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 Hewitt company, offering distinctive value to clients of all sizes and stages of growth.

More than 2,600 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 6.3 million employees, with rigorous data validation standards for reporting.

Radford Global Technology Survey
Radford Global Sales Survey
Radford Global Life Sciences Survey
Radford US Benefits Survey
Radford Pre-IPO/Venture-Backed Report

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 selection of at least 10 companies (and some types of reports require data from 15 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.
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

Our team of actuarial experts provides a best-in-class approach to equity compensation in compliance with ASC Topic 718 (formerly FAS123(R)), including the development of required assumptions for option pricing models; alternative modeling approaches that better approximates compensation expense; and accounting and tax treatments under Topic 718. Our core continuum of services includes:

> Equity Plan Design - tailored strategies that balance talent and retention demands while mitigating costs

> Valuation services - creative and sustainable valuation solutions at competitive rates that are fully compliant and fully auditable

> Financial Reporting - customized reporting solutions for Topic 718 and IFRS2 that save time and provide the necessary expertise to your team

> Equity Plan Management - holistic approach that spans the navigation of governance issues through the certification of performance results

For more information about Radford valuation services, please visit www.radford.com/rvs
What Our Clients Say About Radford

“The Radford Consulting team was instrumental in creating our harmonised global compensation system. With their thorough knowledge of best practises and objective approach, we were together able to design and implement consistent compensation programs across our global operations. I welcome the opportunity to work with Radford again.”

Juan Sans
Sr. Dir, Global Comp
Hitachi Data Systems

RADFORD CONSULTING SERVICES
Industry Leaders in High Technology and Life Sciences

Many Radford clients ask for our assistance in developing compensation solutions based on our proprietary data. Led by a team of industry experts, our consultants know how to leverage our survey data to create tailored solutions for your toughest business and compensation challenges.

Our practice focuses on the compensation issues facing high-tech and life sciences firms of all sizes, at all stages of development. We take a business-based approach to our consulting, applying financial analysis, technical skill and thought leadership to develop strategies that can be translated into action. We offer a range of consulting services in the following areas:

Executive Compensation
Our expertise includes strategy setting; competitive analysis and plan design; salaries; incentive compensation; long-term and equity programs; employment agreements; change-in-control contracts; and 280G calculations. We provide support to the Compensation Committee and management in addressing all executive compensation matters.

Equity Compensation
We offer a complete package of services for creating and aligning your equity programs across the company, including strategy setting; guideline assessment and design; mix of alternative equity vehicles; program development; and expense and shareholder impact analyses. For organizations dealing with underwater stock options, we also offer assistance in assessing alternatives for addressing this particularly complex issue. For more information, visit our Underwater Exchange Portal at www.underwaterexchange.com.

Equity Valuation Services
Our Radford Valuation Services team provide best-in-class approaches to valuing stock options and other equity vehicles in compliance with Topic 718, including the development of required assumptions for equity pricing models; alternative modeling approaches that better approximates compensation expense; and accounting and tax treatments under Topic 718. Our assessment of exercise patterns also helps to inform our equity compensation consulting design by applying employee experiential data into our plan modeling.

Sales Compensation
We offer global incentive plan design to align your sales incentives with business initiatives and go-to-market strategy. Our approach includes reviewing your current plan in the context of business drivers; performing a competitive market assessment of the existing plan including commission structures, targets, accelerators, allowances and special incentives; designing, modeling and costing a redesigned sales incentive plan to determine the business and employee impact; implementing the new plan, including plan documentation and communication strategy; and evaluating, advising on and implementing commission systems.

Global Compensation
We provide guidance in global compensation strategy development; 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, guidelines and modeling to assess a program’s feasibility.

Employee Compensation
Our employee pay services include total rewards strategy development; job matching/job family development, competitive assessment; salary structures/banding; organizational leveling; incentive compensation design, including objective setting, metrics, and economic impact analyses; equity plans; and reward/recognition programs.

Board of Directors
We specialize in Board compensation, including competitive assessments and program design (cash and equity, retainer, and fee-for-service structures), to develop programs that meet the way your Board operates, with consideration of governance best practices.
Industry Leaders in High Technology and Life Sciences

Compensation Committee Advisory Services
We provide a variety of independent, third-party Board and Compensation Committee advisory services and governance support, including charter development; executive compensation design and assessment; pay-for-performance assessment; Compensation Committee process management, advice and counsel; and regulatory filing support.

Organization Transition Support
We can assist you with merger and acquisition due diligence, spin-off program design, preparation for an IPO and other challenges facing organizations in transition.

Consulting Senior Management Team

Linda E. Amuso
President
Linda is a highly recognized thought-leader and an expert in the field of executive and employee compensation design for the technology and life sciences industries. For 20 years, Linda has worked directly with senior management and Board of Directors on developing and implementing executive and equity compensation strategies, effectively linking performance management strategies to salary systems, and designing annual/long-term incentive plans. She earned a bachelor of science from Ithaca College and a master of arts in industrial and labor relations from Cornell University. Linda is based in San Francisco.

