

ESOP Executive Compensation Survey 2020

Thank you for participating in the ESOP Executive Compensation Survey. The survey includes questions on your executive compensation, questions on how COVID-19 is affecting your business, and demographic questions to help in making comparisons with the data. You will need to gather payroll data on your top executives. You can view a PDF of the questionnaire [here](#) to help you gather the information.

Your progress will be automatically saved if you close your browser while completing the questionnaire. You may stop and resume taking the survey whenever you wish without losing your progress.

If you wish to receive a discount on your purchase of the full report, provide your email address at the end of the questionnaire. **We will delete your email address and all other identifying information from the database before we begin our analysis.**

Contact NCEO Research Director Nancy Wiefek (nwiefek@nceo.org or 510-208-1312) with any questions.

Before we begin, does your company have an ESOP in place currently?

- Yes
- No

Is your company's stock publicly traded?

- Yes
- No

1. When did your company establish its ESOP? (Please answer with a 4-digit year)

2. What percentage of the company's shares are owned by the ESOP? (Please enter a number between 0 and 100)

3. Is your company an S or C corporation?

S corporation

C corporation

4. What was your company contribution to the ESOP in the most recent plan year as a percentage of covered compensation?

(For example, if you contributed \$100,000 to the ESOP for the most recent plan year and covered compensation for all ESOP participants is \$1,000,000, your contribution is 10% of covered compensation.)

Percentage between 0 and 100

Executive Compensation

5. Please indicate which of the following executive officers you have (select all that apply). Choose the description that best fits each of the officers at your company.

You will only be prompted to give compensation data for these officers in the questions to follow.

- CEO/President
- CFO/Top Finance/Accounting Executive
- COO/Chief Operating Officer
- CIO/Chief Information Officer/Top IT Officer
- Divisional Vice President
- Top Human Resources/Personnel Professional
- Top Sales/Marketing Executive
- Vice President of Services/Function/Geographic Region

6. Indicate compensation for each executive position. Estimated amounts are fine. Please exclude payments made on compensation granted in earlier years and provide all answers in dollars. Rather than leaving blanks, write in **0** for any types you don't pay.

To determine the value of equity compensation: Use the current value of stock-based compensation granted during the last fiscal year. If you do not know the value for stock options and SARs, you can use one-third of the grant price as an estimate. For restricted stock or phantom stock, use the value of the award at grant date.

| | Current annual base salary (exclude bonuses, profit sharing, and all other incentive pay) | Cash bonuses, cash profit sharing plans, and other short-term cash incentives in the most recently completed fiscal year | Value of equity compensation granted in the most recently completed fiscal year |
|---|---|--|---|
| CEO/President | | | |
| CFO/Top Finance/Accounting Executive | | | |
| COO/Chief Operating Officer | | | |
| CIO/Chief Information Officer/Top IT Officer | | | |
| Divisional Vice President | | | |
| Top Human Resources/Personnel Professional | | | |
| Top Sales/Marketing Executive | | | |
| Vice President of Services/Function/Geographic Region | | | |

For each executive position, indicate the value of contributions made to a 401(k), defined benefit, or other qualified retirement plans, **excluding the ESOP**, in the most recently completed plan year. Estimated amounts are fine. Please write in **0** if you don't contribute to retirement plans aside from the ESOP.

| | Amount |
|---|--------|
| CEO/President | |
| CFO/Top Finance/Accounting Executive | |
| COO/Chief Operating Officer | |
| CIO/Chief Information Officer/Top IT Officer | |
| Divisional Vice President | |
| Top Human Resources/Personnel Professional | |
| Top Sales/Marketing Executive | |
| Vice President of Services/Function/Geographic Region | |

8. For each executive position, indicate the value of all annual additions to each individual's ESOP account, including contributions of shares or cash as well as shares allocated to the participant's account for the year. Estimated amounts are fine. Write in **0** if no additions were made to the ESOP for that executive in the most recently completed plan year.

| | Amount |
|---|--------|
| CEO/President | |
| CFO/Top Finance/Accounting Executive | |
| COO/Chief Operating Officer | |
| CIO/Chief Information Officer/Top IT Officer | |
| Top Divisional Vice President | |
| Top Human Resources/Personnel Professional | |
| Top Sales/Marketing Executive | |
| Vice President of Services/Function/Geographic Region | |

9. Please note here anything specific to your company's officers or compensation structure not noted above.

Equity Compensation

10a. Please indicate which of the following types of equity compensation you provide to your executives.

| | Stock options | Restricted stock/RSUs | Stock appreciation rights | Phantom stock |
|---|---------------|-----------------------|---------------------------|---------------|
| CEO/President | | | | |
| CFO/Top Finance/Accounting Executive | | | | |
| COO/Chief Operating Officer | | | | |
| CIO/Chief Information Officer/Top IT Officer | | | | |
| Top Divisional Vice President | | | | |
| Top Human Resources/Personnel Professional | | | | |
| Top Sales/Marketing Executive | | | | |
| Vice President of Services/Function/Geographic Region | | | | |

10b. What is your typical plan for granting equity compensation to executives? (Select all that apply)

- N/A - No equity compensation granted to executives
 - On Hire
 - Tenure--based
 - Based on an individual performance metric
 - Based on a company performance metric
 - On a discretionary basis
 - Annually
 - Periodically, less often than annually
 - Other _____
-

11. Please indicate which (if any) executives have direct share ownership outside the ESOP (founding shares, vested restricted stock, granted on hire, etc.) Check all that apply.

