

**NOTE:** THIS UPDATE PROVIDES RESULTS FOR THE ENTIRE 2015 PROXY SEASON. WE WILL BEGIN TO ISSUE SAY ON PAY UPDATES FOR THE 2016 PROXY SEASON IN MARCH 2016. PLEASE CONTINUE TO VISIT OUR [SAY ON PAY BLOG](#) FOR UPDATES.

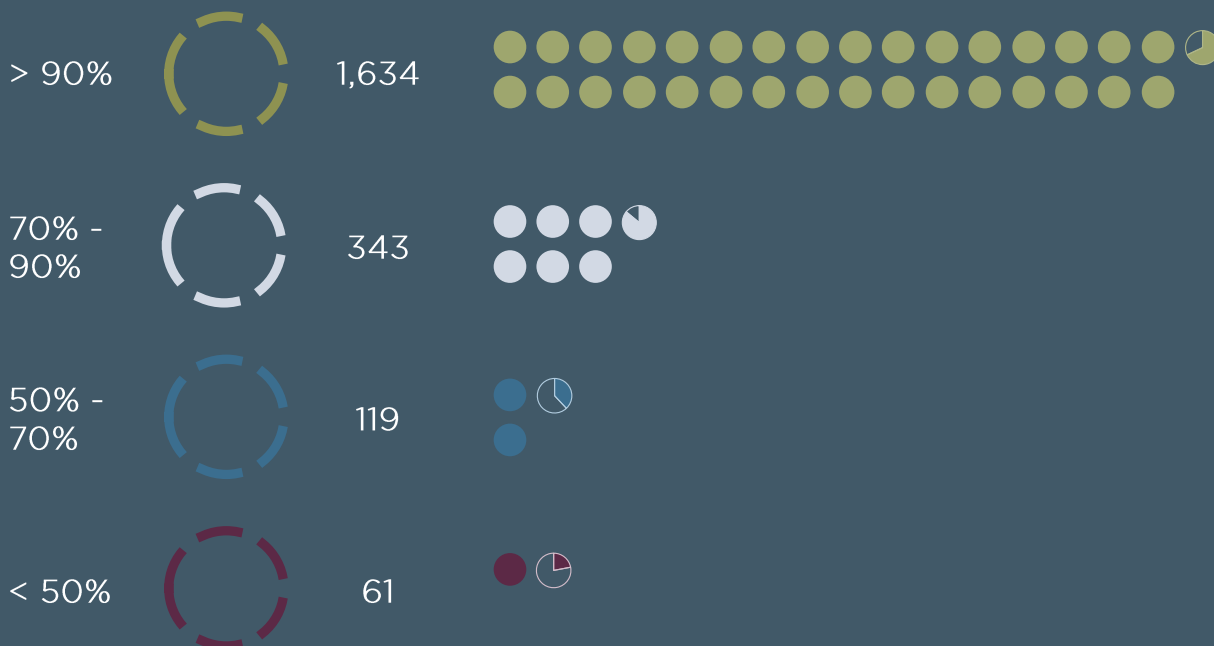
# 2015 SAY ON PAY RESULTS

RUSSELL 3000  
2,157 COMPANIES

## END OF YEAR REPORT

JANUARY 27, 2016

### RESULTS AT A GLANCE:



**SUMMARY OF VOTE RESULTS (n=2,157)**

— **61 Russell 3000 companies (2.8%) failed Say on Pay in 2015**

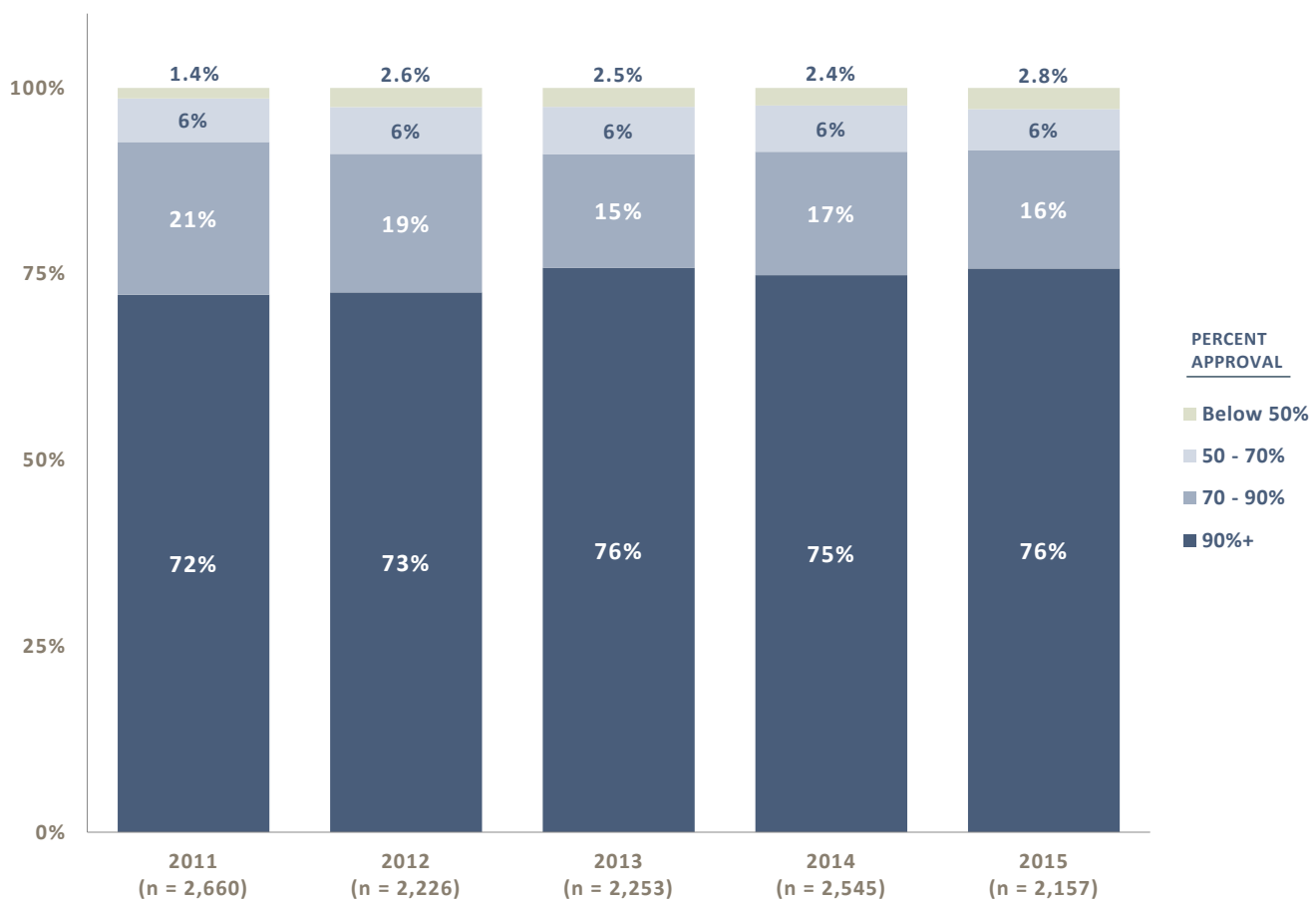
Seven additional companies failed since our last report: Celadon Group, Fabrinet, K12, Oracle, Palo Alto Networks, Synergy Resources, and The Hain Celestial Group

2011: 37 (1.4%)                      2012: 57 (2.6%)                      2013: 57 (2.5%)                      2014: 60 (2.4%)

— **Average vote result in 2015 was 91%**

— **A trend is emerging that fewer companies are falling in the 70-90% range since 2011**

**SAY ON PAY VOTE RESULTS**



Source: Semler Brossy data and analysis; Fund Votes LLC.

Notes: As of December 31, 2015. The 2015 sample includes companies that had an Annual Meeting and Say on Pay vote in calendar year 2015. Year over year data presented in this document does not reflect a constant sample given turnover in the Russell 3000 used for each year as well as differences in how frequently companies hold votes.

