



Total Rewards Policy

Date of Policy Statement: March 2021

1. Purpose and Context

The aim of the Total Rewards policy is to set out and implement a global equity approach that meets global standards and is applied to all employees while respecting local laws, regulations and customs for salary and benefits.

Total Rewards is a concept that describes all the tools available to an employer that may be used to attract, motivate and retain employees in a transparent and equitable way. The strategy of offering employees a comprehensive total rewards package is one of the best ways to attract, engage and retain talent.

This policy lays out the Total Rewards approach that is underpinned by salary and benefits guiding principles that will serve as Humentum's "North Star." These key principles (further developed below) are to be competitive, equitable, transparent and to recognize contributions from all staff.

2. Philosophy

Total Reward programs are not created to be equal; they are created to be equitable.

Humentum is committed to a Total Rewards philosophy that supports the organization's mission and values. Humentum values its staff as a vital resource for advancing its mission and work. The Total Rewards Program is a management tool that when aligned with an effective communication plan is designed to support, reinforce and align our values, our organizational strategy, and our operational and financial needs.

Humentum is committed to ensuring that every staff member is treated equitably in terms of the compensation they receive, the benefits that protect them and the care they require for themselves and their families, regardless of their geographic location. Salary and benefits will be set in a way that is regionally appropriate, fair and transparent; every effort will be made to ensure local market equity; conversely this means that there may be differences across geographies for the same or similar role.



3. Scope

This policy applies to all employees of Humentum; employees are defined as those with a contract of employment issued directly by Humentum, as well employees at-will. The compensation policy for volunteers, interns, vendors, suppliers, trustees and consultants/associates is addressed separately through the finance and procurement policies.

This policy document shall not be construed to create a contractual obligation or contractual relationship between Humentum and its personnel.

4. Salary

Humentum's pay policy and procedures will be competitive with comparable organizations of similar size and scope in order to attract, retain and reward high-performing employees at all levels. Humentum's salary levels will be benchmarked against both INGOs and member associations to provide equity. A full benchmarking study was completed in April 2019 and will be conducted every three years.

Employee's pay is just one component of the overall, multi-level staff value proposition laid out in the Total Rewards Policy.

4.1. Salary and pay approach principles

Humentum's salary and pay approach is based on the following principles:

- **Future looking:** Through use, this system will help ensure Humentum's operational alignment with our mission, vision, values and equity principles.
- **Equitable:** We will,
 - Ensure that objective criteria such as experience, skill-level and market considerations are used to set the pay level for employees occupying similar jobs (that is, jobs evaluated to be at the same job level by an objective job evaluation). Gender, race or other personal characteristics are not relevant to and will not be used when determining pay. Humentum commits to conducting periodic analyses to validate that personal characteristics do not influence salary levels within Humentum.
- **Transparent:** We will,
 - Make the grade and step structure available to employees as well as the criteria used to assign pay steps within grades. We will clearly designate the grade of each position within the organization and inform employees of their grade, step and salary. All posted job openings will include the grade of the job in the



announcement. Individual salaries will not be publicly disclosed and will be treated as personal confidential information.

- **Externally Competitive:** We will,
 - Set salaries using Birches reports or another comparably recognized leader in the not-for-profit sector for salary benchmarking.
 - Align Humentum positions to the appropriate salary band built around the 50th percentile of the corresponding market level salary range.
 - Use one global scale aligned to the UK market for all non-US based employees (the UK market being found to be closely comparable to markets in other parts of the world, apart the US).
- **Recognition:** We will,
 - Reward hard work and initiative through non-traditional ways still to be developed (i.e. not through one-off promotions or bonuses done on an individual basis)

Please refer to the Salary and Pay policy for further details.

4.2. Pay in USD in preference to local currency

Humentum ensures the pay of employees is not impacted by significant currency devaluation or inflation by denominating salaries payable in USD, GBP or EUR. Humentum will contract salary payments to local currency when required by local law to pay in local currency.

4.3. Organization wide and individual recognition system

Humentum leadership is committed to recognizing group and individual performance. The performance recognition system will be developed for adoption in the fiscal year ending 30, September, 2021.

5. Benefits

Total Rewards places a special emphasis on benefits for healthcare and wellness, retirement, paid time off and opportunities for continuing education and professional development.

Benefit programs must meet employees where they are from a geography, generational and family needs perspective. Humentum's program considers two major criteria:

- Offering benefit plans and programs that **are competitive and meet staff needs**, and
- Offering **equitable benefit programs** across diverse geographies and that are regionally appropriate



5.1. Health Coverage

Humentum will ensure every employee has access to adequate health care coverage. Where a government provides an adequate health care system, Humentum will not provide additional private care because of the corresponding tax implication for the employee. Humentum commits to providing adequate coverage for dental, vision and health, although levels of coverage may differ across countries.

