Annual Leave Policy
Version: 2025-01
Company: NMT
Effective Date: 06 December 2025
Last Reviewed: 06 December 2025

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1. Eligibility

1.1 Full-Time Employees

Full-time employees are entitled to **26 days of paid annual leave per year**. Leave accrues monthly, beginning on the first day of employment.

1.2 Part-Time Employees

Part-time employees accrue annual leave on a **pro-rata basis** determined by contracted weekly hours.
Example: A part-time employee working 20 hours per week is entitled to **13 days** of annual leave per year.

1.3 Probationary Employees

Employees on probation accrue **1.5 days of leave per month**. Upon successful completion of probation, they transition to the full annual leave entitlement.

1.4 Contractors

Contractors are **not eligible** for annual leave. Any time off must be defined within individual contract agreements.

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2. Accrual Rules

2.1 Standard Accrual

- **Full-Time Employees:** 2.17 days per month (26 days annually)

- **Part-Time Employees:** Accrued proportionally based on contracted hours

    - *Example:* 20 hours/week ≈ 1.08 days/month

2.2 Worked Examples

- **Full-Time Example:**
  An employee starting on January 1 will have accrued **13 days** by July 1.

- **Part-Time Example:**
  A part-time employee (20 hours/week) starting January 1 will have accrued approximately **6.5 days** by July 1.

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3. Carry-Over Deadlines and Maximums

3.1 Carry-Over Rules

Employees may carry over up to **10 unused leave days** into the next calendar year. Any unused days beyond the limit will be forfeited unless approved by management due to exceptional circumstances.

3.2 Scenarios

- **Scenario 1:** 15 days unused → 10 days carried forward, 5 days forfeited.

- **Scenario 2:** 8 days unused → all 8 carried forward.

3.3 Exceeding Maximums

Employees who exceed carry-over limits will be notified by HR. Excess days must be used within **six months**, or they will be forfeited automatically.

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4. Request Workflow in HRIS

4.1 Step-by-Step Process

1. Log into HRIS using employee credentials.

2. Select **Leave Requests**.

3. Choose **Annual Leave**.

4. Complete the request form with dates and relevant details.

5. Submit for manager approval.

4.2 Example

A request for leave from April 10 to April 20 is submitted in HRIS. The system notifies the manager for approval.

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5. Approval SLA

5.1 Approval Process

- All annual leave requests require **supervisor approval**.

- HR conducts compliance checks following supervisor approval.

5.2 Timeframe

Requests must be approved or denied within **5 business days**. If not actioned, the system escalates to the next approver.

5.3 Escalation Process

Employees may appeal a denial to HR within **3 business days**. HR will review and provide a final determination within **5 business days**.

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6. Special Cases

6.1 Public Holidays

Public holidays occurring during approved annual leave **do not reduce leave balance**.

6.2 Maternity / Paternity Leave

Annual leave does not accrue during maternity or paternity leave periods. Employees receive a **one-time credit of 5 days** upon returning to work.

6.3 Unpaid Leave

Annual leave is **not accrued** during unpaid leave periods.

6.4 Long Service Awards

Employees completing **10 years of continuous service** receive an additional **5 days of annual leave**.

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7. Compliance Notes

7.1 Global Practices

This policy aligns with global labor standards and local regulations, such as:

- **EU Working Time Directive:** Minimum 20 days of paid leave annually

- **United States:** No statutory minimum, making NMT's 26-day entitlement competitive

7.2 Examples

- EU: Minimum 20 days → NMT exceeds with 26 days

- US: No requirement → NMT offers a standard benefit globally

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8. Appendix

8.1 Glossary of Definitions

- **Annual Leave:** Paid time off for vacation or personal use

- **HRIS:** Human Resources Information System

- **Pro-rata:** Leave calculated proportionally based on hours worked

8.2 Related Policies

- Sick Leave Policy

- Remote Work Policy

- Employee Leave of Absence Policy

This Annual Leave Policy ensures clarity, fairness, and consistency in the administration of paid time off across NMT's global workforce, supporting employee wellbeing and organizational efficiency.