

# HUMAN RESOURCE POLICY DOCUMENT

In this document, all the policies are mentioned which are related to the employees of PRODUCTART PVT. LTD. These policies are made in order to guide the behavior, expectations and the rights of both the employees and employers. All the employees are expected to strictly follow the rules & policies of the company. These policies are mentioned below :-

## 1. **Recruitment and Selection Policies** :-

### ■ Guidelines on hiring procedures :-

First of all, there will be screening and shortlisting of the candidates which are fit for the vacant job in terms of skills and experience. After the shortlisting of the candidates, following by an interview, the job will be offered to the selected candidate. All the documentation regarding the contract and other formalities will be completed on the first day of joining the organization.

### ■ Equal opportunity employment :-

All the employees in the company will have fair and unbiased treatment in employment matters, regardless of any race, gender, religion or disability. If someone unfairly treats any employee based on these matters, he/she will receive temporary suspension as the first strike. However, if this continues, that person will immediately receive a demotion.

### ■ Background checks and reference verification :-

Before onboarding the new candidate, his/her background and references will be verified, and the candidate must co-operate with the process. If the background of the candidate is found unclear and unsafe, and the reference is found biased, the candidate cannot be hired for the role offered.

## 2. **Workplace Conduct Policies** :-

### ■ Code of conduct :-

- a. **Attendance & Punctuality** – Employees are expected to report to work on time and maintain regular attendance. If an employee is unable to report to work, they should notify their supervisor as soon as possible.
- b. **Confidentiality** – Employees are expected to maintain the confidentiality of company and customer/client information with unauthorized persons and take appropriate steps to protect confidential information.
- c. **Conflict of interest** – Employees are expected to avoid any situation that creates a conflict of interest between their personal interests and those of the company. This includes not accepting gifts or favors from clients/vendors and not engaging in any activity that might compromise the company's reputation. If the company's reputation is damaged due to any of these reasons, the employee will be punished accordingly.
- d. **Health & Safety** – Employees are expected to follow all safety procedures and protocols, and to report any safety hazards or concerns to their supervisor immediately. They are also expected to maintain a healthy work environment by practicing good hygiene and following any health and safety guidelines set forth by the company.

- e. Social media – Employees are expected to use social media responsibly and to refrain from posting anything that might reflect poorly on the company. This includes not sharing confidential information or engaging in any activity that might compromise the company’s reputation. Employees will be responsible for their own actions.
- f. Compliance with Laws and Regulations – Employees are expected to comply with all applicable laws and regulations, both on and off the job. This includes not engaging in any illegal activity or behavior that might reflect poorly on the company.
- g. Reporting Violations – Employees are encouraged to report any violations of this code of conduct to their supervisor or Human Resources Department. Reports will be investigated promptly and confidentially. Consequences for violating the Employee Code of Conduct Policy can range from a verbal warning to termination of employment, depending on the severity and frequency of the violation. The policy should be reviewed and updated regularly to ensure that it remains relevant and effective.

■ Anti-discrimination and harassment policy :-

Employees are expected to treat each other with respect and dignity and not engage in any form of harassment ( including sexual harassment and racial harassment ) or any other form of discrimination. If any employee is found guilty after the investigation, he/she will get an appropriate punishment.

■ Dress code :-

Employees can freely dress according to their choice unless the outfits they wear are inappropriate and informal for the office environment.

■ Drug and alcohol policy :-

If any employee is found to be engaged in drug activities, he/she will be permanently terminated.

### 3. Compensation and Benefits Policies :-

■ Salary structure :- The Company will provide salaries to the employees in the first week of every month throughout the year. The salaries include all the allowances and deductions like house rent allowance, travel allowance , tax deductions etc. Allowances may vary on the factors like area and distance ; deduction includes TDS and other taxes , EPF. (Amount is not fixed)

■ Overtime and bonus rules :-

The company can ask the employees for overtime if any project/work needs extra attention. Bonuses may vary on the performances of the employees.

■ Expense reimbursement :-

If any employee has paid the expenses which are counted in the office or company’s expenses ( including expenses like travel, lodging, office supplies or other business-related costs ) , the company will pay back the amount to the employee.

### 4. Leave and Time-Off Policies :-

■ Vacation leave :-

Employees can get a 1 week vacation leave during any time period of the year.

- Sick leave :-

All the employees are granted 12 basic leaves and 5 sick leaves in the whole year.

- Maternity/Paternity leave :-

The company grants a 2-months paid maternity leave to the female employees and 1 month paid paternity leave to the male employees.

- Bereavement leave :-

If any employee faces a loss of a family member due to unavoidable circumstances like death, he/she can get 3-days leave from the company to deal with the grief/loss.

