Frequently asked questions regarding PMGM – FAQ

1. Why can only superiors create goals?

Only superior employees are currently trained in creation of goals. It is therefore their task to transfer their knowledge to their teams and educate them.

From past experience, we know that to define goals correctly is often not an easy task. Instead of being well defined, goals often contained the job description and listed various day-to-day tasks. Because of this, we want the knowledge to transfer to teams from their trained superiors.

On the system level, approval workflows cannot be set to goals created by employees. If we allowed everyone to create their own goals (even though not everyone is properly trained to do so), they could also edit them, delete them, change weight, change metrics, etc. without the knowledge or the approval of their superior.

The system can be customized to an extent. As a result, your feedback is very important for us. We will start work on customizations (it is important to always analyse cost impact of the system change and evaluate any impacts/risks for upgrades) once myFOX has been implemented (which is currently our priority).

Employees can make suggestions regarding their goals (e.g. by via an email to their superior). The superior can then change the goals or create new ones using the correct methodology. Then after a discussion (during a 1-to-1 meeting), superiors enter goals in the system (entering goals into the system is not difficult or time consuming).

By default, goals will be entered into the system once a year. During the year, goals can be added or edited.

In the future, we will consider allowing employees to create their own goals. User feedback and user needs will be important for this decision.

2. Why are there 3 assessment meetings per year?

This frequency is based on an analysis and recommendations. At some divisions, we perceived a lack of communication between the superior and their team. Employees were "hungry" for more communication and contact with their superior.

Competent superiors should regularly meet with their subordinates, support them and help them develop and achieve goals. Three meetings per year is the absolute minimum. We believe that most superiors meet with their subordinates more often (on a two-week or monthly basis) and such requirement is therefore not an issue for them. The three assessment meetings take place at the following times: T1: 15/2 - 15/3T2: 15/6 - 15/7T3: 1/10 - 31/10

Entering assessments in the system is not difficult – all comments and assessment entered into the system at T1 are available for the following meetings. They can use them to make changes, add things, change assessment etc. Assessments can also help manage Continuous Performance (CPM).

3. What is the minimum and recommended number of goals?

We recommend 3 to 5 performance goals. Because some employees can have more development goals, the system is set to allow a minimum of 1 and a maximum of 5 performance goals.

Development goals are closely linked with performance goals as they should reflect development needs of employees required to achieve performance goals or lead to further career growth (preparing for taking on new agendas, horizontal/vertical growth, etc.). Good superiors help manage their subordinates' development. Setting development goals is therefore important. Any number of development goals can be created, there is no minimum or maximum set in the system.

4. Will there be more PMGM trainings?

In September, we will do the third "wave" of trainings (the first one was focused on correct goal creation and the second one on working with the PMGM system). The upcoming trainings will focus on calibration, communication of final assessment to employees and linking performance management to renumeration.

5. What is calibration?

Superiors will be asked to attend a calibration meeting with their HRBP. The goal of calibration is to align managers' view of assessment so that everyone sees ratings on the assessment scale the same way. Calibration will further be explained during the next wave of trainings in September.

6. How is the final rating calculated?

The final rating consists of ratings of individual goals and competencies. The final rating uses the following weighing – goals = 70 % (50 % performance and 20 % development); competencies = 30 % (15 % key competencies and 15 % specific competencies).

If no development goal is defined, the 20 % of its weight is redistributed among the three remaining sections (which are mandatory). As a result, in such a case calculating the final rating

means 62.5 % is goals and 37.5 % is competencies (18.75 % key competencies and 18.75 % specific competencies).

7. What can I find in the mobile app?

All options in the Continuous Performance (CPM) are also available via the mobile app (available for both Android and iPhone). The app is intuitive and user friendly.

8. What if I missed the webex training focused on working with the system?

A recording of the training that covered work with the new PMGM module (including introduction to the new process) is available at: \\Foxconn-cz\Datashare\ONE_HR\02_Training_Development_Public

Presentation slides are also available in myFOX in "Learning" tile and also at <u>www.myfoxconn.cz</u> in section "Guides" for employees and "Tutorials for managers" for managers.

9. Can employees see goal ratings?

Employees can see comments for individual goals or competencies from the third assessment period – employee self-assessment (in T3 in October) and during final meeting in November/December.

Employees cannot see individual goal ratings or the final rating. They can only see the comments. The goal is for the superior to provide complex feedback, not only the rating score.

10. How are team goals evaluated?

Team goals are rated individually, i.e. employees can get a different rating for a common team goal based on their contribution.

11. How about employees who are on parental leave?

Employees who are on parental leave are not rated and no goals are created for them. Assessment forms for such employees are deleted once a month. Contact the T&D team, if needed.

12. How can I enter a goal into the goal library for repeated use?

Send the name, metric, category (one of Job families), and whether it is an OKR or SMART goal to the T&D team. The name and metric should be ideally defined both in Czech and English. Once entered in the system, the goal will be available to all teams via the goal library.

13. Can we use 360degree feedback?

This functionality is currently not available in PMGM. We are working on making it available in the future. You can currently use: Request for feedback, Giving feedback (in CPM) and Ask for feedback (in Team overview).

14. What are the benefits and advantages of the new PMGM module?

- A common system and process for the whole Foxconn.
- A transparent system allowing creation of goals which can be seen within a given cost centre.
- The ability to create team goals or use goal library for repeated goals.
- Continuous assessment and regular communication of superiors with their teams.
- Giving feedback and requesting feedback from internal/external co-workers.
- Continuous evaluation of achievements and a possibility to link them to specific goals (CPM).
- A mobile app enabling continuous performance assessment.
- Non-stop access to data in PMGM via the Internet for both superiors and IL employees.

Training and Development team