

Executive Compensation in PE-Backed Companies

PE-Backed CEO Summit

Why It's So Important to Get Executive Compensation Right

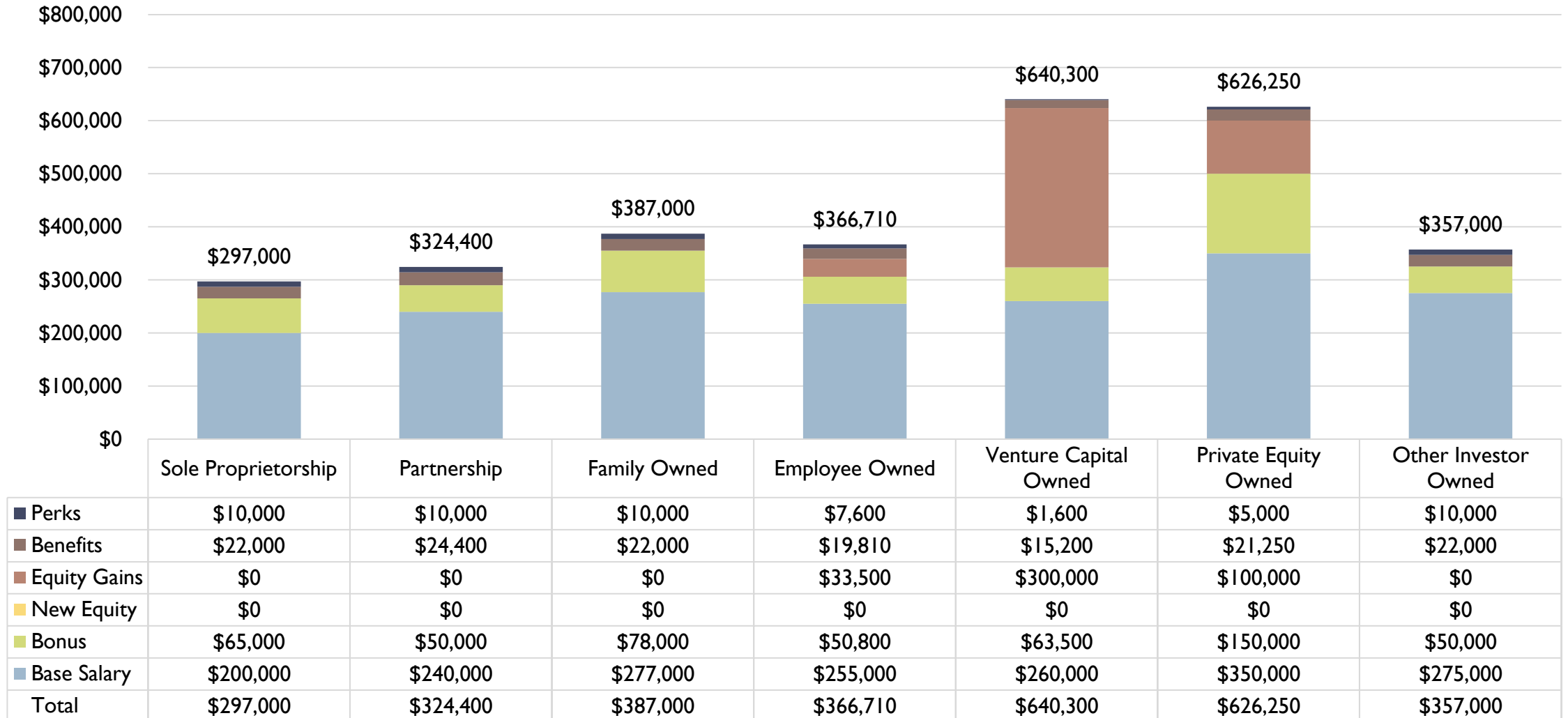
- Your company's executive compensation program will impact your success:
 - Recruiting, Retaining, Motivating and Aligning your executive talent
- Executive compensation is a significant expense
 - But it's also an investment— and it should have a strong ROI if done right
- There's a lot of misinformation when it comes to executive compensation
 - Most Headlines focus on public companies—
 - The WSJ and other media report reported in March that the “median” CEO earned 13.7 million last year
 - Don't worry, you're not the only one who did get this “median” salary
 - That was the average among a subset of the Fortune 500 (the smallest of which had revenues over \$5.6 Billion)
 - The reality is : far too many private companies make uninformed and reactive compensation decisions (often too late – after a key exec announces they have accepted a better offer elsewhere)

