



LEAVE POLICY

Human Resource Function

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PROCEDURE APPROVAL MATRIX

[HUMAN RESOURCE FUNCTION] – LEAVE POLICY

Sr. No.	Name	Designation	Review Level	Date
1.	U Dal Kom Lian	Head, Performance and Reward	Proposer	2 nd Nov 2023
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4.	Mr. Devanandan Palmer Batumalai	Managing Director	Reviewer	28 th Nov 2023
5.	Senior Management	CEO/ DCEO	Reviewer	11 th Dec 2023
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1.0	15 th Dec 2023	Human Resource Function	-	Amended the clauses from Previous Leave Instructions

LEAVE POLICY

1. INTRODUCTION

Kanbawza Bank (“**KBZ Bank**”) provides and supports all employees with different types of leaves and entitlements in order to create and maintain a good quality of life such as work-life balance between the working environment and the personal life.

All the leave applications must be submitted using SMART HR Application of the KBZ bank which is the digital application for all KBZ Bank employees, together with the necessary supporting documents. Any absence must be informed to the respective line manager on the date of taking leaves or absence in case an employee is unable to submit the leave in advance (e.g., on the occasion of sickness or any urgent leave, etc.,).

Based on the existing Labour Laws and Bylaws of Myanmar, the Leave Policy is made; and amendments may be made from time to time in accordance with the requirements of the Labour Laws or other requirements of KBZ Bank.

2. TYPES OF LEAVE

In accord with the Leave and Holidays Act, and additional leaves granted by KBZ bank as privileges, all employees of KBZ Bank are eligible to enjoy their leaves proportionately based on the periods of their services as follows:

- (a) Annual Leave or Earned leave
- (b) Casual leave
- (c) Medical leave
- (d) Maternity leave
- (e) Paternity leave
- (f) Marriage leave
- (g) Compassionate Leave
- (h) Leave without pay or Unpaid Leave
- (i) Block leave

Apart from the above-mentioned leaves, the Bank provides female employees for breastfeeding time-off to give their newborn child within working hours. The breastfeeding time-off is mentioned in clause 9.

3. ANNUAL LEAVE/ EARNED LEAVE

Employees are eligible to enjoy their annual leave starting from the date on which they have been employed as permanent staff, but the employee whose service period is less than 12 months, is eligible to take the Annual Leave in proportional.

3.1 ENTITLEMENT

Entitlements are as follows:

- (a) Employees are eligible to enjoy **ten (10) days** annual leave per calendar year.
- (b) Annual leave cannot be taken during the probation period. After completing of probation period, employees are eligible to enjoy an annual leave which shall be calculated on pro-rata basis based on number of completed months of service.
- (c) Only working days shall be counted as annual leave. Public holidays officially designated by the government and weekend days such as Saturday, Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall not be counted as leave.
- (d) In case of expiring of employment contract, redundant layoff, resignation and death of employee, retirement if the employee may have sufficient annual leave entitlement, annual leave shall be calculated on pro-rata basis and encashed to make payment to employee. In case of overused annual leave, the employee needs to pay back or the leave shall be deducted from the last pay.
- (e) In case of termination and dismissal due to employee misconduct, the bank does not have responsibility to encash.
- (f) Annual leave shall not be allowed to carry forward to the next year and will not be encashed.

3.2. GUIDELINES

- (a) In case of an employee resigns after submitting resignation letter the employee has the right to request his or her respective payment for the annual leave.
- (b) Annual leave can be used for prearranged occasion. Example – 1 - If an employee arranges in advance to go home town, he/she shall not submit casual leave, but must take annual leave. Example – 2 – If an employee needs to go to a place immediately because of unforeseen conditions such as personal affairs or emergency or an urgent family member's health condition, he/she should submit casual leave.

The Bank suggests that employees should receive temporary breaks from the work environment, and it is strongly recommended that all annual leaves are planned and used during the calendar year. The leave must be requested to the line manager at least 3 working days in advance. However, the employee's line manager or supervisor has authorized to approve or adjust the leave plan depending on business requirements.

