either K-C or as required by law. Any military leave taken in this circumstance would satisfy state or federal leave entitlement.

This is a corporate policy and preempts any site specific policies. K-C expects this policy to continue indefinitely. However, K-C reserves the right to make changes to and even discontinue this policy. If K-C were to terminate this policy or designate a partial termination with respect to a specific group of employees, each employee will have no further rights or obligations for future use of this policy.

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