

2022

In-House Counsel Compensation Survey



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Executive Summary

Major, Lindsey & Africa (MLA) launched the 2022 In-House Counsel Compensation Survey amid one of the most competitive periods in recent memory for companies looking to hire or retain in-house counsel. In the United States, many factors—including post-pandemic general counsel (GC) retirements and regulatory and economic uncertainty—have converged to create a surge in demand for in-house talent.

The hot in-house job market is pressuring companies to raise the bar for legal department compensation. As our survey of thousands of in-house lawyers demonstrates, companies worldwide have increased the base salaries and bonuses for in-house lawyers at a steady clip—even as they have faced financial pressures and continuing fallout from the global pandemic.

Our survey found that since 2020, the total actual cash (TAC) compensation paid to GC and chief legal officers (CLOs) has risen by 14% around the globe. TAC compensation increased by a similar rate for deputy GC (DGC) and associate GC (AGC).

In association with Western Management Group (WGM), we gathered confidential and anonymous responses to our online survey in the winter and spring of 2022. More than 3,300+ attorneys responded from 46 countries. In this report, we review the detailed compensation data we collected for a broad range of in-house lawyer roles, including CLO/GC, regional GC (RGC)/country GC (CGC), deputy GC (DGC)/associate GC (AGC), senior counsel (SC)/assistant GC (ASTGC), and counsel.

Our research includes information about chief compliance officers (CCOs) and their compensation. In highly regulated industries, such as financial services, healthcare, and life sciences, the CCO has become essential in ensuring compliance with internal policies and external regulations. Our survey found that CCOs in the U.S. earn \$430,000 in base salary and bonuses on average. We expect this number to grow in the years ahead as companies look to avoid regulatory and litigation risk.

ROLES COVERED IN THIS REPORT

CLO	Chief Legal Officer
GC	General Counsel
CCO	Chief Compliance Officer
RGC	Regional General Counsel
CGC	Country General Counsel
DGC	Deputy General Counsel
AGC	Associate General Counsel
SC	Senior Counsel
ASTGC	Assistant General Counsel

THE EFFORT TO RETAIN TALENT

As noted in a recent MLA Global In-House Market Conditions Report on the global hiring picture for in-house lawyers, competition for talent has pushed corporate leaders to reevaluate compensation structures as they attempt to retain GC and other key legal department staff.

However, corporate leaders face challenges in keeping up with pay raises and bonuses competitors offer. The problem can be acute when the legal team comprises lawyers who have been with an enterprise for many years. Salaries in those cases tend to slip below market and can create risk to the business by leaving the company vulnerable to decreased morale and productivity, unwanted employee turnover, and loss of intellectual capital. To boost the retention of valued lawyers, corporate leaders are looking for budget-friendly ways to increase pay. They also offer other incentives, such as more flexible schedules, work-from-home opportunities, and unique fringe benefits.

Our survey measures the cash compensation lawyers received and may not capture all the creative ways corporate leaders have responded to the competitive hiring market. Yet, clues in the cash compensation numbers reveal some of the pay-based efforts companies are making.

Variable compensation - primarily in the form of bonuses based on corporate revenue performance—has grown as a percentage of legal department pay. Our survey found that target bonuses for 2022 climbed for all the legal department positions we surveyed - in most cases, by double-digit percentages.

Our survey shows that GC and CLOs have been among the chief beneficiaries of increased bonuses. At many companies, variable compensation represents as much as half of, and frequently more than, the CLO/GC's salary.

This development signals the continuing evolution of the GC and CLO roles. As pandemic-related challenges, increasing regulation, and tough economic issues have created greater complexity for companies, GC have emerged as important business and strategic advisers to CEOs, making GC even more important players in the C-suite. In addition, recognizing that GC should be compensated on par with other C-suite executives, companies are giving them larger bonuses.

**RETAINING TALENT WAS
A KEY FACTOR DRIVING
BONUS INCREASES.**

GENDER INEQUITY: AN ONGOING ISSUE

Salaries and bonuses may be increasing, but many companies still struggle to compensate their female attorneys at the same rate as their male colleagues. Our numbers show that women GC and CLOs lag behind their male counterparts by a significant margin in global markets, with men in the GC role earning 15% more in base salary and actual bonuses than women.

A key factor constraining women's salaries may be that women hold fewer CLO and GC positions. Bonuses are another issue. While base salaries among GC are 6% higher for men globally, gender disparity is most pronounced with regard to variable pay. For example, in 2021, men made 18% more in actual bonus income, and the target bonuses for male GC in 2022 are 43% higher than those for women.

Annual bonuses are typically based upon company and individual performance. While a company's performance is usually determined by objective facts, subjective judgments are common when assessing individual performance. This opens the door to implicit biases that can brew gender inequality into a company's compensation decisions.

The issue of implicit bias has been highlighted and further exacerbated by the global pandemic. In general, women—no matter their profession—are tasked with a disproportionate share of childcare and housework. Those domestic burdens grew even heavier as a result of pandemic-driven factors, such as school and daycare closures. A 2021 study by the University of Connecticut found empirical evidence that women working remotely during the pandemic were interrupted more frequently than their male colleagues by both with work-related and personal responsibilities. Female attorneys, whose work often entails long hours even without a global pandemic, were not immune. They faced a lose-lose scenario: On one hand they were expected to shoulder more domestic responsibilities. On the other, the fact that they faced these burdens reinforced implicit biases that negatively affected compensation.

In a more positive development, women are making strides toward equal compensation in other legal department roles. In the United States, for example, women's average compensation exceeds that of men in RGC/CGC and SC/ASTGC roles.

Summary of Key Findings

When we conducted the In-House Counsel Compensation Survey earlier this year, our goal was to better understand the broad array of compensation issues facing in-house legal departments at companies across the United States and around the globe. These findings from the survey stand out:

TOTAL ACTUAL CASH COMPENSATION (TAC)

TAC compensation is a calculation designed to capture base salary information and the amount paid out in bonuses to in-house counsel annually. Our survey examined TAC for 2020 through 2022. We found:

- › **Substantial Global Growth:** Globally, TAC compensation has grown since 2020 in all but one job category we surveyed. Increases ranged from 6% for RGC/CGC to 14% for CLOs/GC. The single exception was for the counsel role, which saw a 9% decrease.
- › **Strong Increases in the United States:** U.S. results mirrored the global numbers, with TAC compensation up for every U.S. job except counsel (down 10%). The strongest increase was for DGC/AGC roles, which saw a 12% increase over the past three years. CLO/GC positions in the United States experienced an average increase of 15%. Average TAC compensation for each U.S. surveyed role ranged from \$180,414 for counsel to \$578,446 for a CLO/GC.
- › **Across-the-Board Pay Hikes in Europe, the Middle East, and Africa (EMEA) and Asia-Pacific (APAC):** Our survey shows that the TAC compensation of every in-house lawyer role in EMEA and APAC countries has gone up since 2020. Increases were modest – from 2% for CLO/GC and DGC/AGC to 4% for RGC/CGC and 6% for SC/ASTGC.

**TAC COMPENSATION
FOR CLO/GC GLOBALLY
HAS INCREASED BY
14% SINCE 2020.**

BONUS COMPENSATION

Variable compensation, such as bonuses and commissions, is rising for in-house lawyers globally. For GC, bonuses can represent as much as 40% to 50% of TAC compensation—a figure in line with other C-suite roles.

Retention was a key factor driving bonus increases. So, too, was company performance. Many companies saw a post-pandemic surge in revenue, which made handing out larger bonuses easier to accomplish. With other corporate officers and senior business leaders likely receiving large bonuses, it made sense to provide them to CLOs/GCs as well.

Our survey showed:

- › **Bonuses Are Growing Faster than Base Pay:** In the U.S., actual bonuses paid in 2021 were up 16% for CLO/GC roles while base pay increased by only 8% since 2020.
- › **Variable Pay Surges for Other Roles:** In the United States, DGC/AGC and SC/ASTGC saw moderate base pay increases but significantly higher variable pay than in 2020. For the SC/ASTGC job (574 respondents), target bonuses for 2022 were up by a whopping 33%.

- › **Big Bonuses for GC:** The CLO/GC position received the highest bonuses in 2021, with an average of \$304,000. Target bonuses for 2022 average \$255,000 for CLOs/GC.

COMPENSATION BY GENDER

Globally, male GC are paid significantly more than female GC, averaging \$348,412 annually compared with \$327,843 for women. The survey also shows:

- › **Wide Disparity in Bonuses:** Globally, male CLOs/GC earned 6% more base salary than their female counterparts. But the pay gap considerably widens when bonuses are considered. Men received 15% larger actual bonuses in 2021 than women, and their target bonuses in 2022 are 43% higher than those for female GC.
- › **Inequality in EMEA/APAC:** In the EMEA and APAC countries, TAC compensation for men exceeded that for women in every position surveyed.
- › **Mixed Results in the United States:** Male CLOs/GC, CCOs, DGC/AGC, and counsel earned more than their female counterparts. However, women earned more than men at the RGC/CGC and SC/ASTGC levels.

Companies can help address gender pay differences in a few ways. Company-wide implicit bias training programs can help fix pay disparities and eventually close the pay gap. Also, companies should use hard data to make compensation and promotion decisions, rather than relying upon subjective metrics.

ETHNIC DIVERSITY IN THE U.S.

Our data set includes information about racial and ethnic diversity among U.S. in-house counsel. Our survey respondents in 2022 were somewhat more diverse than in our 2020 survey. This year, White respondents represented 66% of participants compared with 73% two years ago. Participation by Black attorneys increased from 6% to 11%. Among our findings:

- › **The \$500K Club:** CLOs/GC typically earn TAC compensation of \$500,000 or more, no matter their ethnicity. White GC earned the most, \$581,405, and Hispanic/Latino GC received the lowest TAC compensation, \$502,378; Asian-American GC made \$543,340 and Black GC earned \$539,249 in TAC compensation.
- › **Compensation Trends Vary by Role:** Black DGC and Hispanic or Latino SC/ASTGC received the highest TAC compensation by ethnicity in those roles. White attorneys reported the lowest salaries in both categories.

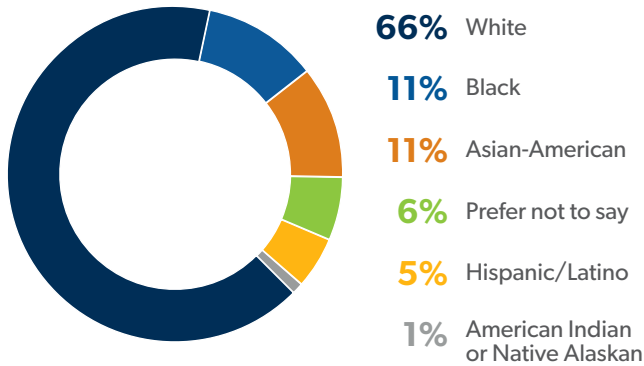
COMPENSATION BY INDUSTRY

We collected data across nearly two dozen industries. CLOs/GC reported the highest TAC compensation in highly regulated industries.

