

01 / PURPOSE & ACCOUNTABILITY

HR Policy

Sales & Operations

Version 1.0 • Effective 12 October 2026

Next scheduled review: by 12 October 2027

1. Purpose, scope and status

SERNET Financial Services Private Limited adopts this HR Policy to support fair recruitment, accountable performance, employee development and orderly exits in its Sales and Operations departments. It covers employees in these departments; consultants, channel partners and outsourced personnel are governed by their contracts, with applicable confidentiality and conduct requirements.

Version 1.0 is approved for publication and effective from 12 October 2026. The next scheduled review is due by 12 October 2027. This policy sets requirements; publication does not certify implementation or independent audit of every process.

This policy supplements appointment letters, approved compensation and incentive plans, attendance and leave rules, the IT Policy and applicable law. Statutory rights take priority; contractual terms must not reduce statutory entitlements. This document does not create a fixed salary increase, incentive, employment guarantee or universal notice period.

2. Business boundaries

SERNET is an AMFI-registered mutual fund distributor (ARN 35275; EUIN E025145) and an APMI-registered PMS distributor (APRN 10097; EUIN E19955), both valid until 28 October 2028. It is not itself a stock broker, Research Analyst, Registered Investment Adviser or portfolio manager.

Sales and Operations personnel must work only within SERNET's authorised distribution and service activities. They must not promise returns, claim advisory registrations, undertake discretionary portfolio decisions or imply that product-provider registrations belong to SERNET. Role-specific certifications and identifier requirements must be checked before regulated customer-facing duties are assigned.

3. Responsibilities

MD & CEO: approve workforce budgets, this policy, senior appointments and material exceptions. CHRO: policy owner; oversee recruitment, employment records, reviews, employee concerns and exit coordination. Department managers: define roles, coach staff, record performance and organise handovers.

Operations Manager: oversee service quality, allocation and continuity. Sales reporting authority: use the approved organisation chart; a separate Sales Head is not assumed. Compliance Executive: review conduct, distribution authorisations and relevant compliance concerns. CTO: provision, change and revoke access in coordination with HR. Responsibilities shall be documented through authorised internal assignments.

02 / RECRUITMENT & ONBOARDING

4. Hiring approval and selection

Before recruitment, the department manager shall submit the business need, job description, reporting line, work location, employment type, required competencies and proposed compensation range to HR. Recruitment proceeds after approved headcount and budget authorisation.

HR shall use job-relevant selection criteria and a documented shortlist. Interviews shall assess skills and behaviour consistently, avoid irrelevant personal questions and provide reasonable accommodation where required. Referral or family relationships must be declared; conflicted interviewers or approvers shall not make the sole decision.

Sales assessments shall cover distribution knowledge, clear communication, ethical customer engagement, CRM discipline and ability to explain product risks without guarantees. Operations assessments shall cover documentation accuracy, service follow-up, record control, confidentiality and escalation judgement.

Reference, qualification and employment checks shall be proportionate, lawful and conducted with appropriate notice or consent. Collect only necessary candidate information and restrict access. Original identity or qualification documents must not be retained as security, and candidates shall not pay SERNET recruitment fees.

5. Offer, joining and probation

HR shall issue a written offer or appointment letter stating role, manager, compensation components, location, work arrangement, probation if applicable, notice terms and relevant policies. Probation and notice periods shall follow approved contractual terms consistent with applicable law. Material discrepancies in checks must be discussed fairly before a decision.

Onboarding shall include identity and employment documentation, payroll details through restricted channels, role training, policy acknowledgement, complaint channels and approved system access. HR and the manager shall verify required product certifications or permissions before customer-facing duties start.

A documented induction plan shall cover distribution boundaries, customer data, KYC/document handling, complaint escalation, IT security and departmental workflows. Access must be role-based; staff must never ask clients to share passwords or OTPs or move client funds through personal accounts.

Where probation applies, the manager shall provide feedback before its end. Confirmation, a lawful documented extension or separation shall be communicated in writing with reasons and required process. Completion of onboarding does not waive statutory employment rights.

03 / APPRAISAL & DEVELOPMENT

6. Review cycle and fairness

The review cadence comprises a monthly coaching discussion, quarterly documented performance review and annual appraisal. Goals shall be agreed in writing at the start of the cycle and revisited when roles or workloads change. HR shall communicate the annual appraisal period through the approved internal calendar.

