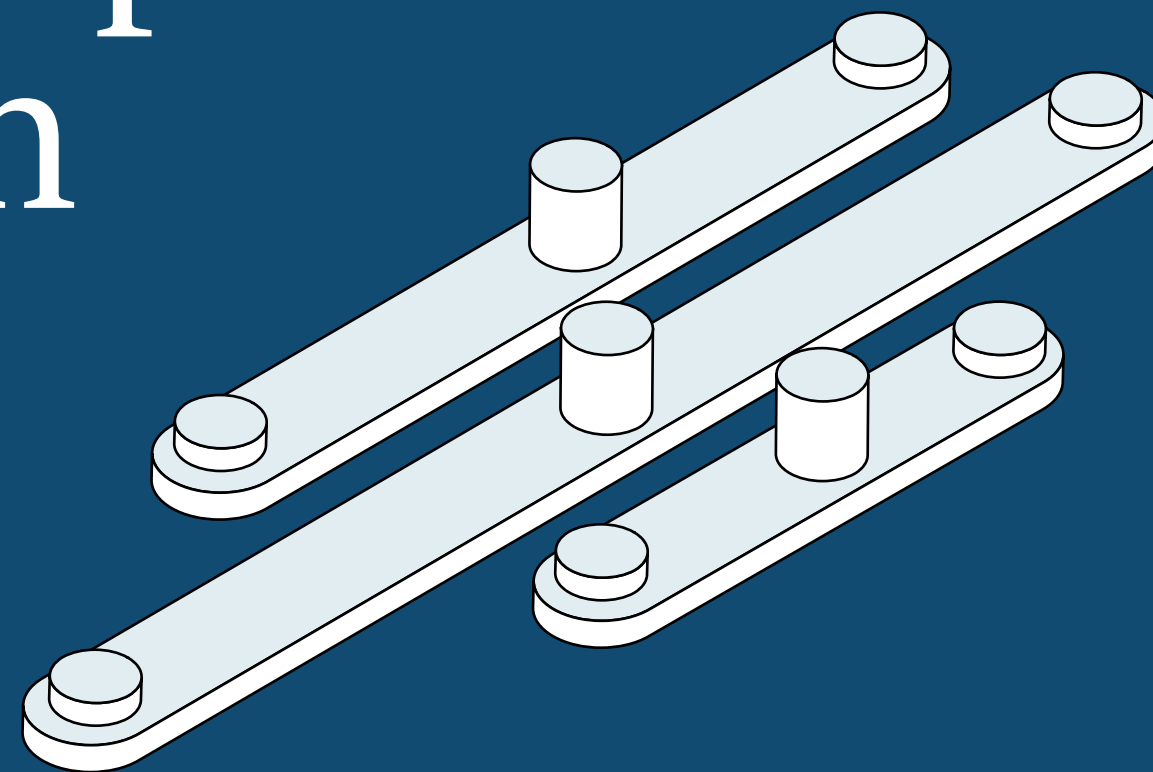


carta

FY 2024

State of startup compensation

All data aggregated from
3.8 million+ employee-records
on Carta Total Compensation



A word from our lawyers

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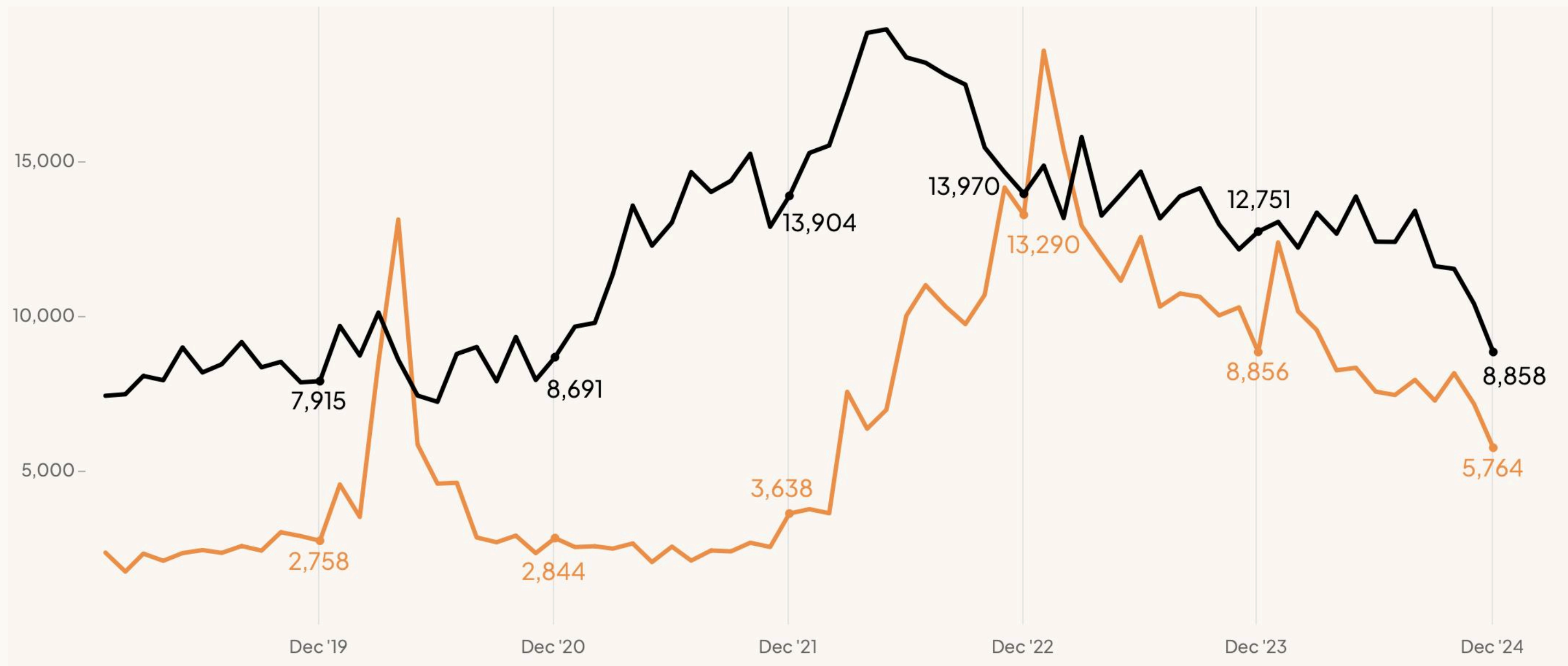
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Hiring & Headcounts

Across all industries and stages, companies are operating with fewer employees than a year ago. The second half of 2024 saw significant declines in voluntary departures as hiring activity continued to slow from 2022 highs.

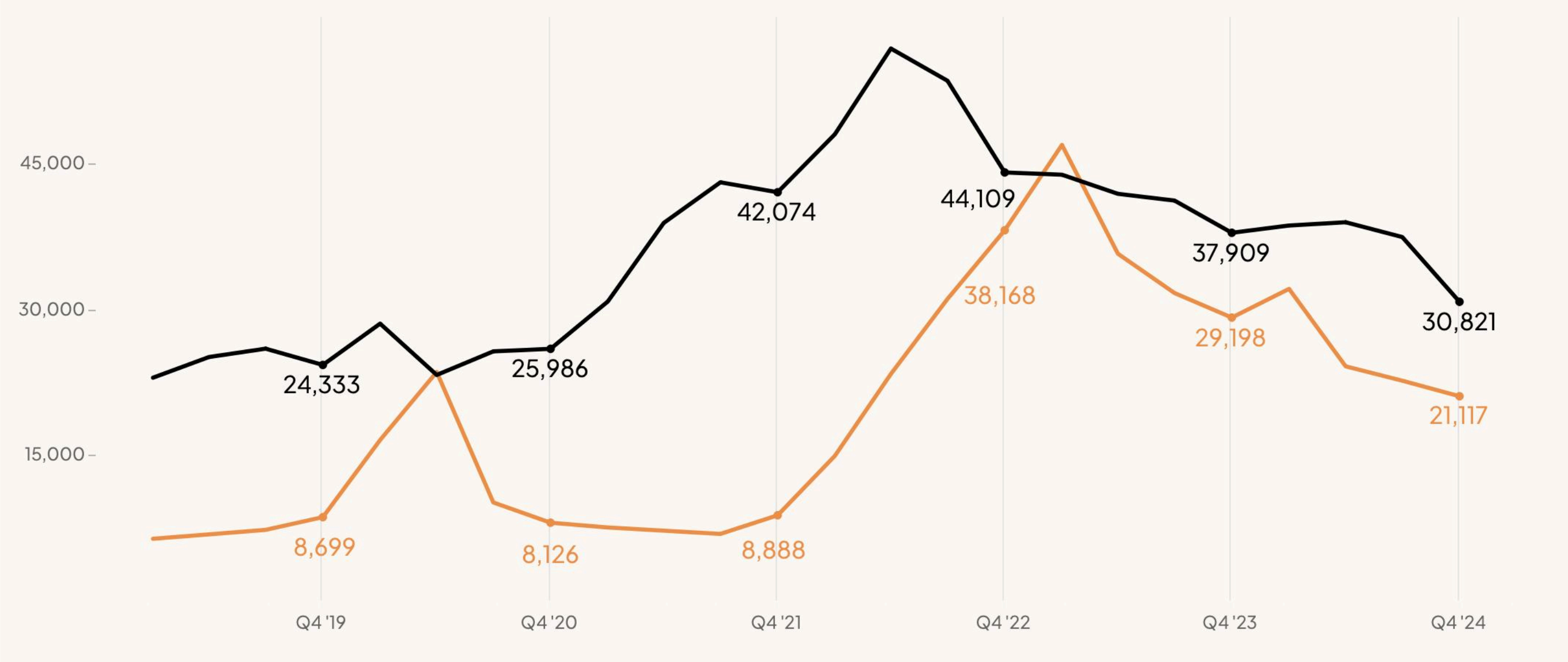
Layoffs & voluntary departures are both down more than 30% YoY

Monthly voluntary and involuntary departures across all companies on Carta | Jan 2019 - Dec 2024



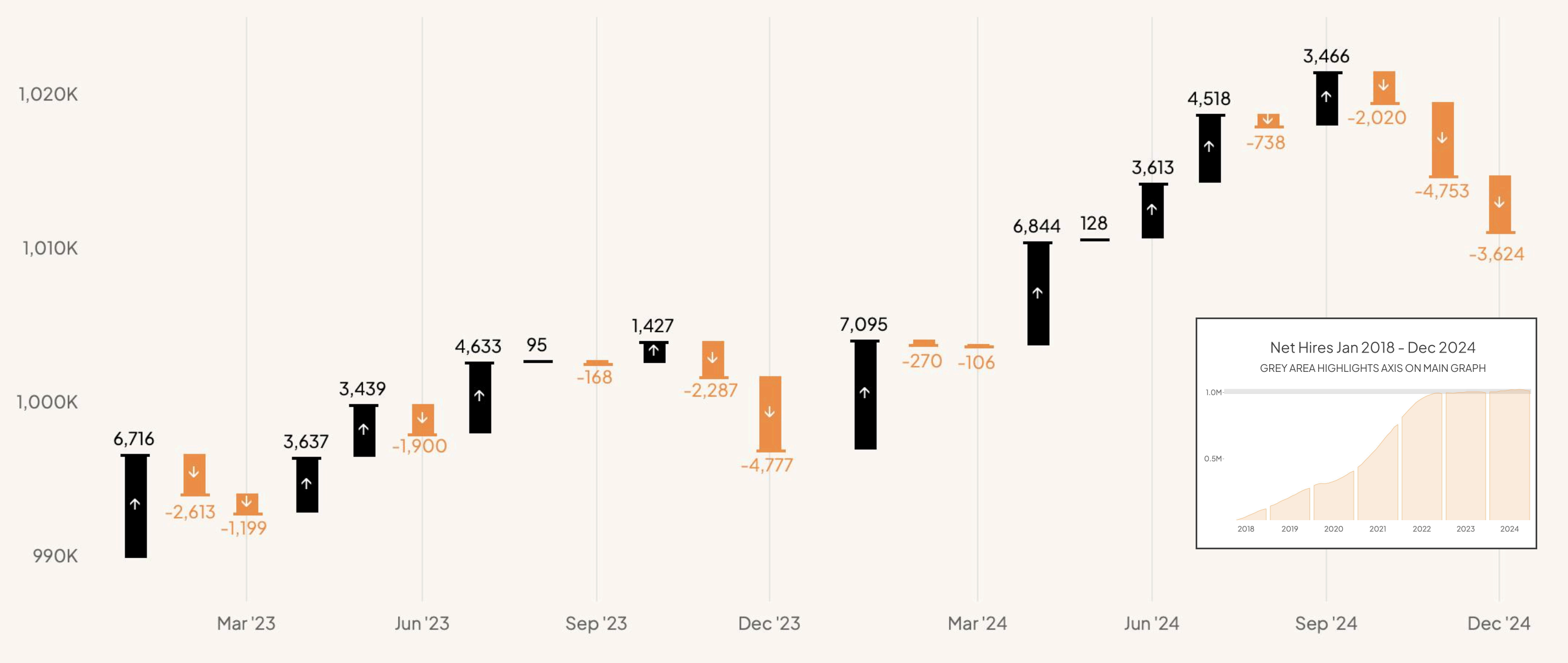
Voluntary departures reached a four-year low in Q4

Quarterly voluntary and involuntary departures across all companies on Carta | Q1 2018 - Q4 2024