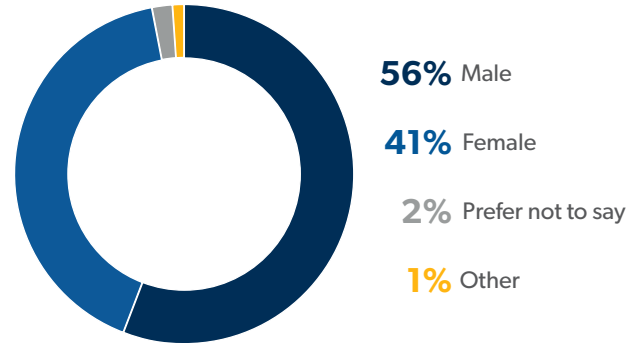
- › **Increases and Decreases in TAC compensation:** The industry with the largest increase in TAC compensation from 2020 to 2022 was entertainment, which saw an 82% jump. Energy/public utility companies were next, with an increase of 57%. Conversely, TAC compensation for counsel in agriculture and aerospace/defense companies declined the most (42%) from 2020 to 2022.

Survey Demographics

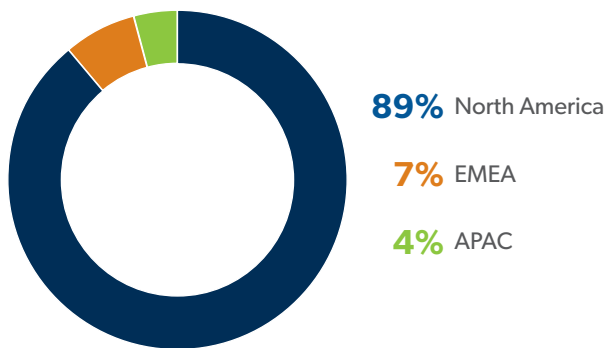
ETHNICITY (U.S. ONLY)



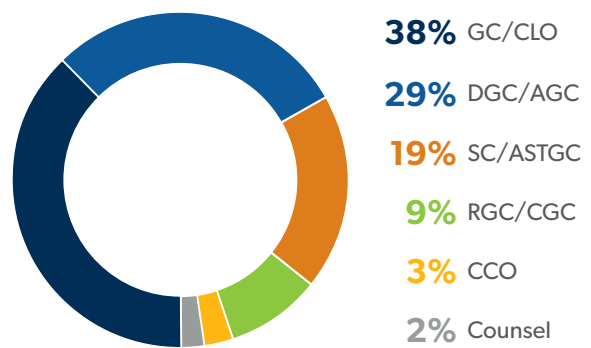
GLOBAL GENDER OF RESPONDENTS



GLOBAL REGIONS OF RESPONDENTS



GLOBAL JOB TITLES OF RESPONDENTS



We asked survey respondents to provide demographic information to help us measure potential differences in TAC compensation by gender or ethnicity. Gender data was collected from all respondents, and we compiled additional information about ethnicity from U.S. respondents.

Respondents from the United States were somewhat more diverse than in our 2020 compensation survey. This year, 66% of respondents were White, down from 72% in our last survey.

The increase in ethnic diversity was driven primarily by Black participants, who constituted 11% of the respondents in 2022 compared with 6% in the previous survey.

Most of the global respondents were men (56%), women accounted for 41% of the total, and 3% preferred not to say or listed "other" in response to the question about gender.

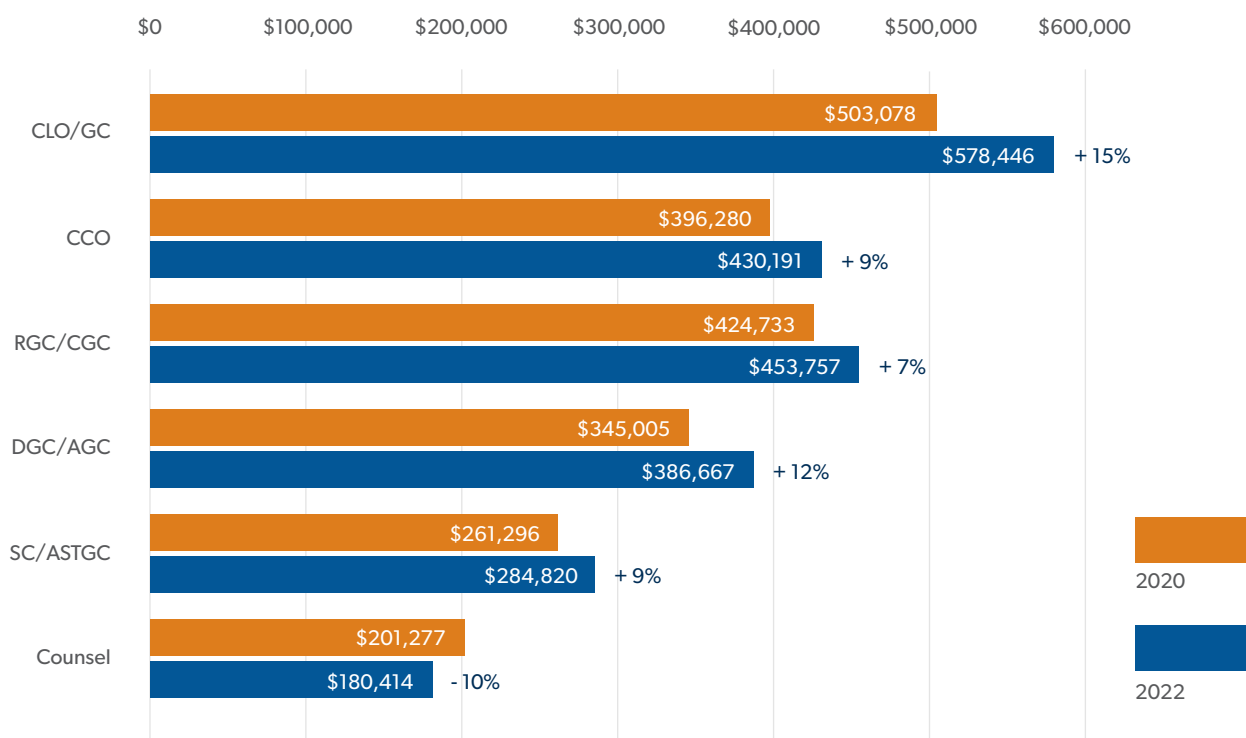
TAC Compensation

We asked participants around the globe to provide information about their TAC income during the previous year. This information includes any 2022 base salary and variable income (i.e., bonuses or commissions) paid in 2021. In addition, in this section of the report, we provide data about TAC compensation by role and region.

TAC compensation for CLOs/GC in the United States has grown much faster than for CLOs/GC in other parts of the world. For example, in 2020, TAC compensation for CLOs/GC in the United States was nearly \$155,000 higher than for GC in the EMEA and APAC regions. In 2021, U.S. TAC compensation was nearly \$213,000 higher.

TAC COMPENSATION REFERS TO THE RESPONDENTS' 2022 BASE SALARY PLUS ANY BONUSES PAID OUT DURING 2021.

U.S. AVERAGE TOTAL ACTUAL CASH BY ROLE 2020 VS. 2022



Among in-house counsel in the United States, TAC compensation has risen most sharply for attorneys promoted to roles with managerial duties, such as DGC or CLOs/GC.

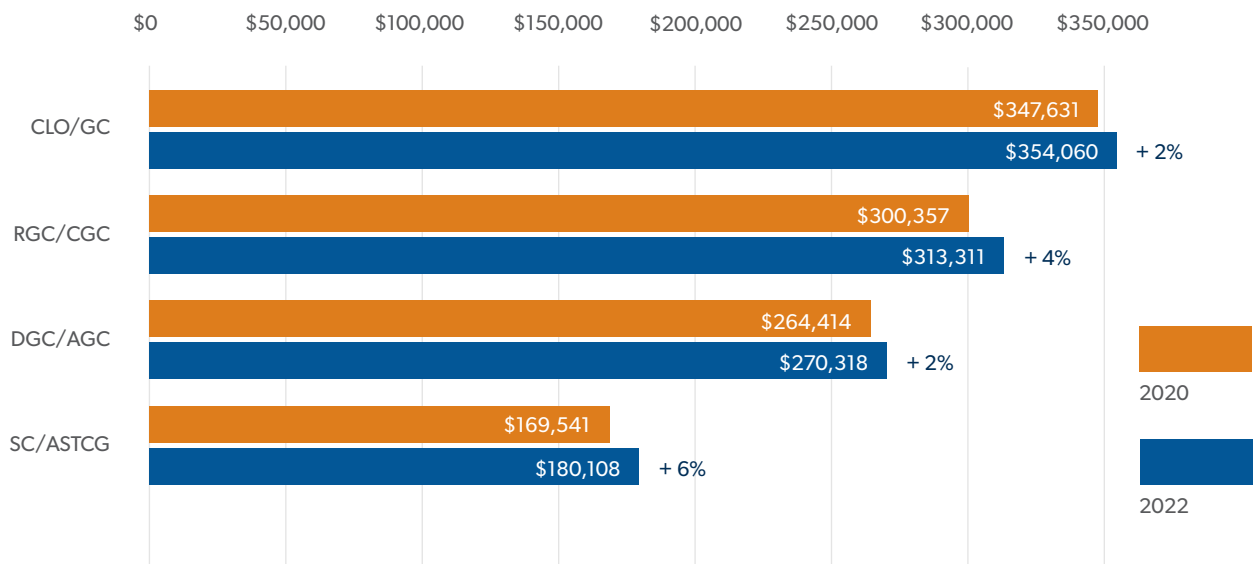
From 2020 to 2022, TAC compensation for U.S. CLOs/GC rose by an average of 15%. The increase for DGC/AGC roles over the same period was also significant at 12%. Increases among other positions were somewhat more modest. For example, SC/ASTGC and CCOs reported increases of roughly 9% each.

TAC compensation for RGC/CGC increased by a little less than 7%. Counsel was the only role to see a decrease in average TAC compensation, with a 10% decline between 2020 and 2022.

Counsel positions are among the most challenging to fill, and attorneys—particularly those with strong pedigrees who are also members of under represented groups—are constantly in demand for these roles. The decline in TAC may reflect the turnover in these positions and the level of difficulty companies face in filling them.

