

Compensation & Benefits Policy

Company Name: [NMT]

Version: 2025-01

Effective Date: [06/12/2025]

Region: Global (EN)

1. Purpose and Scope of the Policy

The purpose of this Compensation & Benefits Policy is to outline the framework for employee compensation and benefits across [Your Company Name]. This policy applies to all employees globally and promotes fairness, competitiveness, and transparency in compensation practices.

2. Core Compensation Principles

2.1 Fairness

- Ensure equitable pay for similar roles and responsibilities.
- Assess internal equity regularly.

2.2 Competitiveness

- Maintain competitive compensation packages.
- Benchmark salaries against industry and regional standards.

2.3 Transparency

- Communicate compensation structures clearly.
- Provide access to pay scale and benefit information.

2.4 Compliance

- Adhere to labor laws in each jurisdiction.
 - Review policies regularly for compliance.
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3. Salary Structures

3.1 Bands / Grades

- Entry Level
- Mid-Level

- **Senior Level**
- **Executive Level**

3.2 Market Benchmarking

- Conduct annual market surveys.
- Adjust salary bands based on market changes.

3.3 Pay Equity

- Conduct regular pay equity audits.
 - Address disparities promptly.
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4. Pay Review Process

4.1 Annual Cycle

- Salary reviews in Q4.
- Adjustments effective January 1.

4.2 Mid-Year Adjustments

- For significant job changes or market shifts.

4.3 Probation Raises

- Review upon successful probation completion.
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5. Bonus & Incentive Programs

5.1 Performance-Based Bonuses

- Annual bonuses tied to individual and company performance.

5.2 Project-Based Bonuses

- Awards upon successful completion of key projects.

5.3 Recognition Awards

- Non-monetary rewards for exceptional performance.
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6. Benefits

6.1 Healthcare

- Medical, dental, and vision coverage.

6.2 Retirement

- Retirement savings plans with company match.

6.3 Wellbeing

- Wellness programs and gym memberships.

6.4 Insurance

- Life and disability coverage.

6.5 Allowances

- Travel and relocation allowances.

6.6 Perks

- Discounts, flexible work arrangements, and development opportunities.
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7. Leave Entitlements Connected to Compensation

7.1 Parental Leave

- Paid leave for primary and secondary caregivers.

7.2 Sick Pay

- Paid sick leave without financial penalty.

7.3 Disability Coverage

- Short- and long-term disability benefits.
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8. Geographic / Remote Work Adjustments

- Compensation may be adjusted based on local cost of living.
 - Reviewed regularly for fairness.
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9. Compliance with Labor Law & Global Standards

- Regular compliance reviews.
- Documentation maintained for audit readiness.

10. Roles and Responsibilities

10.1 HR

- Implement compensation policies.
- Conduct benchmarking and equity audits.

10.2 Managers

- Communicate compensation structures.
- Prepare performance assessments.

10.3 Employees

- Understand their compensation package.
- Provide feedback.

10.4 Compensation & Benefits Committee

- Review and recommend policy updates annually.

11. Documentation Requirements

- Maintain salary review and performance documentation.
- Record all pay adjustments and communications.

12. Continuous Improvement and Employee Feedback Mechanisms

- Conduct annual surveys.
- Implement improvements based on feedback.

13. Examples of Salary Bands

1. **Entry Level**
 2. **Mid-Level**
 3. **Senior Level**
 4. **Executive Level**
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14. Case Scenarios

- **Promotion Raise**
 - **Performance Bonus**
 - **Relocation Allowance**
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15. Sample Communication Template

Subject: Pay Adjustment Notification

Dear [Employee’s Name],

I would like to inform you that after our recent performance review, your salary has been adjusted to reflect your contributions and growth within [Your Company Name].

Effective [Insert Date], your new salary will be [Insert New Salary].

Please reach out if you have any questions.

Best regards,
[Manager’s Name]
[Manager’s Title]

16. Checklist for Managers Before Pay Review Meetings

1. Review performance evaluations.
 2. Gather comparative market data.
 3. Assess internal equity.
 4. Prepare rationale for adjustments.
 5. Schedule private meeting.
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17. Benefits Categories Summary Table

| Category | Description |
|------------|----------------------------------|
| Healthcare | Medical, dental, vision coverage |
| Retirement | Savings plans with company match |

| Category | Description |
|----------|-------------|
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|-----------|---------------------------------------|
| Wellbeing | Wellness programs and gym memberships |
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| Insurance | Life and disability insurance |
|-----------|-------------------------------|

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|------------|----------------------------------|
| Allowances | Travel and relocation allowances |
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| Perks | Discounts and flexible arrangements |
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18. Extended FAQ

1. Factors determining salary
 2. Frequency of reviews
 3. Bonus eligibility
 4. Benefit differences by region
 5. Feedback mechanisms
 6. Pay adjustment disagreements
 7. Off-cycle increases
 8. Parental leave support
 9. Remote work compensation
 10. Documentation to retain
 11. Performance bonus eligibility
 12. Appealing performance evaluations
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This Compensation & Benefits Policy establishes a fair and transparent structure supporting employee growth while aligning with organizational goals.