

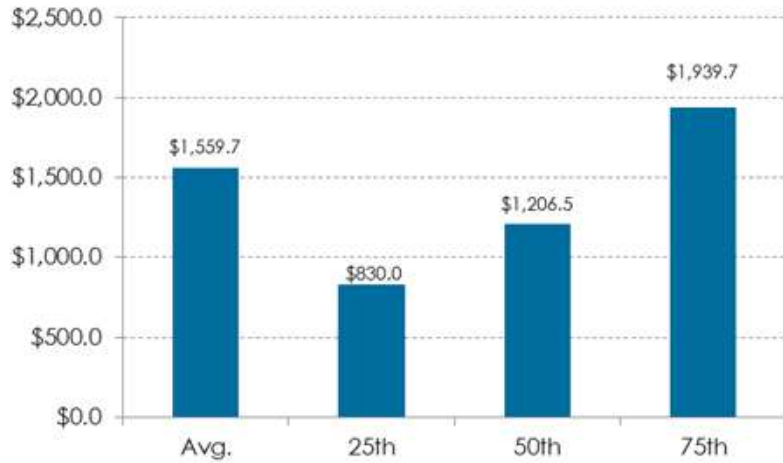
State of Pay *in Life Sciences*

Chief Financial Officers



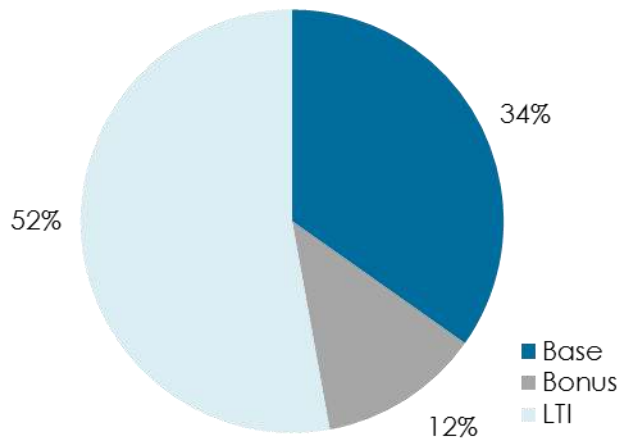
Executive Summary

Total Direct Compensation



Median CFO total direct compensation was ~\$1,200,000.

Average Pay Mix



“At risk” compensation, actual bonus plus long-term incentive (LTI), represents the greatest portion of the pay mix.

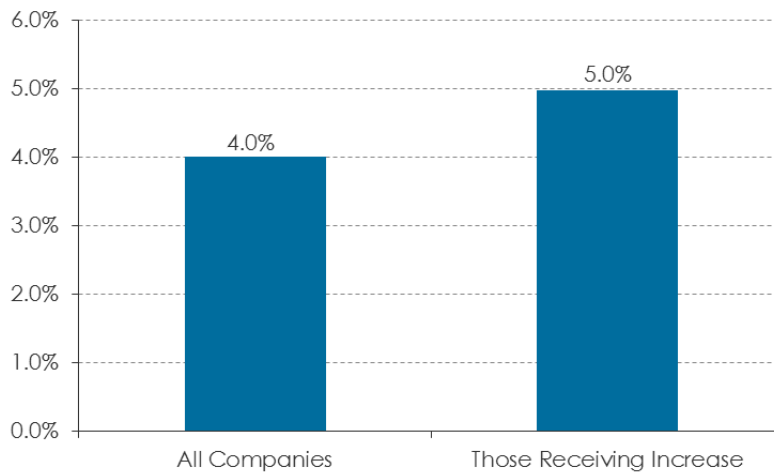
64% of the actual total direct compensation is “at-risk” compensation delivered through bonus and LTI compensation.

Base Salary



Median CFO base salary was ~\$375,000.

