EQUILAR
Executive Compensation
Top 5 Proxy | Top 25 Survey | TrueView
Equilar sets the industry standard for effective executive compensation benchmarking. Top 5 proxy data and Equilar Top 25 Survey provide for the most comprehensive, accessible and unbiased solutions in the market. Equilar clients also receive access to the TrueView tool which seamlessly integrates Top 5 and Top 25 Survey data to provide a blended result. Equilar is the trusted data source for the world’s largest public and private companies, compensation consultants, institutional investors and major proxy advising firms.

The graph above displays the Equilar database coverage consisting of both proxy and survey data on the top 5 positions. Visit www.equilar.com/resource/4-pulling-back-the-curtain-on-pay-practices for information on benchmarking with survey data.

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Top 5 Proxy

The Equilar Top 5 solution offers the most accurate and up-to-date database of SEC-disclosed executive compensation data. Equilar combs through information from each public company to provide a simple, instant download for your use.

Intuitive and easy to use, Top 5 saves you time and resources in the arduous task of benchmarking top executive staff.

► Superior data quality that is screened through three rounds of quality and accuracy checks
► Drill down into the source document with SureSource™ SEC EDGAR Technology
► View summary statistics covering cash and equity awards, performance incentives, vesting and metrics
► Filter data by company size, location, industry and other criteria
► Customize data aging, amortization and regression

Top 25 Survey Data

The Equilar Top 25 Survey is the industry’s largest survey, providing a complete pay picture to help accurately compensate your executives. With 1,200 public and private companies participating in the 2017 database, Top 25 Survey is the most comprehensive executive compensation survey available.

Top 25 Survey provides a significantly larger sample size for positions beyond the Top 5 executives, such as division heads, general counsels, HR executives and other key executive positions.

► Publicly disclosed compensation maintains a high bias, while survey data provides a much larger pool of data to help companies appropriately benchmark pay for the entire executive team
► Top 25 Survey is consistent with long-term incentive valuation methodology standards dictated by the SEC
► Survey data is essential to make the most data-informed decision on compensation
A TrueView Subscription Pays for Itself with a Single Position

Equilar TrueView (ETV) seamlessly integrates high quality, verifiable data from Top 5 proxy data with the industry’s largest executive survey database. By combining proxy and survey together using the same SEC disclosure guidelines for proxy data, ETV provides an unrivaled single reliable data source.

Using Top 5 alone may provide a relatively small sample size for many executive positions and result in significant bias in pay analyses. However, ETV solves these challenges by yielding a superior blended result and setting a new standard for executive compensation accuracy and insight.

TrueView Example

A report on Top 5 Chief Information Officers within the software sector shows a median total compensation of $938,000 with only six data points. In combination with the Top 25 Survey, the TrueView blended result shows a median total compensation of approximately $715,400 using a set of 18 data points. In this example, the opportunity cost to the organization is over $222,000 by not using TrueView.

Sample data has the following parameters:

a. Generates revenue more than $1B and less than $5B
b. #1 executive in the Information/Information Technology Role
c. Technology Sector
Why Participate in the Equilar Top 25 Survey?

Top 25 Survey gives you industry and competitor insight on how to properly compensate your executives. The industry-specific publications that Equilar creates provide a balanced assessment of the trends and compensation practices most relevant to your company. Top 25 Survey takes every approach to ensure that data maintains the highest quality, abiding by strict SEC guidelines and consistently collecting data in accordance with the latest LTI methodologies. The trained team of Equilar research analysts carefully review every survey submission in order to guarantee that clients only receive access to compensation data that maintains the highest quality and accuracy.

There are many benefits to participating in the survey, including:

► Most accurate data available—any public data is pre-populated by Equilar
► No cost to participate and easy to fill out
► Two complimentary survey reports, from a selection of 15 reports organized by trends, industry, market capitalization and other features

**Data Accuracy**

Data accuracy is a hallmark of the Equilar Top 25 Survey and its continued success. When submitting information through the online entry tool, actual data taken from SEC filings are pre-populated to help facilitate accurate data entry.

► Hand curated, manually reviewed proxy and survey data
► Survey data pulled from proxy, Form 4 and 8-K filings for efficiency and accuracy

**Easy to Submit**

Top 25 Survey is one of the most painless and fastest surveys to complete and can be completed in just one afternoon. Equilar also accepts submissions in various templates to help participants save time. Contact an Equilar representative for submission formats accepted.

► Through our secure online survey portal
► Fill out a protected off-line Excel spreadsheet
► Previously completed templates for other survey houses

**Comprehensive Coverage**

Top 25 Survey is one of the most painless and fastest surveys to complete and can be completed in just one afternoon. Equilar also accepts submissions in various templates to help participants save time.