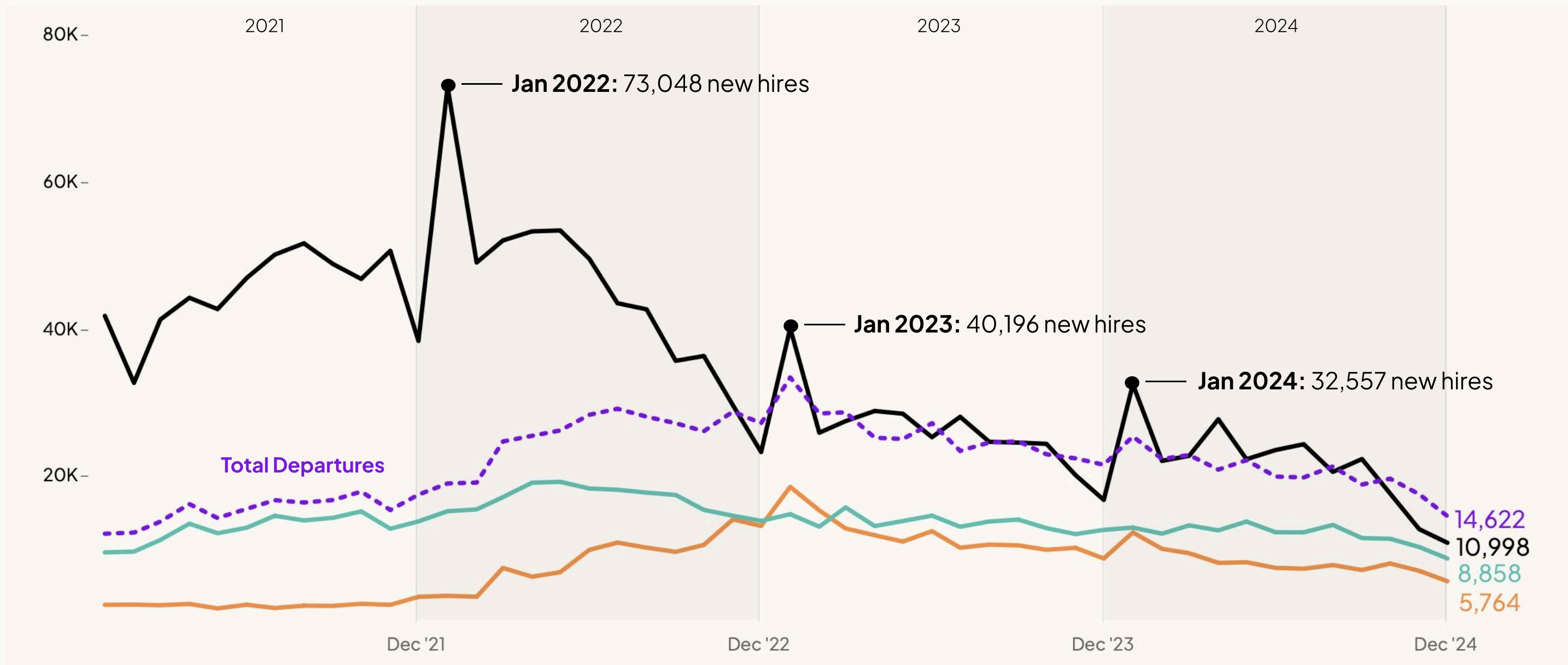
Net headcount began to decline in Q4 after recent growth

Monthly net growth or reduction in headcount across all companies on Carta | Data as of Dec 31, 2024





Hiring continues to trend down from the highs of 2022

Employees hired, leaving by choice, and laid off by month across all companies on Carta | Jan 2020 – Dec 2024



Headcount is growing fastest for energy and hardware startups

Ratio of new hires to departing employees by industry | 1 = total headcount kept flat | Jan 2018 – Dec 2024

	2024		2023	2022	2021	2020	2019	2018
All Industries	1.06		1.02	1.75	2.89	1.79	2.21	2.32
Energy	1.46	 Grew	2.1	4.1	4.5	2.9	2.3	2.0
Hardware	1.40		1.5	2.3	3.4	2.1	3.2	4.0
Medical Devices	1.25		1.6	1.7	2.7	2.9	2.8	2.7
Fintech	1.09		1.0	1.6	3.9	2.9	3.0	3.3
SaaS	1.08		1.0	1.9	3.1	1.9	2.6	2.7
Health Tech	1.05	Flat	1.1	1.9	3.4	2.8	2.6	2.8
AdTech	0.96		0.8	1.6	2.3	1.2	1.8	1.6
Pharma & Biotech	0.94	 Shrunk	1.3	2.3	4.3	3.2	3.6	4.1
Consumer	0.84		1.0	1.6	2.8	1.7	2.6	3.1
Education	0.80		0.8	1.6	2.9	2.2	2.0	2.1
Gaming	0.75		1.1	2.1	3.4	2.7	2.7	2.3
0.5 hires for every departure								
5 hires for every departure								

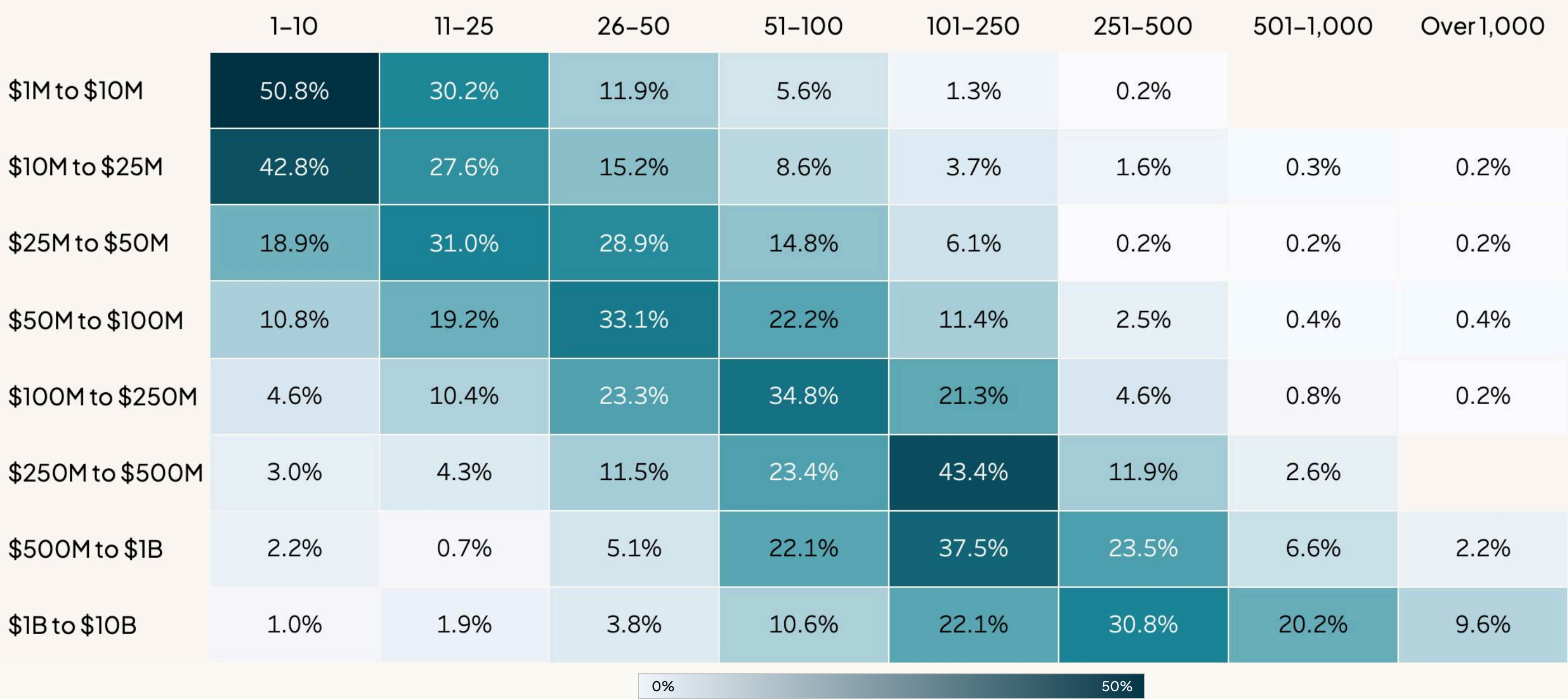
Headcount growth slowed in several industries as 2024 progressed

Ratio of new hires to departing employees by industry | 1 = total headcount kept flat | Jan 2024 – Oct 2024

2024										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
All Industries	1.24	1.01	1.02	1.34	1.01	1.19	1.26	0.98	1.19	0.90
Energy	2.81	1.29	1.72	2.25	1.79	1.57	1.73	1.05	1.55	1.32
Hardware	1.86	1.25	1.45	1.39	1.24	1.86	1.44	1.04	1.81	1.24
Medical Devices	1.99	1.14	1.24	1.40	1.55	0.80	2.03	1.07	1.70	0.83
Fintech	1.21	1.16	0.94	1.34	1.11	0.98	1.14	1.09	1.25	0.71
SaaS	1.22	1.06	1.02	1.39	0.99	1.34	1.23	0.98	1.14	0.96
HealthTech	1.21	0.88	0.99	1.29	0.96	1.08	1.30	0.98	1.20	1.18
AdTech	1.15	1.06	1.01	1.15	0.86	0.85	1.89	0.75	0.85	0.65
Pharma & Bio	1.05	0.85	0.88	1.45	1.04	1.02	1.28	0.85	1.06	0.83
Consumer	0.95	0.71	0.82	1.04	0.71	0.75	1.05	0.90	1.10	0.66
Education	1.11	1.05	0.94	1.32	0.85	0.75	0.87	0.67	0.83	0.40
Gaming	1.16	0.59	0.73	0.56	1.04	0.85	1.38	0.88	0.83	0.31
0.5 hires for every departure										
5 hires for every departure										

Median headcount is 100+ for startups valued at more than \$250M

Distribution of headcount by valuation size| Each row totals 100% | As of Dec 2024



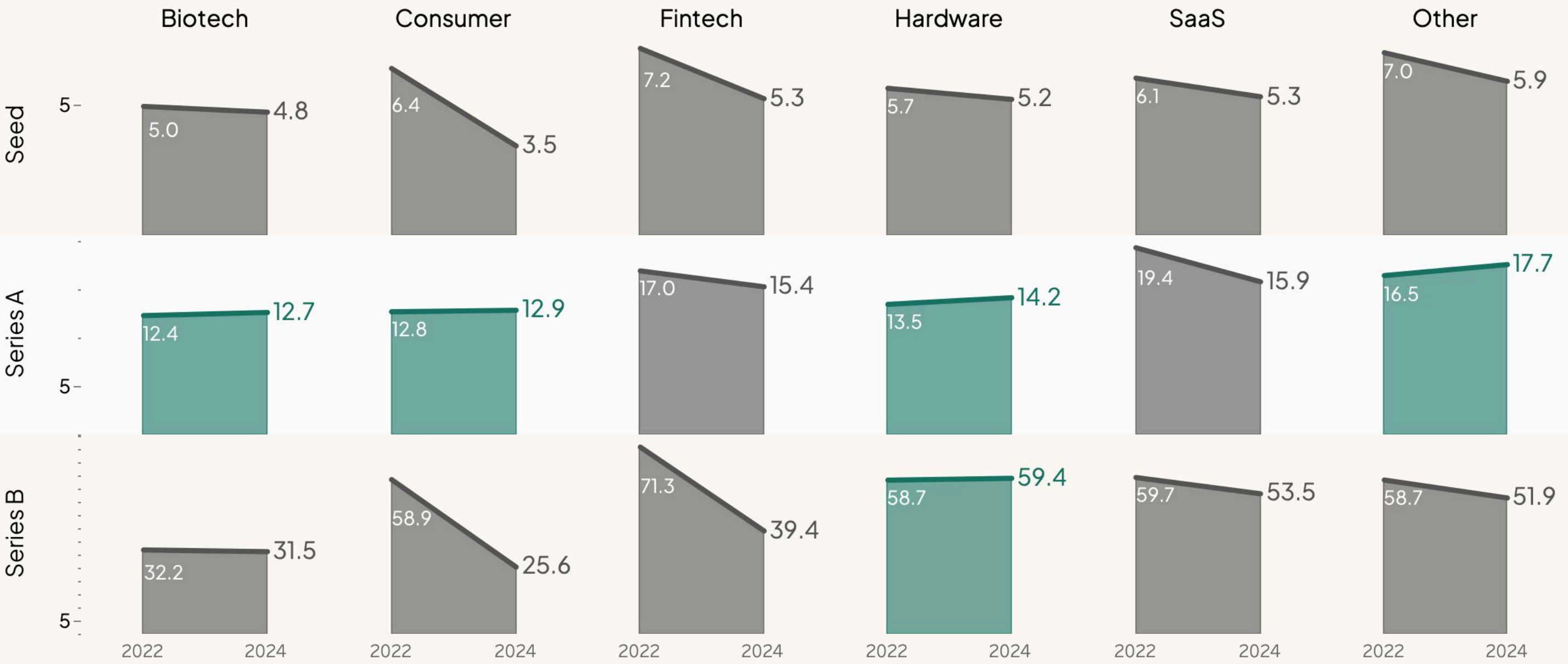
Company Composition

The trend of smaller teams and fewer leadership hires at early-stage startups continued. With companies focused on essential roles and growth areas like sales, startups are operating with a more streamlined and efficient workforce.

Startup headcounts are declining at early stages, especially in SaaS

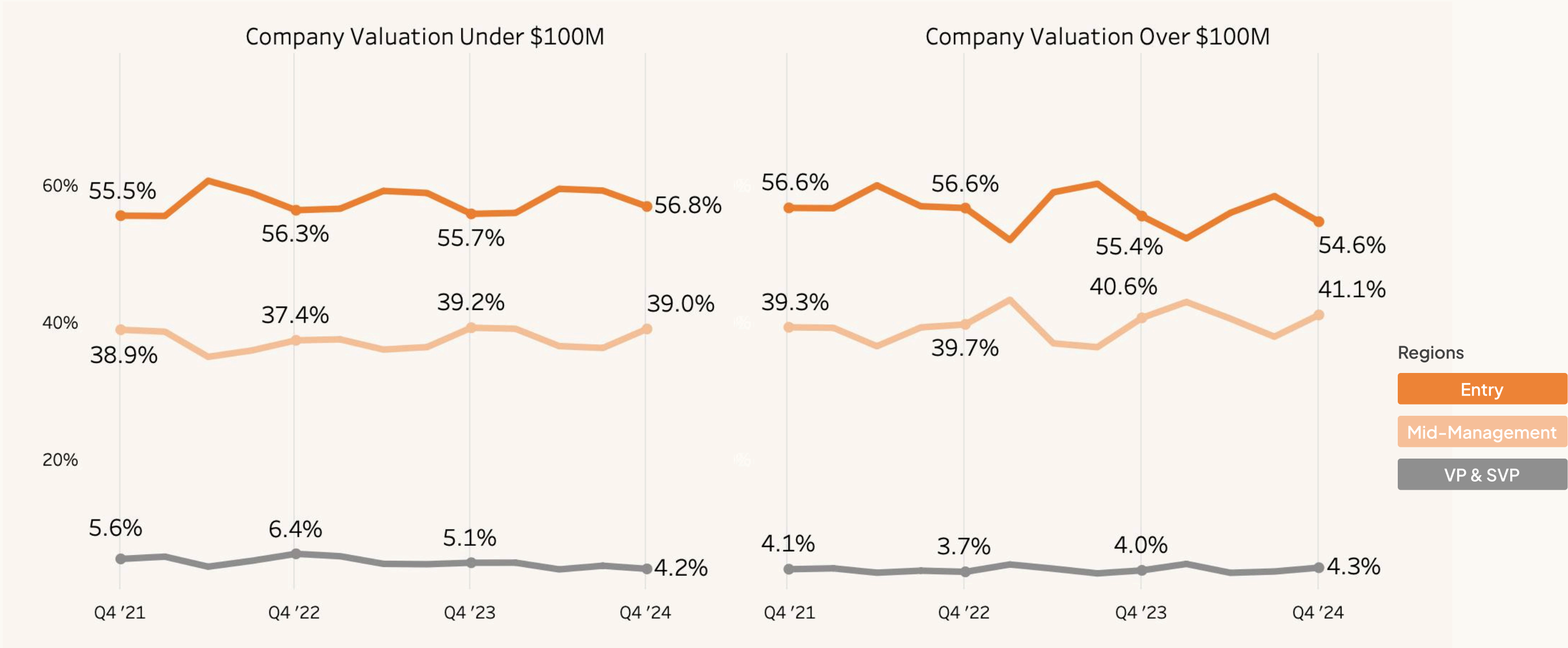
Average headcount at the date of fundraise by stage and year | 2022 & 2024