Terry Adamson
Senior Vice President
Terry is a senior vice president at Radford with more than 17 years of consulting experience. As National Practice Leader for Aon’s employee equity consulting practice, Terry is involved with all phases of equity compensation, including the valuation and accounting for stock options, performance equity, and ESPP programs under ASC Topic 718. Terry has worked extensively in the design of long-term incentive programs, the valuation of compensatory arrangements during a change in control under IRC 280G, and sabbatical valuations under Topic 710. He earned a bachelor of science in mathematics from Georgetown University. Terry is based in Philadelphia.

Ted Buyniski
Senior Vice President
Ted has nearly 30 years of tax, legal and human resources experience. He is a leading practitioner in the areas of executive compensation, equity and corporate governance. For more than a decade, his practice has focused on serving domestic and global clients in the high technology and life science communities, particularly software, semiconductor, and medical device companies. He earned a bachelor of science in foreign service from Edmund A. Walsh School of Foreign Service at Georgetown University and a juris doctorate from Boston University School of Law. Ted is based in Boston.

David Knopping
Partner
David has 10 years of compensation consulting experience on a variety of issues. Areas of focus include executive and broad-based compensation strategies, employment contract development, Board of Director pay, and short- and long-term incentive plan design. David's primary consulting projects cover various sectors of the high technology industry, including software products/services, semiconductors and Internet/e-commerce. He also has significant experience working with life sciences and pharmaceutical companies. David is based in San Francisco.

Robert Miller
Principal - Regional Head EMEA
Robert has more than 15 years of executive, sales and broad-based compensation experience. As Regional Head EMEA, Robert holds overall responsibility for Radford's consulting and survey businesses in the region, as well as for client project leadership. Robert received his Bachelor or Science (with honors) from Newcastle University, and a Masters of Commerce from the University of New South Wales. He has also completed the London Business School's Corporate Finance Programme. Robert is based in London.

Ed Speidel
Senior Vice President
Ed has nearly 20 years of experience in executive and equity compensation, corporate governance and employee benefits consulting. His clientele consists of companies of varying size and complexity, in a wide array of industries. He maintains a strong focus on the high technology communities, with emphasis in e-commerce, semiconductors, software, and life sciences firms. Ed earned a bachelor of arts in economics/government from University of Delaware, a master of business administration from Lehigh University, a juris doctorate from the New England School of Law, and a master of laws in taxation from Boston University School of Law. Ed is based in Boston.
Few elements of pay are as flexible and impactful as equity compensation. Yet, effective use of stock-based awards requires companies to consider a number of challenging issues beyond basic plan design, employee eligibility and appropriate grant sizes. Our valuation services group eliminates the complexity of using equity compensation by tackling issues related to equity award valuation, accounting assumptions and expense reporting. In addition, we also offer clients a number of research and design solutions aimed at helping companies reduce and better manage the overall cost of equity award programs, including shareholder value transfer modeling, Relative total shareholder return (TSR) program development and parachute payment estimates.

Key Services

➢ Employee Equity Valuation Services
  Radford’s team of actuaries and valuation specialists provide best-in-class solutions for the valuation of employee stock options, performance-based equity awards, and other exotic equity compensation instruments.

➢ Financial Reporting Under Topic 718/IFRS2
  Our valuation experts understand the challenges of Topic 718 and IFRS2 compliance, and work with clients to tailor customized solutions, including assumption development and expense reporting, around their existing capabilities.

➢ Relative TSR Programs
  Radford is the premier destination for creating, valuing and managing Relative TSR programs. Our unparalleled market research, along with design and compliance expertise, allows us to provide cutting-edge solutions. Learn more at www.relativeTSR.com.

➢ Communication Solutions for Relative TSR Programs
  A Relative TSR program is only as effective as the communication supporting it. Radford has broad experience crafting comprehensive tools to motivate and incentivize award holders, including our web-based PeerTracker service.
Contact Us

For more information on Valuation Services, please contact us at:

+1.408.321.2500
Toll-free in No. America: +1.866.431.4796
consulting@radford.com

Locations

Bangalore, Beijing, Boston, Brussels, Chicago, Frankfurt, Hong Kong, London, New York, Philadelphia, San Francisco, San Jose, Shanghai and Singapore

> Proxy Advisor Policy Modeling
Navigating your next equity plan request or understanding how pay-for-performance tests will impact your business has never been more difficult or important. We provide clarity by modeling complex ISS and Glass Lewis policies so you know where you stand.

> Golden Parachute/IRC 280G Estimates
Our specialists understand the difficulty of calculating accurate change-in-control payouts, especially when IRC 280G is involved. We help clients manage the process to ensure full compliance and awareness of potential challenges.

> Sabbatical Plan Valuation
Topic 710 now requires companies to accrue an expense for sabbaticals, or similar paid absences. Our actuarial team is ideally suited to provide you with the expert help required to make these calculations a reality.

> Transparency and Documentation
Radford believes all our work related to assumption development, award valuation, and equity accounting should be transparent. As such, we provide our clients with clear documentation describing our work steps and processes, and make our whitepapers, detailing the mathematics behind our models, available to the public on our website at www.radford.com/valuationservices.

