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	Policy No. HR-4.2.0-2	Minor Revision
	Date of Issuance April 1, 2012	Date of Effectivity April 16, 2012
Subject: <u>Leaves and Absences</u>		

I. POLICY STATEMENT

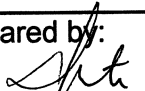

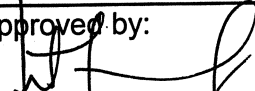
STI considers the need of an employee to occasionally leave work to attend to personal and urgent needs without loss of income. With this, the company shall grant to employees leave credits based on eligibility status. These leave credit benefits consider, in part, the different facets of employees work-life situation.

Regularity of attendance is an important company requirement. It must be stressed that the company provides these leave benefits to employees to ascertain that it maintains a healthy, motivated, productive and inspired workforce who are highly responsive to the business goals of the organization and the customers that it serve.

II. COVERAGE

This policy tackles the general standards that will be used in implementing the program, interpreting and evaluating cases and issues concerning availment of leave benefits.

This policy covers company-driven initiatives and other specific employee benefits mandated by the Labor Code of the Philippines that intend to contribute to the need to provide the essential balance between the employees' life at work and outside.

Prepared by:  <hr/> Liezel Diego-Matias HR Manager	Endorsed by:  <hr/> Atty. Jay Joseph C. Jamandre AVP - HR and Legal	Approved by:  <hr/> Peter K. Fernandez EVP/COO
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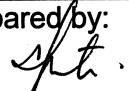


III. ELIGIBILITY

The following leave credits are applicable to all qualified employees based on the following conditions:

1. Permanent employees are entitled to 15 days Vacation Leave credits and 15 days Sick Leave credits, given in advance at the start of every fiscal year. Leaves in excess of the said entitlement shall be treated as Leave of Absence without Pay.
2. Probationary employees are entitled to prorated credit of 1.25 days per month upon permanency.
3. An employee is entitled to three (3) days Emergency Leave upon permanency.
4. Female employees are entitled to Maternity Leave equivalent to 60 calendar days for normal delivery (includes miscarriage) and 78 calendar days for caesarean delivery.
5. Married male employees are entitled to Paternity Leave equivalent to seven (7) working days per delivery to attend to pregnancy related matters only for the first four (4) deliveries of his legitimate spouse.

IV. COMPANY DESIGNATED LEAVES (CDL)

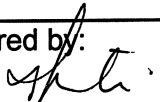
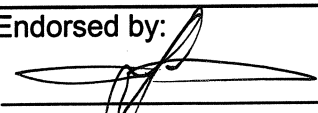
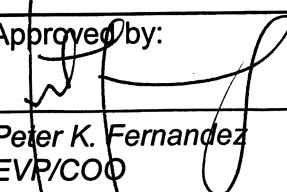
1. Of the 15 vacation leave credits, a minimum of five-day leave credits are Company Designated Leaves (CDL). These are allocated for Christmas vacation, company outing and/or for other purposes as deemed necessary by the Management.
2. The Company Designated Leaves are automatically deducted from the employee's vacation leave credits leaving a maximum total of 10 vacation leaves that an employee can schedule and use at his/her preference provided approved by his/her immediate superior.
3. Permanent employees who no longer have related leave credits shall be on Leave of Absence without Pay during the Company Designated Leaves.
4. Probationary employees who are not yet entitled to leave credits and newly regularized employees who have not yet accumulated enough vacation leave credits shall also be on Leave of Absence without Pay during the Company Designated Leaves.

