

# Rewarding performance:

## *Executive pay in the technology sector*

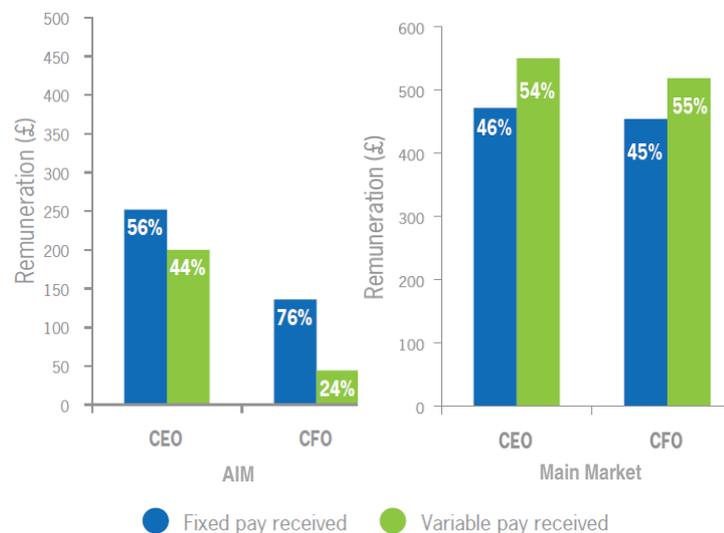
Our latest Grant Thornton survey shows a long overdue narrowing gap between pay in the technology sector and the rest of the market but in certain quarters there is still some way to go.

Grant Thornton has now published its survey on executive pay in the technology sector. Over 90 companies in the sector have been subject to a detailed review of their pay and incentive structures to give a comprehensive view of pay in the sector. This report also has potential implications for unlisted technology companies. Although these companies are unlikely to recruit CEOs/CFOs from the Main Market, they will recruit employees from listed companies at lower levels whose salaries may have been influenced by those of their senior management.

### Selected key highlights:

- **Base salaries** in the technology sector are relatively depressed compared to other industries, which was also the case last year. However, technology companies appear to be catching up as the percentage increase was generally higher than the rest of the market, except for Main Market CEOs whose increases were the same as the rest of the market.
- **LTIP realised** (ie LTIP pay outs) have been buoyant in the Main Market. On AIM they are still disappointing although there have been very significant percentage increases on last year. This may mean that awards are now reaching their first exercise date.
- **General comment:** whilst lower salary levels are the norm in this sector, they are catching up with the rest of the market. Our survey shows that, in contrast to last year, levels of LTIP awards are now more generous and are going some way to compensate for the high performance, and high risk, nature of the industry.

Technology sector - fixed / variable pay (£k)



**For further information or to arrange a meeting to discuss the findings of the research and receive a complimentary copy please contact:**

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