



TOWERS  
PERRIN

HR SERVICES



# 2007 Top Executive Remuneration Survey

EUROPE

## About Towers Perrin

The HR Services business of Towers Perrin maintains databases and conducts surveys around the world, covering a wide range of positions, career levels and industries. We combine advanced technology and analytical tools with superior data to provide clients with a comprehensive assessment of their competitive positioning.

## How to enrol

For further information, please contact your local Top Executive Remuneration account manager. Telephone numbers by country are listed below:

### **Austria**

Tel: +49 (0) 69 1505 5125

### **Belgium**

Tel: +32 (0) 2 749 30 24

### **France**

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### **Germany**

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### **Italy**

Tel: +39 02 7787 2206

### **Netherlands**

Tel: +31 (0) 20 711 4246

### **Spain**

Tel: +34 91 590 3036

### **Switzerland**

Tel: +49 (0) 69 1505 5112

### **United Kingdom**

Tel: +44 (0) 20 7170 2893

### **For your data needs in other countries, please contact:**

#### **Global inquiries**

[tpdata@towersperrin.com](mailto:tpdata@towersperrin.com)

Tel: +1-800-645-5771 (toll free)

Tel: +1-914-745-4096

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#### **Canada**

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#### **Europe, Middle East and Africa**

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#### **Latin America/Caribbean**

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Tel: +1-866-824-5815 (toll free)

Tel: +1-954-767-1345

#### **United States**

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## OUR DATABASE STRENGTHS

Towers Perrin's Top Executive Remuneration Survey: The pre-eminent source of high quality executive data among listed companies or larger locally parented organisations within the General Industry and Financial Services sectors across Europe.

At Towers Perrin, we know that effective compensation decisions depend not only on having the best data, but having availability from a single, consistent source to minimise the time and complexity of data management. Our Europe Top Executive Remuneration Survey provides a uniform platform, with consistent content and formats to provide both local and multinational companies with a common way to analyse compensation data across borders and industry sectors.

The Top Executive Remuneration Survey builds on our experience in serving the data and consulting needs within the General Industry and Financial Services sector for more than 35 years. By joining our database, you have access to information and consulting resources not available from any other source. Additionally you will have the assurance of working with a global leader in compensation, benefit and HR consulting.

### **Premier companies**

Our database includes the leading companies across all industry sectors. Participants include 90% of the Eurotop 100 and approximately 80% of the FTSE 100. You can look at the market as a whole or focus on your own particular sector, location or peer group of comparator organisations.

### **European consistency**

Our database uses a uniform methodology across Europe, allowing for accurate comparisons across countries.

### **Rigorous quality**

Data quality is our specialty. We spend time with each participant to review data, including position matches – drawing on both our expert staff and the most advanced error-checking technology available. You can count on the quality and year-to-year consistency of the data for your market comparisons.



### Global Data

We conduct over 300 company surveys in over 60 countries around the world. In addition to Europe, Towers Perrin conducts executive level surveys throughout Asia Pacific, Canada, Latin America and the United States. We use consistent methodology, formats and technologies for reporting market data worldwide. This allows meaningful comparisons of all pay components – salary and other fixed payments, actual and target bonus payments plus other annual forms of variable pay, and values for options and other long-term incentives – for all the countries and regions where your company has operations.

### Local expertise

We have helped clients develop and implement compensation and other HR programmes for more than 35 years, and we understand the unique elements that drive compensation design and effectiveness. We know the solutions that are most effective and have a significant base of best practices to tap into.

## EUROPE TOP EXECUTIVE REMUNERATION SURVEY AT A GLANCE

### Coverage

- Over 500 companies
- Nine countries (Austria, Belgium, France, Germany, Italy, Netherlands, Spain, Switzerland, United Kingdom).

### Positions

- Over 120 executive positions
- Three non-executive director positions

### Data elements

- Base salary
- Actual and target bonus
- Additional variable incentives
- Long-term incentive values
- Total cash and total direct pay
- Company car data
- Reporting level
- Board membership
- International responsibility
- Corporate data
- Profit centre revenue
- Pension values
- Bonus practice by organisation level

Please refer to data submission materials for additional details.