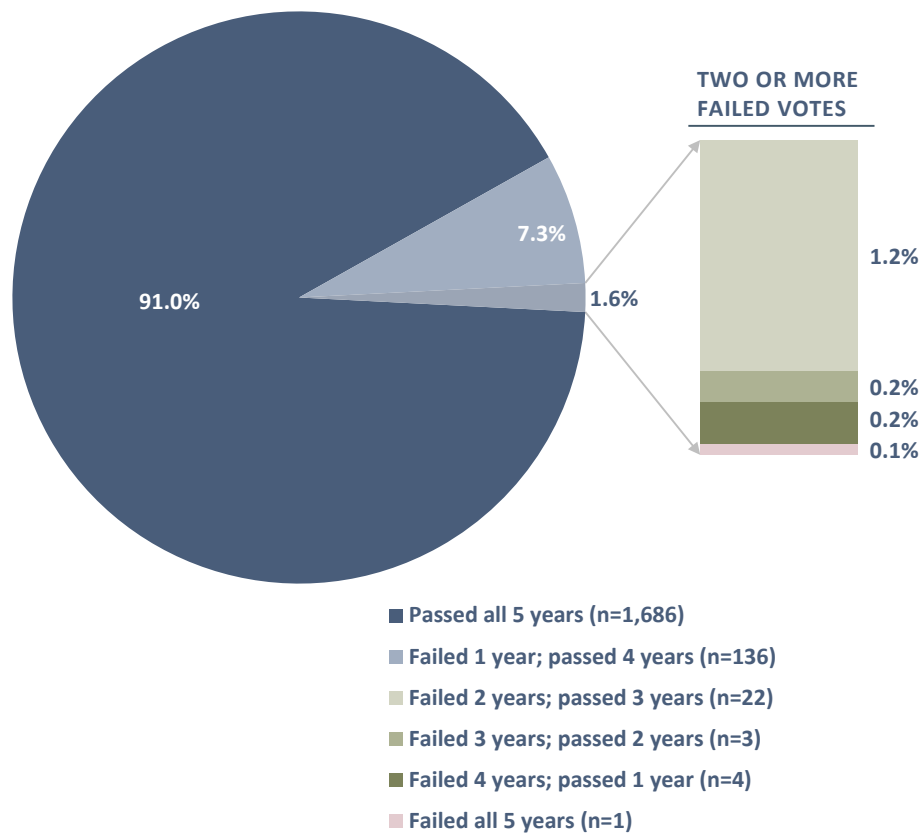
For FY 2015, Russell 3000 sample effective as of June 28, 2014.

VOTE RESULTS OVER TIME

— Of companies that have had votes every year, most have passed Say on Pay all five years since it became mandatory in 2011 (n=1,852)

Approximately 9% of companies have failed at least once. However, our data indicates that if a company fails once it's not likely to fail again.

VOTES PASSED	VOTES FAILED	NUMBER OF COMPANIES	PERCENTAGE OF COMPANIES
5	0	1,686	91.0%
4	1	136	7.3%
3	2	22	1.2%
2	3	3	0.2%
1	4	4	0.2%
0	5	1	0.1%



Source: Semler Brossy data and analysis; Fund Votes LLC.

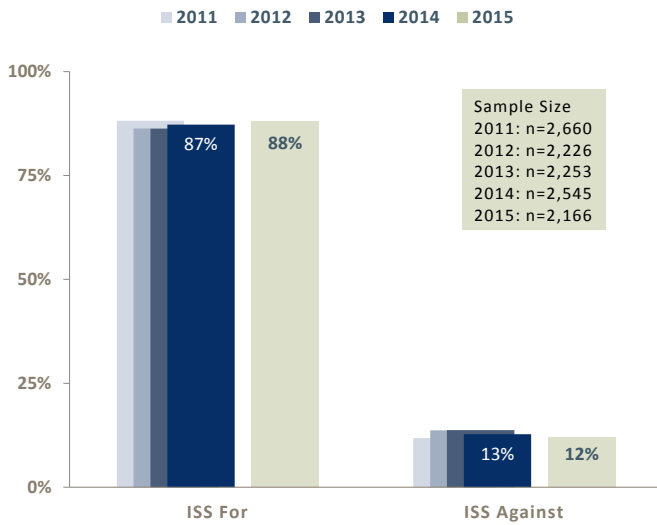
IMPACT OF PROXY ADVISORS ON VOTE RESULTS

— ISS has recommended that shareholders vote ‘Against’ Say on Pay at 12% of companies it has assessed<sup>1</sup> in 2015

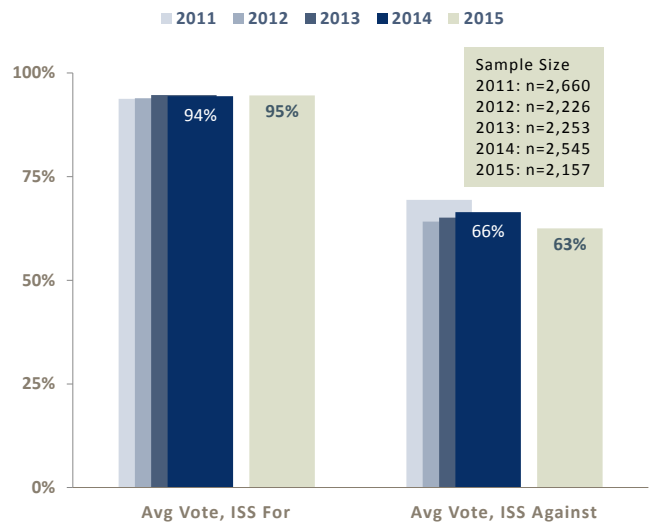
2011: 12%    2012: 14%    2013: 14%    2014: 13%

— Shareholder support was 32% lower at companies with an ISS ‘Against’<sup>2</sup>

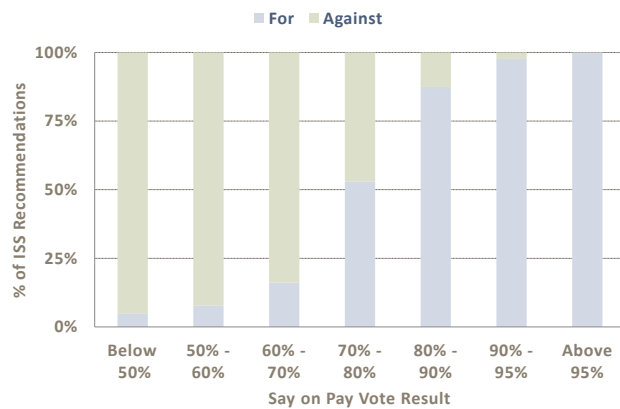
ISS RECOMMENDATION BREAKDOWN<sup>1</sup>



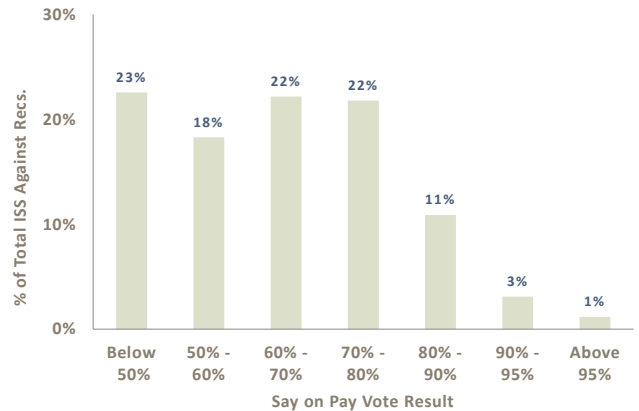
IMPACT ON VOTE RESULTS<sup>2</sup>



2015 SAY ON PAY VOTE BREAKDOWN (n=2,157)<sup>2</sup>



2015 SAY ON PAY VOTE RESULTS WITH ISS ‘AGAINST’ RECOMMENDATION (n=257)<sup>2</sup>



Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

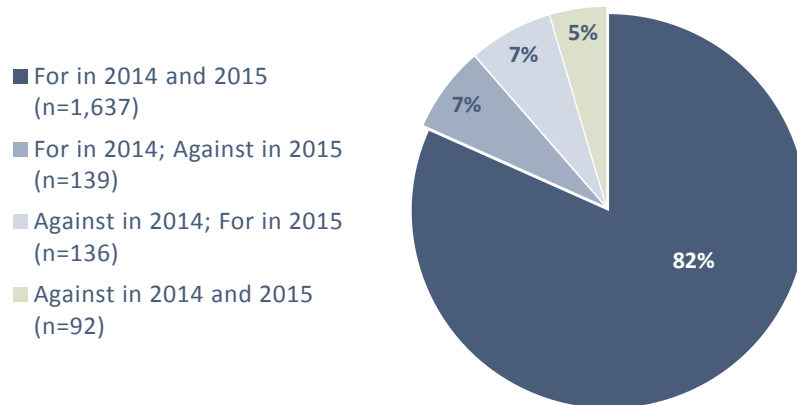
<sup>1</sup> Based on ISS’ assessment of 2,166 companies, of which 260 have received ‘Against’ from ISS; 2,157 companies (in total) have reported vote results.