About Radford

Radford, an Aon Hewitt company, is the industry leader for providing strategic compensation advice and benchmarking services to technology and life sciences companies. We help Compensation Committees and human resources leaders address their toughest challenge: attracting, engaging and retaining global talent in highly dynamic innovation-based industries.

Radford offers clients a comprehensive suite of solutions, integrating unmatched global data capabilities with high-powered analytics and deep consulting expertise to deliver market-leading guidance to more than 2,000 organizations—from Fortune 100 companies to start-ups.

Headquartered in San Jose, CA, Radford has professionals in Bangalore, Beijing, Boston, Brussels, Chicago, Frankfurt, Hong Kong, London, New York, Philadelphia, San Francisco, San Diego, Shanghai and Singapore.

About Aon Hewitt

Aon Hewitt is the global leader in human resource solutions. The company partners with organizations to solve their most complex benefits, talent and related financial challenges, and improve business performance. Aon Hewitt designs, implements, communicates and administers a wide range of human capital, retirement, investment management, health care, compensation and talent management strategies. With more than 29,000 professionals in 90 countries, Aon Hewitt makes the world a better place to work for clients and their employees. For more information on Aon Hewitt, please visit www.aonhewitt.com.
RADFORD GLOBAL TECHNOLOGY SURVEY

The landscape for compensation professionals is shifting rapidly in a truly global economy. To meet the needs of your changing workforce, your pay surveys must offer a robust and reliable database, global coverage, instant data access and superior customer service in a single global source.

The Global Technology Survey provides a single-source solution. Survey results encompass 5.4 million incumbents; 1,800 companies; and 2,500+ executive through support non-sales positions for 83 countries. Benefits of participating in the Global Technology Survey include:

> **Global job structure** facilitates input and creates consistency in job matching/analysis across countries
> **Extensive data elements** ensure accurate total pay insight for pricing jobs and market analysis
> **Practices coverage** offer key metrics and quarterly market trends to gauge programme competitiveness
> **Online survey results, resources and tools** accessed from any location via the Radford Network®
> **Sophisticated global analytics** support competitive assessments, including “You vs. Market” reports
> **Targeted Custom Reports** provide insight into stock granting practices and equity programmes; combined technology and life sciences capabilities will allow clients to leverage both database for analysis
> **Dedicated client support** includes a designated Survey Consultant and comprehensive training programme

Surveyed Countries

*Data collection for 100 surveyed countries*

**Americas**
- Argentina
- Barbados
- Bermuda
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- Ecuador
- El Salvador
- Guatemala
- Honduras
- Mexico
- Panama
- Paraguay
- Peru
- Puerto Rico
- Trinidad & Tobago

**Asia/Pacific**
- Australia
- Bangladesh
- China
- Hong Kong
- India
- Indonesia
- Japan
- Kazakhstan
- Macau
- Malaysia
- New Zealand
- Pakistan
- Philippines
- Singapore
- South Korea
- Sri Lanka
- Taiwan
- Thailand
- Vietnam

**Europe**
- Armenia
- Austria
- Belgium
- Bosnia & Herzegovina
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Iceland
- Ireland
- Italy

**Europe (cont’d)**
- Latvia
- Lithuania
- Luxembourg
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Russia
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- Turkey
- Ukraine
- United Kingdom

**Middle East/Africa**
- Algeria
- Bahrain
- Cameroon
- Egypt
- Ghana
- Israel
- Jordan
- Kenya
- Kuwait
- Lebanon
- Mauritius
- Morocco
- Mozambique
- Nigeria
- Oman
- Qatar
- Saudi Arabia
- Senegal
- South Africa
- Tanzania
- Tunisia
- United Arab Emirates

Radford is an Aon Hewitt Company
**Data Sample**

For illustrative purposes only, the sample data below displays a subset of results* for Test Engineer 2 for China via an **Express Report**. These workbooks include a Data Display Tool allowing you to instantly customize overall or peer group results, and provide a **presentation-ready report for any job in a country** for which you have access, utilizing Standard Data Elements.

### INDIVIDUAL JOB DETAILS

**TEST ENGINEER 2**

Designs, develops, and implements cost-effective methods of testing and troubleshooting systems and equipment. Prepares test and diagnostic programs, designs test fixtures and equipment, and completes specifications and procedures for new products. Plans the labor, schedules, and equipment required for testing and evaluating standard and special devices.

### China - Yuan

**Annual Incentive Target or Actual**

<table>
<thead>
<tr>
<th>Target</th>
<th>Ongoing</th>
<th>Guideline or Actual Long-Term Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**New-Hire or Ongoing Long-Term Incentives**

