 Policy and Procedures	Flexible Vacation Time Policy for Exempt Employees only (United States)		
	Date Issued: 01/01/2023	Revision Date:	Approved Date: 12/30/22
	Approved by: Bioventus Human Resources		

Purpose of Policy

The Company promotes the importance of time away from work for rest and relaxation, and recognizes our employees may work long hours and occasional weekends to meet their responsibilities. In recognition of the particular requirements of these positions, the Company offers eligible employees the opportunity to take as much vacation/personal time off away from work with pay as each individual deems consistent with his or her duties, the Company's needs, and its obligations. This policy *does not* apply to absences related to the employee's illness or injury, to their family member's illness or injury, or to leaves of absence, all of which are covered by separate Company policies.

Scope


All U.S. regular full-time and regular part-time employees with an assigned FLSA exemption status of Exempt are eligible for Flexible Vacation Time (FVT) under this policy. Employees who are hired and/or moved into an eligible position will be eligible to participate in this FVT policy, subject to the conditions set out below.

Policy and Procedure

FVT under this policy is not earned or accrued at any time and is not a form of additional wages; it is instead being provided as part of our commitment to provide a flexible work schedule to our employees and, as there is no time that is accrued, there is no carryover of FVT from year to year. No payments for FVT under this policy will be made at the time an employee's employment with the Company ends.

The Company generally leaves to the discretion of each employee how to manage their time, including scheduling time away from work. However, employees must obtain approval from their manager when they are going to take time off of work for FVT. The Company retains the authority in its sole discretion to deny requested FVT based on the Company's business needs, the productivity of the employee, at certain busy times of the year, or for any other reason. FVT taken by employees must be tracked and recorded in Workday, for both full days and partial days; however, this is for record-keeping purposes and manager approval only.

Although employees are not limited in the amount of FVT they may take under this policy, they are expected to work on a full-time basis and to spend as much time as necessary in the office and away from the office to meet business requirements and obligations. Employees remain subject to performance expectations and standards, and the failure to meet these expectations and

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standards or abuse of this policy may subject the employee to performance counseling and/or discipline, up to and including termination.

EFFECT ON LEAVES OF ABSENCE

This policy does not apply to nor supersede the Company’s leave policies for illnesses, disabilities, bonding with a new child, military leave, jury duty leave, personal leave and other leaves of absence, some of which are mandated by federal, state or local law (Leaves). The Company permits and expects employees who are qualified to take Leaves to utilize them. Time under this policy cannot be used to compensate employees when on a Leave.

All time spent on a Leave must be recorded as an unpaid leave of absence, unless a specific Company leave policy provides for pay or partial pay during that particular type of leave. Such time entries will denote leaves of absence for which the employee is not receiving compensation.


If an employee qualifies for and is granted a Leave under the Company’s policies, and applicable federal or state law provides that an employee may substitute accrued vacation time for unpaid time, the employee may not use FVT under this policy for such leave, as FVT under this policy is not accrued. However, an employee may use any unused Paid Time-Off (PTO) that was accrued prior to an employee moving into an eligible position where applicable federal or state law provide that an employee may substitute accrued PTO time for unpaid time.

ACCRUED TIME UNDER THE PTO POLICY

An eligible employee taking time off after the effective date of this policy will be able to take FVT under the terms of this policy after first exhausting all previously accrued vacation. If an employee leaves employment with the Company without having exhausted all PTO accrued prior to the effective date of this policy or an employee’s movement into an eligible position, the Company will pay the amount of accrued and unused PTO at the employee’s base rate of pay.

DISABILITY AND SICK LEAVE

Short- or long-term disability benefits are governed by a separate Company policy. In addition, employees may also be eligible to receive payments under state disability insurance programs, workers’ compensation insurance programs, or other third-party benefit programs. FVT under this policy may not be used to cover any waiting periods under the Company’s disability benefit plans or third-party benefit programs, although an employee may elect to use any unused PTO that was accrued prior to the employee moving into an eligible position where applicable law and/or the terms of the short- and/or long-term disability plans provide that an employee may substitute accrued vacation/PTO time.

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The Company also provides all eligible employees with sick leave pursuant to the Company's Paid Sick Time Policy, which employees can use for specified absences relating to illness and other specified reasons.

2022 CARRYOVER BALANCE TRANSITION

For Payout States:

For U.S. Exempt employees in the following PTO payout states (California, Colorado, Montana, and Nebraska), these employees will be able to carry over the amount of accrued and unused vacation as noted in the 2022 Paid Time Off Policy and/or accrual rate.

PTO requests will come off the carryover hours first before the employee will be eligible to use Flexible Vacation Time.

For Non-Payout States:

For U.S. Exempt employees who are not in a PTO payout state, these employees will be eligible for the Flexible Vacation Time policy on January 1, 2023. These employees will not have a carryover balance from 2022.