

Total Compensation 2022

Sector Hi Tech / Telecommunications

April 2022



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01.

Purpose

Section 1

Purpose

This study was carefully produced by Mercer, which is responsible for the collection and analysis of all salary data and benefits.

The way it has been conducted allows it to serve as a powerful management tool that correlates every aspect of a company compensation policy, through a **Total Compensation** approach. This concept is defined by the quantification of the entire compensation package, in aspects such as cash or benefits. In this way, we present three compensation components: **Annual Guaranteed Cash**, **Total Cash** and **Total Compensation**, for all the functions (refer to 2.2.).

The study will focus in three different analyses:

Analysis by Position Title



Responds to companies needs when facing specific scenarios on the labour market, more precisely with information that allows answering to the pressure placed over key functions within an organization. It consists in statistical analysis of compensation package in the reference market. The market values will be presented component by component.

Analysis by Position Class



Statistical analysis by functional content, developed through the application of the International Position Evaluation System from Mercer (refer to 2.6). This system allows a better management of the compensation policies, guaranteeing that every organization can be compared with different companies and organizational levels, in a homogeny and uniform manner, for every position. On the other hand, and because of the system's universality, it allows comparisons with every country in the world, guaranteeing that we are comparing positions with the same responsibility levels.

Qualitative Analysis of Benefits



Where we will analyse and present the main benefits, eligibility, grants, covers and ways of attribution of the participant companies, such as Medical Plan, Life Insurance, Retirement Plan, Company Car and others.

Analysis of market trends, salary increases and main financial and economic indicators



For the analysis previously mentioned, the sample considered has, approximately, 24.600 employee's data, within a total of 68 companies from the Hi-Tech & Telecommunications Sector present in the Portuguese market.

Further to this, there is additional market information in relation to the Short Term and Long Term Incentives as well as Benefits policies followed by the participants.

Report Structure

The report is organized in the following way:



Participant Profile and Characterization

Characterization of the participant companies' profile, by number of employees and Sales Revenue, as well as the characterization of the sector employees by gender, age, seniority, and academic degree.



Salary Increases

Brief presentation of the Main Portuguese economic indicators and market background, as well as the analysis of the Hi-Tech / Telecommunications sector trends in relation to Salary Reviews, Handicaps for Salary Increases, Salary Increases and Labour Expectations.



Total Compensation Analysis by Position Title

Corresponds to the most detailed analysis of the report, containing quantitative information on the compensation components, in gross annual values, to main positions on the Hi-Tech / Telecommunications sector. The statistical measures used were: 25th and 75th Percentiles, Median and Average (refer to 2.3). The Job Matching is done by job descriptions and by position classes from the Job Evaluation made by Mercer. In each table, you will find the detailed composition of the compensation package, including bonus and the benefits quantification.



Total Compensation Analysis by Position Class

Detailed analysis of the compensation levels of all the positions subjected to the Mercer International Position Evaluation System (IPE) from Mercer. Through a regression analysis it was established the 25th and 75th percentiles and Median (refer to 2.3). This analysis allows a correct vision of the market as a whole and represents a great management tool for the definition of compensation package, based on the position levels.



Short & Long Term Incentives

In this topic are evaluated Short and Long Term Incentives provided by the participant companies to their employees.



Benefits Prevalence

Presentation of the main benefits practices from the participant companies in this survey. For benefits such as Retirement Plan, Life Assurance, Personal Accident Insurance, Medical Plan, Company Car Policy, Holidays, Subscriptions, Mobile Phone, and others, it will be determined eligibility, coverings and forms of attribution.

02.

Methodology and Concepts

Section 2

Methodology and Concepts

All the Compensation & Benefits data included and analysed in this survey was gathered by a team of specialist consultants through a mixture of direct interviews and data collected provided by the participant companies. The expatriate information was not included in this study, except when related with the local levels of compensation.

2.1. Methodology



Data Collection

Direct collection of all the relevant data to the study provided by the participants.



Job Descriptions

Elaboration of Job Descriptions, based in Mission and main responsibilities of each Job. Elaborated with basis in hierarchical charts and economic and financial indicators (e.g., Gross Revenue / Sales);



Currency

Remuneration data is annual gross in Euros and is subjected to a 'gross-up' if provided net.



Job Matching

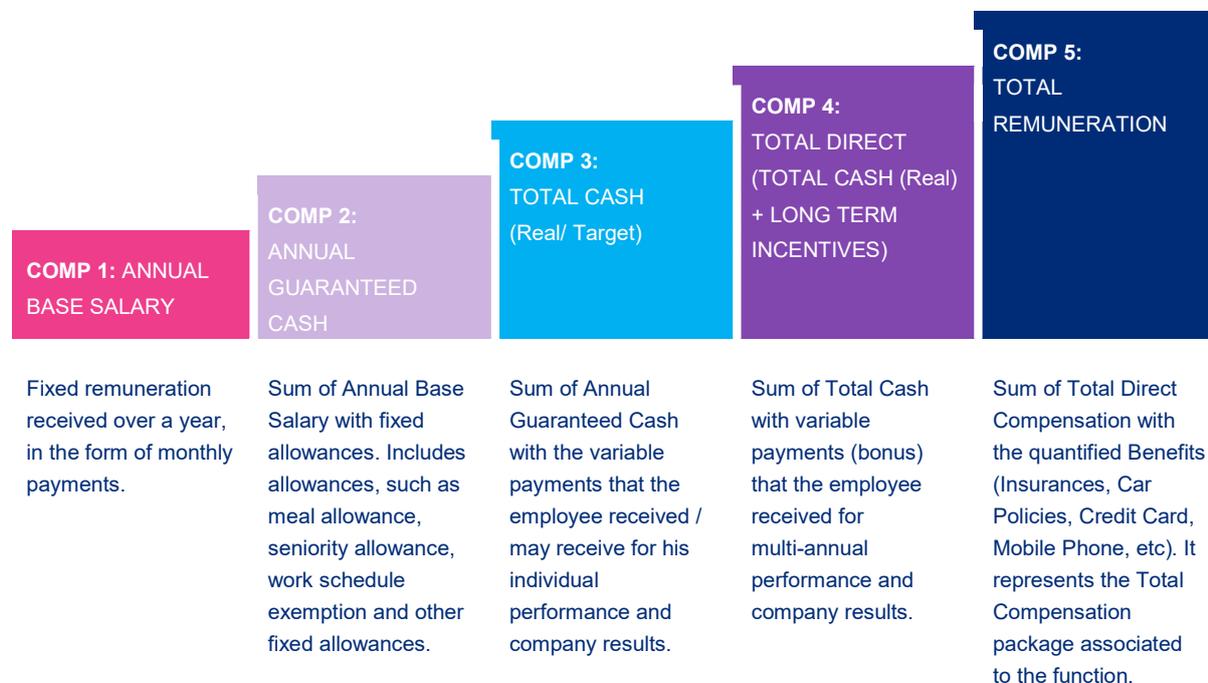
It is done by the participant's Human Resources team. These job matches are subjected to the Mercer Position Evaluation System, whose evaluation factors are:

- Responsibilities Dimension (Organization Impact and Supervision);
- Responsibility Level (Responsibility and Interaction Area);
- Job Complexity (Qualification, Problem Resolution and Working Conditions).

2.2. Compensation Concepts

The analysis was made based in the following compensation concepts:

Compensation Concepts



Salary Definitions



Job Function Definition



Job Code, Job Name and Job Description



Mercer Position Class

Job function responsibility level according to Mercer's International Position Evaluation System.

**Companies and Observations**

Number of companies and incumbents in each job function.

**Academic Degree**

Qualification level of job holders.

**Benefits**

Benefits quantification related to medical plan, insurance life, personal accident, retirement plan, car, fuel, extra holidays, education, children's education and other benefits.

**Retirement Pension Plan**

Annual value of the pension plan (defined contribution or defined benefit) for each employee supported by company.

**Medical Plan**

Annual value for each employee regarding medical assistance plan valid in company.

**Life Insurance**

Annual value related with life insurance for each employee according characteristics supported by company during the year.

**Car**

Annual value for company car and other related expenses like insurance or maintenance.

**Fuel**

Annual value of fuel supported by the company for each function title holder for any use (business or personal).

Not Reviewed



Education

Company contribution or value given to employee for self-education.



Children's Education

Annual grant to each employee for children education.



Other Benefits

Annual value for the company with other benefits for each employee, for example, Christmas hamper, company products, and technical books.

2.3. Statistical Concepts

Market values are presented according to the following statistical lines:

25th Percentile

Value for which 25% of the sample below and 75% is above;

Median

Value for which 50% of the sample below and 50% is above;

Average

Arithmetic average of the values considered in the sample;

75th Percentile

Value for which 75% of the sample below and 25% is above;

2.4. Benefit Policies and Principles of Valuation

Companies are increasingly considering benefits as a differentiating component of the total compensation package. Remuneration and career policies have a looser co-ordination with benefits programs, in order to respond to the diversity of employee profiles and business specificities.

In this perspective, the flexibilisation of benefits programs, that in the past were thought in one size logic, are now thought out to allow the adaptation of the benefits granted by the company to the needs of each employee, for example, the attribution of benefits that allow a more balanced relation between personal life and work, the employees' health and welfare promotion and contributes to their development.

In Portugal, for instance, there are companies that give the employee the possibility to choose between several health plans, capital in life assurance case; others allow the employee to select the retirement plan according to the risk profile and profitability.

It starts to appear a wider range of flexible programs with a wide scope of plans for the employee to choose. However, these pioneer companies are in the best position for a progressive implementation of this concept, as a way of bear a unique worthy proposal in terms of employer branding.

The monitoring of the investments in benefits is an essential practice in human resources management. The costs control imposed by the administration and shareholders, the necessity of employee satisfaction, the difficulty in attracting new talents and the resultant synergies of an integrated management, are factors that need a constant optimization of the programs value, namely between drawing, cost, quality perception and delivery capacity of several providers.

The internal marketing of the total compensation package has gaining relevance while strategic tool. One of the best ways of increasing the employee recognition and valuable perception relatively to the investment the companies do in their behalf, is the personalized communication, using messages and ways that not only reinforce brand and values, as also treat the employee as a client.

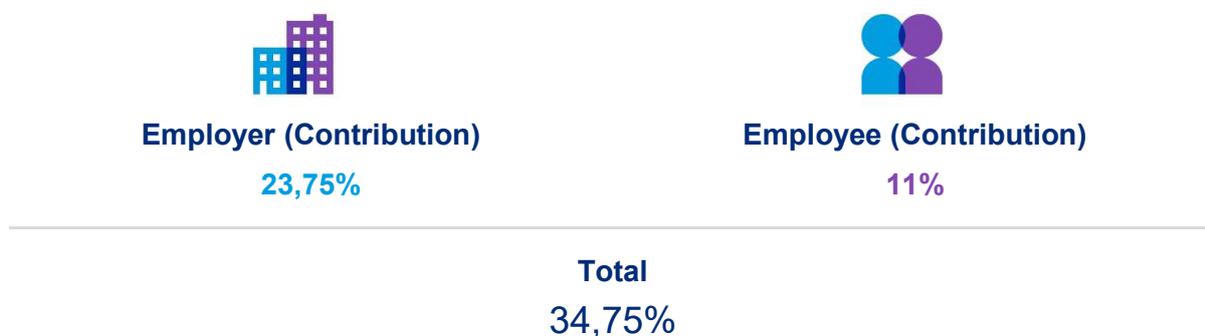
2.4.1. Mandatory Social Benefits

Social Security Contributions

Employer's registration in Social Security is mandatory, as well as the registration of employees who begin their working activity at the company service.

Employers are responsible for paying Social Security contributions for the company and also for their employees.

The contributions amount is calculated by application of the contributive global tax over remunerations. For the generality of employees, the contributive taxes are defined the following way:



Note: These percentages may vary in situations where there are reductions or exemptions of contributions.

By being registered and contributing for Social Security, the employee acquires the right to benefits of the Social Security general regime, namely:

- Familiar responsibilities (guarantees);
- Maternity (subsidies);
- Professional diseases;
- Unemployment (protection and instalment in the eventuality of unemployment);
- Death (survival pension and death subsidy);
- Disease (subsidy of disease, compensatory instalments);
- Old age (retirement pension);
- Disability (retirement pension).

