

# Pay principles

Review date: **2 February 2022**

Effective date: **1 April 2022**

## 1

### Scope

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- 1.1** This document outlines the way in which we set pay.
- 1.2** We want everyone to be fairly rewarded for the work they do.
- 1.3** We will follow certain principles in the way in which we set pay and these are explained in this document.
- 1.4** These principles apply to all our colleagues on fixed term and permanent contracts.

## 2

### Key principles

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- 2.1** We will set pay in a fair and objective way.
- 2.2** We will make sure our approach is consistent, so we can be confident that we are being fair and comply with all relevant legislation.
- 2.3** We will consider a range of factors when setting pay, including our view on the labour market, wider economic indicators and affordability to the business, with the aim of attracting and retaining the best talent we can afford.
- 2.4** Our target minimum base pay is market median.
- 2.5** The basis for changes in pay will be based on external benchmarking, alongside market factors and affordability.
- 2.6** We will reward colleagues from time to time based on agreed corporate performance.
- 2.7** We recognise that there are different terms and conditions across Aster, and we will use total reward statements to help colleagues understand their total package.
- 2.8** We want our pay framework to support career pathways and to encourage mobility across the business.
- 2.9** We will always use our pay framework to help us set pay for recruitment purposes.

## 3

### Monitoring

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- 3.1** To ensure that there is independent and objective scrutiny of the pay procedure and framework for Executive Board, pay for Executive Board will be approved by the Remuneration and Nominations Committee.
- 3.2** This document will be reviewed every three years.
- 3.3** The effectiveness of this policy will be scrutinised annually by the People and Transformation Leadership Team.