

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.
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11. Documentation Requirements

- Maintain salary review and performance documentation.
 - Record all pay adjustments and communications.
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12. Continuous Improvement and Employee Feedback Mechanisms

- Conduct annual surveys.
 - Implement improvements based on feedback.
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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
Wellbeing	Wellness programs and gym memberships
Insurance	Life and disability insurance
Allowances	Travel and relocation allowances
Perks	Discounts and flexible arrangements

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.