The current legal framework of social protection in disability and old age of the general social security scheme was published in Decree Law nr. 167-E/2013, from December 31st, as well as Ordinance nr. 378-G/2013, which defines the sustainability factor and normal access age to retirement for the years 2014 and 2015. On the 14th of January, the Decree Law nr. 8/2015 was published, amending the conditions to anticipate the age of entitlement to old-age pension of the flexible regime.

Further changes introduced by the Decree Law nr. 167-E/2013, mainly focus on the calculation method, application of the sustainability factor, and the time of access to the pension.

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Determination of the normal age of entitlement to old age pension

Since 2014, the age of entitlement to the pension varies according to the evolution of the average life expectancy at 65 years of age, and corresponds to the sum of the normal age of entitlement to old-age pension in 2014 (66 years old) and the number of months determined by the application the following formula:

$$m_n = \sum_{i=2015}^n (EMV_{i-2} - EMV_{i-3}) \times 12 \times \frac{2}{3}$$

m: number of months to add to the normal age of retirement

n: year start of retirement

EMV: average life expectancy post 65 years of age.

The normal age for access to old-age pension considered in each year, is published in the second preceding calendar year. Thus, Ordinance n.º 30/2020, published 31 January 2020,

dictates that the age of entitlement for the old age pension is 66 years and 5 months old in 2020, and it sets it to 66 years 6 months old from 2021.

Reducing the age of entitlement to old age pension

On the date in which the beneficiary completes 65 years old, the normal age of entitlement to old-age pension is reduced by four months per calendar year above 40 years of contributory career with significant earnings registration for the pension calculation, thus, in this context, access to pension can't occur before age 65.

Maintaining the age of entitlement to old age pension at age 65

For some professional activities, beneficiaries are legally prevented from continuing to work beyond the age of 65, provided that they have effectively been in functions, at least in the five calendar years immediately preceding the year in which the pension begins.

Formulae currently in place for the calculation of pensions

On the 1st of January 2002, the pension calculation formula for Social Security has undergone a change, becoming based in two installments: one based on the average of the top 10 salaries of the last 15 years of contributions and the other based on the average income of the entire career. Thus, the pension is calculated based on the weighted average of the new and the old calculation formula with reference to two consecutive periods:

$$\text{Pension} = \frac{[P_1 \times C_1 + P_2 \times C_2]}{C} \times \text{Sustainability Factor}$$

P1: Pension calculated on the best 10 years of the last 15 contributory years.
The annual rate of accrual of pension rights is 2% for each calendar year with earnings registration, with a maximum of 40 years.

P2: Pension calculated on all-career average (considering the Decree Law nr. 35/2002), up to a limit of 40 calendar years with earnings registration.
The annual rate of accrual of pension varies between 2% and 2.3% per calendar year with earnings registration.

C: Number of calendar years of the contributory career.

The factors (C1 e C2) to apply to P1 and P2 depend on admission date in Social Security and retirement date:

1. The beneficiaries whose contributions to Social Security started before 31/12/2001 and that will be retired until 31/12/2016:
 - C1 is the number of calendar years calculated until 31/12/2006
 - C2 is the number of calendar years calculated after 31/12/2006

2. The beneficiaries whose contributions to Social Security started before 31/12/2001 and that will be retired after 31/12/2016:
 - C1 is the number of calendar years calculated until 31/12/2001
 - C2 is the number of calendar years calculated after 31/12/2001

3. The beneficiaries whose contributions to Social Security started after 31/12/2001:
 - C1 = 0
 - C2 = C

Note:

- P1 is limited to 12 SSP;
Exceptions:
 - If $P2 > P1$, P1 will not be limited;
 - If P1 and $P2 > 12$ SSP and $P1 > P2$, Pension = P2

Annual Rate of Accrual of Pension

According to the Pension calculation formula, the annual rate of pension accrual is regressive, in accordance with the value of the respective reference remuneration, and varies from 2% to 2.3% per calendar year with earnings registration, as described:

- For less than 20 years of contributions $P2 = RR \times 2\% \times n$
- For more than 20 years of contributions, it is determined as per below:

Reference Remuneration:	Pension Formula:
Lower than or equal to 1,1 SSP	$RR \times 2,3\% \times n$
Higher than 1,1 SSP and lower than or equal to 2 SSP	$(1,1 \text{ SSP} \times 2,3\% \times n) + [(RR - 1,1 \text{ SSP}) \times 2,25\% \times n]$
Higher than 2 SSP and lower than or equal to 4 SSP	$(1,1 \text{ SSP} \times 2,3\% \times n) + (0,9 \text{ SSP} \times 2,25\% \times n) + [(RR - 2 \text{ SSP}) \times 2,2\% \times n]$

Higher than 4 SSP and lower than or equal to 8 SSP	$(1,1 \text{ SSP} \times 2,3\% \times n) + (0,9 \text{ SSP} \times 2,25\% \times n) + (2 \text{ SSP} \times 2,2\% \times n) + [(RR - 4 \text{ SSP}) \times 2,1\% \times n]$
Higher than 8 SSP	$(1,1 \text{ SSP} \times 2,3\% \times n) + (0,9 \text{ SSP} \times 2,25\% \times n) + (2 \text{ SSP} \times 2,2\% \times n) + (4 \text{ SSP} \times 2,1\% \times n) + [(RR - 8 \text{ SSP}) \times 2\% \times n]$

Notes: SSP: Social Support Index (Indexante dos Apoios Sociais - IAS). RR: Reference Remuneration (Remuneração Referência). N: Number of relevant contribution years (maximum of 40).

The annual taxation times the number of civil year with remuneration record has the following limits:

- Minimum: 30%
- Maximum: 92%

The Law nº 53-B/2006, 29 December imposed the 'Indexante dos Apoios Sociais (IAS)' as reference for the adjustment and calculation of pensions, social benefits and other contributions. IAS was updated on 2022 to 443,20 Euros (directive nº 294/2021, 13 december 2021).

Sustainability Factor (SF)

The sustainability factor is calculated using the following formula:

$$FS = \frac{ALE_{2000}}{ALE_{ano\ i-1}}$$

ALE2000: Average Life Expectancy at 65 years old in 2000;

ALEyear i - 1: Average Life Expectancy at 65 years old in the year before the pension start.

The following statutory pensions are exceptions, where the application of the sustainability factor is not applied (SF = 1):

- beneficiaries who retire in the normal age of entitlement to a pension, or older;
- beneficiaries who are legally prevented from exercising their professional activity after 65 years old (provided they have exercised over the last 5 years);
- beneficiaries that might reduce normal age of entitlement to old-age pension based on a long contributive career.

Work Accident Insurance

In Portugal, since 1913, is mandatory for employers to repair the consequences of work accidents suffered by their employees. In this extent was set up the legal obligation of the insurance by the risk of work-related accidents.

The employee right to the mending for work accidents understands two groups of instalments:



In Specie

Medical, surgical, pharmaceutical, hospital assistance, or any others, including accommodation expenses, transport, prostheses appliances, since necessary to the restoration of the victim's level of health and work capacity and his functional rehabilitation;



In Cash

Compensation for temporary or constant inability; life pension for reduction in work capacity; supplementary instalment for presence for third person; subsidies for high constant inability, for house readjustment and for death and funeral expenses; pensions to relatives for victim's death.

2.4.2. Non-Mandatory Social Benefits

Fiscal Constraints

Costs and losses resulting of the following situations are deductible in order to find the income tax base:

- Insurance contracts of health and personal accidents;
- Life insurance contracts, pension fund contributions and equivalents, or contribution for complementary regimes to Social Security, which guarantee, exclusively, retirement benefit, pre-retirement, retirement complement, disability or survival, on behalf of company employees.

The conditions so that the company contributions can benefit of this fiscal incentive regime are established in the n.º 4 of the 40th article of the *CIRC* (Tax to Remuneration of Collective People). All the conditions are important, since the lack of one determines that fiscal benefit system is not applicable.

The verification of determined requisites and under established limits, the legislator exempts from tax contributions, profit produced during the capitalization period and only taxes the benefits paid in the end

In a dynamic perspective, fiscal exemptions reveal mere incentives under the form of taxation deferment since the contributions and profits are not taxed in the service in which they take place, they are taxed in the end under the form of tax on the paid pensions.

2.4.3. Benefits to which are applied fiscal benefits from CIRC 40th Article



Retirement Plan

A sustainable growth of the corporate pension plans in Portugal, triggered by the governmental policy which sought to reduce the social security responsibilities, can be observed, transferring this responsibility to the companies.

The main factors that contribute for this growth are:

- The tendency for a benefit reduction currently guaranteed by the Portuguese Social Security;
- The increasing competitiveness inter and intra sectors allows the companies that attribute this type of benefit to attract and maintain the best resources in the market;
- The global character of the organizational culture of the multinationals located in Portugal;
- The existence of defined plans on the collective contract level;
- The attitude of the Portuguese Government towards fiscal benefits, both for the company as well as for the employee, in relation to contribution and payment benefits.

Retirement Plans constitute an excellent tool, both fiscally and as a long term incentive in employee's retention programs.

In general, companies grant retirement plans to all employees, though plans can differ according to employee position. Supplementary plans have been traditionally integrated with Social Security in a base of direct compensation. Nevertheless, the potential reductions of the Social Security pension's value led to a clear tendency towards a growth rate, not integrated based in the years of service.

Most of the new plans are defined contribution plans, however most of the existing (precedent) plans are still defined benefit.

A great part of the pension plans (about 70%) are independent from Social Security. A typical plan would offer 10% to 20% of the retirement final salary. The normal retirement age is usually aligned with Social Security (65 years). The pension increases are often granted though normally in a discretionary base.

In the last years, companies have been using low contribution incentives to Social Security to place some employees in pre-retirement. However, this practice is becoming less common. If an employee accepts pre-retirement there are paid contributions significantly reduced to Social Security, since the salary is not higher

than the received before the retirement. This option is available as soon as the employee reaches 55 years of age. For fiscal reasons it's possible to supply the pre-retirement salary, but it is not possible to supply the first retirement salary through the retirement plan. In these cases, the company retirement plans would be totally invested and submitted at normal retirement age.

The last changes in Social Security benefits are forcing many companies to revise their retirement plans, especially if they are totally integrated in Social Security, which represents added responsibility and risk for the company. If the retirement plans are not integrated, it is necessary to consider the impact of total benefits reduction for the employees.

This question will cause some pressure to companies to complete the insufficient Social Security benefits, (due to their social responsibility) or, at least, to make the employee aware of the future retirement plans, through the promotion of plans with total/ partial share of costs potentially connected with flex compensations.

For each Job under analysis, namely for a defined Benefit Plan, the annual cost was based on the inherent characteristics of each plan, the salary of the employee who exercises that job position, and on the age of the employee (in case the age is not specified, the average age of the job function was used). For each job under analysis with defined contribution plans, the annual cost was determined by applying the company contribution to the details of the employee who exercises that job position.



Medical Plan

This benefit has been gaining increased importance, and in this moment is perceived to be a differentiating factor. Multinational companies operating in Portugal are in the leadership in the concession of this benefit, together with the most competitive national companies. The Medical Plan often offers some coverage degree for employee's direct family.

The medical plan usually covers hospitalization, ambulatory assistance, medications, and maternity, oftomological and orthodontist expenses. The plan normally covers 80% of costs up to a maximum annual limit defined by the insurance.

Medical insurances like the ones provided by Managed Care, where the service suppliers are previously established (doctors, hospitals, etc.), continue to be the best solution for this benefit, and show an increase in market quota, a tendency already observed in previous years. This type of insurance has underlying agreements with service suppliers, resulting in a cheaper service and more attractive prices. Within the more conventional network the partnership percentages are relatively higher (90 – 100%).

Many companies choose to turn the level of protection of this benefit more flexible, allowing employees to choose between several plans, with different characteristics.



