

# **ANNUAL PERFORMANCE REVIEW GUIDELINES 2023**

**Polar Dynamics Robotics, Inc.**

*Effective Date: January 1, 2023*

## **1. PURPOSE AND SCOPE**

1. These Annual Performance Review Guidelines ("Guidelines") establish the standardized procedures and criteria for conducting annual employee performance evaluations at Polar Dynamics Robotics, Inc. ("Company").
2. These Guidelines apply to all full-time and part-time employees who have completed at least six (6) months of continuous employment with the Company as of their review date.

## **2. REVIEW CYCLE AND TIMING**

1. The standard performance review cycle shall run from January 1 to December 31 of each calendar year.
2. Performance reviews shall be conducted annually between November 15 and December 15.
3. New employees hired after July 1 will receive their first performance review during the next annual review cycle.

## **3. PERFORMANCE EVALUATION CRITERIA**

1. Technical Competencies
  - Robotics systems knowledge
  - Cold-environment technology expertise
  - Programming and software development skills
  - Hardware integration capabilities
  - Quality control adherence
  - Safety protocol compliance
2. Core Competencies
  - Innovation and problem-solving
  - Project management

- Cross-functional collaboration
- Communication effectiveness
- Leadership capabilities
- Adaptability and learning agility

### 3. Business Impact

- Contribution to revenue goals
- Cost management
- Process improvement
- Customer satisfaction
- Product development
- Market expansion initiatives

## **4. REVIEW PROCESS**

### 1. Self-Assessment

- Employees shall complete a self-assessment form by November 1
- Documentation of key achievements and challenges
- Identification of development goals
- Career progression aspirations

### 2. Manager Assessment

- Direct supervisors shall complete employee evaluations by November 30
- Performance rating across established criteria
- Supporting documentation and examples
- Development recommendations

### 3. Calibration Sessions

- Department heads shall conduct calibration meetings by December 5
- Review of preliminary ratings
- Cross-functional alignment
- Performance distribution analysis

### 4. Employee Discussion

- Formal review meetings scheduled between December 1-15
- Two-way dialogue on performance
- Goal setting for upcoming year
- Development planning

## **5. RATING SCALE**

1. Performance shall be evaluated using the following five-point scale:

Exceptional Performance (5)

Exceeds Expectations (4)

Meets Expectations (3)

Needs Improvement (2)

Unsatisfactory (1)

## **6. COMPENSATION IMPACT**

1. Performance ratings shall inform annual compensation adjustments according to the Company's Compensation Policy.

2. Merit increases shall be determined based on:

- Overall performance rating
- Position within salary range
- Market conditions
- Company financial performance
- Budget availability

## **7. DOCUMENTATION AND CONFIDENTIALITY**

1. All performance review documentation shall be maintained in the employee's personnel file for a minimum of seven (7) years.

2. Review information shall be treated as confidential and shared only on a need-to-know basis.

3. Electronic records shall be maintained in the Company's HRIS system with appropriate access controls.

## **8. APPEALS PROCESS**

1. Employees may appeal their performance rating within 10 business days of their review.
2. Appeals shall be submitted in writing to Human Resources with supporting documentation.
3. The Appeals Committee shall review and respond within 15 business days.

## **9. AMENDMENTS AND UPDATES**

1. These Guidelines shall be reviewed annually by the Human Resources department and Executive Leadership Team.
2. Updates require approval from the Chief Human Resources Officer and CEO.

## **10. LEGAL COMPLIANCE**

1. These Guidelines comply with all applicable federal and state employment laws.
2. The Company reserves the right to modify these Guidelines at any time to ensure continued legal compliance.

## **APPROVAL AND ADOPTION**

These Guidelines have been reviewed and approved by:

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Katherine Wells

Chief Financial Officer

Date: December 15, 2022

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Sarah Nordstrom

Chief Operating Officer

Date: December 15, 2022

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Elena Frost, Ph.D.

Chief Executive Officer

Date: December 15, 2022