

# POLICY

## Absenteeism Tracking Policy

### Introduction

At Kempinski we believe our colleagues are best placed to contribute to the success of our company if they feel happy, healthy, and engaged. As an employer we want to actively create a positive and productive place to work and provide our colleagues with the means to promote a healthy mental, physical, and emotional lifestyle. That said, Kempinski Hotels S.A has recognised that absenteeism can be the results of various causes, therefore it is important to monitor, analyse and action accordingly.

### Policy Statement

To obtain a clear picture of the impact of absenteeism, Kempinski Hotels S.A is committed to track and monitor the absenteeism systematically. Closely monitoring absenteeism will help us to see where in the organisation absenteeism is most prevalent and compare our scores to the rest of the market.

The moment we are able to identify the causes of absenteeism, we are able to do something about it. This will help us to proactively prevent or lower absenteeism in our organisation. Different causes require different solutions. Absenteeism caused by work stress requires a different approach than absenteeism caused by conflict with supervisors. Monitoring and analyzing absenteeism is not only beneficial to get a grip on absenteeism, it can potentially be cost effective.

The key to controlling absenteeism lies in correctly assessing the nature and extent of the problem, so Kempinski Hotels S.A can determine and apply the proper controls.

### Scope

This policy is strictly applicable to all Kempinski Hotels and Residences worldwide as well as Corporate and Regional Offices.

### Definitions

#### Employee Absenteeism

Absences consist of the time during which an employee is not at their place of work although they should normally be (illness, accident, maternity leave, military or civilian service, civil protection, reduction of working hours, labour dispute, personal and family reasons and bad weather).

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### Policy Content

#### Monitoring Employee Attendance

A variety of tools are available to monitor employee attendance:

- Absenteeism records
- Weekly time reports
- Attendance Policies
- HR KPI Reports

Therefore, using the resources at our disposal, Kempinski Hotels S.A would design its research to determine:

- What absenteeism problems exist
- Why the problems exist
- Which solutions are appropriate

It is crucial to have clear workplace attendance policies and track absences in order to manage any problems that arise.

#### Calculating Absenteeism Rates

Absenteeism rates will be calculated in two different ways and determined by type of employee, gender, department, division and/or location.

Calculations are made on a monthly and annual basis.

Absences data is separated according to short- and long-term absences. Clearly, an employee who is absent five times for periods of three days presents different problems from an employee who is absent 15 times on consecutive days. Computing the number of absences by their durations can be useful in developing absenteeism policies and controls.

A distinction must be made between long-term absences (over 30 days) and short-term absences (less than 30 days).

#### ABSENTEEISM INCIDENCE RATE

The incidence rate is a measure of the number of absences per 100 employees during any given work period. In its basic form, this measure does not account for the duration of an employee's absence. The basic formula for the incidence rate is:

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Number of incidents of absence x 100

Number of employees

### **INACTIVITY RATE**

The inactivity rate measures the percentage of time usually worked or scheduled that is lost due to absenteeism. The formula is:

Total hours of absence x 100

Total hours scheduled to work

To evaluate our employee absenteeism rate, it would be helpful to see how it compares against the **national average** for your industry.

## Responsibility

It is the responsibility of the local Human Resources department to ensure this policy is fully implemented and to share the relevant data in the HR KPI report.

It is the responsibility of the Corporate HR to compile the data and obtain global statistics regarding absenteeism for Kempinski.