

# **Compensation Equity Analysis**

**Confidential Document - Nexus Intelligent Systems, Inc.**

## **1. EXECUTIVE SUMMARY**

This Compensation Equity Analysis ("Analysis") provides a comprehensive review of compensation structures, pay equity, and total rewards methodology for Nexus Intelligent Systems, Inc. (the "Company"), prepared in contemplation of potential strategic transaction and regulatory compliance assessment.

## **2. SCOPE OF ANALYSIS**

### **1 Objective**

The primary objectives of this compensation equity analysis include:

- Comprehensive review of total compensation frameworks
- Identification of potential pay disparities across protected classes
- Assessment of compensation alignment with market benchmarks
- Evaluation of equity and inclusion compensation practices

### **2 Methodology**

This analysis encompasses:

- Comprehensive salary and total compensation data for all 87 employees
- Comparative analysis across job classifications and demographic segments
- Statistical regression and pay equity modeling
- External market compensation benchmark comparisons

## **3. COMPENSATION STRUCTURE OVERVIEW**

### **1 Base Compensation**

- Total annual base compensation: \$6,750,000
- Average base salary: \$77,586
- Median base salary: \$72,340
- Salary range: \$52,000 - \$215,000

### **2 Total Compensation Components**

- Base Salary
- Performance Bonuses
- Equity Compensation
- Health and Welfare Benefits
- Retirement Contributions

#### **4. PAY EQUITY ANALYSIS**

##### **1 Gender Pay Equity**

- Overall gender pay gap: 3.2%
- Statistically adjusted pay gap: 1.7% (after controlling for role, experience, performance)
- No systemic evidence of intentional gender-based compensation discrimination

##### **2 Racial/Ethnic Compensation Comparison**

- Comprehensive analysis of compensation across racial/ethnic categories
- Minimal statistically significant compensation variations
- Adjusted compensation differential: <2.1%

#### **5. COMPENSATION BENCHMARKING**

##### **1 Market Positioning**

- 65th percentile compensation relative to industry comparables
- Competitive total rewards package for enterprise AI services sector
- Above-market equity compensation for growth-stage technology company

##### **2 Compensation Bands**

- Entry-Level Individual Contributor: \$52,000 - \$78,000
- Mid-Level Professional: \$78,000 - \$125,000
- Senior Professional/Management: \$125,000 - \$215,000
- Executive Leadership: \$215,000 - \$350,000

#### **6. RISK MITIGATION RECOMMENDATIONS**

##### **1 Compensation Governance**

- Implement annual pay equity review process
- Develop transparent compensation adjustment methodology

- Create standardized job classification and compensation framework

## 2 Compliance Considerations

- Maintain rigorous documentation of compensation decisions
- Develop structured performance evaluation protocols
- Ensure consistent application of compensation principles

## **7. LEGAL DISCLAIMERS**

### 1 Confidentiality

This document contains confidential and proprietary information. Unauthorized disclosure is strictly prohibited.

### 2 Limitations

This analysis represents a point-in-time assessment and is subject to ongoing business evolution and market dynamics.

## **8. CERTIFICATION**

The undersigned certifies that this Compensation Equity Analysis has been prepared with professional diligence and represents a good faith assessment of the Company's compensation practices.

Executed this 22nd day of January, 2024

Sarah Williamson

Chief Strategy Officer

Nexus Intelligent Systems, Inc.