Chief Executive Research Study

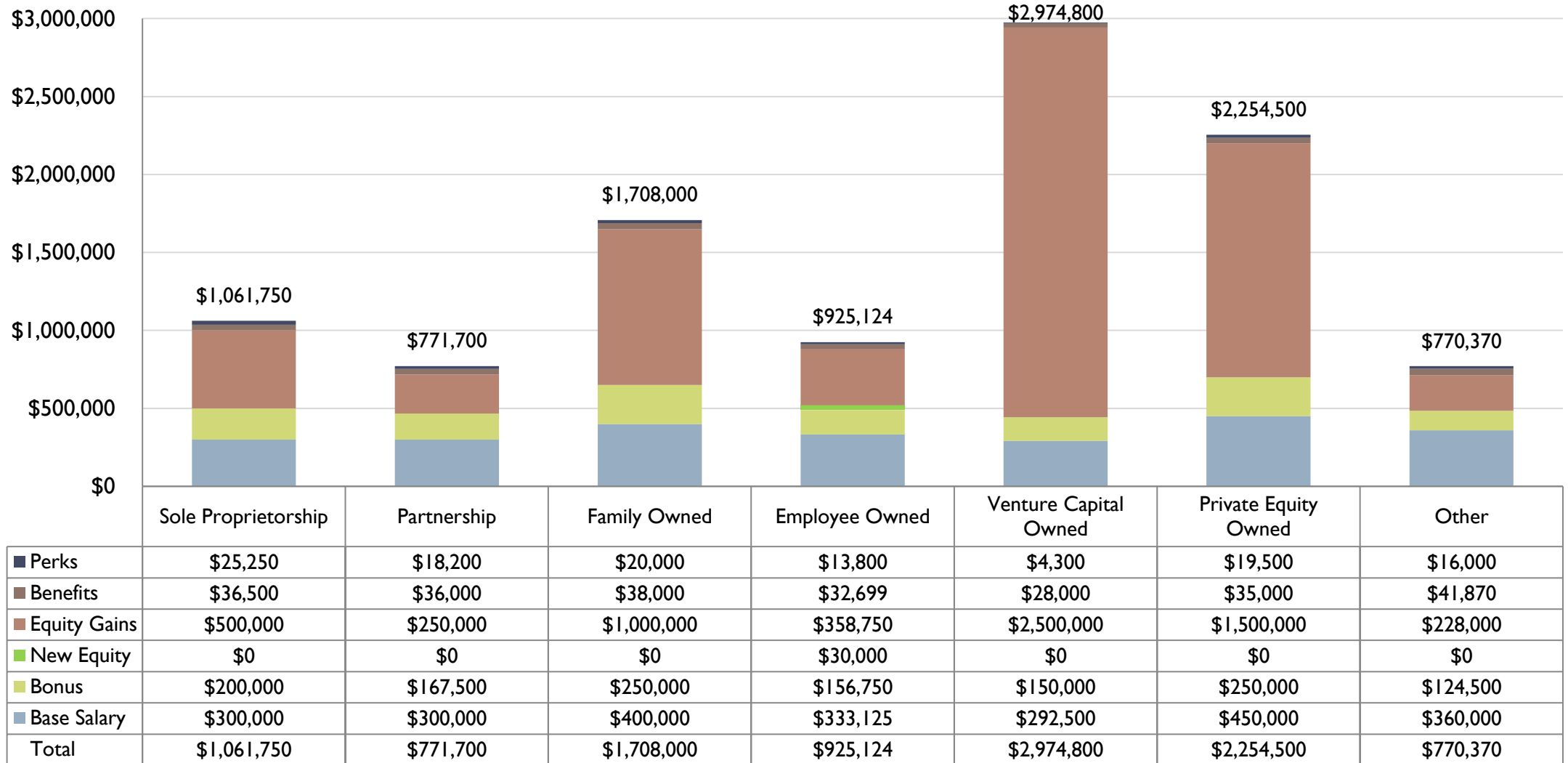
- 11th year
- >1,400 companies participated
- We focus on private co's since they are the vast majority of co's in the US -99.9% -- and there was scarce data on this large segment..
- We get data for CEO and the other top 8 senior executive positions
- Salaries, bonuses, benefits, perks and long-term equity incentives
- Average and quartile by:
 - Company size (revenues and employees)
 - Industry
 - Ownership type
 - Growth rate
 - Profitability
 - Region
 - And other variables