Reviews shall combine employee self-assessment, manager evidence and relevant service/compliance feedback. HR shall moderate inconsistent ratings and conflicts of interest. Assess work actually assigned and reasonably within the employee's control, accounting fairly for approved leave, disability accommodation, market conditions and provider delays.

Use an approved five-level rating scale: needs significant improvement, developing, meets expectations, exceeds expectations and exceptional. Give specific examples and let employees record comments. A rating alone does not guarantee an increment, promotion or incentive payment.

7. Department-specific measures

Sales: suitable distribution engagement within authorised scope; quality of qualified enquiries and documented follow-ups; conversion and net business where relevant to the role; client retention and service; accurate risk/commission explanations; complaint handling; certifications, CRM records and teamwork. Never judge performance only by gross sales, assets or commissions.

Operations: documentation completeness and accuracy; turnaround against approved service targets; reconciliation and exception resolution where assigned; service backlog and follow-up; complaint escalation; record security, access discipline and process adherence; handover quality and cross-training. Do not penalise staff automatically for delays caused by external providers.

Compliance and customer protection are mandatory safeguards, not tradeable against commercial targets. Suspected misconduct must be examined fairly through the conduct process; an allegation is not an automatic finding. Numerical targets, metric weights and incentive formulae shall be set in approved internal scorecards, not prescribed in this public policy.

8. Improvement, progression and appeal

For performance gaps, agree a written improvement plan describing specific concerns, support or training, measurable expectations and a reasonable review period. Distinguish a skills gap from misconduct; no automatic dismissal follows a low rating.

Promotion and compensation decisions consider sustained performance, role scope, skills, internal fairness, approved budgets and applicable contractual commitments. HR shall communicate outcomes in writing. Employees may request an appraisal review through HR, with independent review where the original assessor has a conflict, without retaliation.

04 / RETENTION & EMPLOYEE WELLBEING

9. Development and continuity

SERNET shall support role-relevant learning, coaching, product knowledge and security/compliance awareness under an approved training plan. Sales learning shall emphasise distribution boundaries, risk communication and ethical servicing. Operations learning shall emphasise accurate documentation, exception resolution and resilient workflows.

Department managers shall document critical tasks and train a backup where feasible so customer service does not depend on one individual. Career discussions shall identify readiness for expanded duties; training or completion of a course does not automatically guarantee promotion.

Retention practices include periodic employee feedback, recognition of quality and teamwork, fair workload review and discussions about career needs. Retention offers or compensation adjustments require HR review and authorised approval, including checks for internal equity. No retention payment, benefit or frequency is guaranteed by this policy.

10. Compensation, leave and incentives

Fixed compensation, benefits and any variable pay shall be documented separately. Incentive plans must clearly define eligibility, calculation, payment timing, treatment of cancellations or corrections and departure conditions; material changes shall be communicated before they apply. Do not use incentives to encourage mis-selling, churning or concealment of complaints.

Attendance, working hours, holidays, leave, overtime where applicable and employee benefits shall follow approved employment terms and applicable law. HR must reconcile system settings with statutory requirements; software defaults do not establish legal entitlements or exemptions. Applicable provident fund, employee insurance, gratuity, maternity and other benefits must be assessed independently.

Lawful entitlements and earned wages cannot be removed simply because a target is missed, an employee resigns or a discretionary incentive is not approved. Any recovery or deduction must have a lawful basis and follow applicable limits and process.

11. Respect, concerns and support

SERNET shall maintain a respectful workplace without unlawful discrimination, harassment or retaliation. Employees may raise employment concerns with HR or the designated management authority, using an alternative independent reviewer when the concern involves that person. Complaints shall be handled promptly, fairly and with restricted access.

Sexual-harassment complaints shall follow the applicable statutory process and committee or Local Committee channel, not merely an ordinary manager complaint process. An Internal Committee shall be constituted where required by law. HR shall communicate the applicable statutory complaint channel to employees.

Managers shall review excessive workloads and customer pressure, support reasonable accommodations as required, and encourage reporting of errors or misconduct without retaliation. Confidentiality is protected to the extent possible, but cannot be promised absolutely when investigation or legal reporting requires disclosure.