<table>
<thead>
<tr>
<th>Base Salary</th>
<th>Total Allowances</th>
<th>Fixed Compensation</th>
<th>Target Incentive Amount</th>
<th>Target Incentive % of Base</th>
<th>Base + Target Incentives</th>
<th>Fixed Comp + Target Incentives</th>
<th>Actual Ongoing Equity</th>
<th>Target Total Direct Compensation**</th>
</tr>
</thead>
<tbody>
<tr>
<td>95,587</td>
<td>120,000</td>
<td>92,820</td>
<td>64,742</td>
<td>4,653</td>
<td>227</td>
<td>108,014</td>
<td>100,558</td>
<td>96,456</td>
</tr>
<tr>
<td>6,041</td>
<td>7,548</td>
<td>5,220</td>
<td>3,600</td>
<td>2,840</td>
<td>124</td>
<td>111,504</td>
<td>104,058</td>
<td>71,246</td>
</tr>
<tr>
<td>16,015</td>
<td>20,064</td>
<td>10,000</td>
<td>6,799</td>
<td>1,882</td>
<td>154</td>
<td>123,654</td>
<td>122,255</td>
<td>11,103</td>
</tr>
<tr>
<td>16.6%</td>
<td>23.0%</td>
<td>13.5%</td>
<td>8.6%</td>
<td>1,682</td>
<td>154</td>
<td>125,062</td>
<td>124,236</td>
<td>227</td>
</tr>
<tr>
<td>100,542</td>
<td>125,062</td>
<td>96,000</td>
<td>68,207</td>
<td>4,526</td>
<td>226</td>
<td>130,606</td>
<td>130,000</td>
<td>91</td>
</tr>
<tr>
<td>4,653</td>
<td>13,860</td>
<td>52,246</td>
<td>75,245</td>
<td>4,526</td>
<td>226</td>
<td>122,255</td>
<td>122,255</td>
<td>226</td>
</tr>
<tr>
<td>227</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Fixed Comp + Target Incentives**

| 104,195     | 130,606          | 98,427             | 70,343                  | 4,526                      | 226                      | 122,255                       | 122,255                  | 226                              |
| 17,823      | 19,667           | 15,641             | 10,560                  | 91                         | 21                       | 123,654                       | 122,255                  | 226                              |
| 102,778     | 122,255          | 96,456             | 71,246                  | 1,103                      | 63                       | 130,606                       | 130,000                  | 91                               |

**Note:** All data is in local currency and employee-weighted

### ROLL-UP ALTERNATIVES

<table>
<thead>
<tr>
<th>Job Code and Title</th>
<th>Roll-up type</th>
<th>Available in This Report?</th>
<th>Average Base</th>
<th>Average Fixed Comp.</th>
<th># Emps</th>
<th># Cos</th>
</tr>
</thead>
<tbody>
<tr>
<td>4722 - Test Engineer 2</td>
<td>Exact Match</td>
<td>Yes</td>
<td>95,587</td>
<td>99,274</td>
<td>4,653</td>
<td>227</td>
</tr>
<tr>
<td>R04022 - Operations - Manufacturing Engr Roll-Up 2</td>
<td>Sub Functional</td>
<td>Yes</td>
<td>82,077</td>
<td>85,853</td>
<td>13,860</td>
<td>385</td>
</tr>
<tr>
<td>RP0102 - Professional - All Technical Roll-Up 2</td>
<td>Super (Multi-Func)</td>
<td>Yes</td>
<td>108,014</td>
<td>111,504</td>
<td>52,246</td>
<td>583</td>
</tr>
<tr>
<td>RP0002 - Professional - All Functions Roll-Up 2</td>
<td>Super (Multi-Func)</td>
<td>Yes</td>
<td>100,558</td>
<td>104,058</td>
<td>75,245</td>
<td>646</td>
</tr>
</tbody>
</table>

*Actual results provide data for six percentiles; you can also select actual incentives, new-hire stock, and equity guidelines for data presentation.

**Target Total Direct Compensation = Base + Total Allowance + Target Incentives + Actual Ongoing Equity**

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What Clients Say About Radford

“Oracle’s fast-paced environment requires Radford as a business partner: to be available to our staff, provide useful data, or engage in a lively problem-solving discussion at a moment’s notice. Our working relationship with our Radford Survey Consultant consistently exceeds our expectations.”

Sue Charley
VP, Compensation
Oracle

“Radford’s surveys are comprehensive and easy to use. In addition to the pay and stock data, the leveling system and Radford’s global approach help us solve key problems for the business by refining our thinking about how careers should work at Microsoft.”

Ed Kearns
Global Comp Program Manager
Microsoft Corp.
When More Help Is Needed

Radford Consulting
For companies seeking to evaluate, adjust or create global compensation programmes in new or existing markets, our consultants provide guidance in global compensation strategy development; 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, guidelines and modeling to assess a programme’s feasibility. For more information on Radford’s consulting practice, please contact consulting@radford.com.

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For more information about Radford valuation services, please visit [www.radford.com/rvs](http://www.radford.com/rvs)
RADFORD GLOBAL SALES SURVEY

Sales compensation professionals face increasing demands for effective global sales pay programmes that support business initiatives across borders. To meet these needs, your surveys must offer extensive pay elements, instant data access and superior customer service - with global coverage.

The Global Sales Survey is your solution for sales pay insight. Survey results include more than 1,200 participants, 603,000 incumbents for 84 countries, and 350 sales positions in a broad range of industries and sales channels.

The survey encompasses technology, life sciences and medical device companies, allowing clients to leverage specific positions and industry-specific reports via one survey database.

