

MERCER



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Mercer Executive Remuneration Guides

The key to designing competitive
executive remuneration in the
Middle East – Gulf Cooperation
Council (GCC)

Consider these questions ...

- What are your competitors doing for 2010 salary reviews and incentive design?
- Do you have an easy-to-use source for comparing compensation and benefits across the GCC, both internally and externally?
- Are you able to evaluate the competitive position of each element of your total remuneration?
- Would you like up-to-date information on global and GCC trends to support your executive remuneration strategy?
- Are you able to generate instant, automated and fully customised comparisons between your organisation and the market?

... obtain the right solutions

Mercer Executive Remuneration Guides provide the market data and analytical tools to support remuneration programmes for leading organisations in the GCC.

Mercer Executive Remuneration Guides cover all aspects of total remuneration for 40 benchmark top executive positions for the executive board and next three reporting levels.

The guides provide consistent and accurate market data, covering the full reward package, including all forms of cash remuneration, long-term incentives and benefits.

Regional data: The Mercer Executive Remuneration Guides are available in several regional databases: Middle East and Western Europe. See detailed information on page 6.



Mercer Executive Remuneration Guides – a step ahead ...

- **Coverage** – Mercer Executive Remuneration Guides cover 40 benchmark positions in the GCC.
- **Versatility** – Online tools allow you to analyse survey data according to your individual needs and conduct ‘what-if’ analyses to instantly measure your competitiveness in specific markets.
- **Consistency** – The same methodologies underpin the surveys across the GCC, and you can use one consistent data source locally or on a regional basis.
- **Flexibility** – The data can be analysed by job position, job size or a combination of these approaches.
- **Reliability** – Consistent participation by organisations creates a solid representation of multinational and local companies in each country.
- **Accessibility** – Online tools allow you to access survey data anytime and anywhere.
- **Expert advice** – Local Mercer experts work closely with participating organisations when collecting and analysing data. They also provide assistance in the job matching and/or job evaluation process.

Mercer Executive Remuneration Guides are made up of five components

COMP 1	Total base salary (Monthly base salary times the number of months guaranteed)
COMP 2	Total guaranteed cash remuneration (COMP1 plus other guaranteed or legally required cash payments)
COMP 3	Total annual cash remuneration (COMP2 plus short-term incentives)
COMP 4	Total direct remuneration (COMP3 plus value of long-term incentive programmes)
COMP 5	Total remuneration (COMP4 plus values of most prevalent benefits and perquisites)

Job families and positions surveyed (from the executive board and next three reporting levels)

- Administration
- Company Secretary
- Engineering
- Finance
- General Management
- Human Resources
- Information Technology
- Investor Relations
- Legal
- Manufacturing
- Sales and Marketing
- Research and Development

For a full list of survey roles, please visit www.imercer.com/merg.

Online tool – Mercer PayMonitor™

Mercer Executive Remuneration Guides data is delivered online through our interactive web-based survey tool, Mercer PayMonitor™, on a country-by-country basis and in our various regional databases.

PayMonitor™ allows you to customise searches and statistics according to your individual needs, to provide instant and automated comparisons of your organisation's data against the appropriate benchmark data.

The screenshot displays the Mercer PayMonitor web interface. At the top, it says 'MERCER' and 'Welcome Yelma Roberts Exit PayMonitor'. Below this, there are navigation links for 'My PayMonitor | imercer.com' and 'Preferences | User Guide | Help | Feedback'. A message center shows 'Attention to Clients' and 'Report Template update'. The main section is titled 'My Purchased Surveys' and lists a survey: '2008 Middle East Mercer Executive Remuneration Guide (Jul)'. Below this, there are options to 'View', 'Select', or 'Customize' the report. A 'Report Templates' section shows a 5-step process: 1. Select Positions, 2. Select Market, 3. Set Aging (optional), 4. Compare My Data (optional), 5. Generate Report. The '2008 Middle East Mercer Executive Remuneration Guide (Jul) - Standard Detail Report Select Market' section shows a list of data fields and options for 'Predefined queries' and 'Premium queries'. A 'Your Selections' table is also visible.

Survey	Eff Date	Country	Quick Report	View Published Report	Customize Report Wizard
2008 Middle East Mercer Executive Remuneration Guide (Jul)	01-Jul-08	Middle East	View	Select	Customize

Market	Details
Employees	Up to 2,500
Industry	Finance/Banking
Organisation Type	Parent
Regional Responsibility	Regional
Job Level in Organisation	Level 2 - Direct reports to CEO
Member of Board or Executive Committee	Yes

Mercer PayMonitor™ provides you with greater, more individualised control over survey data and statistics. It enables you to:

- Generate unlimited customised reports and statistics built from any combination of specifications, such as total revenue, employee number, group/subsidiary roles and/or geographic responsibility
- Narrow the scope to particular industries and geographic locations relevant to your own analyses
- Age the data/trend forward
- Request customised peer analysis (for a minimum of 10 peer companies; statistics will only be provided where there is adequate information to meet Mercer's confidentiality guidelines – a minimum of five data points from five companies to provide average, median, upper-quartile and lower-quartile information)
- Export and/or print all results you create, including the entire published report

For further information on Mercer PayMonitor™, please visit www.imercer.com/paymonitor.

