



5 Ways

to Take Charge
of Compensation
and Governance

Discover how industry expertise and cost-efficiency drive compensation benchmarking and planning in 2015.

CG Pro

Empowering compensation and governance professionals.

AON

A complex environment. A public microscope.

With a heightened focus on disclosure, many public companies are reevaluating the way they've historically gone about attracting, motivating, and retaining top talent. This is especially important at the leadership level where compensation issues are being scrutinized like never before.

To navigate these new waters, smart organizations typically seek out credible and strategic compensation consultants: professionals who can ultimately have a major impact on executive pay decisions.

In fact, many organizations are taking an additional step by truly embracing their partnerships with compensation consultants. By handling some of the data gathering, peer modeling, benchmarking and planning activities in-house, smart companies are finding these partnerships to be more productive, cost effective and easier than ever before.

Interested? Read on.

EXECUTIVE COMPENSATION TOP PRIORITIES & CONCERNS

- Pay Competitiveness is the top priority for both companies and executives.
- Companies follow this with 'Pay-for-Performance' and 'Governance.'
- Executives list 'Incentive Payout' and 'Performance Goal Setting' as their next important priorities.

* Statistics from 2014 Hot Topics in Executive Compensation, AON Hewitt

Taking charge of compensation and governance.

When it comes to planning and assessing whether executive pay is aligned with your company's strategy, you need rich and actionable data. Gathering comprehensive compensation data sounds overwhelmingly difficult and, historically, it has been.

That's changing with CG Pro, Aon Hewitt's proprietary suite of feature-rich, expert compensation and governance benchmarking and planning tools. Over the next few pages, we'll examine these 5 simple ways to effectively approach today's complex compensation and governance issues:

- 1 Empower yourself and your team
- 2 Access accurate, defensible data
- 3 Use flexible and robust tools
- 4 Generate superior, customizable reports
- 5 Choose a budget-friendly solution

INTRODUCING CG Pro

As the market leader in compensation and governance, clients can now access the very same transparent data and intelligence that our experts rely on every day.

With CG Pro you'll satisfy ongoing benchmarking, pay-for-performance and compensation planning needs quickly and cost-effectively.

Empower yourself and your team.

First let's agree: independent compensation consultants provide real value to the process of managing your executive compensation and governance. This is especially true with the increasing pressures of the SEC and federal securities' laws requiring public companies to provide greater disclosure on compensation for high-ranking executives and board members. And as the SEC has regularly increased proxy audits over the years, partnering with a compensation consultant is more necessary than ever.

Let's also agree that with increased scrutiny there are situations where it is necessary to have a quick and actionable response. Now more than ever, you have challenges that demand immediate action. Direct involvement in the collection, analysis and reporting of compensation data is a huge benefit and can result in significant performance improvements and substantial time and cost savings.

You know your peer group and their characteristics better than anyone. And you know the type of information you're ultimately looking for. But to be truly empowered, you need real-time access to high quality data. And context.

CG Pro gives you both.

CG PRO AT-A-GLANCE

- Current, accurate and meaningful outputs
- Easy-to-use
- High-quality, low-cost
- Immediate, in-house solutions
- Direct on and offline access to all data and information sets
- User driven solutions— on-demand, no intermediary required
- Unlimited user logins a standard feature

Access accurate, credible data.

With stricter SEC regulations and increasing compensation-focused litigation, you need to ensure that your executive compensation plans are transparent and reliable. As such, access to comprehensive, accurate and actionable data is critical to develop tenable compensation and governance strategies, tactics and plans.

As a market leader in compensation and governance, Aon Hewitt addresses this need by offering access to the very same accurate, market-tested and transparent data and intelligence that our experts rely on every day. By using CG Pro your compensation professionals are empowered with a real-world data and information-based resource as opposed to a composite score-driven service – a sharp contrast to other solutions that exist today. Unlike others, Aon Hewitt is focused exclusively on the corporate issuers we serve; we are not providing proxy voting recommendations to investors.

In a market where perceptions of bias often drive engagement, you'll want to ensure that clear and objective governance guidelines are driving your planning efforts. Rest assured that CG Pro will provide your compensation team with absolute, accurate, and transparent data to meet these market needs.

CG PRO INCLUDES:

U.S. PeerBuilder

- Use custom-built peer groups in strategic competitive analysis
- Utilize financial metrics and new network logic to find peers previously not considered
- Modify proposed peer groups to immediately see financial/compensation impact
- Quickly perform 'what-if' analyses and make educated decisions about which companies to include or exclude

Use flexible and robust tools.

Let's face it: compensation and governance oversight is a complex and never-ending effort. From peer group modeling to pay-for-performance benchmarking, there are hundreds of continually-changing variables to consider. The success of your efforts are compounded by having to address the question of how to efficiently view these variables through the multiple layers and unique lenses required to meet the evolving needs of your constituents.

