

Vacation and Leave Policy- 2022

1. Introduction to Vacation and Leave Policy

Terminology and intro of vacation and leave type:

The Vacation and Leave Policy is a document that lays down the rules and regulations related to various types of leaves that an employee can avail within EPAM India. The policy sets out the various types of leaves for different situations like a vacation, sickness, maternity, grief, etc. It specifies rules for various aspects like granting of leave, eligibility, availing, encashment, etc.

EPAM India is committed to create high trust high performing organization by providing EPAMers with various types of leaves:

- Earned Leave (EL)
- Casual Leave (CL)
- Sick Leave (SL)
- Bereavement Leave
- Maternity Leave (ML) and Extended Maternity Leave (XML)
- Paternity Leave (PL)
- Voluntary Leave Donation (VLD)
- Advance Leave (Discontinued)
- Overtime Vacation
- Leave Without Pay (LWP)

Principles:

Employees should manage vacation entitlements to take regular breaks from work, while also ensuring that the needs of the business are not compromised. Before taking vacation, employees must obtain approval in advance from their reporting manager.

The Annual Leave cycle is based on the calendar year (Jan 1 to Dec 31) at EPAM India. For employees joining during the calendar year, leave is credited on a prorated basis.

4. Roles and Responsibilities

Employees are responsible for:

- Planning and using vacation time across the year, considering personal needs and the needs of the business.
- Updating [EPAM Vacation Application](#) when vacation is planned or taken.
- Using Vacation application to obtain advance approval for taking leave.
- Keeping all vacation and leave records up to date in Vacation Application.

Reporting Managers are responsible for:

- Managing employee's attendance at work, which includes ensuring that employees take regular breaks.
- Considering employees requests for time off and balancing these requests with the needs of the business.

The HR team is responsible for:

- Providing guidance to managers on how much time off should be given, dependent on circumstances.
- Monitoring the ongoing effectiveness of this leave process.

2. Objective of Vacation and Leave Policy

EPAM recognizes the importance of employees taking regular breaks from work. The purpose of this information is to set out fair and reasonable arrangements for managing vacation time.

Outside of work, there is a lot that happens in the lives of employees and their families. Birth, death, sickness, a loved-one needing care. All these circumstances require an EPAMer to take time out from work. Earned Leaves support EPAMers in their time of need without having to worry about the loss of pay. Vacation and various choices of leaves let EPAMers decide the purpose of leave and plan their days-off accordingly. It further helps them to unwind and recharge.

3. Scope of Vacation and Leave Policy

- Date: The policy is applicable for all EPAMers from Jan 1, 2022
- Locations: Across India
- Employment Type: All EPAMers

5. Earned Leaves

Definition: This leave type is called Earned Leave because you 'earn' these leaves for days worked on a progressive basis. The EL is typically used for personal reasons such as planned holidays, to observe festivals that are not declared holidays, etc.

All the 15 days of Earned Leaves per year will be available in advance and reflected on the vacation portal at the start of the year for existing associates and on a prorated basis for associates joining during the year, on their start date, as explained below in the use case(s).

All unutilized ELs can be carry forwarded to the next year with a maximum accumulation of 60 days at any point of time. Leaves will be lapsed after 60 days, if not utilized. No encashment applies for lapsed leaves.

Leave encashment will be done only at the time of Separation/ cessation of service ie. when EPAMer leave the organization or is relocated outside India.

Please note that it is expected that the EPAMer utilize the allocated leaves in a judicious way. If they decide to quit/ relocate EPAM and have utilized more than prorated leaves for the eligible duration in that particular calendar year then the excess leaves would be deducted through the Full and Final Settlement. Please refer to use case 2 below to understand this better.

Accumulation	Utilization	Carry Forward
15 days at the start of the year	As per EPAMer's requirement	All unutilized leaves from that calendar year, upto a maximum accumulation of 60 days

Procedure: If an EPAMer has not utilized all 15 days of EL in year, all of these 15 days would get carry forwarded to next year subject to a maximum accumulation of 60 days. Balance days of unutilized days would get lapsed.