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V. VACATION LEAVE

1. If an employee intends to engage in social/emotional renewal activities such as sharing quality time with family, relatives, or friends, take initiatives for intellectual enrichment or endeavors for spiritual enrichment, a vacation leave is granted so that an employee can reinvigorate and refresh himself.
2. Vacation leave credits include those provided for in the Solo Parents Welfare Act of 2000 (RA 8972).
3. At the division level, it is encouraged that all vacation leaves be planned twice a year for purposes of proper work planning.
4. While vacation leave utilization are scheduled, the superior/s responsible for authorizing and approving leave availment must take into consideration the need to balance the operational requirements of their respective departments and the employee's privilege to enjoy the vacation leave benefits granted to him/her by the company.
5. Should the employee's leave schedule be in conflict with the department's operational activities, the concerned employee and his/her immediate superior must agree to re-set leave utilization at a mutually beneficial schedule.
6. All approved vacation leave(s) can no longer be cancelled nor re-scheduled. Likewise, leave requests that are still pending for approval a day before the actual leave are deemed approved and can no longer be cancelled nor re-scheduled.
7. Should the employee resign or retire from work without having earned sufficient vacation leave credits, the number of utilized vacation leave credits that was advanced by the company shall be computed and deducted from the employee's final pay. Computation shall be based on the employee's current salary.
8. Vacation leaves are non-commutable to cash.
9. At the end of every fiscal year, all unutilized vacation leave credits shall automatically be rendered invalid.

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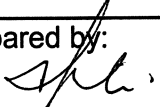
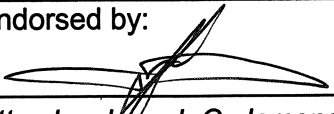
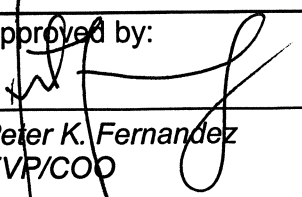
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10. Application Requirements:

- 10.1. Utilization of vacation leave credits is subject to the following requirements. Failure to comply with these requirements shall be dealt with in accordance to the Employee Code of Conduct.
- 10.2. An employee who wishes to avail of the vacation leave benefit has to completely accomplish an Application for Vacation Leave for approval of the immediate superior and/or other authorized approver(s).
- 10.3. Vacation leave applications shall be confirmed upon submission to and approval of the immediate superior and/or other authorized approver(s) within the appropriate lead time presented below. This is designed to allow the department adequate preparation for work reassignment or designation of a reliever.

No. of Leave Credit(s) to Avail	No. of Days Required Before Leave Date
Not more than 2 days	1 working day, filed and approved
More than 2 days	5 working days, filed and approved

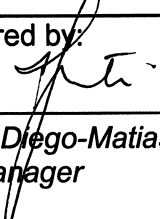
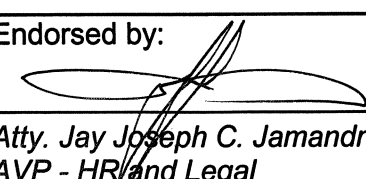
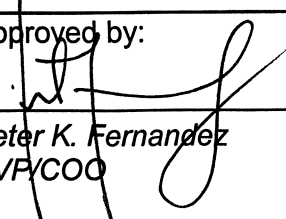
- 10.4. Failure to comply with the above lead time shall be dealt with in accordance to the Employee Code of Conduct.
- 10.5. The approval/disapproval of vacation leave must not be delayed. Immediate superiors on Official Business or Leave and cannot approve/disapprove the Application for Vacation Leave using the e-forms, should advise HROD immediately to make the approval/disapproval on their behalf.

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VI. SICK LEAVE

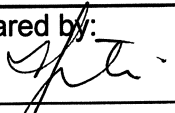
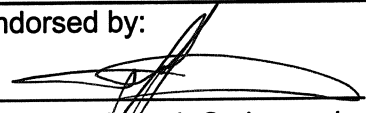
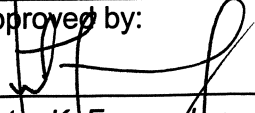
1. When an employee is sick or needs a number of days away from work to rest, undergo preventive health maintenance check up, and recover from certain sickness or physical condition, a sick leave benefit is granted to ensure that quick and full recovery is facilitated.
2. Permanent employees are entitled to 15 days sick leave credits, given in advance at the start of every fiscal year. Of the 15 days sick leave credits, 10 are commutable to cash. Computation shall be based on the employee's daily rate.
3. Probationary employees are entitled to prorated credit of 1.25 days per month upon permanency.
4. At the end of every fiscal year, all unutilized sick leave credits in excess of the 10 that can be commuted to cash shall be rendered invalid.
5. Should the employee resign or retire from work without having earned sufficient sick leave credits, the number of utilized sick leave credits that was advanced by the company shall be computed and deducted from the employee's final pay. Computation shall be based on the employee's current daily rate.
6. The use of sick leave for any other reasons, whatsoever, other than its intended purpose is considered dishonesty and shall be dealt with accordingly.
7. **"Forced" Leave.** While the management values the enthusiasm of an employee to resume the performance of his/her duties by being physically present despite his/her sickness or his/her unfavorable physical condition, the management will exercise its right to discharge the employee to take the needed sick leave. The exercise of this prerogative aims to guarantee the immediate recovery of the employee and protect employees that can be affected from the threat of acquiring adverse health conditions which can be possibly transmitted by the presence of their colleague who is may be in dire health condition.