**Data Survey Reports**

Equilar will provide each participant their choice of two complimentary reports from the following:

- Apparel
- Banking
- Consumer Products
- Energy
- Healthcare
- Industrial
- Manufacturing
- Pharmaceuticals
- Retail
- Technology
- Canada
- Less than $500MM
- Between $1-5B
- Between $5-$15B
- More than $15B
- Between $500MM-$1B
### Robust Industry Concentrations Featuring 48 Different Sectors

**Industry Concentrations**

Below are industry classifications that we use for the survey.

<table>
<thead>
<tr>
<th>Retail &amp; Consumer</th>
<th>Banking &amp; Financial Services</th>
<th>Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retailer</td>
<td>Financial Services</td>
<td>Insurance</td>
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<td>Restaurant</td>
<td>Investment Services</td>
<td>Reinsurance</td>
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<td>Apparel &amp; Textile</td>
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<td>Luxury Good</td>
<td>Savings &amp; Loans</td>
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<td>Consumer &amp; Household</td>
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<td>Entertainment &amp; Leisure</td>
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<td>Lodging &amp; Gaming</td>
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<td>E-Commerce</td>
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<tr>
<th>Healthcare &amp; Life Sciences</th>
<th>Industrial</th>
<th>Technology &amp; Media</th>
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<tr>
<td>Healthcare Service</td>
<td>Aerospace &amp; Defense</td>
<td>Software</td>
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<tr>
<td>Pharmaceutical</td>
<td>Industrial Product</td>
<td>Hardware</td>
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<td>Biotechnology</td>
<td>Machinery</td>
<td>Semiconductor</td>
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<tr>
<td>Biopharmaceutical</td>
<td>Forestry &amp; Paper Product</td>
<td>Telecommunication</td>
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<td>Medical Equipment &amp; Devices</td>
<td>Automotive</td>
<td>Electronics</td>
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<td>Agricultural</td>
<td>Computer Service</td>
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<td>Transportation &amp; Logistic</td>
<td>Computer Storage</td>
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<td>Internet Content</td>
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<td>Packaging &amp; Container</td>
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<td>Metals</td>
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For more information about Top 25 Survey coverage and the various job functions for your specific industry, please contact your Equilar Account Manager or email survey@equilar.com
An affordable Top 25 Survey subscription will grant you full access to the robust Equilar survey database. Subscribers may download all of the summary survey reports free of charge and have the ability to leverage the database to create an unlimited number of custom data cuts, with the ability to search by role, company financial data, geographic regions, reporting level and more. In addition, Top 25 Survey subscribers will receive:

► Access to Equilar TrueView
► The ability to run unlimited reports with the most relevant data
► A complete set of customized Total Compensation Reports (TCR)

You can find the Top 25 Survey Company Lookup Tool by visiting www.equilar.com/survey-tool or email survey@equilar.com to find out which of your industry peers participated last year. As one of the largest compensation surveys in the industry, over 1,700 companies have previously participated in Top 25 Survey.

**Nike Roles**

- Chief Executive Officer
- President
- Chief Operating Officer
- EVP: Chief Financial Officer
- President: Product & Merchandising
- President: Brand
- President: Innovation
- President: Direct to Consumer
- President: Geographies & Sales
- EVP: Global Sports Marketing
- EVP: Global Human Resources
- EVP: Chief Accounting Officer & GC
- EVP: Global Operations & Technology
- VP: Special Projects
- VP: Emerging Markets
- VP: Chief Information Officer
- VP: Global Communications
- VP: Global Design

**Subscription Benefits**

You can find the Top 25 Survey Company Lookup Tool by visiting www.equilar.com/survey-tool or email survey@equilar.com to find out which of your industry peers participated last year. As one of the largest compensation surveys in the industry, over 1,700 companies have previously participated in Top 25 Survey.
Equilar TrueView

Top 25 Survey Subscribers, with the purchase of Top 5 data, will also gain access to Equilar TrueView (ETV), which seamlessly integrates high quality, verifiable data from Top 5 proxy data with the large database of the Top 25 Survey. Combined together using the same SEC disclosure guidelines for proxy data, ETV provides an unrivaled single reliable data source.

Customized Total Compensation Reports

Top 25 Survey subscribers will also receive a complete set of customized Total Compensation Reports (TCR). These pre-run reports are easy to access for all subscribers who have submitted Survey data. A report is generated per survey executive submitted by the company. This means that if the company included 40 executives in their survey submission, they will receive 40 separate reports. There is a six step waterfall procedure to ensure accuracy and the generation of the most substantial peer group possible.