<sup>2</sup> Reflects only those companies whose vote results have been reported.

**IMPACT OF PROXY ADVISORS ON VOTE RESULTS – YEAR OVER YEAR**

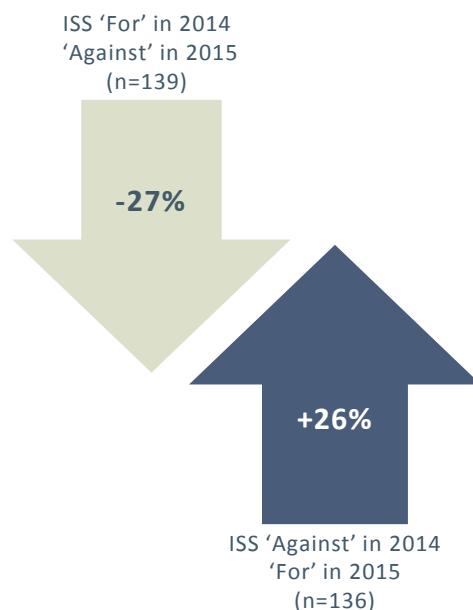
— ISS has switched its Say on Pay recommendation at 275 companies (14%) from 2014 to 2015

**YEAR OVER YEAR ISS RECS (n=2,003)<sup>1</sup>**



— Say on Pay vote results for individual companies continue to change significantly when ISS switches a recommendation year over year

**AVERAGE SAY ON PAY VOTE RESULTS<sup>1</sup>**



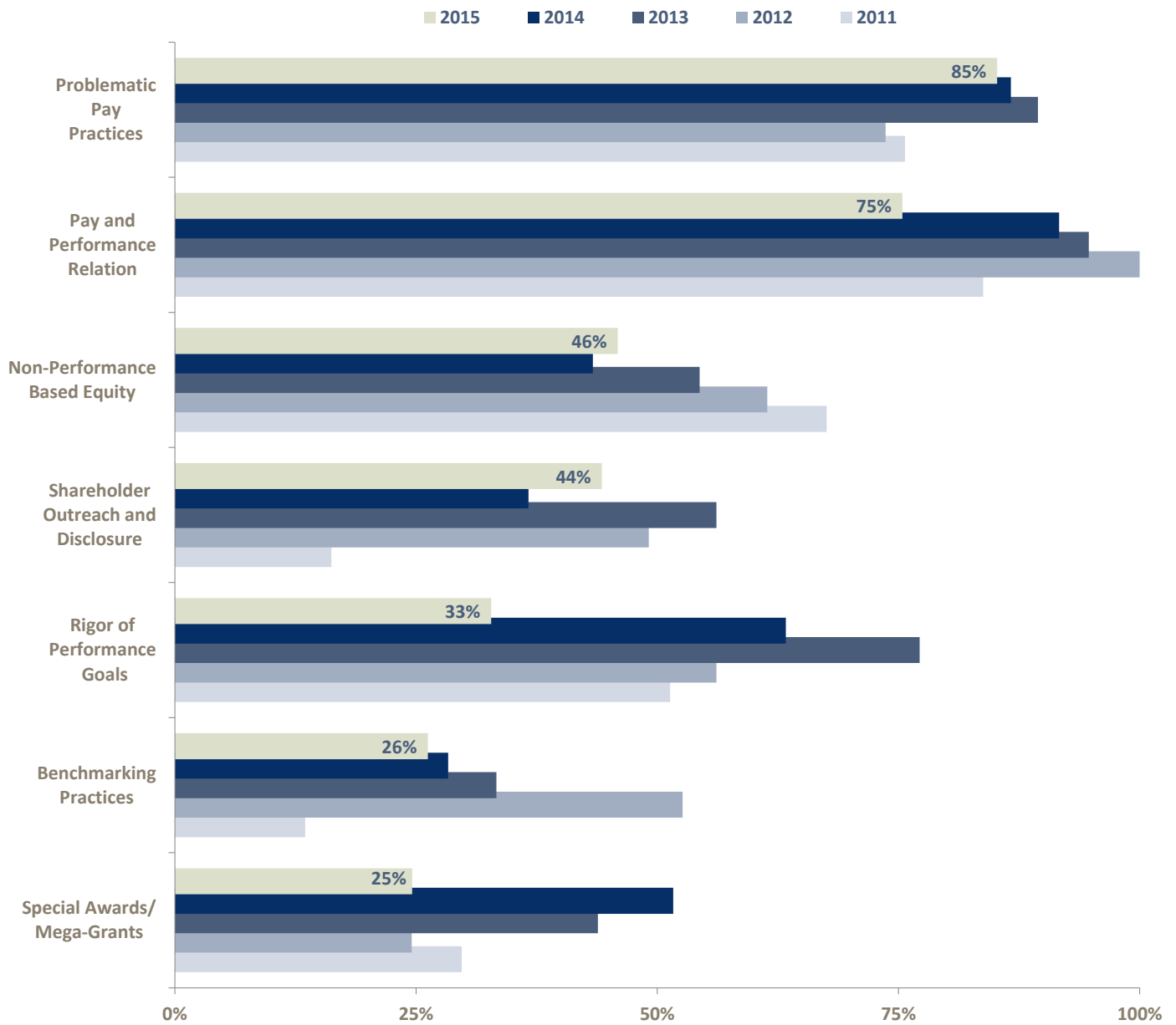
Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

<sup>1</sup> Includes only companies with recommendations in 2014 and 2015; also includes companies that have yet to report vote results.

Note: Year over year data presented in this document does not reflect a constant sample given turnover in the Russell 3000 used for each year as well as differences in how frequently companies hold votes.

**LIKELY CAUSES OF VOTES UNDER 50%**

- The most common reasons for failing Say on Pay have remained the same over the past three years (i.e., Problematic Pay Practices and Pay and Performance Relation)
- Sample size for 2015 is 61 companies
- The average number of reasons for failure in 2015 is 3.3, compared with 4 in 2014



Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

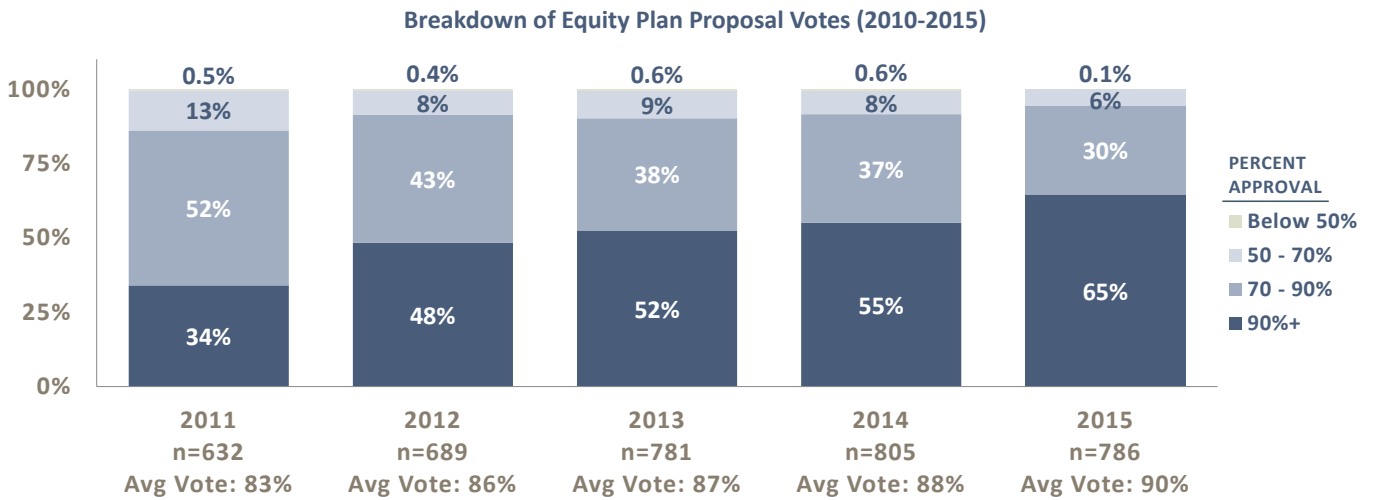
Note: Year over year data presented in this document does not reflect a constant sample given turnover in the Russell 3000 used for each year as well as differences in how frequently companies hold votes.

