

D. Pay Management Practice

[Questionnaire - Section 2 - Section 4 Questions]

Pay management practices were analysed in the aspects of:

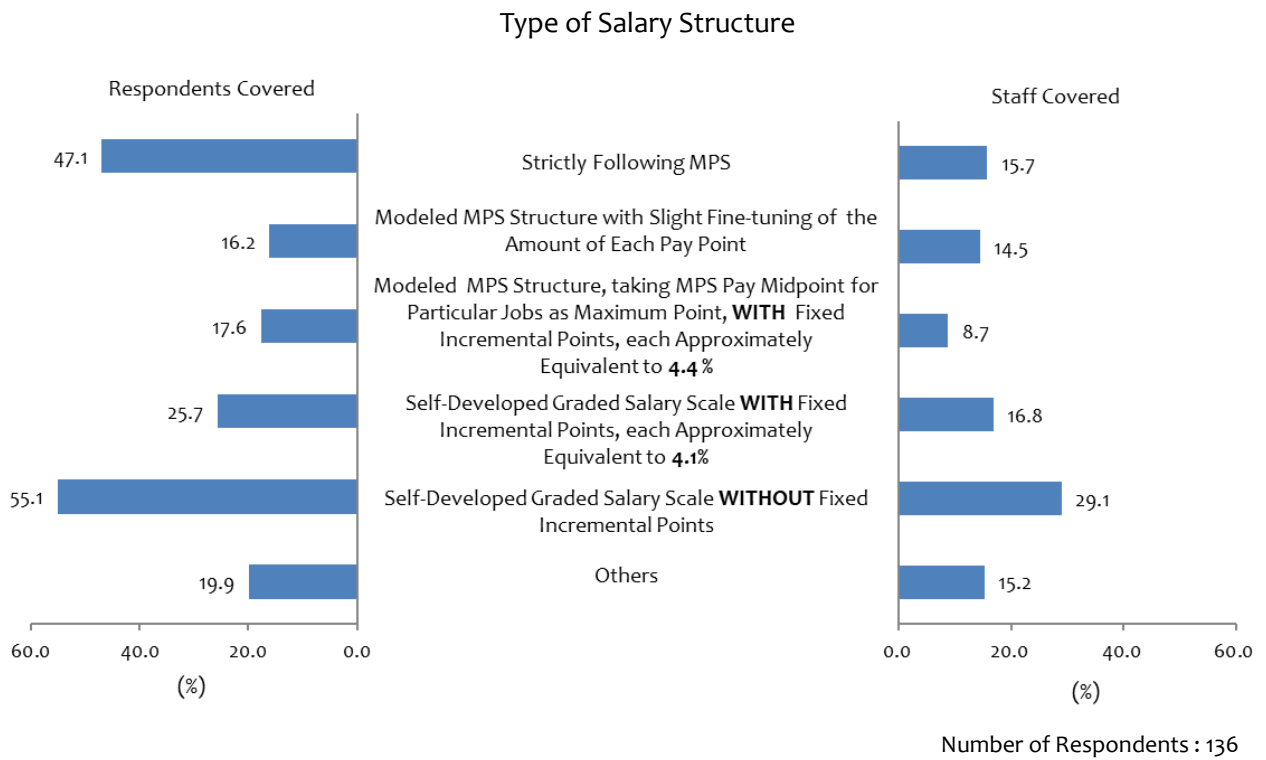
- 1) Types of salary structures
- 2) Salary adjustments of individual employee
- 3) Criteria of considering salary adjustments of individual employee
- 4) Performance assessment system
- 5) Additional pay and allowance

1. Types of Salary Structures

[Questionnaire - Section 2 Question 2.1]

64 (or 47.1%) of the Respondents indicated that strictly following MPS was one of the, or the only, salary structures they practiced, covering 15.7% of the total number of full-time employees represented in the Survey. 35 (or 25.7%) of the Respondents indicated a self-developed graded salary scale with fixed incremental points, each being approximately equivalent to 4.1%, covering 16.8% of the total number of full-time employees. 75 (or 55.1%) of the Respondents indicated a self-developed graded salary scale without fixed incremental points, covering 29.1% of the total number of full-time employees. (Chart D1).

Chart D1: Salary Structures Adopted and Corresponding Employees Covered



Notes: 1. Percentages under Respondents Covered did not add up to 100% as Respondents might have more than one salary structure.