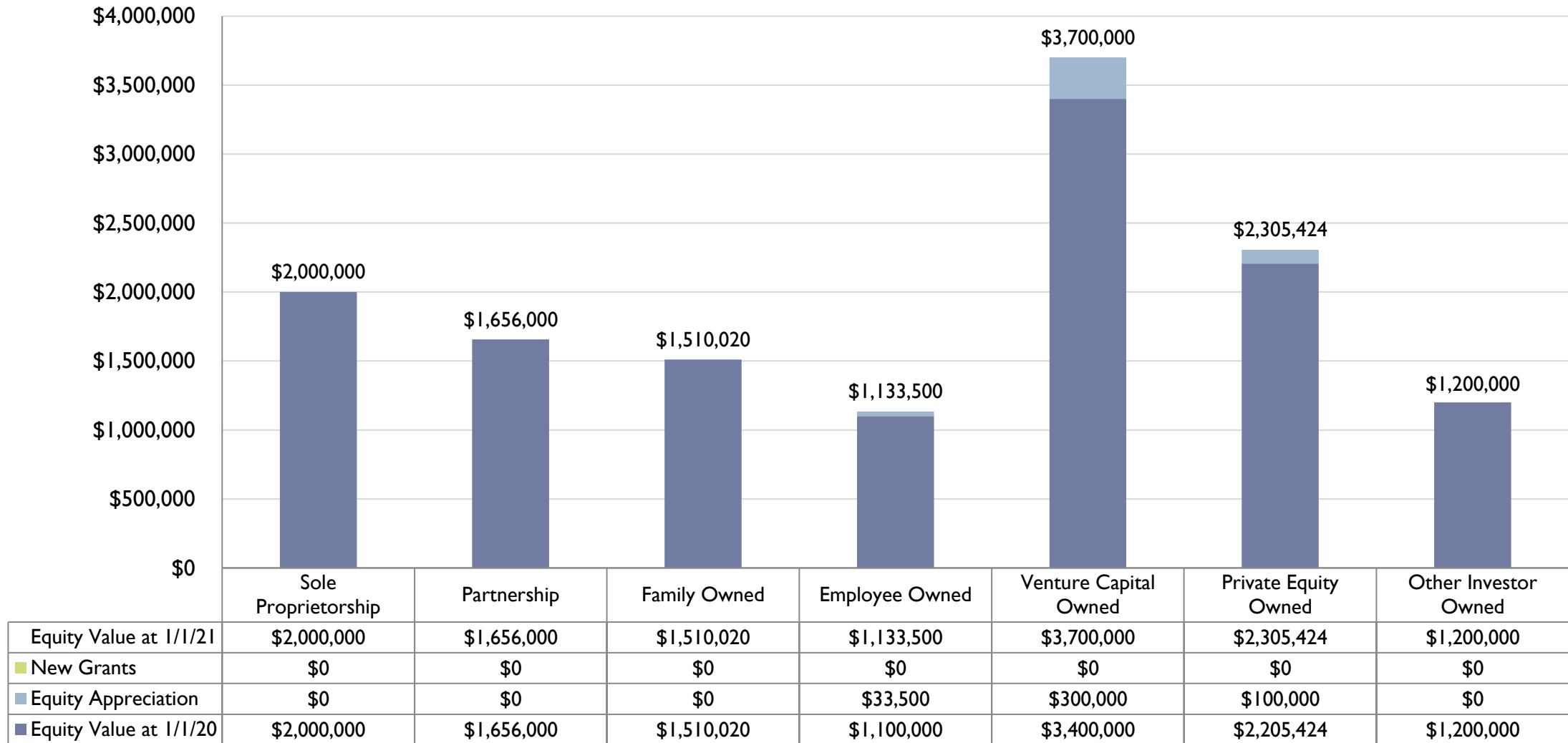
2020 Total CEO Compensation by Ownership Type Median



