[Date]

[Employee Name]
[Employee ID]
[Department]

Subject: Annual Compensation Adjustment

Dear [Employee Name],

We are pleased to inform you that your compensation has been reviewed as part of our annual performance and salary review process. Based on your contributions over the past year, your salary will be adjusted as follows:

- **Current Annual Salary:** $[Amount]
- **Salary Increase Amount:** $[Amount]
- **New Annual Salary:** $[Amount]
- **Effective Date:** [Date]

This adjustment reflects our appreciation for your hard work and commitment to [Company Name]. Your new salary will be reflected in your paycheck starting from the pay period of [Date].

All other terms and conditions of your employment agreement remain unchanged. If you have any questions regarding this adjustment, please contact the Human Resources department.

Thank you for your continued dedication to the team.

Sincerely,

[Sender Name]
[Title]
[Company Name]