

KOLIN PHILIPPINES INTL. INC

POLICY ON	:	VACATION LEAVE	SECTION	:	009
CATEGORY	:	ALL EMPLOYEES	PAGE	:	1 of 3

PREPARED BY	:	THADDEUS GEORGE ROMAN	REVISION	Rev. 06
APPROVED BY	:	OLIVER M. FILOTEO	EFFECTIVITY DATE:	JUL 1, 2025

I. POLICY

The Company recognizes the importance of work-life balance and supports employees' need for uninterrupted rest and personal time. Vacation Leave (VL) provides employees the opportunity to rest, recharge, and attend to personal matters not covered by emergency, bereavement, or parental leaves. All vacation leaves are earned on a pro-rata basis throughout the year, and unused leave credits are converted to cash at the end of each calendar year.

II. ELIGIBILITY AND ENTITLEMENT

a. ELIGIBILITY

Vacation leave is granted to all employees upon regularization.

b. VACATION LEAVE CREDITS BY POSITION AND LENGTH OF SERVICE

Vacation leave entitlement is based on an employee's position and length of service, as shown in the table below:

Length of Service	Asst. Supervisor & Up	Employee Level 3	Employee Levels 1 – 2	Rank & File
1 year but less than 3 years	7 days	6 days	5 days	3 days
3 years but less than 5 years	10 days	8 days	7 days	4 days
5 years and above	15 days	10 days	10 days	5 days

III. VACATION LEAVE CREDIT ALLOCATION UPON REGULARIZATION

Upon regularization, employees will be granted their full annual vacation leave entitlement immediately, regardless of the month of regularization. This means the employee will receive the full entitlement based on their position and length of service for the remainder of the calendar year, without any pro-rata calculations. At the end of the year, any unused vacation leave credits will be converted into cash and paid out in January of the following year. Unused vacation leave credits cannot be carried over into the following year.

IV. PROCEDURE AND GUIDELINES

a. FILING AND APPROVAL

Employees must file their vacation leave requests at least three (3) days in advance of the intended leave date. The request should be submitted through the

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HRIS system and must be approved by the Immediate Superior. If the employee fails to file the request within the required timeframe, the leave will consider unauthorized and will be treated as an absence. The department head reserves the right to withdraw approval if the leave is not filed at least one day prior to the intended leave date.

b. LEAVE SCHEDULING

Employees are not allowed to take continuous or extended vacation leave unless approved in exceptional cases. Vacation leave credits should be used in two halves per calendar year, with no more than 50% of the total leave balance used in each semester. Employees cannot avail themselves of future leave that has not yet been earned or credited. For emergencies, employees may apply for emergency leave, which is covered under a separate policy.

c. LEAVE PAY

Vacation leave is considered paid if it is duly filed, approved by the immediate superior, and the employee has sufficient available leave credits. However, if the application for leave is disapproved or the employee has used all available leave credits, the leave will be considered without pay. If an employee files for vacation leave when they have no remaining leave credits, it must be marked as leave without pay to avoid being mistakenly marked as unauthorized. Employees who are late to work will be treated as having taken an absence. If the employee is late by more than one (1) hour, it will be treated as a half-day absence without pay. If the employee is late by more than three (3) hours, it will be treated as a full-day absence without pay, and no paid leave will be granted to cover tardiness.

d. CONVERSION AND FORFEITURE

Any unused vacation leave credits will be converted to cash at the end of each calendar year, and this conversion will be paid out in January. In the event of resignation or separation, the employee will receive a pro-rated payment for unused vacation leave credits. If an employee has overused their leave credits, the excess amount will be deducted from the employee's vacation leave balance for the following year.

e. RESTRICTION

Vacation leave cannot be charged against sick leave. Extensions of approved vacation leave are not allowed. Additionally, vacation leave cannot be used to offset the required resignation notice period or turnover obligations.

V. OTHER PROVISIONS

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Employees are encouraged to plan their vacation leaves well in advance and coordinate with their immediate superior to ensure that operations are not disrupted. The Company reserves the right to modify or update this policy to comply with regulatory changes or internal needs.