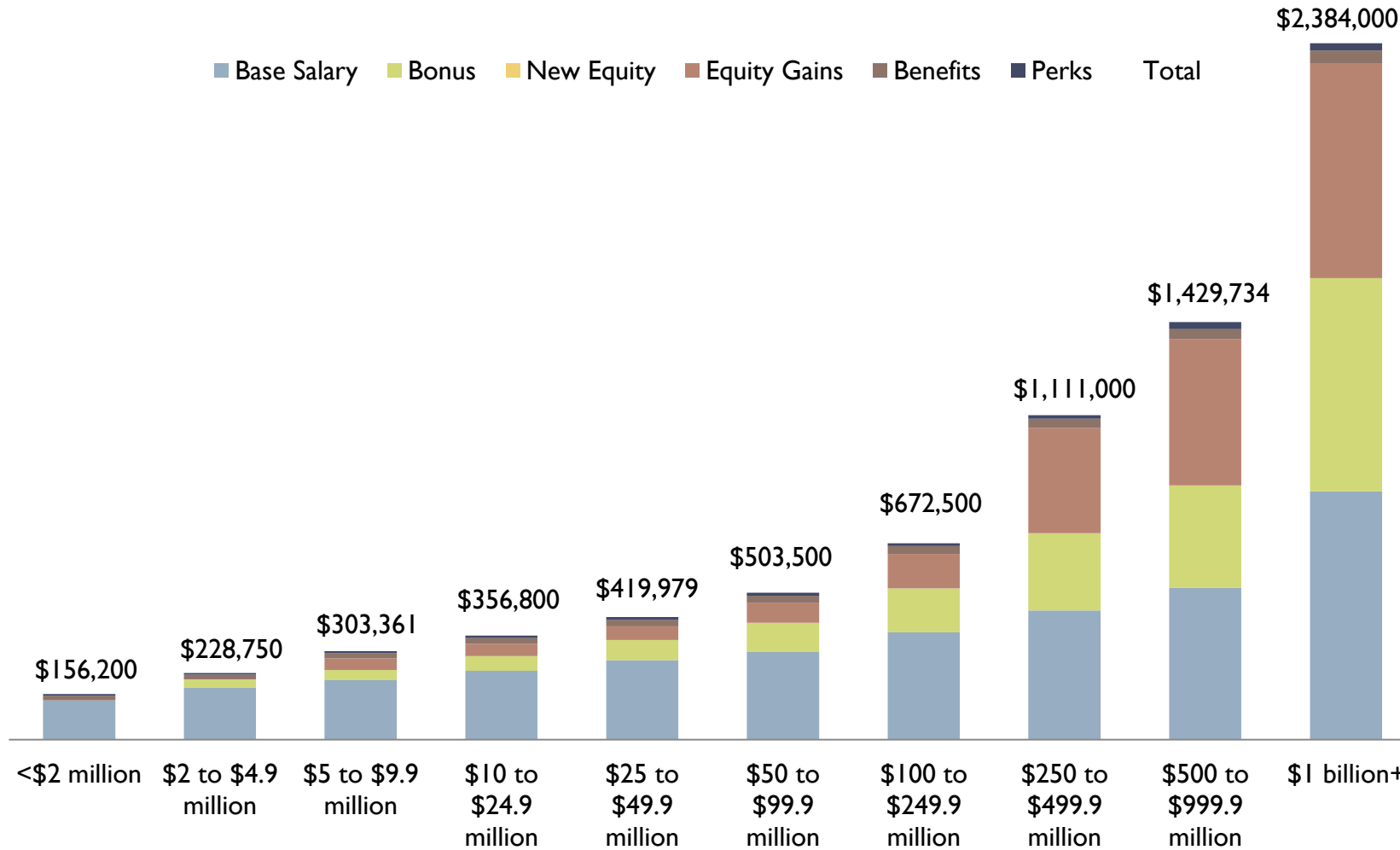
2020 Total CEO Compensation by Ownership Type Top Quartile



