



Employee Leave Entitlements

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Overview

The Abu Dhabi Global Market (ADGM) is an international financial centre and free zone located in the United Arab Emirates (UAE) capital city, Abu Dhabi. It was set up in 2013 following an amendment to the United Arab Emirates Constitution. The ADGM is established as a common law jurisdiction, having its own set of laws and judicial system, bound by precedent. By way of the ADGM Application of English Law Regulations 2015, English common law is directly applicable in the ADGM Courts subject to any contrary provisions in any ADGM enactment or applicable Abu Dhabi law.

Employment matters within the ADGM are governed by the ADGM Employment Regulations. The ADGM Employment Regulations provides for minimum requirements which may not be waived or excluded except where expressly permitted under the ADGM Employment Regulations. However, this does not preclude parties from contractually agreeing to enhance the minimum entitlements under the ADGM Employment Regulations.

This Practice Note highlights the minimum employee leave entitlement under the ADGM Employment Regulations.

Definitions

- *ADGM*: Abu Dhabi Global Market.
- *UAE*: United Arab Emirates.

Practical Guidance

Vacation leave

Article 21(1) of the ADGM Employment Regulations states that an employee is entitled to a minimum paid vacation leave of 20 business days per year to be accrued on a pro rata basis. In respect of national (public) holidays, article 21(3) of the ADGM Employment Regulations states the annual vacation entitlement leave of an employee is exclusive of national (public) holidays. Article 26(3) of the ADGM Employment Regulations provides for compensation to employees for work undertaken on national holidays. If an employee agrees to work on a national holiday, the employee is entitled to be paid in addition to their daily wage, either a day in lieu, a pro-rated amount relating to the day worked or period of time worked. Article 21(2) of the ADGM Employment Regulations provides that an employee is entitled to carry forward an amount of accrued but untaken vacation leave as agreed between the employee and employer, provided that at least five business days of unused vacation leave will be carried forward into the following year for 12 months, after which the unused leave will expire.

Article 23(2) of the ADGM Employment Regulations states the employer is able to mandate the employee to take vacation leave on specified days. However, a minimum of seven days' prior written notice must be provided to the employee. The employee must receive the employer's consent before taking vacation leave and the consent provided by the employer should not be unreasonably withheld.

As per article 24 of the ADGM Employment Regulations, during the first year of an employee's employment, the employee is limited to the amount of vacation leaves accrued at the time. Vacation leave accrues on a monthly basis and is calculated at the rate of one-twelfth of the employees' annual amount provided.

Sick leave

An employee is entitled to 60 business days' sick leave in aggregate in any 12-month period as per article 29(1) of the ADGM Employment Regulations.

As per article 30 of the ADGM Employment Regulations, an employee is entitled to sick pay for the duration of their sick leave, as follows:

- 100% of the employee's daily wage for the first 10 business days of sick leave taken in a 12-month period.
- 50% of the employee's daily wage for the next 20 business days of sick leave taken in the same 12-month period.
- The remaining 30 business days of utilised sick leave in the same 12-month period being unpaid.

Article 29(2) of the ADGM Employment Regulations sets out that employees requesting sick leave are required to notify the employer on the first day, as soon as reasonably practicable of their sickness. Employers may require the employee to provide a medical certificate.

Failure to comply with conditions stated under the ADGM Employment Regulations by an employee entitles employers to withhold sick pay (article 29(3) of the ADGM Employment Regulations).

Maternity leave

Article 32(1) of the ADGM Employment Regulations states that female employees are entitled to 65 business days paid maternity leave, subject to the employee complying with the following conditions under article 33(1) of the ADGM Employment Regulations:

- The employee has been continuously employed with the employer for a period of at least 12 months prior to the expected or actual week of childbirth.

- The employee notifies the employer in writing of the pregnancy at least eight weeks prior to the expected or actual week of childbirth, if requested by the employer.
- The employee provides a medical certificate confirming the pregnancy and the expected or actual birth date, if the employer requests the same.
- The employee provides a minimum of 21 days prior notice of the date she wishes to commence her maternity leave.