## INSIDE THE EUROPE TOP EXECUTIVE REMUNERATION SURVEY

For additional information, including participants and positions, visit [www.towersperrin.com/hrservices/tpdata](http://www.towersperrin.com/hrservices/tpdata)

### SAMPLE POSITIONS COVERED

The following is a representative list of positions covered

#### General Industry

- Chief Executive Officer
- Chief Operating Officer
- Chairman
- Chief Accountant/Controller
- Chief Technology Officer
- Company Secretary with/without Legal Responsibility
- Top Corporate Affairs Executive
- E-Commerce Executive
- Finance Director
- Top Compensation & Benefits Executive
- Top Internal Audit Executive
- Top Information Technology Executive
- Top Public Relations Executive
- Top Tax Executive Executive
- Top Manufacturing Executive
- Profit Centre Head on/not on the Main Board
- Top Retail Operations Executive
- Risk Management Executive
- Top Customer Services Executive
- Top Engineering Executive
- Top Health and Safety Executive
- Top Human Resources Executive
- Top Investor Relations Executive
- Top Marketing & Sales Executive
- Top Legal Executive
- Top Regulatory Affairs Executive
- Top Sales Executive
- Treasurer
- US Profit Centre Head

#### Financial Services

- Chief Economist
- Chief Investment Officer
- Risk Director
- Top Asset/Liability Management Executive
- Top Call Centre Services Executive
- Top Credit Risk Executive
- Top Customer Services Executive
- Top Financial Planning Executive
- Top Funding Executive
- Top Information Security Executive
- Top Operational Risk Executive
- Top Operations Executive
- Top Regulatory/Compliance Executive
- Top Service Delivery Executive
- Top Systems Architecture Executive
- Top Telecommunications Executive

#### Non-Executives

- Chairman
- Deputy Chairman
- Non-Executive Director
- Senior Independent Director

### EUROPE COMPENSATION DATA BANK™ (CDB) GENERAL INDUSTRY EXECUTIVE DATABASE

To complement the Europe Top Executive Remuneration Survey, we also publish the Europe (CDB) General Industry Executive Database. The CDB General Industry Executive Database captures over 50 executive positions within a profit centre/subsidiary for subsidiaries headquartered in the parent country as well as foreign parented subsidiaries. You may submit all of your local and European profit centre/subsidiary executive data along with your top executive data submission. We will include your Profit Centre data (not your corporate data) in the CDB General Industry Executive Database. In exchange we will provide you with a 50% discount on CDB General Industry Executive products. With over 950 participants across 40 industry sectors, the Europe CDB General Industry Executive Database provides a uniform platform, with consistent content and formats to provide both multinational and local companies with a common way to analyse compensation data across borders and industry sectors. Please contact your local account manager for more information.

#### SAMPLE CDB EXECUTIVE POSITIONS

- Country Manager/Region Head
- Manufacturing & Engineering Executive
- Plant Manager
- Strategic Planning Executive
- Top Development Executive
- Top Employee Relations Executive
- Top Quality Executive
- Top Research Executive

## SAMPLE OUTPUT

Participant reports are available in PDF and spreadsheet format

Results include the following:

### 1) Corporate Financial Summary

Profile of the participating companies which includes sales revenue, profitability, and market capitalisation as well as number of employees.

### 2) Summary Compensation Analysis

- a) By individual position
- b) By position & scope measures (total sample, reporting level, board membership, international scope, unit world wide sales)
- c) By organisation level (chairman and chief executive, all other main board members, corporate executive committee members, other Reporting Level 2s who are not on the Main Board or Executive Committee, all Reporting Level 3s, all Reporting Level 4s, and all Reporting Level 5s.)

