



Survey Data Elements and Reporting

Radford offers comprehensive reporting in both our domestic and global surveys. Stock valuation/reporting options include face value, Net Present Value (NPV), Black-Scholes, and number of shares.

Global Data Reporting

Base salary
Fixed compensation
Regular allowances
Bonus/incentives
Total cash compensation
Total direct compensation
Stock options and restricted stock

Domestic Data Reporting

Base salary
Car/car allowance
Other allowances
Target/actual incentives
Stock/LTI guidelines and actual grants for:
-Stock options/SARs
-Restricted stock
-Cash LTI

RADFORD Introduction

For more than 35 years, Radford has been the leading provider of compensation market intelligence to the technology and life sciences industries. Our emphasis on data integrity and online access to data, tools and resources, as well as client service, has made the Radford name synonymous with trust and quality. Radford is an Aon Consulting company, offering distinctive value to clients of all sizes and stages of growth.

- > More than 2,000 participating companies globally
- > Full suite of compensation consulting services
- > Reliable, current data analysis and reporting
- > Customized data for competitive insight
- > Web access to data via Radford Network®
- > Online Data Generator tools for survey results
- > Free value-add client services, including seminars, webcasts and white papers from our consultants
- > Superior global customer service
- > Experienced management team and staff

Market-Leading Compensation Surveys

Radford's suite of surveys provide individual incumbent data for base salary, incentives and equity for 3.6 million employees, with rigorous data validation standards for reporting.

- > Radford Global Technology Survey
- > Radford Global Life Sciences Survey
- > Radford Global Sales Survey
- > Radford US Benefits Survey

Data Confidentiality

We treat each company's data submissions in the strictest confidence. Company-identifiable survey data is not to be released. Customized compensation reports require data from at least 10 companies (and some types of reports require data from 20 companies) to ensure data sufficiency and confidentiality. We check that at least five companies reported data to a specific job prior to reporting it. Within each job, we require data from at least three companies before specific calculated values can be reported. These sufficiency rules ensure that Radford provides the highest level of data confidentiality to our participants.

Current Radford Clients

Technology

Accenture, Adobe, Agilent, Alcatel-Lucent, Amazon.com, AMD, Analog Devices, Apple, Applied Materials, CA, Cisco Systems, Dell, EA, eBay, EMC, Ericsson, Facebook, Flextronics, Hewlett-Packard, IBM, Infosys, Intel, Juniper Networks, KLA-Tencor, McAfee, Mentor Graphics, Microsoft, Motorola, National Semi, Net App, Oracle, QUALCOMM, SAP America, Seagate Technology, Sprint Nextel, Sunpower, Symantec, Texas Instruments, Wipro, Xilinx, Yahoo!

Life Sciences

Abbott Labs, Actelion, Affymetrix, Amgen, Amylin Pharma, AstraZeneca, Baxter, Beckman Coulter, Becton Dickinson, Biogen/dec, Bristol-Meyers Squibb, Celera, Celgene, Cephalon, Covance, EMD Serono, Elan, Genencor, Genentech, Genzyme, Gilead, GlaxoSmithKline, Human Genome Sciences, Johnson & Johnson, Life Technologies, Lonza, Medtronic, Merck, Monstanto, Novartis, OSI, Pal, Pfizer, Quintiles, Roche, Sepracor, Shire, Thoratec, Watson Pharma

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Radford Consulting

Leveraging Radford survey data, our team takes a business-based, collaborative approach to our consulting, applying financial analysis and thought leadership to develop strategies that can be translated into action for companies of all sizes and stages of development.

- > Guidance in **global compensation philosophy** setting and strategy; global job leveling and grade structures; pay elements and local pay practices; competitive market analyses for local nationals; salary ranges; incentive compensation; and global equity strategy, modeling, and guidelines
- > **Executive compensation work** focusing on total rewards program development and alignment with business objectives, including design alternatives, expense/shareholder impact, and implementation support
- > **Incentive program development/evaluation**, assistance with strategy development, competitive assessment, design considerations, metrics, economic impact and implementation support
- > **Board of Directors compensation development**, including competitive assessments, program design (cash and equity), and related advice and assistance; and provide independent, third-party **Board and Compensation Committee advisory services and governance support**.
- > **Global sales compensation plan design** focusing on aligning sales incentives with business initiatives and go-to-market strategy.

We also offer consulting expertise in employee and sales compensation, as well as organization transition support.

Radford Valuation Services

The expensing of stock options under ASC Topic 718 brought significant change to the technology and life sciences industries. With Aon, Radford Valuation Services has been doing significant work in the area of Employee Stock Option (ESO) valuation and accounting under Topic 718.

- > **Development of required assumptions** as prescribed under Topic 718 for traditional stock options in any option pricing model
- > **Communication tools** for Relative Total Shareholder Return (TSR) programs to help communicate to plan participants the link between the **company's market performance and the employees grant reward**
- > **Alternative modeling approaches** such as the Aon Actuarial Binomial Model, Aon Multiple Point Black-Scholes Model, or Aon Hazard Rate Model **that better approximates compensation expense**
- > **Exotic models** required to calculate Performance Awards' fair value and amortization period under Topic 718

Radford Analytic Services

Bridging Radford's deep survey databases with consulting expertise, the Radford Analytic Services (RAS) team leverages a comprehensive set of analyses and services to address your global compensation needs:

- > Provides clients with a portfolio of **customized services and market insight tools** that simplify and improve market analyses
- > Seeks to reduce clients' need for internal/external resources to complete this analysis through **targeted services and value-added reports** to help clients make informed decisions
- > Guides clients in taking action to assess and adjust their global compensation programs using **Radford market data** to ensure programs are competitive