Variable Pay-out Policy

Objective:
To provide the framework and guidelines governing all aspects of the Swiggy Variable Pay.

Scope:
This policy is applicable to all employees of Bundl Technologies Private Limited (hereafter referred to as Swiggy), who either have a variable pay component or are eligible for the same. Employees who have a component of Sales Incentive in their compensation structure are not covered under this plan.

Intent of a Variable Pay component in the Swiggy compensation structure:
- A component of variable pay ensures that employees are rewarded commensurate to their role in the growth and achievements of the organization over the set time period
- Since the quantum of variable pay paid out is also dependent on the individual performance of an employee, we will be able to reward our top performers much better

Variable pay pay-out grid:
The following grid shows the linkage between the mid-year performance rating and the corresponding bonus pay-out multiplier.

Performance Rating	Pay-out Percentage (of target amount)
Outstanding Performance (OP)	150%
Exceeds Expectations (EE)	120%
Meets Expectations (ME)	100%
Meets Some Expectations (MSE)	50%
Does Not Meet Expectations (DNME)	0%

Eligibility:

Performance Review Frequency	Month	Eligibility	Pay-out
Annual performance review	March	Joined on or before 31st December & Active on last working day of March	April Payroll
Mid-Year performance review	September	Joined on or before 30th June & Active on last working day of September	October Payroll

*Please note variable component will be paid to employees on last working day of April for annual variable pay-out and on last working day of October for Mid-year variable pay-out

Calculation of variable pay:
- Variable pay-out will be made on pro-rata basis.
- Since Variable component is paid out bi-annually, formula for variable pay-out is as follows:
  - **Mid-year pay-out:** Variable pay will be calculated on 50% of variable component based performance rating and variable pay-out grid.
  - **Annual Cycle Pay-out:** Variable pay will be calculated on 100% of variable component based on performance rating and variable pay out grid **minus** variable bonus paid during mid-year appraisal.
  - In any case, if Annual variable pay accounts to negative balance, company will recover the same from employee in the April payroll.

Illustration:

Variable Component (in Rs.)	Mid-year Rating	Annual rating	Mid-year Variable pay out (in Rs.)	Annual Variable Pay out (in Rs.)
1,00,000	Exceeds expectation	Outstanding performance	60000	90000
1,00,000	Exceeds expectation	Exceeds expectation	60000	60000
1,00,000	Exceeds expectation	Meets expectation	60000	40000
1,00,000	Exceeds expectation	Met some expectation	60000	-10000
1,00,000	Exceeds expectation	Did not meet expectation	60000	-60000

Annual Pay-out = Total annual variable pay-out – Midyear Variable pay out
- Case 1: 1,50,000-60,000= Rs. 90,000
- Case 2: 1,20,000-60,000= Rs. 60,000
- Case 3: 1,00,000-60,000= Rs. 40,000
- Case 4: 50,000-60,000= **(Rs -10,000)**
- Case 5: 0-60,000**= (Rs -60,000)**

In the above illustration case 4 & 5, company will recover additional pay-out made during mid-year pay-out which is (Rs -10,000) in case 4 and (Rs -60,000) in case 5.

Version	Version date	Effective from	Prepared by	Reviewed by	Approved by
2.0	September 11, 2017	September 11, 2017	HR Department	Manager HRBP	Head HR