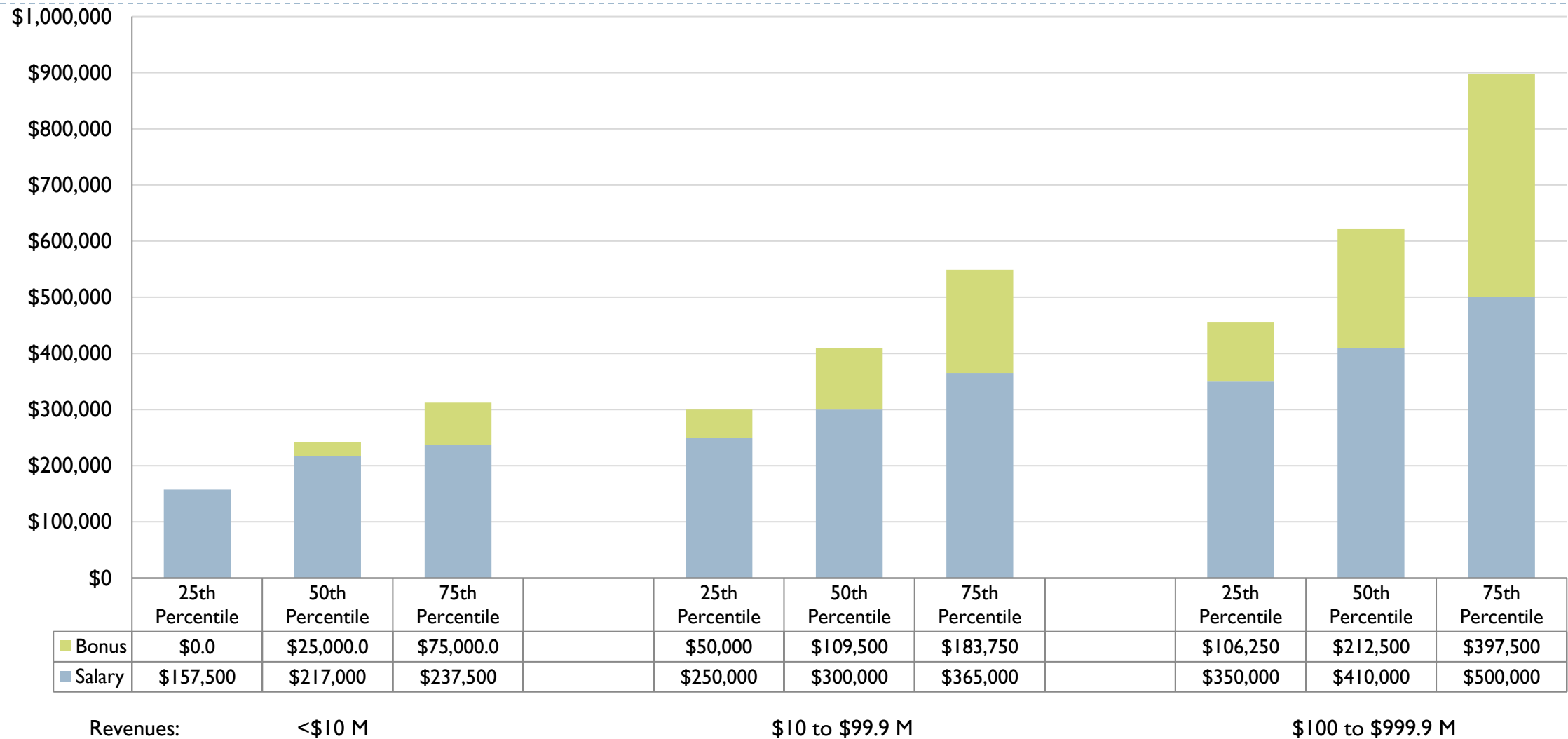
CEO 2020 Equity Gains and Total Equity Value on 1/1/21 by Ownership Type – Median



