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## Vacation/Personal Time Policy – U.S.

Effective: September 1, 2024

Version: 1

### Overview

This policy outlines our US Vacation and Personal Time Policy and how it is executed in the United States. Full-Time Team Members in the United States are eligible to receive Vacation Time and Personal Time Off Benefits.

### Supervisor Responsibilities

Supervisors are responsible for:

- Explaining and answering Team Member questions about their vacation, including any additional state or local requirements that apply to their Team Members.
- Executing the policy as detailed in this document.

### Questions and Resources

- Team Member Services at 1-855-432-MIKE (6453) Option 2 for Human Resources

### Topics

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## Our Policy

The Company provides Vacation and Personal hours based on similar factors:

### Vacation

- Managers and below is earned based on Job and time of continuous service with the Company. Hours are prorated in your first year and when you change status from Part-Time to Full-Time.
- Directors and above is earned based on years of work experience, generally calculated by subtracting 22 years from a Team Members current age. **If your actual years of work experience is greater than the calculated amount, please work with your HR Partner so we can provide you with the greater number of years.**

### Personal

- Hours are earned based on Job.

## Defining “Job”

Review the categories below for which positions are included in each group.

- **Support & Management group includes:** All Support Center Full-time Team Members, All Salaried Distribution Center and Artistree Team Members and Artistree Supervisors.
- **Store Management includes:** All Store Managers and Assistant Managers at Michaels stores.
- **Field Full Time:** All Full-time Hourly Team Members at Michaels stores.
- **DC/Artistree Hourly:** Includes Full-time Hourly Team Members at Distribution Center and Artistree locations.
- **Director & Above:** Directors, District Managers, Vice Presidents and Executives in all divisions.

***Determining tenure:*** Your tenure is determined by your anticipated employment anniversary **following** the annual renewal. So, whether you have a November or February renewal, you will receive vacation time based on your upcoming employment anniversary.

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## Vacation Time

Vacation is earned based on whether a Team Member lives in a Grant State or an Accrual State.

### Accrual States

Team Members in these states earn vacation incrementally over 26 annual pay periods. By law, these states require pay out of unused time upon separation. Accrual states are broken down into Rollover States and Non-Rollover States. **Team Members must be employed as of the last day of the pay period to receive the accrual for that period.**

Job	Vacation Year Renewals	0-4 years	5-14 years	15+ years
Store Management (SM & ASM)	November 1 Annually	Less than 1 year: 3.08 hours After 1 year: 4.62 hours	6.15	7.69
Field Full Time	November 1 Annually	Less than 2 years: 1.54 hours After 2 years: 3.08 hours	4.62	6.15
DC & Artistree Hourly	February 1 Annually	Less than 2 years: 1.54 hours After 2 years: 3.08 hours	4.62	6.15
Support & Management	February 1 Annually	4.62	6.15	7.69
Director & Above (based on years of experience vs years of service)	February 1 Annually	4.62	6.15	7.69

*Bi-Weekly Hours Earned: This table shows bi-weekly Vacation hours earned each pay period based for Team Members in an accrual state based on position and time of service.*

Rollover Accrual States	Non-Rollover Accrual States
California, Colorado, Montana, Nebraska, Rhode Island	Illinois, Louisiana, Maine, Massachusetts, North Dakota

### Non-Rollover states

Team Members in Non-Rollover states accrue hours incrementally over 26 pay periods. Any unused time will be forfeited at the end of the vacation plan year.

### Rollover States

Team Members in Rollover states will accrue hours incrementally over 26 pay periods. Any unused time will rollover into the next vacation plan year. Team

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Members will continue to accrue up to 2 times their annual vacation amount. Team Members in Rollover states may never accrue more than 2 times their annual vacation. Once you reach the cap, you will not earn any additional hours until your vacation balance falls below the cap.

*NOTE: You may never use more vacation time in advance than you will earn during the remainder of the current vacation plan year. Negative vacation balances resulting from using anticipated accruals will rollover into the next plan year.*

### Grant States

If a Team Member does not live in an Accrual State, they are in a grant state. Team Members in these states receive their eligible plan tier max in full at the beginning of the vacation plan year. Any unused time will be forfeited at the end of the plan year.

Job	Vacation Year Renewals	0-4 years	5-14 years	15+ years
Store Management (SM & ASM)	November 1 Annually	Less than 1 year: up to 80 hours After 1 year: 120 hours	160 hours	200 hours
Field Full Time	November 1 Annually	Less than 2 years: up to 40 hours After 2 years: 80 hours	120 hours	160 hours
DC & Artistree Hourly	February 1 Annually	Less than 2 years: up to 40 hours After 2 years: 80 hours	120 hours	160 hours
Support & Management	February 1 Annually	120 Hours	160 Hours	200 hours
Director & Above (based on years of experience vs years of service)	February 1 Annually	120 Hours	160 Hours	200 hours

*NOTE - this chart reflects a full vacation plan year; if you change plans during the plan year, then your annual prorated plan tier max is accrued in equal amounts per pay period from the date of change through the end of your plan year.*

### New Hires, Re-Hires, Promotions, Demotions and Job Changes

**Grant States** - All prorations are based on date of hire, promotion, or job change. You will receive a prorated amount based on the number of days remaining in the plan year.