Humentum will contribute a fixed amount towards the health plan for each employee and immediate family members as allowed by law. The employee will contribute the difference between the actual cost and the fixed contribution; Humentum will ensure that the employee contribution does not exceed 25% of the total cost.

5.2. Employee Assistance Program

All employees will have access to a global employee assistance program (EAP). The EAP will provide a confidential telephone service to the employee and their family to discuss any issues impacting the individual's financial, mental and physical wellbeing. EAP interactions are confidential and not shared with Humentum.

5.3. Global Life, Accidental Death and Dismemberment, Long term Disability Insurance

Humentum will provide life insurance and long-term disability coverage to all employees. Details may vary across localities based on the plan subscribed to. Every effort will be made to ensure the equity of these benefits.

5.4. Retirement

Humentum is committed to providing equitable contributions to all staff, regardless of geographic location, retirement plan mechanism, or scheme. Humentum will annually contribute the equivalent of 5% of the employee's annual salary to the employee's retirement account, or more if required by law, beginning immediately as of their start date at Humentum; there is no vesting period. Employees must be registered with a Humentum sponsored plan or personal plan, mechanism or scheme to take advantage of this benefit, and the account information must be shared with HR/Finance to benefit. Employees are also free and encouraged to contribute to their retirement plan, as defined by plan rules.

In some countries both employees and employers are mandated to make minimum contributions. Humentum will meet the required mandated employer contribution rate to remain in compliance. Employees will also be required to make the contribution or complete the necessary opt out process.



5.5. Paid Time Off

Humentum's work/life philosophy is to assist colleagues in removing any impediments that prevent them from bringing their best self to work:

- By offering leave benefits that support employees through various life events
- By inclusively supporting all employees in their individual leave needs
- By offering flexible paid leave and flexible work arrangements
- By recognizing that employees engage with leave benefits differently, at different phases of their life.

In introducing a global leave policy, Humentum will still need to comply with all local laws and regulations governing paid time off. All leave periods mentioned below are for Humentum's fiscal year (October 1 to September 30); leave benefits do not accrue or roll over if unused, unless required by local law.

5.5.1. Unlimited Paid Time Off

To create equity in paid annual leave, and to provide employees with flexibility and work/life balance, Humentum has adopted an unlimited flexible paid time off policy, available to all staff. This policy covers leave related to vacation/holiday, personal leave, public/bank holidays, jury duty, medical appointments, bereavement and temporary sick leave of less than seven days (after which, Employee and Family Care leave would be put into effect). Employees automatically receive access to unlimited leave; it does not accrue or rollover. Individual periods of leave are not expected to exceed more than two weeks at a time and must be coordinated with the employees' supervisor, who must approve the leave.

Time off must be recorded in compliance with local laws and regulations. **Please refer to the Humentum Unlimited Paid Time Off Policy in Appendix 1.**

5.5.2. Employee and Family Care Leave

Humentum will provide up to 12 weeks of leave annually for personal or immediate family care related to illness, disability, or a circumstance where care is required for periods exceeding seven days length. Employee and Family Care Leave will be paid according to the table in Appendix 4. The first six weeks will be at full pay. After six weeks, Employee and Family Care Leave will be unpaid by Humentum however the employee maybe entitled to other statutory payments depending on their country of residence. If the employee is unable to return after 12 weeks, long term disability policies may apply in addition to other governmental assistance where applicable.

Humentum highly encourages staff to consider obtaining their own coverage for cases of illness that would go beyond their entitlement as outlined above.



Please refer to the Employee and Family Care Leave Policy in Appendix 2.

5.5.3. Parental Leave

Humentum provides 12 weeks of Parental Leave for all staff, although the duration of leave may be longer as required by law depending on an employee's country of residence. The first six weeks of leave will be paid at full salary, the second six weeks are unpaid; Humentum will assist employees in accessing any government or insurance provided support covering maternity-related leave. This is as set out in the example in Appendix 4. Additional paid time off added to leave must be approved by the line manager and HR. This leave applies to primary and secondary caregivers in the instances of natural birth, adoption, or other permanent placement of a child into their care.

If the employee is unable to return to work after these periods, long term disability policies may apply.

Please refer to the Parental Leave Policy in Appendix 3.

5.6. Professional Development

Humentum supports the ongoing development of staff through continuous education.

