

HOLIDAYS POLICY

Your paid annual leave entitlement is set out in your contract of employment. For the avoidance of doubt, the first four weeks of the annual leave that you take in a holiday year shall be deemed to be the annual leave derived from regulation 13 of the Working Time Regulations 1998 and the next 1.6 weeks shall be deemed to be derived from regulation 13A of the Working Time Regulations 1998.

[Holiday pay is calculated on the basis of your current basic rate of pay only. [However, in respect of the regulation 13 annual leave (but not the regulation 13A annual leave), the holiday pay calculation may additionally include (*insert any included payments, e.g. results-based commission payments, regular compulsory, non-guaranteed overtime payments, regular voluntary overtime payments, shift allowances, shift premiums, standby and on-call payments, call-out payments, productivity bonuses, attendance bonuses, performance-related bonuses, travel allowances, etc.*) but will always exclude payments in respect of voluntary overtime which is only occasional, irregular, unpredictable or exceptional. A decision to reflect certain elements of your remuneration in holiday pay on one or more occasions shall not give rise to any expectation on your part that it will be included on future occasions]. If you have variable remuneration, either because you have normal working hours but your pay varies with the amount of work done or according to the times or days the work is done, or because you have no normal working hours, you will be entitled to holiday pay based on the average pay paid to you over the previous 52 working weeks prior to the commencement of your annual leave. If you have been employed for less than 52 complete weeks at the commencement of your annual leave, the calculation period will instead be the number of complete weeks for which you have been employed.]

The Company's holiday year runs from (*insert date*) to (*insert date*). You must use all of your holiday entitlement by the last day of each holiday year and, unless there are exceptional circumstances and unless approved in writing in advance by your line manager or unless as otherwise required by law, you may not carry your holiday entitlement forward into the next holiday year. Holiday entitlement not used by the correct date will usually be lost and under no circumstances will payment in lieu be made for holiday entitlement that is lost through not being exercised by the correct date.

Your line manager must approve all requests for annual leave in writing in advance. You must not book holidays until your request has been formally authorised in writing. You should endeavour to give as much notice as possible of proposed annual leave dates. In any event, such notice must be at least twice the number of days' leave as that you wish to take as annual leave. The Company will try to co-operate with your holiday plans where possible, but this is always subject to the requirements of the Company's business and to adequate staffing and management levels being maintained at all times, and therefore annual leave requests may be declined where the Company has good reason to do so. The manager and deputy manager/supervisor of a particular department or team cannot be absent on annual leave at the same time unless otherwise agreed in advance by a Director of the Company. Where your holiday plans include going away with another employee of the Company and therefore you will both be requesting to take annual leave at the same time, you should specify in your request the name of that other employee so that, in dealing with both requests for annual leave, the Company can ensure adequate staffing levels will still be maintained at all times.

When dealing with competing requests for annual leave, the Company reserves the right to

introduce or apply a first come, first served basis as a fair criterion for selection. This is more likely to be the case during periods of high demand, such as during the summer or Christmas holiday period or to coincide with a major sporting event.

[. (insert number) days of your annual holiday entitlement must be taken, e.g. during the off-peak summer months/at Christmas, when the Company operates a shutdown. The Company will give you notice of the exact dates you are required to take as annual leave as early as possible after the start of the holiday year and in any event at least one month in advance of the shutdown.]

No more than two weeks' paid annual leave may be taken at any one time without the prior written agreement of your line manager.

[No more than one week's paid annual leave may be taken during (insert month(s), e.g. August and December). The Company reserves the right to amend this rule to meet business needs and at its absolute discretion.]

[No more than (insert maximum number) half-days' paid annual leave may be taken in any holiday year without the prior written agreement of your line manager.]

In your first and last year of employment, your holiday entitlement will be that proportion of your annual holiday entitlement equivalent to the proportion of the holiday year in question during which you have been employed. This will be calculated to the nearest half day and assuming that holiday entitlement accrues at an even rate from day to day. During your first year of service, unless otherwise agreed in writing by your line manager, you will not normally be permitted to take more annual leave than you have actually accrued at the time the holiday is taken. Entitlement during your first year of service is calculated monthly in advance at the rate of one-twelfth of the full year's entitlement.

Should you be incapacitated for work due to sickness or injury during any period of pre-booked annual leave (whether in whole or in part), you must immediately notify the Company in accordance with its sickness absence reporting procedure set out in the sickness absence policy. The Company will then recredit the period of annual leave entitlement lost due to your incapacity and instead pay you statutory sick pay for your period of sickness absence, provided you meet the qualifying conditions for SSP, you fully comply with your obligations relating to sickness absence reporting and your absence is properly certified. You must therefore deliver to the Company a relevant self-certification form or doctor's certificate or statement of fitness for work (as appropriate) covering the entire period of your incapacity for these provisions to apply.