- CEO/President
 - CFO/Top Finance/Accounting Executive
 - COO/Chief Operating Officer
 - CIO/Chief Information Officer/Top IT Officer
 - Divisional Vice President
 - Top Human Resources/Personnel Professional
 - Top Sales/Marketing Executive
 - Vice President of Services/Function/Geographic Region
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COVID-19

12. Overall, how has this business been affected by the coronavirus pandemic?

- Large negative effect
- Moderate negative effect
- Little or no effect
- Moderate positive effect
- Large positive effect

13. Is this business classified as an "essential" business in its state/locality?

- Yes
- No

14. What steps has your company taken, or is planning to take, to handle the impact of the coronavirus outbreak and shutdown? Select all that apply.

| | Have already done this | Planning to do this |
|--|------------------------|-----------------------|
| Using emergency cash reserves | <input type="radio"/> | <input type="radio"/> |
| Applying for a PPP loan | <input type="radio"/> | <input type="radio"/> |
| Receiving short-term financing other than a PPP loan | <input type="radio"/> | <input type="radio"/> |
| Saving cash by switching to employer stock for retirement plan contributions | <input type="radio"/> | <input type="radio"/> |
| Saving cash by reducing contributions to benefit plans | <input type="radio"/> | <input type="radio"/> |
| Performing an interim ESOP valuation | <input type="radio"/> | <input type="radio"/> |
| Freezes on pay increases across the board | <input type="radio"/> | <input type="radio"/> |
| Layoffs (if yes, enter approximate percentage of workforce laid off) | <input type="radio"/> | <input type="radio"/> |
| Furloughs (if yes, enter approximate percentage of workforce furloughed) | <input type="radio"/> | <input type="radio"/> |
| Modifying bonus targets to make them easier to achieve (if yes, please describe) | <input type="radio"/> | <input type="radio"/> |
| Moved to partially remote work | <input type="radio"/> | <input type="radio"/> |
| Moved to fully remote work | <input type="radio"/> | <input type="radio"/> |
| Re-hire employee(s) who had been laid off or furloughed | <input type="radio"/> | <input type="radio"/> |
| Hired new employee(s) | <input type="radio"/> | <input type="radio"/> |

15. In your opinion, how much time do you think will pass before this business returns to its normal level of operations relative to one year ago?

- 1 month or less
 - 2-3 months
 - 4-6 months
 - More than 6 months
 - I do not believe this business will return to its normal level of operations.
 - This business has permanently closed.
 - There has been little or no effect on this business's normal level of operations.
 - This business has returned to its normal level of operations.
-

How has the COVID-19 crisis affected compensation for executives, other top management, and/or your workforce as a whole?

| | Executives | Other top management | Non-management employees |
|--|--------------------------|--------------------------|--------------------------|
| We had base pay reductions for 2020 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We plan to forego base pay increases in 2021 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We reduced the required performance level (e.g., net income) necessary to achieve the target bonus for the 2020 performance year | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We announced a reduced bonus payout for the 2020 performance year | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We announced an elimination of the bonus payout for 2020 performance year | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We normally have annual LTIP grants to executives, and we made the normal LTIP grant in 2020 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We normally have annual LTIP grants to executives, but we reduced or eliminated the LTIP grant in 2020 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| We normally have annual LTIP grants to executives, and we increased the LTIP grant in 2020 to offset reductions in cash compensation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

What percentage was base pay reduced by? (Enter numbers between 0 and 100)

| | Percent base pay reduction |
|--------------------------|----------------------------|
| Executives | |
| Other top management | |
| Non-management employees | |

16. In general, would you describe your financial outlook for your business over the next 12 months as:

- More optimistic than pessimistic
 - More pessimistic than optimistic
-

Demographics

17. Which of the below best describes your industry?

- Construction
 - Manufacturing
 - Wholesale trade
 - Retail trade
 - Finance, insurance, real estate
 - Professional, scientific and technical services
 - Health care and social assistance
 - Information, technology (computers, biotechnology, software)
 - Other (please specify) _____
-

18. How many full- and part-time employees does your company currently have?

19. Where is your company's headquarters?

- State _____
 - Postal Code _____
-

20. What was the company's average **annual** change in stock price over the past five years? (If your company has had an ESOP for fewer than five years, answer for the number of years the plan has been in place.)

- Negative (we had a loss)
 - 0 - 10%
 - 11 - 20%
 - 21% or higher
-

21. Please choose a category below for the dollar value of your company's revenues in the most recently completed fiscal year.

- Up to \$10 million
 - \$10 million to \$50 million
 - \$51 million to \$200 million
 - \$101 million to \$200 million
 - \$201 million to \$500 million
 - \$501 million or more
-

22. Based on what you know today, how do you expect your 2020 revenue to compare to 2019?

- Flat or increasing
- Down by up to 10%
- Down 10% to 25%
- Down 25% to 50%
- Down more than 50%

If you would like to receive a discount on the survey results and the chance to receive a database of ESOPs in your industry, please provide your contact information below. No identifying information will appear in the published survey results and your answers will not be associated with your company in any way.

Company _____

Email address _____

Name _____

Thank you for your participation! If you have any final comments, additions or clarifications, please enter them here.