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8. Application Requirements:

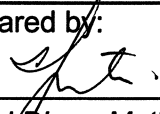
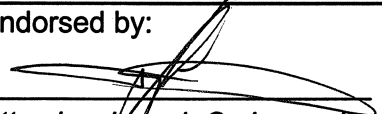
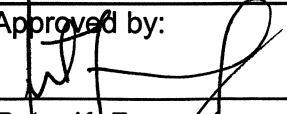
- 8.1. Utilization of sick leave credits is subject to the following requirements. Failure to comply with these requirements shall be dealt with in accordance to the Employee Code of Conduct.
- 8.2. The employee concerned or his/her legitimate representative must communicate with the concerned department's designated staff/officer to advise him/her of the nature/reason for absence, at least an hour before one's official work schedule. This is for purposes of immediately assigning a reliever to take over the work of an absent employee.
- 8.3. On the day the employee returns to work, an Application for Sick Leave has to be filed for approval of the immediate superior and/or other authorized approver(s).
- 8.4. Late filing shall be dealt with in accordance to the Employee Code of Conduct.
- 8.5. For the protection of all concerned, sick leave of three (3) days and longer require the submission of a medical certificate stating the condition of the employee and capability to resume normal work as support to the Application for Sick Leave.
- 8.6. Management reserves the right to require any employee to see a company accredited doctor to certify if an employee is fit to return to work.
- 8.7. Planned sick leaves of more than two (2) days (i.e. for operations or medical procedures) have to be filed and approved at least five (5) working days prior to the actual leave.

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VII. EMERGENCY LEAVE

1. During emergency cases or when an untoward situation occurs, the employee is provided Emergency Leave credits. This will give the employee the time to immediately resolve the matter at hand so that he can go back to fulfilling his duties at work with the least mental distraction and with a clearer sense of direction.
2. A 3-day non-cumulative leave credits utilized on occasions of extreme necessity, such as:
 - 2.1. In the event of illness/death of an immediate family member of legitimate status. Immediate family member of legitimate status refers to parents, spouse, children, or siblings.
 - 2.2. In the event of natural calamities and or force majeure that poses extreme impossibility of coming to the workplace.
 - 2.3. In the event of fire, robbery, transport strike, road accident and other circumstances of similar nature that aside from preventing the employee to reach the workplace, it also poses major distraction and loss of concentration on the part of the employee.
3. As a general rule, filing of consecutive Emergency Leaves shall not be allowed except for extreme emergencies of differing natures.
4. Emergency leaves are non-commutable to cash.
5. **Application Requirements:**
 - 5.1. Utilization of emergency leave credits is subject to the following requirements. Failure to comply with these requirements shall be dealt with in accordance to the Employee Code of Conduct.
 - 5.2. The employee concerned or his/her legitimate representative must communicate with the concerned department's designated staff/officer to advise him/her of the nature/reason for absence at least an hour before one's official work schedule. This is for purposes of immediately assigning a reliever to take over the work of an absent employee.

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5.3. On the day the employee returns to work, an Application for Emergency Leave has to be filed for approval of the immediate superior and/or other authorized approver(s).

5.4. Late filing shall be dealt with in accordance to the Employee Code of Conduct.

VIII. MATERNITY LEAVE

1. Female employees are entitled to maternity leave credits up to 60 consecutive calendar days for normal delivery (includes miscarriage) and 78 consecutive calendar days for caesarean delivery.