Reporting on the Most Relevant Data

The comprehensive reporting solution developed by Equilar provides the data that you need to make more informed business decisions. Subscribers have the ability to analyze peers in over 48 industry sectors, and drill down further via financials, geographical area and more. Equilar provides flexible reporting options that include fully customizable equity valuation settings allowing participants to:

- Customize methodology
- Select from over 90 different job functions
- Handpick companies to include
- Remove specific benchmarks by disclosed title
Top 25 Survey participants will receive a document with job descriptions that will help identify and match roles within their company. The Equilar survey entry tool utilizes a flexible role matching system to allow the proper classification of uniquely positioned executives.

Top 25 Survey results conform to standard Equilar Total Compensation Report (TCR) methodologies, detailed below.

**Total Compensation = Salary + Bonus + Stock + Option + Performance-Based**

- **Salary** – Annualized base salary
- **Bonus** – Target annual cash bonus
- **Stock** – Grant-date fair value of time-based stock awards, as reported
- **Option** – Grant-date fair value of time-based option awards, as reported
- **Performance-Based Awards** – Grant-date fair value of performance-based options and stock awards as reported + target long term cash awards

Additional settings on the Equilar TCR tool allow you to choose alternate methodologies, including cash payout values.

As an all-encompassing survey, Top 25 Survey is the most comprehensive executive compensation survey available. Equilar targets over 48 industry sectors, with the list continually growing. Equilar encourages companies from all industries to participate, including:

- **Foreign-based companies**
- **Privately-owned companies**
- **Companies with non-US executives who are in senior management**
Survey Breakdown 2017

**Apparel**
- 26 organizations participated
- 367 incumbents data was provided
- 30 individual functions

**Industrial Manufacturing**
- 99 organizations participated
- 1,342 incumbents data was provided
- 41 individual functions

**Less than $500MM**
- 67 organizations participated
- 759 incumbents data was provided
- 33 individual functions

**Banking**
- 63 organizations participated
- 932 incumbents data was provided
- 40 individual functions

**Insurance**
- 40 organizations participated
- 559 incumbents data was provided
- 34 individual functions

**$500MM - $1B**
- 84 organizations participated
- 1,003 incumbents data was provided
- 34 individual functions

**Consumer Products**
- 35 organizations participated
- 433 incumbents data was provided
- 29 individual functions

**Pharmaceuticals**
- 36 organizations participated
- 519 incumbents data was provided
- 32 individual functions

**$1B - 5B**
- 245 organizations participated
- 3,192 incumbents data was provided
- 34 individual functions

**Energy**
- 51 organizations participated
- 817 incumbents data was provided
- 40 individual functions

**Retail**
- 47 organizations participated
- 722 incumbents data was provided
- 37 individual functions

**$5B – 15B**
- 148 organizations participated
- 2,021 incumbents data was provided
- 34 individual functions

**Healthcare**
- 40 organizations participated
- 473 incumbents data was provided
- 32 individual functions

**Technology**
- 46 organizations participated
- 574 incumbents data was provided
- 32 individual functions

**More than $15B**
- 109 organizations participated
- 1,501 incumbents data was provided
- 34 individual functions

**Canada**
- 44 organizations participated
- 591 incumbents data was provided
- 31 individual functions
Important Dates
Survey data for subscribers will be available by early August.
Survey reports are expected to be published in mid to late September.

<table>
<thead>
<tr>
<th>Survey Portal Open</th>
<th>Survey Portal Close</th>
<th>Survey Reports Available</th>
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<tbody>
<tr>
<td>February 21, 2018</td>
<td>Early submission deadline May 19, 2018</td>
<td>Survey data live in Insight Early August</td>
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<tr>
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<td>Final submission deadline July 14, 2018</td>
<td>Summary Reports Available Mid to late September</td>
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Contact Us
For general inquiries, information on how to get started or pricing:

**Equilar Clients:** Please contact your account manager, shown on your login page.

**Non-clients:** 1 (877) 441-6090

For questions or assistance with data entry and submission: surveysupport@equilar.com

Privacy
As part of our commitment to data privacy, your data will be safely encrypted in the Equilar database, and only other Top 25 Survey participants are eligible to access the survey database. You can entrust your information within the Equilar secure online tool or protected offline spreadsheets. The methodology and reporting of survey data are carried out in accordance with the “Antitrust Safety Zone Guidelines” issued by the Department of Justice.

About Equilar
Equilar is the leading provider of board intelligence solutions. Companies of all sizes rely on Equilar for their most important boardroom decisions, including 70% of the Fortune 500 and institutional investors representing over $13 trillion in assets. Equilar offers data-driven solutions for board recruiting, executive compensation and shareholder engagement that bring together business leaders, institutional investors and advisors to drive exceptional results while ensuring sound corporate governance. The Equilar suite of solutions includes industry-leading board education symposiums, comprehensive custom research services and award-winning thought leadership. Founded in 2000, Equilar is cited regularly by The Associated Press, Bloomberg, CNBC, The New York Times, The Wall Street Journal and other leading media outlets.