**Accrual States** - Since Team Members in accrual states earn vacation time incrementally each pay period, their accrual will begin in the pay period of hire, promotion, or job change.

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### Team Member moving to a different Vacation Plan:

**Grant States** - Any unused vacation hours at the time of transfer to a different tier plan will remain eligible to the Team Member to use at a prorated amount that is calculated based on the date of change. Any unused time will expire at the end of the vacation plan year. This amount will not impact your new plan tier max or grants. Vacation hours for the new vacation plan tier will be available based on the number of days remaining in the plan year.

**Accrual States** - Team Member will automatically begin to accrue vacation time at their new rate in the pay period of the change.

### Moving from Vacation-eligible to Vacation-ineligible:

**Grant States** - If a Team Member moves from a vacation eligible position to a vacation ineligible position, any unused vacation will remain eligible to the Team Member to use at a prorated amount that is calculated based on the date of change. Any unused time will expire at the end of the vacation plan year.

**Accrual States** - If a Team Member moves from a vacation eligible position to a vacation ineligible position, any unused, accrued vacation will remain eligible to the Team Member to use. These hours will not expire and will follow the Team Member until their separation. Any unused time will be paid out upon separation.

## Personal Time

Personal time is earned at the beginning of the plan year. The chart below details eligibility based on the Team Members job.

Job	Vacation Year Renews	Hours Awarded
Store Management (SM & ASM)	November 1 Annually	24 hours
Field Full Time	November 1 Annually	8 hours
DC & Artistree Hourly	February 1 Annually	24 hours
Support & Management	February 1 Annually	24 hours
Director & Above	February 1 Annually	24 hours

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If a Team Member is in a Rollover Accrual State, their hours will rollover to the following plan year. However, they may never accrue more than 2 times the annual personal hours amount. Once they have reached the cap, they will not earn any additional hours until their balance falls below the cap.

### New Hires, Re-Hires, Promotions, Demotions and Job Changes

#### Field Full Time Team Members

**Grant States** - receive 8 Personal Hours annually that is not prorated upon hire or promotion. Personal Hours expire on October 31<sup>st</sup> each year.

**Accrual States** - receive 8 Personal Hours annually that is not prorated upon hire or promotion. Personal Hours rollover up to the max of 2 times the annual personal hours amount.

#### Support Center, DC/Artistree Team Members

**Grant States-** All prorations are based on date of hire, promotion, or job change. You will receive a prorated amount based on the chart. Personal hours expire on January 31<sup>st</sup> each year.

Month of Hire/Job Change	Hours Awarded
February	24 hours
March	24 hours
April	24 hours
May	24 hours
June	16 hours
July	16 hours
August	16 hours
September	16 hours
October	8 hours
November	8 hours
December	8 hours
January	0 hours

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**Accrual States** - All prorations are based on date of hire, promotion, or job change. You will receive a prorated amount based on the number of days remaining in the plan year. See below chart. Personal Hours rollover up to the max of 2 times the annual personal hours amount.

Month of Hire/Job Change	Hours Awarded
February	24 hours
March	24 hours
April	24 hours
May	24 hours
June	16 hours
July	16 hours
August	16 hours
September	16 hours
October	8 hours
November	8 hours
December	8 hours
January	0 hours

### Team Member moving to a different Personal Plan:

**Grant & Accrual States** - Any accrued unused Personal Hours remain eligible to the Team Member to use.

### Moving from Personal-eligible to Personal-ineligible:

**Grant States** - Any accrued, unused Personal hours will be lost at the time of change.

**Accrual States** - Any accrued, unused Personal hours will remain eligible to the Team Member to use. Since Team Members in the Accrual States are paid out upon termination, these hours will not expire and will follow the Team Member until their separation. Team Member can use these hours at their discretion. Any unused time will be paid out upon separation. **If a Team Member moves back to a Personal-eligible position in the same plan year, they will not be awarded additional personal hours.**

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### Time Off Requests

Before submitting a vacation request, confirm that you have time available, and your supervisor is aware of your request. You are responsible for managing your own time off and appropriately submitting your time in Workday or Worksmart. If you request time off and are approved to use more time off than your annual vacation plan tier max, it will not be paid, unless otherwise required by law.

### Leaves of Absence

Team Members will not accrue vacation hours while they are on a leave of absence.

### Review Your Time Off Balances

Store Team Members can review balances in Worksmart. Support Center and DC/Artistree Team Members can review their balances in Workday.

### Payout at Separation – Vacation and Personal Days

Vacation & Personal - Unused, accrued Vacation & Personal hours are *not* paid out at the time of separation, unless otherwise required by law. Team Members will only be paid out unused, accrued hours up to 2 times their plan tier max.

States requiring accrued and unused Vacation to be paid out at the time of separation will be paid at current pay rate and in accordance with applicable law.

State	Paid Out
California, Colorado, Illinois, Louisiana, Maine, Massachusetts, Montana, North Dakota, Nebraska, and Rhode Island	Pay out unused, accrued hours up to 2x plan tier max

### Re-employment

If you are rehired within 30 days of your separation date, your tenure will be reinstated, and you will be eligible for Vacation and Personal time based on your original date of hire as opposed to your rehire date. If you received a payout of your Vacation and Personal time at separation, your hours will not be reinstated upon hire.