4. CASUAL LEAVE

Casual leave is given for emergency matters, and employees are entitled to take this leave in case of an unforeseeable situation.

4.1. ENTITLEMENT

- (a) Employees are eligible to enjoy **six (6) days** with full payment per calendar year of casual leave.
- (b) Employees are entitled to enjoy the casual leave from the commencement of employment.
- (c) Casual leave cannot be taken for more than 3 days consecutively at the same time, and it will expire at the end of the calendar year.
- (d) In case of taking a casual leave for emergency matters, and an unforeseeable situation, employees have to inform and seek approval from their supervisor/manager as soon as possible.

4.2. GUIDELINES

- (a) Casual leave shall not be refunded in case if it is not taken throughout the year.
- (b) Casual leave shall not be enjoyed in conjunction with any other types of leave except medical leave, compassionate leave and leave without pay/unpaid leave.

5. MEDICAL LEAVE

Medical leave is given to provide as the benefit when employees need to take treatment for their health condition.

5.1. ENTITLEMENT

- (a) Medical leave is eligible for up to **thirty (30) days** per calendar year.
- (b) It can be entitled after the employee has completed six (6) months of service. Public holidays officially designated by the government and weekend days off such as Saturday, Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall be counted as leave.

5.2. GUIDELINES

- (a) Medical leave is allowed only with medical certificate from the government hospitals, Social Security Board Clinics, Private Hospitals or physicians with Practicing License (SAMA) from Myanmar Medical Council.
- (b) Employees shall submit medical certificates in case of taking medical leave.
- (c) Employees whose service does not reach six months can take leave without pay.
- (d) Employees who take long-term (more than 30days) medical leave shall submit fit to work medical certificate.

6. MATERNITY LEAVE

The maternity leave is given to allow female employees for child delivery, as well as to bond with, care for, the new child and take a rest after giving birth.

6.1 ENTITLEMENT

Entitlements are as follows:

- (a) All female employees are eligible to enjoy maternity leave, after completing consecutive six months of service.
- (b) Female employees are entitled to enjoy **fourteen (14) weeks** in total continuously, before 6 weeks and after 8 weeks of delivery. Public holidays officially designated by the government and weekend days off such as Saturday, Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall be counted as leave.
- (c) In case of twins, additional 4 weeks will be given. Medical certificates issued by Social Welfare Clinic or Practicing License holder physicians shall be submitted.
- (d) In case of miscarriage, employee can take following:
 - (i) Miscarriage within the first zero week to 13 weeks of pregnancy shall be entitled **2 weeks of medical leave**.
 - (ii) Miscarriage within the first 13 weeks to 24 weeks of pregnancy shall be entitled **4 weeks of medical leave**.
 - (iii) Miscarriage within 24 weeks and above of pregnancy shall be entitled **6 weeks of maternity leave**.
- (e) All female employees have the right to enjoy leave not exceeding eight weeks for child care for one adopted child only, until that child has attained the age of one year if a child under one year of age is adopted in accordance with existing law by registration.

7. PATERNITY LEAVE

Paternity leave is given to allow the male employee to care for his wife and new born.

7.1 ENTITLEMENT

- (a) All male employees are eligible to enjoy paternity leave, after completing consecutive six months of service.
- (b) Male employees are entitled to enjoy **fifteen (15) continuous days** of paternity leave within 3 months from the date of newborn child. Public holidays officially designated by the government and weekend days off such as Saturday and Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall be counted as leave.

8. LEAVE WITHOUT PAY

Leave without pay is given to provide the extra leave when employees have unexpected family cases, extended educational purposes, illness, or personal reasons after he/she spends all of the eligible leave types officially designated by the government or the Bank.

8.1 ENTITLEMENT

The entitlements of the leave without pay are as follows:

- (a) The leave without pay is allowed if there is no other applicable leave entitlement.
- (b) Employees are entitled to **twenty (20) days** of leave without pay in a calendar year. Employee can get approval from their line manager. If it is more than 20 days of leave without pay, employees need to get approval from the HR.
- (c) Only working days shall be counted as leave without pay. Public holidays officially designated by the government and weekend days such as Saturday, Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall not be counted as leave without pay.