> **Global job structure** facilitates input and creates consistency in job matching/analysis across countries
> **Extensive data elements** ensure accurate total pay insight for pricing sales jobs and market analysis
> **Sales Incentive Plan Practices and Practices coverage** offer key market and plan design metrics
> **Online survey results, resources and tools** accessed from any location via the Radford Network®
> **Sophisticated global analytics** support competitive assessments, including “You vs. Market” reports
> **Dedicated client support** includes a designated Survey Consultant and comprehensive training programme

Surveyed Countries

*Data collection for 100 surveyed countries*

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- Dominican Republic
- Ecuador
- El Salvador
- Guatemala
- Honduras
- Mexico
- Panama
- Paraguay
- Peru
- Puerto Rico
- Trinidad & Tobago
- United States
- Uruguay
- Venezuela

**Asia/Pacific**
- Australia
- Bangladesh
- China
- Hong Kong
- India
- Indonesia
- Japan
- Kazakhstan
- Macau
- Malaysia
- New Zealand
- Pakistan
- Philippines
- Singapore
- South Korea
- Sri Lanka
- Taiwan
- Thailand
- Vietnam

**Europe**
- Armenia
- Austria
- Belgium
- Bosnia & Herzegovina
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Iceland
- Ireland
- Italy

**Europe (cont’d)**
- Latvia
- Lithuania
- Luxembourg
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Russia
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- Turkey
- Ukraine
- United Kingdom

**Middle East/Africa**
- Algeria
- Bahrain
- Cameroon
- Egypt
- Ghana
- Israel
- Jordan
- Kenya
- Kuwait
- Lebanon
- Mauritius
- Mozambique
- Morocco
- Nigeria
- Oman
- Qatar
- Saudi Arabia
- Senegal
- South Africa
- Tanzania
- Tunisia

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Oracle

“Radford’s surveys are comprehensive and easy to use. In addition to the pay and stock data, the leveling system and Radford’s global approach help us solve key problems for the business by refining our thinking about how careers should work at Microsoft.”

Ed Kearns
Global Comp Program Manager
Microsoft Corp.

Radford Locations
Bangalore
Beijing
Boston
Brussels
Chicago
Frankfurt
Hong Kong
London
New York
Philadelphia
San Francisco
San Jose
Shanghai
Singapore

Data Sample

For illustrative purposes only, the sample data below displays a subset of results* for Field Sales Management 4 - Direct in the China via an Express Report. These workbooks include a Data Display Tool allowing you to instantly customise overall or peer group results, and provide a presentation-ready report for any job in a country for which you have access, utilising Standard Data Elements.

INDIVIDUAL JOB DETAILS

FIELD SALES MANAGEMENT 4 - DIRECT
Manages sales directly to end-users of the organization’s products or services in a large specified geographic area, or is responsible for a specific industry or product segment on a national or geographic basis. Incumbents at the Director and Senior Director level typically manage other sales managers. Incumbents at the Manager level may manage only individual contributor sales account managers and may carry their own sales quota. The incumbent’s level may be determined by the size of the geographic area of responsibility (e.g., region vs. district vs. branch), the size or significance of the industry or product segment for which the incumbent is responsible, or other factors.

China - Yuan

Actual Incentive Target or Actual:

<table>
<thead>
<tr>
<th>CFY Base Salary</th>
<th>Total Allowances</th>
<th>Fixed Compensation</th>
<th>CFY Target Incentive Amount</th>
<th>CFY Target Incentive % of Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>465,137</td>
<td>31,969</td>
<td>473,846</td>
<td>306,344</td>
<td>68.0%</td>
</tr>
<tr>
<td>31,969</td>
<td>45,450</td>
<td>22,908</td>
<td>298,766</td>
<td>66.7%</td>
</tr>
<tr>
<td>473,846</td>
<td>570,202</td>
<td>411,126</td>
<td>344,080</td>
<td>83.8%</td>
</tr>
<tr>
<td>306,344</td>
<td>396,134</td>
<td>289,766</td>
<td>188,335</td>
<td>66.7%</td>
</tr>
</tbody>
</table>

Guideline or Actual Long-Term Incentives:

<table>
<thead>
<tr>
<th>CFY Target Ongoing Actual (SO+RS+PS+Cash LTI Value)</th>
<th>CFY Target Total Direct Compensation**</th>
</tr>
</thead>
<tbody>
<tr>
<td>779,216</td>
<td>825,614</td>
</tr>
<tr>
<td>787,495</td>
<td>825,614</td>
</tr>
<tr>
<td>108,203</td>
<td>108,203</td>
</tr>
</tbody>
</table>

Note: All data in local currency and employee-weighted

**Target Total Direct Compensation = Base + Total Allowance + Target Incentives + Actual Ongoing Equity

ROLL-UP JOB ALTERNATIVES

<table>
<thead>
<tr>
<th>Job Code and Title</th>
<th>Available in This Report?</th>
<th>Average Base</th>
<th>Average Fixed Comp.</th>
<th># Emps</th>
<th># Cos</th>
</tr>
</thead>
<tbody>
<tr>
<td>S314 - Field Sales Mgmt 4 - Direct</td>
<td>Yes</td>
<td>473,846</td>
<td>779,216</td>
<td>602</td>
<td>104</td>
</tr>
<tr>
<td>R2304 - Field Sales Mgmt - Sr. Mgr - Roll-Up</td>
<td>Yes</td>
<td>478,296</td>
<td>766,385</td>
<td>1,011</td>
<td>183</td>
</tr>
</tbody>
</table>

Note: All data in local currency and employee-weighted

*Actual results provide data for six percentiles; you can also select actual incentives, new-hire stock, and equity guidelines for data presentation.

