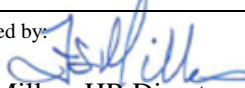


Title: Sick Pay for Employees	Number: HR-2.08	Page: 1 of 11
	Revision: 8	Effective Date: 06/16/2025

Approved by:  Fred Millen, HR Director
Applicable to: APSC Employees

## Table of Contents

1.0	Purpose.....	1
2.0	Accountable Resources.....	2
3.0	References and Definitions.....	2
4.0	Procedure.....	4
A.	Accrued Paid Sick Leave.....	4
B.	Sick Pay Entitlement.....	5
C.	Types of Sick Pay.....	6
D.	Sick Leave Annual Refresh Process.....	7
E.	Coordination with Other Benefits.....	8
F.	Holidays.....	9
G.	Vacation.....	9
H.	How Sick Pay is Paid.....	9
I.	What is Not Covered by Sick Pay.....	9
J.	Returning to Work from a Sick Pay Absence.....	9
K.	If Leave Benefits Are Exhausted.....	10
L.	When Coverage Stops.....	10
5.0	Records.....	10
6.0	Revision History.....	11

### 1.0 Purpose

The purpose of this procedure is to outline the appropriate use of Sick Leave. These benefits are designed to provide partial or full wage replacement when an eligible employee is unable to work due to qualifying health-related reasons.

Full and Half Sick Pay may be used when an employee is absent due to their own illness, injury, or health maintenance. Alaska Sick Leave may be used for the employee's own illness, injury, medical care, or preventive treatment. It also covers absences related to caring for a broad range of family members, including those defined by close personal relationships. Additionally, Alaska Sick Leave may be used for absences related to domestic violence, sexual assault, or stalking, including time needed for medical care, victim services, relocation, or legal proceedings for the employee or a covered family member.

Although sick pay may be used for medical and dental appointments, it is the company's expectation that, unless due to an urgent medical or dental situation, such appointments are scheduled during off-shift hours for field schedule employees. Appointments scheduled during a field worker's shift may require a release from the healthcare provider before the employee is permitted to return to work.

Title: Sick Pay for Employees

Number: HR-2.08

Page: 2 of 11

Revision: 8

Effective Date: 06/16/2025

The amount of sick pay received, and the duration of benefits depend on the employee's adjusted service, work schedule, and whether the illness or injury is classified as Occupational or Non-Occupational. Health maintenance appointments are considered Non-Occupational.

For eligible full-time or part-time active employees and interns, Alaska Sick Leave coverage begins on the date of hire, provided the employee has been actively at work. Similarly, Full and Half Sick Pay coverage begins on the date of hire for eligible full-time or part-time active employees who are actively at work. The number of entitlement hours granted is based on the employee's work schedule (urban or field) and years of service.

None of the hours referenced in this procedure—including Alaska Sick Leave, Sick Pay, and Occupational Sick Pay—are considered hours worked and therefore do not count toward the calculation of overtime. Eligibility for or receipt of Sick Pay benefits does not guarantee continued employment with Alyeska.

## 2.0 Accountable Resources

**Senior HR Representative** authorizes exceptions to this procedure.

**Total Rewards Representative (TRR)** is the subject matter expert regarding this procedure and sick pay benefits.

**Supervisor/Manager** verifies sick pay eligibility for direct reports in alignment with HR and Occupational Health Unit (OHU) procedures and approves time sheets with sick pay hours.

**Employee Relations Representative (ERR)** interprets this procedure, assists the supervisor/manager when an employee is out on sick pay, and works with OHU on employee sick leave cases.

**OHU Representative** verifies medical documentation relating to sick pay and manages employee sick leave cases.

**Payroll** processes payroll actions related to sick pay and assists HR and OHU to manage time reporting for sick leave cases.

**Employee** is accountable for immediately notifying supervisor, OHU, and/or HR for any illness or injury that prevents them from fulfilling their job requirements (failure to do so may result in discipline); accountable for confirming any sick pay claimed is in alignment with HR and OHU procedures to include the required notification to the employee's supervisor when they will be out on sick leave, and inputs appropriate sick pay exception hours in the time reporting system for their supervisor's review and approval.