5.6.1. Stipend for course/conference

Funds are available to each employee to support professional development related to their role at Humentum. The type of professional development should be identified in the annual performance review if possible, to be taken in the following year. The course and appropriate budget are to be agreed to in coordination with the employee's line manager and HR.

5.6.2. Sabbatical

Humentum offers up to 6 weeks of paid time off to pursue a specific learning objective. An individual staff member may take a sabbatical no more than once every four years. A standard application will be provided to anyone wishing to apply for sabbatical. Applicants must be in good employment standing with Humentum and at time of sabbatical. Application details can be sourced from Human Resources. Please refer to the Sabbatical Policy in Appendix 5 for more information.

6. Additional Information and Contacts

In alignment with our values, we will strive to communicate openly about the goals of Humentum and the design of the Total Rewards Policy. Total Rewards is intended to be fair and simple so



that all staff understand the goals of the policy. Humentum will work hard to administer the policy so that is applied consistently across our staff and is free of discrimination.

Humentum has designed and will administer Total Rewards in a financially sustainable manner to ensure good stewardship of our resources and financial stability. Many benefits included in the Total Rewards policy are privileges conferred on staff that can be curtailed or cancelled if Humentum experiences financial constraints that make delivery on these benefits untenable. As with all budget decisions, adjustments for inflation and funds for other employee benefits are subject to annual appropriation.

The Total Rewards Policy will be reviewed each year by the SLT and HR Manager to ensure it remains fair and affordable.

Questions or Concerns about Humentum's Total Rewards program should be directed to:

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APPENDIX 1

Unlimited Paid Time Off Policy

1. Purpose and Context

Humentum's work/life philosophy is to assist colleagues in removing any impediments that prevent them from bringing their best self to work. To live out this work/life philosophy, Humentum provides an Unlimited Paid Time Off Policy, available to all staff. This unlimited offering is built on trust in Humentum employees to balance their personal needs for time off with the expectations of their work at Humentum.

This policy covers such occurrences where an employee may take leave as related to vacation/holiday leave, personal leave, Public/Bank Holidays, jury duty, bereavement, special leave and temporary sick leave of less than seven days, after which, **Employee and Family Care Leave** would be put into effect.

It is important for your own health and well-being to take regular leave throughout the year. You must plan time off with as much notice as you can. All leave needs to be authorized by your line manager in advance and recorded on your time sheet.

Each manager will work with their team to ensure there is an appropriate level of coverage in the team, especially for times in the year that are popular leave periods, and that all leave is balanced among team members.

Employees automatically receive access to unlimited leave. The Unlimited paid time off year runs from October 1 to September 30 (Humentum's fiscal year) and there is no carry over.

All leave is to be submitted and approved by the line manager and must be recorded on a timesheet. Humentum will not pay salary or any other benefits if the absence is unauthorized. This includes absences which are not approved, or absence due to illness that is not managed according to Humentum policy (i.e. covered by a doctor's certificate/fit note and/or not notified to the line manager). Humentum reserves the right to deduct payment for the period of unapproved absence directly from your salary.

On departure from Humentum for any reason Humentum will review local laws for leave compensation to identify entitlements, if any, to be paid in lieu of any accrued but untaken leave on a pro rata basis for the fiscal year. The statutory allowances per country that are payable per year are defined in each contract, where applicable.



While Humentum has a global leave policy, it will comply with all local laws and regulations governing paid time off for employee entitled leave. Many different reasons for taking leave are covered under the Unlimited Paid Time Off policy, see below.

1.1. Unlimited Paid Time Off for personal holiday leave

- Time off requests are to be submitted and approved two weeks in advance of the date of leave, circumstances permitting. Line managers should respond to requests as quickly as possible but within one week of the request.
- Humentum reserves the right to refuse a time off request for holiday where the needs of the business make it necessary.
- No more than two (2) weeks holiday leave may be taken at any one time except in exceptional circumstances.

1.2. Unlimited Paid Time Off related to Jury Service, Bereavement and Special Leave

- **Jury service** and other public duties will be honored by Humentum. The line manager is to be informed immediately once the employee is aware of the request. A copy of the documentation such as jury summons, should be provided to the line manager and HR Manager.
- **Bereavement leave** for the death of a close family member is encouraged to not exceed five days. It may be necessary to take more than five days of leave at these difficult times.
- **Special leave** encompasses emergency or crisis situations where an employee must spend time away from work to deal with situations of an urgent or unique nature. The emergency must involve the employee and/or a dependent or close family member (see footnote). All staff are entitled to take reasonable time off to deal with unexpected or sudden emergencies and to make necessary long-term arrangements. Special Leave is determined on a case by case basis by the SLT. Any requirement for special leave should be discussed with your line manager. Special leave is considered to be leave taken without adequate notice to arrange for full coverage and should only be taken under exceptional circumstances.