**Target Total Direct Compensation = Base + Total Allowance + Target Incentives + Actual Ongoing Equity
Proprietary Radford Survey Platform

**INPUT**

<table>
<thead>
<tr>
<th>Collected by incumbent, reported with quota:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base salary</td>
</tr>
<tr>
<td>Car/car allowance</td>
</tr>
<tr>
<td>Other allowances</td>
</tr>
<tr>
<td>Target/actual incentives</td>
</tr>
<tr>
<td>Stock/LTI guidelines</td>
</tr>
<tr>
<td>and actual grants for:</td>
</tr>
<tr>
<td>Stock options/SARs</td>
</tr>
<tr>
<td>Restricted stock/Performance shares</td>
</tr>
<tr>
<td>Cash LTI</td>
</tr>
</tbody>
</table>

**Surveyed Practices**

Quarterly:
- Global sales metrics
- Sales incentive plan practices
- Sales incentive practices by job family
- Pay/equity practices
- Car plans/allowances
- Salary increases
- Hiring practices
- Turnover
- Hot Topics

**OUTPUT**

<table>
<thead>
<tr>
<th>Survey Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Generator for instant market pricing and analysis</td>
</tr>
<tr>
<td>Express Reports for print-friendly, presentation-ready PDF reports</td>
</tr>
<tr>
<td>Spreadsheet of overall results including all data elements</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional Reports*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-Country Peer Group Custom Reports*</td>
</tr>
<tr>
<td>“You vs. Market” Global LTI Report</td>
</tr>
<tr>
<td>US Prevailing Wage (H1-B/PERM) Report</td>
</tr>
</tbody>
</table>

*A $500 credit will be applied to your first Custom Report order after data submission requirement is met.

When More Help Is Needed

**Radford Consulting**

We offer global incentive plan design to align your sales incentives with business initiatives and go-to-market strategy. Our approach includes reviewing your current plans in the context of business drivers; performing a competitive market assessment of the existing plans including commission structures, targets, accelerators, allowances and special incentives; designing, modeling and costing redesigned sales incentive plans to determine the business and employee impact; implementing the new plans, including plan documentation and communication strategy; and evaluating, advising on and implementing commission systems. For more information on Radford’s sales consulting practice, please contact consulting@radford.com.

**Radford Valuation Services**

Our team of actuarial experts provides a best-in-class approach to equity compensation in compliance with ASC Topic 718 (formerly FAS123(R)), including the development of required assumptions for option pricing models; alternative modeling approaches that better approximates compensation expense; and accounting and tax treatments under Topic 718. Our core continuum of services includes:

- **Equity Plan Design** – tailored strategies that balance talent and retention demands while mitigating costs
- **Valuation Services** – creative and sustainable valuation solutions at competitive rates that are fully compliant and fully auditable
- **Financial Reporting** – customized reporting solutions for Topic 718 and IFRS2 that save time and provide the necessary expertise to your team
- **Equity Plan Management** – holistic approach that spans the navigation of governance issues through the certification of performance results

For more information about Radford valuation services, please visit www.radford.com/rvs

**Contact Information**

For more information on the Radford Global Sales Survey, please contact us at:

+1 (408) 321.2500
Toll-free in No. America: +1 (866) 431.4796
sales@radford.com
www.radford.com
RADFORD GLOBAL LIFE SCIENCES SURVEY

Introduction

The Radford Global Life Sciences Survey provides total compensation and practices data for nearly 650 multinational life sciences companies and 355,000 incumbents. Reliable global market data is available for more than 50 countries and positions at the executive, management, professional and support levels, as well as overall practices. Target industries include biotechnology, pharmaceutical, medical device, diagnostic and clinical research organisations (CROs). Participants have the option of participating in one country or in multiple countries.

Participation in the Global Life Sciences Survey includes:

- Online access to results
- Multi-country Data Generator
- Practices and Country Practices Reports
- Radford Trends Report
- Unlimited Radford Network® users
- Year-round updates for Data Generator
- Hot topic webcasts
- Industry-specific white papers
- In person, online and desktop survey training programme
- Designated Survey Consultant

Key Features

Comprehensive Compensation Database
Includes nearly 650 participating companies; results delivered online via the Radford Network

Extensive Job Coding and Leveling Structure
Uses a harmonised global job structure to facilitate input and consistency in data submission, job matching and market comparisons for global operations

Global Data Reporting
Covers base salary, regular allowances, fixed compensation, bonus/incentives, total cash compensation, stock options and restricted stock; data collection for more than 50 countries

