

## 6. Remuneration & Increments

At Toyama Controls & Systems Pvt Ltd, we believe in compensating our employees fairly, transparently, and competitively. Our remuneration policy is designed to ensure that every employee is valued for their contribution. Here are the details of our remuneration and increment system:

1. **Pay Structure:** Your pay structure, including basic salary and other components, is designed as per your employment agreement. It is devised to be in accordance with industry standards, the responsibilities of your position, and your personal qualifications and experience. The pay structure is periodically reviewed and may be adjusted to reflect changes in the market and inflation rates.
2. **Payment Schedule:** Employees are paid monthly, with payments issued on the 5th of each month. If this day falls on a bank holiday or a weekend, payment will be made on the next working day. Salary will be directly credited to the bank account provided by the employee.
3. **Overtime:** We respect your personal time and thus, do not encourage overtime work. If circumstances necessitate working beyond standard hours, this should be discussed and agreed upon with your immediate supervisor. Please note that our company does not provide overtime pay.
4. **Performance Bonuses and Incentives:** We value and reward exceptional performance. Periodically, the company may offer performance bonuses to employees who exceed their goals and contribute significantly to the company's success. This is evaluated and granted based on the discretion of the management. Incentives are applicable to certain roles or projects and are designed to motivate and reward high performance. If applicable, the details of the incentive program, including the criteria and process for earning incentives, will be outlined in your appointment letter or communicated via official email.
5. **Annual Reviews & Increments:** Salaries are typically reviewed annually. During this review, your performance over the past year will be evaluated and any changes to your remuneration will be discussed. Furthermore, employees will receive an annual increment to their salary each year, effective from the beginning of the new financial year, starting the following month. This increment is a part of our commitment to recognise the ongoing contributions of our team members and accommodate for the cost of living adjustments.
6. **Increment Process:** The annual increment process involves a comprehensive performance evaluation. Supervisors and managers assess employees' performance against their assigned goals, KPIs, and overall job responsibilities. This evaluation is based on factors such as achievements, skills development, collaboration, and adherence to company values. Salary increments are merit-based and are determined by the employee's performance and contribution to the company's success. The

increment amount is determined based on various factors, including the employee's performance, market trends, budget allocation, and overall company performance. Our aim is to provide fair and competitive increments that reflect employees' value and maintain internal equity.

7. **Communication and Off-cycle Increments:** Once the increment decisions are finalized, employees are notified of their salary increases through formal communication from the HR department. The communication includes the details of the increment amount, effective date, and any changes to the employee's total compensation package. While our primary increment cycle is at the beginning of the financial year, we also acknowledge exceptional performance throughout the year. If an employee consistently demonstrates exceptional performance or makes significant contributions to the company's success, an off-cycle increment may be awarded to recognize their efforts. These off-cycle increments are typically communicated to the employee as and when they occur.

We are committed to maintaining a fair and transparent remuneration and increment process, ensuring that our employees are appropriately rewarded for their hard work and dedication. If you have any queries about your remuneration or need further clarification, please do not hesitate to contact the HR department.