

HUMAN RESOURCES


COMPENSATION GUIDE





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TOTAL REWARDS

EDC Total Rewards is about much more than your paycheque: it includes comprehensive benefits, professional development support and an award-winning work environment.

This guide focuses on cash compensation at EDC, the first quadrant of the Total Rewards model.

TOTAL REWARDS			
<p>Cash compensation</p> <ul style="list-style-type: none"> • Base salary • Corporate incentive pay program 	<p>Benefits</p> <ul style="list-style-type: none"> • Medical and dental benefits • Pension plan • Healthcare spending account • Employee and family assistance program • Life insurance • Leave programs • Group RSP • Public transit subsidy • Top-up benefits 	<p>Development</p> <ul style="list-style-type: none"> • Learning experiences • Career development • Training programs <ul style="list-style-type: none"> • Internal • External • Orientation program • Job posting system • Coaching • Learning communities • Succession planning • Performance management • Education support program • Professional memberships 	<p>Award-winning work environment</p> <ul style="list-style-type: none"> • Diversity • Mutual respect • Leadership • Fitness centre • Vision and values • Work/life balance • Recognition program • Tools and processes • EDC family scholarships • Communication (Link, <i>Livewire</i>, sounding board) • Wellness program

CASH COMPENSATION

We offer our employees cash compensation that is meant to be competitive with the median of our market. Combined with our pension and benefits plans, it makes up a total compensation package that is generally above the median.

Our approach to cash compensation has four objectives:

- offer competitive and fair compensation that attracts, retains and motivates employees who share our corporate values;
- reward individual performance and contributions to our business goals through base pay and performance-based incentive pay;
- be transparent and clear with respect to salary ranges, salary administration, data sources and job evaluation; and
- support our vision and values.

EDC's Board of Directors is responsible for approving all compensation programs and the annual salary planning budget to ensure consistent and effective investment of compensation dollars. The program and budget are reviewed annually to ensure they stay competitive and aligned with the market while respecting our own internal relativities.

COMPENSATION FRAMEWORK

EDC's compensation structure includes 11 salary ranges that cover all roles in the organization (excluding vice presidents and senior vice presidents). Roles are mapped to salary ranges based on market data and internal relativity.

Our compensation structure is aligned with our [career framework](#) and focuses on two components:

1. The value of each EDC role, with compensation based on the level of your role within the career framework.
2. Your performance, which is assessed annually through the performance management cycle.

CAREER LEVELS AND DISCIPLINES

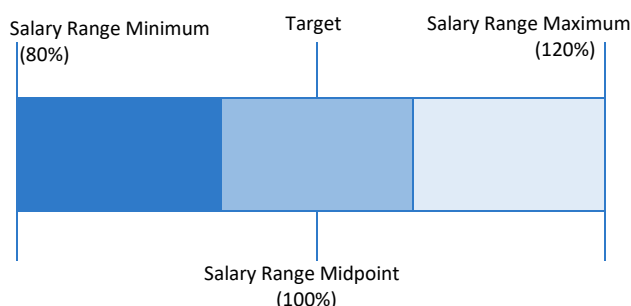
Our career framework has several layers. The work you do determines your role, and each role is mapped to a salary level based on a number of factors.

- First, we categorize your role and other similar types of work under a broad, overarching label called a **discipline** that reflects the common responsibilities, competencies and qualifications required to perform those types of work.
- Within each discipline, you can progress through a set of **career levels**, with higher levels requiring more competencies and qualifications—what we call **dimensions**.
- We use these dimensions to outline the expectations and set performance evaluations criteria for each role at each career level, and to give you guidance on how to progress to higher levels in your role.

SALARY RANGES

We have developed salary ranges based on market data and an internal benchmarking process. Each salary range establishes what we are prepared to pay for a given role and level. All career levels, dimensions and related salary range information are available on [Livewire](#).

Each salary range has a minimum, midpoint and maximum. The minimum of a salary range is 80% of its midpoint, while the maximum is 120% of its midpoint. This provides for a broader salary range and supports movement through the range.