Headcount Increasing Decreasing



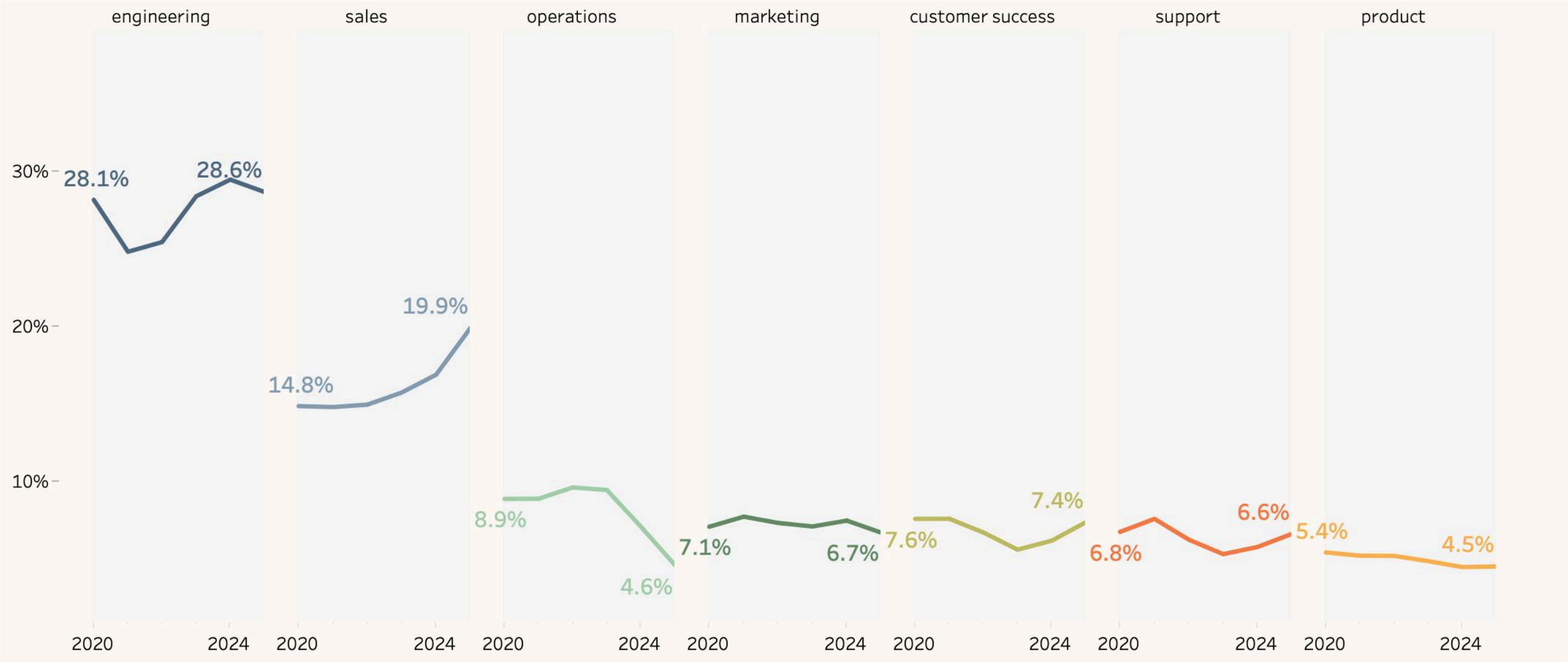
The percentage of VP & SVP hires is shrinking at sub-\$100M startups

Percent of new employees by hire year and level, split by company valuation | Q4 2021 - Q4 2024



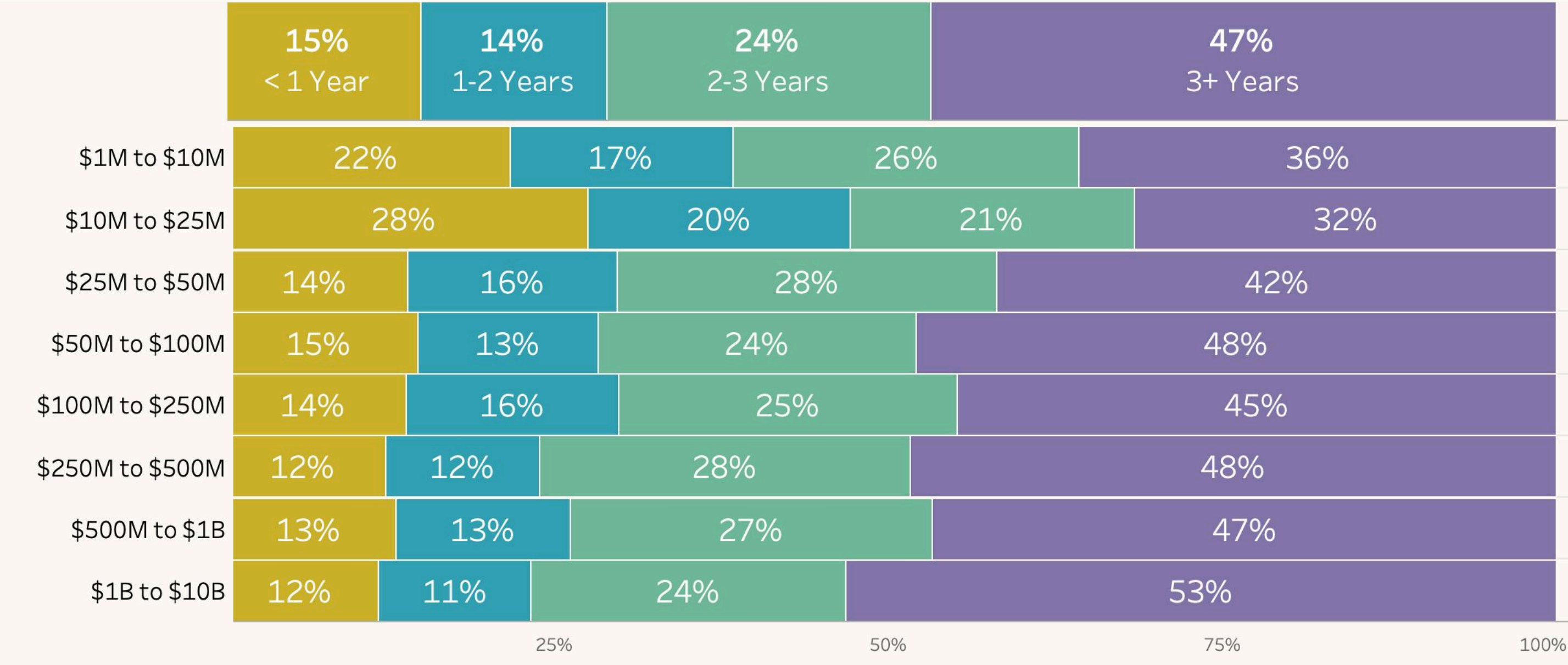
Sales is the fastest-growing function for startup hiring

Percent of new employees by hire year and function | Functions 4%+ shown below | Q1 2020 - Q4 2024



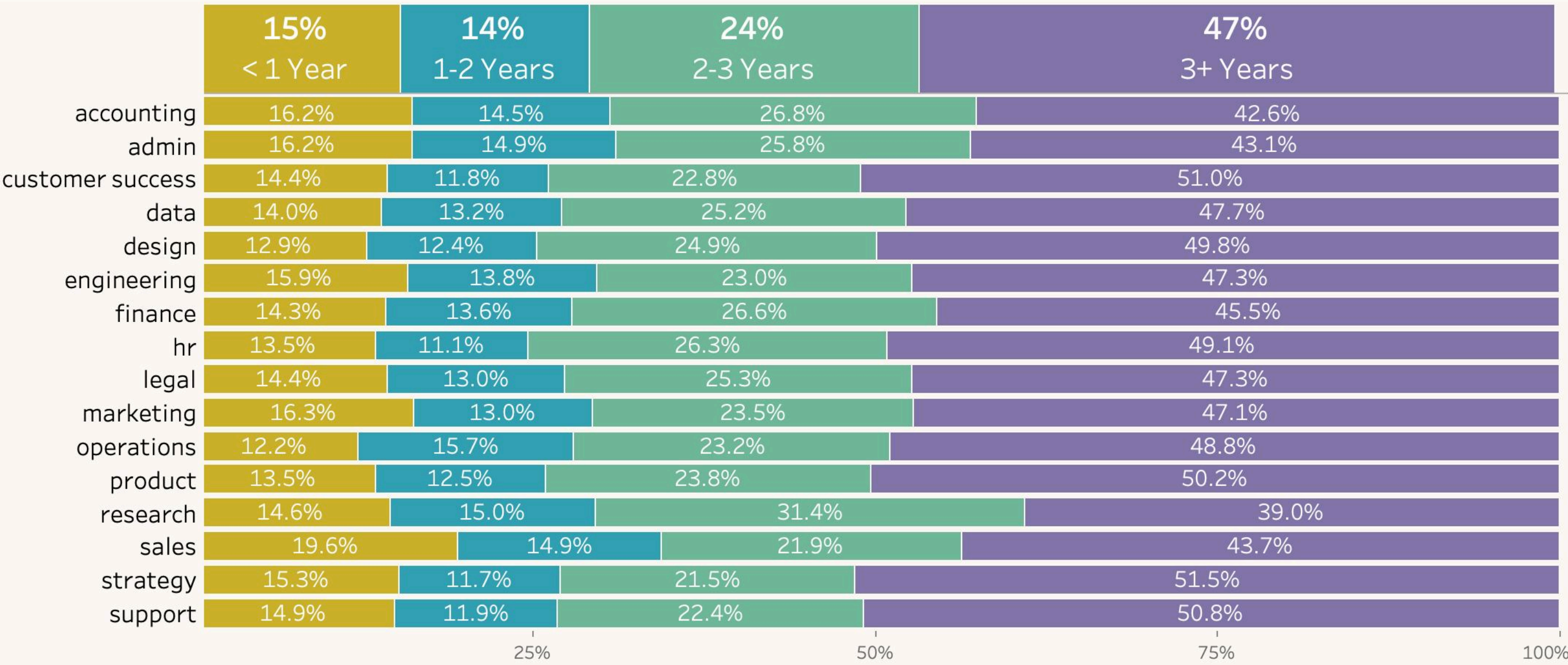
Nearly half of all startup employees have 3+ years of tenure

Employee tenure by company valuation size | Active Employees as of March 2025



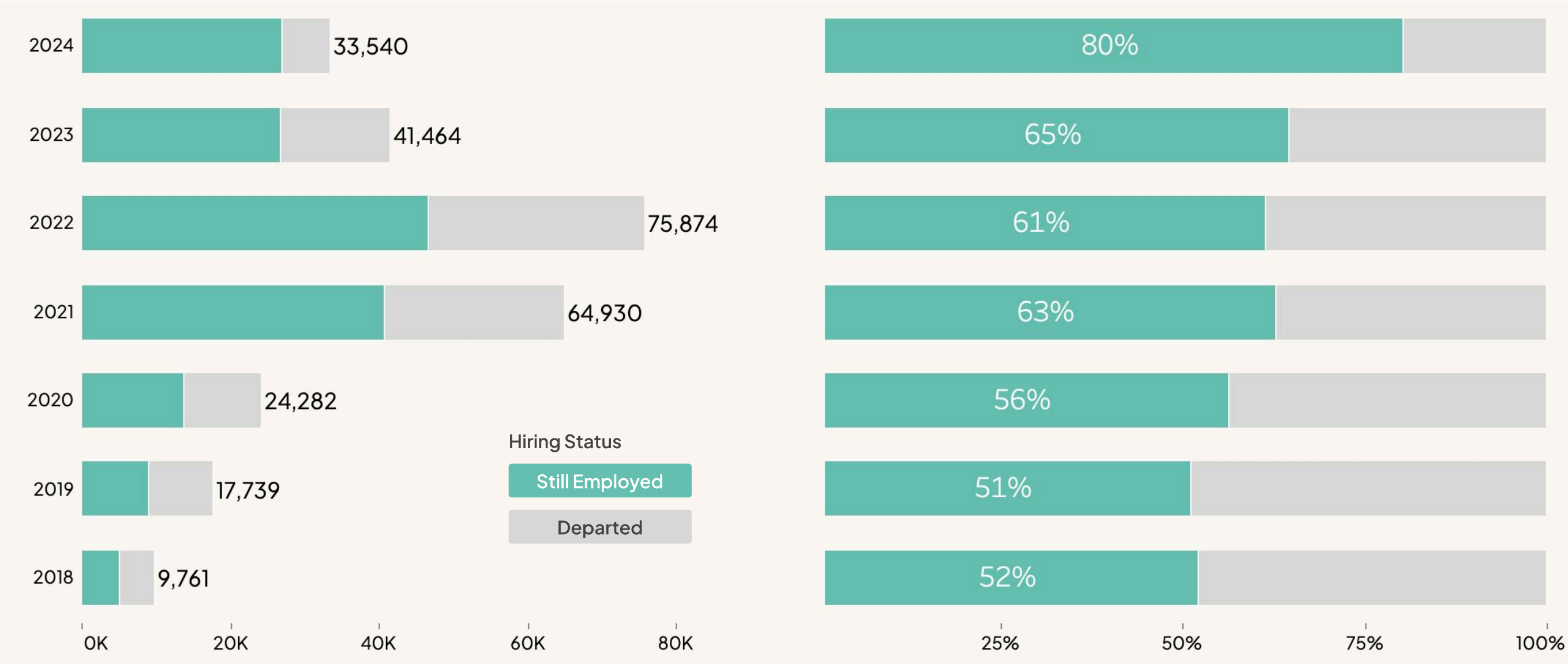
Employees in sales are more likely to have shorter tenures