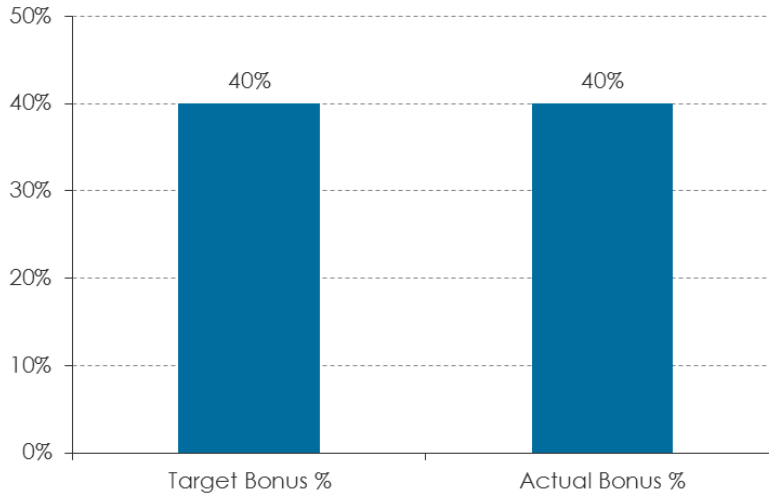
Median % Change in Base Salary



Of CFOs who received a salary increase, the median change was 5.0%.

80% of CFOs received a salary increase.

Target vs. Actual Bonus as a % of Base Salary

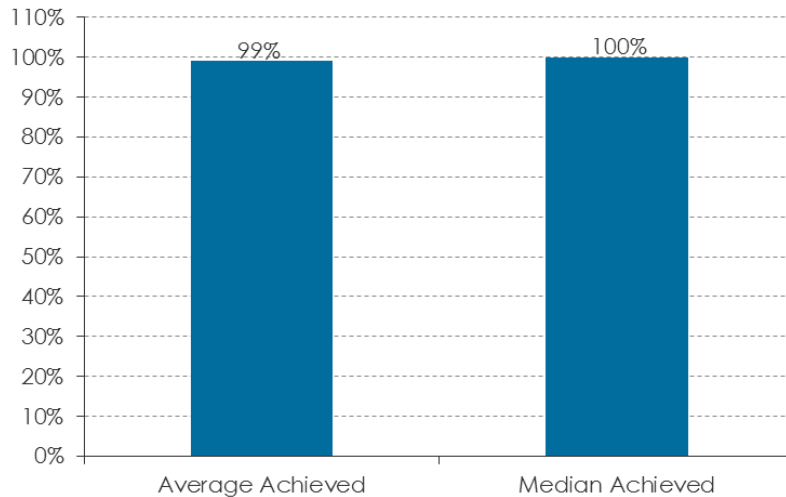


Actual bonus payouts as a percentage of base salary were equal to target bonus opportunities, at median.

Of the 113 incumbents with stated targets, the median target bonus opportunity as a percent of base salary was 40%.

Of the 94 incumbents who received a bonus last year and were not newly hired, the median actual bonus as a percent of base salary was 40%.