Compensation of earned leaves:

All EPAM India permanent associates will be entitled to en-cash his/her leave only at the time of cessation of service. Un-utilized leaves cannot be adjusted against the notice period. The leave encashment is calculated as mentioned below:

- **Leave Encashment calculation effective 16th May 2022**
- Last Drawn Gross Salary per month x No. of Days to be en-cashed / 26
- A maximum of 60 Leaves can be accumulated for encashment.
- The leaves accumulated during the year of separation, shall be treated as overall eligibility until then.
- Please refer to the Vacation guidelines mentioned in the below link (<https://kb.epam.com/display/EPMTSPUB/India#India-5.Dismissedemployees>)

Note:

- The unutilized leave balance as of 31st March 2010, remaining at the time of cessation of service will be paid based on gross salary (Basic + HRA + TA + other allowances) prevailing as on 31st March 2010 as against the last drawn basic salary.
- For the existing EPAMers whose balance (leave accumulation) is more than 60 days (and below 90 days) as on Dec 31, 2021, the excess leave balance will be en-cashed by February 28, 2022.

Use Case 1: If any new joiners on boarded post 15th of a month earned leaves would be allocated on a pro rate basis. eg: Y Joined on 16th January. 14.375 days of Earned Leaves would be provided (Calculation: 0.625 days for Jan + 1.25*11 for 11 Months)

Use Case 2: In case existing associate has “zero “ leave days of carry from 2021 and or the associate joins the organization on January 1, 2022 and utilizes 10 days leave in the month of January 2022. Then he or she relocates to any other EPAM Location or exits the organization on February 28, 2022

1. Prorated entitlement for 2022 calculated is @ $15/12=1.25$ leave days per month = 1.25*2 ie., 2.5 days of leave for the two months ie., for January 2022 & February 2022
2. Negative Leave balance or Excess leaves utilized in this case is equal to (Utilized leaves – Pro-rated Entitled) ie., $10 - 2.5 = 7.5$ days
3. This negative leave balance of 7.5 days will be recovered from the associate on settlement due to relocation / cessation of service

Use Case 3: In case existing associate has carried forwarded 5 days of leave balance from 2021 and utilizes 4 leave days in the months of January 2022 & February 2022. Then he or she relocates to any other EPAM Location or exits the organization on February 28, 2022

1. Prorated entitlement for 2022 is calculated @ $15/12=1.25$ leave days per month = 1.25*1 ie., 2.5 days of leave for the two months ie., for January 2022 & February 2022
2. The leave balance of the associate is equal to Carried Forward Leaves+ Prorated Entitlement of Leaves – Utilized leaves ie., $5 + 2.5 - 4 = 3.5$ days
3. The balance leave days of 3.5 days will be paid to the associate through the settlement working due to relocation /cessation of service

6. Casual Leave

Definition: The purpose of providing Casual Leaves (CL) is to accommodate any urgent/ unforeseen personal requirements as against EL being planned leaves.

All the Casual Leaves per year will be available in advance and reflected on the vacation portal at the start of the year for exiting associates and on the start date for associates joining during the year on a prorated basis as explained below in the use cases.

Please note that it is expected that the EPAMer utilize the allocated leaves in a judicious way. If they decide to quit/ relocate EPAM and have utilized more than prorated leaves for the eligible duration in that particular calendar year then the excess leaves would be deducted through the Full and Final Settlement. Please refer to use case 2 below to understand this better.

Entitlement	Utilization	Carry Forward
6 days at the start of the year	As per EPAMer's requirement. Max 2 CLs can be taken at a stretch	No carry forward to next calendar year

Procedure:

- CL & SL cannot be combined
- A maximum of 2 CLs can be taken at a stretch

Use Case:

- X joined EPAM on 3rd Jan 2022: 6 days of Casual Leave would get added (calculation: $0.5*12$ for 12 months)
- Y joined EPAM on 16th Jun 2022: 3.25 days of Casual Leave would get added (calculation: 0.25 days for June month + $0.5*6$ for 6 months)
- Z joined EPAM on Jan 1, 2022 and avails all 6 days of Casual Leave in the duration of Jan-April 2022. If he resigns/ relocated and exits in June 2022, then as per the prorated logic he should have availed 3 days of CL. Hence in F&F settlement, the excess utilized CL (negative balance) would need to get refunded from EPAMer to the organization

7. Sick Leave

Definition: The purpose of providing the Sick Leave is to create a supportive environment where the organization can proactively help EPAMers manage their health and

well-being during any period of sickness.

All the Sick Leaves per year will be available in advance and reflected on the vacation portal in advance at the start of the year for exiting associates and on the start date for associates joining during the year on a prorated basis as explained below in the use cases.

Please note that it is expected that the EPAMer utilize the allocated leaves in a judicious way. If they decide to quit/ relocate EPAM and have utilized more than prorated leaves for the eligible duration in that particular calendar year then the excess leaves would be deducted through the Full and Final Settlement. Please refer to use case 2 below to understand this better.