Employee tenure by industry | Active Employees as of March 2025



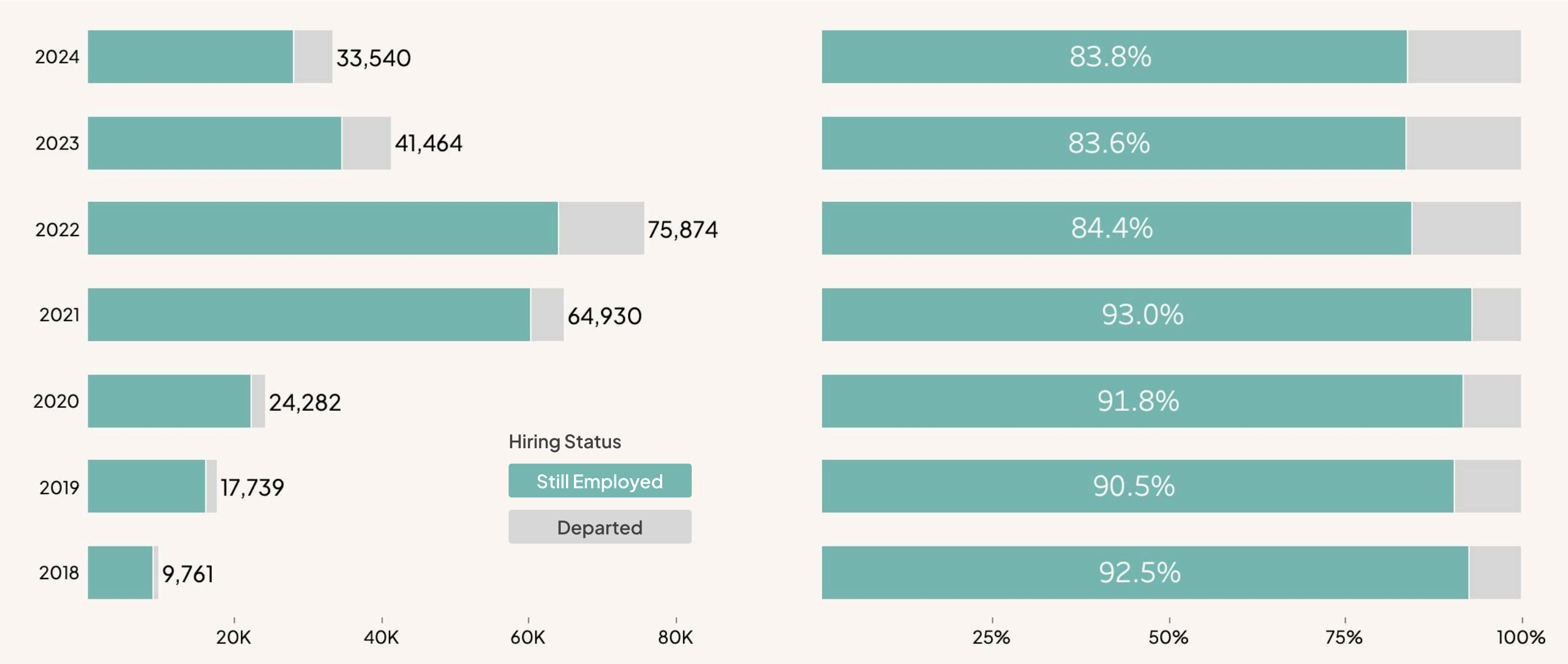
Employee retention rates are similar for cohorts from 2021–2023

Current employee retention by hire year for companies \$1M+ in post-money valuation | as of March 2025



83.8% of 2024 new hires made it to the end of the calendar year

First-year employee retention by hire year for companies \$1M+ in post-money valuation | As of Dec 31st of each year



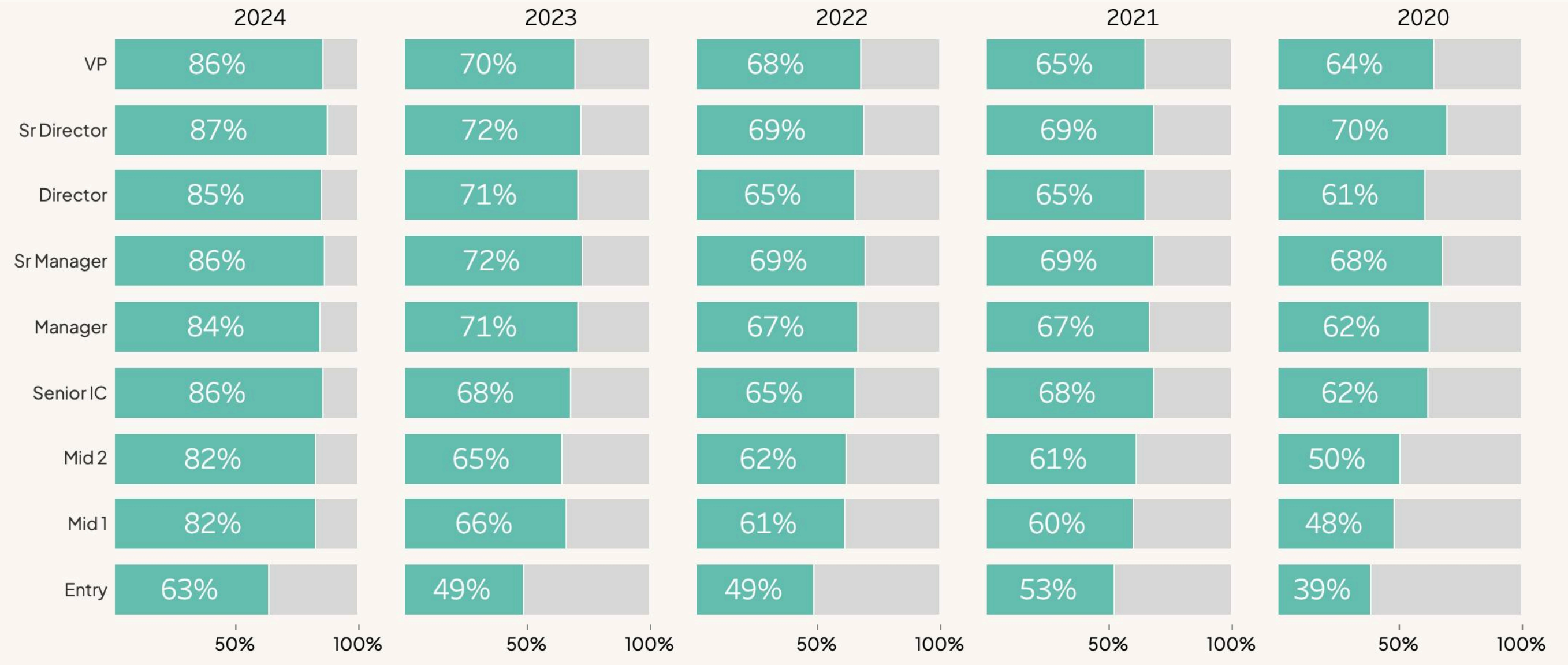
Retention rates are higher for leadership

Current employee retention for companies \$1M+ in post-money val | Q1 2020 - Q4 2024

Hiring Status

Still Employed

Departed

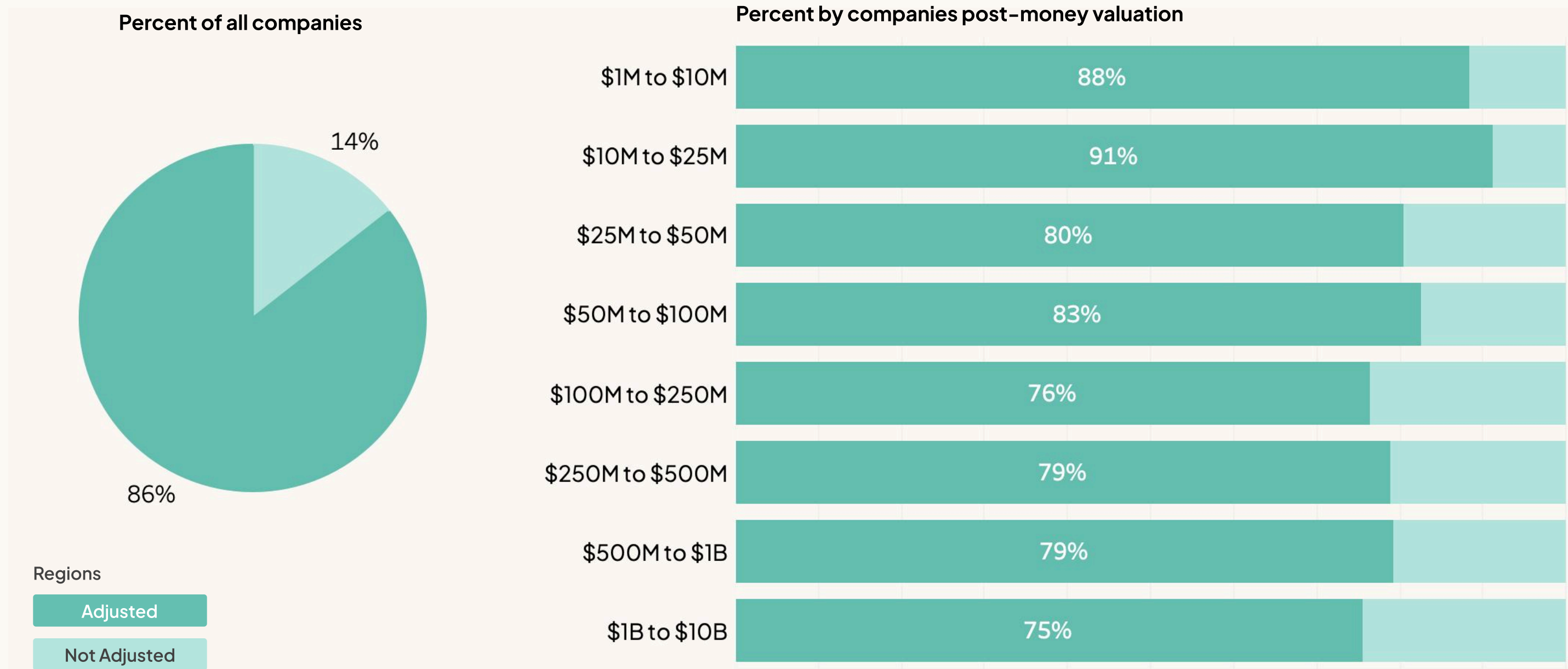


Geographical trends

Remote hiring has plateaued, with a growing focus on in-state hires as companies prioritize local talent. At the same time, nearly two-thirds of MSAs tracked have increased their compensation levels relative to San Francisco, reflecting a shift toward more competitive pay in other regions.

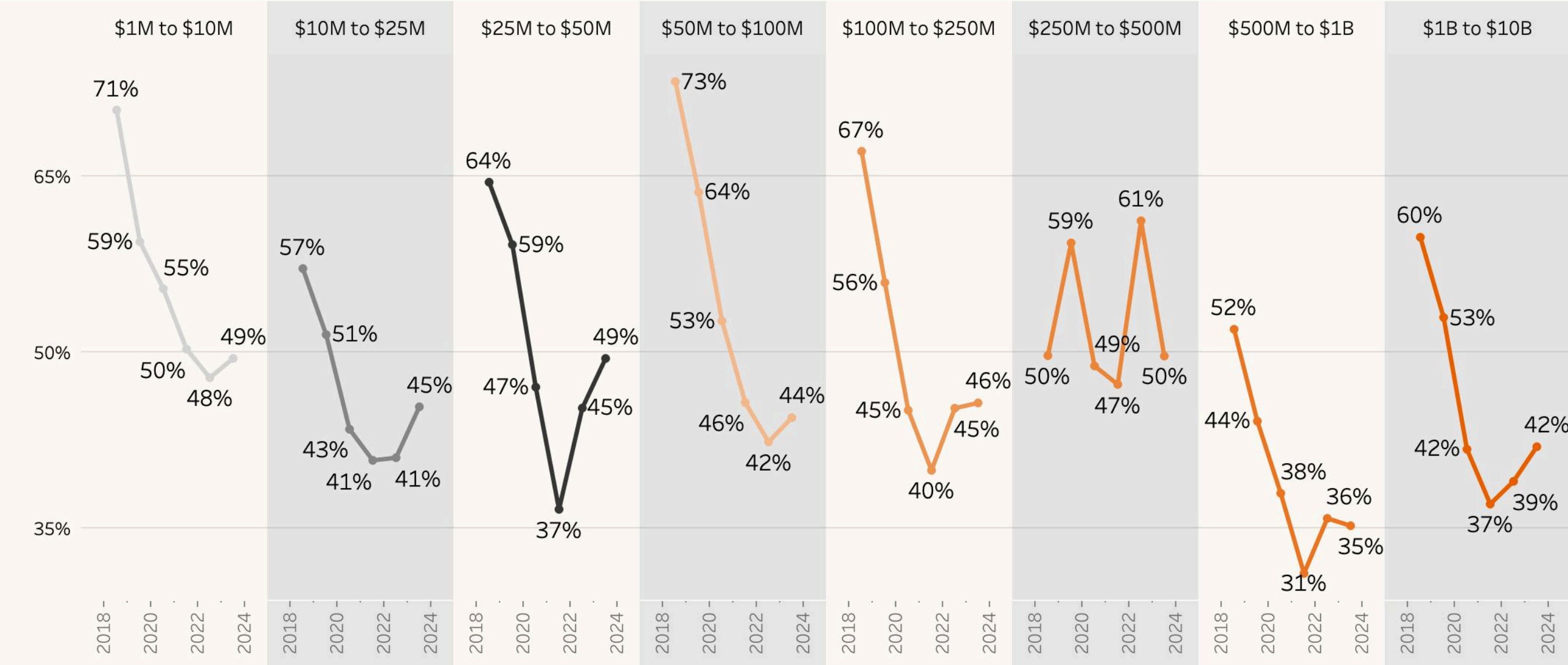
86% of all companies adjust compensation by employee location

Percent of companies that adjust compensation by location | Data as December 14, 2024