2. "Others" included

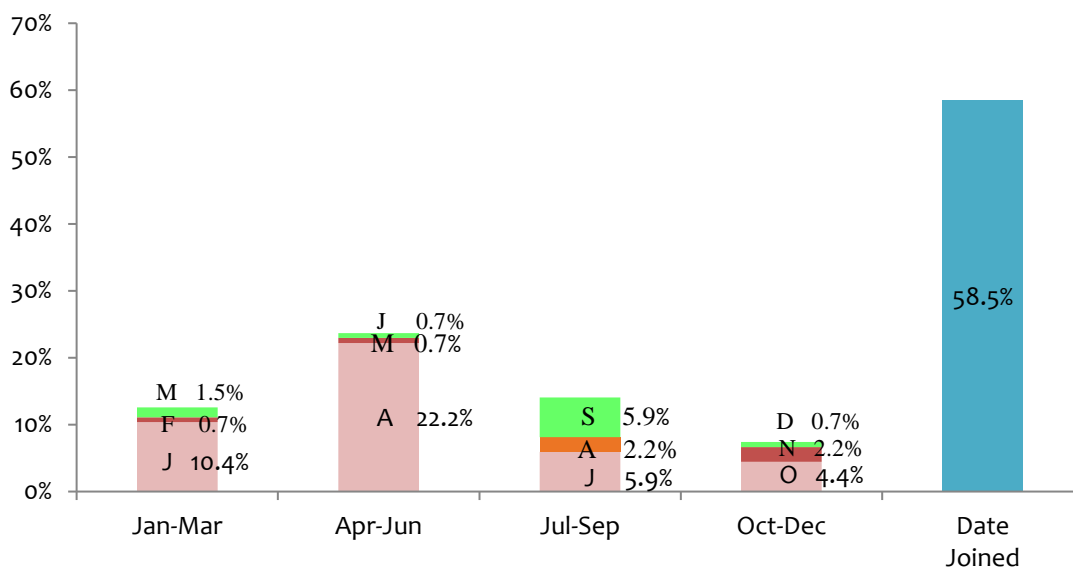
- Adopting MPS / MOD scales with self-developed scales
- Based on project funding
- Fixed salaries, depend on funding
- Make references to market rates, industrial rates, and performance appraisals
- Modeled from the MPS structure, self-developed starting and maximum points for different posts
- Modeled from the MPS structure, taking the pay "midpoint +1" as the maximum pay point
- Modeled from the MPS structure, taking the pay midpoint as the maximum point
- Modeled from the MPS structure with division of half point and full point
- Modeled from the MPS structure, starting point and maximum point may not follow MPS
- No fixed salary structures

2. Salary Adjustments of Individual Employee

[Questionnaire - Section 2 Questions 2.2.1]

For the salary adjustments of individual employee, 79 (or 58.5%) of the Respondents conducted their annual reviews and adjustments in the respective employees' anniversary month of joining the agency, whereas 30 (or 22.2%) of the Respondents reported that the review and the adjustment were conducted in April. (Chart D2).