Entitlement	Utilization	Carry Forward
6 days at the start of the year	As per EPAMer's requirement	No carry forward to next calendar year

Procedure:

Guidelines:

- Employees receive 6 days per calendar year of paid Sick leave
- Weekly off/holidays falling during the leave period are not included in the Sick leave calculation.
- Your full Sick leave balance is provided to you in a lump sum every January.
- Sick leave cannot be carried forward to the next fiscal year or en-cashed.
- Accumulated Sick leave cannot be adjusted for shortfall of notice period calculation at the time of final settlement on separation.
- You cannot use Sick leave in lieu of annual leave or for vacation purposes.
- You must inform your manager about the absence. On resuming work, you must update the leave taken through the [EPAM Vacation tool](#) and obtain reporting manager approval.
- Sick leave cannot be combined with Casual leave

Use Case:

- X Joined on 3rd Jan 2022 - 6 days of Sick Leave would get added (calculation: 0.5×12 for 12 months)
- Y Joined on 16th Jun 2022 - 3.25 days of Sick Leave would get added (calculation: $0.25 + 0.5 \times 6$ for 6 months)
- Z joined EPAM on Jan 1, 2022 and avails all 6 days of Sick Leave in the duration of Jan-April 2022. If he resigns/ relocated and exits in June 2022, then as per the prorated logic he should have availed 3 days of SL. Hence in F&F settlement, the excess utilized SL (negative balance) would need to get refunded from EPAMer to the organization

8. Bereavement Leave

Definition: Bereavement Leave is provided so that you can take paid time away from work to grieve the death of a family member (Spouse/Partner (subject to partner being added to Insurance), Child, Parent, and Parents-in-law), attend the funeral (or alternative to a funeral) and make necessary arrangements necessitated by a family member's death.

Entitlement & Utilization	Carry Forward
EPAMers can avail Bereavement leave up to 3 calendar days depending upon the need. The leave should be taken within 15 days of the incident.	No carry forward to next calendar year

Related Links: Read more details @ [Bereavement leave \(epam.com\)](#)

9. Maternity Leave

Definition: Women EPAMer shall be entitled to maternity benefits as provided under Maternity Benefit Act (Amended) 2017 in effect from April 1, 2017. All female EPAMers on confirmed employment who are not covered under the ESI Act, 1948 and have completed 80 days of continuous service with the company are eligible for Maternity Leave. Female EPAMers are entitled for Maternity leave of Twenty-six weeks (inclusive of weekly offs and other paid holidays of which not more than eight weeks shall precede the date of child's expected delivery date.

Entitlement & Utilization	Carry Forward
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EPAMers can avail Twenty-six weeks (inclusive of weekly offs and other paid holidays)	No carry forward to next calendar year
Related Links: Read more details here	

10. Extended Maternity Leave

<p>Definition: Women EPAMers can extend their maternity leave post paid maternity leave for maximum period of 3 months. They can utilize regular vacation which is then followed by Leave without Pay.</p> <p>EPAMer should inform Reporting Manager, Practice Manager/ Practice Head and HR Business Partner at least 2 weeks in advance and seek approval over email.</p> <p>Related Links: Read more details here</p>
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11. Paternity Leave

<p>Definition:</p> <p>The Paternity Leave is a leave offered to expectant fathers after a child is born. It is a leave meant for the father to take care of the newborn and the mother. All male regular, full-time EPAMers (excluding Contractors and Interns) of India location are entitled to 5 continuous working days of paid 'Paternity Leave' following the child's birth or Adoption for the first two deliveries/ Instances only.</p> <p>The male EPAMer must have been associated with the Company for at least 80 days preceding the date of birth of the child or Adoption.</p>	
Entitlement and Utilization	Carry Forward
5 continuous working days of paid leave	No carry forward to next calendar year
<p>Procedure:</p> <p>Please refer the guidelines below:</p> <ul style="list-style-type: none"> · The eligible associate must avail Paternity Leave within 30 days from the date of birth of the child or Adoption · Paternity Leave cannot be taken in instalments; it should be continuous · Paternity leave can be clubbed with weekly offs/ Mandatory holidays/Optional holidays/ Open optional holiday, based on the time of birth of the child/Adoption · In case of multiple childbirths/ adoptions, the entitlement would not increase for each child · Paternity leave can be availed by providing, supporting documents for HR validation · Associate must notify the reporting manager about availing the paternity leave at least a week in advance · The associate should apply the leave on Vacation portal; Paternity leave option is available in the exceptional leave column 	

12. Voluntary Leave Donation

Definition:

EPAMers who have exhausted their current leaves (Incl EL, CL, SL) and are going through a personal or family medical emergency can avail VLD Min 1 day and Max 20 days. Under the Voluntary Leave Donation Program (VLDP), an EPAMer may voluntarily donate earned leaves to another EPAMer who has a personal or family medical emergency adhering to the set guidelines.