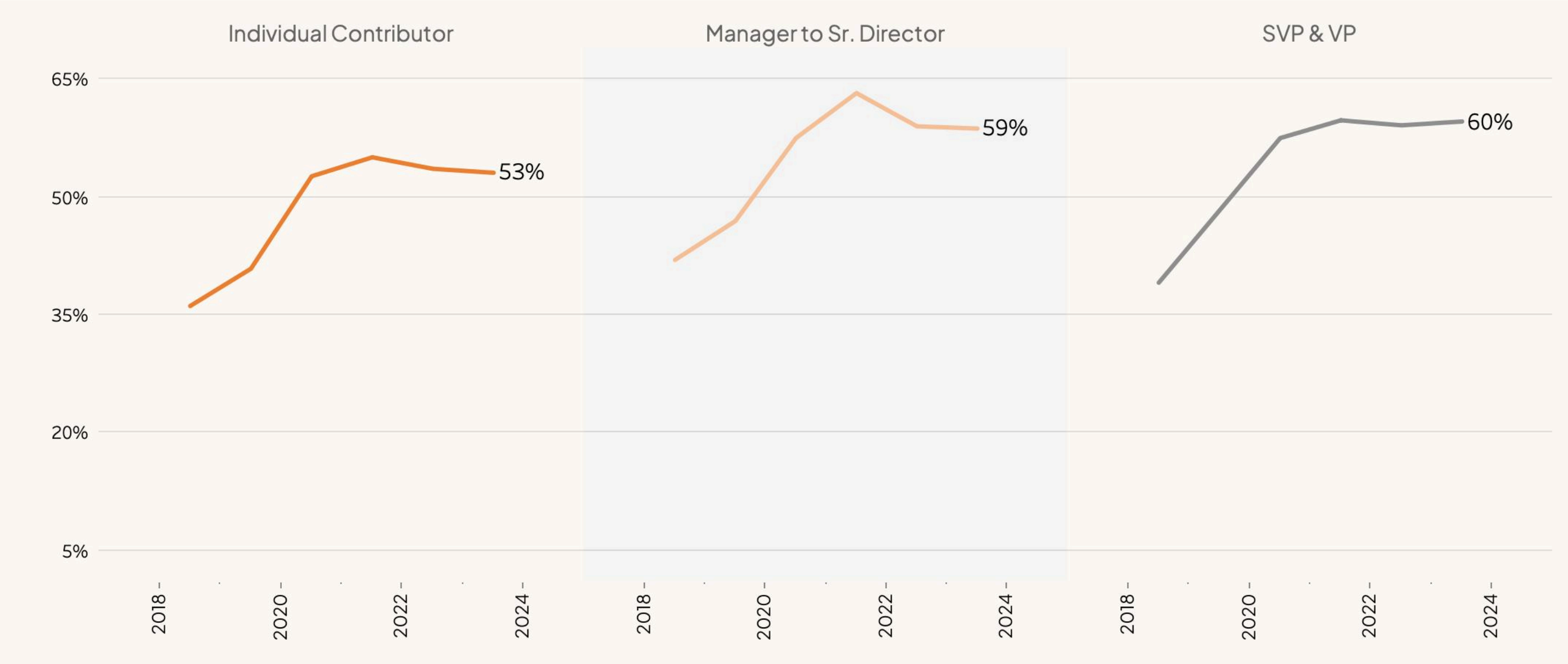
In-state hiring is on the rise, but still far below pre-pandemic rates

Percent of new hires made in the same state as company HQ by year and company valuation | 2019 - 2024



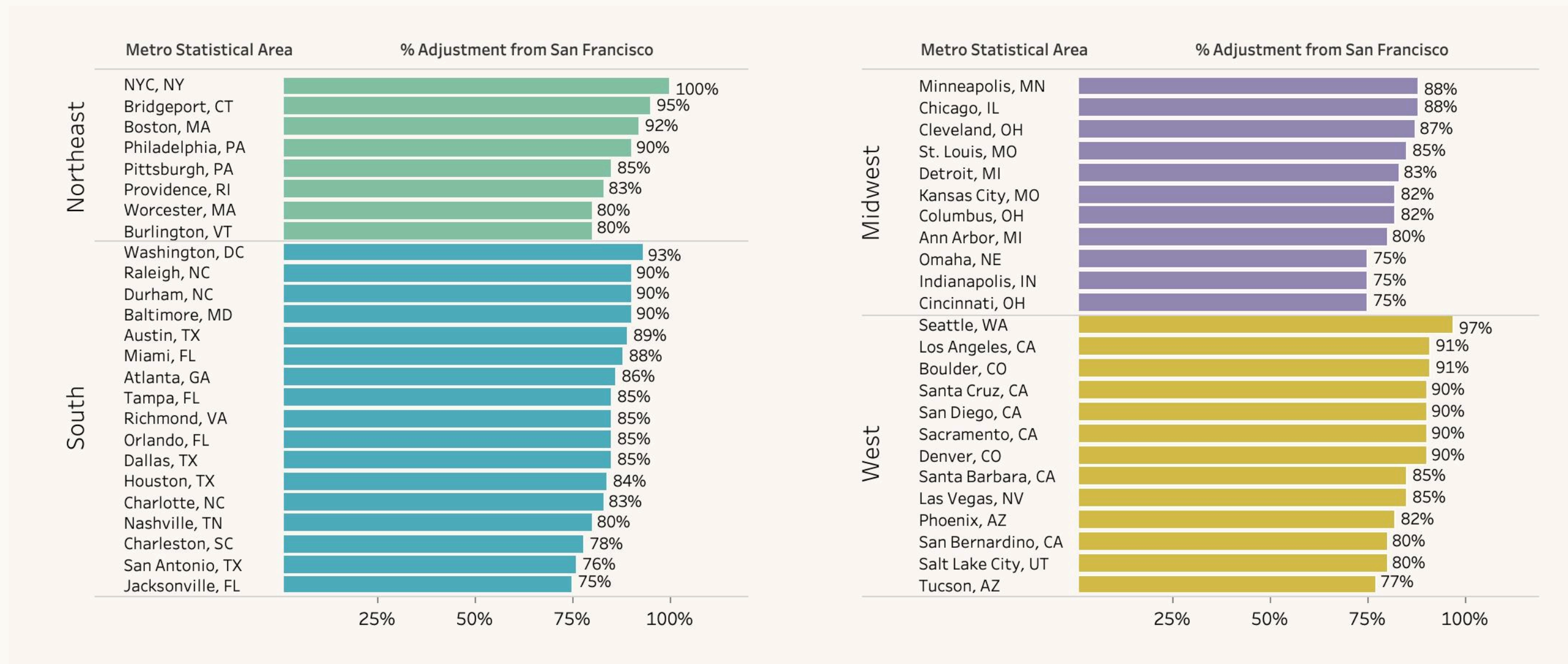
Out-of-state hiring has plateaued across all levels of organizations

Percent of out-of-state hires compared to company headquarters by role level | 2020 - 2024



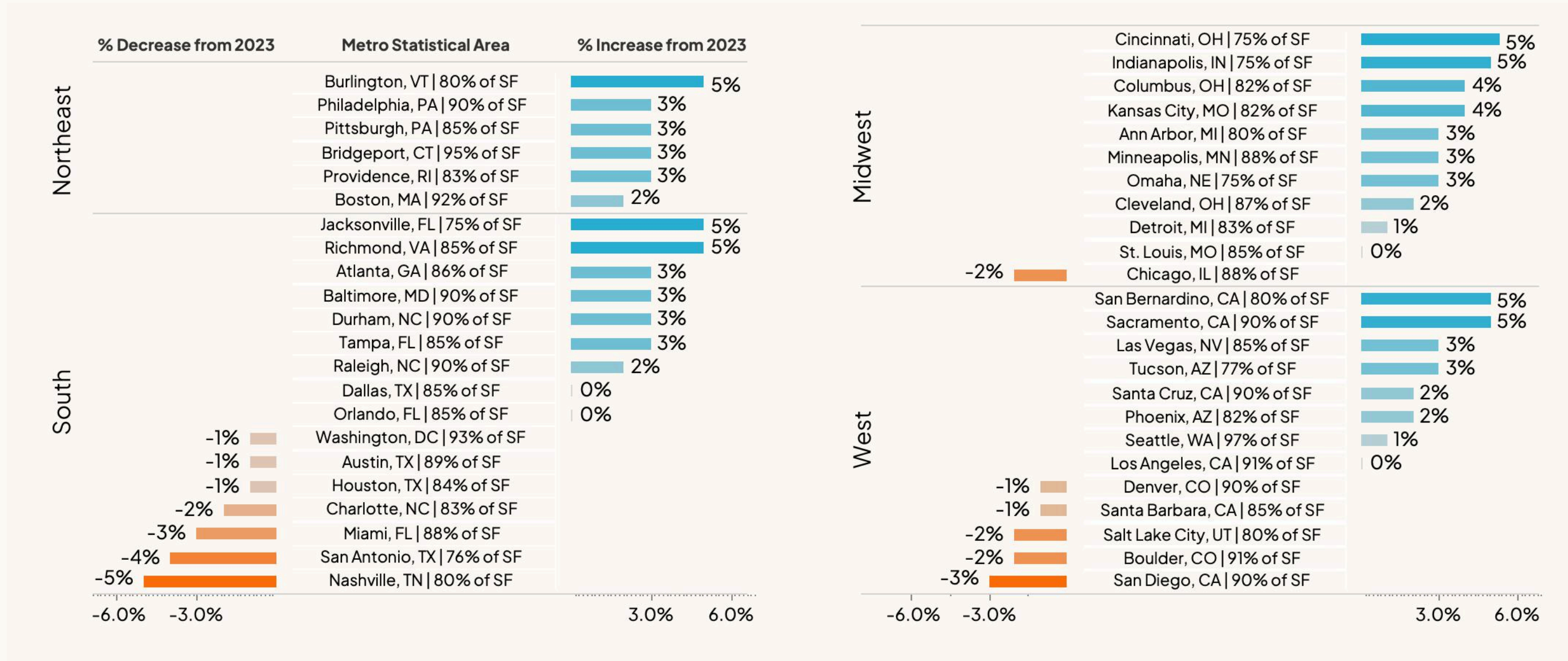
How compensation in other startup markets compares to pay in SF

Average startup compensation rate as a percentage of San Francisco in 2024



Relative compensation is rising in much of the Northeast & Midwest

Average startup compensation rate as a percentage of San Francisco in 2024 | Percent change from 2023



Salary & Equity

With median salaries and equity packages have increased slightly, the gap between the two relative to mid-2022 has remained unchanged. Managers and senior manager have seen the largest gains in equity, while salaries in technical roles continue to outpace those in other functions.

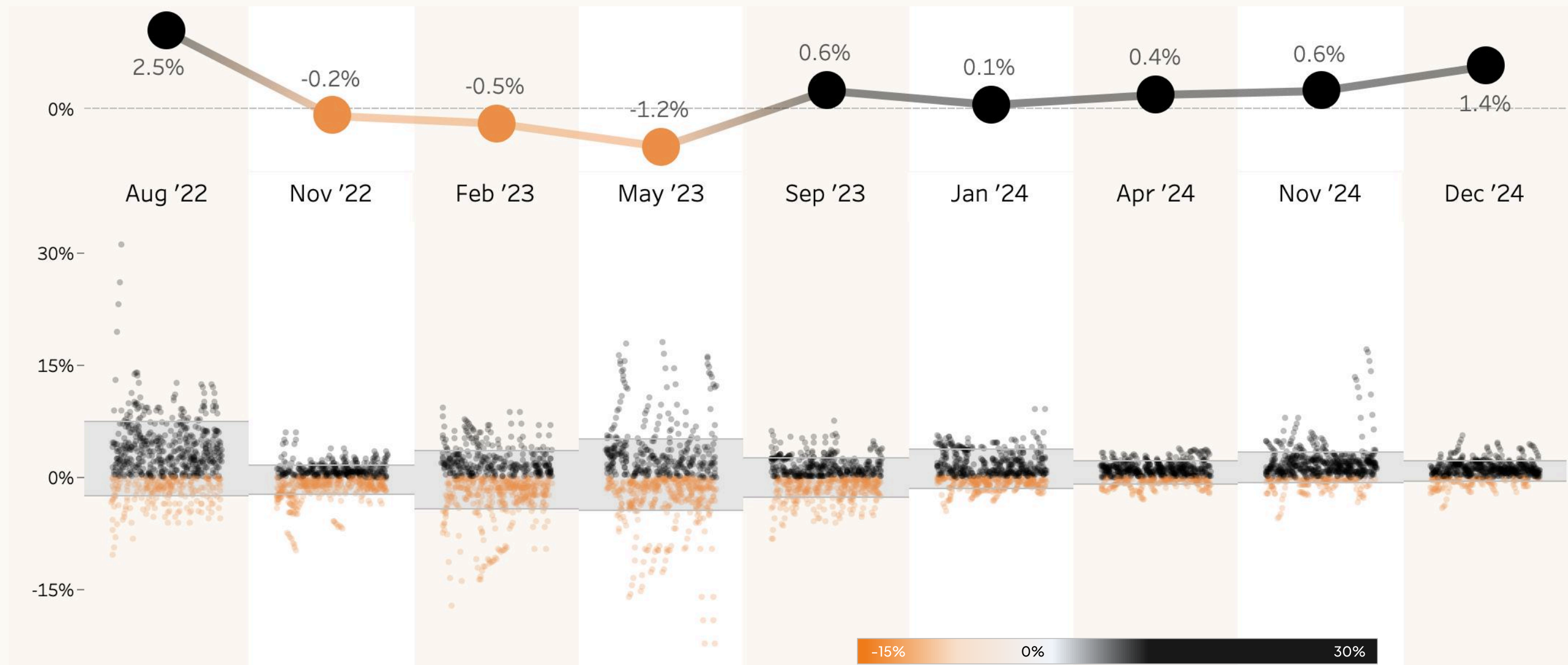
Equity definitions

- Option pools are defined as the percentage of fully diluted company equity reserved for compensating employees. Many companies do not utilize the full option pool before raising their next funding round.
- Early employee equity refers to the initial equity grant (typically vesting over 4 years) expressed as a percentage of fully diluted company equity. Grants of 5% or higher have been classified as “founder” equity and were removed from this analysis.
- Advisor equity refers to the initial equity grant (typically vesting over 2 years) expressed as a percentage of fully diluted company equity.
- Board member equity refers to the initial equity grant (typically vesting over 4 years) expressed as a percentage of fully diluted company equity.
- Average headcount by stage relates to full-time employees who have been issued equity. It does not track part-time or fractional resources.

