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| SUBJECT | VACATION & BEREAVEMENT LEAVE POLICY | EFFECTIVE DATE | JULY 1, 2016 |
| POLICY NO | 005-2016-0701 | REVISION DATE | JUNE 21, 2016 |
| APPROVED BY | MANAGEMENT TEAM | NO OF PAGES | 5 |

VACATION LEAVE

Policy Statement

MBPS recognizes the need for you to take time off from work and to give you time to rest for your self and for your family. The purpose of paid vacation is to encourage employees to renew themselves physically and mentally. Thus, the company provides you with increasing number of vacation leave credits every year, depending on tenure and encourages you to plan your vacation leaves wisely.

Since MBPS is servicing foreign clients, it is the policy of the company and consistent with business requirements that we follow the holidays declared by the business unit. The company adheres to all statutory requirements of the Labor Code of the Philippines pertaining to premiums and incentives on declared Philippine legal and special holidays.

Guidelines:

- **Eligibility**

Vacation leaves shall be granted to all full time employees of MBPS Philippines one (1) month after the employee's date of hire.

- **Leave Credits**

1. Effective July 1, 2016, an employee shall enjoy **1.5** days vacation leave credit one month after his/her hire date during his probationary period. A total of 18 days leave credits shall be earned after 1 year (12 months) of employment.
2. Thereafter, your leave credits will increase depending on your tenure:

Full Time Employees:

- One (1) Year of tenure – employee shall enjoy 1.9 days vacation leave credit per month which is equivalent to 23 days including Business Unit Holidays.

- Two (2) Years of tenure – employee shall enjoy 2.08 days vacation leave credit / month which is equivalent to 25 days including Business Unit Holidays.
- Three (3) or more years of tenure - employee shall enjoy 2.25 days vacation leave credit / month which is equivalent to 27 days including Business Unit Holidays.

- **Availment**

- 1) Vacation Leaves used in excess of available leave credits are automatically deducted from your salary.
- 2) Vacation Leaves are pre-scheduled to avoid undue disruption of work / operations.
 - a. Vacation Leaves of one (1) to two (2) days must be filed at least seven calendar days before the actual leave date.
 - b. Vacation leaves of more than three (3) days must be filed at least two weeks before the actual leave date.
 - c. Emergency Leaves due to personal or family obligations, adverse weather conditions, illness in the family, fortuitous events, urgent family or personal needs or any situation that requires immediate attention may be filed on or before the date of leave. Employees can use a maximum of three (3) emergency leave days per year. Leaves of this nature are chargeable or deductible on your vacation leave credits.
 - d. You are advised to submit your planned vacation leaves per month for monitoring and tracking of leaves.
- 3) Absences taken without prior approval are considered Absence Without Official Leave (AWOL) and subject to disciplinary measures.

- **Usage and Administration**

- 1) Except as otherwise provided in this policy, unused Vacation Leave credits cannot be accumulated and are not convertible to cash.
- 2) A maximum of five (5) days leave can be carried over the following year and can be consumed on or before June 30 otherwise forfeited.
- 3) There is no deduction on the leave credits if an employee is required to work by the Business Unit as part of the “skeletal workforce” during a foreign holiday. Philippine Legal and Special Holiday premium rates are only applicable to declared Philippine legal and special holidays.

Employee needs to select BU leave in workday to advance his/her leave credit for the year.

- 4) While on vacation leave, you may be requested by your Immediate Superior to cancel your leave on account of workload. Thus, your leave may be re-scheduled or deferred to a **mutually** agreed date.
- 5) An employee may inquire their leave balance through workday system.
- 6) Leave credits are earned per month and not given in advance for the whole year. However, an employee may advance their leave credits if purpose of leave is BU / Philippine holiday by tagging the correct purpose of leave through workday. The workday system will only allow advance leaves if tagged as "Business Unit Holiday".

ILLUSTRATION:

Date of Hire : March 1, 2016

| | Entitled No. of days per Month | No. of Months | Period Covered | Total No. of Leave Credits | Remarks |
|---------------------------|--------------------------------|---------------|--|----------------------------|---|
| Probationary Period | 1.5 days | X 6 | March 1, 2016 to August 31, 2016 | 9 VL credits in 6 months | 9 + 9 = 18 days VL credits after 12 months From March 1, 2016 to Feb 29, 2017 |
| Regularization Period | 1.5 days | X 6 | September 1, 2016 to February 29, 2017 | 9 VL credits in 6 months | 9 + 9 = 18 days VL credits after 12 months From March 1, 2016 to Feb 29, 2017 |
| One (1) year of tenure | 1.916 days | X 12 | March 1, 2017 to February 31, 2018 | 23 VL credits in 12 months | 23 days by the end of the 2nd year of tenure From March 1, 2017 to Feb 29, 2018 |
| Two (2) years of tenure | 2.08 days | X 12 | March 1, 2018 to February 31, 2019 | 25 VL credits in 12 months | 25 days by the end of the 3rd year of tenure From March 1, 2018 to Feb 29, 2019 |
| Three (3) years of tenure | 2.25 days | X 12 | March 1, 2019 to February 31, 2020 | 27 VL credits in 12 months | 27 days by the end of the 3rd year of tenure From March 1, 2019 to Feb 29, 2020 |

BEREAVEMENT LEAVE

The company shall grant leave with pay to employees bereaved by the death of a member of the immediate family.

Guidelines:

- **Eligibility**

Any regular employee (full-time) including those on probation shall be entitled to a bereavement leave.

- **Leave Credits**

Bereavement leave with pay may be taken for a maximum of four (4) working days per each death of the immediate family member.

- **Purpose of Leave**

Bereavement leave shall be granted to enable the employee to attend to the death of an immediate member of his/her family which shall be limited to spouse, children, parents and parents-in law.

- **Forfeiture and Commutation.**

Bereavement leave not taken within two (2) months from the death of the immediate family member shall be forfeited. In addition, it shall not be commuted to cash nor carried over the following year.

Procedure:

- Application for bereavement leave shall be made via the Workday leave application tool as "Compassionate leave" or by filing out the Application for Leave & Absence slip for employees under manual timekeeping.

Bereavement Assistance

- Kindly refer to the "Bereavement Assistance Policy" of MBPS.

Disclaimer: *This policy supersedes all policies that refers to vacation leaves and bereavement leaves.*

Endorsed by :



ARDHI LUFTI SIREGAR

AVP and Global Resourcing
HR Partner, Human Resources

Date Signed: _____

Approved by:



GIGI MANTARING

VP & General Manager, Manulife Business
Processing Services

Date Signed: _____