**YEAR-END TOPIC RECAP: TRENDS IN EQUITY PLAN PROPOSALS**

**Equity plan proxy items are binding, unlike Say on Pay. In general, equity plan proposals receive more support than Say on Pay proposals.**

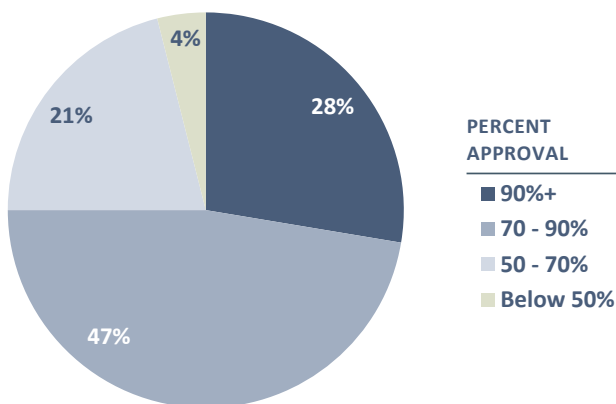
On average, only 0.4% of equity plan proxy items have failed since 2011, compared to a 2.3% failure rate for Say on Pay proposals.

- Average vote support for equity plan proposals has increased 7% over the past five years
- Compared to 2011, nearly twice as many companies received equity plan support above 90% in 2015

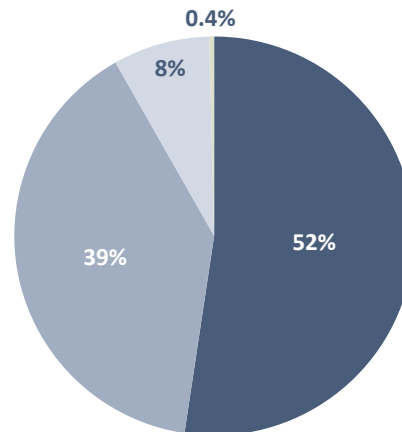


- Companies that fail Say on Pay tend to have materially lower vote results on their equity plan proposals; these companies are 10x more likely to receive equity plan support below 50%

**Equity Plan Vote Results for Companies that Failed Say on Pay the Same Year (2011-2015)**



**Equity Plan Vote Results for Companies that Passed Say on Pay the Same Year (2011-2015)**

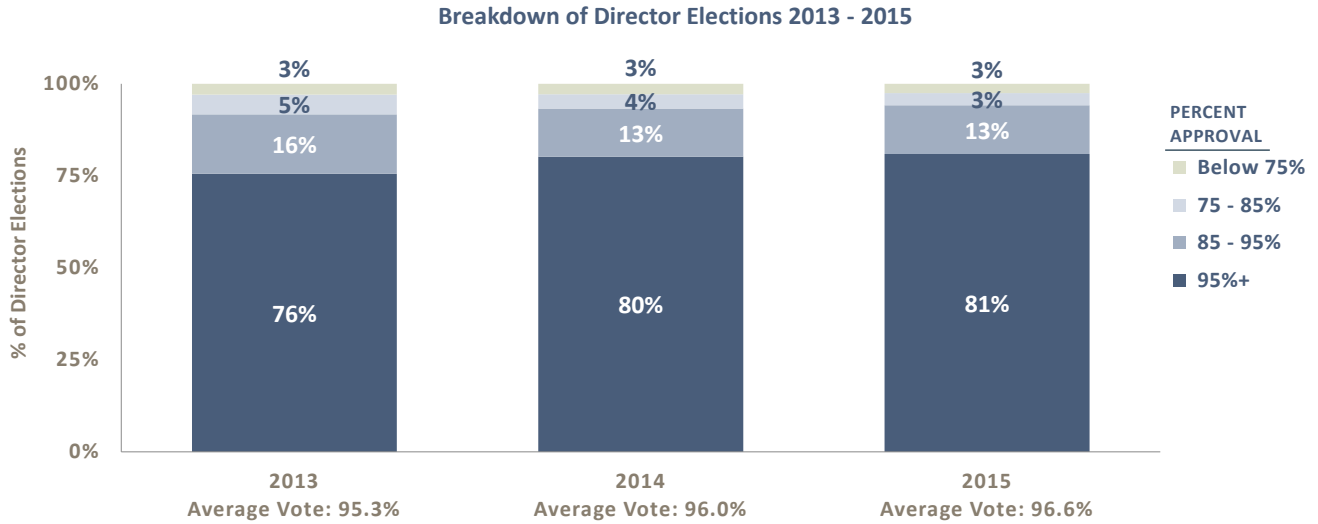


Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

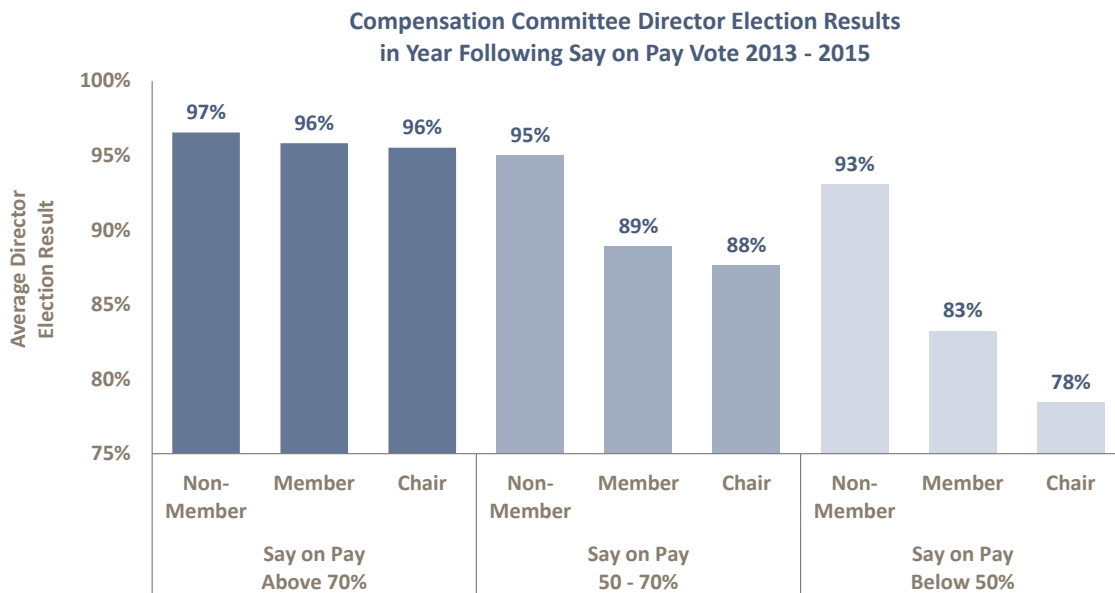
Notes: As of December 31, 2015. Represents Russell 3000 effective as of June 30, 2014.

