

# your vacation benefits

You work hard – you deserve some time off. After all, we can't be at our best at work without a little R&R along the way. Studies show that taking time off makes you happier, more productive, and more creative. This summary covers what you need to know about your vacation benefits.

## Who's covered

Full-time non-union in-store colleagues who work in Ontario and Atlantic Canada. This includes colleagues in Store Operations, Pharmacy, Optical, Dietitians and Asset Protection Representatives.

## Annual vacation benefits

Vacation benefits are earned based on a January 1 to December 31 reference year and current year accrual method. This means you earn and use your vacation benefits in the same calendar year. The number of vacation days you earn each year is determined by your vacation service, calculated from your Time Off Service Date, and your position in the store. You progress to the next level of annual entitlement on January 1 of the calendar year in which the vacation service requirement is met, regardless of the day on which your service anniversary falls in the year. If you're promoted to a position that provides a higher entitlement, you'll accrue the higher level commencing the month following the effective date of your promotion.

| Vacation Benefit Schedule |                                |                     |
|---------------------------|--------------------------------|---------------------|
| Years of Vacation Service | Annual Vacation Days           |                     |
|                           | Management & Designated Roles* | Non – Management    |
| 0 – 3                     | 3 weeks (15 days)**            | 2 weeks (10 days)** |
| 4 – 8                     | 3 weeks (15 days)              |                     |
| 9 – 15                    | 4 weeks (20 days)              |                     |
| 16 – 25                   | 5 weeks (25 days)              |                     |
| 26+                       | 6 weeks (30 days)              |                     |

\* Store Manager, Assistant Store Manager, Department Manager, Pharmacy Manager, Optical Manager, Bookkeeper / Financial Admin, Pharmacist (incl Relief Pharmacist), Optician, Dietician, AP Representatives \*\* subject to pro-ration in year of hire

## How vacation benefits accrue

Your annual vacation benefits are allocated to you on January 1 of each calendar year if you're actively employed by the Company on that date. Annual vacation benefits are pro-rated in a couple of situations:

- If you're hired after the vacation reference year starts; and
- If you've been on a leave of absence during the vacation reference year.

Here's how pro-ration works:

| If your annual vacation entitlement is | You'll earn the following vacation days for each calendar month in which you're actively employed by the Company for at least 16 days: |                   |
|--|--|-------------------|
| 2 weeks                                | 0.83   | (maximum 10 days) |
| 3 weeks                                | 1.25   | (maximum 15 days) |
| 4 weeks                                | 1.67   | (maximum 20 days) |
| 5 weeks                                | 2.08   | (maximum 25 days) |
| 6 weeks                                | 2.5  | (maximum 30 days) |

## Taking your vacation time off

It's important for you to take time away from work and we encourage you to make use of all of your vacation benefits in the year that you earn them. But we get that this sometimes isn't possible; and that's ok. With your manager's approval, you can carry-forward up to ten (10) unused vacation days into the following calendar year. You'll just need to make sure you use these days by March 31 though, or you'll lose them. Your vacation benefits will be paid at your base rate in effect at the time you take your vacation.

If you retire or leave the Company, all of your unused earned vacation benefits will be paid to you in a lump-sum. However, should you take more vacation than you've earned, you'll owe the Company an amount equal to any unearned vacation days.

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## When you're on a leave of absence

Life happens and you may be off work for a period of time celebrating a life event, or recovering from an illness or injury. Either way, you'll earn vacation time off benefits while you're on certain leaves of absence (LOA). Whether it's paid or unpaid time off (or both), depends on the type of LOA.

### During a maternity, parental or adoption LOA

You'll earn paid vacation benefits during the first 17 weeks of a maternity LOA and the first 11 weeks of a parental or adoption LOA. Unpaid vacation time off benefits will accrue during the remaining period of the LOA. Birth mothers earn paid vacation benefits only during the maternity portion of their LOA.

### During a disability LOA

You'll earn paid vacation benefits during an approved short-term disability LOA and during the first 26 weeks of a Workers' Compensation LOA.

### During an unpaid LOA

You won't earn vacation benefits during a personal unpaid LOA unless it's a job-protected LOA type, in which case you'll earn unpaid vacation time off benefits. Job-protected LOAs are those defined under applicable employment standards legislation.

### Vacation time off after an LOA

You'll have six (6) consecutive months after your return to active employment following an approved LOA, to take all of your outstanding and accrued paid and/or unpaid carry-forward vacation time off benefits.

## Have questions?

Contact the Colleague Support Centre (CSC) through fl!p or by phone 1-877-303-3013.

Ultimately, any decisions related to the eligibility or administration of the Store Vacation Benefit Plan is the responsibility of the EVP, Human Resources and Labour Relations.