
 SAKSOFT <small>your digital transformation partner</small> SAKSOFT LIMITED	Minimum Wages Policy	Doc. No: ESG/MWP/01
	Department: Human Resources	Issue 02; Rev. No : 00

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Minimum Wages Policy

1. Purpose

The objective of this policy is to provide clear guidelines to ensure that **Saksoft Limited** adheres to fair minimum wage standards, ensuring all employees earn a wage that covers their basic needs, promotes a dignified standard of living, and reflects the local cost of living in each location where Saksoft operates.

Implementing a Minimum wage policy in Saksoft, involves ensuring that all employees earn a wage that is adequate to cover their basic needs, including food, housing, healthcare, transportation, and education, as well as some discretionary income for unforeseen circumstances. Given the cost of living in employee city, which is one of the major metropolitan cities in India, it's essential to establish a living wage policy that considers the local economic conditions and the basic necessities required for a decent standard of living.

The words like 'decent' or 'dignified' standard of living are terms perceived by those who care for the well being of the wage earners in the society. It is felt that the wage that a worker obtains from her / his work should be such that enables her /him to achieve a dignified standard of living. The employee seeks a wage to fulfill one's basic needs and to feel assured that one receives a legitimate share of the wealth that one works to generate. It is necessary to define the term 'wage' and quantify it in the interest of its receiver – employee - so as to give justice to her / his contribution in the output realized through the process of production along with long term interests of the society.

2. Scope


This policy applies to all Saksoft employees, including contract and vendor employees working with Saksoft across different locations in India.

3. References

- The Minimum Wages Act, 1948
- Wages Code, 2019
- Saksoft Code of Conduct
- Saksoft Living Wages Policy

4. Definitions

- **Minimum Wage:** The legally mandated wage Saksoft pays its employees to ensure coverage of basic needs, as specified by Indian minimum wage laws.
- **Cost of Living Analysis:** Assessment of expenses including housing, food, healthcare, transportation, and education in various locations to inform wage levels.
- **Benchmark:** The wage level set based on cost of living analysis, adjusted to ensure a decent standard of living.

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5. Roles and Responsibilities


Designation	Responsibility
Nomination and remuneration Committee	Approve the Minimum Wages
Human Resources (HR) Team	Conduct annual cost-of-living analyses, review wages, and adjust as necessary. Ensure employee understanding and documentation.
Payroll Department	Calculate and disburse wages accurately and in compliance with policy requirements, maintaining detailed records.
Legal and Compliance Team	Monitor legal wage developments and ensure Saksoft's practices align with updated regulations.
Vendors and Suppliers	Adhere to Saksoft's minimum wage standards as part of their contractual agreement and Code of Conduct compliance.

Refer Standard Operating Procedure (SOP) for Sustainability Policy Deployment for detailed Roles and Responsibilities

6. Policy Provisions

For computing 'Minimum Wage' current expenses of employees is compared with general standards of living and market conditions then prevailing. Below aspects have been considered while defining and implementing a Minimum wage policy across Saksoft

- A. **Conduct a cost of Living Analysis for Employee Locations:** Conduct a thorough analysis of the cost of living for all employee locations (with affinity), considering essential expenses such as food, housing, healthcare, transportation, education, and other basic necessities. This analysis is being periodically updated to reflect any changes in the cost of living in those locations, also new location based upon the affinity of employees are also being included in analysis.
- B. **Consult with Experts:** If required where necessary we shall Consult with labor experts, and organizations specializing in labor rights and Minimum wage advocacy to understand the local wage landscape and gather insights.
- C. **Establish a Minimum Wage Benchmark:** Determine a Minimum wage benchmark that reflects the actual cost of living in locations where the Company operates. This benchmark should consider factors such as family size, location within the city, and prevailing living standards
- D. **Review of Existing Wages:** Review the wages of all employees within the organization to ensure that they meet or exceed the established Minimum wage benchmark. If necessary, adjust the wages to ensure that all employees are earning a wage that enables them to meet their basic needs. Salary correction is an outcome of this process.
- E. **Employee Awareness:** Saksoft clearly communicates the Minimum wage policy to all their employees, ensuring that they understand the organization's commitment to providing a fair and livable wage. Encourage open communication and feedback to address any concerns or questions regarding the policy

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- F. **Annual Policy Review** Regularly review the Minimum wage policy to ensure that it remains aligned with the changing economic conditions and the cost of living in locations where the Company operates. Make adjustments as necessary to ensure that employees can maintain a decent standard of living
- G. **Collaborate with Contractors and Suppliers** : Encourage suppliers and contractors to adopt similar Minimum wage policies to promote fair and ethical labor practices throughout the supply chain. Consider collaborating with other organizations and stakeholders to advocate for the implementation of Minimum wage standards across the industry

7. Exceptions

This policy may not apply to interns or trainees as permitted by law. Any deviation from policy provisions requires HR and Legal team approval.

8. Monitoring


Compliance Audits: The HR and Legal teams will conduct quarterly compliance checks to ensure adherence to this policy.

Training: All new employees will receive mandatory anti-bribery and anti-corruption training and existing employees shall receive refresher training at least once in 3 years, focusing on ethical conduct and awareness of legal obligations.

Employee Feedback Mechanism: Employees can raise concerns about their pay through Saksoft's grievance redressal process, ensuring transparency.

9. KPIs for Monitoring Minimum Wages Policy Implementation

KPI	Description	Target	Frequency	Responsible Team
Percentage of Employees Meeting Minimum Wage	Percentage of employees earning at least the legal minimum wage in their location.	100%	Quarterly	HR, Payroll
Ratio of Minimum Wages Paid by Company and Govt. Specified Minimum Wages	Minimum Wages Paid by Company/ Govt. Specified Minimum Wages	2	Annually	HR, Payroll
Employee Satisfaction with Compensation	Average employee satisfaction score regarding fair compensation (from employee surveys).	90%	Annually	HR
Grievances Related to Wage Issues	Number of employee grievances related to wage concerns logged and resolved.	Nil	Quarterly	HR
Vendor Compliance Rate with Minimum Wage Policy	Percentage of vendors and suppliers complying with Saksoft's minimum wage standards.	70%	Annually	Procurement, Compliance

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Training Completion Rate for Payroll and Managers	Percentage of HR, payroll, and management personnel completing training on wage compliance and monitoring.	100%	Annually	HR
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10. Distribution list

All Saksoft employees, Third party vendor resources