CL & SL cannot be donated under VLD program.

The said voluntary leave donation program would purely be discretionary to the management and shall be dealt with case-to-case basis.

Related Links: Read more details [here](#)

13. Advance Leave

Effective Jan 2022, Advance Leaves functionality has been removed.

14. Overtime Vacation

Definition: All regular associates working on weekend for business reasons are entitled for overtime vacation. Associates can register the overtime (within 15 days) and utilize within 90 days.

Procedure: All EPAMers worked on weekends or on holidays due to production needs can avail overtime paid vacation on approval from their Reporting Manager.

EPAMer needs to inform their Reporting Manager of a planned overtime by creating and submitting a new Planned Overtime Record in time.epam.com. To have the Overtime approved, create Overtime Request using Overtime mode on the Time journal and submit it for the Manager's approval. Overtime is to be approved by managers with relevant permissions: Project/Delivery Managers and Account Managers are responsible for approving overtime requests for project activities and Resource Managers are responsible for overtime requests for non-project activities in time.epam.com. Once the request is approved, the capacity of Overtime balance in [Vacation.epam.com](https://vacation.epam.com) is increased and the employee will be able to make a request for an overtime vacation.

Note:

- Overtime vacation needs to be registered within 15 days from the day of work.
- Any Registered overtime vacation should be availed within 90 days from the day of work. There will be no exceptions considered for extending the Overtime Vacation
- Any Comp off earned by an EPAMer while working in a project should be availed within the same project.

Related Links: Read more details [here](#)

15. Leave without pay

Definition: There are cases when an EPAMer has exhausted all leave balance but still requires time-off for some exigency. In such situations, EPAM allow them to go on leave without pay (LWP).

Since there is a loss of income (LOP) when an EPAMer avails this type of leave, it's also called LOP leave.

In EPAM, any leave availed in violation of leave policy is considered as LOP. e.g. an employee going on vacation without prior intimation or approval. Or an employee not providing medical certificates in case of sick leave as per policy.

Procedure: In case an associate wants to apply Leave as regular Vacation and doesn't have sufficient leave balance, then the associate can apply leave as leave without pay. If the applied leave days are spread through 2 consecutive weeks (with the weekend and holidays falling in between), then the weekend and holidays will be considered as leave without Pay. However, the weekend/holiday will not be considered as leave without Pay if it is a prefix or suffix to the applied leave without Pay.

In case an associate leaves the Company wherein he/she has availed more leaves than that is due to him/her as on the date of his/her release, additional leave availed will be deducted while settling his/her accounts.

Related Links: Read more details [here](#)

16. Exception Approval

All exceptions must be reviewed by the HR team and approved by the India HR Head

17. Documentation

It is recommended that EPAMers provide and upload all the relevant documents on the [EPAM Vacation tool](#) including:

1. Form A and Form B in case of Maternity Leave (read more details [here](#))

18. Quick Contacts

Following are the Point of contact for any query related to Vacation:

- Connect with your [HR Business Partner \(HRBP\)](#)
- Direct mail ID for HRBP: [WFA HR Business Partner India](#)
- Connect with the Corporate HR team: [WFA HR Corp India](#)
- For feedback on Vacation Policy, please write back to [Sasanka Yedlapati](#) and [Nimisha Nigam](#)

19. Policy change Timelines:

Roll out of the policy changes: **Jan 1, 2022**

Availability of Vacation and Leave Policy on Vacation Portal: Feb 28, 2022 (depends upon deployment to production)

21. Vacation Application Transition Management:

As the vacation team continues to work on transitioning to the new policy on the vacation portal, [Vacation](#) portal will be available only for applying regular vacation. Other leaves categories will be updated by end February 2022. In the meantime, here's **what you can do to apply leaves during the period January - February 2022** on the portal:

1. Apply for regular vacation (earned leave) on the portal (no change in process)
2. For availing **Sick Leave or Casual Leave**, please [Click here](#) and update your leave request by attaching email approval of your manager. Guidelines to be followed as per revised policy. All production / pre-production EPAMers need to update time as **Non-project Activities**
3. EPAMers are requested NOT to utilize any open optional holiday during the transition period (till we are able to disable this option on the portal). In case an optional holiday is applied during this period, after the update this leave will be adjusted against your **regular vacation (earned leaves)**