**YEAR-END TOPIC RECAP: DIRECTOR ELECTIONS**

— Nearly 95% of director elections receive vote support above 85%. Few elections received support below 75% and only 0.5% received support below 50% between 2013 and 2015



— A Say on Pay vote above 70% leads to minimal impact on Compensation Committee member election results the following year. However, members and chairs receive 13% and 18% lower support, respectively, in the year following a failed Say on Pay vote



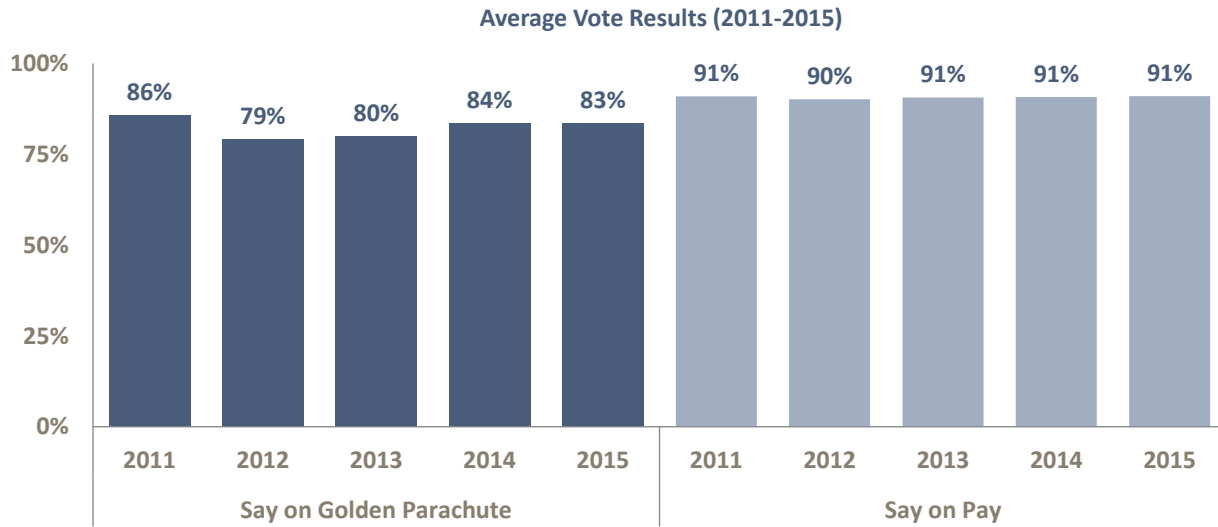
Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

Notes: Data represents 2013, 2014, and 2015 director election vote results through December 31, 2015.



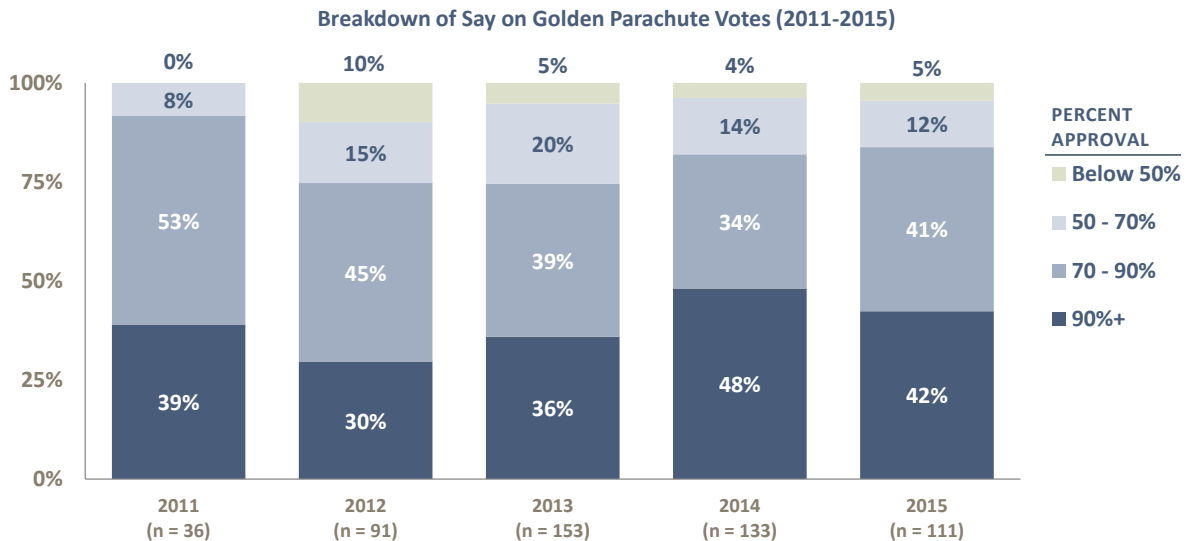
**YEAR-END TOPIC RECAP: SAY ON GOLDEN PARACHUTE VOTES**

— On average, Say on Golden Parachute votes have fluctuated more and have been lower than Say on Pay votes every year since 2011.



— Breakdown in golden parachute votes vary significantly from year to year.

In both 2012 and 2013, 25% of proposals received less than 70% support. In 2015 only 17% of proposals received less than 70% support.



Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

Notes: Data represents 2013, 2014, and 2015 director election vote results through December 31, 2015.

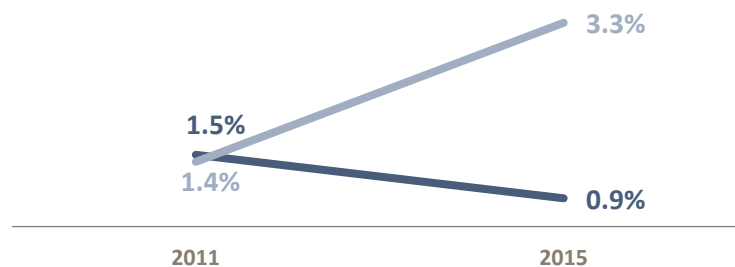
## YEAR-END TOPIC RECAP: VOTE RESULTS AT S&P 500 COMPANIES

Since 2013, Semler Brossy has observed larger companies improving their Say on Pay results while smaller ones are flat to slightly worse. We posit that larger companies may be better equipped to manage the Say on Pay vote and may place more attention on alignment with shareholder and proxy advisor policies.

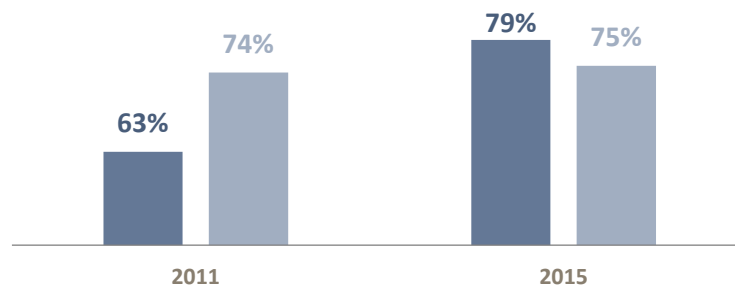
The data on this page refer to the current S&P 500 as “larger” companies (median TTM revenue \$9.7B), and remaining Russell 3000 companies as “smaller” (median TTM revenue \$733M).



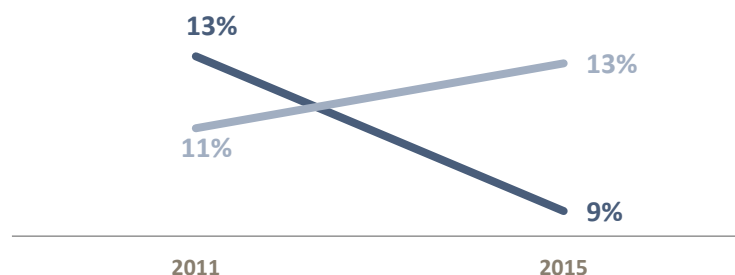
- The failure rate for S&P 500 companies has nearly dropped in half since 2011. This rate has more than doubled for smaller companies.



- The percentage of over 90% votes for S&P 500 companies has risen to a level that exceeds that of smaller companies.



- The rate of ISS ‘Against’ recommendations has remained approximately flat for smaller companies and has markedly decreased for S&P 500 companies.