The gap between TAC compensation for CLOs/GC and other roles also widened in the past three years. In 2022, CLOs and GC took home an average of \$578,446, or \$125,000 more than the next highest-paid role (RGC/CGC) and just under \$400,000 more than the lowest-paid role (counsel). In 2020, the gap was \$78,000 for RGC/CGC and \$302,000 for counsel.

EMEA/APAC TAC BY ROLE 2020 VS. 2022



Survey data for the EMEA and APAC regions shows non-U.S. GC earned average TAC compensation of \$354,060—63% lower than the TAC compensation of their U.S. counterparts. In 2020, GC TAC compensation in EMEA and APAC was 45% lower than that of their U.S. peers.

What drives the disparity between TAC compensation in the United States and other regions? The continuing transformation of the CLO/GC role in the United States and its growing prominence in the C-suite might be partially responsible. At many U.S. companies, the GC is no longer viewed solely as a corporate lawyer and risk manager, but also as a key strategic adviser and potential successor to the CEO.

Many multinationals outside the United States still do not have the CLO/GC on the leadership team or reporting into the CEO, which has a direct impact on their compensation as well as their effectiveness.

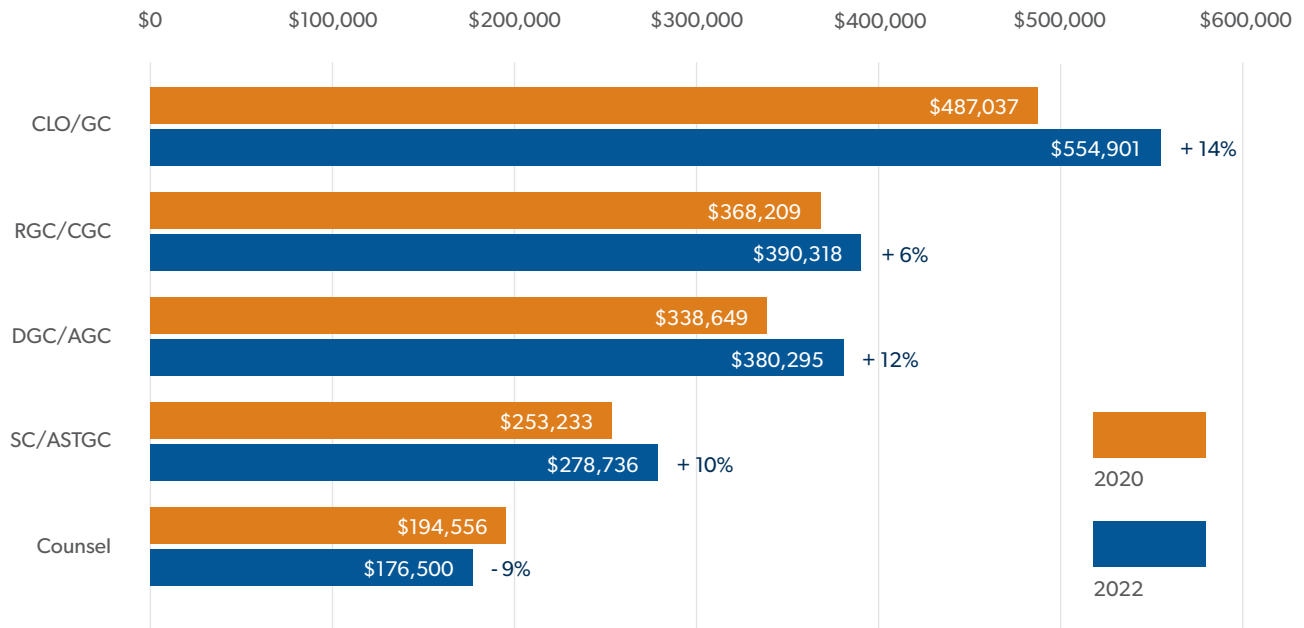
The result: A stark difference in pay between GC/CLO roles in EMEA and APAC and the United States.

The variance in TAC compensation growth across the different roles during the past two years may be the most notable difference between the U.S. and EMEA/APAC. Roles with management responsibilities—CLO/

GC, RGC/CGC, DGC/RGC—saw the lowest levels of TAC compensation growth in the EMEA and APAC regions.

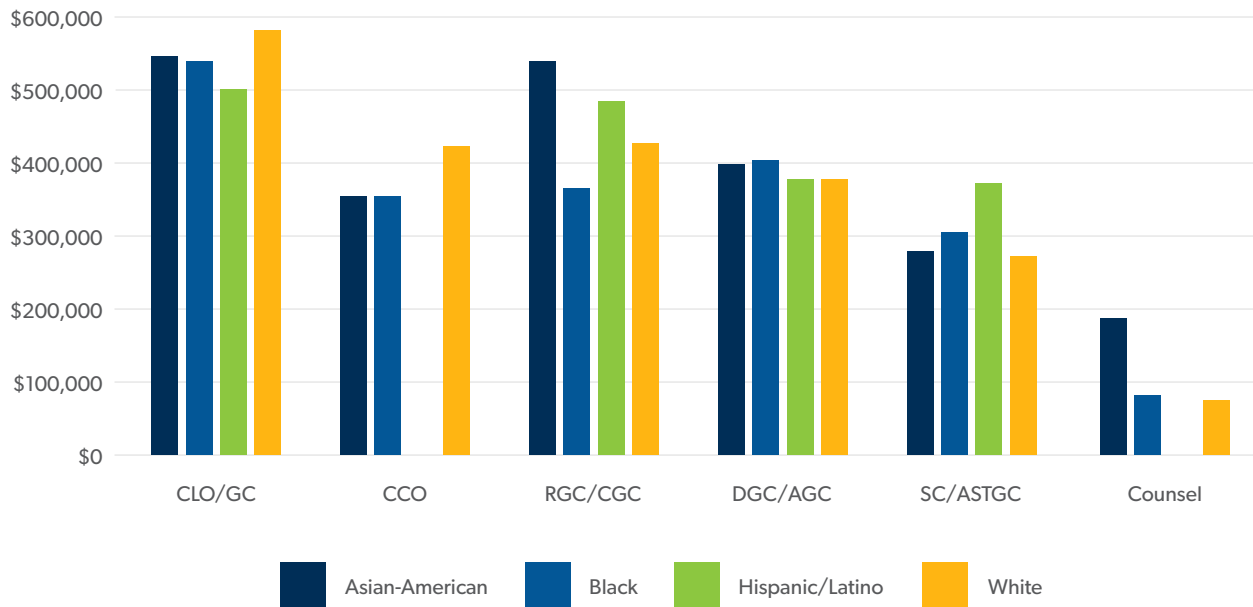
The larger increases for SC/ASTGC roles likely indicate the state of hiring in EMEA/APAC. As noted in our recent report on global in-house market conditions, the current demand for lawyers with four to 10 years of post-qualification experience is exceptionally high. As a result, companies are competing for those lawyers with law firms that have instituted aggressive retention strategies.

GLOBAL AVERAGE TAC BY ROLE 2020 VS. 2022



TAC compensation in the United States and EMEA/APAC has grown for nearly every legal department role despite economic uncertainty related to the pandemic and other global events. The only exception is the counsel role, for which the overall decrease was driven by a sharp TAC compensation decline in the United States.

U.S. AVERAGE TAC BY ETHNICITY



	2022	2020	% change from 2020 to 2022	2022	2020	% change from 2020 to 2022	2022	2020	% change from 2020 to 2022
	CLO/GC			CCO			RGC/CGC		
Asian-American	\$543,340	\$408,886	33%	\$353,166	\$337,286	5%	\$537,221	\$346,500	55%
Black	\$539,249	\$462,641	17%	\$355,664	\$771,500	-54%	\$368,951	\$372,969	-1%
Hispanic/Latino	\$502,378	\$526,595	-5%				\$486,822	\$273,600	78%
White	\$581,405	\$504,939	15%	\$421,138	\$373,327	13%	\$426,701	\$433,348	-2%

	2022	2020	% change from 2020 to 2022	2022	2020	% change from 2020 to 2022	2022	2020	% change from 2020 to 2022
	DGC/AGC			SCG/ASTGC			Counsel		
Asian-American	\$394,021	\$343,851	15%	\$281,592	\$242,845	16%	\$188,016	\$197,780	-5%
Black	\$403,287	\$360,478	12%	\$302,643	\$258,486	17%	\$80,000	\$191,216	-58%
Hispanic/Latino	\$380,241	\$323,381	18%	\$371,058	\$258,573	44%			
White	\$379,003	\$340,629	11%	\$273,836	\$264,208	4%	\$77,875	\$203,703	-62%

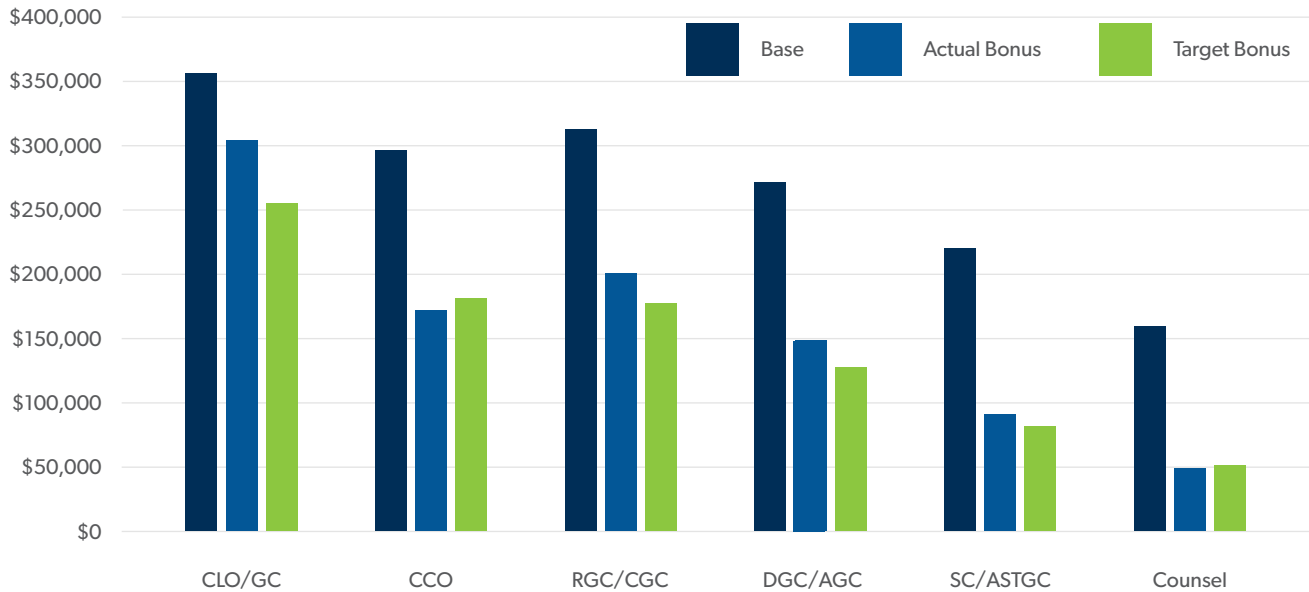
Due to limited responses in 2020, some of the salaries reported on the graph may not reflect the larger trends.