2020 Total CEO Compensation by Company Revenue – Median Across All Private Companies (Not Just PE Backed)

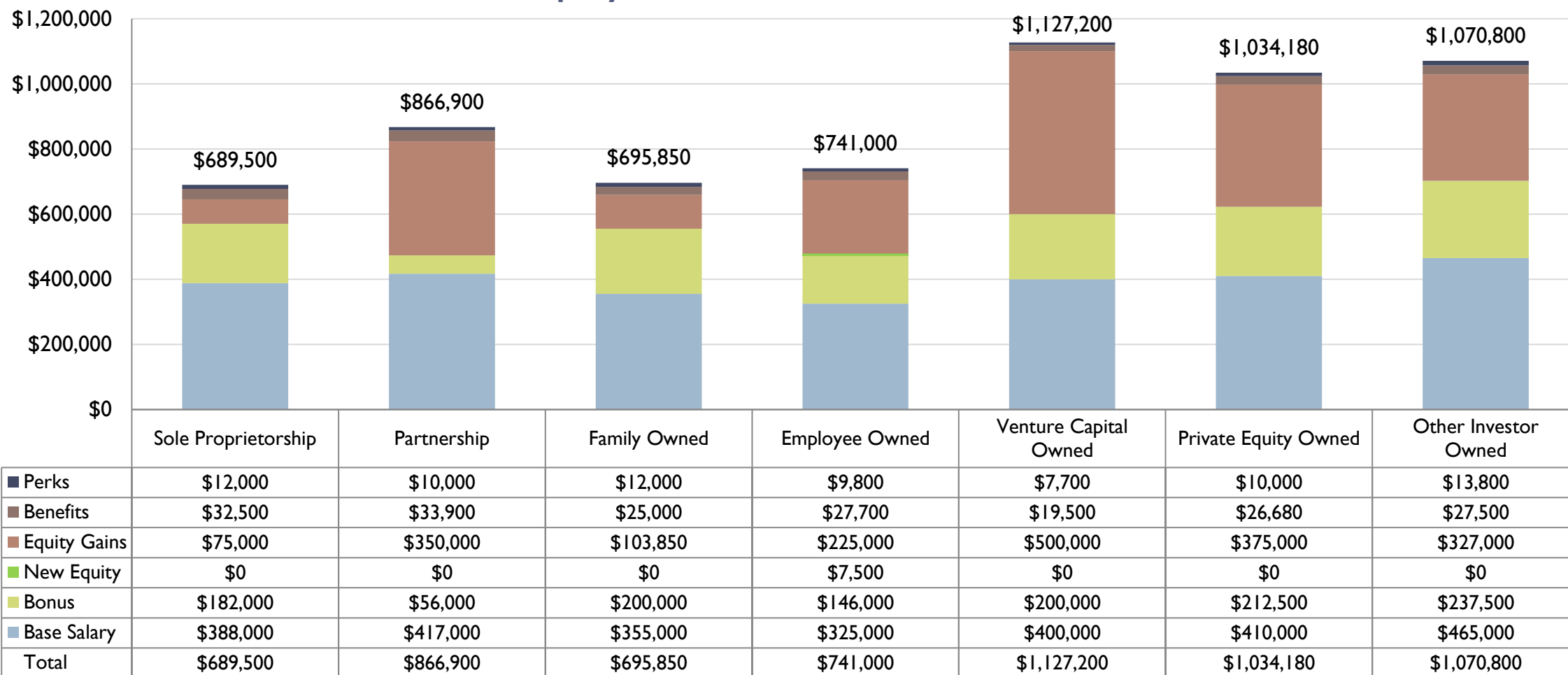


2020 CEO Cash Compensation in PE-Owned Companies by Company Revenue and Percentile



2020 Total CEO Compensation by Ownership Type and Company Revenue – Median

Company Revenue \$100 to \$999.9 Million



Expected 2021 CEO Cash Compensation by Ownership Type – Median



Expected 2021 CEO Cash Compensation by Ownership Type – Top Quartile

