

Reward and Recognition Policy for Employees

Purpose: The Reward and Recognition Policy is designed to encourage employees, whose performance is outstanding, either individually, or through teams that contribute to the overall objective of the organisation, and also to lay down guidelines regarding how to reward employees.

Objective: The objective of the Policy is to promote motivation and innovation in the workplace, and to build a culture that is conducive for achieving organizational objective, and to make employees feel valued and appreciated for their good work done.

It is meant:

- To appreciate and recognize value-added contribution of the employees;
- To acknowledge individual and team contribution;
- Timely appreciation to foster work quality; and
- To award staff appreciation for the good work done

Principle: Basic principles followed for Reward and Recognition Policy are:

1. To promote staff appreciation;
2. To enhance motivation in the workplace;
3. To design an effective Incentive Programme;
4. To value the effective work done by rewarding work;
5. Consistent reward and incentive scheme with a defined objective;
6. Empowering employees by rewarding performance; and
7. Reward to nurture a sense of ownership amidst employees.

Eligibility for Reward and Recognition

Following criteria must be fulfilled before an employee become eligible for reward and recognition:

1. Employee must be a regular employee of the Company;
2. Should be in service of the company for last 6 months.

Qualifying outcome for reward and recognition

1. Exhibition of organizational mission and goals while performing the duties;
2. Exceptional contribution in increasing motivation in the workplace;

3. Efficiency in processes and practices, which lead to rewarding work;
4. Exceptional team building skills;
5. Innovative approach towards problem solving based on organizational values;
6. Cost reduction, which is helpful for an effective incentive programme;
7. Increment in revenue generation;
8. Excellent customer service;
9. Contribution in building team members competencies;
10. Excellence in all spheres of work done, which results in staff appreciation;
11. Contribution in employee engagement initiative;
12. Contribution in achieving organizational objective by performing service above normal duty;
13. Going out of way to form positive and inclusive work environment;
14. Exceptional contribution in community- or CSR-related activities;
15. Developing new work methods that reduce waste;
16. Individual possessing highest talent; and
17. Going the extra mile by performing duties when department is short staffed.

Reward and Incentives at the workplace

Rewards and incentives are beneficial, both for the employees and the employer. It not only increases motivation in workplace but also energizes employee to work with proficiency. Generally, this question does occupy minds of managers that how to reward employees. Rewarding performance is an art. This Policy is designed for employee rewards and recognition programme. Such Staff appreciation results in increasing employee efficiency and an increase in revenue and productivity. An effective incentive programme must include both monetary as well as non-monetary incentives. With rewards and incentives, employer and employee enjoy a positive and productive work environment. An incentive programme, which recognizes individual achievement, in addition to team performance can provide extra incentive for employees.

Ways or Types of reward & incentives

Monetary Incentive Reward - Various types of monetary incentive reward includes Variable pay, bonus, profit sharing and Stock Option. Details on the same are mentioned below.

Variable Pay: Variable pay is tied to the performance of the company, any organizational accomplishment or an individual performance or both. It is given as one time reward. Still, it is one of the motivational programmes for reward and recognition. Details of variable pay are referred in Compensation and Benefits Policy.

Bonuses: Bonus is used to reward individual accomplishment. It is one of the most commonly used types of incentive. By rewarding performance of an employee for previous year, bonus gives motivation in workplace.

Profit Sharing: In this money is disbursed by taking a certain percentage of employee salary. This is credited to employee account at the end of financial year. It is given in cash form. This employee reward motivates our employees to work beyond normal duty to improve the business performance.

Non-monetary incentive: non-cash reward programme, sometimes, works better than cash as it promotes improvement in team work, increasing customer satisfaction, and motivation in workplace among other programmes. Reward and recognition have a timing element. It is must to occur for staff appreciation. If high-rewarding performance continues, then reward & incentive can be one of the factors for it. Both reward & recognition programmes have their place in business. By rewarding performance business will have an edge in competitive market place. Non-monetary incentive rewards employee performance with opportunities, other than related to monetary incentive. It includes flexible work hours, training opportunities and ability to work independently. Such programme motivates employee as there is learning of new skills and pursuing the advance opportunities.

Banka BioLoo Limited uses a combination of the above, in its endeavour to incentivize, reward and recognize employees.

This policy was adopted by the Board of Directors in their meeting held on 27 July 2020.