Life Insurance

Life insurance is a benefit often given to all employees. The benefit paid in case of death or disability corresponds, in most situations, to a value that varies between 1 to 2 times the employee's annual salary. This benefit has a very high potential due to its flexibility of insurance capital, which may or may not be valued by the beneficiaries.

For this report, the values for Life Insurance were calculated by using an annual and individual insurance applying a risk prize to the insurance capital of each employee, taking into account their age (in cases where the age was not specified the average age for the specific Job function was used).



Personal Accident Insurance

The personal accident insurance is the better protection form to sudden and unpredictable risks or additional temporary risks, as business trips or high risk professions.

Unlike life insurance that obliges the checking of demanding conditions in the cases of disability, the personal accidents insurance guarantees proportional compensations to the degree of devaluation.

2.4.4. Social benefits to which are not applied fiscal benefits

Sick pay

No Boletim do Trabalho e Emprego (BTE), o Capítulo XIII "Previdência de Regalias Sociais", cláusula 125 "Complemento do Subsídio de Doença" enumera as principais características do complemento:

Clause 125 "Sickness allowance complement" found in Chapter XIII "Providence of Social Exemptions" of the Employment and Work Bulletin, lists the principal characteristics of the complement:

- 1 During the period of work incapacitation due to the justified sickness, the company can provide the workers a complement to the allowance granted by social security;
- 2 In cases where social security provides the sickness allowances during the period referred to in the point above, the employee must endorse this allowance to the company;
- 3 The company will be made aware of the situation, except if there is a plausible justification or impediment during the first working day after it has been verified or, if this is not possible, on the course of the following three working days on the limit;

- 4 The sickness allowance complement that may be given to the company is equal to the difference between the net reward receive by the worker, and the sickness allowance provided by social security;
- 5 The company will keep the sickness allowance whilst the initial terms and conditions continue to apply, in accordance with what was referred to in the first point put forward above.

2.4.5. Other Benefits

Car Policies



Organizations find in the car attribution to employees a way of giving a benefit in which the employee has an immediate perception of it, in the sense in which it substitutes a concrete cost in the budget of each employee that normally represents a relevant percentage of his available income.

In this benefit valuation was taken into account the maximum plafond given by the company for the acquisition of the new vehicle. When the maximum limit did not exist, the commercial value of the new vehicle was used.

The increase in value of the automobile insurance and maintenance consisted on the value declared by the company. When it did not exist, a percentage to the value of the plafond commercial value was attributed.

Fuel



Some organizations also offer, to some hierarchical levels, the cost of the fuel associated to the car.

Every time companies presented unlimited Fuel values, a percentage was applied over the plafond / commercial value according with the criteria used to determine the provision of the car (status / business need).

2.5. Gross-Up

All net compensation values analysed were subjected to the source retention tables of the current year (Table III – Dependent work, married, two owners) and Social Security rate.

2.6. Mercer International Position Evaluation

The Mercer International Position Evaluation System (IPE) is designed to objectively evaluate the relative ranking of the positions. It is a simple, consistent yet highly accurate measure of relative job evaluation that has universal application in today's fast changing environment.

The IPE System can be used to compare positions within or across job families or even to compare positions in different organizations in different countries.

IPE easily clarifies relativities among positions and focuses on key business parameters to determine job evaluation – Impact on results, Communication and Innovation needed and Knowledge to fulfil a position’s responsibility.

Mercer International Evaluation System Factors

1. Impact

Organization



Impact



Contribution

This factor is a function of the organizations Size, the Nature of Impact assigned to the position and modified by its relative Contribution to the organization overall results.

2. Communication

Communication



Scope

This factor is a function of the Nature and Frame of Communication. It captures the communication skills, which are frequently required in the position, within as well as outside of the organization.

3. Innovation

Innovation



Complexity

This factor is a function of the expected level of Innovation from the position and the Complexity of the innovation activity. It relates to the required improvements to products, procedures or services as well as to the development of new ideas, methods, techniques, services and products.

4. Knowledge

Knowledge



Teams



SPAN

This factor relates to the Level of Knowledge required in the job to accomplish objectives and create value and the application of knowledge in teams and in geographies and cultures the position operates or serves.

2.7. Methodology on Regression Analysis

The methodology is best described as “regressed market results” and is executed as follows:

1. Market average is calculated for each PC in the market.
2. The regression is made with an exponential regression on the market average.
3. This results in market average regression.
4. At each PC, ratios between the quartile and median market value are calculated.
5. An exponential equation is calculated using all the quartile-median ratios.
6. The resulting ratio formula is applied to each regressed median value to arrive at the regressed quartile value.
7. A series of “data density” checks are executed to ensure that the results are robust enough to display.
8. Additionally, other tests are performed to ensure that correct relationships exist between remuneration types and quartiles.
9. The market means, medians and percentiles may either be incumbent weighted or organization weighted. However, the Mercer published regressions will be organization weighted.

Mercer’s regression methodology is based on “regressed market results.” Those market results may be incumbent or organization weighted. Mercer survey regressions will be organization weighted market average because:

- Organization weighting better reflects company policy which is essentially what market regressions attempt to capture;
- Organization weighting mutes the impact of any sample dominance that may exist in the survey as any year over year sample changes;

In summary, the change to organization weighted median regressed market results will bring a policy line perspective to regression which is consistent with sound compensation principles while improving year over year consistency and delivering real time results.

2.8. Organization Chart (Functions by Position Class and Family)

Position Class	Top Management & Administration	Legal and Corporate Affairs	Human Resources
68			
67	General Manager		
66			
65			
64			
63			
62	Head of Operations	Head of Legal	Head of Human Resources
61			
60	Head of Innovation & Strategy		
59			
58			
57	Business Operations Strategy & Planning Manager		
56	Innovation & Strategy Manager	Legal Manager	Human Resources Manager
55			
54		Public Relations Manager	
53			
52			Training & Development Manager
51	Business Operations Strategy & Planning Professional	Senior Legal Counsel	Human Resources Senior Officer
50	Innovation & Strategy Professional	Legal Counsel	Human Resources Junior Officer
49	Executive Secretary	Public Relations Officer	Recruitment Officer
48	Sr. Office Administration Officer		Compensation & Benefits Officer
47	Office Administration Officer		Training & Development Officer
46			Technical Trainer
45	Senior Secretary		HR Administration Officer
44		Legal Assistant	
43	Clerk		
42	Secretary		
41			
40	Receptionist		

Position Class	IT Analysis and Design						
	IT Architecture	ERP	Applications Development	Software Development	Website Development / Management	Database Development and Administration	Systems Integration
68							
67							
66							
65							
64							
63							
62							
61							
60				Head of Systems Development			
59							
58							
57							
56							
55	IT Architecture Manager	Enterprise Resource Planning (ERP) Business Analyst Manager	Applications Development Manager				
54						Database Manager	Systems Integration Manager
53							
52							
51	Senior IT Architecture Officer	Senior Enterprise Resource Planning (ERP) Business Analyst	Senior Applications Development Engineer				
50	IT Architecture Officer		Applications Development Supervisor				
49	Cloud Architecture Officer		E-Commerce & Internet/Digital Applications				
48		Enterprise Resource Planning (ERP) Business Analyst	Applications Development Engineer	Systems Programmer		Database Administrator	Systems Integration Programmer
47		Enterprise Resource Planning (ERP) Business Analyst - SAP	E-Commerce & Internet/Digital Applications	Systems Analyst Programmer			Senior Systems Integration Programmer
46	Junior IT Architecture Officer		Junior Applications Development	Software Development Engineer	Senior Software Development	Java Programmer	
45				Junior Software Development	Platform Development Systems	Web/Multimedia Designer	Junior Systems Integration
44						Website Developer	
43							
42							
41							
40							

Position Class	Comercial	Comercial			
		Marketing & Communications	Digital Marketing	Sales	Contact Center
68					
67					
66					
65					
64	Head of Sales and Marketing				
63					
62					
61					
60		Head of Marketing			
59					
58					
57					
56	Business Development Manager				
55					
54					
53	Group Brand/ Product Manager				
52					
51					
50					
49	Business Development Analyst				
48					
47					
46					
45					
44					
43					
42					
41					
40					

Position Class	Project Management	Quality	Supply & Logistics	Telecommunications
68				
67				
66				
65				
64				
63				
62				
61				
60		Head of Quality Assurance		
59				
58	Head of Project Management		Head of Purchasing	
57				
56				
55	Head of Project Management			
54		Quality Manager	Supply & Logistics Planning Manager	Transmission Manager
53				Network/Systems Development Engineering Manager
52	Senior Project Manager			Network Planning Manager
51				Network Maintenance Manager
50	Project Manager	Senior Quality Engineer		
49	Scrum Master	Service Quality Executive		
48		Quality Engineer	Supply & Logistics Planning Officer	Network Operations Control (NOC) Engineer
47			Procurement Professional	Network / Systems Development Engineer
46	Junior Project Manager		Warehouse Supervisor	Network Planning Engineer (Network / Radio)
45		QA/QC Technician		Network Maintenance Engineer
44	Project Assistant			Network Operations Control (NOC) Operator
43				Installation and Maintenance Technician
42			Warehouse Clerk	
41				
40				

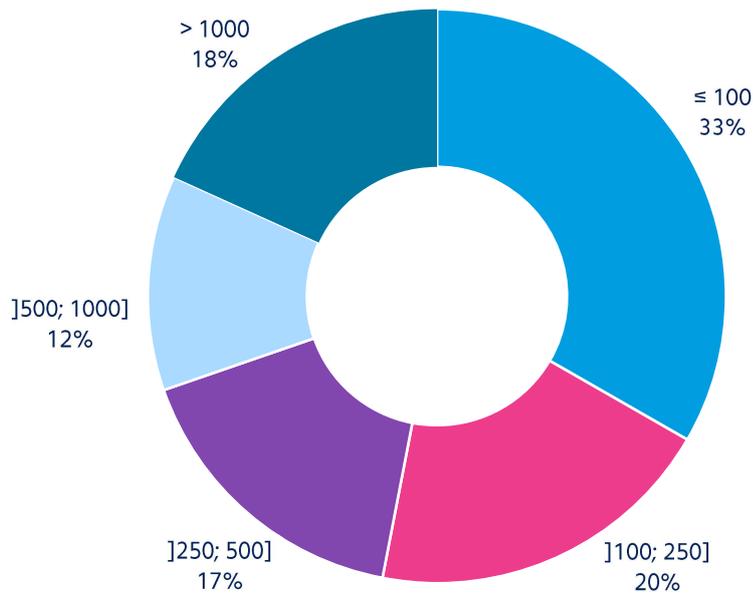
03.

Participant's Profile

3.2 Organization Type by Total Employment

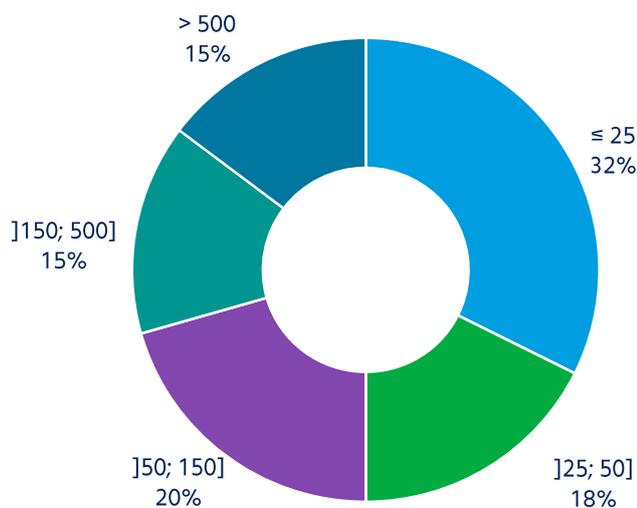
In the sample, **33%** of the companies have less than 100 employees.