TAC compensation in the U.S. by ethnicity varies widely depending on a lawyer's role.

- › CLOs/GC earn an average annual TAC compensation of \$500,000 or more, regardless of ethnicity. White GC earned the most, \$581,405, and Hispanic/Latino GC receive the lowest TAC compensation at \$502,378.
- › Among CCOs, the salary range is wider. White CCOs earned almost 20% more than Black and Asian-American CCOs.
- › Asian-American RGC/CGC and counsel were the highest earners in those roles, earning 45% more than Black RGC, who received the lowest TAC compensation in that role. Counsel of Asian descent out-earned White and Black counsel by more than 100%.
- › Black DGC earned the most, and Hispanic or Latino SC/ASTGC received the highest TAC compensation. White attorneys reported the lowest salaries in both categories.

Bonus Compensation

U.S. AVERAGE PAY COMPONENTS BY POSITION



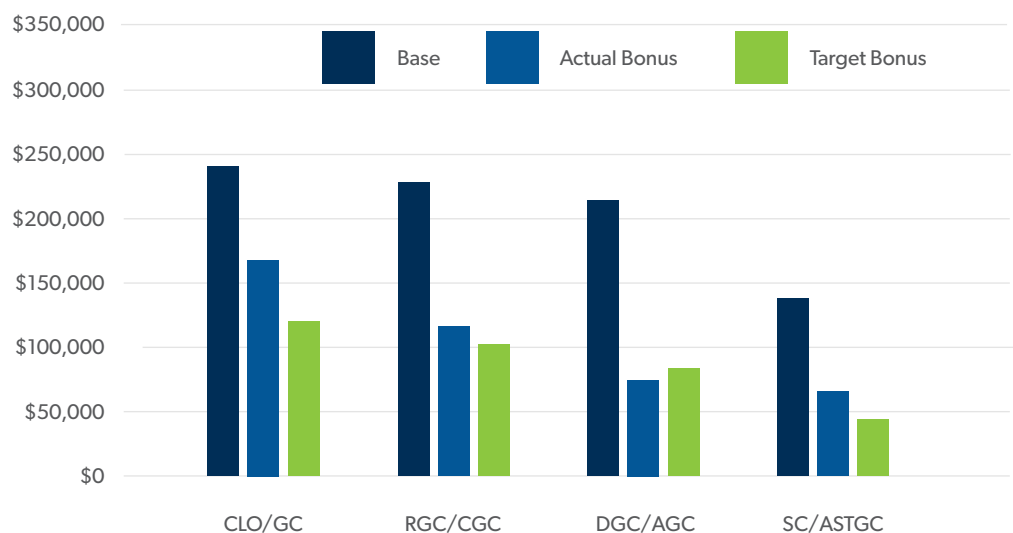
	Base	Change from 2020	Actual Bonus	Change from 2020	Target Bonus	Change from 2020
CLO/GC	\$355,690	8%	\$303,968	16%	\$255,377	17%
CCO	\$295,933	8%	\$172,573	-4%	\$181,950	15%
RGC/CGC	\$313,294	13%	\$200,489	5%	\$176,751	16%
DGC/AGC	\$271,795	8%	\$148,345	19%	\$127,785	21%
SC/ASTGC	\$221,064	6%	\$89,853	16%	\$82,366	33%
Counsel	\$159,469	0%	\$49,888	-39%	\$50,977	33%

Bonuses, or variable compensation, now represent 40% to 50% of a GC’s annual compensation in the United States. This figure is in line with that for other members of the C-suite whose variable compensation is tied to company performance. Moreover, as noted, the growing bonus salary percentage further indicates the GC’s rise in the corporate leadership ranks.

Across the legal department, the CLO/GC position received the highest proportion of its TAC compensation in bonuses. Other senior roles saw large bonus increases as well—DGC/AGC and SC/ASTGC experienced double-digit increases in actual bonus payouts from 2020 to 2022. Bonus targets for 2022 grew at a similar rate.

Meanwhile, base salary increased at a far slower clip. While RGC/CGC saw a 13% increase, most other positions reported more modest increases of 5% to 8% during the past two years.

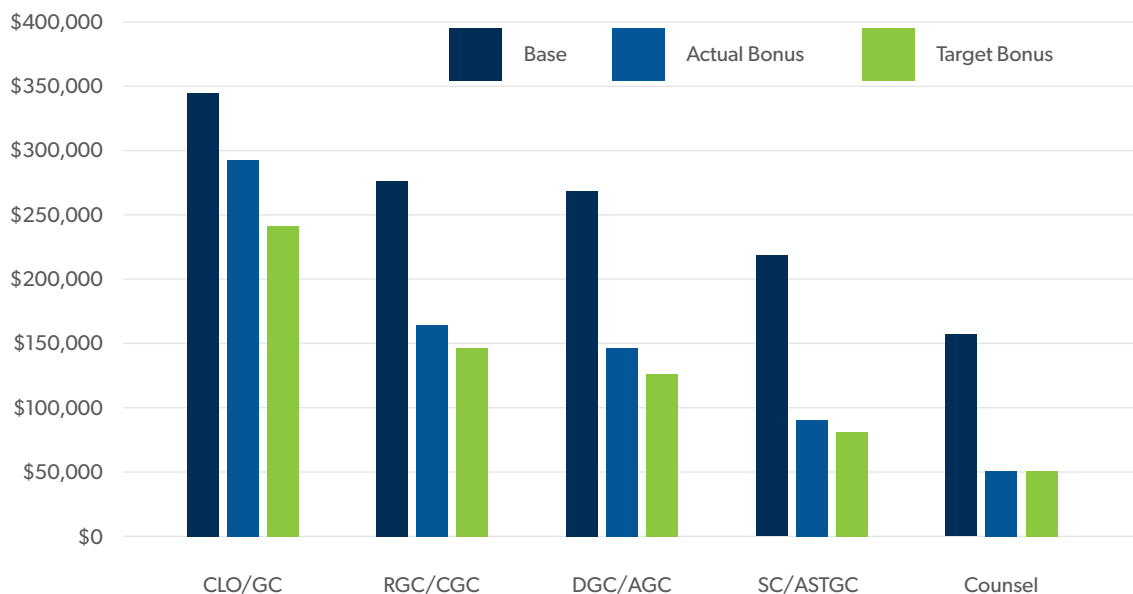
EMEA/APAC AVERAGE PAY COMPONENTS BY POSITION



	Base	Change from 2020	Actual Bonus	Change from 2020	Target Bonus	Change from 2020
CLO/GC	\$240,029	-3%	\$168,143	23%	\$120,356	8%
RGC/CGC	\$227,786	4%	\$116,456	11%	\$102,380	26%
DGC/AGC	\$213,588	9%	\$75,023	-18%	\$83,831	31%
SC/ASTGC	\$137,806	-8%	\$66,389	93%	\$44,041	37%

Compensation patterns are similar in the EMEA and APAC regions, with bonuses making up much of the compensation package for CLOs/GC. On average, GC and CLOs from outside the United States earned actual bonuses of a little more than \$168,000 and have target bonuses of about \$120,00 for 2022.

GLOBAL AVERAGE PAY COMPONENTS BY POSITION



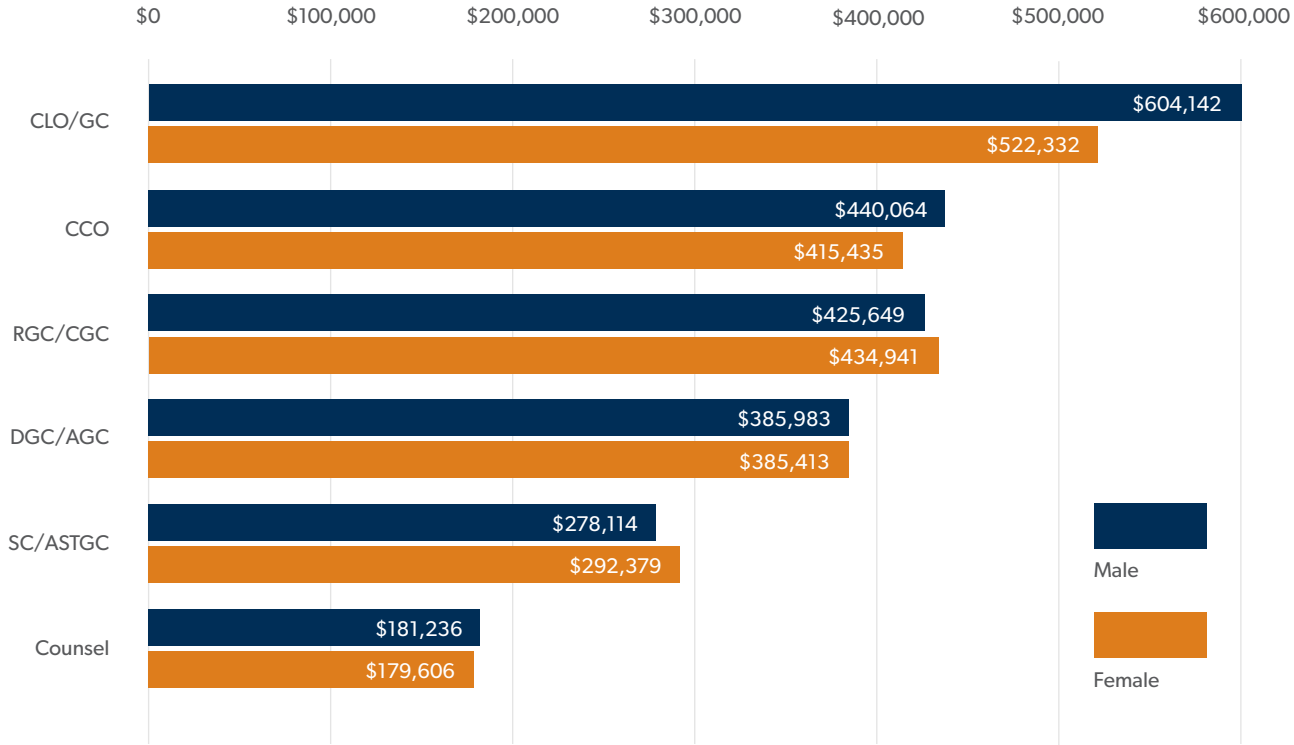
	Base	Change from 2020	Actual Bonus	Change from 2020	Target Bonus	Change from 2020
CLO/GC	\$343,220	28%	\$290,962	53%	\$241,447	53%
RGC/CGC	\$275,421	21%	\$163,845	37%	\$144,821	44%
DGC/AGC	\$268,657	28%	\$144,323	38%	\$125,121	50%
SC/ASTGC	\$216,422	32%	\$88,751	62%	\$80,564	61%
Counsel	\$155,820	29%	\$48,958	62%	\$49,064	66%

Looking at bonuses around the globe, companies have made significant increases across every position in the legal department in both actual bonus payouts and target bonuses. Actual bonus growth was north of 28% for every position, except RGC/CGC, which grew at a still-significant 21%. Target bonuses were up 50% for all but the RGC/CGC, which saw a 44% increase.