Salary benchmarks rose by 1.4% on average in last month of 2024

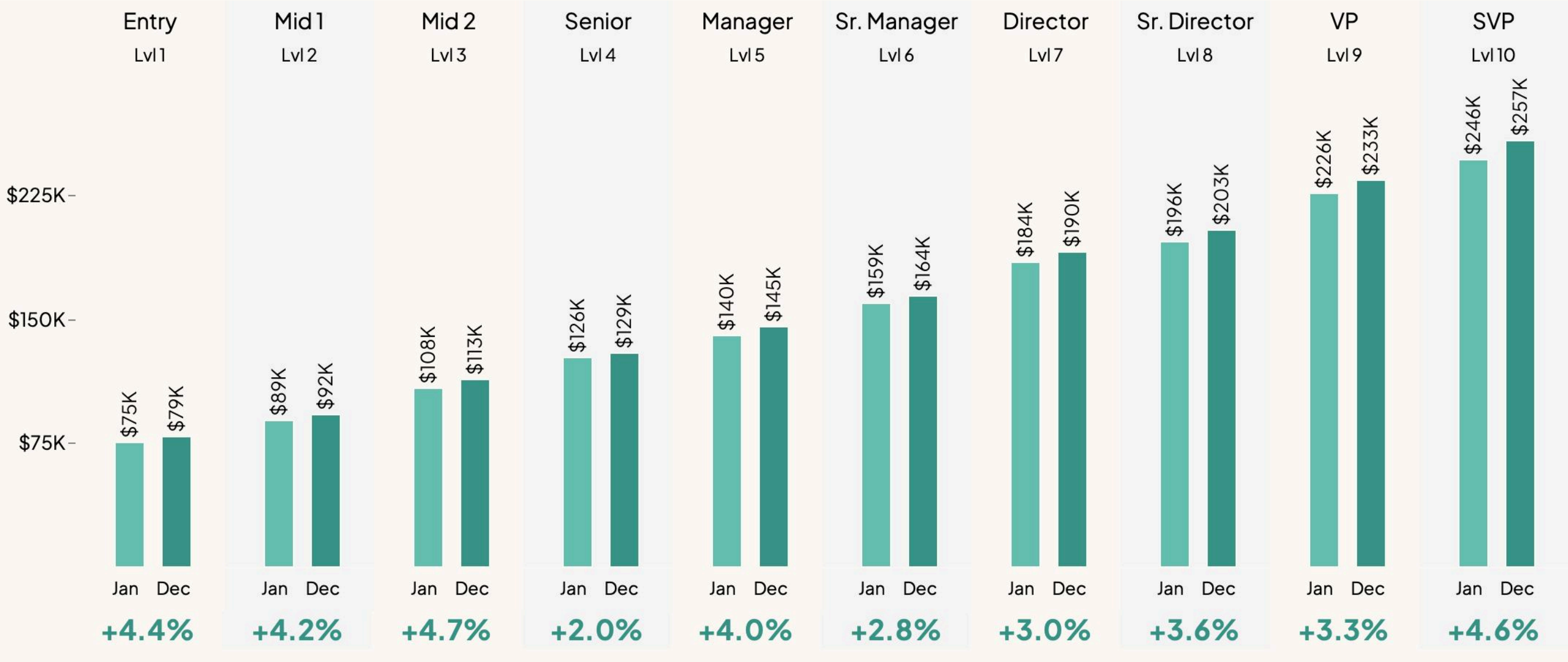
Each benchmark dot is a combined function, role, and post-money valuation from Carta Total Compensation

Note: Bands include the following job functions - Customer Success, Data, Design, Engineering, HR/Recruiting, Marketing, Operations, Product, Sales, Support



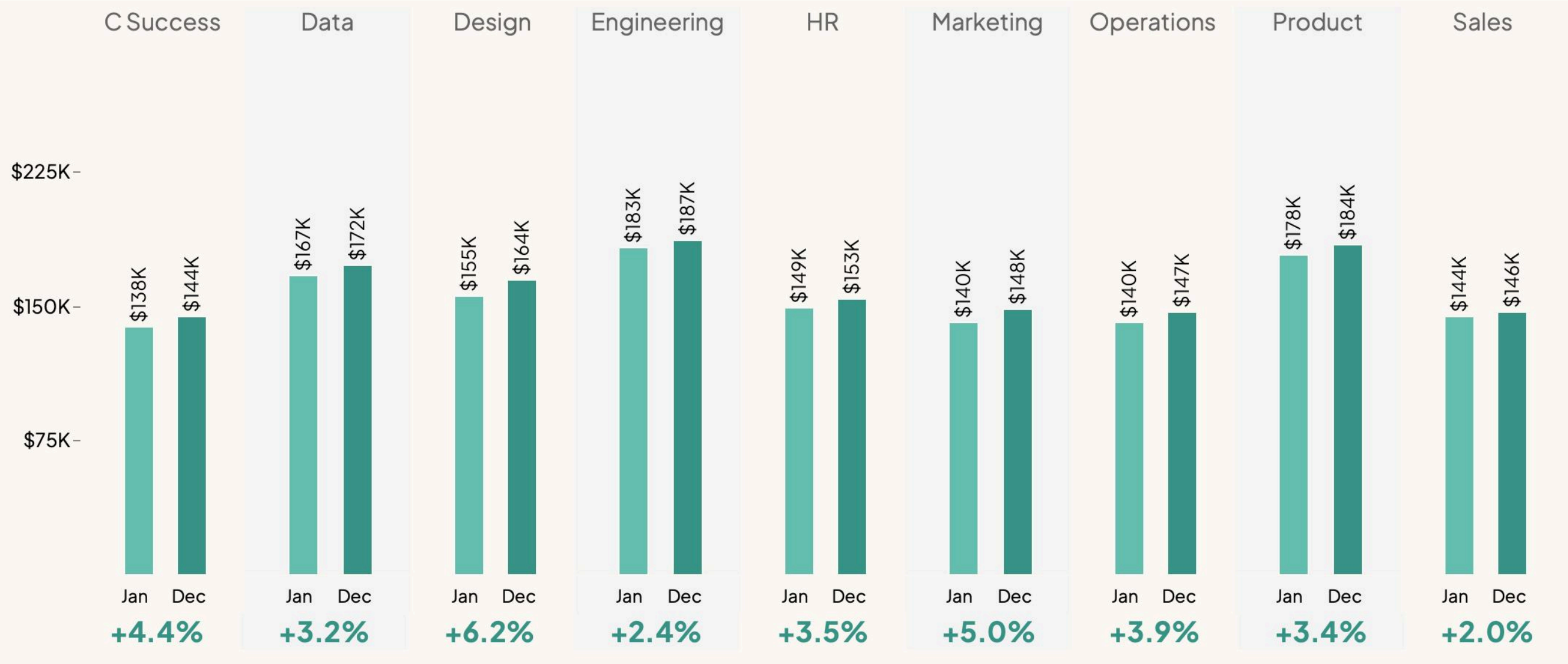
Averages salaries climbed by 2%+ at every job level during 2024

Average salary by level and percent change from Jan 2024 to Dec 2024 | Companies worth \$1M-\$10B



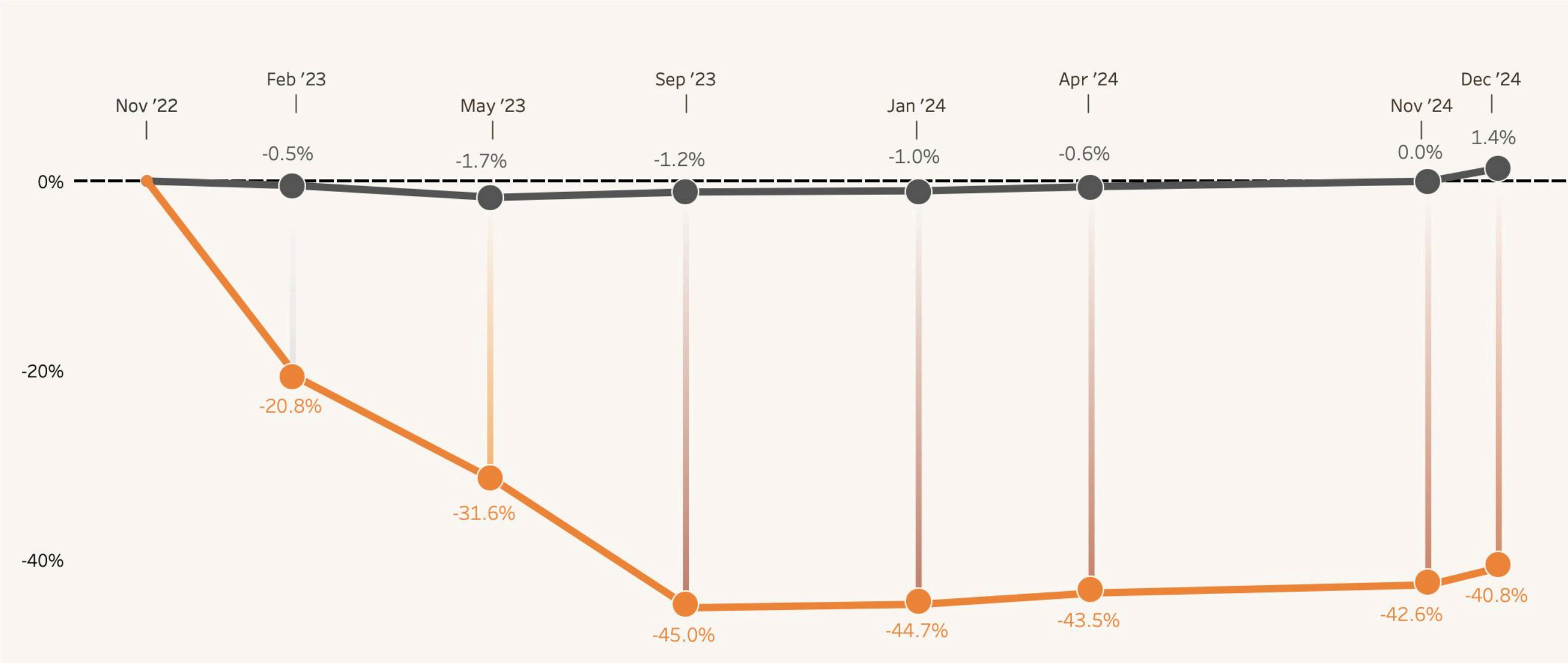
Average salaries increased the most in 2024 in design, marketing

Average salary by level and percent change from Jan 2024 to Dec 2024 | Companies worth \$1M-\$10B



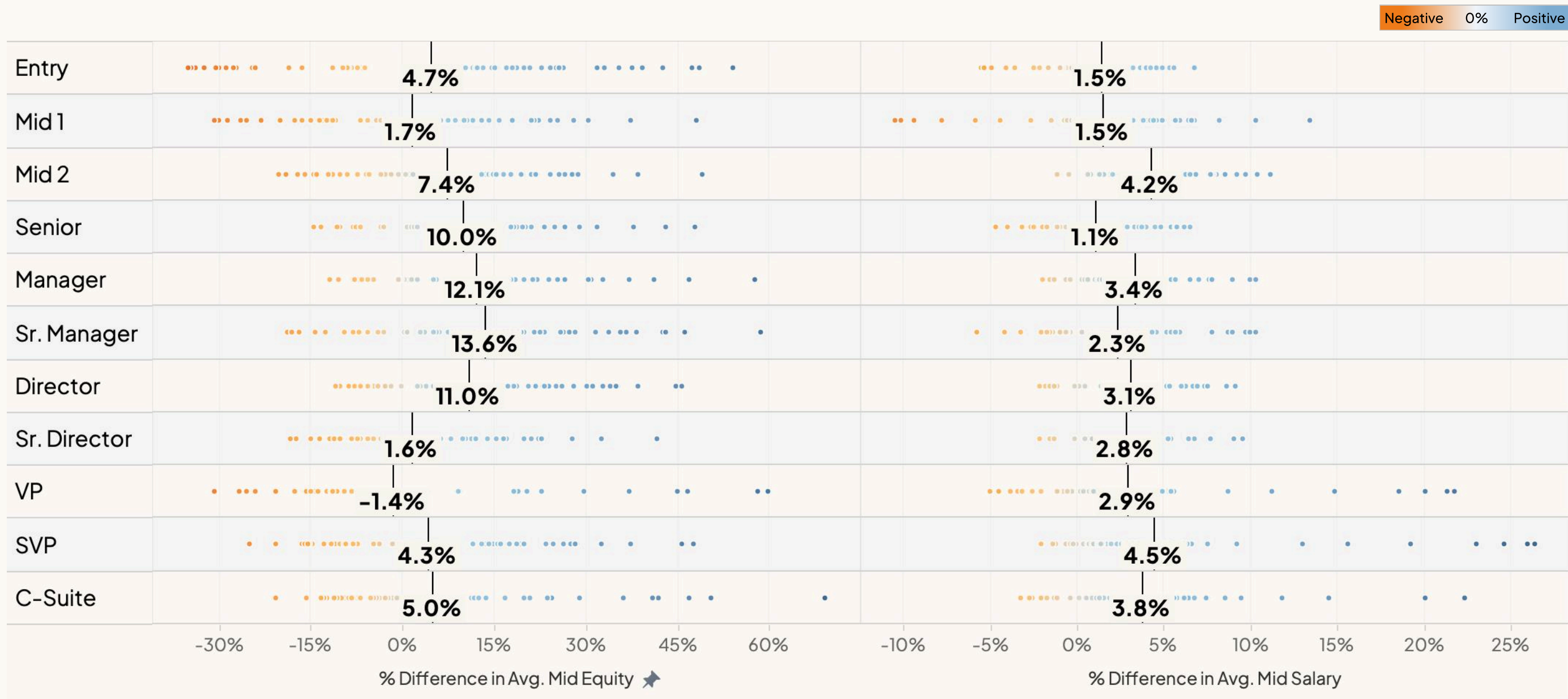
Equity packages and salaries both trended up in 2024

Percent change of salary and equity from Nov 2022 to Dec 2024



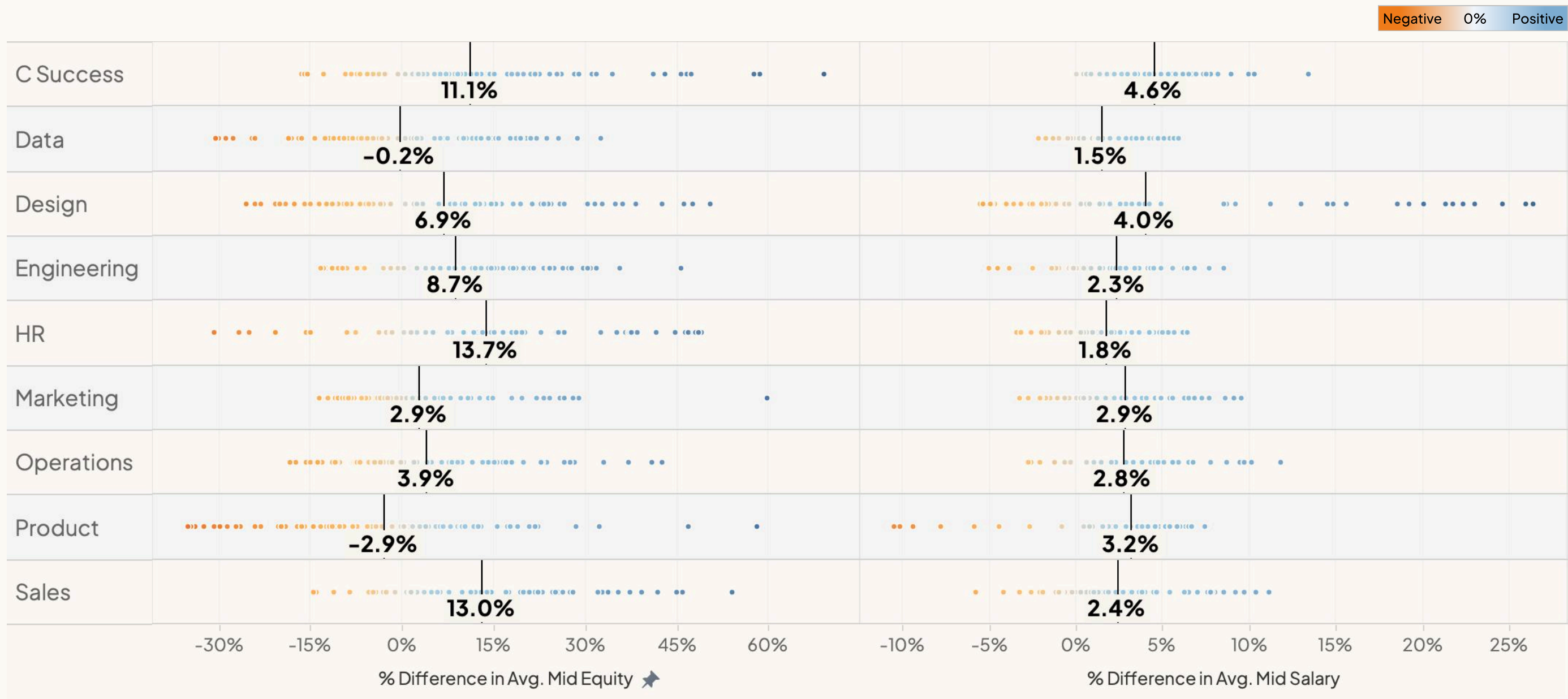
Managers, senior managers have seen the biggest gains in equity

