

COMPANY POLICY ANNUAL LEAVE

Purpose	This policy defines and explains the Company's annual leave policy and its associated terms and conditions. Employees shall use this policy as a reference to the Company's prevailing practices on annual leave.
Scope	Applicable to all permanent and contract employees employed by the Company inclusive of foreign workers and expatriate employees.
Revision date	
Issued by	HR Department
Approved by	Managing Director

Contents

- 1.0. Annual leave accrues progressively for each year starting from the beginning of each calendar year for existing employees and from the employment start date for new employees hired in the current calendar year.
- 2.0. A confirmed employee who has not completed a full year of service as of 31 December shall be entitled to proportionate annual leave.
- 3.0. The entitlement of annual for employees shall depend on their job grade and years of service with the company as follows;

Years of Service	< 2 years	2 - 5 years	> 5 years
Managerial Level	16 days	20 days	24 days
Executive Level	12 days	16 days	20 days
Non-Executive Level	8 days	12 days	16 days

- 4.0. Annual leave does not accrue during periods of unpaid leave exceeding 30 days where the contract is deemed to have been suspended temporarily.
- 5.0. All leaves earned must be consumed during the current year unless for reasonable reasons with the approval from the Management.
- 6.0. Employees are encouraged to plan their leaves in advance in order to facilitate the smooth running of operations. Leave application must be made by submitting the leave application form at least seven (7) days prior to the leave being taken. The company reserves the right to reject leave applications made less than seven (7) days in advance. Annual leave application for a continuous period of five (5) days must be applied fourteen (14) days in advance.

- 7.0. Employees are advised to ensure their leave request is approved prior to going on leave. Failure to obtain such approval shall be deemed as not approved.
- 8.0. Company reserves the right to reject any leave application due to any sudden or urgent or critical business needs. The company may also rescind an approved leave and shall inform the employee of the reasons for such action and shall prioritise future leave applications of affected employees.
- 9.0. In the event that an employee is recalled for duty, the annual leave shall be reinstated by the Company.
- 10.0. Annual leave is deemed to have not been taken when an employee is on paid sick leave or paid maternity leave.
- 11.0. Annual leave taken without approval from the Company shall be regarded as absence without prior approval and the company may institute disciplinary actions.
- 12.0. Should the company face any unforeseen business or economic situations or pandemic situations or where the country imposes a movement control order or any other sort of restriction that does not permit the company to operate its business in the usual manner, employees may be required to offset the days not worked with annual leaves. In such a situation, employees may opt to preserve their annual leave by applying for no pay leave instead.
- 13.0. Annual leave can be used to offset the resignation notice period subject to approval from the company. The Management reserves the right to reject such request at its sole discretion.
- 14.0. The company shall pay in lieu unutilised annual leave to employees who are resigning or retiring as well as employees who pass away while in employment.
- 15.0. Employees may apply for half-day annual leave (either first half or second half) with approval from their superior/manager. The half-day leave constitutes fifty-per centum (50%) of one day's total working hours but excluding paid break time.
- 16.0. The Company reserves the right to amend this policy from time to time and shall notify all employees when such amendment has been made and has been approved by the Management.
- 17.0. Should there be a translation of this policy into other languages, the English version of this policy shall be authoritative in the event of any dispute or confusion.

Other options

Clause 4.0 : Employees can carry forward a maximum of ten (10) days of annual leave to the following calendar year and these carried forward leaves must be consumed in that year.

Clause 12.0 : Annual leave cannot be used to offset the resignation notice period unless otherwise approved by the company. The Management reserves the right to reject such request at its sole discretion.

Some company only provides annual leaves for employees who are confirmed. Should such an approach be practiced, the scope will need to be revised. However, do note that this will be unattractive to prospective employees.

Applicable to all confirmed employees both on permanent and contractual employment inclusive of foreign workers and expatriate employees.

This sample policy/letter/document is merely a sample or guidance. Companies are advised to practice caution when drafting its HR documentations and shall always be in compliance with the Employment Act and Industrial Relations Act as well as past case laws so as to ensure the policy does not violate or infringe the prevailing employment regulations. Companies are encouraged to adopt best practices to be attractive employer and promote productive and competitive operating landscape. The author shall not be held liable for any damages or claims arising from the usage of the contents of this document.

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