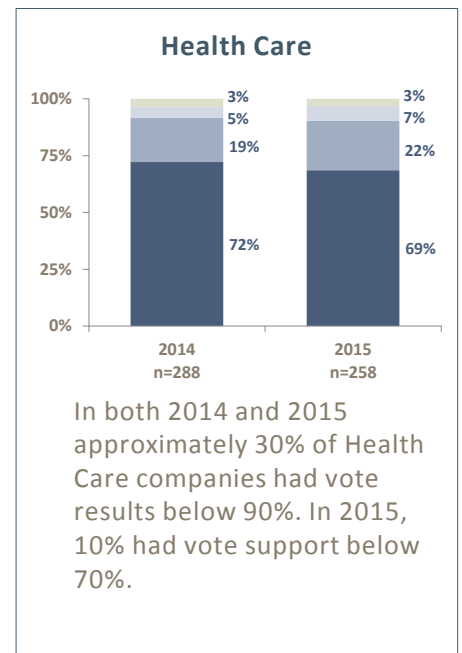
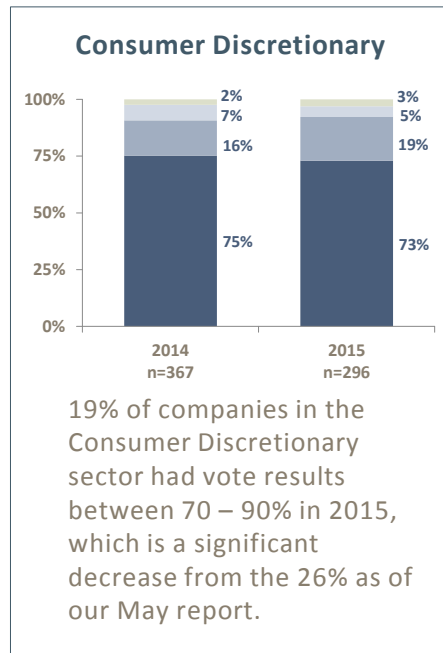
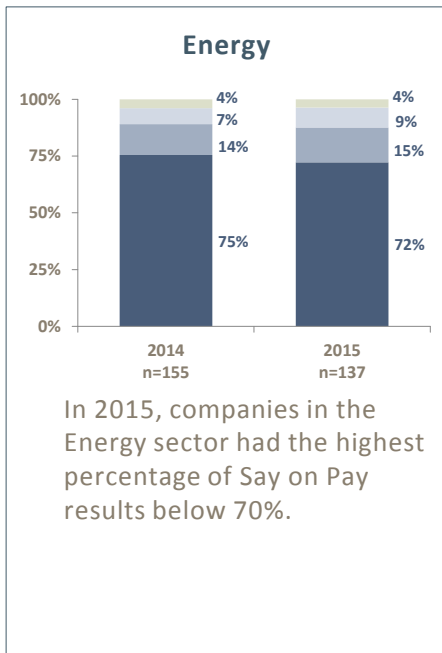
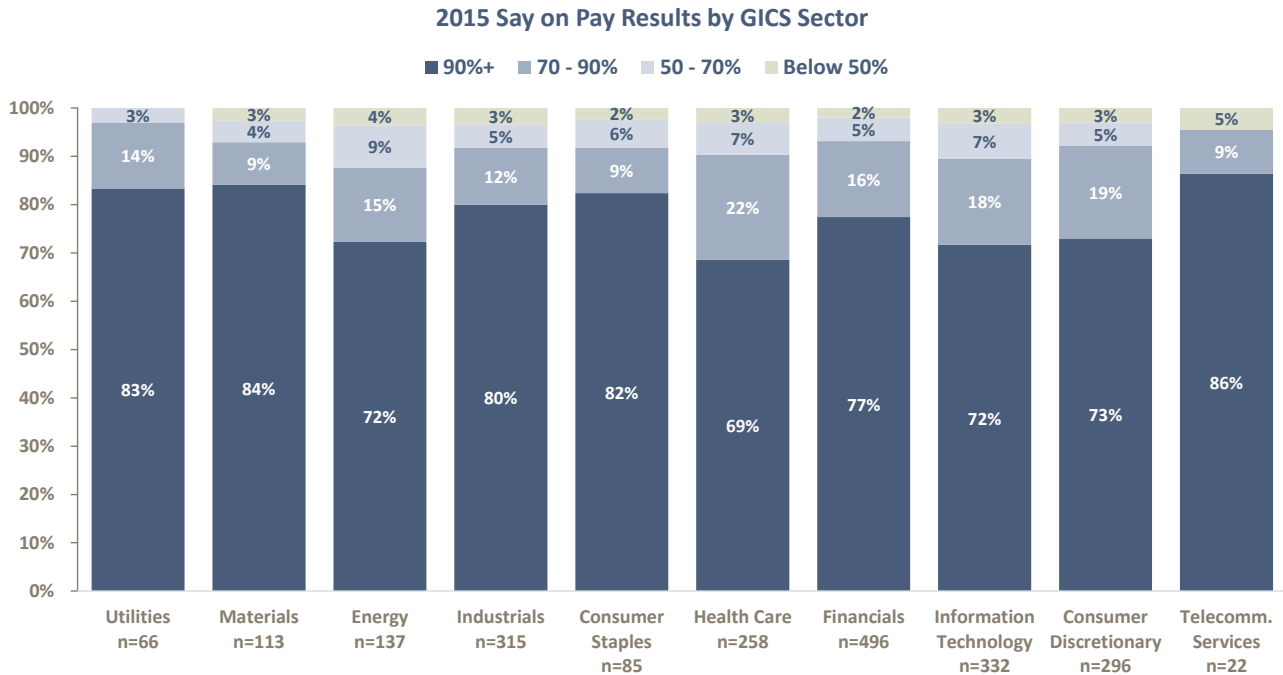


Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

Notes: Data represents 2013, 2014, and 2015 director election vote results through December 31, 2015.

**YEAR-END TOPIC RECAP: INDUSTRY BREAKDOWN OF SAY ON PAY VOTES**

2015 Say on Pay results varied significantly by GICS Sector. Companies in the Health Care Sector were the least likely to receive Say on Pay support above 90%.



Source: Semler Brossy data and analysis; Fund Votes LLC; FactSet.

Note: Sample above excludes companies without GICS industry classification from FactSet.

**DEFA14As FILED AS REPONSES TO PROXY ADVISORS**

While most company responses to an ‘Against’ recommendation from ISS does not appear to have a material impact on vote results, ISS switched its recommendation to a ‘For’ in response to DEFA14As at four companies in 2015:

— **Celanese Corp (95% vote support on Say on Pay in 2015)**

ISS recommended ‘For’ after the Company’s DEFA14A clarified how the individual modifier in its annual incentive program was calculated. The filing also revealed changes made to metrics used in Celanese’s ongoing program

— **Finish Line (95%)**

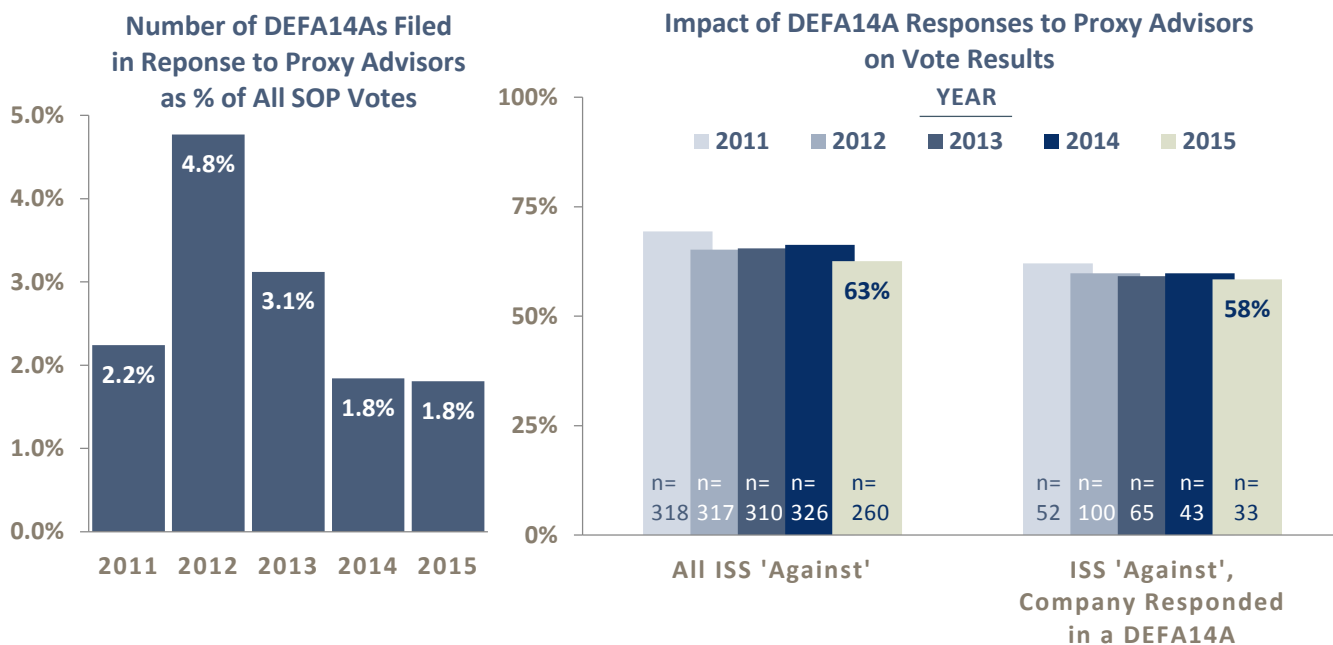
ISS recommended ‘For’ after the Company clarified that employment agreements did not contain any tax gross-up provisions