2. Maternity Leaves are non-commutable to cash.

3. Application Requirements:

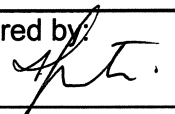
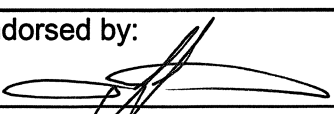
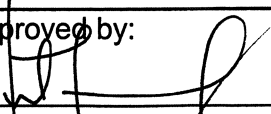
3.1. Utilization of the maternity leave credits is subject to the following requirements. Failure to comply with these requirements shall be dealt with in accordance to the Employee Code of Conduct.

3.2. The SSS Maternity Notification form must be accomplished and submitted to HROD immediately when the pregnancy is confirmed. The Employee should attach the pregnancy or ultrasound result together with the SSS digitized ID.

3.3. The maternity benefit shall be paid for by SSS. However, the company shall advance the benefit as follows:

3.3.1. 70% of the benefit shall be released 60 days prior to giving birth (the 7th month of pregnancy)

3.3.2. 30% of the benefit shall be released within 30 days upon return to work and upon submission of the requirements:

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3.3.2.1. Normal Delivery – certified true copy or authenticated copy of the duly registered birth certificate. In case the child dies or is a stillborn, a duly registered death or fetal death certificate.

3.3.2.2. Caesarean Delivery – certified true copy or authenticated copy of the duly registered birth certificate and certified true copy of operating room record/surgical memorandum.

3.3.2.3. Miscarriage or abortion – dilatation and curettage (D & C) report for incomplete abortion; pregnancy test before and after abortion with age of gestation or hystopath report for complete abortion.

3.4. The maternity benefit is applicable only for the first four (4) deliveries.

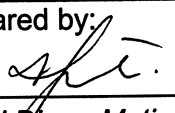
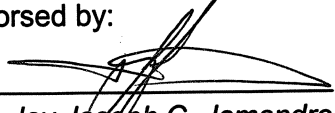
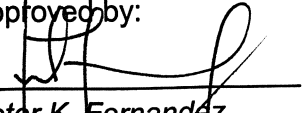
3.5. The Employee is required to file for maternity leave at the latest seven (7) days from date of expected delivery. This may be done through an authorized representative.

IX. PATERNITY LEAVE

1. Married male employees are entitled to paternity leave credits up to seven (7) working days per delivery to attend to pregnancy related matters only for the first four (4) deliveries of his legitimate spouse.
2. Delivery refers to childbirth, miscarriage, or abortion.
3. The paternity leave credits may be availed before, during or after the delivery by his wife, but not later than 60 days after the date of delivery.
4. Paternity leaves are non-commutable to cash.

5. Application Requirements:

5.1. Utilization of the paternity leave credits is subject to the following requirements. Failure to comply with these requirements, the absence shall be automatically considered as Absence without Official Leave (AWOL).

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5.2. The employee should notify HROD of the pregnancy of his legitimate spouse and the expected date of such delivery by submitting the pregnancy or ultrasound result of his legitimate spouse.

5.3. The employee is required to file for paternity leave on or before the first day of the leave.

5.4. In addition, the employee is required to submit any of the following:

5.4.1. Normal /Caesarean Delivery – certified true copy or authenticated copy of the duly registered birth certificate. In case the child dies or is a stillborn, a duly registered death or fetal death certificate.

5.4.2. Miscarriage or abortion – dilatation and curettage (D & C) report for incomplete abortion; pregnancy test before and after abortion with age of gestation or hystopath report for complete abortion.

X. VALIDATION OF PURPOSE OF LEAVE

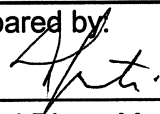
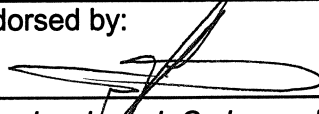
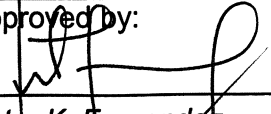
Management reserves the right to inquire or validate the reason for any leave availments.

XI. WAIVER

Although these benefits provide for a monthly accrual of leave credits, this is not to be interpreted as encouragement to absent oneself from work. These leave benefits are only contingent provisions, in case need for leaves arise. Therefore, this policy should not be taken as management's tolerance for absences.

XII. POLICY REVISION

The Company may make changes to this policy from time to time to improve the effectiveness of its operation. In this regard, any employee who wishes to make any comments about this Policy may forward suggestions to Human Resources and Organization Development.

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