## 3.0 References and Definitions

- [HR-2.04, Holidays](#)
  - [HR-2.05, Vacations for Employees](#)
  - [HR-2.06, Employee Absences/Leaves](#)
  - [HR-2.10, Time Reporting](#)
  - [HR-2.11, Bereavement and Emergency Leave](#)
- Family Medical Leave Act (FMLA)* <https://www.dol.gov/agencies/whd/fmla>

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Title: Sick Pay for Employees

Number: HR-2.08

Page: 3 of 11

Revision: 8

Effective Date: 06/16/2025

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### **Adjusted Service**

Adjusted service is used to determine the amount of benefits from the Alyeska Sick Pay for Employees procedure, the Alyeska Pension Plan, and for determining service awards. Adjusted service normally begins on an employee's hire date and ends on their termination date. If an employee transferred directly to Alyeska from an Owner Company with prior Owner Company and Alyeska management approval, adjusted service may include the period of similar, immediately preceding Owner Company-recognized service. If an employee works less than a full-time schedule, available Sick Pay hours will be calculated commensurate with the half time or three-quarter time work schedule. Periods during an approved or unapproved leave of absence may interrupt the accumulation of adjusted service.

### **Exempt Job**

Exempt jobs are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). This classification is based on job duties, responsibilities, and level of decision-making authority.

### **Non-Exempt Job**

Non-exempt jobs are subject to the Fair Labor Standards Act (FLSA) provisions including the payment of overtime. Employees in non-exempt jobs are required to account for hours and fractional hours to the tenth of an hour (6-minute increments) worked and all paid and unpaid leaves whether eligible or ineligible for the payment or calculation of overtime.

### **Premiera Blue Cross Blue Shield (BCBS) Medical Elective Procedure Travel**

This benefit may cover certain travel expenses and allow the use of sick leave in connection with specified non-emergency medical procedures. Pre-approval is required for both the Elective Procedure Travel benefit and the use of sick leave related to the procedure. Employees must obtain this approval prior to travel.

For complete details, refer to the Alyeska Medical Summary Plan Description (SPD).

## 4.0 Procedure

### A. Accrued Paid Sick Leave

Sick Pay annual accrual is based on the length of the employee's years of adjusted service recognized by Alyeska as follows:

Benefit Schedule for <u>Urban</u> Employees				
Non-occupational Injuries/Illnesses Hours of Full Pay column includes 60 hours of Alaska Sick Leave at each level.				
	Non-occupational Injuries/Illnesses		Occupational Injuries/Illnesses	
Employee's Adjusted service (in years)	Hours of Full Pay	Hours of Half Pay	Hours of Full Pay	Hours of Half Pay
1	160	1920	1040	1040
2	240	1840	1040	1040
3	320	1760	1040	1040
4	400	1680	1040	1040
5	480	1600	1040	1040
6	560	1520	1040	1040
7	640	1440	1040	1040
8	720	1360	1040	1040
9	800	1280	1040	1040
10	880	1200	1040	1040
11	960	1120	1200	880
12	1040	1040	1360	720
13	1040	1040	1520	560
14	1040	1040	1680	400
15	1040	1040	1840	240
15+	1040	1040	2080	0

Title: Sick Pay for Employees

Number: HR-2.08

Page: 5 of 11

Revision: 8

Effective Date: 06/16/2025

<b>Benefit Schedule for <u>Field</u> Employees</b> Non-occupational Injuries/Illnesses Hours of Full Pay column includes 60 hours of Alaska Sick Leave at each level.				
	Non-occupational Injuries/Illnesses		Occupational Injuries/Illnesses	
Employee's Adjusted service (in years)	Hours of Full Pay	Hours of Half Pay	Hours of Full Pay	Hours of Half Pay
1	168	2,016	1,092	1,092
2	252	1,932	1,092	1,092
3	336	1,848	1,092	1,092
4	420	1,764	1,092	1,092
5	504	1,680	1,092	1,092
6	588	1,596	1,092	1,092
7	672	1,512	1,092	1,092
8	756	1,428	1,092	1,092
9	840	1,344	1,092	1,092
10	924	1,260	1,092	1,092
11	1,008	1,176	1,260	924
12	1,092	1,092	1,428	756
13	1,092	1,092	1,596	588
14	1,092	1,092	1,764	420
15	1,092	1,092	1,932	252
15+	1,092	1,092	2,184	0

### B. Sick Pay Entitlement

Upon hire (new hire status) Sick Pay benefits are prorated for the hire year and are available according to the schedule found under the tables in Section A. Accrued Paid Sick Leave. If the employee is a rehire, the adjusted service date is used to determine the benefits, and the benefits are prorated for the rehire year. At a minimum, a newly hired or rehired employee will receive 60 hours of Alaska Sick Leave.

