


<p>Kuwait Finance House بيت التمويل الكويتي </p> <p>Reference Number HC/CM-16/11-2015</p>	<p>HUMAN CAPITAL CIRCULAR MEMORANDUM</p>
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GUIDELINES

Date : 18 November 2015

To : All KFHMB Employees
All KFH Asset Management Employees
All KFH Labuan Employees

From : Human Capital

Re : **LEAVE MANAGEMENT**

The Management would like to bring to your attention the streamlining of the Bank's leave management in these four areas.

Human Capital has found that poor leave planning on the part of certain employees has resulted in them utilizing all or most of their annual leave entitlement early in the year. Consequently, they face difficulty in unforeseen situations requiring them to be away from the office as they have little or no leave left.

In view of the above, the following measures shall be instituted:

1. Carry forward of unutilized leave

Effective immediately, staff may carry forward a maximum of 5 days annual leave with prior approval. All applications for carry forward leave will require the recommendation of your Chief of Division and the concurrence of Human Capital.

Applications to carry forward leave of more than 5 days shall require the CEO's approval. The staff concerned will also be required to provide an explanation as to why the annual leave has not been utilized. The application may then be recommended to the CEO by both the Chief of Division and Human Capital.

As per policy, all carry forward leave is to be taken by 31 March of the following year.

The Carry Forward of Annual Leave Approval Form is located at Deskmate > HR Matters > Forms > Rewards and Benefits > Leave Forms. All applications are to reach Human Capital by **4 December 2015**. Late applications shall not be entertained.

2. Practice of earned annual leave

Effective 1 January 2016, earned annual leave will be practiced on a **half-yearly basis** for **confirmed employees**. With this, confirmed employees will be able to utilize only half their annual leave entitlement from January to June and the other half of their entitlement from July to December.

For **staff on probation**, the earned leave shall be on a **monthly basis**.

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Human Capital Circular Memorandum – Leave Management (cont'd)

3. Criteria for no-pay leave applications

Although the Bank does not encourage staff to be on no-pay leave, the number of applications for no-pay leave has increased dramatically and some applications lacked merit. These are typically applications from staff who had to be away from work due to unforeseen circumstances but had little or no leave left and resorted to applying for no-pay leave.

We hereby wish to remind you that no-pay leave is subject to Human Capital's recommendation. It also **requires the CEO's approval and will be considered on a case-to-case basis.**

As such, **effective 1 January 2016**, applications for no-pay leave shall be limited to only the three situations below, to ensure that only critical unplanned absences are allowed:

No.	Scenarios	Criteria for no-pay leave approval
1.	Staff medically unfit to work – Staff has fully utilised all medical and earned leave and the sickness is not covered under prolonged illness	1. Granted for all leave of absence of both confirmed staff and staff on probation due to medical reasons, supported by medical certificates / chits, effective immediately.
2.	Death or critical illness of children – Staff has fully utilized earned leave and/or compassionate leave to care for their sick children who have congenital disease or prolonged illness, or who are in critical condition as defined by the physician or the 39 critical illnesses defined in the Bank's Leave Procedure	1. Granted to a maximum of 30 calendar days, once a year. The application is to be supported by medical certificates / chits / letter from the physician / death certificate. 2. Only confirmed staff are eligible to apply for this category of unpaid leave. 3. Effective 1 January 2016
3	Death or critical illness of immediate family members, other than children which requires admission to Intensive Care Unit, Coronary Care Unit and/or High Dependency Ward/Unit of the Hospital, as defined by the physician, and staff has fully utilized earned leave and/or compassionate leave for death or critical illness	1. Granted to a maximum of 5 working days, once a year. The application is to be supported by medical certificates / chits / letter from the physician / death certificate. 2. Only confirmed staff are eligible 3. This entitlement cannot be taken if a Muslim female staff is utilizing or has utilized her iddah leave of 40 calendar days.- 4. Effective 1 January 2016

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Human Capital Circular Memorandum – Leave Management (cont'd)

4. Mandatory Leave

As mandatory leave is a requirement of Bank Negara Malaysia, it is imperative that all employees plan for it at the start of each year and ensure that all staff allocate sufficient days of annual leave for it.

Hence, **effective 1 January 2016**, the following measures will be implemented to ensure that all staff comply with this requirement:

- a. Chiefs of Divisions (CODs) are to submit the listing of ALL their staff's planned mandate leave on a half yearly basis to Human Capital
- b. For mandate leave to be taken in the first 6 months, the submission date is 15 January. If the mandate leave to be taken is in the first 2 weeks of January, the submission date is 20 December of the preceding year.
For mandate leave to be taken in the last 6 months, the submission date is 15 July.
- c. The approved mandate leave above shall be applied by all confirmed staff and approved by supervisors before 31 January and 31 July every year respectively via eP2P system.
- d. All planned mandate leave is to be taken as planned
- e. Any changes / amendments to the planned mandate leave will require a new submission by the CODs to Human Capital.

As per existing policy, other than annual leave, the following leave types - maternity leave, medical leave, hospitalization leave, compassionate leave as well as external training - can also be considered towards meeting mandatory leave requirements fully or partly.

Besides the streamlining highlighted above, all other terms and conditions of the Bank's policy and procedure on leave management remain the same.

Should you require further clarification or guidance, please do not hesitate to get in touch with Human Capital.

Thank you.



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Nora Shah Abdul Wahab Shah
Chief Corporate Affairs

