

# Compensation Policy ODINSA



In Odinsa we understand **compensation** as a differentiating element that consolidates us as an organization that values **its Human Talent**. This is why the total compensation package is designed to **motivate, recognize and retain** our employees, as well as **encourage** them to achieve **effective and sustainable** results.

## Philosophy

Establish a link between compensation and the achievement of corporate goals, recognizing the performance of employees to encourage them to add value to the sustainable growth of the organization in its economic, social and environmental dimensions, and at the same time motivate their personal and professional development

## Objectives

1. Establish the guidelines and procedures of the compensation system, aligned to the business strategy through the management of the organizational structure and performance recognition.
2. Improve and maintain the levels of internal equity and competitiveness in the payment practice, required by the talent management strategy.
3. Contribute to the achievement of corporate goals through the good performance of our employees, attracting, motivating and retaining the best talent.

## Guidelines

- Implement a compensation system that fosters the culture of sustainability in its economic, social and environmental dimensions.
- Define the organizational structure, designed according to corporate goals, according to the management and operability criteria of each area, ensuring that the roles are effectively differentiated and leveled within the structure.
- Have a system of description and Jobs valuation (HayGroup – KornFerry methodology)
- Perform annual general salary increase, arranged with Grupo Argos and subsidiaries, prior analysis and approval of the Board of Directors
- Perform an annual analysis of external salary competitiveness and internal equity keeping updated salary curves and defined levels of competitiveness.
- Have extralegal non-wage benefits, which seek to improve the quality of life of employees and their family group,
- Communicate periodically to employees their total compensation package.

## Organizational Structure

- 7 Organizational levels
- Level 0 corresponds to Presidents and Vice Presidents
- Each level has associated salary grades, which are defined according to the score obtained through the jobs evaluation (HayGroup)
- The salary grade is associated with an established curve according to the defined levels of competitiveness vs. the market and with a range of 80% - 120%

Jobs	Level	Grade
Presidents, Vicepresidents	1	+ 18
Directors	1	14 to 17
Managers, Senior Leaders	2	12 to 13
Leaders, Coordinators, Chiefs	3	10 to 11
Professionals, Analysts	4	8 to 9
Technical, Assistants	5	6 to 7
Operators	6	2 to 5

## Total Compensation= Fixed + Variable + Benefits

### Fixed Compensation:

In Odinsa there are no extra-legal payments and monthly payments are the legal:

- Annual Basic Salary: 14,12 monthly payments
- Annual Integral Salary : 12 monthly payments (Grade 12 and above)

### Variable Compensation:

Includes **PRO (Payment for Organizational Results)**, with a payment target defined by level in # of monthly salaries and conditioned to the achievement of Company and Area indicators

### Benefits:

There is a competitive portfolio of General and flexible benefits