

COMPENSATION REVIEW POLICY

1. Performance Evaluations:

1.1. Frequency:

- Performance evaluations are conducted quarterly to assess individual and team performance comprehensively.

1.2. Quarterly Performance System:

- Employees will receive scores based on a robust evaluation, considering key performance indicators (KPIs), goal achievements, teamwork, and other pertinent factors.
- 40% scoring will be allotted from the HR End, which includes Dependability, Behavior Concerns, Policy adherence, NCNS, Suspensions, or Warnings.
- 60% scoring will be allotted from the Departmental End, which may vary among Client-Based Departments, Target-Based Departments, Project-Based Departments, and General Departments.
- Appraisal review meetings held by Higher Management and HR Management will be conducted quarterly only.

1.3. Quarterly Scoring Mechanism:

1.3.1. Departments Classification:

- All departments have been classified into the following:
 - Client- Based Departments (OBS etc.)
 - Target-Based Departments (Collections, RCM, Sales, etc.)
 - Project-Based Departments (Software Development, IT, Digital Marketing etc.)
 - General Departments (HR, Finance, Admin etc.)

1.3.2. HR Scoring Mechanism (40%):

- HR Performance Team holds 40% scoring of quarterly performance. Please find below the scoring mechanism:
 - Dependability = 20% (NCNS: -4, Absent: -1, 3 Lates: -1, Unpaid Half Day: -.5)
 - Policy Adherence = 20% (Warning: -4, Suspension: -4, HR Verbal Warning Session: -1)

NOTE:

- Paid Leaves will not have any negative impact on Scoring.
- Policy Adherence scoring refers to all policies of the company i.e. Dress Code Policy, ID Card Policy, Floor Policy, Behavior Policy, Conveyance Policy, etc.
- Majorly the scoring is based on data extracted from HRMS.

1.3.3. Departmental Scoring Mechanism (60%):

- HOD/Managers of a Department hold 60% scoring of quarterly performance.
- The performance indicators of each department and Designation will be shared via email to all employees by the HR Performance Team at the start of each quarter.

2. Annual Increment for New Hires:

2.1. Eligibility Criteria:

- All newly hired employees are eligible for an annual increment on completing one year from their joining date, contingent upon maintaining a 75% performance score throughout the year. If not, the increment will be moved to the next quarter.
- An employee would be required to achieve a 75% score in 4 quarters for yearly appraisal.

2.2. Increment Calculation:

- The increment amount is calculated based on overall performance, contribution to team objectives, and individual development. The minimum limit is 5% and Maximum limit is 20%.

3. Conditions for Increment Eligibility (from the second year):

- The performance evaluation criteria based on JD, KPIs, and KRAs will be shared with all employees at the start of each quarter.
- From the second year, the employees will be able to be eligible for appraisals in 6, 9, or 1-year tenure depending on their quarterly performance score. Please go through the following conditions.

3.1. High-Performance Raise (6 Months):

- Employees scoring 95% to 100% in the last two quarters are eligible for an additional raise, recognizing exceptional performance.

3.2. Consistent Performance Raise (9 Months):

- Employees scoring 85% to 94.99% or higher in the last three quarters will be eligible for an increment, rewarding consistent high performance.

3.3. Annual Raise:

- To be eligible for a yearly increment, an employee must maintain a minimum 75% yearly score.
- Upon failing to meet 75 % in any quarter, will result in an additional quarter.
- An employee would be required to achieve a 75 % score in 4 quarters for an Annual raise.

4. Increment Range for Promotions:

- Employees getting promoted to newer roles will be assessed according to the new job descriptions. There is no specified Increment Range.

5. Effective Date:

5.1. Timing:

- The effective date for any increment is the 1st day of the quarter following the completion of the eligibility criteria i.e 1st of January, 1st of April, 1st of July, and 1st of October.

6. Cut-off Date for Appraisal:

6.1. Cut-off Dates for eligible employees:

- The compensation policy cut-off date for appraisal for each quarter is the 15th of January, 15th of April, 15th of July, and 15th of October.
- For the year 2024, the cut-off date is 31st of January, 30th of April, 31st of July and 30th of October.

7. Adjustments for Completing a Year:

7.1. Quarter Placement:

- Employees completing a year between two quarters will be placed in the preceding quarter, adjusting additional months in the raise.

Q1 Example: An employee eligible for an annual raise in Feb or March will be placed for 1st April.

8. Quarters Classification:

8.1. Quarter Schedule for 2024:

- Q1 = January to March - Cut off date is the 31st of January
- Q2 = April to June - Cut off date is the 30th of April
- Q3 = July to September - Cut off date is the 31st of July
- Q4 = October to December - Cut off date is the 30th of October

9. Communication:

9.1. Timely Notification:

- All employees will be informed of their performance scores and eligibility for increments in a timely and transparent manner.
- In case any name is missed, HR will take care of it on a priority basis.
- In the future, the notifications will be provided through the new HRMS.

10. Review Meetings:

10.1. Scheduled Meetings:

- Review meetings will be scheduled to discuss performance evaluations and increment decisions, providing employees with feedback and an opportunity for discussion.

11. Appeal Process:

11.1. Procedure:

- Employees dissatisfied with performance scores or increment decisions can appeal within 5 working days.
- Employees can initiate an appeal via Email to performance@appedolgy.com or performance@proglobaltechnologies.com distro.
- In the future, the appeal option will be available in the new HRMS.

12. Rewards and Certifications:

- Top Performing employees will be awarded with gifts and certificates every quarter.

This detailed Compensation Review Policy underscores our commitment to recognizing and rewarding high performance while maintaining transparency and fairness. Any updates or modifications to this policy will be communicated to employees in advance.

-Human Resources