

# Compensation Policy



## **1. Base salary structure**

ABC Company is committed to establishing and maintaining competitive salaries, reflective of current market conditions. ABC Company salary ranges are set at the midpoint of salary ranges for similar positions in the marketplace, as determined through survey data.

## **2. Job classifications**

Positions with similar impact and scope are grouped together on ABC Company salary ranges according to a 'job classification' system. This ensures that the principles of pay equity are applied and that salaries are transportable if employees move cross functionally.

## **3. Individual salary decisions**

Individual employee salaries are set within the job salary range, based on their job performance and competency and the salary budget available. On hire into the job, salary is determined based on skills, knowledge and experience in relation to the job requirements and the anticipated level of performance. ABC Company aims to move employees to the midpoint of salary ranges as they become fully functional in their role. Annual adjustments are assigned based on performance and competence relative to the position and assigned objectives, and as budget allows.