Change in median equity and salary by role from Jan 2024 to Dec 2024 | Companies worth \$1M-\$10B



Median equity declined for product and data functions in 2024

Change in median equity and salary by function from Jan 2024 to Dec 2024 | Companies worth \$1M-\$10B

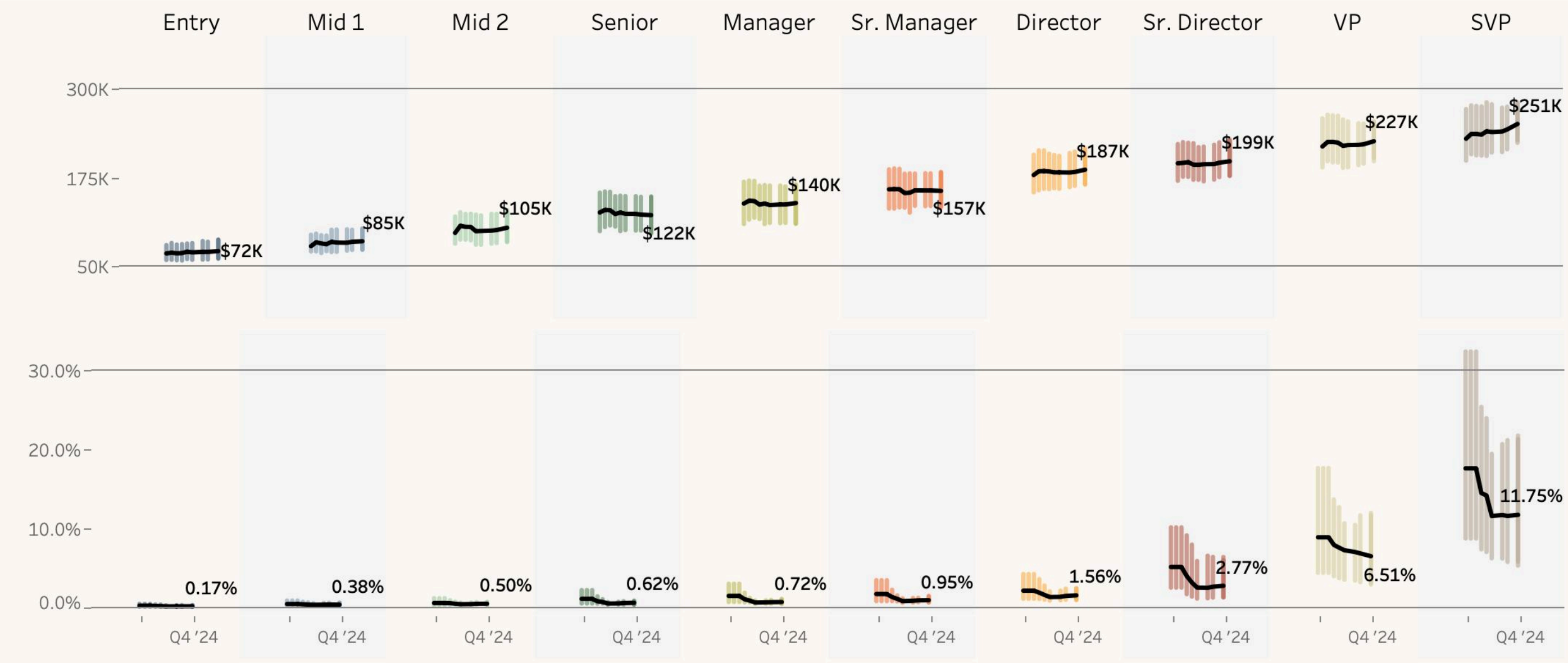


Median equity comp for VPs is 3.1x higher than entry level

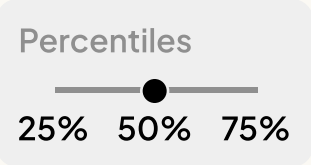
Median salary and equity by role | Companies worth \$1M-\$10B | Q4 2022 - Q4 2024

Percentiles

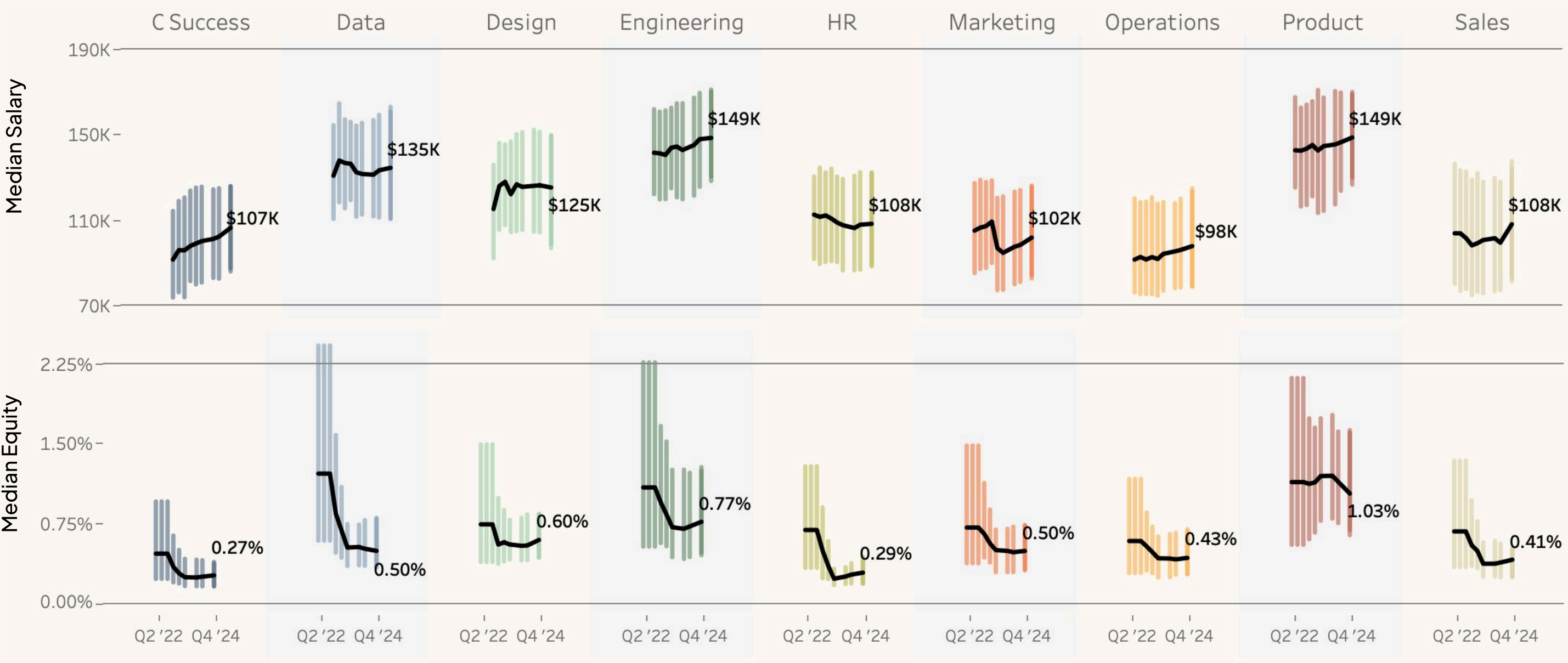
25% 50% 75%



At junior job levels, technical roles have 30–50% premium



Median salary and equity by function | Entry to Sr Manager | Companies worth \$1M-\$10B | Q4 2022 - Q4 2024

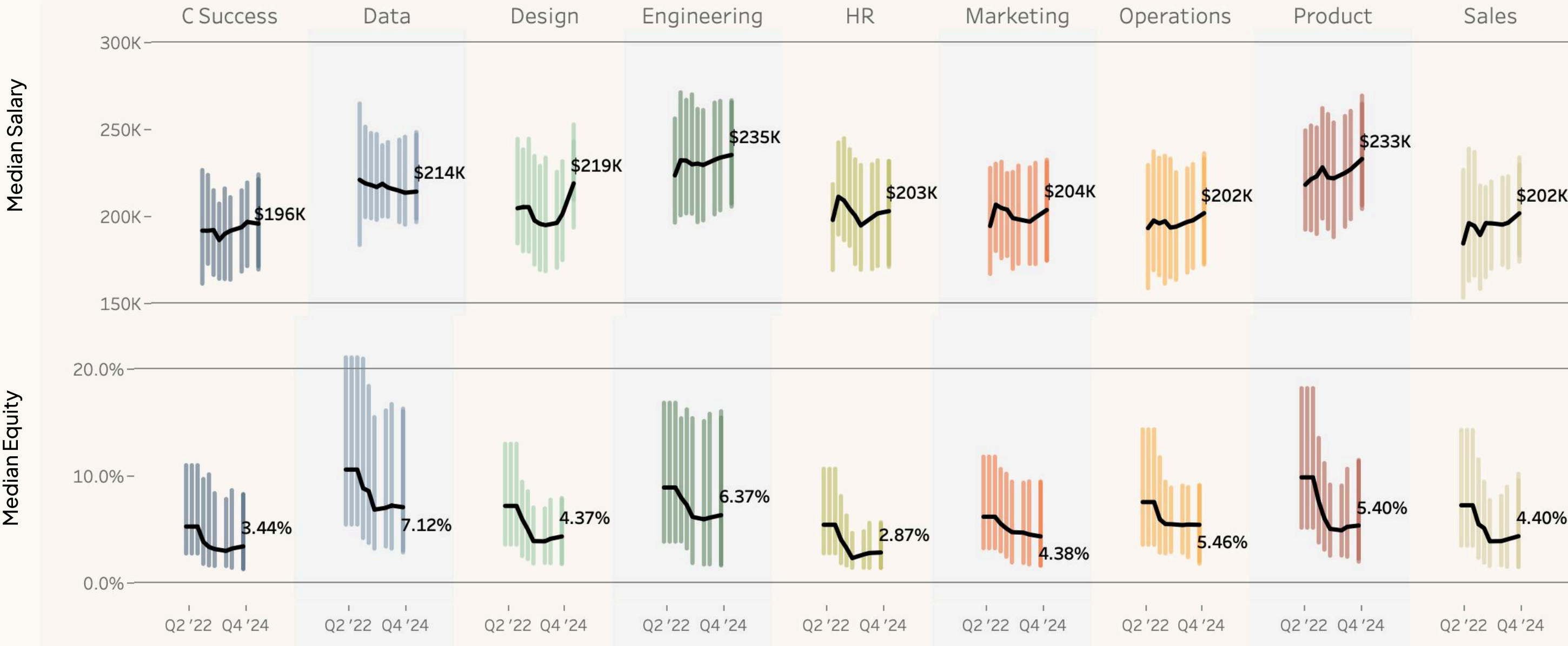


At higher job levels, median salaries near \$200k in all functions

Percentiles

25% 50% 75%

Median salary and equity by function | Director to SVP | Companies worth \$1M-\$10B | Q4 2022 - Q4 2024

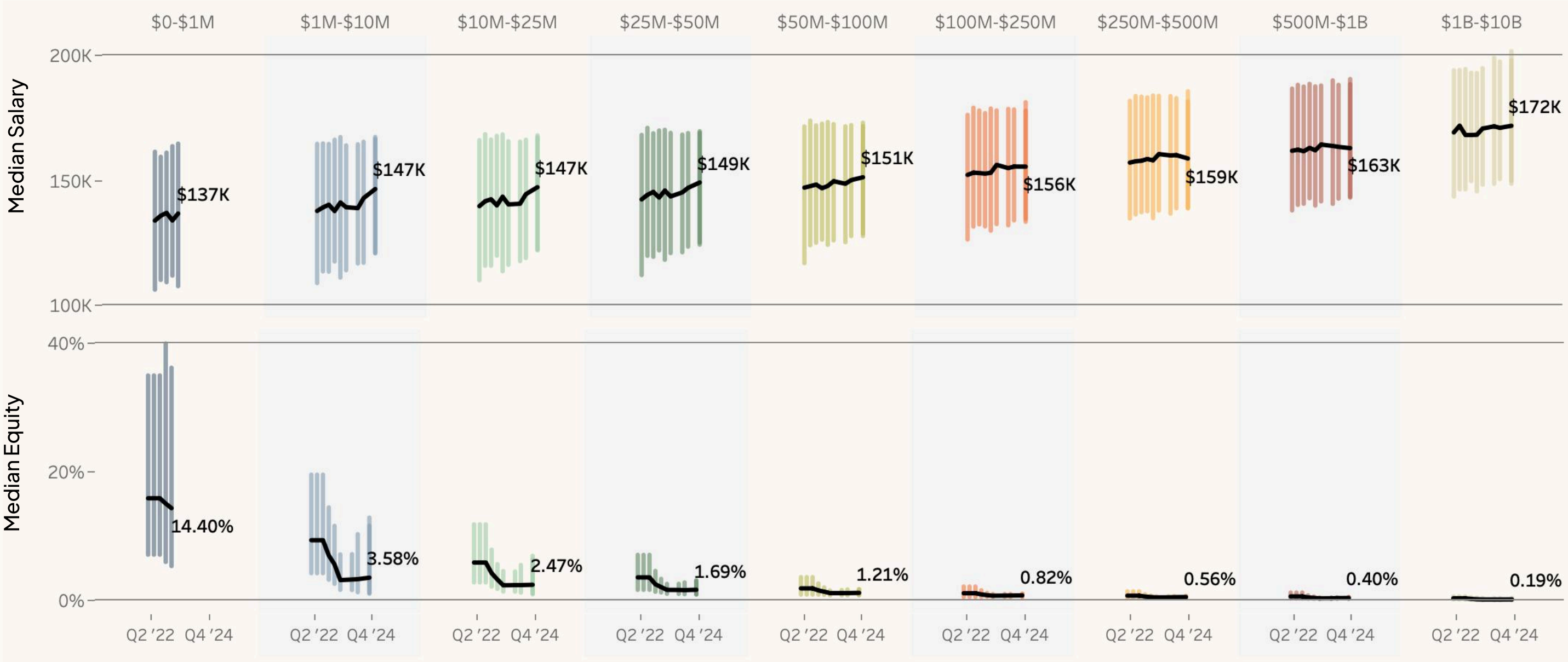


The median salary at unicorn startups is north of \$170k

Median salary and equity by valuation size | Companies worth \$1B-\$10B | Q4 2022 - Q4 2024