8.2 SALARY CALCULATION FOR LEAVE WITHOUT PAY

Salary per day = (Basic Salary x 12 months) ÷ (52 weeks x 5 days)

Unpaid Leave Deduction = Salary per day x unpaid leave days

- (a) Only working days will be counted as days of leave, and the remaining days and public holidays shall not be counted.
- (b) If the total number of unpaid leave is equal to the number of working days in a month or, if the employee took one-month unpaid leave, salary for that month will not be paid.

8.3 GUIDELINES

- (a) Leave without pay can be used within the probationary period and if there is the condition of no entitled leave.
- (b) Only after submitting the leave to the relevant supervisor managers with valid reasons, and with their approval, it will be eligible.

9. BREASTFEEDING TIME-OFF

Breastfeeding time-off is given to allow the female employee to give time for feeding her child, storing breastmilk as needed when they return to work after taking maternity leave as well as and care for, her new child.

9.1 ENTITLEMENT

- (a) Employees can store breast milk in the refrigerators in Lactation Rooms.
- (b) Female employees are allowed to breastfeed their children **2 hours per day** with full pay up to 6 months from the date of office return after the maternity leave or child birth date.
- (c) Supervisors are to arrange a time slot that is most convenient for the mother and child. Feeding time can only be taken in the morning or afternoon.
- (d) No other time-off will be granted for commuting. Breastfeeding time-off will not be accumulated.
- (e) Breastfeeding time-off will not be applicable on days an employee does not work. There will not be encashment for unused breastfeeding time-off.

10. MARRIAGE LEAVE

Marriage leave is given to create and maintain a great atmosphere and better relationship between employees and KBZ bank. The bank aims to build a better and warm relationship between the employees and the bank. And this is also to enable the employee to enjoy their wedding ceremony with their relatives of both sides with enough time.

10.1 ENTITLEMENT

Entitlements of marriage leave are as follows:

- (a) Employees who have completed the probationary period are entitled to apply for **three (3) working days** of marriage leave upon their first legal marriage during their employment with the Bank.
- (b) Only working days shall be counted as marriage leave. Public holidays officially designated by the government and weekend days such as Saturday, Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall not be counted as marriage leave.

10.2 GUIDELINES

- (a) Application for such leave shall be submitted in advance to the Line Manager for approval, together with the necessary supporting documents such as marriage certificate or wedding invitation card.

11. COMPASSIONATE LEAVE

Compassionate leave is given to show respect and mercy for an employee's loss of immediate family members, and arrange for funeral.

11.1 ENTITLEMENT

- (a) Bank shall grant **three (3) working days** of compassionate leave with full pay if the employee has lost his or her immediate family member. Family member means spouse, children or parents (father, mother).
- (b) Only working days shall be counted as compassionate leave. Public holidays officially designated by the government and weekend days such as Saturday, Sunday or weekly day off designated according to the nature of work that fall during the period of taking the leave entitlement shall not be counted as compassionate leave.

12. BLOCK LEAVE

The purposes of the block leave are to ensure there is no single point of person dependency in the operation. In addition, the bank can evaluate the performance of assigned employees and this will support for the bank succession planning.

12.1 ELIGIBLE POSITIONS

- (a) The positions mentioned hereunder are eligible to take block leaves:
 - (i) Branch In-charge
 - (ii) Second Branch In-charge
 - (iii) Chief Cashier
- (b) The tenure of eligible positions as mentioned in above will be (1) year and above in the current branch.
- (c) Therefore, managers should advise their subordinates to plan to take Block Leave.

12.2 GUIDELINES

- (a) To allow employees holding the above-mentioned positions to be absent from their duties for the period of **seven (7) consecutive days** per calendar year including weekends and gazette holidays. However, Branch In-charge, Second Branch In-charge and Chief Cashier will not allow to take the block leave at the same time. When the one from these three critical roles is taking leave, the rest two will need to be on the duty. During these days, they shall not assume their duties.