Number of employees



3.3. Organization Type by Annual Gross Revenue/Sales

In terms of gross revenue / sales (M€), the participant companies are distributed as follows:

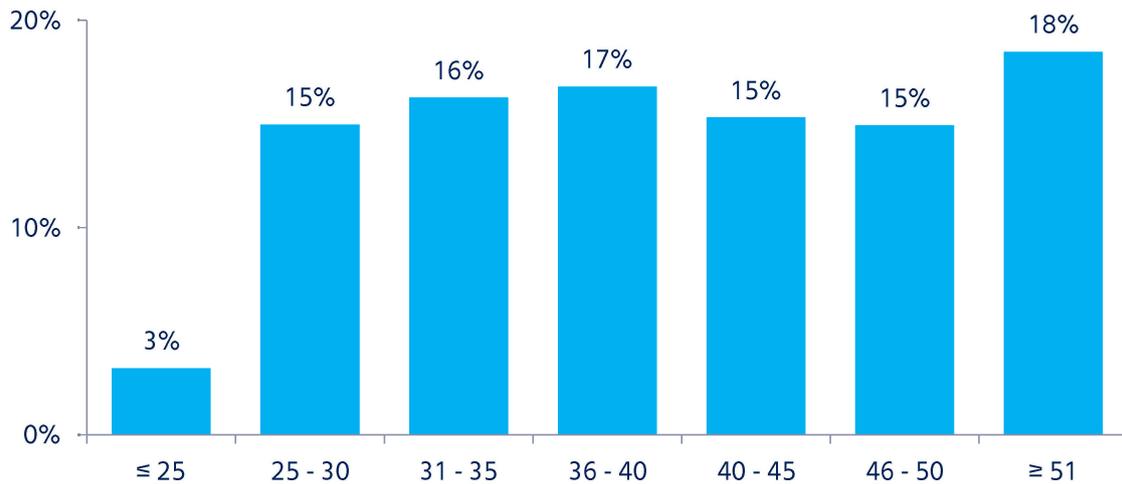


3.4. Employee's Characterization

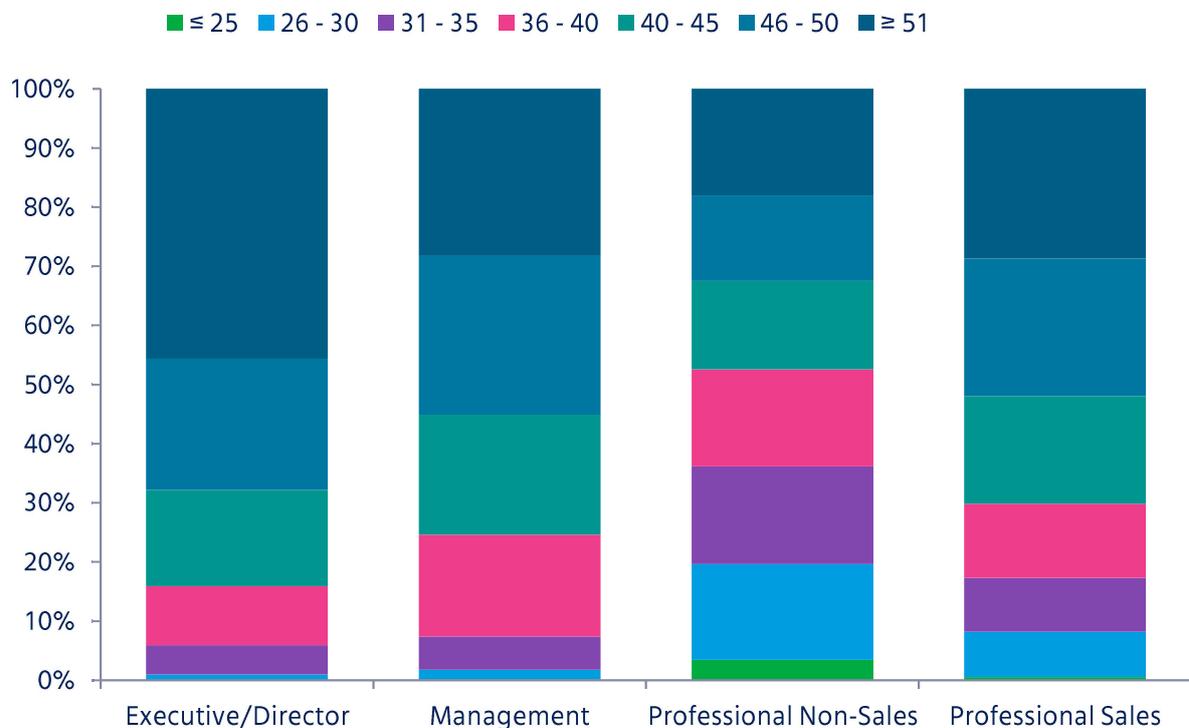
Age

Circa **34%** of the employee's universe has less than 35 years old.

Age Distribution



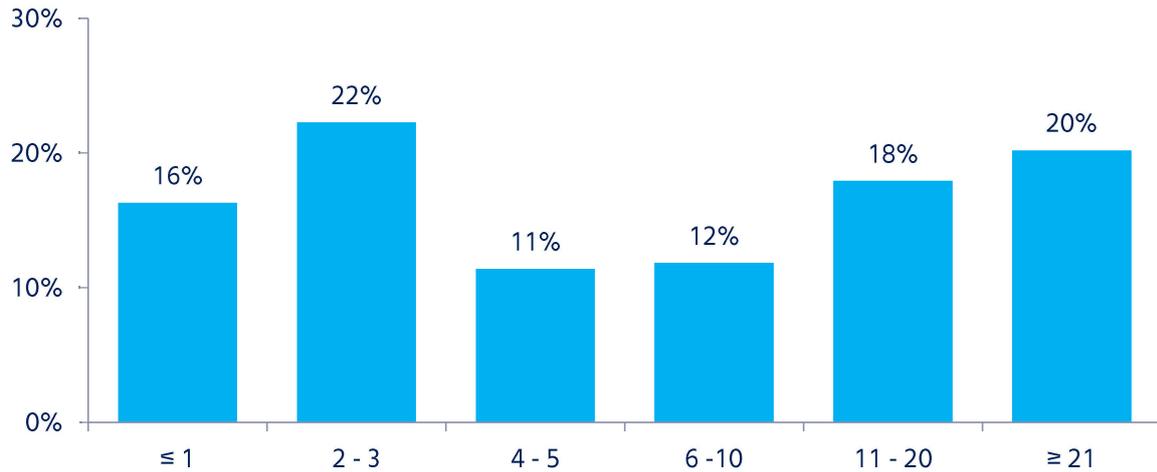
Age Distribution by Functional Levels



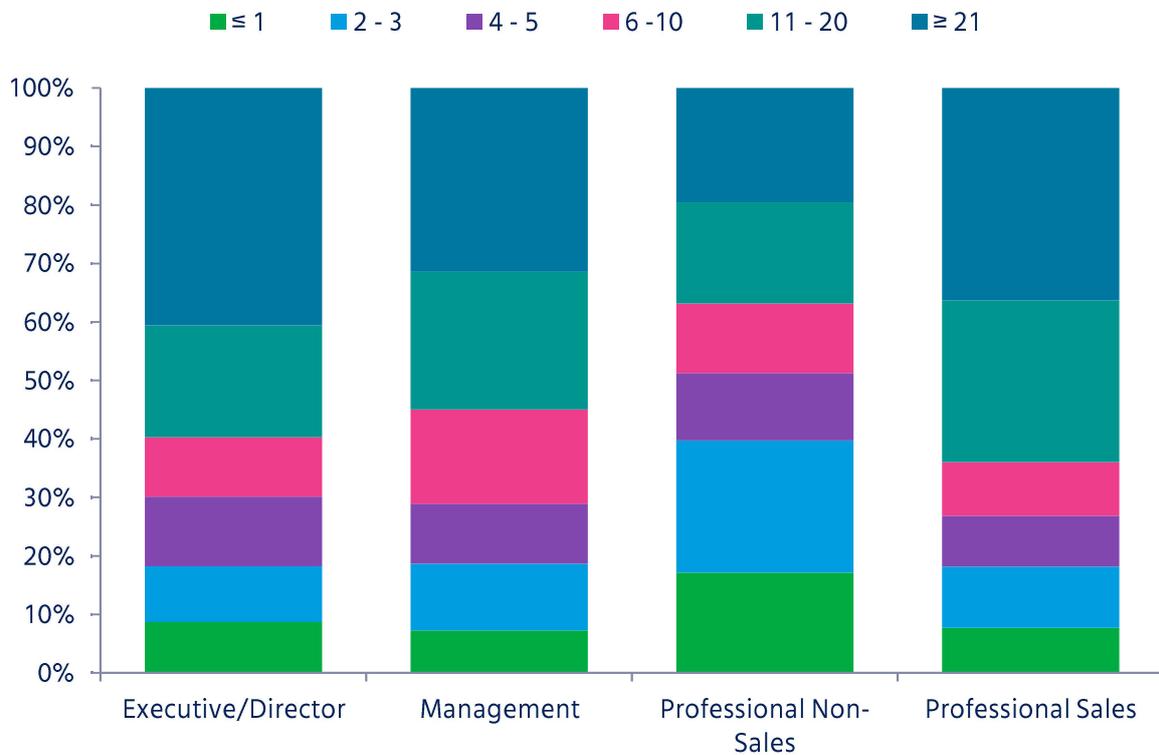
Length of Service

In terms of seniority, and based on collected data, we can observe that **38%** of the sample has up to 3 years of Length of Service.

Length of Service Distribution



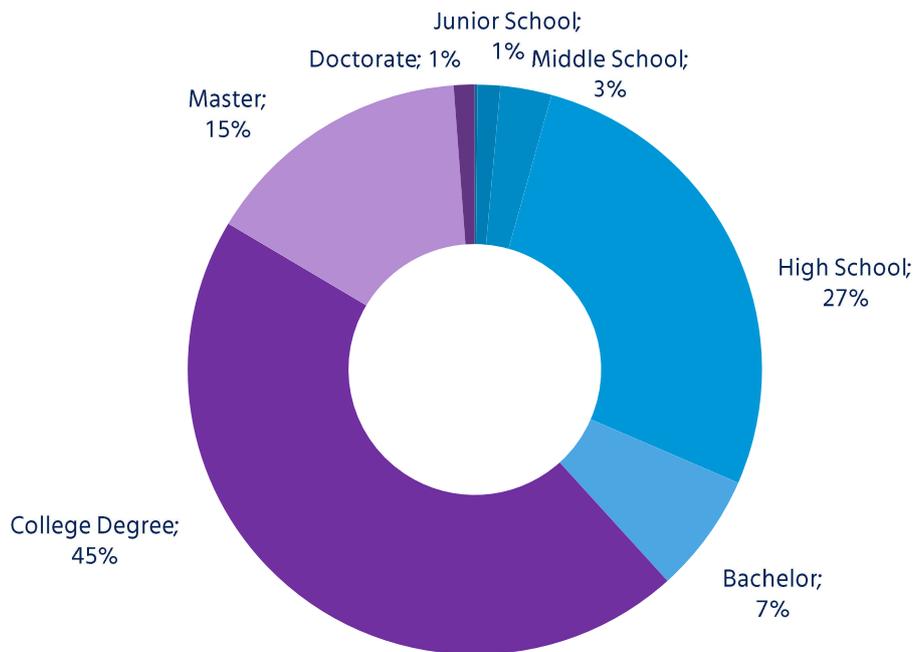
Length of Service Distribution by Functional Levels



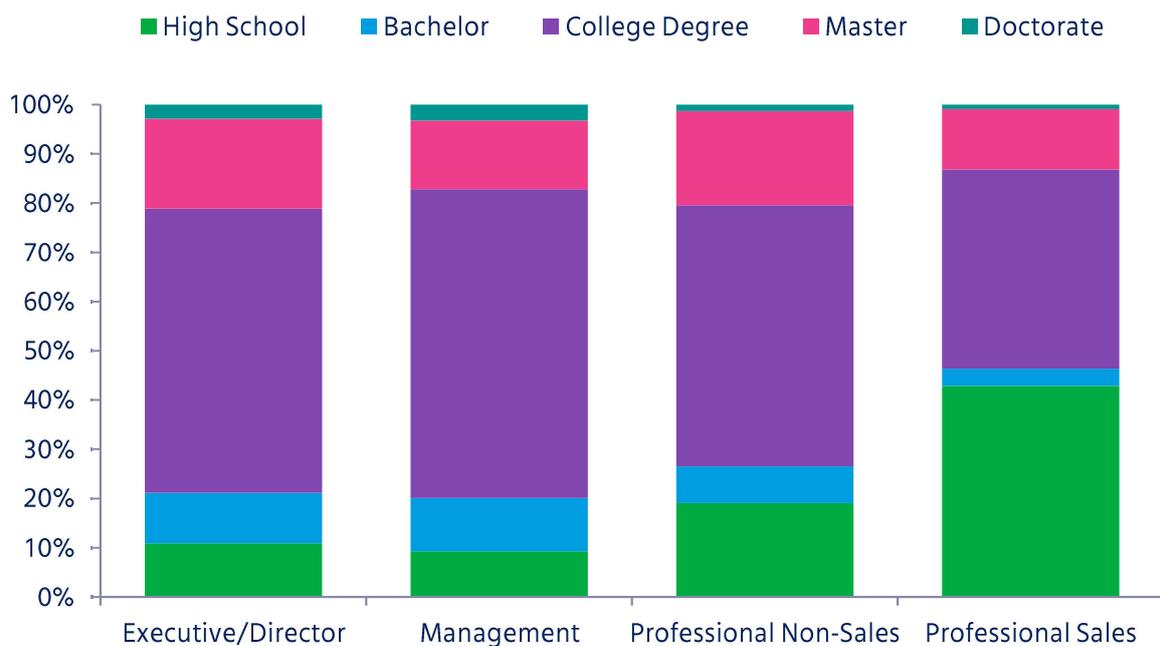
Academic Level

Concerning Academic level of the sample universe, based on the information collected the graphic shows that **61%** of employees have **at least** a college degree.

Academic Level Distribution



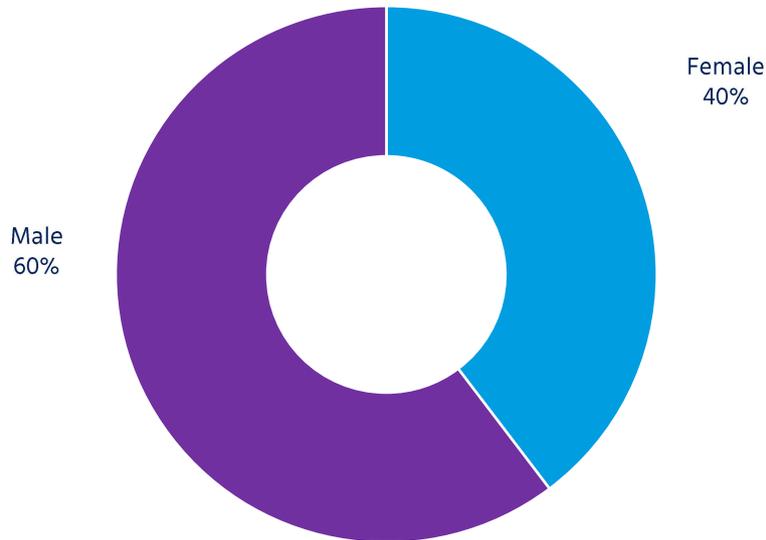
Academic Level Distribution by Functional Levels



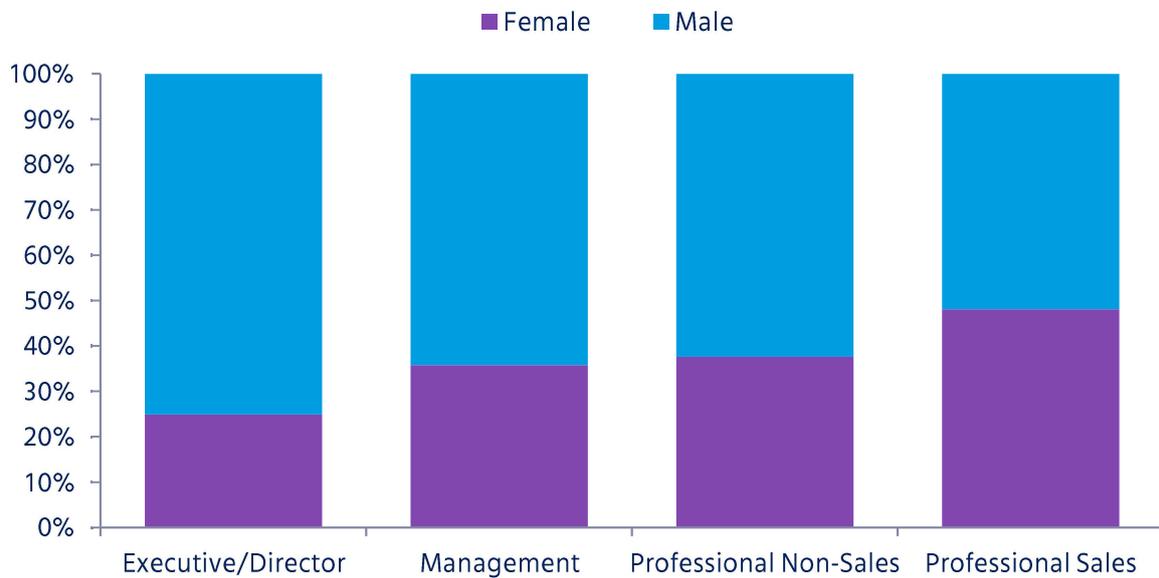
Gender

The employee's gender is predominantly male (**60%**).

Gender Distribution



Gender Distribution by Functional Levels



04.

Salary Increases

Section 4

Salary Increases

Nowadays salary increases and remuneration packages are more aligned, which is expected to occur in economic homogeneous areas. Consequently, an alignment between Portugal and the European Economic Area would also be expected. This behavior is induced both by a low inflation rate level, and by common monetary policies strictly controlled by European Union Institutions.

Concerning general Salary Increases by functional levels in Portugal (1st and 2nd line Directors, Technicians, Administrative) we can observe that, in general, functions with more responsibilities are more affected during the economic slowdown phase but are more recoverable in economic growth periods. On the other hand, in terms of lower responsible functions, they are less affected in both stagnation and recession economic periods but not as awarded during increasing periods.

The “differentiate increase” concept, which means the split between general increase (at the inflation rate) and individual increase, is followed by the majority of the analysed companies, in order to reward the performance. This individual increase is mostly supported by Evaluation and Performance Management Tools.

This chapter will present a statistical analysis of the sample main policies on Salary Increases.

4.1. Economic Environment and Trends

Main economic indicators - 2021/2022 and main tendencies for 2022 and beyond

Portugal economy got back on its feet after the 2008 subprime economic crises, supported by the import and export of services, namely related to tourism attraction and housing investment.

Conversely, Portugal has been one of the most affected countries in the EU once covid19 pandemic and country lockdowns took place.

The pandemic has led to an unprecedented world crisis, humanitarian and economic.

The world economy to fell about 10% (deficit) on average, which is a figure never seen in world history.

Over 2021 and 2022, it is expected that most of the developed countries economies will surpass their 2019 benchmarks.

The EU countries have agreed on a number of measures such as distributing of large sums of money as well as favorable loans, in order to help the countries save strategic sectors as well as to help them meet their obligations.

Below we present the growth, inflation and unemployment rates for Portugal related to 2020, as well as current estimates for 2021, 2022 and 2023.

Economic indicators - Portugal (%)	2020	2021	2022 (previsão)	2023 (previsão)
GDP (growth rate)	-8,4%	4,9%	5,5%	2,6%
Inflation	-0,1%	0,9%	2,3%	1,3%
Unemployment rate	6,9%	6,7%	6,5%	6,4%

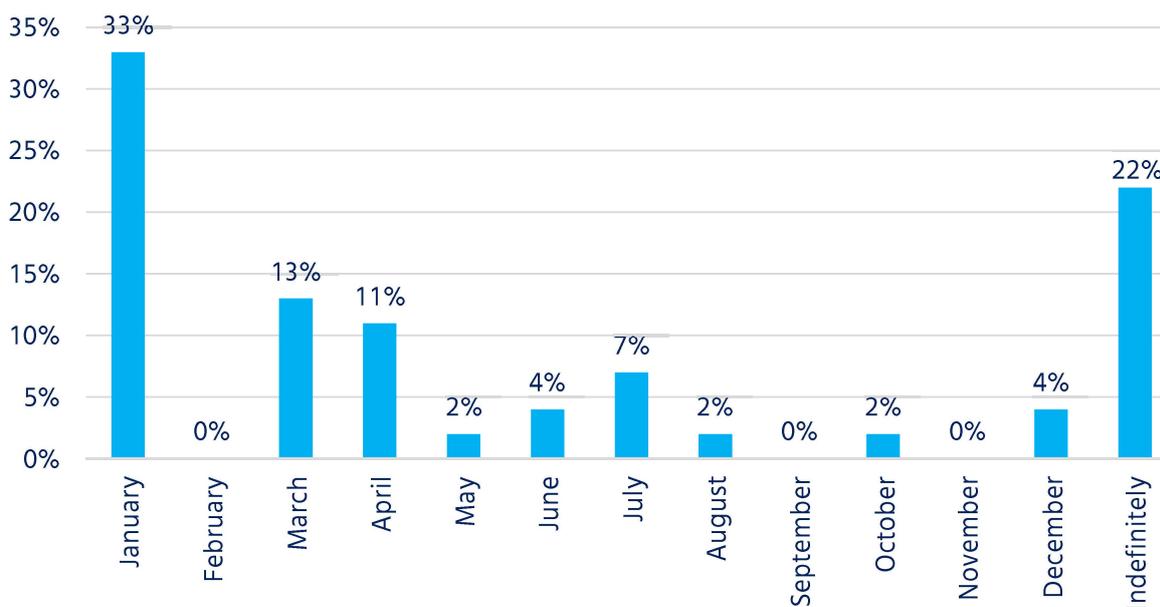
Source: European Commission – Economic Forecast Autumn 2021 and Winter 2022

4.2. Salary Review

Salary Review Frequency

Once a year	67%
More than once a year	11%
Undetermined	21%

The following chart shows the months when the participant companies review their salaries.

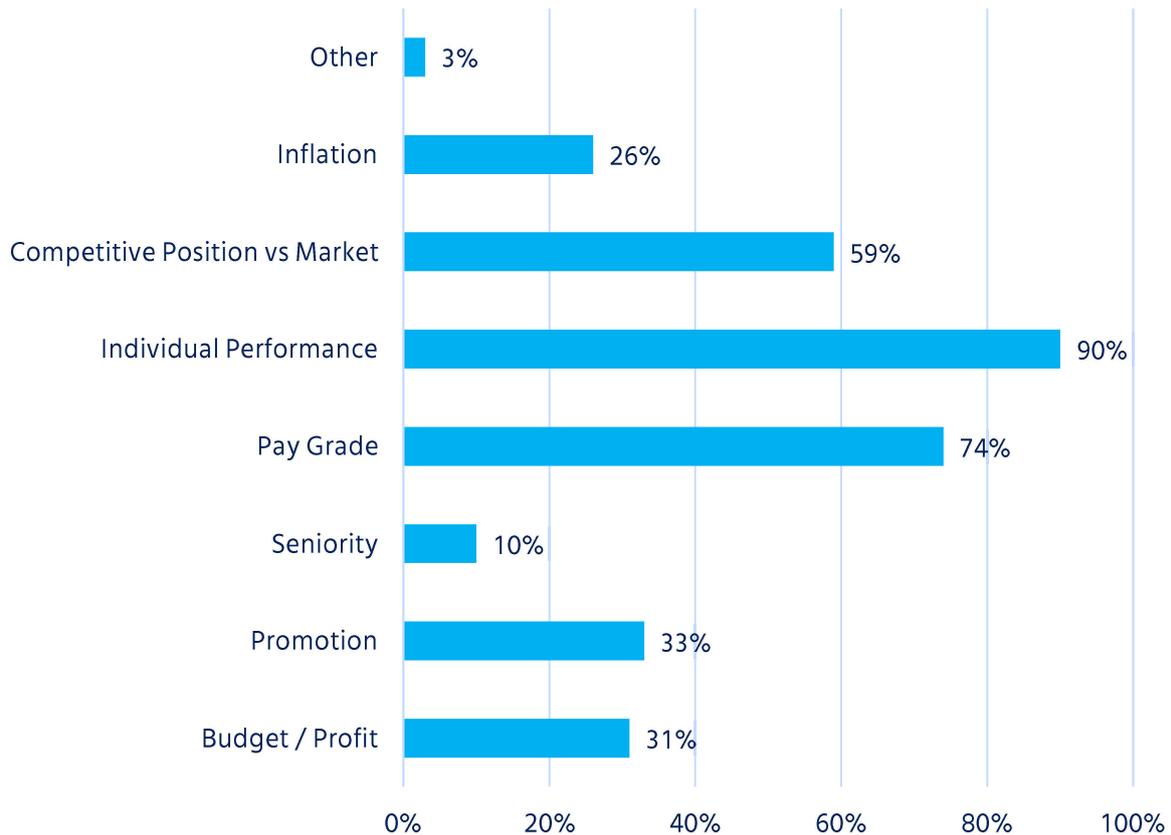


Note: The percentages may not sum to 100%, as the participants can review the salaries more than once a year.