20. Probation Policy: Feedback and Suggestions:

Thank you for providing your feedback and suggestions during the period of Jan-Feb 2022. PFA the consolidated file

Key Points To Remember:

- All sick leave and casual leaves availed through Ms. Forms will be adjusted from respective leave category balance after deployment of revised policy on vacation portal (tentative date 1st March)
- If you apply sick / casual leaves on vacation portal against any other vacation categories (Leaves mentioned under Exceptional leaves-Onsite/work from home/Team outing, etc..) this will get counted against your regular vacation (earned leaves)



22. FAQ

Q1. How many maximum number days of casual leaves can an employee take in a calendar year?

A1. 6 days

Q2. How many maximum number days of casual leaves can an employee take in one go?

A2. Employee can take maximum 2 casual leave (CL) in one go.

Q3. Is there a minimum and maximum duration requirement for casual leave?

A3. Yes, CL can be taken as minimum 1 day and maximum 2 days in one go.

Q4. Is it possible for an employee to add backdated CL requests?

A4. Yes, it is possible and allowed. There are no limitations.

Q5. Which types of employees are eligible to submit the CL request?

A5. All employees in India are eligible to submit CL requests, excluding Part Time employees.

Q6. Casual Leave is not rolled over to the next year. Is it compensated in case of relocation/dismissal in the current year?

A6. Yes, it is not rolled over to next year. Yes, it should be compensated in case of relocation/dismissal in the current year the result leads to negative balance only. e.g. is mentioned below:

Capacity	Casual leave	Exited Month
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Same year	DOJ/LWD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Casual Leave Utilized	3rd Jan- July	6		3		3		-3.5					
	16th Jun-Dec						3.25						0

Q7. Can employees take max 6 days of sick leave?

A7. Yes, employees can take a max of 6 days of sick leave.

Q8. Is there a maximum request duration requirement for sick leave?

A8. Max 6 days in a year

Q9. Is there a minimum request duration requirement for sick leave?

A9. Min 1 days

Q10. Sick Leave is not rolled over to the next year. Is it compensated in case of relocation/dismissal in the current year?

A10. Yes, it is not rolled over to next year. Yes, it should be compensated in case of relocation/dismissal in the current year the result leads to negative balance only. e.g. is mentioned below:

Capacity

Casual leave

Exited Month

Same year	DOJ/LWD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sick Leave Utilized	3rd Jan- July	6		3		3		-3.5					
	16th Jun-Dec						3.25						0

Q11. Will it be possible to submit backdated requests for SL? If yes, what's the earliest possible request start date?

A11. Yes, can be allowed

Q12. Which types of employees are eligible to submit the request for SL?

A12. All employees in India are eligible excluding Part Time Associate

Q13. Is attachment mandatory when applying for SL. If yes, at which step?

A13. Not mandatory

Q14. What are the use cases of CL, SL, and EL combinations that are not acceptable?

A14. The following use cases are not accepted in the vacation application.

Use Case-1	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
		SL	CL			WE	WE		
Use Case-2	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
					SL	WE	WE	CL	
Use Case-3	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
					SL	WE	WE	CL	CL
Use Case-4	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
			SL	Holiday	CL	WE	WE		

Use Case-5	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
		EL	SL	Holiday	CL	WE	WE		

WE-Weekend | **SL-Sick Leave** | **CL- Casual Leave** | **Regular vacation/EL**

Q15. What are the use cases of CL, SL and EL combination that are acceptable?

A15. The following use cases are accepted in the vacation application.

Use Case-1	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
					SL	WE	WE		CL
Use Case-2	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
					SL	WE	WE	EL	
Use Case-3	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
	EL		CL		SL	WE	WE		
Use Case-4	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
	EL	CL	CL		SL	WE	WE	SL	SL
Use Case-5	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue
					SL	WE	WE	EL	CL

WE-Weekend | **SL-Sick Leave** | **CL- Casual Leave** | **Regular vacation/EL**

Ver	Description of change	Author	Date	Approved	
				Name	Date
1	Created	Nimisha Nigam	14th Dec 2021	Shashikanth Bondugula	16th Dec 2021
	Reviewed	Nimisha Nigam	1st Feb 2022	Shashikanth Bondugula	3rd Feb 2022
	Reviewed	Shiv Arcot	29th May 2023	Chinmoy Ghosh	30th May 2023