

Compensation & Benefits 2016

Pharmaceutical & Agrochemical

Executive Summary
December 2017

KPMG announces the successful completion and commencement of disposal, for twenty-third year, the Survey Compensation and Benefits for the Pharmaceutical & Agrochemical sector for 2016.

This Survey is one of the eight annual surveys conducted by KPMG in cooperation with Greek and multinational companies from all sectors of the Greek market. CEOs, CFOs, Directors of Human Resources and other executives that are involved directly or indirectly in the management of human resources, exploit the results of the survey to form their remuneration policy and benefits for their employees, to evaluate objectively their existing remuneration and benefits system and to determine the annual salary increases.

Specifically, KPMG Pharmaceutical & Agrochemical Survey is based on data submitted by 32 companies, covering 178 positions through 4 000 incumbents. This is a summary of important findings aiming to provide our clients with a quick and accurate view of Greek market trends.

According to survey's results:

- 83% of the participating companies in 2016 survey gave above zero base salary increases to at least one of their employees, whereas the remaining 17% of the sample provided zero increases to all employees. The average salary increase for 2016 (total sample – including zero increases) was 1.9%, whereas the median value was 1.5%.
- None of the companies participating in the survey, applied base salary decreases in 2016, whereas no one intents to do so in 2017.
- Concerning the projections for 2017, 17% of the sample stated they will provide zero increases, whereas the projected increase for 54% of the sample that could provide above zero projections is 2% (median figure).

- 22% of the total annual base salary represents the variable bonus paid in 2015 versus 21% that was paid in the previous year.
- 21% of the participating companies reduced the number of their job positions in 2016.



Compensation and benefits for Managers in Pharmaceutical & Agrochemical sector in 2016 are depicted in the table below:

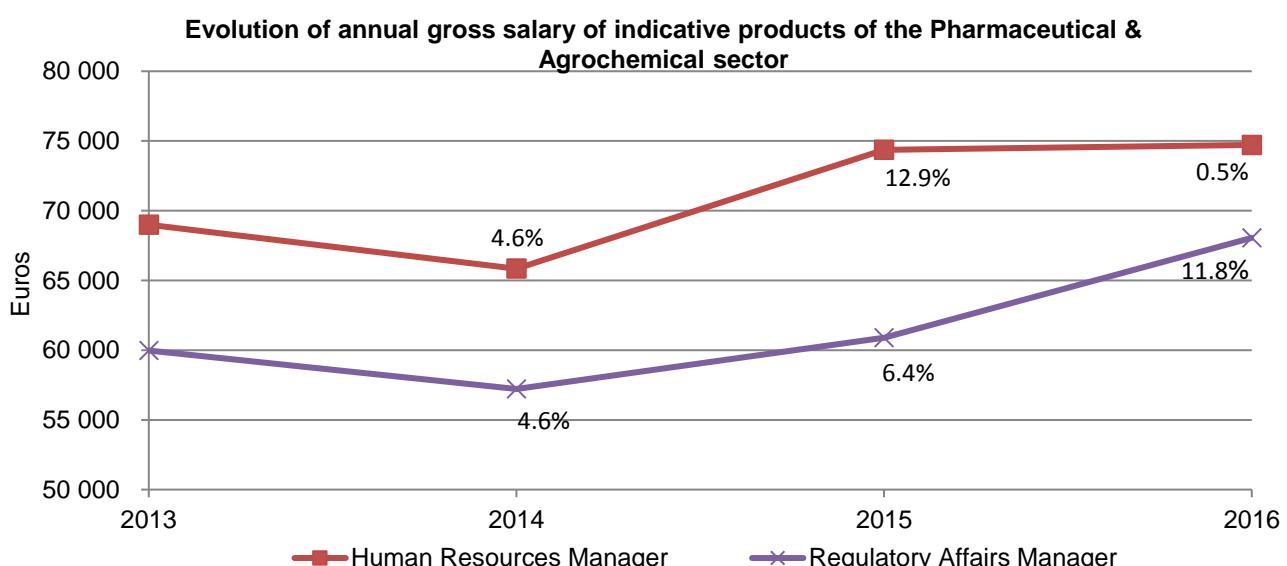
Total Annual Compensation and Benefits for selected managerial positions in 2016
(concerns all companies and Total Compensation (TC) includes fixed salary and variable bonus)