Under article 32(2) of the ADGM Employment Regulations, female employees adopting a child of less than five years old inside or outside the UAE, gives birth to a stillborn baby, or suffers a miscarriage after the start of the 24th week of her pregnancy are entitled to the same maternity rights detailed above.

As per article 32(3) of the ADGM Employment Regulations, vacation leave continues to accrue during the employee's period of maternity leave and may be taken separately. Any national holidays falling on a business day during maternity leave must be treated as additional leave, thereby extending the maternity leave (article 33(4) of the ADGM Employment Regulations).

In terms of pay, article 33(2) of the ADGM Employment Regulations states that female employees are entitled to receive their full pay for the first 33 business days of maternity leave, and half pay for the remaining 32 business days of maternity leave.

Article 33(3) of the ADGM Employment Regulations prohibits employees from receiving compensation in lieu of maternity leave.

A female employee has the right to return to work at the end of her maternity leave with the same role or a suitable alternative with the same terms and conditions and seniority rights (article 32(4) of the ADGM Employment Regulations).

If the employee's employment is terminated, the employer must pay the employee until the end of her maternity leave which she would have received had her employment continued (article 33(5) of the ADGM Employment Regulations).

Paternity leave

Article 34 of the ADGM Employment Regulations provides for paternity leave and states that a male employee who becomes a father to a new-born child or adopts a child of less than five years old, will be entitled to a minimum of five business days of paternity leave to be taken within two months of the date of birth or adoption of the child.

As is the case with maternity pay, the ADGM Employment Regulations also prohibits employees from receiving compensation in lieu of paternity leave (article 34(3) of the ADGM Employment Regulations). Similarly, any national holidays falling on a business day during paternity leave must be treated as additional leave, thereby extending the paternity leave (article 34(4) of the ADGM Employment Regulations).

The employee is entitled to receive their daily wage during the period of paternity leave if they have been continuously employed with the employer for at least 12 months preceding the actual week of childbirth or adoption (article 34(2) of the ADGM Employment Regulations).

Special leave

Article 27 of the ADGM Employment Regulations, state that Muslim employees who have completed one year of continuous employment with their employer are entitled to take a maximum of 30 days unpaid special leave, once during the period of their employment, to perform the Haj pilgrimage.

Bereavement leave

Article 28 of the ADGM Employment Regulations provides for bereavement leave of five business days due to the death of an employee's spouse, parent, child or adopted child, or sibling. Each bereavement leave must be taken within one month of the bereavement. The employee must provide any evidential requirements requested by the employer. The employee is entitled to be paid their daily wage during the period of bereavement leave.

Payment in lieu of vacation leave

Article 22 of the ADGM Employment Regulations provides for payment in lieu. An employee is not entitled to a payment in lieu of accrued but untaken vacation leave except upon the termination of employment and when agreed otherwise in writing by both the employee and employer. An employee is entitled to payment in lieu of accrued but untaken vacation leave upon termination. Where an employee has taken more vacation leave than has accrued at the termination date, the employee will repay the employer the corresponding sum.

Compensation in lieu of vacation leave will be calculated using the employee's daily wage applicable on the employee's last day of employment.

Related Content

Legislation

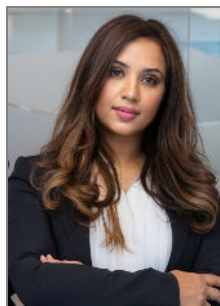
- United Arab Emirates Constitution

Regulations

- ADGM Employment Regulations 2025

- ADGM Application of English Law Regulations 2015

Authors



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Areas of expertise

- Tech Law
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- Employment Law
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- Barrister in England & Wales
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Biography

Sarah Malik is an award-winning lawyer who founded SOL International Ltd, a boutique legal consultancy registered at the ADGM in 2018. Sarah achieved 'Litigator of the Year' (2022) at the first GCC Women in Law Awards and received an honourable mention as 'Law Firm Leader of the Year' category at the same awards.

Prior to founding SOL she practiced as a Barrister at a leading set of Commercial Chambers in London for fifteen years, was employed Counsel at a leading UK law firm for two years and headed the Advocacy and Investigations team of an international law firm in Dubai for three and a half years.