What do you receive?

Survey overview

- Significant trends and other developments in executive remuneration – regionally, in the GCC and at the country level
- Commentary on survey results
- Economic indicators related to human resource management decisions

Salary policy, incentives and benefits overview – typical practices and provisions

- Salary increase trends
- Short-term incentives
- Long-term incentives
- Key benefits (life assurance, long-term disability, private medical insurance, cars, holidays)

Summary tables and actual market data

- Detailed market analysis of individual survey positions
- Each role displayed in survey tables for each element of compensation
- CEO and chief officers data shown in a stand-alone report

Custom analysis

Custom statistics tailored to your needs using Mercer PayMonitor™, such as:

- Peer group (minimum of 10 companies, one peer group cut provided free with survey)
- Group/subsidiary role
- Revenue/employee number size and more

Market regression

Regression statistics and graphs by:

- Position class
- Functional area for each of the major components of total remuneration
- Industry sector

Survey meetings

Attendance gives you the opportunity to share experiences with peers and to review key survey findings.

To take responsibility for the profitable performance, growth and future strategy of a major division/region/country; to contribute to the development of corporate business strategy and group policies as part of the organisation Senior Management Team; to plan in line with corporate strategy and to direct and coordinate the Senior Management Team to achieve this plan; to ensure that the brand portfolio and product mix of the division is commercially viable and profitable within a variety of worldwide markets; to represent the business in dealing with external interests, with a particular responsibility to develop and maintain good relations with brand owners and with customers.

Actual Data of Recipients Only	
	25th Percentile Average
Position Class	66 67
Base Salary	150,354 211,981
Guaranteed Allowances	-- --
Guaranteed Cash	155,136 215,196
Eligible for STI	-- --
Target Bonus - Amount	40,247 73,945
Target Bonus - % Salary	21 31
Maximum Bonus - Amount	57,452 121,458
Maximum Bonus - % Salary	33 54
Total Cash Remuneration (Target)	191,521 275,351
Actual Bonus - Amount	35,244 109,667
Actual Bonus - % Salary	24 47
Total Cash Remuneration (Actual)	188,639 305,488
Eligible for LTI	-- --
Share Plan Value	17,957 114,691
Share Options Value	28,824 77,211
Cash Plan Value	-- 55,854
Deferred Bonus Company Match	-- --
Actual Expected Value LTI - Amount	62,856 117,900
Actual Expected Value LTI - % Salary	35 49

Sample actual market data table. The following information is provided for each survey role in the hard-copy report.

Position Title: Managing Director (Division/Region/Country)
 Position Class: 69 - 71
 Currency: US Dollar
 Position Description: To take responsibility for the profitable performance, growth and future strategy of a major division/region/country; to contribute to the development of corporate business strategy and group policies as part of the organisation Senior Management Team; to develop and implement a business plan in line with corporate strategy and to direct and coordinate the Senior Management Team to achieve this plan; to ensure that the brand portfolio and product mix of the division is commercially viable and profitable within a variety of worldwide markets; to represent the business in dealing with external interests, with a particular responsibility to develop and maintain good relations with brand owners and with customers.

Actual Data of Recipients Only									
	25th Percentile	Average	Median	75th Percentile	Num Obs	Num Obs	%		
Position Class	66	67	67	67	67	21	42	100	
Base Salary	150,354	211,981	208,277	268,363	21	42	100		
Guaranteed Allowances	--	--	--	--	1	1	2		
Guaranteed Cash	155,136	215,196	207,819	269,614	21	42	100		
Eligible for STI	--	--	--	--	21	42	100		
Target Bonus - Amount	40,247	73,945	59,465	87,157	19	37	88		
Target Bonus - % Salary	21	31	31	37	19	37	88		
Maximum Bonus - Amount	57,452	121,458	84,454	118,158	15	32	75		
Maximum Bonus - % Salary	33	54	42	52	15	32	76		
Total Cash Remuneration (Target)	191,521	275,351	262,145	355,154	21	42	100		
Actual Bonus - Amount	35,244	109,667	70,200	161,915	19	39	88		
Actual Bonus - % Salary	24	47	33	45	14	35	88		
Total Cash Remuneration (Actual)	188,639	305,488	272,695	395,718	21	42	100		
Eligible for LTI	--	--	--	--	10	25	100		
Share Plan Value	17,957	114,691	20,885	249,696	5	7	17		
Share Options Value	28,824	77,211	35,755	94,086	6	19	45		
Cash Plan Value	--	55,854	56,500	--	4	17	40		
Deferred Bonus Company Match	--	--	--	--	0	0	0		
Actual Expected Value LTI - Amount	62,856	117,900	89,026	105,243	10	25	60		
Actual Expected Value LTI - % Salary	35	49	41	45	10	25	60		
Total Direct Remuneration	250,699	382,472	295,486	470,255	21	42	100		
Company Car Benefits	7,200	19,262	12,258	19,837	16	38	76		
Defined Benefit Pension	--	--	--	--	1	2	5		
Defined Contribution Pension	7,273	11,269	14,545	14,545	12	26	62		
Medical Plan	5,513	7,853	5,922	12,200	21	42	100		
Life Assurance	1,387	3,798	3,116	4,925	20	40	95		
Disability Benefits	390	1,271	1,425	1,905	21	42	100		
Other	--	2,380	2,150	--	4	5	12		
Total Remuneration	483,458	844,622	700,511	975,475	6	11	100		
Age	45	50	49	57	6	9	82		
Tenure	5	12	8	18	5	7	64		