Title: Sick Pay for Employees	Number: HR-2.08	Page: 6 of 11
	Revision: 8	Effective Date: 06/16/2025

### C. Types of Sick Pay

#### 1. Alaska Sick Leave

Employees are entitled to 60 hours of Alaska Sick Leave annually, with the exception of interns. Interns will receive a sick leave allocation consistent with the term length of their contract.

Alaska Sick Leave may be used by an employee for

- a) Their own illness, injury, medical care, or preventive treatment.
- b) Caring for a family member, including:
  - o An immediate family member defined as: the spouse of the person; another person cohabiting with the person in a conjugal relationship that is not a legal marriage; a child, including a stepchild and an adoptive child, of the person; a parent, sibling, grandparent, aunt, or uncle of the person; and a parent or sibling of the person's spouse.
  - o A domestic partner
  - o A foster child, legal ward, or person to whom the employee stands in loco parentis
  - o A foster parent, adoptive parent, legal guardian, or a person who stood in loco parentis when the employee was a minor
  - o Any other individual related by blood or whose close association is the equivalent of a family relationship
  - o Absences related to domestic violence, sexual assault, or stalking, including medical care, victim services, relocation, or legal proceedings for themselves or a family member.

When foreseeable, employees should provide advance notice and schedule leave to minimize workplace disruption. For absences exceeding three consecutive workdays, reasonable documentation may be required but need not disclose medical details.

#### 2. Non-Occupational and Occupational Sick Pay (Full and Half)

When illness, injury or a health maintenance doctor appointment prevents an employee from being present at their work location and/or performing work, the employee may receive Sick Pay benefits (benefits). This includes absences due to work-related (occupational) injuries or illnesses, which is subject to additional coordination with OHU and Workers' Compensation.

If an employee's illness, injury, or health maintenance appointment qualifies as a Family and Medical Leave (FML) event, the employee must notify OHU and HR, and complete all required FML documentation within 30 days from the start of the absence or leave.

If the employee is not able to coordinate with OHU and HR in advance of the absence/leave starting, due to an emergency or catastrophic illness or injury, the employee's ERR will coordinate with OHU regarding FML. Failure to comply with the FML process may result in the denial of benefits.

Title: Sick Pay for Employees

Number: HR-2.08

Page: 7 of 11

Revision: 8

Effective Date: 06/16/2025

Employees who have exhausted their 12 weeks of FMLA-protected leave and are unable to return to work may be subject to termination, provided all applicable legal obligations under the ADA and other relevant laws have been met. While Alyeska offers generous sick leave benefits, continued employment is not guaranteed once FMLA protections expire. Each case will be evaluated and decisions made based on assigned job and legal compliance.

Benefits start on the first day the employee is absent from work or unable to perform work, as determined by OHU. Benefits equal to 100% or 50% of the employee's straight time compensation will be paid for a length of time based on the employee's years of adjusted service. Sick pay is not eligible for overtime.

Employees who use the Premera BCBS Medical Elective Procedure Travel benefit for themselves under Alyeska's Medical Plan may be eligible to receive Sick Pay for all travel days, hotel stays, and recovery days associated with the approved procedure. To qualify, the medical procedure must be pre-approved through Premera BCBS, and the employee must submit a copy of the approval documentation to the Occupational Health Unit (OHU) for verification of the time claimed as sick leave.

Employees who are not using the Premera BCBS Medical Elective Procedure Travel benefit are not eligible to claim Sick Pay for any travel time related to medical or dental appointments, even if the travel occurs during scheduled work hours. However, these employees may use Alaska Sick Leave to cover travel days associated with such appointments.

If an employee is absent due to injury, illness, or unpaid leave on the last day of their normally scheduled work week or shift in the current calendar year, the remaining balance, if any, of the current calendar year Sick Pay will continue to be used and exhausted into the following year. When the prior calendar year balance is exhausted and the employee does not return to work, please refer to "If Leave Benefits Are Exhausted" section of this procedure.