Sarah undertakes all aspects of employment work and has a busy employment law practice within the UAE and internationally dealing with contentious and non-contentious matters. She advocates at the DIFC and the ADGM Courts and regularly undertakes cross border employment matters. In addition, she runs high-level disputes and negotiates senior level severance packages.

Sarah was instructed as Counsel on the first race discrimination claim against a multi-national bank before the DIFC Courts in 2023.

She has carried out investigations and disciplinary meetings on behalf of Clients in the UAE and internationally with a track record of high-profile investigations including with Premiership football clubs and leading commercial organisations. She has authored various articles on employment law for the LexisNexis Middle East Law and HR Alert. Within the DIFC, she is well recognised for her ability to settle lawyer disputes between lawyers and law firms.

Sarah co-devised a UAE and DIFC Employment Law module for the LLM at Middlesex University Dubai for both postgraduate students and industry. Sarah is regularly invited to speak at conferences within the UAE, GCC and internationally in respect of workplace issues, investigations, and liability for health and safety, which includes conferences for the ICC and at the annual IBA.

She regularly conducts training for students, legal professionals, corporates and government organisations on Unconscious Bias in the workplace, Gender and Equal Pay and various other aspects of employment.

In March 2025, Sarah co-authored an article entitled 'Navigating the ADGM Employment Regulations 2024: What's Changed?'

In October 2023, Sarah spoke on 'Prosecuting and Defending Complaints For Employer Violations of Workplace Health and Safety and Psychological Duties.' at the IBA Conference in Paris.

In May 2022, she spoke at the Women in Law Forum, organised by the UK Ministry of Justice on 'Bias, Behaviour and Belonging'.

In addition to employment law, Sarah has a busy litigation and dispute resolution practice and teaches at university level in Dubai, Saudi Arabia, and Milan. She is often used as external counsel and advocate by law firms and in-house clients and acts as personal advisor to Ultra High Net Worth private clients. She is known as a straight-talking, no-nonsense lawyer and her approach and commitment has resulted in a loyal client following.

Sarah also co-authors published Practice Notes for employment practitioners on the LexisNexis platform.



Sara Nassif

Trainee, SOL International Ltd

[LinkedIn](#)^[1 p.8]

Biography

Sara is currently a Trainee with SOL International Ltd. She graduated with a LLB Honours degree in Law with International Relations from Middlesex University Dubai and is fluent in both English and Arabic.

Sara has a deep rooted interest in ADR and mediation and has experience in drafting letters before action, company policies and procedures, and legal agreements, including prenuptials for HNWI, influencer, escrow, settlement, collaboration, and employment agreements. Sara is also involved in the arbitration practice of SOL International.

Sara has acted as junior in multi-million dollar disputes including a multi-jurisdictional case in the DIFC and Dubai Courts which also involved an application before the Joint Judicial Committee. She has also had involvement in an ADGM case involving 13 Defendants. Sara has assisted with various employment law matters, both contentious and non contentious. She also deals with business setups both in the UAE and abroad and has been involved in complex contractual negotiations in various jurisdictions for construction projects.

In May 2025, Sara was appointed on the Mediation Hub MENA as a volunteer.

In August 2024, Sara was appointed on the ADGM Pro Bono Scheme as a volunteer to provide assistance to those most in need who require access to justice. Sara has conducted research across diverse industries, including tech, fashion, and sports law. In October 2024, Sara assisted in the writing of an LLB Sports Law Course. She has co-authored articles including:

- Choosing the Right Path, An Analysis of Mediation and Litigation – published by LexisNexis Middle East and The Mediation Hub MENA.
- Styled for the Future: Legal Perspectives on Sustainable Fashion.
- Promoting Jobs and Protecting Workers: How the UAE Supports the Development of Disneyland Abu Dhabi.

Undertaking my journey as a Trainee, I have gained valuable experience across diverse areas of law and am able to effectively multitask to deal with client demands whilst I continue to expand my legal knowledge and skills. I am proud to be part of the SOL team and undertake my journey into becoming a well-rounded legal expert under the guidance of Sarah Malik and the team.”

Notes

1. ^ [p.7] https://www.linkedin.com/in/sara-nassif-6126061aa?original_referer=https%3A%2F%2Fwww.google.com%2F