4.3. Reasons for salary increases

The salary increase percentage attributed to the employees is determined by a range of factors, such as the individual performance and / or pay grade, which are among the most prevalent factors, considered by **90%** and **74%** of the companies represented in this study.

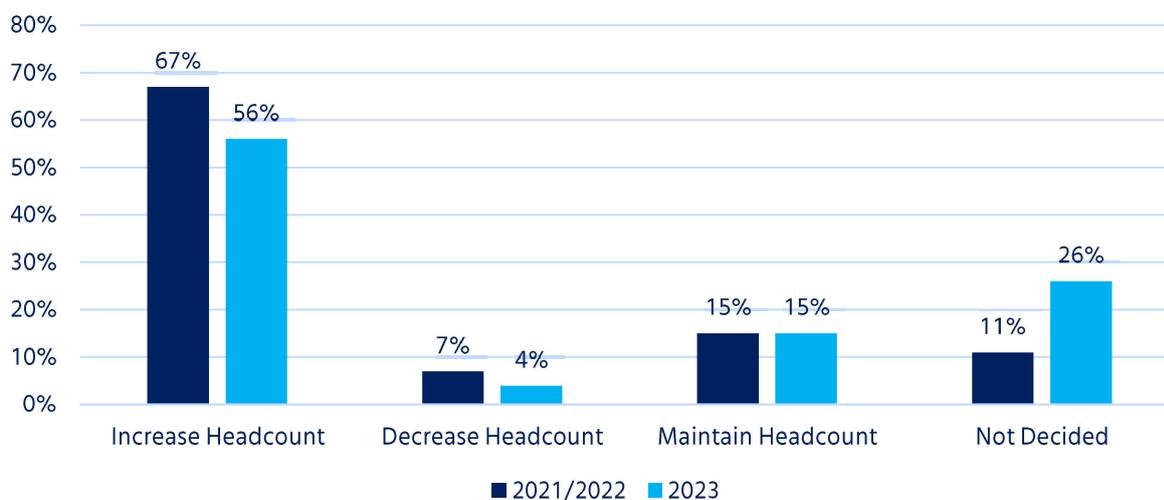
Reasons for Salary Increases



Note: The percentages don't add up to 100% as some companies provided more than one answer.

Inflation and Seniority are considered the less influent factors considered when analysing salary increases.

4.4. Hiring Intentions



Concerning hiring intentions, most organizations (**67%**) are considering increasing the number of their employees during 2022.

4.5. Salary Increases

The following table presents the 2021 and 2022 salary increases at organization level

Salary Increases 2021							
Statistic	Head of Organization	Executives	Management	Professional Sales	Professional Non-Sales	Para-Professional White Collar	Para-Professional Blue Collar
25th Percentile	2.50%	2.38%	2.50%	2.75%	1.85%	2.00%	2.00%
Median	4.00%	3.00%	3.00%	3.48%	3.00%	4.10%	2.88%
Average	3.73%	4.15%	5.31%	4.33%	4.27%	4.34%	2.83%
75th Percentile	4.30%	6.50%	9.29%	5.50%	7.33%	5.00%	3.30%

Salary Increases 2022							
Statistic	Head of Organization	Executives	Management	Professional Sales	Professional Non-Sales	Para-Professional White Collar	Para-Professional Blue Collar
25th Percentile	--	--	--	--	--	--	--
Median	3.00%	2.88%	2.88%	3.00%	3.00%	3.00%	3.00%
Average	3.25%	2.69%	2.69%	3.00%	3.00%	3.00%	3.00%
75th Percentile	--	--	--	--	--	--	--

Excludes salary freezes

4.6. Voluntary Turnover

The average voluntary turnover was circa **11,4%**.

07.

Short & Long Term Incentives

Section 7

Short & Long Term Incentives

7.1. Short Term Incentives

7.1.1. Variable Pay (Bonus)

Around **85%** of the companies from the sample grant forms of variable remuneration to all or part of their structure.

Do organizations provide variable bonuses to employees?

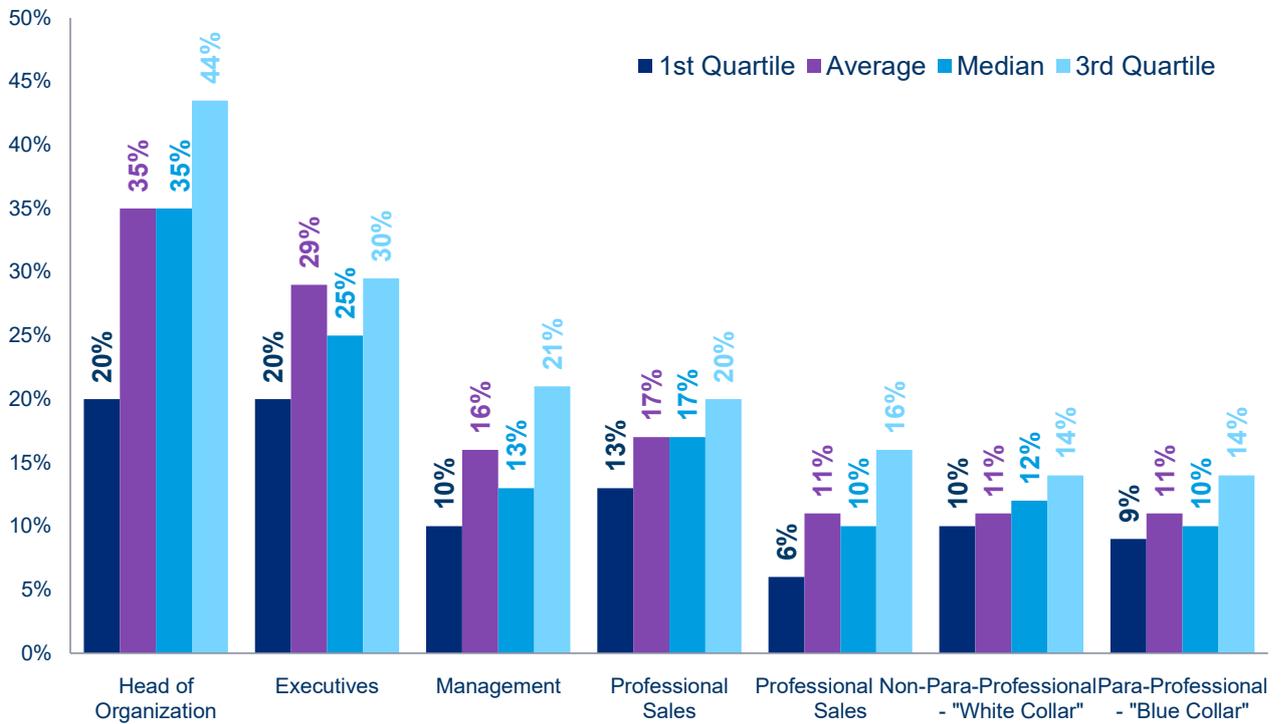
Do organizations provide variable bonuses to employees?	
Yes	85%
No	15%

Bonus eligibility	
Head of Organization	100%
Executives	100%
Management	100%
Professional Sales	89%
Professional Non-Sales	94%
Para-Professional - "White Collar"	87%
Para-Professional - "Blue Collar"	88%

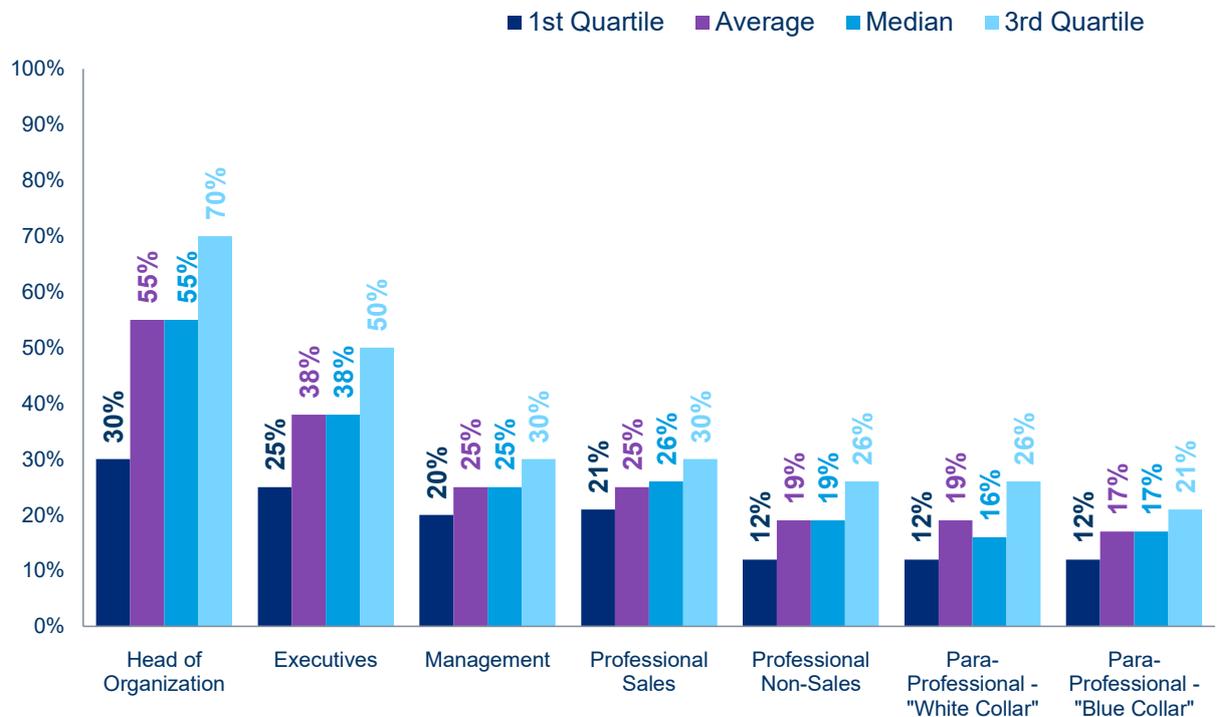
Note: The percentages don't add up to 100% as some companies provided more than one answer.

Concerning Bonus Target level the chart below shows that in general the higher is the Bonus the higher is the responsibility level associated to the position.

Target Bonus by Job Family



Maximum Bonus by Job Family



Motivations for Bonus attribution are consistent across position levels, since for all career levels the majority of companies base the bonus attribution on the individual performance and organization results.

On what are Bonuses based on?



7.1.2. Sales Incentives

Around **59%** of the sample declared to grant Sales Incentives to their employees.

Do organizations pay sales incentives to any of their employees?