1.3. Unlimited Paid Time off for temporary sick leave, less than seven consecutive days

- Employees unable to work due to illness must let line manager know directly, for each day of their absence. If their line manager is not available, Human Resources should be contacted. If an employee is unable to make contact, a family member or a friend should contact the line manager.
- For leave related to illness of an employee or direct family member for longer seven days in length, please refer to the Employee and Family Care Leave Policy.
- Time off for routine dental and medical appointments for employee or dependent family member are to be submitted and approved as with other personal leave requests.



APPENDIX 2

Employee and Family Care Leave Policy

1. Purpose and Context

It is important that every employee be at work regularly in order to keep Humentum running smoothly and efficiently. For this reason, attention is paid to overall dependability, however the organization recognizes that an employee may occasionally be disabled by injury or illness to themselves or an immediate family member.

Humentum will provide up to 12 weeks of leave annually for personal or immediate family care in relation to illness, disability, or circumstance where care is required for periods exceeding seven days length. Employee and Family Care Leave will be paid according to the table in Appendix 4. Six weeks will be at full pay. After six weeks, Employee and Family Care Leave will be unpaid by Humentum however the employee maybe entitled to other statutory payments based on their country of residence. If the employee is unable to return after 12 weeks, long term disability policies may apply and other governmental assistance where applicable.

Care days will not accrue or roll-over and will not be paid out upon departure from Humentum.

The usual payroll mechanism will be used to deliver compensation to the employee provided by short term disability or long-term disability, emergency insurance, government payouts or other assurances compensate employees for time not worked due to illness, injury, or care of a direct family member.

While Humentum has global benefits, it will comply with all local laws and regulations governing paid time off for employee or family illness, injury or care.

Humentum reserves the right to withhold Employee and Family Care Leave pay where there:

- Is a pattern of persistent short-term absence.
- Is a failure to co-operate or comply with reasonable requests to determine the medical condition.
- Are reasonable grounds to believe that the employee is not genuinely sick or injured.
- The injury resulted from dangerous or unusual sports or hobbies.
- The actions that caused the absence are considered inadvisable or incompatible with the illness.
- The injury was caused by other paid work.



2. Process

Employees experiencing an illness that lasts beyond seven continuous days or anticipating an extended absence due to a personal or family care issue lasting beyond seven days will need to request coverage under Humentum's Employee and Family Care Leave policy in coordination with HR and their line manager.

3. Activation of the Employee and Family Care Leave coverage for employee leave

Where the absence extends beyond seven continuous calendar days (including weekends and public holidays) you must obtain a medical certificate/fit note or equivalent from a doctor, which you must give to the Human Resources Manager. This certificate must note the length of the proposed absence, reason for absence and must be closed or renewed at the end of the absence period. Human Resources will align the Employee and Family Care Leave payment with the information contained in the note/certificate.

If the certificate says that you may be fit for work, taking account of some adjustments or support from Humentum, then the HR Manager will discuss this with the employee and the line manager and agree the best course of action. The employee should return to work as soon as well enough. This may be before the official period of absence runs out.

Employees who are hospital in-patients will provide medical certificates to cover the dates of admission and discharge from hospital. Medical certificates will also be required to cover periods of convalescence. Humentum may require the employee to submit a doctor's certificate confirming the employee has recovered sufficiently before allowing the employee to resume work after a period of sickness.

Under this policy, Humentum will not provide paid leave coverage if the loss of earnings is covered by another party. Therefore, an employee must notify their line manager if they receive damages or compensation for loss of earnings as a result of a third party's negligence, (e.g. as a result of a traffic accident) or from supplemental insurance used during the same period of absence. The employee may be required to refund to Humentum any payments received from Humentum related to loss of earnings that were also covered by a third party.

4. Activation of the Employee and Family Care Leave coverage for immediate family care



Where the absence to care for a close family member extends beyond seven continuous calendar days (including weekends and public holidays) you must provide notice to your manager as early as practicable, before the first day of paid Employee and Family Care leave is used. The employee must note the length of the proposed absence, reason for absence and must be closed or renewed at the end of the absence period.

Human Resources will align the Employee and Family Care Leave payment with the information contained in the note/certificate.

If the need for Employee and Family Care Leave is unforeseeable, employees must contact their manager and/or Human Resources as soon as possible before the required start of their work.