### 3) Comparison to the Market by Incumbent

- a) Comparison Tables of each of your submitted incumbents against the rest of the market statistics

### 4) Analysis of base pay movements

### 5) Level of last actual, target and maximum bonus

### 6) Executive bonus practice

### 7) Long-Term Incentives, incidence, eligibility and expected values

### 8) Pension Values

### 9) Car provision

### 10) Remuneration of Chairmen and Non-executive directors

## UK Top Executive Remuneration

### Position Summary Table

Position: Profit Centre Head

	Mean	25%ile	Median	75%ile
Base Pay	198,409	133,965	180,402	241,750
Annual Bonus	103,191	40,000	72,150	146,165
Other Cash	2,654	0	0	0
Total Cash	315,012	186,825	266,575	390,175
Long Term Incentive Expected Value	118,638	30,308	56,874	129,609
Total Direct Pay	438,607	227,335	350,402	531,440
Last Base % Increase	5.4	3.0	4.0	7.0
Months Since Adjustment	7	4	5	8
Target Bonus (%)	39	25	35	50
Maximum Bonus (%)	74	50	65	100
Long Term Incentive Expected Value (%)	50	21	31	57
<b>ORGANISATION DATA</b>				
Unit Sales	3,075	177	400	1,290
Unit Profit	200	9	37	109
Unit Employees	23,207	1,466	4,489	11,098
<b>INCUMBENT DATA</b>				
Age	47	43	47	52
Years of Service	13	4	10	22
Years in Position	3	1	2	4

### LONG TERM INCENTIVE ELIGIBILITY DATA

Performance Share Plan		Share Options		Deferred Bonus		Other LTI	
35%	No	62%	No	76%	No	81%	No
65%	Yes	38%	Yes	24%	Yes	19%	Yes

### JOB IMPACT DATA

Board and Committee Membership		International Responsibilities		Job Match		Reporting Level	
0%	Main Board	36%	Over 50%	4%	Plus	0%	RL 1
25%	Corporate Executive Committee	11%	20% to 50%	89%	Equals	29%	RL 2
22%	Subsidiary Board	20%	Less than 20%	7%	Minus	49%	RL 3
9%	Subsidiary Executive Committee	33%	Negligible amount			19%	RL 4
44%	No Board					3%	RL 5