Only statutory annual leave entitlement provided for in the Working Time Regulations 1998 will accrue during a period of long-term sickness absence. Any additional contractual annual leave provided for in your contract of employment that is over and above the statutory minimum annual leave entitlement will not accrue during a period of long-term sickness absence, except at the absolute discretion of the Company.

If you are absent due to long-term incapacity, you are encouraged to apply to take your accrued holiday entitlement before the end of the holiday year. However, in exceptional cases of long-term incapacity, you may be permitted to carry forward some of your accrued holiday entitlement into the next holiday year (limited to a maximum of four weeks' holiday entitlement) if either you are still off sick at the end of the holiday year or there is insufficient time remaining on your return to work in the holiday year to take your full accrued entitlement. As an absolute limitation, you must then take such carried forward annual leave within 18 months of the end of holiday year in which it accrued, even if you are still absent due to long-term incapacity throughout this period. The Company may also, at its absolute discretion, request you to take your accrued annual holiday entitlement during a period of long-term sickness absence before the end of the holiday

year and the Company will not be obliged to give you any minimum period of notice to request you to take your annual leave in this case. However, if you do not wish to take annual leave during your sickness absence, you may notify the Company in writing that you decline this request, provided that you do so before the period of annual leave commences. At the end of the period of annual leave if you do take it, you will revert back to long-term sickness absence unless you are medically fit to return to work.

[Where your annual leave has been approved but you subsequently request either to cancel it or to amend your annual leave dates, it is at the Company's absolute discretion whether to agree to your request or not and it is under no obligation to do so. The Company can still require you to take annual leave on the originally approved dates. Alternatively, at its absolute discretion, the Company may either agree to your cancelling your annual leave, in which case the relevant period of annual leave will be recredited to your annual holiday entitlement, or agree to your amending your annual leave dates to your new requested dates. Any exercise of discretion in this regard is always subject to the requirements of the Company's business, and to adequate staffing and management levels being maintained at all times.]

[Where your annual leave has been approved, the Company still reserves the right to cancel it (and will not be obliged to give you any minimum notice of cancellation) where it's necessary to meet the urgent needs of the Company's business. However, in this case, not only will the relevant period of annual leave be recredited to your annual holiday entitlement but also you will be reimbursed for any direct financial losses you sustain as a result, such as the cost of any pre-booked holiday which has to be cancelled in relation to you and any immediate members of your family, which for these purposes includes your spouse, civil partner, partner and any dependent children. You will be required to provide evidence of such cancellation costs and the Company will not reimburse any other third party travel companions (other than those specified above) should they choose to cancel their holiday as a result of your non-attendance.]

During your notice period (whether notice of termination of employment is given by the Company or by you), including where you are on garden leave during your notice period, the Company may require you to take any outstanding accrued annual leave that you may have and the Company will not be obliged to give you any minimum notice to take such annual leave during your notice period.

On the termination of your employment, you are entitled to be paid in lieu for any accrued annual leave for that holiday year that has not been taken by the date of termination (except where you were on agreed garden leave during your notice period and you could have taken that accrued annual leave during your garden leave period but you failed to do so). Unless required by law, on the termination of your employment, you have no right to be paid for holiday accrued but not taken in previous holiday years. Where you are entitled to a payment in lieu of accrued but untaken annual leave, the amount of such payment in lieu shall be 1/260th of your [full-time equivalent] salary for each untaken day of your annual leave entitlement.

If, on the date of termination of your employment, you have taken more annual leave than you have accrued in that holiday year, you will be required to reimburse the Company in respect of such unearned annual leave. The Company shall be entitled to deduct the value of the unearned annual leave from any final payment of salary to be made to you and you expressly consent to any such deductions pursuant to Part II of the Employment Rights Act 1996. The amount of any such deduction from your salary shall be 1/260th of your [full-time equivalent] salary for each unearned day of annual leave.

In the event of the termination of your employment for gross misconduct or in the event that you give inadequate notice to terminate your employment or you leave before your contractual notice period has expired, you will only be entitled to receive a nominal payment in lieu of £1 in respect

of any accrued holiday. This relates to [both statutory annual leave entitlement provided for in the Working Time Regulations 1998 and] any contractual annual leave provided for in your contract of employment that is over and above the statutory annual leave entitlement.