— **Mobile Mini (66%)**

ISS reversed its ‘Against’ recommendation after the Company modified an employment agreement to eliminate a “single trigger” provision

— **South Jersey Industries (91%)**

ISS recommended ‘For’ after the Company provided additional disclosure around its incentive plan goals and payouts, which verified appropriate goal rigor



Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics.

Note: Year over year data presented in this document does not reflect a constant sample given turnover in the Russell 3000 used for each year as well as differences in how frequently companies hold votes.

## APPENDIX: 2015 SAY ON PAY VOTE RESULTS

### COMPANIES UNDER 50% IN 2015

2015 Failed Say on Pay Vote Results<sup>1,2</sup>

Russell 3000, n=61

Company	Meeting Date	GICS Industry	S&P 500	FYE 2014 Revenue (\$MM)	Say on Pay Vote Results			TSR (as of FYE 2014)			Number of Failures
					2015 ▼	2014	YOY	1-Yr	3-Yr	5-Yr	
Biglari Holdings, Inc.	04/09/15	Hotels Restaurants & Leisure		\$834	50%	31%	19%	-15%	26%	41%	3
United Therapeutics Corp.	06/26/15	Biotechnology		\$1,289	50%	41%	8%	15%	174%	147%	2
Synergy Resources Corp.	12/15/15	Oil Gas & Consumable Fuels		\$104	49%	-	-	-20%	292%	377%	1
Allegheny Technologies, Inc.	05/01/15	Metals & Mining		\$4,223	49%	97%	-48%	0%	-22%	-16%	1
Superior Industries International, Inc.	05/05/15	Auto Components		\$745	49%	77%	-28%	1%	36%	49%	1
Eagle Bancorp, Inc. (Maryland)	05/21/15	Banks		\$210	49%	55%	-7%	16%	169%	276%	1
Carriage Services, Inc.	05/19/15	Diversified Consumer Services		\$225	49%	47%	2%	7%	283%	456%	2
InvenSense, Inc.	09/09/15	Electronic Equipment Instruments & Components		\$372	49%	-	-	-33%	-19%	-	1
Basic Energy Services, Inc.	05/21/15	Energy Equipment & Services		\$1,491	48%	98%	-50%	-55%	-64%	-22%	1
Oracle Corp.	11/18/15	Software	X	\$38,226	48%	46%	2%	5%	72%	103%	4
Customers Bancorp, Inc.	04/23/15	Banks		\$215	48%	-	-	5%	376%	328%	1
Furmanite Corp.	06/30/15	Construction & Engineering		\$529	48%	94%	-46%	-28%	24%	103%	1
Natural Gas Services Group, Inc.	06/18/15	Energy Equipment & Services		\$97	47%	67%	-20%	-18%	59%	21%	1
Fidelity National Financial, Inc.	06/17/15	Insurance		\$8,030	47%	66%	-18%	32%	185%	261%	1
K12, Inc.	12/16/15	Diversified Consumer Services		\$920	47%	69%	-22%	-48%	-46%	-45%	1
SPX Corp.	05/08/15	Machinery		\$4,722	47%	62%	-16%	-12%	49%	65%	1
W.R. Berkley Corp.	06/02/15	Insurance		\$7,004	46%	56%	-9%	22%	60%	129%	1
BBCN Bancorp, Inc.	05/28/15	Banks		\$348	46%	96%	-50%	-11%	59%	34%	1
Checkpoint Systems, Inc.	06/03/15	Electronic Equipment Instruments & Components		\$662	46%	95%	-49%	-8%	30%	-8%	1
Vertex Pharmaceuticals, Inc.	06/04/15	Biotechnology	X	\$580	45%	70%	-25%	61%	258%	173%	1
Argan, Inc.	06/24/15	Construction & Engineering		\$383	45%	67%	-22%	5%	130%	143%	1
PICO Holdings, Inc.	07/09/15	Diversified Financial Services		\$360	44%	83%	-38%	-18%	-8%	-43%	2
Marvell Technology Group Ltd.	06/30/15	Semiconductors & Semiconductor Equipment		\$3,707	44%	60%	-16%	5%	5%	-6%	1
Masimo Corp.	06/02/15	Health Care Equipment & Supplies		\$580	44%	30%	13%	-11%	44%	-2%	4
Dynamic Materials Corp.	05/13/15	Machinery		\$203	43%	68%	-25%	-26%	-17%	-18%	2
Restoration Hardware Holdings, Inc.	06/24/15	Specialty Retail		\$1,867	43%	-	-	55%	-	-	1
BE Aerospace, Inc.	07/30/15	Aerospace & Defense		\$2,599	42%	66%	-23%	-7%	107%	237%	1
BPZ Resources, Inc.	06/19/15	Oil Gas & Consumable Fuels		\$84	41%	90%	-49%	-84%	-90%	-97%	1
Cogent Communications Holdings, Inc.	04/16/15	Diversified Telecommunication Services		\$380	41%	46%	-5%	-10%	124%	279%	4
The Hain Celestial Group, Inc.	11/19/15	Food Products		\$2,154	41%	50%	-10%	53%	139%	549%	1
Insulet Corp.	05/13/15	Health Care Equipment & Supplies		\$289	40%	99%	-58%	23%	145%	223%	1
Astoria Financial Corp.	05/27/15	Thrifts & Mortgage Finance		\$550	40%	78%	-37%	-3%	66%	23%	1
TiVo, Inc.	07/22/15	Software		\$451	40%	93%	-53%	-16%	1%	16%	1
Spectrum Pharmaceuticals, Inc.	06/29/15	Biotechnology		\$187	39%	33%	7%	-22%	-52%	57%	3
Tutor Perini Corp.	05/27/15	Construction & Engineering		\$4,492	38%	44%	-7%	-7%	95%	35%	5
Kate Spade & Co.	05/19/15	Textiles Apparel & Luxury Goods		\$1,139	38%	98%	-61%	0%	274%	472%	1
Cornerstone OnDemand, Inc.	06/03/15	Internet Software & Services		\$264	38%	-	-	-33%	93%	-	1
Dex Media, Inc.	05/28/15	Media		\$1,815	36%	91%	-54%	33%	-	-	2
Palo Alto Networks, Inc.	12/11/15	Communications Equipment		\$598	36%	68%	-32%	121%	238%	-	1
Luminex Corp.	05/14/15	Life Sciences Tools & Services		\$227	36%	81%	-45%	-3%	-12%	24%	1
RBC Bearings, Inc.	09/10/15	Machinery		\$445	35%	75%	-40%	23%	67%	156%	2
Bed Bath & Beyond, Inc.	07/02/15	Specialty Retail	X	\$11,881	35%	72%	-37%	11%	24%	79%	1
Mack-Cali Realty Corp.	05/11/15	Real Estate Investment Trusts (REITs)		\$637	35%	30%	5%	-9%	-16%	-29%	2
The KEYW Holding Corp.	08/12/15	Aerospace & Defense		\$291	34%	87%	-53%	-23%	40%	-	1
Hospira, Inc.	05/06/15	Pharmaceuticals	X	\$4,464	32%	71%	-40%	48%	102%	20%	1
Monster Worldwide, Inc.	06/09/15	Internet Software & Services		\$770	31%	37%	-5%	-35%	-42%	-74%	2
TCF Financial Corp.	04/22/15	Banks		\$1,346	31%	45%	-15%	-1%	61%	26%	2
BankUnited, Inc.	05/13/15	Banks		\$845	31%	-	-	-9%	44%	-	1
MedAssets, Inc.	06/11/15	Health Care Technology		\$720	30%	97%	-66%	-1%	114%	-8%	1
Darling Ingredients, Inc.	05/12/15	Food Products		\$3,956	30%	82%	-52%	-14%	35%	117%	1
Resolute Energy Corp.	06/08/15	Oil Gas & Consumable Fuels		\$329	29%	96%	-67%	-85%	-88%	-89%	1

<sup>1</sup> As of December 31, 2015.<sup>2</sup> Continued on the following page.

