

**1. Executive Summary**

The **2006 Risk Talent Associates Professional Compensation Survey – Corporate Risk** demonstrates average growth of 9.0% in total compensation, and 3.6% in salaries between 2005 and 2004 for corporate risk professionals. Almost 60 professionals participated in the survey representing blue chip corporations such as GE, McDonald’s and Sara Lee.

Growth in total compensation was stronger for those professionals with 0-6 years and 7-15 years of experience than for those with 16 or more years of experience.

**Figure 1: Total Compensation, Salary and Bonus by Years of Experience (US Dollars)**

CORPORATE	% Resp	Total Comp		Salary		Bonus-Cash		Bonus- Non-Cash	
		2004	2005	2004	2005	2004	2005	2004	2005
0-6 years	23%	\$ 156,000	\$ 199,000	\$ 93,000	\$ 98,000	\$ 50,000	\$ 75,000	\$ 13,000	\$ 26,000
7-15 years	49%	\$ 245,000	\$ 274,000	\$ 131,000	\$ 137,000	\$ 54,000	\$ 67,000	\$ 60,000	\$ 70,000
16+ years	28%	\$ 312,000	\$ 322,000	\$ 187,000	\$ 190,000	\$ 75,000	\$ 77,000	\$ 50,000	\$ 55,000

Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars and rounded to nearest thousand.  
Notes: Percentage of overall respondents indicated by “% Resp”. Insufficient data reported as “\*\*”.

Growth in total compensation is relatively even across job titles, however bonuses get increasingly more attractive with seniority.

**Figure 2: Total Compensation, Salary and Bonus by Title (US Dollars)**

CORPORATE	% Resp	Total Comp		Salary		Bonus-Cash		Bonus- Non-Cash	
		2004	2005	2004	2005	2004	2005	2004	2005
Manager	32%	\$ 101,000	\$ 111,000	\$ 90,000	\$ 98,000	\$ 11,000	\$ 13,000	**	**
Associate/Analyst	12%	\$ 101,000	\$ 115,000	\$ 95,000	\$ 100,000	\$ 6,000	\$ 15,000	**	**
Director	19%	\$ 247,000	\$ 266,000	\$ 140,000	\$ 150,000	\$ 62,000	\$ 64,000	\$ 45,000	\$ 52,000
VP/SVP	25%	\$ 274,000	\$ 295,000	\$ 180,000	\$ 185,000	\$ 67,000	\$ 75,000	\$ 27,000	\$ 35,000
MD/CRO	11%	\$ 471,000	\$ 532,000	\$ 234,000	\$ 242,000	\$ 137,000	\$ 170,000	\$ 100,000	\$ 120,000

Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars and rounded to nearest thousand.  
Notes: Percentage of overall respondents indicated by “% Resp”. Insufficient data reported as “\*\*”.  
Abbreviations: Vice President (VP), Senior Vice President (SVP), Managing Director (MD), Chief Risk Officer (CRO).

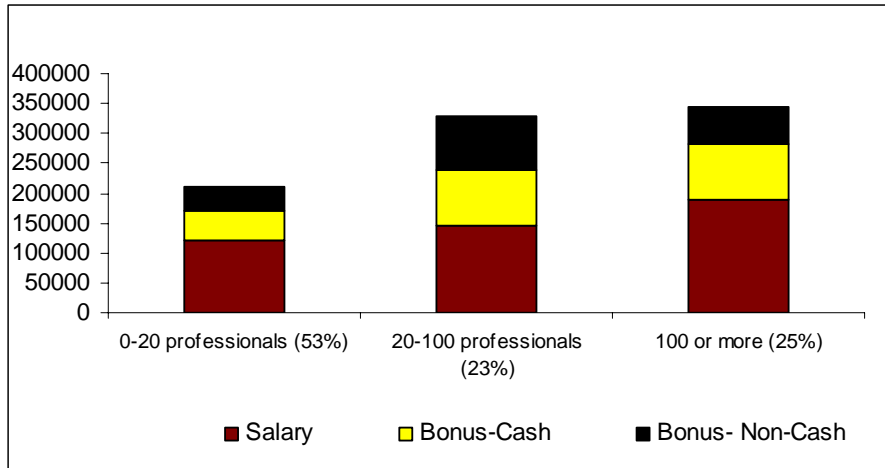
Approximately 22% of survey respondents report changing jobs within the last two years, a trend that is consistent with the 25-30% in salary surveys conducted by Risk Talent Associates in other segments of the risk management industry. Of those who did change jobs, three-quarters came out of other industries such as investment banking, commercial banking and technology.

