

Human Resources Policy Manual Scetion-5 (SALARY/REMUNERATION)

SECTION 5. SALARY/REMUNERATION

5.1 Salary Policy. FFS aims to provide employment which offers fair and equitable remuneration in relation to responsibility and performance. The salary policy of FFS is designed to attract, motivate and retain a high-caliber workforce. This policy sets out the guidelines for salary administration in FFS. It should be noted that the Human Resources Department formulates the salary policy and oversees the salary administration in accordance with the principles set out.

5.1.1 Principles. FFS's salary policy is governed by the following principles:

- **External Competitiveness.** FFS aims to pay salaries which are competitive in the market for similar jobs. Consideration is given to the market pay levels, pay trend and supply and demand in the labour market.
- **Internal Equity.** All jobs are categorized into job grades with reference to the job contents and job sizes. Generally the same salary range should apply to individuals of the same job grade; however, there may be exceptions.
- **Individual Profile.** Salary should commensurate with the individual employee's qualifications and experience.
- **Performance.** Results achieved and personal efforts are prime factors in determining the salary progression of individual employees.
- **Cost Efficiency.** FFS aims to achieve these principles at a reasonable cost and within budget.

5.1.2 Basic Salary. The basic salary of an officer/employee shall not exceed 60% of the total salary drawn.

5.1.3 Salary on Transfer and Redeployment. Employees transferred between departments on the same grade or to a factory without taking up a higher level of responsibility will not receive a salary increase.

5.1.4 Salary on Promotion. On promotion to a higher grade, a promotional increase which is equitable to other employees of the new grade should be admissible.

5.1.5 Salary for Temporary Appointments. The salaries to be offered for temporary appointments such as student trainees, temporary assistants, part-time employees etc do not fit into the salary structure for permanent employees. Their salaries will be determined by taking into consideration the prevailing market rates and cost-planning of FFS.



5.1.6 Confidentiality of Salary Information. Salary information is strictly confidential. Only the individual employee, his head of department and employees who process salary and benefit administration will have access to the employee's salary information. Employees should not disclose their salaries to persons other than their heads of departments. Employees who have access to salary information in the course of their duties must handle the information with extreme care to ensure confidentiality.

5.2 Pay Review. The objectives of pay review are to reward employees in accordance with their responsibilities and performance throughout the year, and to review their remuneration against the market so that they are rewarded equitably internally and competitively with the market. It is not mandatory for FFS to conduct pay review for individual employees after a stipulated time period. However, generally, employees who have successfully completed one year of service may be considered for pay review. Employees who are not entitled to pay review or have submitted their resignation letters prior to the formal notification of the pay adjustment will not be granted any increase in pay.

5.3 Increment. An employee after satisfactory completion of one year active service from the date of joining will be entitled to his / her normal annual increment. Annual increment in the respective scales would normally be admissible depending on the performance of the incumbent during the relevant period and overall financial/business condition of the company. **All department heads have to raise Performance Appraisal at the time of Increment.** In case of promotion, increment period shall be counted yearly basis from the date of promotion.

5.4 Overtime Compensation. Corporate office employees are not entitled overtime compensations except the employees of grade 13.

5.5 Allowances.

- **House Rent Allowances.** An employee shall be entitled to house rent allowance equivalent to 40 percent of his / her basic salary or such amount as may be determined by the competent authority.
- **Festival/Eid Bonus.** All employees shall be entitled to half month's gross pay on the occasion of each Eid festival (two in a year) on completion of one year service from the date of joining. Employees of other religion would also be entitled to the same allowance during their respective religious festivals.
- **Entertainment Allowances.** Senior officers of FFS - AGM and above shall be allowed actual expenditure for entertainment of official guests.
- **Reimbursement of Telephone Charges.** Officers authorized with BTCL telephone in the office would be entitled to reimbursement of actual telephone bills. For mobile telephone bills, a separate policy is being formulated.
- **Traveling, Daily and Conveyance Allowances.** Entitlements are covered by policy letters already in vogue.
- **Meal Allowance.** Employees are provided with free lunch on all working days at the corporate office dining room. Meal allowance is admissible as per the policy letter being circulated.