Level in Organisation	Num Obs	% Obs	Regional Responsibility	Num Obs	Num Obs	% Obs
Level 1	0	0	Global	8	9	15
Level 2	7	9	Regional	2	2	3
Level 3	48	60	Country	19	49	82
Level 4	28	31	On board	2	7	12

Further information and enrolment

Visit www.imercer.com/merg to view the following:

- List of survey roles
- Last year's list of participants
- Pricing details
- Participant-only survey conditions
- Covered countries and survey schedules
- Mercer PayMonitor™ demo
- Local executive remuneration consultants' contact details

We will provide participants in Mercer Executive Remuneration Guides with thought-provoking Mercer intellectual capital pieces on the latest Executive Remuneration practices and trends in the GCC.

Other relevant Mercer surveys

Mercer's Total Remuneration Surveys

Mercer's Total Remuneration Surveys, available in more than 90 countries globally, offer:

- Total remuneration data covering 250 core positions, from senior management to the administrative level, across all major functions
- All-industry data, as well as industry-specific results
- The ability to customise results on PayMonitor™, allowing you to select specific data samples of your choice
- A consistent source globally, with solid representation of multinational and local companies in each country

For further information, please visit www.imercer.com/trs.

Regional Mercer Executive Remuneration Guides

As companies move from local peer groups to European peer groups for benchmarking executives, Mercer has developed a range of European Executive Remuneration Guides available on PayMonitor™, with more than 450 of Europe's largest organisations:

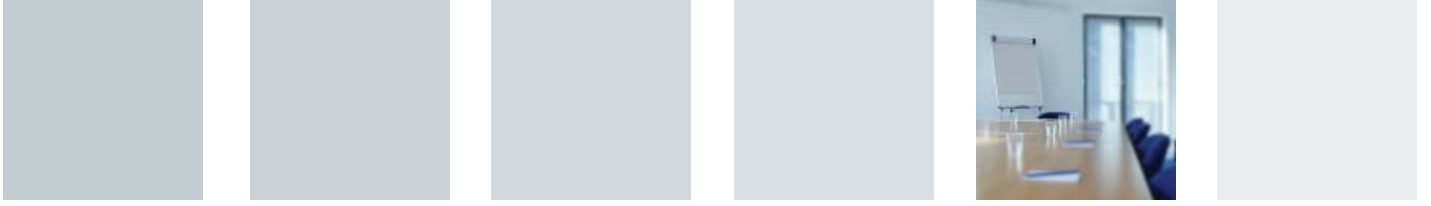
- Middle East Mercer Executive Remuneration Guide: Gulf Cooperation Council: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates
- Western European Mercer Executive Remuneration Guide

These databases can be customised to provide regional data:

- By industry: consumer goods, durable, energy, finance/banking, insurance, non-durable, retail/wholesale, services or for all data excluding financial services
- By size: assets, employee numbers, PC score, revenue
- By scope of the role: geographic responsibility, level in organisation, executive board membership, PC score, remuneration
- By specific peer groups of named companies from the database (minimum of 10 companies)

Western European MERG geographic zones				
Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
France Netherlands	Ireland UK	Italy Portugal Spain	Denmark Finland Norway Sweden	Germany Switzerland

For further information on our European databases, please visit www.imercer.com/merg.



About Mercer

Mercer is a leading global provider of consulting, outsourcing and investment services, with more than 25,000 clients worldwide. Mercer consultants help clients design and manage health, retirement and other benefits and optimise human capital.

The firm also provides customised administration, technology and total benefit outsourcing solutions. Mercer's investment services include global leadership in investment consulting and multimanager investment management.

Mercer's global network of 17,000 employees, based in more than 40 countries, ensures integrated, worldwide solutions. Our consultants work with clients to develop solutions that address global and country-specific challenges and opportunities. Mercer is experienced in assisting both major and growing midsize companies. Providing high-quality human resource information is an integral part of our business.

Around the world, Mercer conducts more than 600 compensation, benefit, total remuneration and employee mobility surveys. Our software solutions help organisations align compensation and benefit programmes with strategic business objectives.



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Norway

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Poland

Portugal

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South Korea

Spain

Sweden

Switzerland

Taiwan

Thailand

Turkey

United Arab Emirates

United Kingdom

United States

Venezuela



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