

## AGCO ATTENDANCE MONITORING PROGRAM

Each January, 130 sick leave days are granted to eligible permanent AGCO employees. Eligibility for new permanent staff begins after the completion of 20 consecutive working days of employment. The sick leave plan provides for 6 days payable at 100% of pay and 124 sick days payable at 75% pay. Sick leave usage levels have been monitored at the AGCO since 1998.

In 2006 the AGCO began a formal monitoring program of sick leave usage. The program sets a threshold target based on a review of the average incidental sick leave usage rate for the year prior. Incidental sick leave is considered to be any days of absence (due to illness) which are not supported by a doctor's note. The aim of the program is to reduce incidental sick leave usage to 6 days per year in accordance with the sick leave plan design which pays 6 days at 100%. The following thresholds for incidental sick leave usage were established for the years listed below:

- 2006: 8.5 days
- 2007: 8 days
- 2008: 7.5 days

The following reference chart outlines the steps in the AGCO Attendance Monitoring Program:

STEP	PROCESS
<p style="text-align: center;"><b>STEP 1</b></p> <p>1<sup>st</sup> Year in which the employee exceeds AGCO threshold of incidental sick leave usage</p>	<ul style="list-style-type: none"> <li>• Meeting arranged with employee to offer assistance in achieving a reduction in sick absences and to be reminded about the EAP program. Employee advised that if they meet the AGCO threshold of incidental sick absences the following year, then, in the absence of legitimate reasons for the sick leave usage, the AGCO will require the employee to produce a doctor's note for all further sick absences in that year</li> </ul> <p style="text-align: center;"><b>The primary message is that improved attendance is required</b></p>
<p style="text-align: center;"><b>STEP 2</b></p> <p>2<sup>nd</sup> consecutive year in which the employee exceeds AGCO threshold of incidental sick leave usage</p>	<ul style="list-style-type: none"> <li>• Meeting arranged with employee to review reasons for incidental sick absences. In the absence of legitimate reasons for the incidental sick leave, the employee is advised that they will be required to produce a doctor's note for all further sick absences for the remainder of the year (<i>i.e.</i> until December 31 of the year in question). Employee to be advised that effective January 1<sup>st</sup> of the next year, no further doctor's notes will be required unless the AGCO threshold of incidental sick absences is reached in the next year or if more than 3 consecutive sick days are taken (as required by Article 27.01).</li> </ul> <p style="text-align: center;"><b>The primary message is that the level of incidental sick leave usage is excessive and/or an abuse of the sick leave plan and improvement in attendance is required</b></p>
<p style="text-align: center;"><b>STEP 3</b></p> <p>3<sup>rd</sup> consecutive year in which the employee exceeds AGCO threshold of incidental sick leave usage</p>	<ul style="list-style-type: none"> <li>• Meeting arranged with employee to review reasons for incidental sick absences. In the absence of legitimate reasons for the incidental sick leave, the employee is advised that they will be required to produce a doctor's note for all further sick absences for the remainder of the year (<i>i.e.</i> to December 31 of the year in question) and advised that they will also be required to produce doctor's notes for all sick leave absences during the following year (<i>i.e.</i> commencing January 1 of the following year). If, in the following year, the employee does not exceed the AGCO threshold of incidental sick absences, the requirement to produce doctor's notes for each sick leave absence will end on December 31 of that year. Employee also advised that their supervisor will meet them regularly for the rest of the year and the following year to monitor progress in reducing absences.</li> </ul> <p style="text-align: center;"><b>The primary message is that the level of incidental sick leave usage continues to be excessive and/or an abuse of the sick leave plan and improvement in attendance must occur. Regular meetings will be arranged to monitor progress in reducing absences</b></p>

<p><b>STEP 4</b> 4<sup>th</sup> consecutive year in which the employee exceeds AGCO threshold of incidental sick leave usage</p>	<ul style="list-style-type: none"> <li>• Supervisor consults with HR to determine what action, if any, is required to address the on-going attendance issues.</li> </ul>
	<p><b>NOTE: At Step 2 or 3 of the Program, if the employee has a year in which they do not reach the AGCO incidental sick leave threshold, then in the following year, Step 1 of the program applies.</b></p>

**NOTE:** when meeting to discuss attendance, employees are not required to discuss specific medical reasons for an absence but can advise on their prognosis for improvement and any change in their ability to meet their job requirements. If an employee advises that they are suffering from a chronic medical condition which may affect their ability to attend work regularly or perform their regular job duties, the supervisor should immediately seek assistance from Human Resources.