

# How Elon Musk's \$44.9B Tesla pay package compares with the most generous plans for other U.S. CEOs

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Tesla CEO Elon Musk waves as he leaves the Tesla Gigafactory for electric cars in Gruenheide near Berlin, Germany on March 13, 2024. Tesla shareholders are charting the future of the electric vehicle company Thursday, June 13, 2024, as they wrap up voting whether or not to restore Musk's massive pay package that was thrown out by a Delaware judge. Credit: AP Photo/Ebrahim Noroozi, File

Even though the median U.S. CEO pay package last year was nearly 200 times more than a worker in the middle of their company pay scales, Elon Musk's record-setting Tesla compensation dwarfs them by comparison.

Tesla shareholders on Thursday voted overwhelmingly in favor of restoring Musk's 10-year pay plan, valued by the company in April at \$44.9 billion. It was worth more early in the year, but Tesla's stock value has fallen about 25% since then.

The all-stock package, approved by the board and shareholders in 2018, rewards Musk for hitting milestones that include raising Tesla's market value, pretax income and revenue.

It had been tossed out by a Delaware judge in January who said the process for approving it was "deeply flawed." The court ruled that Musk controlled the company's board, and shareholders weren't fully informed.

But the company said Musk deserves the pay because he turned Tesla into the top-selling electric vehicle maker in the world, increasing its market value by billions.

Even with the reapproval vote, Musk won't get access to the stock options just yet. Tesla is expected to ask the judge to revisit her decision in light of the vote, and if she doesn't, the company probably will appeal the ruling to Delaware's Supreme Court. The whole process could take months.

No matter the outcome, Musk's package—the largest award to a CEO of a U.S. [public company](#)—is far above what's been granted to other chief executives. Here's how the package compares:



Elon Musk arrives at the 10th Breakthrough Prize Ceremony on April 13, 2024, at the Academy Museum of Motion Pictures in Los Angeles. Tesla shareholders are charting the future of the electric vehicle company Thursday, June 13, 2024, as they wrap up voting whether or not to restore Tesla CEO Musk's massive pay package that was thrown out by a Delaware judge. Credit: Photo by Jordan Strauss/Invision/AP, File

## **WITH THE MEDIAN CEO PAY**

The median pay package for an S&P 500 U.S. CEO last year was \$16.3 million, according to [data analyzed for The Associated Press by Equilar](#). If you multiply that by 10 to get \$163 million for a decade of work, Musk's earnings still would be 275 times greater.

In her January ruling that struck down the package, Delaware Chancellor Kathaleen St. Jude McCormick wrote that Musk's package, then worth about \$56 billion, was 250 times larger than the median peer CEO's pay plan.

## WITH INDIVIDUAL CEOS

The top earner in the AP's survey was Hock Tan, CEO of artificial intelligence company Broadcom Inc. His package, mostly consisting of stock awards, was valued at about \$162 million, when given to Tan at the start of fiscal 2023. Thanks to a surging stock price, Broadcom in March valued Tan's pay package, plus older options he hadn't yet cashed in, at \$767.7 million. That's an amount easily eclipsed by Musk's potential haul of 304 million shares worth almost \$45 billion.

Other CEOs at the top of AP's survey are William Lansing of Fair Isaac Corp, (\$66.3 million); Tim Cook of Apple Inc. (\$63.2 million); Hamid Moghadam of Prologis Inc. (\$50.9 million); and Ted Sarandos, co-CEO of Netflix (\$49.8 million).

Technically, Musk got no compensation last year because he didn't get any [stock options](#). But he stands to get even richer if his pay package goes through.

## WITH TESLA WORKERS

It's difficult to calculate what Musk's annual pay would have been last year. The company says he got nothing. But if his [compensation package](#) makes it through the courts, his pay will be in the billions. According to the company's proxy filing this year, the median annual pay of a non-CEO Tesla employee last year was \$45,811.

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