As bank intended to know the performance of the employee in the current branch, the replacement/ relieving employees will not be provided. (However, the replacement/ relieving employees from other branches can be arranged with the approval from Branch Operation Head depending on the branch workforce)

- (b) The duties and responsibilities shall be performed by designated/Relief employees. It is also a strategy to give designated employees opportunities for learning.

- (c) Employees must plan for block leave at the beginning of each year and seek approval one (1) month in advance from their Line Manager.
- (d) Bank shall not contact employees during their block leave except for emergency cases. Employees do not need to check phone, E-mail, and any other electronic communications concerning office matters and also prohibit contacting the Bank accordingly during taking block leave.
- (e) Employees should do proper handover of detail workflow to the designated employee before taking block leave, as well as take back detail workflow from the assigned employees after taking block leave accordingly. Block leave shall not be used to offset notice period by employees who have decided to resign from the bank.
- (f) Block leave shall not be enjoyed in conjunction with any other types of leave.

12.3 DO's

- (a) Make a point for the relief employee and the appointment must be submitted to the reporting manager.
- (b) Prepare a checklist to formalize handover to the appointed designated relief employee. The employees who will release and receive the duties must comply the handover process as per prevailing instructions and guidelines.
- (c) The checklists should be designed in accordance with their operational requirements.

12.4 DON'TS

- (a) The employee must not make any work-related decision or exercise his/her approving authorities especially financial authorities while on block leave, must not give instruction for any work-related matters through office email.
- (b) Must not remotely log on into any Bank Application while on block leave.
- (c) Must not return to his or her workplace at any time while on block leave. Notwithstanding anything mentioned above, the Management Team has the right to give instructions in writing and/or other communication ways if he/she is required to come to the office, for example, in the event of unforeseen force majeure.
- (d) In the event if any irregularities are found while the employee is on block leave, the detecting relief employee must immediately highlight the findings to the line Manager.

13. ATTENDANCE

Employees are expected to be present for work, on time, every day. Regular attendance and punctuality are important to keep the Bank running smoothly. Accurate work scheduling for employees is a very important part of increasing performance and achieving business objectives. Arriving late, or absence from work causes disruptions and burdens to the colleagues.

The Bank also expects all employees to be honest in all matters relating to the Bank and aligned with KBZ Bank's code of conduct. Employees are required to report an absence by applying leave/time off. Employees must report for the days they are absent. Employees must follow the below attendance guidelines:

- (a) The department in-charge are responsible for communicating work schedules/roster/shift to employees for (24/7) working, especially call center, Technology Function, KBZ pay center etc., Except from that, the business units/functions including branches' working hours shall be within normal working hours of the bank, from 9:00 am to 5:00 pm.
- (b) Employees are expected to be at their workstation refreshed and are ready to work at starting time. Work activity should commence at starting times and continue until the normal designated stopping times for breaks, lunch, or the end of work.
- (c) Employees must log-in each work scheduling/roster through SMART HR App without fail to make check in and out for attendance records. If there is any problem regarding a log-in, employees should inform the supervisor/manager immediately.
- (d) In the event of absence from an assigned work schedule/roster/shift, the employee is required to report the absence to the line manager or supervisor. When reporting absence, the employee must contact his or her supervisor, or other designated individual as assigned by management. The employee must call prior to the scheduled start time and if the employee is unable to call, he or she must have someone make the call.

14. LATENESS

If employees are late by **fifteen (15) minutes** than the designated office hour, they will be considered "lateness".

If an employee is late regularly or several times in a month, HR, in collaboration with the line manager, will undertake appropriate actions in accordance with the Disciplinary Policy.

15. POLICY MANAGEMENT

This Policy takes effect from the date of approval by the Board of Directors of the Bank. This Policy shall be reviewed from time to time based on the requirements.

The previous version of Leave Policy and its relevant instructions of KBZ Bank shall be repealed by this updated policy.