## PAN EUROPEAN REPORT

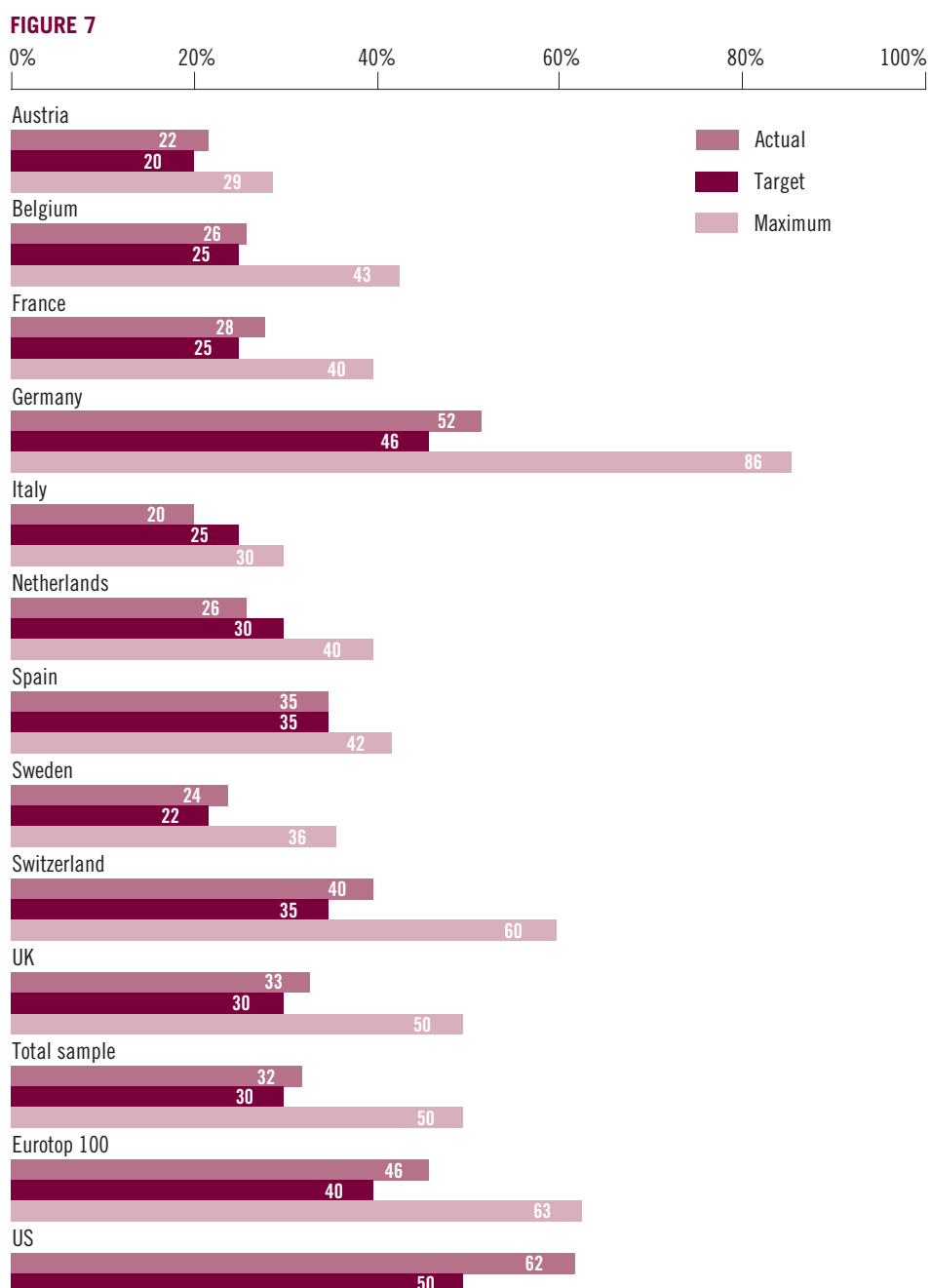
### COMPLIMENTARY PAN EUROPEAN REPORT

Survey participants also receive a Complimentary Pan European Report. This report summarises results across ten countries by reporting level for Total Sample and the Eurotop 100. To allow comparisons to be made between European and US pay levels and practices, we are also showing comparable data for Towers Perrin U.S. CDB Executive Compensation Database. Specific analyses include:

- 1) Profile of survey participants
- 2) Compensation mix
- 3) Base pay increases
- 4) Annual incentives
- 5) Long-term incentives
- 6) Profit Centre Head Position Summary  
Tables United Kingdom vs. Europe.

### TOP EXECUTIVE REMUNERATION SURVEY – ANNUAL INCENTIVES

The following figures show median actual, target and maximum bonus percentages.



## ABOUT TOWERS PERRIN

Towers Perrin is a global professional services firm that helps organisations around the world optimise performance through effective people, risk and financial management. The firm provides innovative solutions to client issues in the areas of human resource strategy, design and management; actuarial and management consulting to the financial services industry; and reinsurance intermediary services.

The firm has served large organisations in both the private and public sectors for 70 years. Our clients include three-quarters of the world's 500 largest companies and three-quarters of the *Fortune* 1000 US companies.

Our businesses include HR Services, Reinsurance and Tillinghast.

The HR Services business of Towers Perrin provides global human resource consulting and related services that help organisations effectively manage their investment in people. We offer our clients services in areas such as employee benefits, compensation, communication, change management, employee research and the delivery of HR services.

### **YOUR PRIVACY**

We will only use your business details to inform you of developments we believe may be of interest to you, including services, tools and products we offer. You may request that we cease contacting you on this topic by writing to us at the address below, attention Client Care: Databases and Surveys Group. Please include the name of the brochure you received in the text of the letter. You will be promptly removed from our mailing list.

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