Global Life Sciences Data Generators
Create queries for one or more countries in a multi-country Generator; includes a currency converter and the ability to share results among team members; Express Reports feature on Generator delivers presentation-ready, country-specific data for all standard elements

Extensive Country Practices Reports
Includes pay increase budgets/actuals, incentives eligibility/practices, stock eligibility/practices, car plans and more
**Key Features continued**

**Industry Trends Report**
Stay current on salary increase trends, turnover, hiring practices and HR hot topics

**Targeted Custom Reports**
Provide insight into stock granting practices, equity programmes and Board of Directors pay through a variety of special reports; combined life sciences and technology Custom Report capabilities will allow clients to leverage both databases for analysis *(additional fee)*

**Radford Training Programme**
Programme includes on-site, local meetings with consulting experts, as well as online survey training courses and “hot topic” webcasts

**Data Sample**
For illustrative purposes only, the sample data below displays a subset of results* for Management All Functions - Roll-Up - Career for the United Kingdom via an **Express Report**. These workbooks include a Data Display Tool allowing you to instantly customise overall or peer group results, and provide a **presentation-ready report for any job in a country** for which you have access, utilising Standard Data Elements.

**INDIVIDUAL JOB DETAILS**
Management - All Functions - Roll-Up - Career
United Kingdom - Pound

<table>
<thead>
<tr>
<th>Annual Incentive Target or Actual</th>
<th>Select New-Hire or Ongoing Long-Term Incentives</th>
<th>Guideline or Actual Long-Term Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target</td>
<td>Ongoing</td>
<td>Actual (SO+RS+Cash LTI)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Avg.</th>
<th>75th</th>
<th>50th</th>
<th>25th</th>
<th># Emps</th>
<th># Cos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Salary</td>
<td>62,782</td>
<td>72,000</td>
<td>60,777</td>
<td>53,005</td>
<td>687</td>
<td>55</td>
</tr>
<tr>
<td>Total Allowances</td>
<td>6,660</td>
<td>7,800</td>
<td>6,240</td>
<td>6,000</td>
<td>345</td>
<td>26</td>
</tr>
<tr>
<td>Fixed Compensation</td>
<td>66,126</td>
<td>75,334</td>
<td>64,050</td>
<td>56,190</td>
<td>687</td>
<td>55</td>
</tr>
<tr>
<td>Target Incentive Amount</td>
<td>9,415</td>
<td>11,466</td>
<td>8,264</td>
<td>5,851</td>
<td>600</td>
<td>48</td>
</tr>
<tr>
<td>Target Incentive % of Base</td>
<td>14.2%</td>
<td>15.0%</td>
<td>15.0%</td>
<td>10.0%</td>
<td>600</td>
<td>48</td>
</tr>
<tr>
<td>Base + Target Incentives</td>
<td>72,131</td>
<td>82,421</td>
<td>69,164</td>
<td>59,366</td>
<td>644</td>
<td>50</td>
</tr>
<tr>
<td>Fixed Comp + Target Incentives</td>
<td>75,652</td>
<td>87,308</td>
<td>73,335</td>
<td>62,848</td>
<td>644</td>
<td>50</td>
</tr>
<tr>
<td>Actual OG SO + RS Cash LTI</td>
<td>12,632</td>
<td>16,461</td>
<td>8,288</td>
<td>5,180</td>
<td>284</td>
<td>29</td>
</tr>
<tr>
<td>Target Total Direct Compensation**</td>
<td>81,114</td>
<td>93,837</td>
<td>77,070</td>
<td>63,604</td>
<td>643</td>
<td>50</td>
</tr>
</tbody>
</table>

**Note:** All data in local currency and employee-weighted

*Actual results provide data for six percentiles; you can also select actual incentives, new-hire stock, and equity guidelines for data presentation.

**Target Total Direct Compensation = Base + Total Allowance + Target Incentives + Actual Ongoing Equity**
RADFORD US BENEFITS SURVEY

Introduction

The Radford US Benefits Survey offers the most current plan design and competitive cost data on the market today. Survey results provide verified benefits data from nearly 275 companies in eight major benefits categories. Survey participants can also order one complimentary Custom Report, which provides competitive insight into industry practices and those of your peers.

Participation in the US Benefits Survey includes:

- Online Access to Results
- Executive Summary
- Custom Report (Industry or Company Select)
- Annual survey publication
- Unlimited Radford Network® users
- Designated Survey Consultant

Key Features

Comprehensive Practices Report
Provides US data on cost of benefits, health and welfare plans, flexible benefits, retirement plans, paid time off, HR practices, relocation practices and other benefits

Data Presentation
Survey Totals summarized by five employee size groups - under 200, 200-749, 750-1999, 2000-5000 and over 5000 - to provide a specific framework for data interpretation

Extensive Executive Summary
Highlights key findings, trends and data in each major benefits category

Flexible Custom Reports
Create and order a free Custom Company Select or Industry Report to gain competitive insight into industry and peer practices; Company Select provides aggregate data for selected companies as well as your company’s data for immediate comparison. Industry Reports also provide aggregate data, broken out by specific industries

Asia-Pacific Benefits Data
Access country-specific benefits data via the Aon Asia-Pacific Benefits Survey & Insights

Dedicated Customer Service
Contact your Survey Consultant for assistance with survey input and data interpretation

Radford is an Aon Hewitt Company
Data Sample

The data samples below are for illustrative purposes only.