### 3. Parental Leave Sick Pay

An employee who experiences the birth or adoption of a child will have up to one year after birth of or adoption of the child to use up to 2 workweeks of their current Sick Leave (Full or Half) balance (168 hours for field employees and up to 90 hours for urban employees, based on their work schedule).

Employees must record the use of Sick Pay in the time reporting system and add into the comment section by selecting "Parental Leave" in the drop down to document the hours and a written comment as applicable. Parental Leave usage is concurrent with any applicable FML. Parental Leave is not considered time worked and therefore not eligible for the calculation of overtime. Salaried exempt employees record all leave hours in full workday increments. Non-Exempt Hourly employees record leave hours in place of hours not worked on an hour for hour basis.

## D. Sick Leave Annual Refresh Process

### 1. Urban scheduled employees:

If the employee has been working their regularly scheduled workweek, their sick leave benefits for the new calendar year will refresh and become available on the first working day after January 1, unless one of the following applies:

Title: Sick Pay for Employees

Number: HR-2.08

Page: 8 of 11

Revision: 8

Effective Date: 06/16/2025

- a. The employee is on unpaid leave (not due to injury or illness) on the last day of their normally scheduled workweek in the current calendar year,
- b. The employee is on leave due to injury or illness, or using sick leave on the last day of their normally scheduled workweek in the current calendar year, or
- c. The employee was absent for 12 cumulative weeks or more during the current calendar year due to illness or injury, or while using any form of sick leave for any reason—regardless of the type of leave used (e.g., sick leave, vacation, or leave without pay). This applies even if the employee returned to work before the start of the new calendar year.

In such cases, the employee's prorated sick leave benefits for the new calendar year will become effective after:

- 1) They are granted an OHU medical release (if the absence was health related) to return to their normal work schedule and full duties, and,
- 2) They have worked six (6) consecutive urban workweeks in the new calendar year with no absences other than Alyeska Holidays or Vacation.

2. Field scheduled employees:

If the employee has been working their regularly scheduled workweek, their sick leave benefits for the new calendar year will refresh and become available on the first working day after January 1, unless one of the following applies:

- a. The employee is on unpaid leave (not due to injury or illness) on the last day of their normally scheduled workweek in the current calendar year,
- b. The employee is on leave due to injury or illness, or using sick leave on the last day of their normally scheduled work week in the current calendar year, or
- c. The employee was absent for six (6) cumulative field workweeks or more during the current calendar year due to illness or injury, or while using any form of sick leave for any reason—regardless of the type of leave used (e.g., sick leave, vacation, or leave without pay). This applies even if the employee returned to work before the start of the new calendar year.

In such cases, the employee's prorated sick leave benefits for the new calendar year will become effective after:

- 1) They are granted an OHU medical release (if the absence was medical) to return to their normal work schedule and full duties, and
- 2) after working 4 consecutive field workweeks in the new calendar year with no absences other than Vacation.

## E. Coordination with Other Benefits

The Sick Pay procedure provides benefits for both Occupational (job related) and Non-Occupational (not job related) illnesses. However, Plan benefits may be coordinated with (or reduced by) disability benefits payable under any Workers Compensation law or similar law. All Occupational leave must be worked with the OHU Representative.



Title: Sick Pay for Employees

Number: HR-2.08

Page: 9 of 11

Revision: 8

Effective Date: 06/16/2025

## F. Holidays

Urban employees who are out on approved Sick Leave on a holiday shall claim Holiday time in the time reporting system for that day. Field employees who are out on approved Sick Leave on a holiday will receive holiday allowance for that holiday in addition to sick pay.

## G. Vacation

If an employee becomes ill before starting a vacation and the Sick Pay absence extends into the scheduled vacation period, the employee may postpone their vacation with supervisor approval. When the employee returns to work, they may reschedule their vacation time.

If an employee becomes ill after their vacation has started and that Sick Pay absence is certified by a physician it may count as a Sick Pay absence, not as vacation time. However, in order to have the time converted from vacation to a Sick Pay absence, all requirements as stated in HR-2.05 Vacations for Employees must be met before the Sick Pay absence will be approved.

## H. How Sick Pay is Paid

Sick Pay will be paid according to HR, OHU, and Payroll procedures. The employee must input sick time on their timesheet, note the proper exception code, and the employee's supervisor must approve the timesheet.