Half of the corporate risk professionals in the survey report specializing in market risk. The remaining respondents delineate their primary focus as enterprise risk, credit risk, operational risk, or financial compliance.

**2. Survey Demonstrates Highest Total Compensation at Largest Companies**

The majority of corporate risk professionals in the survey work in small groups of less than twenty. However, the highest compensation is awarded to those at the largest organizations with 100 or more risk professionals.

**Figure 3: 2005 Total Compensation, Salary and Bonus by Company Size (US Dollars)**

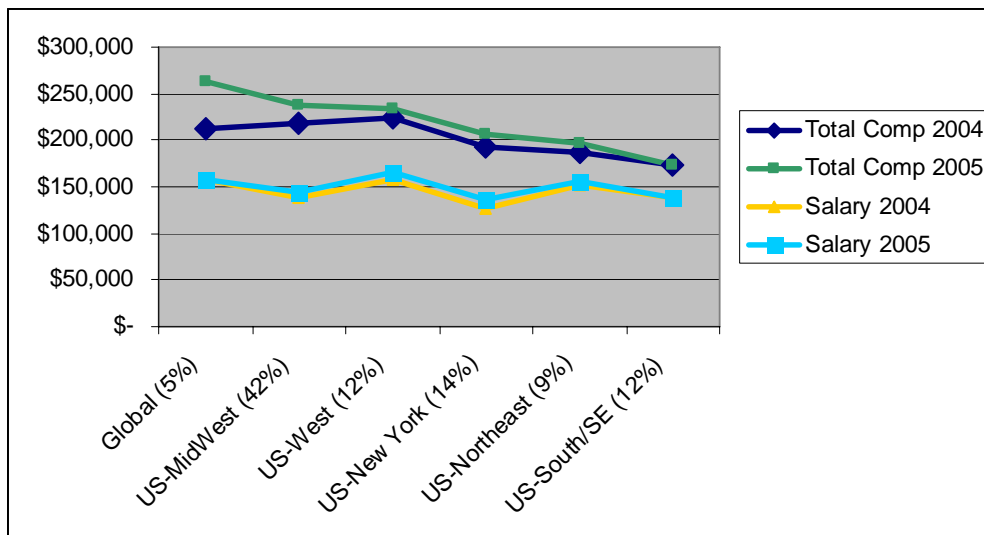


Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars and rounded to nearest thousand.  
 Notes: Percentage of overall respondents indicated by "(%)".

**3. Global, and US Midwest and West Top Compensation by Geography**

Corporations from the US Midwest and Western markets, as well as a few from outside the United States, report the highest total compensation regionally.

**Figure 4: Total Compensation, Salary and Bonus by Company Size (US Dollars)**



Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars and rounded to nearest thousand.  
 Notes: Percentage of overall respondents indicated by "(%)".

#### **4. Survey Methodology**

The **2006 Risk Talent Associates Professional Compensation Survey – Corporate Risk** was conducted during June 2006 using Survey Monkey Internet survey software. E-mail invitations were sent to risk consulting professionals in the Risk Talent Associates corporate database. The survey collected 2005 and 2004 salary, cash and non-cash compensation (such as stock, options, and other non-cash compensation) levels. Survey respondents were asked to identify their years of experience, title, type of risk focus (market, credit, operational, risk technology and financial compliance), geographic location, and size (based on the number of risk professionals in their organization).

#### **About Risk Talent Associates**

Risk Talent Associates ([www.risktalent.com](http://www.risktalent.com)) is the leading international executive search firm focused exclusively on positions in the fields of market, credit and operational risk, as well as financial compliance and risk technology. Risk Talent's expertise, industry knowledge, proprietary network and dedicated focus shorten the recruiting process to deliver senior and mid-level risk managers in the capital markets, asset management, energy, consulting and software industries. Risk Talent has offices in New York, Chicago and London.

For more information, contact:

Michael Woodrow  
President  
Risk Talent Associates  
212-253-2353  
[mwoodrow@risktalent.com](mailto:mwoodrow@risktalent.com)

For media inquires, contact:

Daniel Keppie  
Public Relations  
Risk Talent Associates  
613-323-3655  
[dkeppie@risktalent.com](mailto:dkeppie@risktalent.com)

©2006 Risk Talent Associates LLC