05 / EXIT & HANDOVER

12. Resignation, separation and due process

Employees shall submit resignation in writing to their manager and HR. HR shall acknowledge it and confirm the intended last working day, applicable notice requirement and handover plan. Notice service, waiver or any lawful recovery must follow the employment contract and applicable law; this policy sets no universal 30-, 60- or 90-day requirement.

Employer-initiated separation, redundancy, retirement or end of a fixed-term engagement must follow the relevant law, contract and fair process. Where conduct is alleged, provide the required opportunity to respond and a proportionate decision through an authorised reviewer. Immediate access suspension for a security risk does not by itself determine employment termination.

HR shall document approved last working date and separation reason, restrict sensitive records and coordinate any required notices or benefits. Do not classify all resignations, poor performance cases or absence as misconduct.

13. Department-specific handover and access

Sales handover shall record assigned clients, enquiries, pending applications, service commitments and unresolved complaints in approved systems. The manager shall allocate a replacement contact and supervise necessary customer communication. Client relationships and records must not be copied to personal devices or used for unauthorised solicitation.

Operations handover shall record pending requests, document exceptions, deadlines, reconciliations where assigned, provider follow-ups and complaint escalations. A receiving employee and manager shall acknowledge the handover. Passwords must never be transferred; the CTO shall arrange individual access and ownership changes.

HR shall coordinate return of equipment, identity/access cards and other company assets. The CTO shall revoke access and active sessions at the end of authorised access, or earlier when justified, preserve required records and remove access from shared services. Confidentiality continues after departure, subject to lawful disclosures and reporting rights.

14. Settlement and exit records

HR and Accounts shall provide an itemised final settlement covering earned wages, eligible leave encashment, approved expenses, contractual variable pay where due, applicable statutory benefits and only lawful deductions. Different components may have different statutory deadlines; pay each within the applicable legal timeframe. Unresolved clearance or asset disputes must not unlawfully delay wages or statutory dues.

Any asset or notice-related dispute shall be documented and resolved separately through lawful process. No blanket forfeiture of salary or automatic deduction is authorised. Exit feedback is voluntary and shall not be a condition for payment of dues.

HR shall issue applicable service/separation documents and retain records securely for the justified legal or business period. Personnel files, exit interviews, customer allocations, settlement amounts and access checklists shall remain internal, not on the public website.

06 / GOVERNANCE & RELATED POLICIES

15. Conduct, controls and record privacy

Employees shall declare conflicts, avoid unauthorised gifts or benefits, use approved communications and keep accurate business records. Prohibit falsified documentation, unauthorised transactions, misleading sales statements and concealment of service failures. Customer complaints must be escalated under the published Grievance Redressal process.

Candidate, appraisal, compensation, disciplinary and exit information shall be available only to authorised personnel for a defined purpose. Maintain a documented retention schedule; allow lawful correction and access requests, and securely delete records when retention is no longer justified. Do not publish staff identity documents, private contact information or employment assessments.

Automation or AI may assist administration only with approved data handling and human review. It shall not be the sole basis for recruitment rejection, appraisal, disciplinary action or termination. Staff must not upload confidential personnel or customer information into unapproved tools.

16. Review, exceptions and acknowledgement

The CHRO shall coordinate an annual policy review and earlier review when law, business scope or employment arrangements change. The Compliance Executive and appropriate legal/payroll advisers shall verify statutory applicability; a small headcount or disabled software setting is not proof of exemption.

Material amendments and exceptions require authorised approval and documentation. No exception may waive statutory rights or authorised distribution boundaries. Staff shall acknowledge the approved policy and relevant changes; acknowledgement is not a waiver of employee rights.

The public policy shall describe the approved principles. Internal scorecards, compensation bands, interview notes, individual appraisals, disciplinary records and exit checklists shall remain controlled internal documents.

17. Related policies and enquiries

This policy complements SERNET's Information Technology Policy, Privacy Policy, Terms & Conditions and Grievance Redressal arrangements. It does not replace employee contracts or statutory complaint channels. Employment concerns shall be raised with HR or the designated independent management authority; investor complaints shall use the published Grievance Redressal process.

For public policy enquiries, contact compliance@sernetindia.com. Do not send confidential personnel records, passwords or OTPs through public enquiry channels.