For Field Employees who are called upon to work on their normal off week or who are required to attend a training course in their off week, no Sick Pay benefits are payable for the additional time at work or training during the off week.

## I. What is Not Covered by Sick Pay

Sick Pay does not cover absences that result from:

- Working for another employer or from other business activities;
- Illness resulting from fighting, scuffling or wrestling (unless in self-defense);
- Criminal activity or illnesses that occur while imprisoned;
- War or civil disturbance while on duty in the armed forces;
- Intentional self-inflicted injury or attempted suicide (unless undergoing a treatment program approved by Alyeska);
- Chronic alcoholism (unless undergoing a treatment program approved by Alyeska); or
- Self-inflicted drug addiction (unless undergoing a treatment program approved by Alyeska).

## J. Returning to Work from a Sick Pay Absence

If an employee has been absent from work due to a Sick Pay absence for three or more days, the employee may be asked to obtain a written release from their physician before returning to work. The employee may also be asked to obtain a return-to-work release from Alyeska's OHU representative if absent for less than three days as a result of the following, but not limited to:

- Heart disease of any type;
- Any type of vascular disease (strokes, paralysis, fainting, convulsions, blackouts, unconsciousness, etc.);

Title: Sick Pay for Employees	Number: HR-2.08	Page: 10 of 11
	Revision: 8	Effective Date: 06/16/2025

- Psychiatric treatment (severe neurosis, anxiety neurosis, nervousness, restlessness, schizophrenic reasons, psychotic reasons);
- Alcoholism or drug addiction;
- Back complaints, back injuries, back surgery, and loss of time due to back complaints or pain;
- Severe crippling diseases (arthritis, rheumatism) or the residual effects of injuries such as carpal tunnel syndrome;
- Eye problems (surgery, failing vision, etc.);
- Ear problems (surgery, deafness, etc.); and
- Any other illness/injury related concerns managed by OHU.

When the employee is released to return to work, the employee's attending physician completes the physician's release form and gives it to OHU. The physician's release form must be endorsed by OHU and an OHU return to work note approved before the employee may return to work.

### **K. If Leave Benefits Are Exhausted**

If an employee exhausts or is otherwise ineligible for Sick Pay or other Alyeska paid or unpaid leave, the employee will be terminated from Alyeska employment as of the last day of leave benefits. Exceptions must be approved by the Sr. HR Representative.

### **L. When Coverage Stops**

Coverage will stop on the date the employee terminates employment with APSC. Sick Pay, Alaska Sick Leave, and Parental Leave benefits cannot be cashed out upon termination.

### **End of Procedure**

## **5.0 Records**

Biweekly Payroll Time Sheet	All records generated as a result of this document will be retained in accordance with <i>CW-200, Records Retention Schedule</i> .
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Title: Sick Pay for Employees

Number: HR-2.08

Page: 11 of 11

Revision: 8

Effective Date: 06/16/2025

## 6.0 Revision History

Revision	Date	Revision Summary
8	06/16/2025	Updated to add Alaska Sick Leave Language. Aligned procedure language with Alaska Sick Leave requirements. Removed section regarding Next of Kin Leave. Cleaned up other sections for clarity.
7	05/01/2025	Corrected error in Table of Contents that left out Section D. No content changes.
6	12/17/2024	Update ERR and TR designations, revised Sick Leave Annual Refresh process. Proration of new hire sick pay benefit.
5	06/01/2021	Updated eligibility language. Clarified notification requirements.
4	01/01/2021	Added Parental Leave and Immediate Family and Next of Kin Leave sections. Clarified that no overtime is associated with Sick Pay. Other minor updates to reflect current information (e.g. reference to HR-2.11 Bereavement and Emergency Leave, confirming how leave time is reported, etc.).
3	12/06/2017	Removed reference to OHU-8.02 (relevant content from OHU-8.02 now included in HR-2.06 Employee Absences/Leaves). Updated time necessary for refreshing of entitlements. Clarified intent for sick leave use.
2	06/19/2016	Corrected language
1	01/22/2016	Clarified language in section E. Holidays.
0	06/24/2013	New Procedure; information from Sick Pay Summary Plan Descriptor moved to this HR procedure. This procedure replaces all previous documents and/or summary plan descriptors.