- Public holidays :-

If the company considers any public or national holiday, that will be announced by the management in the official formal company group.

## 5. Attendance and Working Hours Policies :-

- Work hours and shifts :-

General working hours of the company are between 10:00 am – 5:00 pm on weekdays ( from Monday to Saturday ). However, in case of emergencies, the company can ask the employees for a flexible working time including overtime. In case of overtime, the employees may get a bonus based on their performances.

- Attendance tracking :-

Employee attendance will be regularly tracked by the supervisor/HR. Both the supervisor and the employees cannot practice any biasness in terms of attendance of the employees. The responsible party will get suitable punishment for this offense.

- Remote work/telecommuting :-

In any case of inability or emergency, the employees can get assigned remote work by their supervisor or senior to maintain the efficiency and speed of their project. The assigned employee will have to remain connected with his/her team in these cases.

- Flex time policy :-

Under this policy, the employees can choose their designated hours of work by themselves after discussing it with their seniors until the efficiency and effectiveness of their project is affected. This is to balance the work life and personal life of the employee without affecting their work. However, the performance of the employees who chose their own working hours will be monitored by their seniors and if the chosen working hours by the employees doesn't aligns with the project requirements, the seniors can deny the offered time by the employees and assign them by themselves.

## 6. Performance Management Policies :-

- Performance appraisal system :-

The performances of the employees will be regularly monitored by their supervisors or HR Manager and suitable appraisals will be given to the employees based on the final evaluation of the employee's performance and contributions within the company. The appraisal process will also include a discussion

about future development needs and strategies to improve the employee's performance and productivity.

#### ■ Disciplinary procedures :-

The company has a structured process for addressing and correcting employee misconduct. Here's a detailed breakdown of the disciplinary procedure that Productart follows :

- a. Informal discussion – firstly, the company will try to solve minor issues by having an informal discussion with the employee responsible.
- b. Formal verbal warning – if the informal discussion doesn't solve the issue, a formal verbal warning may be issued.
- c. Written warning – if the behavior continues and the issue is more serious, a written warning will be issued which will include the consequences of the non-compliance.
- d. Final warning – if the non-compliance continues, a final written warning will be issued in which the exact timeline for improvement and a statement about the potential termination is mentioned.
- e. Suspension/termination - if the employee fails to improve their behavior/performance after all the prior disciplinary stages, suspension/termination will be considered.
- f. Right to appeal – Employees will have a clear right to appeal any disciplinary action, if more than 3 co-workers believe that he/she is innocent.

#### ■ Probation and confirmation :-

In case of probation, the company can test the candidate for 1 month to check the skills and performance of the employee before offering him/her actual employment. However, the company offers internships to the freshers based on their needs for 3 to 6 months.

### 7. **Training and Development Policies :-**

#### ■ Onboarding and orientation :-

On the first day of joining of the new employee, he/she will be introduced to the orientation program in which the key information about the company's overview (including rules, policies and procedures) will be shared and after that, he/she will be introduced to their fellow co-workers and seniors with a personalized office tour. Lastly, all the necessary paperwork will be done.

#### ■ Skill development programs :-

The company has its own skill development programs from time to time to improve the efficiency and effectiveness of the employees. Seniors and supervisors may take the responsibility of guiding new employees/freshers to develop or improve their skills.

#### ■ Tuition assistance :-

If the company doesn't have any available program to teach or guide the employees, the company will provide tuition assistance to them for learning skills from outside the company.

### 8. **Health and Safety Policies :-**

#### ■ Workplace safety standards :-

- a. Use tools, equipments and machinery properly – The employees are expected to use office-given devices and safe websites to prevent any safety hazards.
- b. Report any unsafe conditions – If the employees find any condition or situation which are or can be unsafe to the employees, they should immediately report it to the HR Manager as soon as possible.

- c. Keep the workplace tidy – The employees should keep their workplace or desks tidy and clutter-free in order to prevent any short circuits or fire breakouts or any other possible damage/theft. The company will not be responsible for any damage to the personal belongings of the employees.
- d. Take regular breaks – The employees should take regular short breaks in order to maintain their health and eyesight due to excessive workload or continuous screentime for hours.
- e. Be aware of the new safety procedures – Though the company is responsible for informing staff of new safety procedures, it is also the responsibility of the employees to make sure they understand the information.
- f. Presence of security personnel – The company must appoint safety guards and personnel to ensure the safety of all the employees.

