

Paid Military Service Leave Policy

Policy

AeroVironment supports its employees who serve in the Uniformed Services by accommodating their temporary military duty-related absences from work in accordance with applicable law, and by reducing the economic hardship resulting from such absences by providing supplemental pay in certain situations where their military pay is less than their regular base pay.

Purpose:

Scope, Eligibility, and Exceptions:

The Military Service Leave pay is supplemental pay which applies to all regular full-time active employees who are members of the National Guard or a reserve component of the United States Armed Forces, including the Coast Guard and Public Health Service Commission Corps, who are given orders to serve for annual military reserve duty or annual military training, provided the duty is obligatory to maintain military status.

Under this policy, eligible employees participating in mandatory annual military training may receive up to 4 weeks of supplemental pay in a rolling 12 month lookback period.

Eligible employees given mandatory active duty assignments, characterized as having been given mandatory duty orders not for the purpose of training, schooling, or other career enhancement activities, may receive up to 12 weeks of supplemental pay in a rolling 12 month lookback period.

Request for Time Off

Immediately upon receiving notice that the employee is subject to military orders, the employee (or an appropriate officer of the uniformed service in which the employee is to serve) must notify their immediate supervisor of the required dates of service (unless such notice is precluded by military necessity or is otherwise impossible or unreasonable) and the need for Paid Military Service Leave.

At the same time the supervisor is notified of the upcoming orders, the employee must contact a People and Culture (P&C) Benefits Representative to review the leave request, complete any necessary leave paperwork, review leave orders, and determine pay and benefits during leave.

The employee must also contact the Company's established leave of absence administrator as soon as practical.

Compensation for Military Leaves

These supplemental pay benefits are designed to supplement paid military duty pay. If the employee's documented military pay is less than their AV regular base pay, AV will pay the difference for up to the coverage period outlined in this policy based on the type of leave. If the employee's military pay is more than or equal to their AV regular base pay, the company will not provide any supplemental pay. AV

regular base pay does not include shift premiums, overtime, or other differentials such as deployment pay when deployed for AV work assignments. Military pay consists of military base pay.

In order for AV to calculate supplemental pay, the company must receive a copy of the employee's military pay voucher or Leave and Earnings Statement (LES). If there are any changes to the employee's military pay, the employee must provide an updated LES to P&C. The employee must meet with a P&C Benefits Representative to calculate the amount of time available to them. The Representative will have the appropriate time off bank for military training or active military leave populated, and will instruct the employee and supervisor how to enter and approve the time off. The employee will not have access to the appropriate time off bank until the Representative populates the bank.

Employees will be required to submit their time off request for pay during their leave using the AV timekeeping system and record time to the appropriate Military Leave event. Questions regarding how to record military leave time should be directed to P&C.

End of Employment:

Under these policies upon separation of employment, the employee is not eligible for pay out of "unused" military supplemental leave.

AV reserves the right to modify this policy at its discretion at any time without prior notice.