### COST OF BENEFITS

<table>
<thead>
<tr>
<th></th>
<th>Under 200 Employees</th>
<th>200-749 Employees</th>
<th>750-1999 Employees</th>
<th>2000-5000 Employees</th>
<th>Over 5000 Employees</th>
<th>TOTAL SURVEY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Benefits as a % of Payroll</td>
<td>29.8% 28</td>
<td>31.5% 52</td>
<td>31.8% 35</td>
<td>31.6% 15</td>
<td>34.0% 4</td>
<td>31.3% 134</td>
</tr>
<tr>
<td>Total Dollar Cost Last Year Per Full-Time Employee</td>
<td>$27650 25</td>
<td>$25277 51</td>
<td>$25213 35</td>
<td>$23850 14</td>
<td>$20946 4</td>
<td>$25430 129</td>
</tr>
<tr>
<td>Average Base Salary Per Full-Time Employee for Last Year</td>
<td>$91752 70</td>
<td>$80949 120</td>
<td>$78791 66</td>
<td>$75912 32</td>
<td>$73886 10</td>
<td>$82231 298</td>
</tr>
</tbody>
</table>

### SURVEY TOTALS SAMPLE DATA

<table>
<thead>
<tr>
<th></th>
<th>Under 200 Employees</th>
<th>200-749 Employees</th>
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<td>$73886 10</td>
<td>$82231 298</td>
</tr>
</tbody>
</table>

### Health and Welfare Plans

- **Health benefits (i.e., medical, dental, vision, prescription, EAP)**: 8.1% 29 9.7% 56 9.9% 48 9.8% 20 10.6% 5 9.5% 158
- **Life, AD&D benefits**: 0.3% 29 0.4% 55 0.3% 47 0.3% 21 0.2% 5 0.3% 157
- **Disability benefits (employer paid short term disability and/or long term disability)**: 0.4% 27 0.4% 53 0.4% 48 0.4% 20 0.4% 5 0.4% 153

### Total health and welfare benefits (for companies unable to breakout)
- 9.6% 22 10.6% 30 10.1% 9 9.7% 3 12.7% 1 10.2% 65

### Government Mandated Benefits

- **Workers’ Compensation benefits**: 0.9% 37 0.9% 72 0.5% 44 0.5% 17 0.2% 3 0.7% 173
- **Unemployment benefits**: 0.7% 37 0.8% 68 0.8% 46 0.7% 20 1.0% 4 0.8% 175
- **Social Security (FICA)**: 6.6% 40 7.0% 73 7.2% 50 7.1% 21 6.6% 4 7.0% 188

### Total mandated benefits (for companies unable to breakout)
- 8.5% 10 8.7% 16 8.6% 4 7.8% 2 8.1% 1 8.5% 33

### Retirement/Capital Accumulation Plans

- **Defined benefit plans**: 4.4% 1 4.6% 3 4.7% 3 3.0% 2 0.0% 0 4.3% 9
- **Defined contribution plans**: 2.8% 29 3.0% 58 2.7% 62 3.1% 19 3.4% 6 2.9% 164

### Total retirement (combined defined benefit/defined contribution for companies unable to break out)
- 7.4% 1 4.4% 1 4.8% 2 0.0% 0 0.0% 0 5.4% 4

### Paid Time Off (includes accrued vacation, holidays, sick pay, salary continuation, sabbaticals)
- 10.4% 35 10.1% 64 9.3% 44 9.6% 19 9.3% 6 9.9% 168

### Other Benefits (i.e., tuition reimbursement, professional organizations, subsidized cafeteria, etc.)
- 0.7% 42 0.6% 76 0.5% 53 0.3% 19 0.7% 6 0.6% 196

### COST OF BENEFITS EMPLOYEE CONTRIBUTION COSTS

<table>
<thead>
<tr>
<th></th>
<th>Under 200 Employees</th>
<th>200-749 Employees</th>
<th>750-1999 Employees</th>
<th>2000-5000 Employees</th>
<th>Over 5000 Employees</th>
<th>TOTAL SURVEY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Employee Contributions* as a percent of Payroll</td>
<td>7.9% 40</td>
<td>8.7% 79</td>
<td>9.1% 49</td>
<td>9.1% 18</td>
<td>8.7% 5</td>
<td>8.7% 191</td>
</tr>
<tr>
<td>Health Benefits (i.e., medical, dental, etc.)</td>
<td>1.4% 40</td>
<td>1.8% 79</td>
<td>2.0% 49</td>
<td>2.1% 18</td>
<td>2.2% 5</td>
<td>1.8% 191</td>
</tr>
<tr>
<td>Total Dollar Cost for Employee Contributions Per Full-Time Employee</td>
<td>$6855 34</td>
<td>$6693 75</td>
<td>$7089 47</td>
<td>$6976 17</td>
<td>$5309 5</td>
<td>$6817 178</td>
</tr>
</tbody>
</table>

*Excluding voluntary contributions