Since our last survey in 2020, the most substantial increases have been in the SC/ASTGC and counsel positions, with actual bonuses growing by 32% and 29% respectively and target bonuses climbing by 61% for SC/ASTGC and 66% for counsel.

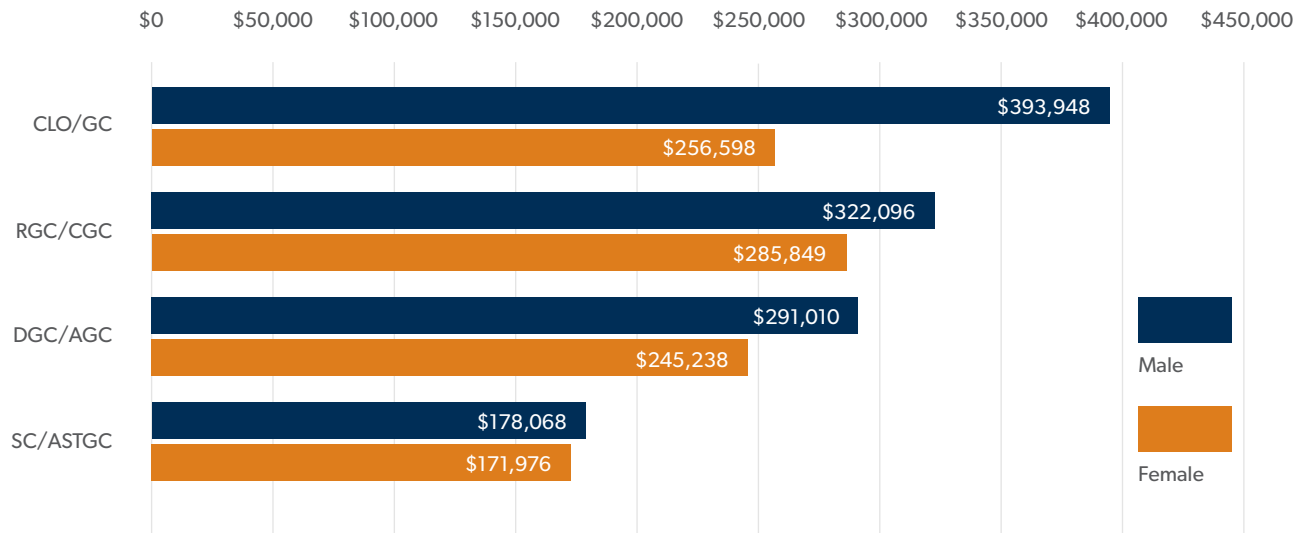
Compensation by Gender

U.S. AVERAGE TOTAL ACTUAL CASH BY GENDER



According to our survey, men, on average, continued to make significantly more than women for U.S. GC and CLO roles. In TAC compensation, male GC averaged \$604,142, and women received \$522,332, a difference of nearly 16%. However, in other legal department positions, the disparity is evaporating. Women and men in the United States reported nearly equal TAC compensation in every other role. In the RGC/CGC and SC/ASTGC roles, average compensation for women now exceeds that of men.

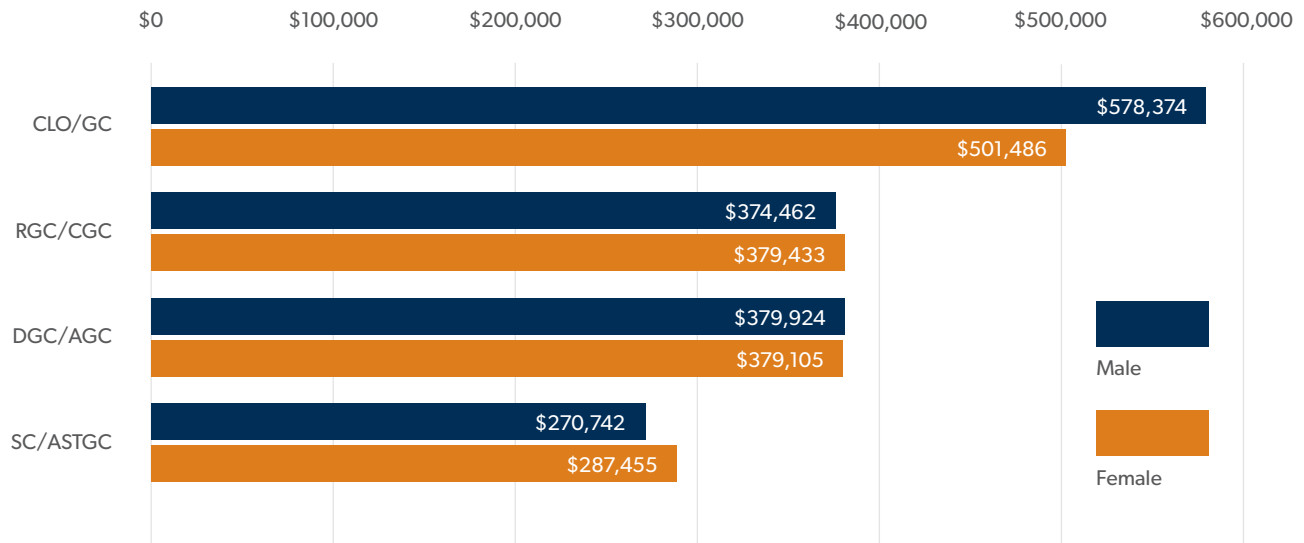
EMEA/APAC AVERAGE TOTAL ACTUAL CASH BY GENDER



Outside the United States, men received higher TAC compensation than women in every legal department position.

In Europe, candidates are traditionally asked for their current compensation details when interviewing for a new role. If this continues, the pay gap will not change. Instead, prospective employers should be asking candidates for their compensation expectations and should plan to pay the market rate, even if that means a higher pay increase for the candidate than the traditional 10-15%.

GLOBAL AVERAGE TOTAL ACTUAL CASH BY GENDER



The gender gap in TAC compensation continues around the globe, particularly in the legal department’s top job. Across regions, male CLOs/GC make more money in base pay, bonuses, and TAC compensation. Men accounted for 56% of the responses from CLOs/GC.

Although base pay for men is 6% higher than for women, variable pay is the key driver of compensation disparity. Women received bonuses 18% lower than those paid to men, and their bonus targets lagged men’s by 43%.

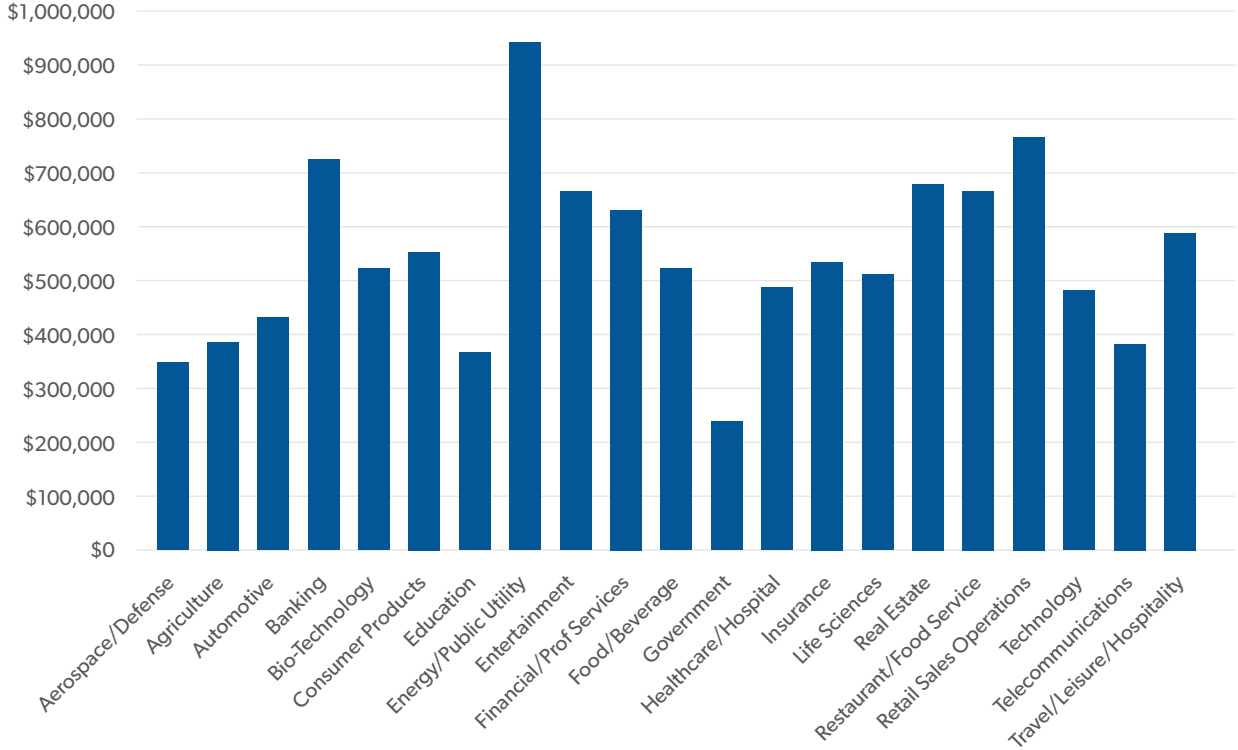
Outside the CLO/GC role, however, women appear to make greater progress. For example, worldwide, and especially in the United States, women in RGC/CGC and SC/ASTGC roles reported higher average compensation in both base and variable pay than men in those roles.

Compensation by Industry

Which industries generate the highest TAC compensation for their GC and CLOs? Not surprisingly, GC in complex, highly regulated industries earn more than those in industries with fewer regulatory requirements. For instance, TAC compensation for GC in the banking industry is 18% higher than compensation for GC working for professional services firms.

