

Date: [Insert Date]

To: All Employees

Subject: Implementation of Cost of Living Allowance (COLA)

Dear Team,

At [Company Name], we recognize the impact that current economic shifts and rising inflation have on the daily lives of our employees. We value your hard work and remain committed to supporting your financial well-being.

To assist with these rising costs, the company has decided to implement a mandatory Cost of Living Allowance (COLA) for all active employees.

Details of the Allowance:

- **Effective Date:** [Insert Date]
- **Allowance Amount:** [Insert Amount or Percentage, e.g., \$200 per month / 5% of base salary]
- **Payment Frequency:** [Insert Frequency, e.g., Monthly / Bi-weekly]

This allowance will be listed as a separate line item on your payslip labeled "Cost of Living Allowance." Please note that this payment is subject to standard applicable taxes and withholdings.

This adjustment is independent of your annual performance review or merit-based salary increases. We will continue to monitor economic conditions to ensure our compensation remains competitive and supportive.

If you have any questions regarding this update, please contact the Human Resources department at [Insert Email/Phone Number].

Thank you for your continued dedication to [Company Name].

Best regards,

[Name]

[Title]

[Company Name]