Followed the following steps:

Creating the Unpaid Annual Leave wage pay item

1. Go to the **Payroll** menu and choose **Pay items**.
2. On the **Wages and salary** tab, click **Create wage pay item**.
3. Enter a **Name** for the pay item, such as "Unpaid Annual Leave" or similar.
4. Choose the applicable **ATO reporting category**. If unsure, check with your accounting advisor or the ATO.
5. For the **Pay basis**, select **Hourly** (regardless of whether your employees are on a salary or paid hourly).
6. For the **Pay rate**, choose **Fixed hourly rate of** and leave the rate as **$0.0000.**
7. Under **Allocated employees**, choose the employees who are entitled to unpaid leave.
8. When you are done, click **Save**.

Then when I go to the next steps:

After creating the unpaid leave wage pay item, you can follow the next step for preventing leave from accruing while on leave. Kindly follow the next steps below:

1. Go to the Payroll menu and choose Pay items.
2. Click the Leave tab.
3. Click to open the leave entitlement which should not accrue while on unpaid leave.
4. Under Exemptions, choose the Unpaid Annual Leave wage pay item.
5. Click Save.
6. Repeat all leave entitlements which should not accrue while on unpaid leave.

It won't show step 4: