

INDIA SEPARATIONS POLICY (V 1.5)

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Version History						
V 1.1	Annual review and process changes, if any, incorporated					
V 1.2	Process update on issuance of resignation acceptance letter, changes in mode of exit interview, details on Always Cognizant portal and recovery of joining bonus clause incorporated					
V 1.3	Annual review and process changes incorporated Recovery clause on TAG benefits Revised timeline for credit of salary withheld, post approval of the initial release forms Inclusion of guidelines on Separation while on International assignments					
V 1.4	Annual review and process changes incorporated					
V1.5	Introduction of earned leave encashment benefit					

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India Separations Policy

1. Overview

- 1.1 The Separations policy provides guidelines for associates who have decided to move out of Cognizant. The policy ensures that the associate has a smooth exit and the normal flow of work is also carried out without any interruption
- 1.2 This policy is effective 01 July, 2018.

2. Scope

- **2.1** The policy is extended to all associates on payrolls of Cognizant Technology Solutions India Pvt. Ltd. and its Indian affiliates and includes
 - **2.1.1** Associates hired in India, who are on assignment / travel outside India, with India compensation and benefits elements in part or full
 - **2.1.2** Associates hired onsite and currently in India on India employment (as specified in the assignment letter or associated benefits statement)
- **2.2** The policy covers separations due to resignation.

3. Definitions

- **3.1 Resignation** refers to Voluntary separation and does not include employer initiated separation
- 3.2 Notice Period: Associates are entitled to serve 60 days of Notice period
- **3.3 Notice Period Shortfall Due:** The amount that the associate has to pay in lieu of the number of shortfall days against the notice period. The notice period shortfall due is calculated as follows;

[(Monthly Gross Salary – Monthly contribution to PF)/30] * No. of shortfall days

4. Procedure

Associates should complete all clearance formalities before the last working day (LWD).

4.1 Initiation:

- **4.1.1** Associates should submit their resignation through PeopleSoft
- **4.1.2** Associates are expected to serve sixty calendar days' notice
- **4.1.3** Last Working date (LWD) will be automatically updated in HCM, on the fifth working day from the date of resignation submission
- 4.1.4 Cognizant may, at its discretion, allow an earlier release, once the associate has made a payment towards the notice period shortfall (post adjustment of existing vacation leave balance)

- **4.1.5** Once the payment towards the notice period shortfall due is made, associates should share the transaction details (transaction Id & amount paid) and upload the screenshot of the transaction in the Clearance app
- **4.1.6** During the notice period, the associate cannot avail leave. However, sick leave can be availed subject to the availability of sick leave balance and submission of medical certificates with the consent of the supervisor
- **4.1.7** Resignation acceptance letter will be issued to the associate's personal email id as authenticated in Cognizant records on the last working day, subject to closure of finance and travel approval in the <u>Clearance</u> app.
- **4.1.8** Relieving letter will be triggered to associate's personal email id as authenticated in Cognizant records, after 15 days from the last working day (provided, approvals from all support groups are in place)
- 4.1.9 Link to "Always Cognizant" portal will be triggered to associate's personal email id as authenticated in Cognizant records, next day of the last working day. Associates can enroll into the portal, to raise experience (roles & responsibilities) letter for Higher education / Visa related purposes, follow up on the pending clearance (if any) and also to download their Pay-slips/Resignation acceptance letter/Relieving letter (subjected to support groups approval/ clearance)

4.2 Exit Interview:

4.2.1 The purpose of the exit interview is to obtain insights about associate's experience with Cognizant. This information will enable Cognizant to constantly improve its practices and procedures

Level	Mode of Exit Interview	Time of Completion	Remarks
Up to Associate Director	Online	On / before the last working day	Associates up to Associate Director level will have to complete & submit the online exit interview in the clearance system on or before last working day. This will mark the completion of exit interview
Director & above	Telephonic or Online		Associates above Director Level can opt for the interview on or before the last working day. HRSS PoC will schedule their exit interview based on associate's request as scheduled in the Clearance automation portal.

4.3 Encashment of Earned Leave:

- **4.3.1** Encashment of earned leave will be applicable for the associates who submit their resignation on/ after 01-Jul-2018
- 4.3.2 Primary option is to adjust the vacation leave balance against the notice period (NP) at the BU discretion. Vacation leave balance as on the date of resignation will be considered for this purpose
- **4.3.3** Remaining vacation leave (VL) balance available as on the last working day (LWD), will be considered for encashment on the last drawn gross pay
- **4.3.4** Notice period adjustment eligibility and sum eligible for encashment, based on the no. of available vacation leave (VL) balance at the time of separation:

Scenario	Eligibility for Notice period adjustment	Sum eligible for encashment
Vacation leave balance as on the date of resignation is >=7 days and vacation leave balance (post NP adjustment) as on the LWD is < 7 days	Yes	[No. of available VL post adjusting with the NP as on the LWD] X [7/5] X [Last drawn AGC/ 365]
Vacation leave balance as on the date of resignation is < 7 days and vacation leave balance (post NP adjustment) as on the LWD is >= 7 days	Yes	[No. of available VL post adjusting with the NP as on the LWD] X [7/5] X [Last drawn AGC/ 365]
Vacation leave balance as on the date of resignation is >=7 days and vacation leave balance (post NP adjustment) as on the LWD is >= 7 days	Yes	[No. of available VL post adjusting with the NP as on the LWD] X [7/5] X [Last drawn AGC/ 365]
Vacation leave balance as on the date of resignation is < 7 days and vacation leave balance (post NP adjustment) as on the LWD is < 7 days	Yes	[No. of available VL post adjusting with the NP as on the LWD] X [Last drawn AGC/ 365]
Zero Vacation leave balance as on the date of resignation	No	[No. of available VL as on the LWD] X [Last drawn AGC/ 365]

4.3.5 Encashment of leaves will be processed as part of the Full and Final settlement.

4.4 Settlement of Accounts:

- **4.4.1** The Clearance Forms (Initial release form & Final release form) are generated in 1C once the last working date is updated in HCM
- **4.4.2** Initial release form will be generated in 1C <u>Clearance</u> app once the last working date is updated in HCM & Final release form gets generated in <u>Clearance</u> app 5 days prior to the last working date
- **4.4.3** Initial release form has to be approved and closed on or before the payroll cutoff date to process the salary for the current month. In case, it is not approved before payroll

- cutoff date, salary for that particular month will be withheld. Associates have to make sure that this form is closed on or before the 8th of the corresponding month, for the salary of the previous month to be processed by 15th of the subsequent month
- **4.4.4** It is the associate's responsibility to obtain clearance from all support group approvers on or before their last working day
- **4.4.5** All necessary settlements will be cleared within 45 business days from the date of release, subject to clearance from all the stakeholders.
- **4.4.6** All other benefits (Provident Fund, Pension, Gratuity, if applicable as per the statutory norms) that the associate is entitled to, will be settled.
- 4.4.7 The joining bonus and/or notice pay buy out, if paid to a candidate at the time of joining, if the associate leaves the services of Cognizant before completing a year or any other time frame as termed by the Talent Acquisition Group at the time of joining, associate will have to pay the sum to Cognizant as part of the clearance process
- **4.4.8** In the event of separation within one year of domestic transfer / relocation at the time of hiring, the associate has to pay back the relocation entitlement claimed towards transfer of personal effects.

Note: For any other queries, please reach out to your Talent Manager/ HR Business Partner. For details, click <u>here</u>.

5. Separations while on International Assignments

- 5.1 Associates hired in India and currently on Short Term Non-Payroll Transfer assignments / Business Travel:
 - 5.1.1 Associates who are on India payroll, currently on Short Term, Non-Payroll Transfer assignments / Business Travel and submit resignation are bound to serve notice period as per the India Terms & Conditions of employment

Note: For queries related to Gratuity & Provident fund please refer the **India Gratuity Policy / Provident Fund** policies.

- 5.2 Associates hired in India and currently on Payroll Transfer International assignments:
 - **5.2.1** Associates should get their India separation formalities cleared from IT, Corporate workplace services, Finance and HRSS through India separations team.
 - **5.2.2** If an associate is getting separated in the host country, he / she should adhere to the separation process/policies of the host country.
 - 5.2.2.1 Associates hired in India and currently on International assignments with a Host country employment contract, should follow the terms of the separation policy of the respective Host country. India separation guidelines will be an integral part of this process.
 - **5.2.2.2** Associates hired in India and currently on International Assignments **without** a host country employment contract should follow the terms and conditions as set in the deputation letter/ separation policy of the respective Host country

5.3 Associates hired outside India:

5.3.1 Associates hired at Onsite and currently in India on India employment (as specified in the assignment letter or associated benefits statement), if resigned in India, will follow the India separation policy unless otherwise explicitly specified in his/her contract letter

6. Approvals

- **6.1** In case of any early release of the associate prior to serving 60 days of notice period, the following approvals are required for processing the same
 - **6.1.1** BU Head
 - 6.1.2 HR Business Partner Head

7. Responsibility Matrix

- 7.1 Associates: Submit resignation through PeopleSoft
 - **7.1.1** Serve notice period of 60 days
 - **7.1.2** Get all the mandatory clearance before the last working day
- 7.2 Reporting Manager: To work with the Talent Managers in case of any deviation to the notice period
- **7.3 Talent Manager:** Conduct retention discussion and make system level changes of LWD in case of any deviation to the notice period.

8. Exceptions Handling

- **8.1** The benefits of this policy are governed by the terms and conditions of employment in practice at Cognizant. This is subject to change from time to time. Cognizant reserves the right to amend its policies as necessitated. All statutory requirements are applicable as mandated by law
- **8.2** All exceptions to this will be directed to HR Leadership.