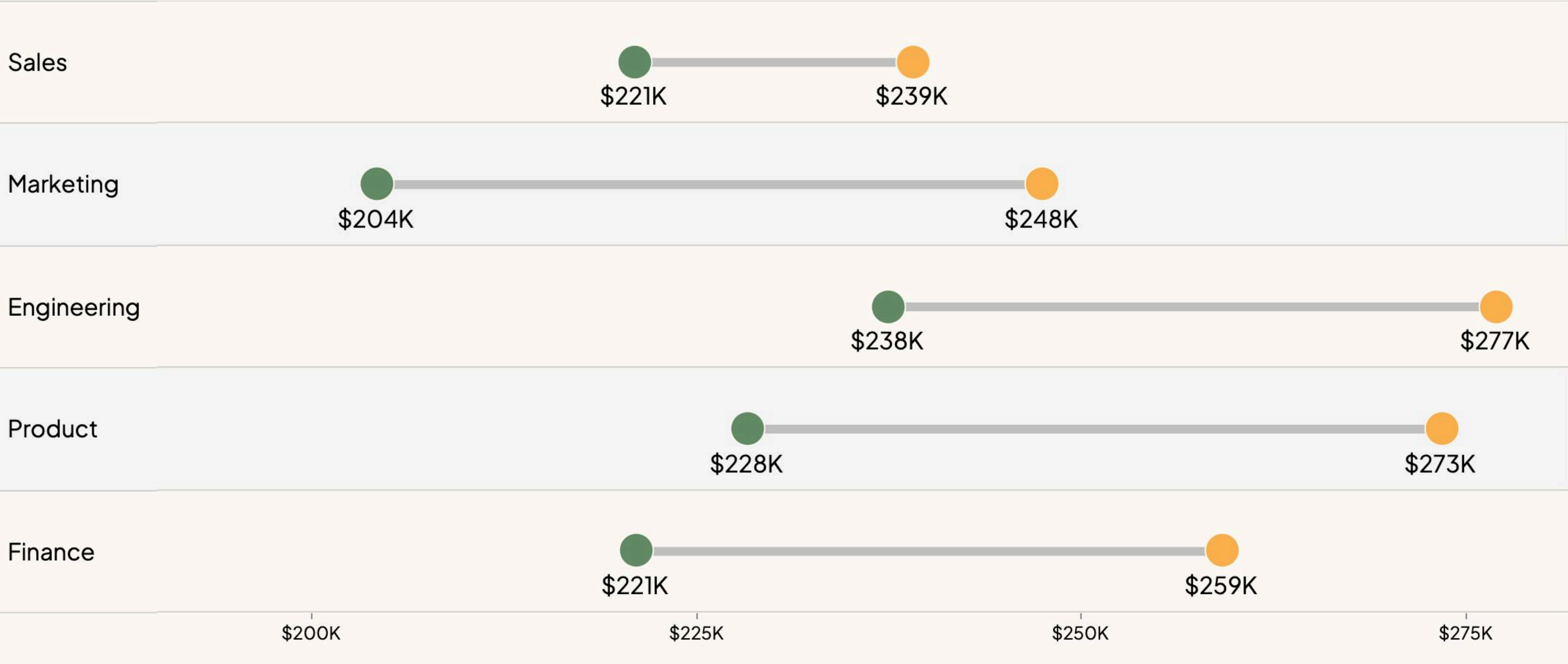
Percentiles

25% 50% 75%



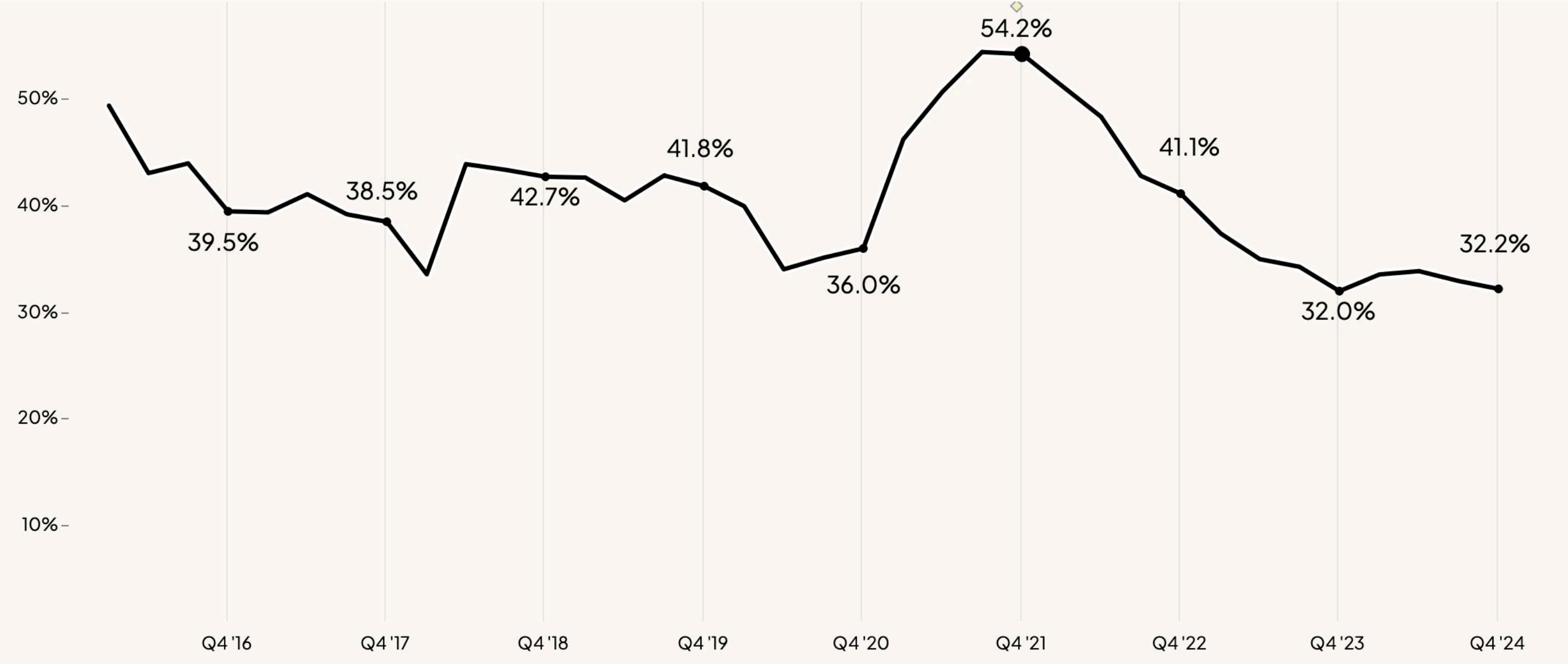
In sales, salaries at VP and SVP levels are tightly distributed

Salary at 25th and 75th percentile by function | VP & SVP | Companies worth \$1M-\$10B | Q4 2022 - Q4 2024



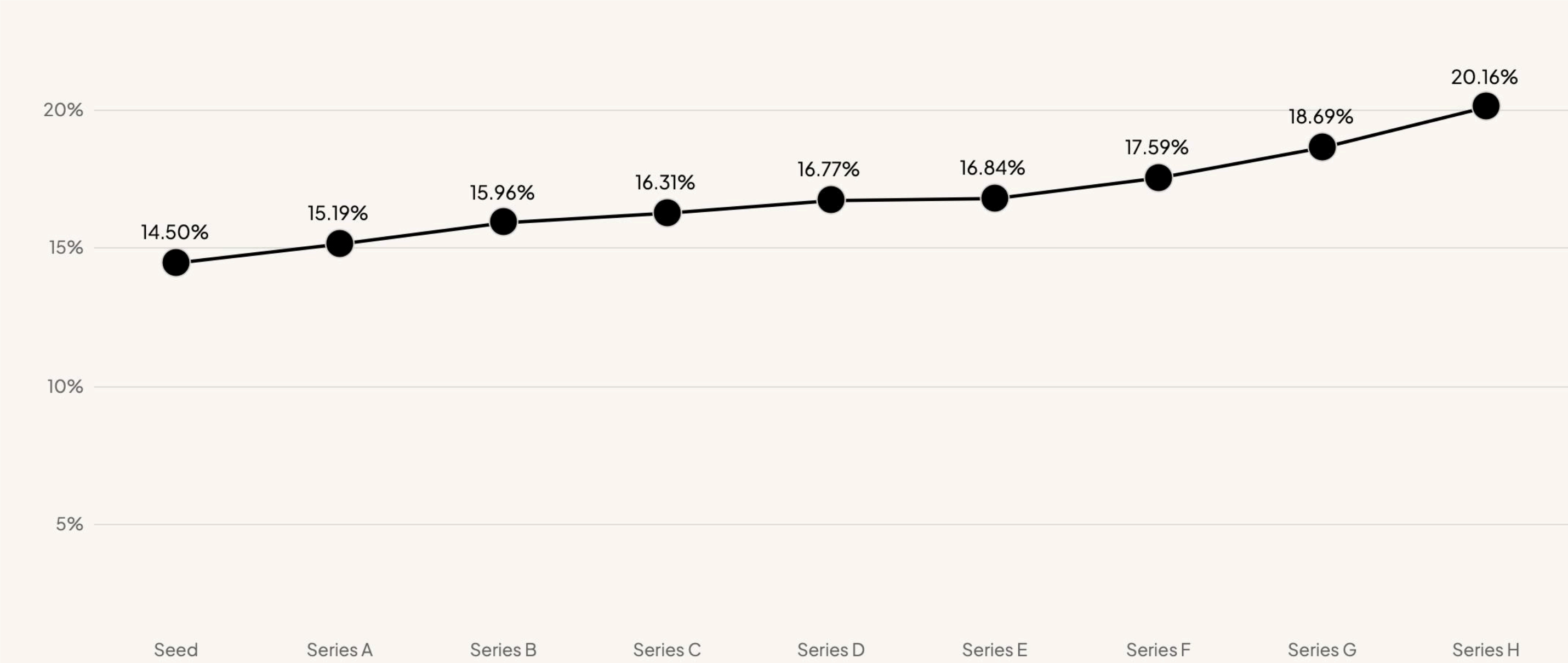
Employees exercised less than a third of their vested options in Q4

Percent of vested, in-the-money employee equity grants exercised before expiration | Q1 2017 - Q4 2024



Employee option pools typically comprise <20% of startup equity

Median employee option pool plan size by stage | As of Oct 2024

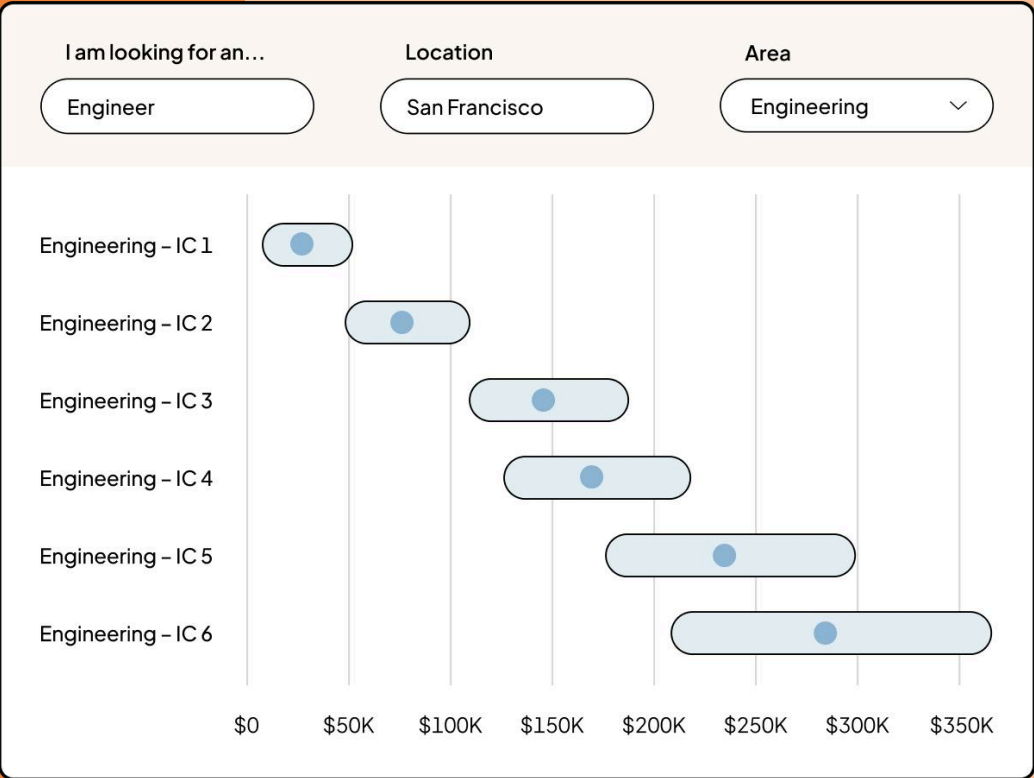




Carta Total Compensation

- ✓ Largest startup comp database
- ✓ Forecasting, planning, and scaling tools
- ✓ Total comp view for every employee

Get started at carta.com/equity-management/



Compensation Summary

Projected Annual Salary Spend \$15,840,581 All departments	Largest Salary Spend \$4,073,478 Engineering	Largest Equity Spend 448,828 shares Marketing
-------------------------------------------------------------------------	-----------------------------------------------------------	------------------------------------------------------------

Job Area	Current Salary Spend	Target	Delta
Product	\$2,145,660	\$2,394,000	\$-248,340
Engineering	\$4,073,478	\$4,810,000	\$-736,522
Data	\$1,109,778	\$1,035,000	\$74,778
Marketing	\$1,189,062	\$1,070,000	\$119,062