■ Emergency procedures :-

- a. Evacuation procedures – In cases of fire, earthquake or flood, all the employees must evacuate themselves to a safe place through exit routes and gates to ensure safety of their own and each other. If a person with any form of disability is within the team, everyone must help them too.
- b. Communication protocols – Methods for alerting employees through warnings should be present both internally & externally the organization.
- c. Response roles and responsibilities – The employees should be given emergency first aid training, and they should be taught about how the safety equipments like fire extinguishers work.
- d. Disability Considerations – Everybody must assist or help their co-workers who have any sort of disability. The company must develop a plan to ensure safe evacuation in case of emergency.

9. **Employee Relations Policies :-**

■ Grievance redressal :-

If any employee reports a valid complaint or issue he/she has faced, he/she can seek redressal from the company after a successful investigation. If the employee is unsatisfied with the solution provided by HR Department to him/her within 7 days of the complaint, he/she can demand to get a resolution from the CEO (CHIEF EXECUTIVE OFFICER).

In case of following complaints/issues, these policies will be followed for the redressal :-

| GRIEVANCE CATEGORY   | PRIMARY POLICY REFERENCE                           |
|--|--|
| 1. Sexual Harassment   | Prevention of Sexual Harassment Policy             |
| 10. Corruption & Bribery   | Anti-bribery, Anti-corruption policy               |
| 11. Whistleblowing on unlawful acts, severe irregularities, policy violations etc. | Whistleblower Policy, Code of conduct, UPSI Policy |
| 12. Violation of Human Rights  | Human Rights Policy, Equal Opportunity Policy      |
| 13. Environment related  | ESG Policy, EHS Policy, Biodiversity policy        |

■ Conflict resolution :-

If any conflict arises between employees, suitable measures will be taken by the HR Department to maintain the co-ordinance between the employees and the peace & harmony of the work environment. However, if the conflicts are raised willingly by the employees to disturb the office environment, they will be punished accordingly.

■ Whistleblower policy :-

Under this policy, the employees are encouraged to immediately report any unethical policy (including fraud, corruption, or any other wrongdoing of other employee) to the HR Department. The company will follow the Whistle Blowers Protection Act, 2014 and ensure the safety of the employee who has 'blown the whistle' and after investigating, punish the culprit.

## **10. Separation and Termination Policies :-**

### ■ Resignation process :-

If any employee wants to resign, he/she must follow the resignation procedure made by the company which is mentioned below :

- 1) Write a formal written notice about your resignation including the cause of the resignation.
- 2) A clear communication with the HR about the resignation.
- 3) Serve the notice period of 30 days. (in case of emergency, the employee can buy out the notice period or settle it during the final settlement)
- 4) Returning the company's property and handing over the duties.
- 5) Exit interview and the full and final settlements.
- 6) Honoring confidentiality and non-compete agreement.

### ■ Exit interviews :-

After handing over the resignation, a last exit interview will be conducted by the manager with the employee leaving to gather feedback and identify areas of improvement.

### ■ Termination for cause or layoffs :-

The employer can terminate the contract of the employee for the following causes:

- a. Misconduct – This includes behaviors like theft, dishonesty, insubordination, harassment or violence.
- b. Poor performance – If the employee consistently failing to meet the job expectations or standards.
- c. Violation of company policy – for breaking established rules & procedures.
- d. Substance abuse – being under the influence or failing drug tests.
- e. Attendance issues – Chronic absenteeism or tardiness.

(In some cases, the employees can voluntary terminated. These cases can be – resignation, retirement, mutual agreement, constructive dismissal or better opportunity)

The employer can terminate the contract without cause too. This includes:

- a. Layoff – Reduction in workforce due to company restructuring or economic downturn.
- b. Economic hardship – Lack of work or reduced funding.
- c. Reorganisation – Changes in company structure or roles.
- d. Merger or acquisition – Company is absorbed or changes ownership.

### ■ Final settlements :-

During the final settlement, the employees must take account of their unpaid salary or deductions, leave encashment, gratuity , bonus & incentives and lastly provident fund (if any). If any of these is paid to the employee, the payment should be done in 7-10 working days.

## **11. IT and Data Security Policies :-**

■ Internet and email usage :-

All the employees must use company-provided emails for the business work and at the time of resignation or termination of the contract, the employees must return the access to the internet and given e-mail for safety purposes.

■ Data privacy and confidentiality :-

All the employees must ensure the privacy and confidentiality of the company data. If any employee leaks or misuses the company's data for any unethical practice, he/she must be punished accordingly.

■ Bring Your Own Device :-

Although the company provides its own devices to every employee but if any employee wants to use his/her own device for the work, he/she will be fully responsible for the privacy and confidentiality of the company's data. In case of mishappening with the company's data, the employee will have to face serious consequences (generally the employee will be terminated and can face legal issues for the breach of contract).