APPENDIX 3

Parental Leave Policy

1. Purpose and Context

Humentum provides 12 weeks of Parental Leave for all staff, although the duration of leave may be longer as required by law depending on an employee's country of residence. This leave applies to primary and secondary caregivers in the instances of natural birth, adoption, or other permanent placement of a child into their care.

The first six weeks of leave will be paid at full salary, the second six weeks are unpaid; Humentum will assist employees in accessing any government or insurance provided support covering maternity-related leave. This is as set out in the example in Appendix 4.

Additional paid time off added to the leave must be approved by the line manager and HR.

While Humentum has global benefits, it will comply with all local laws and regulations governing paid time off for parental leave¹.

2. Process

The employee must request notice of parental leave three months in advance of the leave date, if possible. Changes to parental leave dates should be submitted 28 days in advance, unless unforeseen circumstances arrive.

Humentum reserves the right to request formal documentation of parent-child relationship. Examples include:

- ❖ Child's birth certificate
- ❖ Adoption or placement papers.

When you apply for parental leave you will agree to a return to work date. If this changes at all, Humentum requests four weeks' notice of an early return date, wish to extend leave, or that you will not be returning to work.

At the end of the period of parental leave, the employee is guaranteed the right to return to the same job as before. During parental leave the employee and included dependents will continue

¹ **For maternity:** Please refer to the "Maternity Leave Policy" in the Employee Handbook for additional detailed policy applications and guidelines.



to be covered under any benefits entitled to or enrolled for. To add a new child to any scheme, where entitled to do so, the employee should contact the Human Resource Manager.



APPENDIX 4

Timeline of leave coverages

Example 1: Illness or injury

	Week 1	Week 2-6	Week 7-12**	Week 12+
Unlimited PTO	Paid			
E&F Care Leave		Paid	Unpaid*	
Long-term Disability				Partially Paid

* Employees are encouraged to pursue personal STD policies to assist with compensation coverage

** Humentum will comply with local laws where paid leave extends beyond what is offered as part of Total Rewards

Example 2: Parental Leave

	Week 1-6	Week 7-8	Week 9 + ***
Parental Leave	Paid		Unpaid**
Unlimited PTO		Paid*	

* Application of Unlimited PTO must be requested and approved as addition to Parental Leave

** Humentum will comply with Global laws where paid leave extends beyond what is offered as part of Total Rewards

*** TBD dependent on country of residence and employee preferences



APPENDIX 5

Sabbatical Policy

1. Purpose and Context

Humentum strives to provide opportunities for staff to explore new skills and grow their expertise and learning within the work environment. In this spirit, Humentum has adopted a sabbatical practice available to all staff.

What: Up to 6 weeks of paid time off to pursue a specific learning objective.

Who: Available to all staff who have completed at least 3 years of employment with Humentum. Applicants must be in good employment standing with Humentum at time of application and at time of sabbatical. To ensure business continuity, sabbaticals will be granted to no more than four Humentum staff each year (subject to Humentum discretion); sabbaticals will be spaced out over the course of the year. An individual staff member may take a sabbatical no more than once every four years.

2. Process

Application: A standard application will be provided to anyone wishing to apply for sabbatical. The application should make clear how the learning objective of the sabbatical will contribute to furthering Humentum's values, vision, mission and/or strategy. The application will be submitted to Human Resources and will be reviewed and scored by SLT and HR; a scoring rubric will be made available ahead of time to ensure transparency of the process. Any member of the review committee applying for consideration will recuse themselves from the review process. The application window will be open during Q4 for sabbaticals to be taken the following calendar year. Unsuccessful applications may be resubmitted in a later year for new consideration.

Deliverable: Staff member will be required to present a deliverable within 2 months following the end of the sabbatical. The form of this deliverable may vary; it will be proposed on the application for the sabbatical.

Sabbatical Examples: Example of sabbatical learning objectives and approaches include:

- Immersive course in Spanish to assist with building our market in LATAM.
 - o Deliverable = certificate in Spanish proficiency and essay on how learning will be applied at Humentum.
- Executive leadership course on topic related to Humentum's work.



- Deliverable = course certificate and essay on how learning will be applied at Humentum.
- Self-led study in Accounting resulting in new certification or licensure.
 - Deliverable = certification and essay on how learning will be applied at Humentum.
- Writing retreat producing blogs, essays and poems related to global development.
 - Deliverable = Two blogs and an essay published on Humentum and other websites.

3. Financial Support

Humentum will provide full salary and benefits during the sabbatical and up to \$1,000 in sabbatical-related costs.

4. Frequency

A staff member may take more than one sabbatical, but they must be separated by at least four years.