Good morning,

We value the extraordinarily hard work delivered by our people. To that end, we are pleased to provide details on the QMPG Salary Increase and Merit Program (the "Program") effective <u>July 1, 2024</u>. To land on the appropriate increases, we reflected on the overall increases for QMPG over the last number of years.

There are two components that go into the annual increases, and they vary between employee groups. For QMPG this is an across-the-board increase "ATB" and a discretionary merit component based on the PDP rating. Our data shows that the QMPG group is experiencing wage compression such that the merit portion of the Program over the last few years, (1.25% for a PDP rating of Successfully Meets) is outpaced by the average step increase (~2.8%) received by employees in salary grades 2 to 9.

As a result, this year's Program for QMPG is:

- 2.75% across the board ("ATB") increase;
- An additional 1.50% merit increase for those employees who are rated as 'Successfully Meets Expectations' on their completed PDP for a total increase of 4.25%; OR
- An additional 2.0% merit increase for those employees who are rated as 'Outstanding' on their completed PDP for a total of 4.75%.