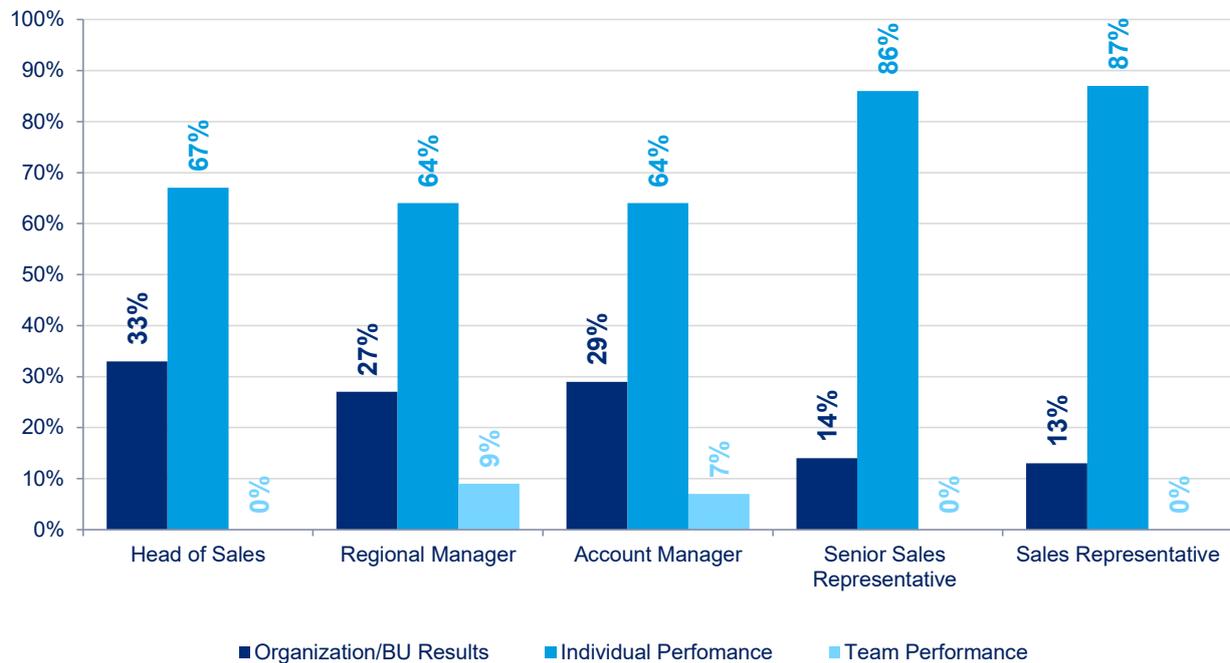
Yes	59%
No	41%

Sales incentives eligibility

Head of Sales	75%
Regional Manager	75%
Account Manager	94%
Senior Sales Representative	94%
Sales Representative	94%
Junior Sales Representative	12%

Note: The percentages don't add up to 100% as some companies provided more than one answer.

On what are Sales incentives based on?



7.1.3. Profit Sharing

Around **18%** of the sample declared to grant Profit Sharing to their employees.

7.2. Long Term Incentives

Long Term Incentives attribution still is not a generalized practice in the analysed sample, since about **31%** grant it to their employees. As expected, this type of benefit is much more frequent in higher career levels.

Do the organizations provide long term incentives?

Yes	31%
No	69%

Long term incentives eligibility	
Executives	100%
Management	67%
Professional	53%
Para-Professional	25%

Type of long term incentive plan	
Stock/Share Options	21%
Restricted Shares/Share Units	32%
Performance Shares/Share Units	37%
Performance Cash Units	16%
Long-term Cash	21%

08.

**Benefits
Prevalence**

Section 8

Benefits Prevalence

This chapter presents a benefits practices statistical analysis of the companies included in the sample of the study.

8.1. Sick Pay

Sick Pay is a payment provided to employees to replace wages during periods in which the employee is absent from work because of illness or personal injury. Sick pay is taxable income to the employee.

Around **45%** of the sample provides the employees with sick pay.

What is the value of the sick pay benefit equal to?	
Percentage of gross base salary	17%
Percentage of net base salary	67%
Other	17%

Most companies (**83%**) ensure the payment of the first 3 days of sick leave not reimbursed by Social Security.

Does the organization cover the three first days of sick leave?	
Yes	83%
No	17%

8.2. Medical Plan

A Medical Plan is an insurance policy which provides cover for the cost of private medical treatment. The policy may be taken out personally or individuals may benefit from a company-wide policy taken out by their employer.

The Medical Plan is a standard benefit, provided in **95%** of the companies from the survey sample.

Of the analysed companies that grant this benefit, **70%** covers not only the employee, but also of their spouse and children.²

Who is eligible to join the medical scheme?

Employee only	30%
Employee, Spouse, and Children	70%
Employee, Spouse, and Children and Others	3%

The annual cost of the sample's Medical Plan is represented in the following table:

	1st Quartile	Average	Median	3rd Quartile
Employee	405 €	428 €	439 €	603 €
Spouse	301 €	463 €	432 €	632 €
Children	210 €	324 €	313 €	442 €

The employee contribution to the cost of the plan is shown in the following table:

Employee contribution to the plan cost	1st Quartile	Average	Median	3rd Quartile
Spouse	50%	100%	78%	100%
Children	50%	100%	78%	100%

Most Plans are managed in reimbursement with an agreed provider's network **(68%)**

In what kind of system is the medical plan managed?

Reimbursement	25%
Reimbursement with an agreed providers network (Managed Care)	68%
Reimbursement with discount card	7%

The following tables represent a typical Medical Plan to the survey sample that provides this benefit regarding reimbursement, co-insurance, and deductible.

Medical Plan Covering		% of Co - Insurance			
		1st Quartile	Average	Median	3rd Quartile
Hospitalization	Network	88%	88%	90%	100%
	Outside of Network	50%	71%	84%	88%
Ambulatory Assistance	Consultation	--	93%	95%	--
	Exams, Treatments and other medical act – Network	85%	78%	85%	90%
	Exams, Treatments and other medical act - Outside Network	50%	75%	85%	85%
Drugs and Medicines	With SNS (National Health Service)	--	93%	93%	--
	Without SNS (National Health Service)	80%	85%	80%	93%
Stomatology	Network	70%	86%	85%	100%
	Outside of Network	50%	57%	50%	65%
	Exams - Network	70%	87%	85%	100%
	Exams - Outside of Network	50%	57%	50%	65%
	Prostheses - Network	70%	70%	70%	80%
	Prostheses - Outside of Network	50%	65%	70%	70%
Prostheses	Network	58%	79%	80%	98%
	Outside of Network	50%	66%	80%	80%
Delivery	Network	90%	94%	90%	100%
	Outside of Network	50%	73%	80%	90%

Medical Plan Covering	Reimbursement Limit (Euros)			
	1st Quartile	Average	Median	3rd Quartile
Hospitalization	21.150 €	32.500 €	30.000 €	40.000 €
Ambulatory Assistance	1.438 €	1.898 €	1.500 €	2.500 €
Drugs and Medicines	250 €	293 €	250 €	325 €
Stomatology	--	419 €	400 €	--
Prostheses	--	713 €	625 €	--
Eyeglasses and Lenses				
Lenses	113 €	244 €	188 €	369 €
Contact Lenses	150 €	259 €	238 €	369 €
Frames	100 €	263 €	250 €	406 €
Delivery				
Normal Delivery	1.500 €	2.150 €	2.250 €	2.750 €
Caesarian Section	1.250 €	1.958 €	2.125 €	2.625 €
Voluntary Pregnancy Interruption	--	2.062 €	2.375 €	--

Medical Plan Covering		Deductibles (Euros)			
		1st Quartile	Average	Median	3rd Quartile
Hospitalization	Network	--	37.5 €	--	--
	Outside of Network	--	37.5 €	--	--
Ambulatory Assistance	Network	--	43.3 €	43.3 €	--
	Outside of Network		51.3 €	47.5 €	
Drugs and Medicines	Per Prescription	--	2.5 €	-- 2.5€	--
Stomatology	Network	--	41.7 €	--	--
	Outside of Network	--	51.7 €	--	--
Prostheses	Network	--	41.7 €	--	--
	Outside of Network	--	51.7 €	--	--
Delivery	Network	--	51.3 €	47.5 €	

8.3. Personal Accident Insurance

A Personal Accident Insurance is an insurance policy which, in return for regular premiums, pays a specific sum in the event of death, loss of sight or limbs or other permanent disablement due to an accident.

The Personal Accident Insurance is provided to employees to around **52%** of the sample.

Complimentary coverings in the insurance benefit (besides the death covering)	
Disability	50%
Hospital and repatriation expenses	44%
Funeral expenses	44%
Others	56%

Note: total may not add up to 100% due to multiple choices possibility.

From the universe of companies who provide this benefit, the capital is variable in **60%** having the base salary as reference in **80%** of them.

Type of insured amount	
Fixed	40%
Variable	60%

8.4. Life Assurance

Life Assurance is an insurance policy which, in return for the payment of regular premiums, pays a lump sum on the death of the insured. In the case of policies limited to investments which have a cash value, in addition to life cover, a savings element provides benefits which are payable before death.

In terms of the Life Assurance, **69%** of the sample provides this benefit to employees.

From the universe of companies providing this benefit, **91%** of them also cover disability situations, **100%** covers accidental death and **73%** covers accidental disability, **46%** also cover death by traffic accident and **18%** disability by traffic accident.

Apart from death, what it is also covered in the total costs of this benefit?

Disability	91%
Accidental death	100%
Accidental disability	73%
Circulation accidental death	46%
Circulation accidental disability	18%

Note: The percentages don't add up to 100% as some companies provided more than one answer.

From the universe of companies who provide this benefit, the capital is variable in **92%** having the base salary as reference in **64%** of them.

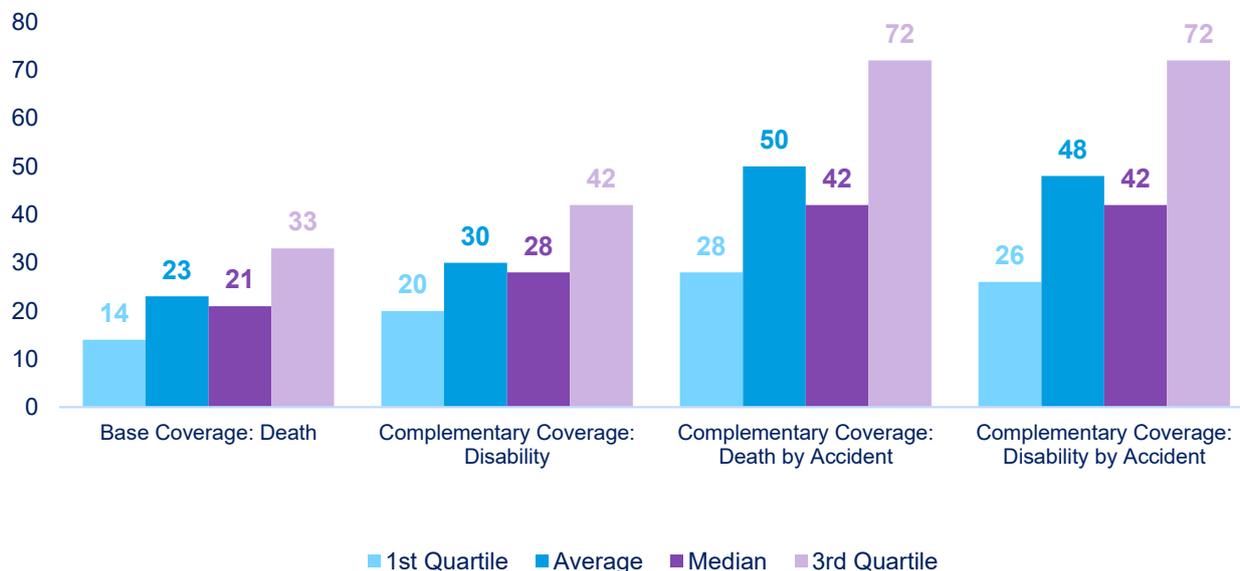
Type of insured amount

Fixed	8%
Variable	92%

If the insured amount is variable, what does the capital relate to?

Base Salary	64%
Base Salary plus Bonus	0%
Other	36%

Number of Monthly Payments per Coverage Type



8.5. Retirement Plan

From our survey sample, **37%** of the participant companies have a Retirement Plan.