Chart D2: Month of Annual Salary Review & Adjustment for Individual Employee



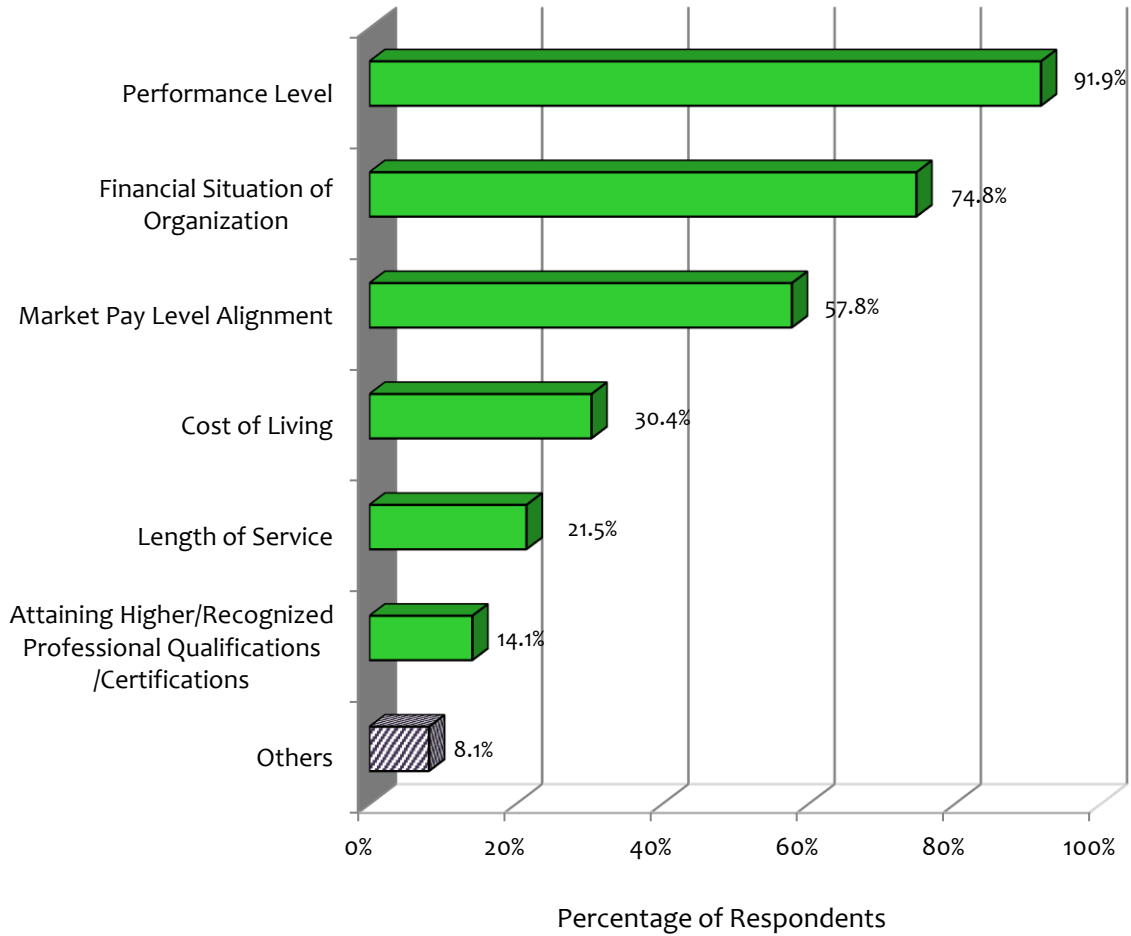
Number of Respondents : 135

3. Criteria of Considering Salary Adjustments of Individual Employee

[Questionnaire - Section 2 Question 2.2.2]

Performance level of employee, financial situation of organization and market pay level alignment were the top three factors in determining individual employee's salary adjustments. (Chart D3).

Chart D3: Criteria of Considering Employees Salary Adjustments



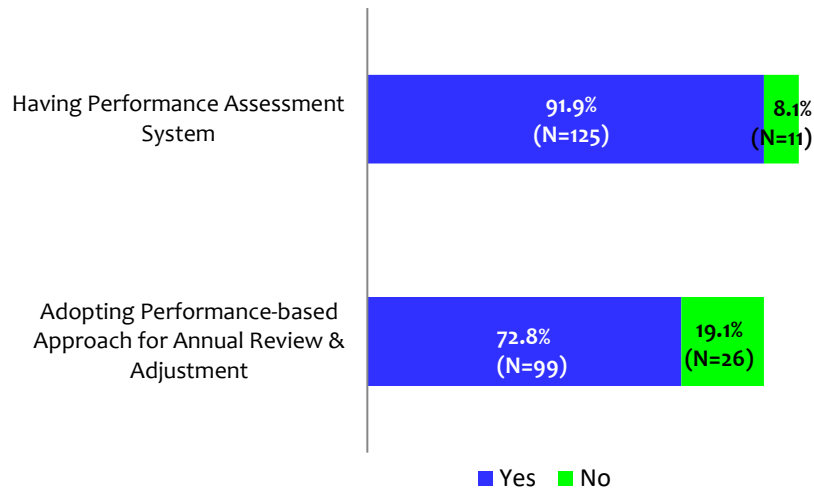
Number of Respondents : 135

4. Performance Assessment System

[Questionnaire - Section 3 Questions]

125 (or 91.9%) of the 136 Respondents reported that they practised performance assessment systems. 99 (or 72.8%) of the 136 Respondents adopted the performance-based approach for annual salary adjustments of employees. (Chart D4).

Chart D4: Performance Assessment System



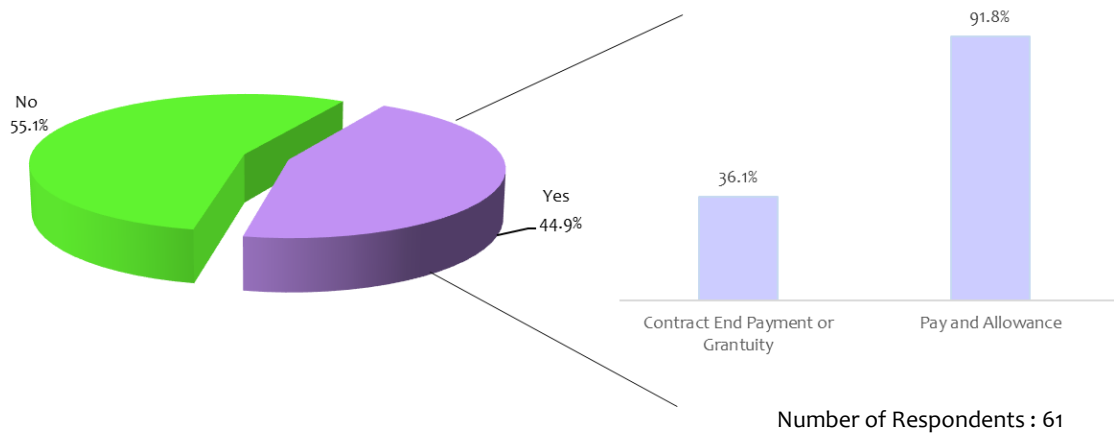
Number of Respondents : 136

5. Additional Pay and Allowance

[Questionnaire - Section 4 Questions]

61 (or 44.9%) of the 136 Respondents reported that they offered additional pay and allowance to eligible employees (Chart D5.1). Among them, 22 (36.1%) provided contract end payment or gratuity and 56 (or 91.8%) provided various types of pay and allowance.

Chart D5.1: Additional Pay & Allowance



Number of Respondents : 61