INDIVIDUAL BASE SALARY

Your base salary is determined by the salary range attached to the career level and discipline associated with your role. It is at least equal to the minimum salary for that salary range. Although all salary ranges are published on [Livewire](#), your personal base salary is confidential, except to EDC employees whose work requires access to that information. You can find information about your individual base salary and target incentive on [Livewire](#).

RED-CIRCLED

Your salary will be “red-circled” if it exceeds the maximum of the salary range for your role. When an employee is “red-circled” they are not entitled to base salary increases.

SALARY INCREASE

Increases to your individual base salary will be determined by both your performance ratings and your position within the salary range for your role. Most salary increases will occur during the annual salary planning cycle.

PROMOTION

Promotions are based on the business need for a role at the higher level, your ability and established processes within the groups.

A promotion occurs when there is a permanent change to the substantive role that results in:

1. Movement up from one Career Stream to another (e.g. Business Support to Professional, Technical Operations to Professional, or Professional to Leadership); **OR** Movement up in career level (eg. B1 to B2 or P2 to P3)

AND

2. The new role is at a *higher* salary level.

If *both* conditions are not met then it is not deemed to be a promotion.

A promotion may or may not bring with it a salary increase, depending on the position of your salary relative to the salary range associated with your new role.

Your new salary will be determined by the salary range for the new role, what you bring to the new role and internal relativities to your peers.

Your salary may increase **up to** the mid-point of the new salary range or by **up to 5%**, whichever is greater. Your leader will make this decision and Human Resources will be involved in all role changes to ensure salary consistency and internal relativities.

PERFORMANCE MANAGEMENT

Performance management is an ongoing process, featuring an annual performance review and a mid-year check-in. During these meetings, you and your leader will plan, monitor and assess your ongoing contributions against your performance and development objectives.

Performance objectives focus on how you contribute to the achievement of your team's goals. Development objectives focus on personal development, based on the skills you need to contribute to your team's objectives and your own goals.

You and your leader will establish objectives at the beginning of each year. At the end of the year, you and your leader will review your accomplishments against your objectives. Your leader will recommend an overall performance rating and let you know your final rating. This information is used in the annual salary review exercise.

INCENTIVE PAY

CORPORATE INCENTIVE PAY PROGRAM

You have the opportunity to earn incentive pay every year. Incentive pay at EDC is intended to support the achievement of corporate objectives by driving employee performance toward measurable objectives, encouraging employees to seek specific ways to contribute to business goals and rewarding them for achieving results based on key measures of success. The Corporate Incentive Pay Program provides a clearer line of sight between individual contributions and the achievement of corporate objectives. It also supports performance-based differentiation of rewards and effective communication on how measures and targets are established.

Incentive pay is based on your performance ratings, career level and discipline, individual base salary and target incentive, as well as EDC's corporate results. This is calculated using a methodology based on:

- A performance multiplier to better link individual performance to the achievement of corporate objectives, including the opportunity to overachieve
- A five-point rating scale for evaluating performance to allow for greater performance-based differentiation of rewards.

$$\text{Base salary} \times \text{Target incentive} \times \text{Actual results} \times \text{Individual performance multiplier} = \text{Total incentive payment}$$

Consistent with market practice and their greater levels of impact, employees in more senior roles are eligible for higher incentive pay.

More detailed information on the Corporate Incentive Pay Program and eligibility criteria is available through your leader or on *Livewire*.

SALARY REVIEW EXERCISE

EDC's Board of Directors approves the salary budget each year based on external market data and business affordability. This budget sets the envelope for salary increases for a given year. During the annual salary review exercise, leaders and executives review and recommend base salary adjustments for employees for the coming year.

During this review exercise, leaders are asked to identify any proposed job changes and to review and recommend a base salary adjustment for each of their employees. Salary adjustments should be relative to each employee's position within the applicable salary range and should take into account the employee's performance for the prior year.

The group executive and HR business partner review these recommendations to ensure consistency within the group. They also conduct a detailed analysis to ensure consistency across EDC. Once all reviews are complete, salary recommendations are approved and implemented.

For questions about compensation at EDC, we invite you to contact your leader.



Ce document est également disponible en français.

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