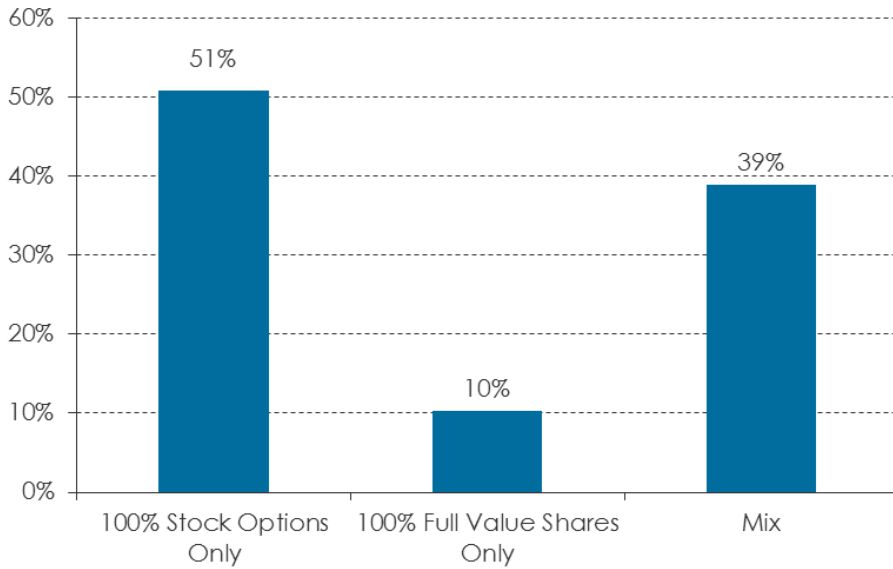
% of Target Achieved



Overall, CFOs achieved their target cash incentives last year.

CFOs were paid, on average, a bonus of 99% of target and a median of 100% of target.

Long-Term Incentive Vehicle Prevalence

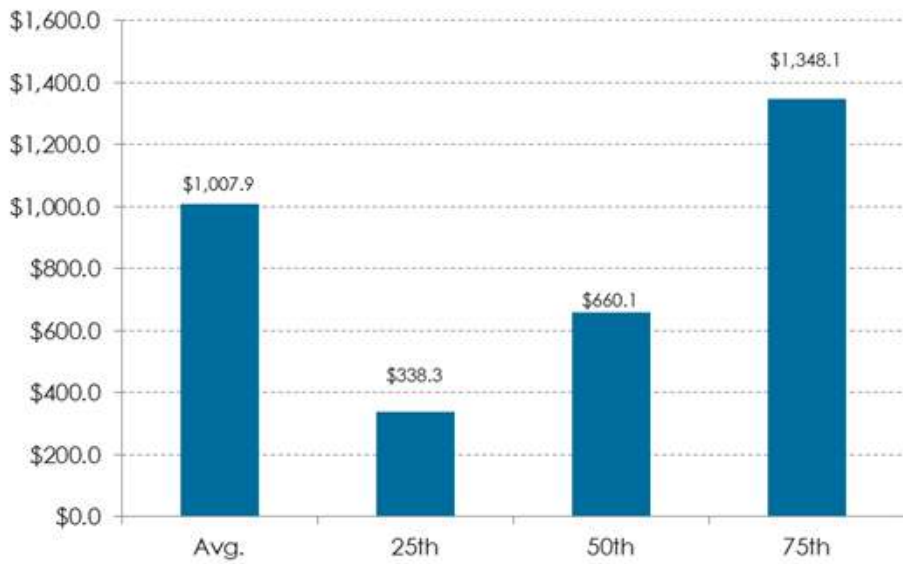


Roughly half of companies use options only.

Equity was delivered in the form of a mix of options and full-value shares.

39% received a mix of options and full-value shares.

Long-Term Incentive Value



Median CFO LTI value granted was ~\$660,000.



MMA COMPENSATION CONSULTING

DIVISION OVERVIEW

In a competitive market, success depends on the ability to attract and retain key talent. Having a partner that can advise you on current trends and considerations can make the difference. Marsh & McLennan Agency's (MMA) Compensation Consulting Practice can be that partner.

We offer clients expert advice in several areas of compensation.

AREAS OF EXPERTISE:



BOARD ADVISORY SERVICES – Executive compensation, board pay and equity strategy consulting.



BROAD-BASED REWARDS CONSULTING – Company wide compensation strategy consulting, salary structure design, bonus and equity program development and total rewards communication.



COMPENSATION CO-SOURCING – An alternative to hiring full-time staff for the compensation department. We offer flexibility in the duration of the assignment and a team with a wide range of expertise, depending on the client's need.



SALES COMPENSATION CONSULTING – Benchmarking compensation levels and pay mix, incentive plan reviews and design, modeling potential impact of changes and communication development.

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