Our survey’s focus on TAC compensation, which does not include stock options and other fringe benefits, might explain the relatively low ranking for technology industry CLOs/GC in the United States and globally. In growth-oriented tech companies, equity (rather than cash) is often a significant component of the compensation package for employees, including GC.

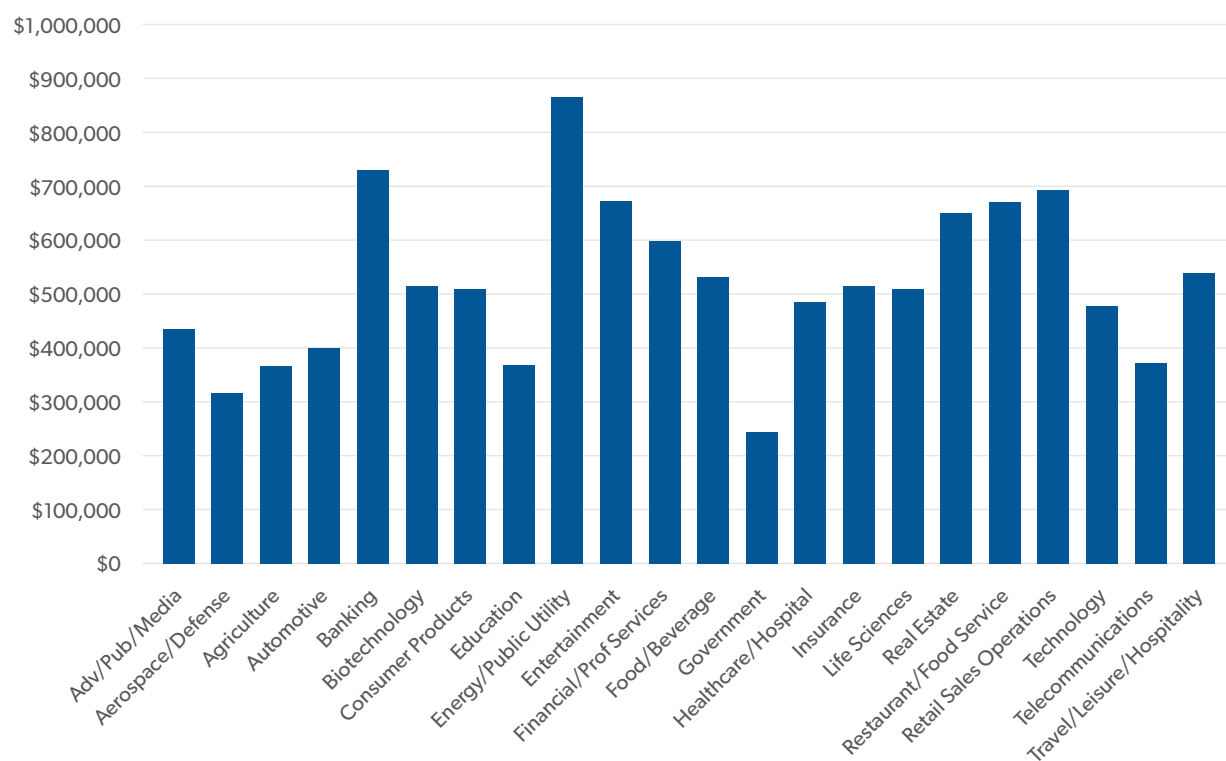
2022 AVERAGE TAC COMPENSATION BY INDUSTRY: U.S. CLO/GC



U.S. CLO/GC Average TAC by Industry	2020	2022	% change 2020 to 2022
Aerospace/Defense	\$491,563	\$352,068	-28%
Agriculture	\$668,563	\$388,400	-42%
Automotive	\$573,895	\$434,548	-24%
Banking	\$785,231	\$727,857	-7%
Biotechnology	\$447,607	\$525,409	17%
Consumer Products	\$545,560	\$556,373	2%
Education	\$345,199	\$370,264	7%
Energy/Public Utility	\$603,072	\$944,783	57%
Entertainment	\$368,114	\$669,256	82%
Financial/Prof Services	\$665,121	\$634,431	-5%
Food/Beverage	\$533,091	\$526,017	-1%
Government	\$229,731	\$242,000	5%
Healthcare/Hospital	\$474,514	\$489,940	4%
Insurance	\$515,717	\$537,461	4%
Life Sciences	\$505,927	\$513,713	2%
Real Estate	\$566,131	\$683,098	21%
Restaurant/Food Service	\$454,059	\$669,751	48%
Retail Sales Operations	\$525,707	\$768,692	46%
Technology	\$420,880	\$485,476	15%
Telecommunications	\$458,762	\$385,264	-16%
Travel/Leisure/Hospitality	\$381,270	\$592,252	55%

In the United States, CLOs and GC in the energy/public utility industry had the highest average TAC compensation, \$944,783, followed by retail sales operations, \$768,692; banking, \$727,857; and real estate, \$683,098. During the past three years, the industry with the largest increase in TAC compensation was entertainment (82% increase), followed by energy/public utility (57%). Conversely, agriculture (-42%) and aerospace/defense (-42%) saw the greatest declines, most likely because of a sharp decrease in variable compensation in those industries.

2022 AVERAGE TAC COMPENSATION BY INDUSTRY: GLOBAL CLO/GC



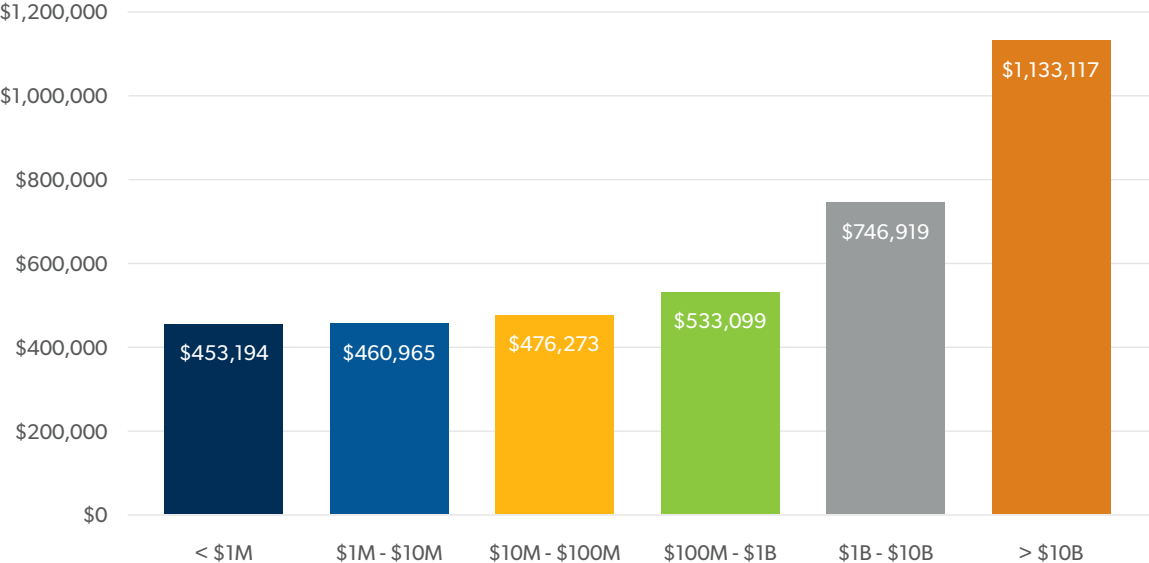
Global CLO/GC Average TAC by Industry	2020	2022	% change 2020 to 2022
Adv/Pub/Media	\$481,688	\$432,535	-10%
Aerospace/Defense	\$480,260	\$314,864	-34%
Agriculture	\$609,720	\$365,452	-40%
Automotive	\$514,548	\$399,936	-22%
Banking	\$725,970	\$727,857	0%
Biotechnology	\$439,697	\$514,108	17%
Consumer Products	\$507,184	\$508,044	0%
Education	\$350,018	\$367,991	5%
Energy/Public Utility	\$548,530	\$862,916	57%
Entertainment	\$396,836	\$672,258	69%
Financial/Prof Services	\$617,018	\$598,261	-3%
Food/Beverage	\$510,208	\$531,145	4%
Government	\$218,980	\$242,000	11%
Healthcare/Hospital	\$468,314	\$485,993	4%
Insurance	\$534,717	\$514,613	-4%
Life Sciences	\$487,275	\$508,065	4%

Global CLO/GC Average TAC by Industry	2020	2022	% change 2020 to 2022
Real Estate	\$559,526	\$651,064	16%
Restaurant/Food Service	\$429,430	\$669,751	56%
Retail Sales Operations	\$518,951	\$694,287	34%
Technology	\$412,498	\$478,468	16%
Telecommunications	\$473,309	\$370,570	-22%
Travel/Leisure/Hospitality	\$352,729	\$537,758	52%

Mirroring the trends in the United States, global industries with the largest increases in TAC compensation from 2020 to 2022 were entertainment (69% increase) and energy/public utilities (57%). Conversely, agriculture had the largest drop in TAC compensation from 2020 to 2022 (-40%), followed by aerospace/defense (-34%).

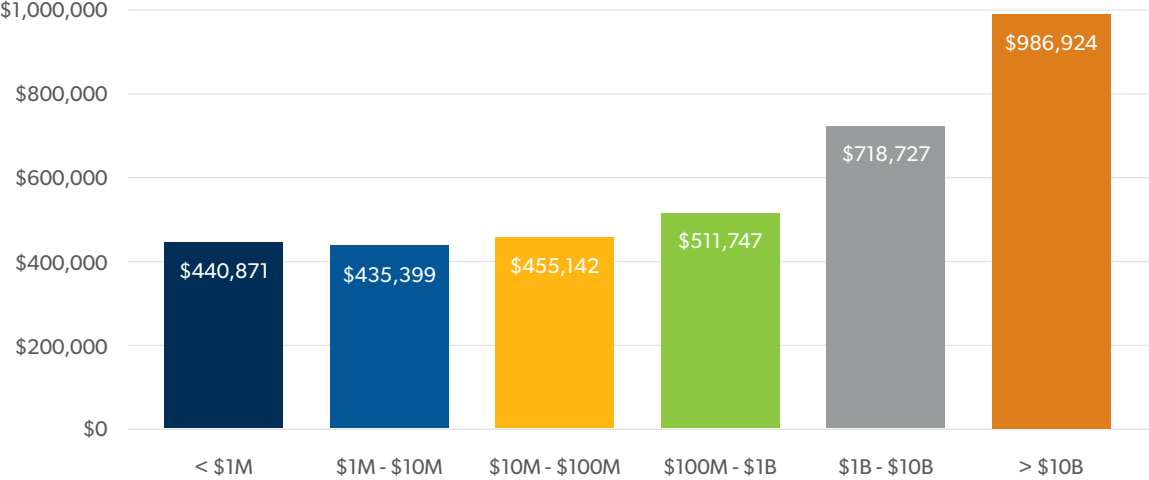
Compensation by Company Revenue

U.S. CLO/GC AVERAGE TOTAL ACTUAL CASH COMPENSATION BY REVENUE



Size matters when it comes to CLO/GC compensation. In the United States, average TAC compensation for CLOs/GC ranges from \$453,194 for companies with less than \$1 million in annual revenue to \$1,133,117 for companies with more than \$10 billion. Compensation levels are similar among smaller companies. For example, TAC compensation increased less than 20% among GC at companies with \$1 million in revenue compared to companies with \$100 million to \$1 billion in revenue. However, our survey shows that when revenue reaches \$1 billion, TAC compensation escalates quickly.

