

HR32 Performance Review Policy

Purpose

The purpose of this policy is to describe the criteria to be adopted by all Supervisors conducting Performance Reviews to ensure all staff are recognised and rewarded for their performance in a transparent process that is fair and equitable. The policy will:

- a) Create a transparent procedure for all staff to receive recognition/reward for their service to the organisation (FBA) over the preceding 12 months which is fair and equitable for all staff, including those already at the top of their salary band.
- b) Better educate employees about their individual Key Performance Indicators (KPIs) and how the indicators link to the overall success of the organisation's business.
- c) Increase employee motivation and interest in meeting the organisation's goals and reward them outside of the normal remuneration process for achieving or exceeding targets.
- d) Provide a clear correlation between key performance measures that influence reward and the employee's ability to influence those measures.
- e) Detail how employees at the top of their band are able to be rewarded for their service to the organisation by payment of a one-off Bonus Incentive Payment.

Application of the Policy

This Policy applies to all employees of the Organisation. This Policy does not form part of any employee's contract of employment.

Delegation

Any payment of a bonus incentive payment (including determining the amount of such payment) is at the absolute discretion of the Chief Executive Officer of the Organisation.

In this Policy, 'Discretion' means that the Organisation has the ability to change this Policy or withdraw the policy at any time for any reason.

Annual Performance Discussion

At least two (2) weeks prior to the anniversary of an employee's employment, employees will participate in a formal Annual Performance Review with the employee's Supervisor and a HR representative. At this discussion, at a minimum, the following topics will be discussed:

- a) The employee's performance of their role including scoring of the employee's KPI's during the previous 12 months;
- b) How training completed has contributed or assisted the employee in the discharge of their role; and whether any additional training is identified for the coming 12 months;
- c) The supervision the employee receives and provides (where the employee supervises staff as well);
- d) How the employee demonstrates the organisation's values in their day to day work;
- e) Whether the employee's Position Description requires amendment.

At the end of the review discussion the Supervisor will, with support from the HR representative, finalise the Career Development or Performance documentation by completing the summary page at the front. As part of this summary, the Supervisor will make a recommendation to the CEO based on the employee's ability to meet their KPI's regarding the employee's salary using the criteria described in this policy.

Performance Criteria

Employees who attain a rating of higher than 2 on 50% of their KPI's are eligible to be rewarded for their commitment and dedication to their role and the Organisation in the following manner:

- a) Employees who have not yet reached the top level of their salary band may be rewarded with an incremental increase; and
- b) Employees who are already at the top increment of their salary band may receive a one-off incentive payment of 2.5% of their Base Salary.
- c) Such increase or one-off payment will be made to the Employee in the next pay run following the CEO signing off on the Performance Documentation.

Payment of Increase or Incentive

The employee will be notified via email by HR that the Performance Review process is finalised and advised whether they are to receive a salary increase or one-off incentive payment. Incremental increases will commence in the pay-run following this notification at which time any back-pay that may be due will also be paid.

Incentive payments are gross amounts and will attract tax according to legislation. The net amount will generally be deposited into the employee's nominated bank account by electronic funds transfer in the pay period immediately following the approved recommendation to pay an incentive payment.

The Organisation retains the absolute Discretion at all times, to amend, cancel or discontinue the Bonus Incentive Payment, in part or in its entirety, without compensation, at any time. Employees should be informed if any such decision is taken. If the Bonus Incentive payment is amended, cancelled or withdrawn completely during the term of the scheme, the Organisation may exercise its Discretion to make a pro-rata incentive payment to affected employees.

If an employee is transferred to another role during the reporting period, the employee's incentive entitlements and KPIs may be adjusted.

If an employee's employment is terminated prior to the Notification Date for a reason, other than serious misconduct, poor performance, other conduct issues or resignation, the Organisation may exercise its Discretion to make a pro-rata incentive payment to the affected employee.

Confidentiality

The organisation maintains confidentiality on employees' salaries and requires employees also maintain confidentiality concerning monetary rewards received through either incremental increases or bonus incentive payments. . Any breach of this confidentiality requirement may result in the relevant employees' bonus incentive being withdrawn, or other disciplinary action being taken, which may include termination of the relevant employee's employment.