The following tables present the information provided by the sample regarding the Retirement Plan.

Regarding type of Retirement Plan, **100%** of retirement plans have at least a Defined Contribution plans an option.

Type of Pension Plan	
Defined Benefit Scheme	33%
Defined Contribution Scheme	100%

Note: The percentages don't add up to 100% as some companies provided more than one answer.

Next are presented the benefits predominance granted

Benefit	
Normal Retirement	100%
Disability	93%
Death in service	87%
Death after retirement	73%
Early Retirement	53%
Pre-retirement	40%

Note: The percentages don't add up to 100% as some companies provided more than one answer.

Pensionable salary includes in most cases the base salary:

Pensionable salary includes	
Base Salary	46%
Base Salary + Additional Contributions	54%

For Defined Contribution Plans, the company's contribution is fixed (**47%**) within the sample.

Company contribution in Defined Contribution Plan is	
Fixed	47%
Variable depending on Employees Contributions	20%
Variable depending on other criteria	40%

Around **40%** of Defined Contribution plans foresee incentive from employees, up to an additional **2,5%** on average.

For all types of Plan analysed, the financing vehicle is split even between insurance or pension fun.

What is the retirement plan financed though?	
Insurance	33%
Pension Fund	50%
Accounting Reserve	17%

8.6. Holidays

By definition, Holiday means a leisure time away from work devoted to rest or pleasure. Some companies provide to employees the right to enjoy more than the legal holiday days.

In the sample, **71%** of the companies provides to employees' extra vacation days. The following table represents the number of extra days employees have.

Number of extra vacation days granted	
= 1 day	50%
= 2 days	25%
> 2 days	25%

8.7. Subscriptions

Approximately **11%** of the companies participating in this survey pay for the employees professional association subscriptions, and the same companies pay the subscriptions in some leisure or sport activity

8.8. Education

Around **43%** of the analysed companies support a percentage (or value) on expenses related to employee's education. Companies provide, in average, about **100%** of total education cost, having set maximum values in some cases.

8.9. Mobile Phone

Around **78%** of the analysed companies provide mobile phones, which include the following usage

	Monthly Base Fee Costs	Call Costs - Business Use of Private Phone	Call Costs - Business and Personal Use	Device
Mobile Phone Company Coverage %	62%	92%	54%	85%

8.10. Discounts on Company Products

About **52%** of the sample discounts on company products are granted to employees. From the companies who provide it, the average discount on company products is **10%**.

8.11. Benefits in Case of Work Redundancy

From the analysed companies, **83%** offers complementary compensations, over the legal requirements, in case of job redundancy.

8.12. Meal Allowance

Meal allowance is a standard benefit in Portugal, independently of the analysed sector. The following table presents the monthly costs in Meal Allowances per employee:

	1st Quartile	Average	Median	3rd Quartile
Meal Allowance	137 €	155 €	168 €	182 €

8.13. Loans/Advance Payments

Loans are a benefit sometimes used by companies, to provide assistance to employees in certain situations. Circa **14%** of the sample grants loans / advance payments to employees.

8.14. Referral Bonus

From the analysed companies, **46%** offers referral bonuses

8.15. Flexible Benefits

From the analysed companies, **25%** offers flexible benefits programs

Flex Benefit type	
Health Benefits	75%
Retirement Pension Benefit	50%
Transportation Programs	100%
Dependent Education	100%
Child Care	50%
Arrange a Telework Place	25%
Annual Leave	25%

8.16. Company Car

Company Car is a benefit granted by about **85%** of the survey participants to some part of their workforce and the main details are presented in the following tables.

In most companies car is provided for business and personal use.

Eligibility by Job Family		
Job Family	No	Yes
Head of Organization	0%	100%
Executives	3%	97%
Management	9%	91%
Professional Sales	30%	70%
Professional Non-Sales	70%	30%

Purpose of use of the car		
Job Family	Business Use Only	Business and Personal Use
Head of Organization	4%	96%
Executives	4%	96%
Management	4%	96%
Professional Sales	53%	47%
Professional Non-Sales	50%	50%

For higher positions car is mainly provided according to status / seniority.

Criteria used for determining the provision of a company car		
Job Family	Status/ Seniority	Business Need/ Essential User
Head of Organization	88%	12%
Executives	85%	15%
Management	60%	40%
Professional Sales	0%	100%
Professional Non-Sales	14%	86%

Number of years for car replacement in most companies is equal or superior to 4 years in all job families.

Job Family	Number of years		Number of Kilometers	
	< 4	≥ 4	<120.000	≥120.000
Head of Organization	0%	100%	50%	50%
Executives	0%	100%	50%	50%
Management	0%	100%	50%	50%
Professional Sales	17%	83%	67%	33%
Professional Non-Sales	0%	100%	50%	50%

Companies provide fuel mostly for total use of the employee.

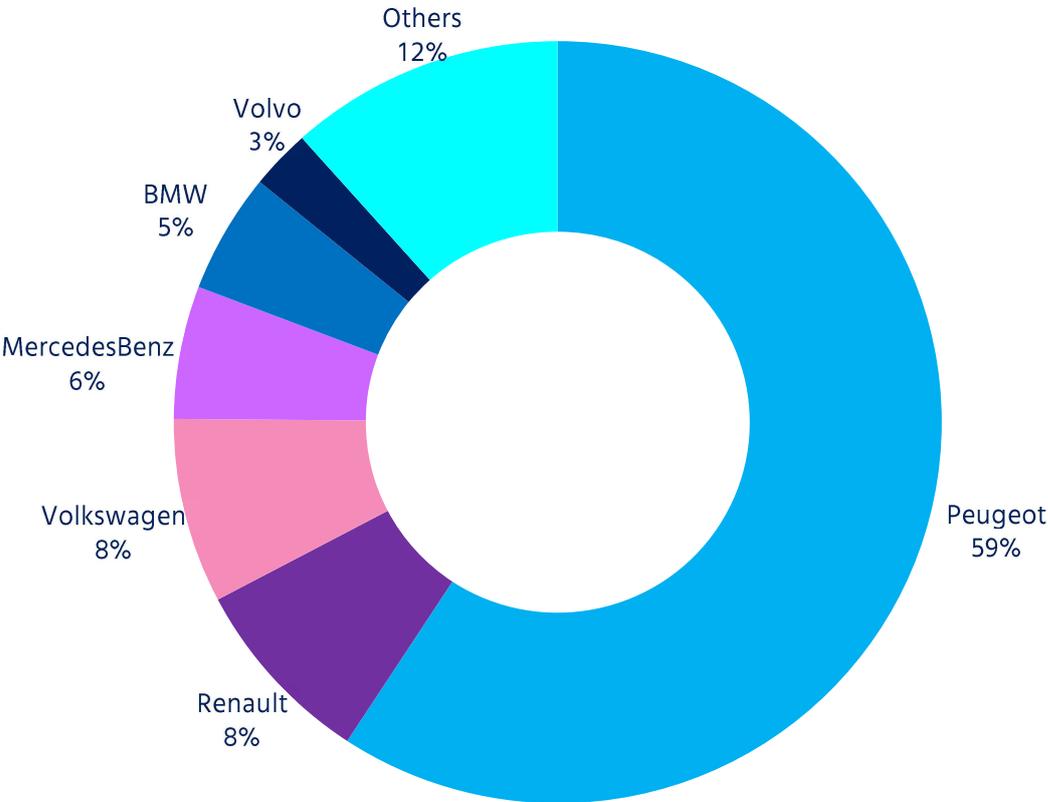
Fuel financed by organizations		
Job Family	Business Fuel Only	Business and All Private Fuel
Head of Organization	10%	90%
Executives	9%	91%
Management	10%	90%
Professional Sales	50%	50%
Professional Non-Sales	67%	33%

Most companies don't allow employees to purchase the car at the end of the replacement period (80%).

Do organizations allow employees to purchase the car at the end of the replacement period?	
Yes	15%
No	85%

Regarding Car Policy, analysing the collected information we can understand some trends, in particular related to car brands and to monthly values of rental costs, or price and fuel according to the job family of employees who have this benefit.

Car Distribution by Brand



Note: The condition "Others" includes the following brands: Mini, Seat, Audi, Seat, Fiat Toyota, Mazda, Hyundai, Kia, Lexus, Mitsubishi, Alfa Romeo, Land Rover, Jaguar.

Car Distribution by Model



The following table analyses Car Prices / Plafond by job family (Price / Plafond values are in Euros and do not include VAT). The amounts of fuel attributed for each one of these groups is also analysed.

Fuel and Plafond Values by Job Family

Job Family	Annual Vehicle Plafond			
	1st Quartile	Average	Median	3rd Quartile
Head of Organization	7 303 €	12 018 €	10 920 €	13 885 €
Executives	4 752 €	7 309 €	6 682 €	9 961 €
Management	3 771 €	5 215 €	4 800 €	6 394 €
Professional Sales	2 770 €	3 791 €	3 740 €	4 500 €
Professional Non-Sales	1 824 €	3 449 €	3 344 €	4 440 €

Job Family	Annual Fuel Plafond			
	1st Quartile	Average	Median	3rd Quartile
Head of Organization	1 800 €	3 314 €	2 400 €	3 000 €
Executives	1 800 €	2 941 €	2 400 €	4 200 €

Job Family	Annual Fuel Plafond			
	1st Quartile	Average	Median	3rd Quartile
Management	1 500 €	2 222 €	2 400 €	2 500 €
Professional Sales	1 200 €	1 817 €	1 800 €	2 400 €
Professional Non-Sales	1 500 €	1 807 €	1 700 €	2 400 €

Job Family	Vehicle List Price			
	1st Quartile	Average	Median	3rd Quartile
Head of Organization	--	60 089 €	54 600 €	--
Executives	--	36 546 €	33 412 €	--
Management	30 399 €	30 270 €	30 800 €	30 800 €
Professional Sales	23 112 €	24 692 €	24 750 €	24 750 €
Professional Non-Sales	24 750 €	26 177 €	24 750 €	30 399 €

09.

Executive Summary

Section 9

Executive Summary

9.1. Participants profiles

Organization Type



Regarding the participant companies in this study, **63%** are multinationals.

Headquarters are mostly located in the Germany, USA and Netherlands.

Size by gross Revenue/Sales



Approximately **32%** of the participants have a gross revenue equal to or below **25M€**.

Human Resources



Regarding to their employees, it was verified that **33%** of the sample has less than **100 employees**.

Circa **34% of the employees** are younger than **35 years old**, and only **18%** are older than **50 years old**.

The length of service is quite spread, nonetheless, for **38%** of the employees the length of service is **3 years old** or less.

The gender is split **60%** to **40%** between male and female.

The prevalence of college degree is high, with **61%** employees having at least a college graduation.

9.2. Salary policies

Salary Review



The predominance is that companies review the salaries once a year (67%), with January as the preferred month for this review (33%).

Salary Increases



The main factors that determine the employee's salary increase are the individual performance (**90%**), pay grade (**74%**) and the salary competitive positioning (**59%**).

9.3. Incentives

Short term Incentives



85% of the sample has a short-term incentive (bonus) policy.

The sales incentives or sales commissions are present within **59%** of the participant's sample.

Long term Incentives



Circa **31%** of the participant sample has a long-term incentive policy.

9.4. Benefits prevalence

Sick Pay



45% of the sample provides sick pay complements to the statutory regulation.

Medical Plan



95% of the organizations have a medical plan policy with variable coverings.

Personal Accident Insurance



52% of the sample provides personal accident insurance, within the providers the capital amount is variable in **60%** of the cases.

Life Assurance



69% of the organizations provide life assurance to their employees.

Retirement Plan



Circa **37%** of the organizations have a retirement plan, within this, **88%** have at least a defined contribution plan.

Education



Around **43%** of the organizations support any expenses related to their employee's education.

Discounts on Company Products



52% of the sample provides some discount on company products.

Loans/advance Payments



Provided by approximately **14%** of the sample.

Flexible Benefits



Circa **25%** of the participant sample has a flexible benefits policy.

Company Car



Provided by approximately **85%** of the companies.