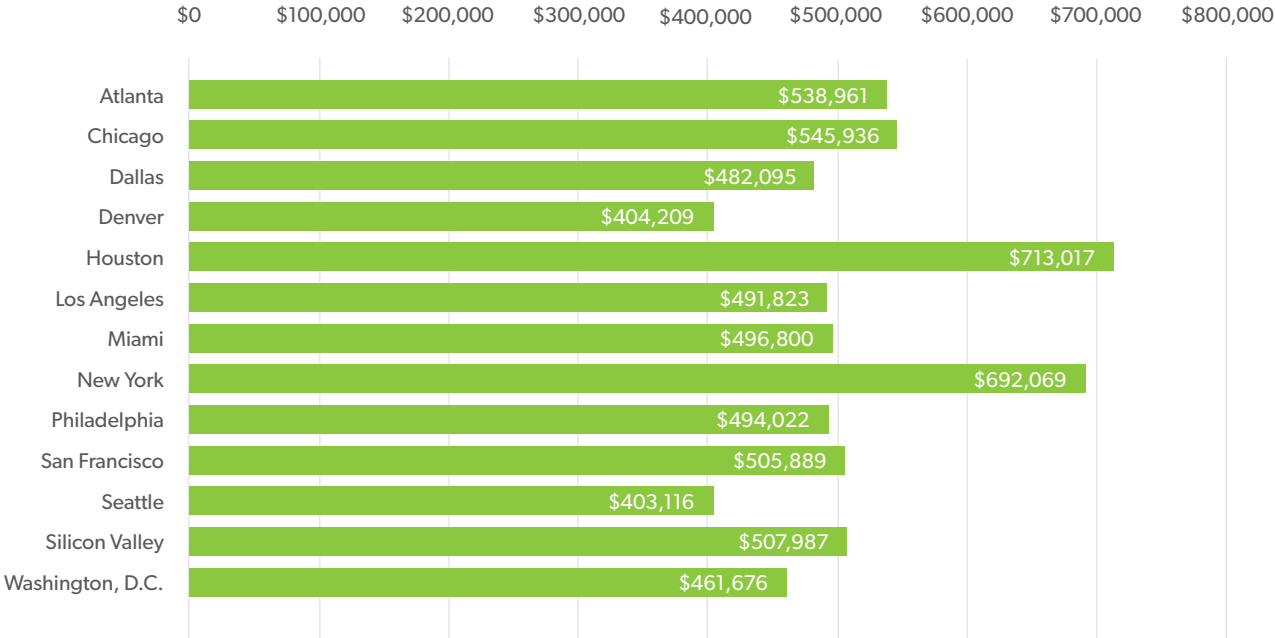
GLOBAL CLO/GC AVERAGE TOTAL ACTUAL CASH BY REVENUE



The correlation between TAC compensation and revenue is likewise evident at the global level. CLOs/GC at companies with more than \$10 billion earn approximately 45% more than their peers at companies with revenue between \$1B and \$10B. Global TAC compensation for GC and CLOs ranges from \$440,871 at the smallest companies to just under \$1 million (USD) at companies with \$10 billion or more in revenue.

Compensation by Region

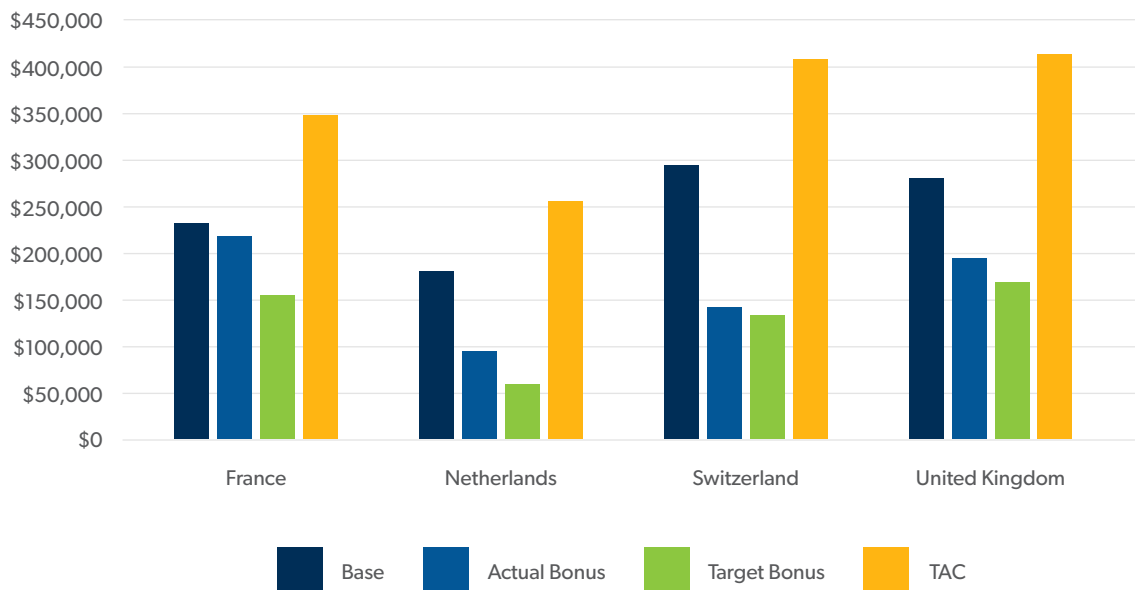
CLO/GC TAC COMPENSATION BY U.S. METRO AREA



Participants from 23 distinct U.S. metropolitan areas provided CLO/GC information for this survey. Whereas the U.S. national average TAC compensation was \$578,446, local averages diverged widely. The lowest average TAC compensation was in the Seattle/Tacoma metro area (\$430,116). Houston reported the highest compensation levels (\$713,017).

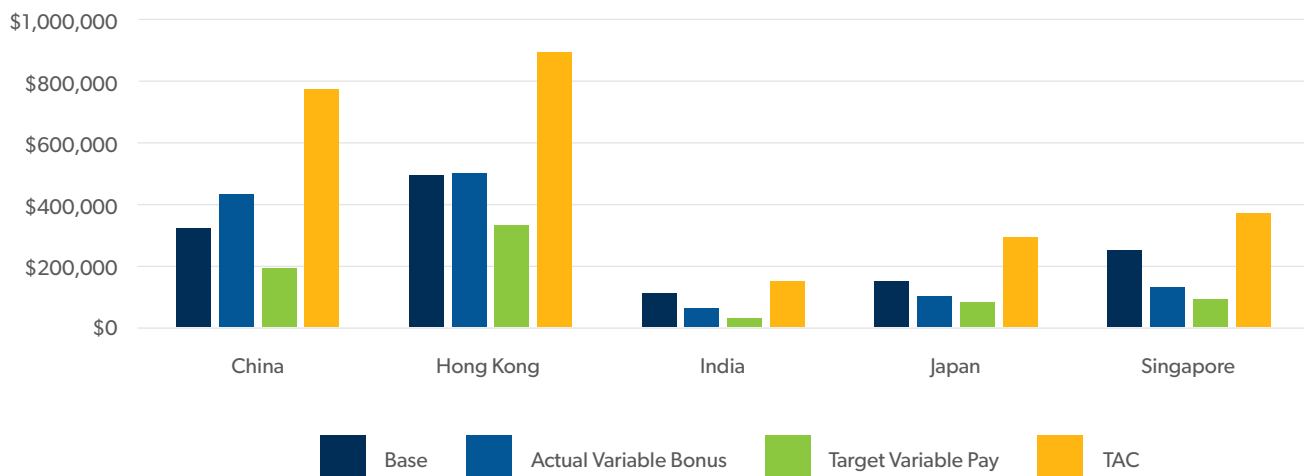
The compensation levels in each market appear to track the common industries in those markets. As noted, highly regulated sectors like energy (a key industry in Houston) command higher TAC compensation. On the other hand, tech-heavy locales like Seattle might see lower TAC compensation because of the equity compensation model many technology companies use. Perhaps unsurprisingly, GC working in larger metro areas such as New York and Los Angeles earn higher TAC compensation than those working in smaller metro areas such as Seattle and Miami. Interestingly, the highest and lowest TAC compensation reported both came from Los Angeles, with one respondent reporting TAC compensation of \$2.4 million and another reporting TAC compensation of \$101,000.

EMEA GC/CLO AVERAGE SALARY COMPONENTS BY COUNTRY



At the country level, we compiled data in key European markets, including the United Kingdom, France, Switzerland, and the Netherlands. GC in the U.K. received the highest TAC compensation at more than \$413,000 (USD), followed closely by Switzerland (\$409,000). France saw average TAC compensation of \$349,000, and GC in the Netherlands received about \$225,000.

APAC GC/CLO AVERAGE SALARY COMPONENTS BY COUNTRY

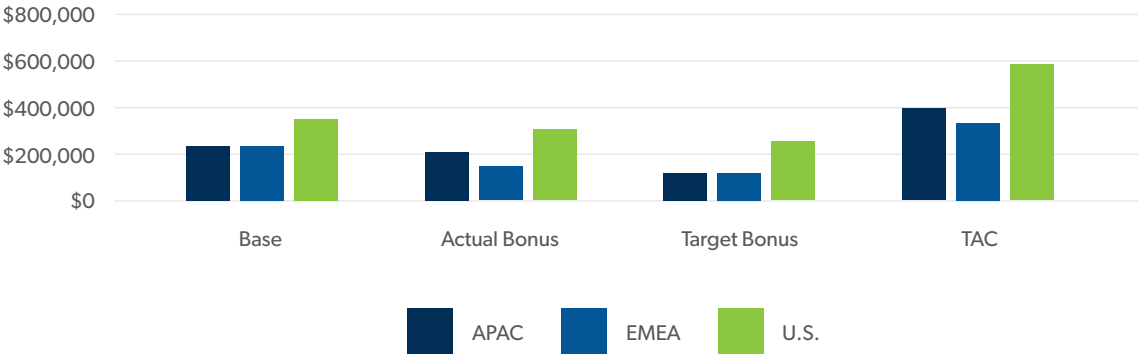


Hong Kong, China, and Singapore, respectively, are the highest-paying countries for CLOs and GC in the APAC region. Because of various government and economic development board incentives, Singapore has become a competitive regional hub with an increasing number of available high-level legal department

roles. In addition, many companies are splitting Asia into two regional hubs: North and South. The Northern hub generally centers on China (Shanghai), and Singapore is often the hub in the South.