For decades, the experts at Aon Hewitt in their efforts to analyze global companies have built a core competency in the identification and collection of the most important and actionable data and information variables. With this foundation our new software solution, CG Pro, now provides end-users with the control and tools required to be proactive to the ever-changing landscape. As your partner in compensation and governance, we believe that you deserve the very same guidance and data solutions used by our experts.

CG Pro's feature-rich *and* user-friendly interface allows you to be both proactive and responsive so you can meet the on-demand needs of your organization to:

- Create real time, modifiable benchmark and performance screens
- Conduct contextual and keyword searches of proxy CD&A's to make real connections between data and practice
- Analyze group relationships as they exist in the real world, married with comp data and layered with business metrics
- Capture all underlying data and screens both on and offline for the ultimate flexibility in ongoing analysis

CG PRO INCLUDES:

U.S. ProxyBase

- Simplify peer group benchmarking
- Benchmark by role & pay level
- Access NEO data for 3,000+ firms

U.S. ProxySearcher

- Index all proxy sections to compare CD&A's
- Search within multiple proxies
- Unlimited reports w/ formatted charts
- Data shown in recurring & dominant themes

Generate superior, customizable reports.

In our experience, data delivered through many of the more common corporate interfaces can often be difficult to use making it nearly impossible to generate and share reports. *(And if you're like most, you create a lot of reports!)* With rapidly changing demands, the more common need is to generate a report 'yesterday' when unexpected compensation issues arise. In these situations, you don't have the luxury to wait for externally generated reports. You need the ability to respond to real-time market conditions and proactively produce actionable results.

To address this problem, CG Pro enables your team to quickly access the data you need, develop real-time, in-depth reports and communicate clear solutions that make sense for your unique situation. Our custom reporting tool makes it easy.

First, choose your desired report from the catalogue, or create your own. Then select the appropriate stats, components and positions. With just one click, CG Pro creates professional, presentation-ready reports that are immediately downloaded as Excel files.

In addition to offline access, you'll have a record of the detailed data behind the report enabling you to truly control, document and understand your analysis. And if you need to make a change or require a different delivery option, go for it. With CG Pro customization and on-the-fly revisions are simple.

CG PRO INCLUDES:

U.S. Pay & Performance Modeler

- Data and charts that matter to your business
- Independent data source for pay and performance
- 4 total compensation calculations to match how you view compensation
- 48 financial metrics to match how you measure company performance
- Ability to create custom comparator groups

Choose a budget-friendly solution.

Many companies have tightened the budgets available for resources supplementary to their compensation data collection and analysis efforts. Meanwhile, actual data and supporting resource costs have steadily grown. As a result, corporations are increasingly looking for ways to produce results quickly and cost effectively.

As many corporate compensation professionals have prior consulting backgrounds and are well aware of the nuances and key drivers of compensation and governance, arming them with the right tools and data sets makes good sense. By providing real time access to the same high quality data and reporting tools that Aon Hewitt's experts use, CG Pro empowers compensation professionals with the ability to quickly pull and analyze data in ways that are contextually relevant to their corporation's specific and often immediate needs.

When you combine our decades of expertise with the added benefits of unlimited end-user access, unlimited reports and other robust features, we think CG Pro the most viable solution on the market. Plus, CG Pro is also budget-friendly. And in 2015, that's empowering!

CG PRO INCLUDES:

U.S. Equity

- Powerful resource to actively manage equity profiles using all of the latest external standards in the marketplace.

U.S. BoardPay

- An unrivaled tool for determining and benchmarking Outside Director compensation.

Need one more way to take charge? Request a demo today to see what CG Pro can do for you.

As leaders in compensation and governance, Aon Hewitt's primary goal is to help our clients be successful. As your strategic partner, we believe that you should be able to access to the same proprietary data and tools our teams use to ensure you have the tools to succeed.

In response to these needs we developed a feature-rich and comprehensive benchmarking and planning tool that's also budget-friendly. CG Pro will enhance your abilities to address immediate needs, support alignment and communicate and substantiate the basis of your strategic compensation and governance efforts.

Give us an opportunity to show you how we can help you increase control of your compensation and governance practice with CG Pro's suite of easy-to-use online tools. Take CG Pro for a test drive and see for yourself.



**For a FREE service demo, give us a call at 1.800.441.3078
or visit www.globalcompensation.net**

CG Pro

Empowering compensation
and governance professionals.

AON HEWITT EXPERTISE

Our executive, broad based, and nonexempt data and surveys provide companies with unmatched compensation intelligence:

- 180 countries
- 42 industries
- 5,000+ unique global and regional companies
- 2,550 positions
- 5 million incumbents
- 80+ practice leaders
- 400+ Fortune 1000 clients