Employee Category	No of Employees	Median TC*	Bonus/TC	Stock Option	Pension Plan	Company Car	Mobile phone	Ticket Restaurant
Human Resources Manager ¹	10	74 716	22%	20%	90%	90%	100%	20%
Regulatory Affairs Manager ²	37	68 052	18%	5%	92%	89%	100%	38%

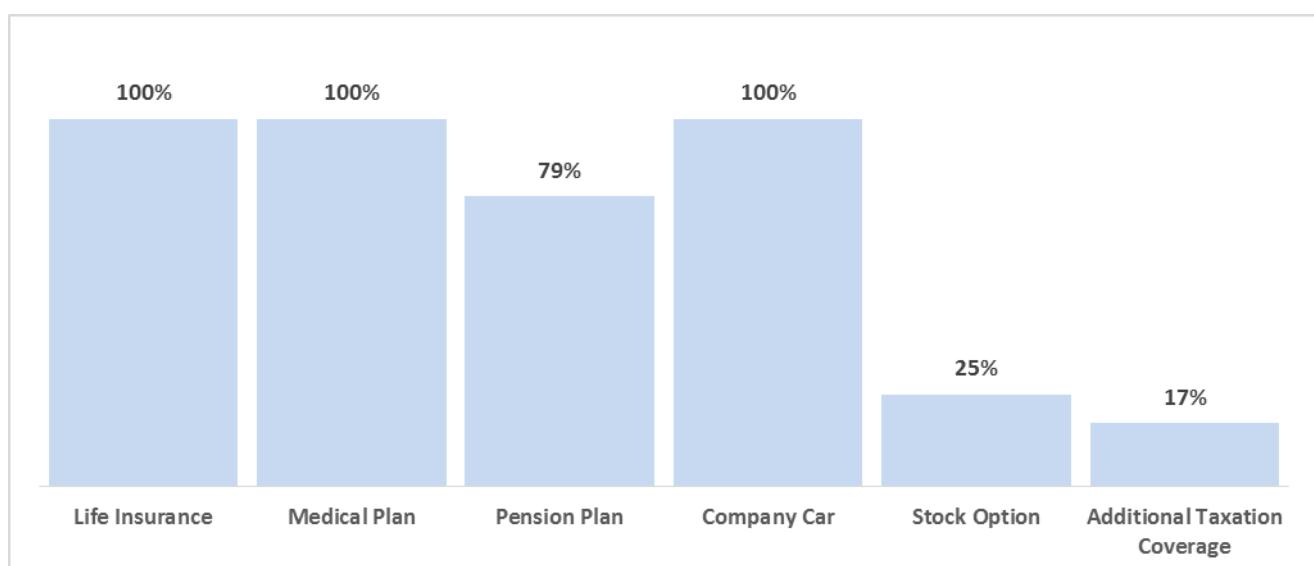
¹ Manager holding a university degree, 8-10 years of relevant experience, 6 of which at supervisory level, very good knowledge of English and 2-4 subordinates.
² Manager holding a university degree, 3-6 years of relevant experience, very good knowledge of English and with 2-3 subordinates.

* **Median:** 50% of the sample incumbents are paid less than this salary and 50% are paid more than this salary.

The chart below shows the evolution of annual gross salary of indicative job positions of the Pharmaceutical & Agrochemical sector over the past three years (median).



According to the Survey's results 2016, the percentage of companies that provide benefits to all or some of their employee categories is depicted in the below chart.



Additionally to Pharmaceutical & Agrochemical Compensation and Benefits Survey, KPMG conducts one General and five Sector surveys focusing on specific sectors of the Greek market, providing specialized salary and benefits data for the following sectors:

- Retail
- FMCG
- Banking
- High Technology
- Insurance

Meanwhile, for the fourteenth consecutive conducted specialized survey exclusively for Top executives in the Greek market.

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This publication is intended to provide the reader with general information on the issues mentioned. No action should be taken without first obtaining appropriate professional advice based on the facts of each case.

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