Our data shows India falling far behind other APAC countries in CLO/GC TAC compensation, averaging \$145,480 (USD). Many GC in the country have limited business responsibilities outside India, which depresses compensation levels. In addition, GC at Indian multinationals are still, more often than not, one step removed from the C-suite. In addition, the cost of living is far lower in India than in other parts of Asia, and GC salaries remain in line with those of other senior management roles.

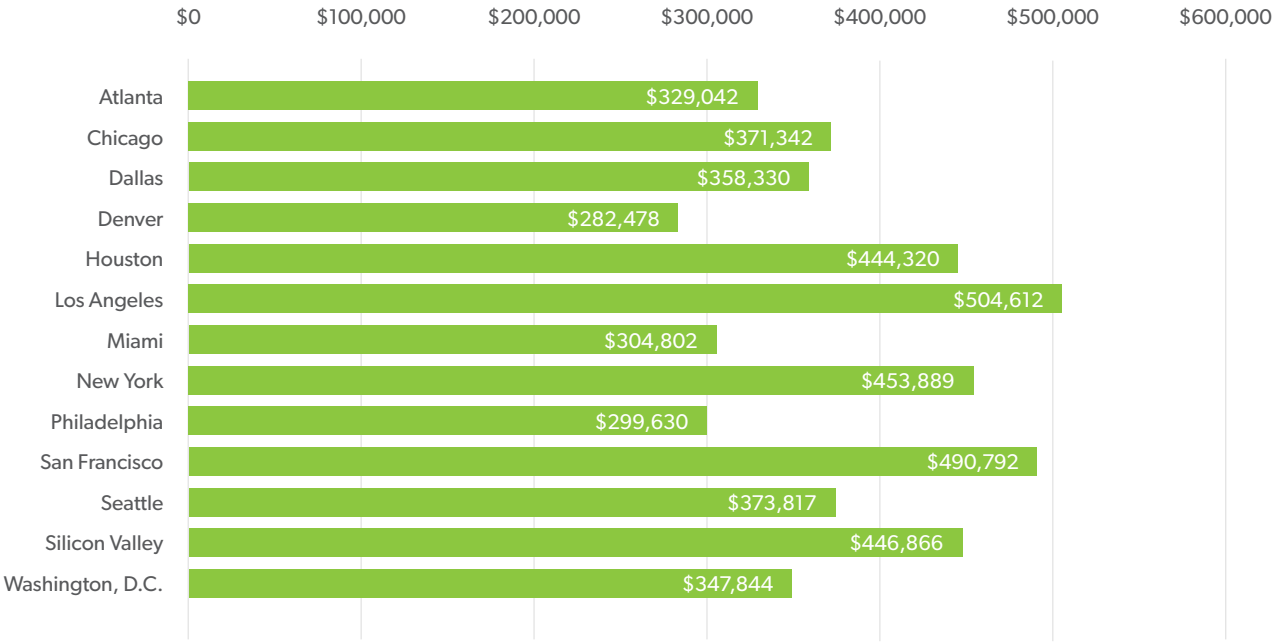
GC/CLO AVERAGE SALARY COMPONENTS BY REGION



The United States continues to outpace EMEA and APAC countries with regard to base pay and bonuses for CLOs/GC. U.S. in-house lawyers are routinely in a stronger position to claim compensation that is higher than that of their international counterparts. In most U.S. companies, a CLO or GC is part of the executive team and reports directly to the CEO. In EMEA and APAC countries, many companies still have the GC or CLO report to the CFO—a decision that directly affects TAC compensation and the CLO/GC’s effectiveness inside the company.

GC in the APAC region earn more than those in EMEA countries. We suspect that the APAC region’s economic growth—although slower than countries such as China or India might wish—is continuing to drive compensation increases. But the European economy continues to slow, putting a damper on revenue-driven bonuses.

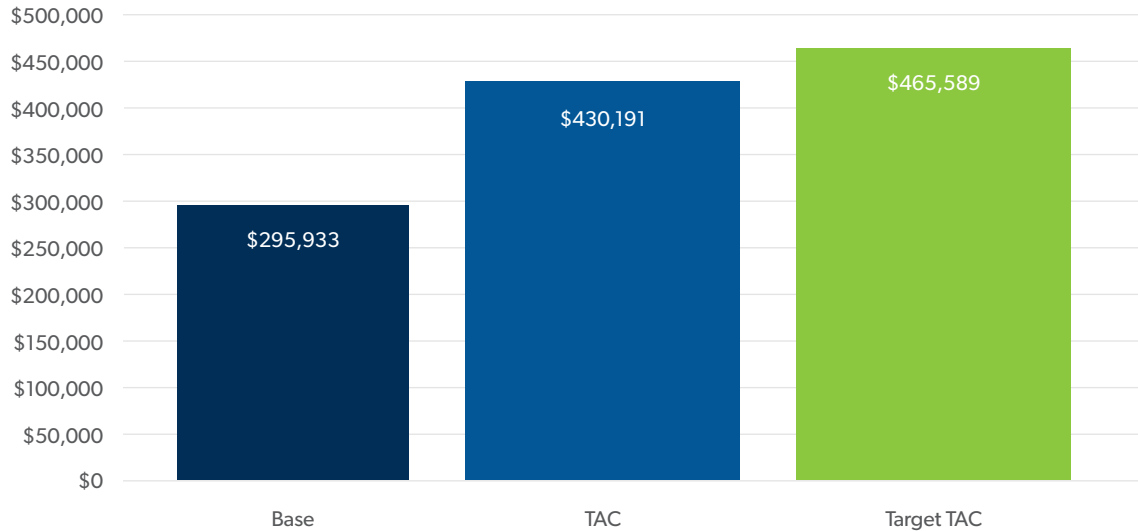
DGC/AGC TAC COMPENSATION BY U.S. METRO AREA



Among DGC/AGC, the highest average TAC compensation was the Los Angeles metro area’s \$504,612. The Denver/Boulder metro area reported the lowest average TAC compensation for DGC/AGC at \$282,478. The Chicago metro area, home to the most respondents to this question (71), reported an average TAC compensation of \$371,342.

CCO TAC Compensation

U.S CHIEF COMPLIANCE OFFICER AVERAGE PAY COMPONENTS



CCOs have become critically important management team members in recent years—especially in the United States, with its complex regulatory environment and the world’s most active litigation climate.

CCOs can expect to earn upward of \$465,000 on average in TAC compensation. Base salaries among the CCOs who responded to our survey averaged nearly \$296,000.

These figures will probably continue to climb. The CCO is often viewed as a functional subject matter expert (SME) whose compensation is in line with other SMEs in the legal department, such as the chief intellectual property (IP) counsel and the chief litigation counsel.

The CCO, as the International Association of Risk and Compliance Professionals notes, establishes standards and implements procedures “to ensure that the compliance programs throughout the organization are effective and efficient in identifying, preventing, detecting, and correcting noncompliance with applicable laws and regulations.”

In a highly regulated corporate environment, this position can help prevent millions of dollars in regulatory fines and other financial and reputational repercussions for a company. Those factors will likely help drive an upward trend in compensation for the CCO role in the years ahead.

Methodology

Data for this survey was collected using an online questionnaire hosted by WMG, an independent global leader in designing, developing, and conducting compensation and benefits surveys. About 26,000 in-house counsel were invited to participate by email. The responses were anonymous and held in strict confidence by WMG. Only aggregated data with no identifying information was shared with MLA.

Compensation data collected:

- › Annual Base Pay as of January 1, 2022 (*i.e.*, salary)
- › Annual Variable Pay, Current Year Target 2022 (*i.e.*, bonus/commission, etc.)
- › Annual Variable Pay, Actual Paid for Fiscal Year 2021 (*i.e.*, bonus/commission, etc.)

Positions for Which Data Was Collected

Respondents were asked to self-identify their position based on the position to which they report, as defined below.

- › **Chief Legal Officer (CLO)/General Counsel (GC):** Chief/senior lawyer of the corporation, reporting to a member of the C-suite or president of the company
- › **Chief Compliance Officer (CCO):** Corporate official in charge of overseeing and managing compliance issues within an organization
- › **Regional General Counsel (RGC)/Country General Counsel (CGC):** Chief/senior lawyer of the corporation in a geographic region, reporting to the company's GC or CLO
- › **Deputy (DGC)/Associate General Counsel (AGC):** In-house lawyer with some managerial duties, reporting to the CLO or GC
- › **Senior Counsel (SC)/Assistant General Counsel (ASTGC):** In-house lawyer in non-entry-level role but with no managerial duties
- › **Counsel:** In-house lawyer at the most junior level within the department

Calculated Values Used in This Report

- › **Mean/Average:** Total value of all observations divided by the number of observations
- › **Total Actual Cash (TAC):** Calculated by adding the current 2022 base salary to the actual variable cash pay from fiscal 2021

Data Is Presented in these Regions

- › **U.S.:** United States of America
- › **EMEA:** Europe, Middle East, Africa
- › **APAC:** Asia-Pacific
- › **Global:** North America, EMEA, APAC

Data is reported in categories where more than five responses were collected—the minimum number recommended count by the U.S. Department of Commerce when reporting on compensation, except for “Compensation by U.S. Geographic Areas,” in which at least 10 responses were required.

Our survey provides companies and current and prospective in-house lawyers with benchmarking data to help them make informed compensation decisions. This report contains information about TAC compensation for in-house roles worldwide, with data about salaries by industry, company revenue, metro area, gender, and global region.

We welcome your feedback. Questions and comments regarding the survey may be directed to:

Barrett Avigdor
Executive Director
bavigdor@mlaglobal.com
+1.858.202.5359

Chad Marlow
Executive Director
cmarlow@mlaglobal.com
+1.213.225.0629

Melba Hughes
*Partner, Executive Director & National In-House
Diversity Practice Leader*
mhughes@mlaglobal.com
+1.404.601.1618

Naveen Tuli
*Managing Partner, In-House Counsel Practice—
Europe, Middle East, and Africa (EMEA) & Asia-
Pacific (APAC)*
ntuli@mlaglobal.com
+91.9599.27.4444



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LINDSEY
& AFRICA

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