Source: Semler Brossy data and analysis; Fund Votes LLC; FactSet.

## APPENDIX: 2015 SAY ON PAY VOTE RESULTS COMPANIES UNDER 50% IN 2015 (CONTINUED)

2015 Failed Say on Pay Vote Results (continued)<sup>1</sup>

Russell 3000, n=61

Company	Meeting Date	GICS Industry	S&P 500	FYE 2014 Revenue (\$MM)	Say on Pay Vote Results			TSR (as of FYE 2013)			Number of Failures
					2015 ▼	2014	YOY	1-Yr	3-Yr	5-Yr	
ICU Medical, Inc.	06/15/15	Health Care Equipment & Supplies		\$309	28%	87%	-59%	27%	82%	124%	1
Fabrinet	12/17/15	Electronic Equipment Instruments & Components		\$678	28%	74%	-46%	-4%	69%	85%	1
Walter Energy, Inc.	04/23/15	Metals & Mining		\$1,396	28%	94%	-67%	-92%	-98%	-98%	1
Schnitzer Steel Industries, Inc.	01/28/15	Metals & Mining		\$2,543	24%	76%	-52%	13%	-35%	-46%	1
Shutterfly, Inc.	06/12/15	Internet & Catalog Retail		\$922	22%	50%	-28%	-18%	83%	134%	1
Acacia Research Corp.	05/14/15	Professional Services		\$131	22%	68%	-47%	20%	-51%	105%	1
Knoll, Inc.	05/06/15	Commercial Services & Supplies		\$1,050	20%	77%	-57%	19%	56%	123%	1
Celadon Group, Inc.	12/11/15	Road & Rail		\$742	20%	49%	-30%	-2%	28%	49%	2
Ultratech, Inc.	07/21/15	Semiconductors & Semiconductor Equipment		\$151	15%	80%	-65%	-36%	-24%	24%	1
Nuance Communications, Inc.	01/27/15	Software		\$1,923	15%	50%	-36%	-18%	-24%	5%	2
<b>Count (n=61)</b>											

<sup>1</sup> As of December 31, 2015.

Source: Semler Brossy data and analysis; Fund Votes LLC; FactSet.

## APPENDIX: 2015 SAY ON PAY VOTE RESULTS

### LIKELY CAUSES OF VOTES UNDER 50% IN 2015

2015 Failed Say on Pay Vote Results<sup>1,2</sup>  
Russell 3000, n=61

Company	Say on Pay Vote Results			Likely Causes of Votes Under 50%						
	2015 ▼	2014	YOY	Pay and Performance Relation	Problematic Pay Practices	Rigor of Performance Goals	Shareholder Outreach and Disclosure	Non-Performance Based Equity	Special Awards/ Mega-Grants	Benchmarking Practices
Biglari Holdings, Inc.	50%	31%	19%	X	X	X	X	X		
United Therapeutics Corp.	50%	41%	8%	X	X				X	X
Synergy Resources Corp.	49%	-	-		X					
Allegheny Technologies, Inc.	49%	97%	-48%	X		X				
Superior Industries International, Inc.	49%	77%	-28%	X				X		
Eagle Bancorp, Inc. (Maryland)	49%	55%	-7%		X		X	X	X	
Carriage Services, Inc.	49%	47%	2%	X	X			X		
InvenSense, Inc.	49%	-	-	X	X			X		X
Basic Energy Services, Inc.	48%	98%	-50%	X	X	X	X	X		
Oracle Corp.	48%	46%	2%	X	X				X	X
Customers Bancorp, Inc.	48%	-	-	X	X	X	X			
Furmanite Corp.	48%	94%	-46%		X					
Natural Gas Services Group, Inc.	47%	67%	-20%	X	X		X	X		X
Fidelity National Financial, Inc.	47%	66%	-18%	X	X		X			X
K12, Inc.	47%	69%	-22%	X			X	X		
SPX Corp.	47%	62%	-16%	X	X	X	X			
W.R. Berkley Corp.	46%	56%	-9%		X	X	X			
BBCN Bancorp, Inc.	46%	96%	-50%	X	X		X	X	X	
Checkpoint Systems, Inc.	46%	95%	-49%	X		X		X		X
Vertex Pharmaceuticals, Inc.	45%	70%	-25%		X			X	X	X
Argan, Inc.	45%	67%	-22%		X		X	X		
PICO Holdings, Inc.	44%	83%	-38%		X					
Marvel Technology Group Ltd.	44%	60%	-16%	X	X					
Masimo Corp.	44%	30%	13%	X	X			X		
Dynamic Materials Corp.	43%	68%	-25%	X						
Restoration Hardware Holdings, Inc.	43%	-	-		X		X	X		
BE Aerospace, Inc.	42%	66%	-23%		X		X	X		X
BPZ Resources, Inc.	41%	90%	-49%	X	X			X		
Cogent Communications Holdings, Inc.	41%	46%	-5%	X	X		X	X	X	
The Hain Celestial Group, Inc.	41%	50%	-10%	X	X		X			
Insulet Corp.	40%	99%	-58%		X	X		X	X	
Astoria Financial Corp.	40%	78%	-37%		X					
TiVo, Inc.	40%	93%	-53%	X	X				X	X
Spectrum Pharmaceuticals, Inc.	39%	33%	7%	X	X		X	X		
Tutor Perini Corp.	38%	44%	-7%	X	X		X		X	
Kate Spade & Co.	38%	98%	-61%	X	X	X			X	
Cornerstone OnDemand, Inc.	38%	-	-	X	X	X			X	
Dex Media, Inc.	36%	91%	-54%	X	X		X	X		
Palo Alto Networks, Inc.	36%	68%	-32%	X	X			X		X
Luminex Corp.	36%	81%	-45%	X	X			X		X
RBC Bearings, Inc.	35%	75%	-40%		X					X
Bed Bath & Beyond, Inc.	35%	72%	-37%	X	X	X				X
Mack-Cali Realty Corp.	35%	30%	5%	X	X		X	X		
The KEYW Holding Corp.	34%	87%	-53%	X	X		X			
Hospira, Inc.	32%	71%	-40%		X					
Monster Worldwide, Inc.	31%	37%	-5%	X	X					
TCF Financial Corp.	31%	45%	-15%	X					X	
BankUnited, Inc.	31%	-	-	X	X	X				
MedAssets, Inc.	30%	97%	-66%	X	X		X		X	
Darling Ingredients, Inc.	30%	82%	-52%	X		X			X	
Resolute Energy Corp.	29%	96%	-67%	X	X					X

<sup>1</sup> As of December 31, 2015.

<sup>2</sup> Continued on the following page.

## APPENDIX: 2015 SAY ON PAY VOTE RESULTS

## LIKELY CAUSES OF VOTES UNDER 50% IN 2015 (CONTINUED)

2015 Failed Say on Pay Vote Results (continued)<sup>1</sup>

Russell 3000, n=61

Company	Say on Pay Vote Results			Likely Causes of Votes Under 50%						
	2015▼	2013	YOY	Pay and	Problematic	Rigor of	Shareholder	Non-	Special	Benchmarking
				Performance	Pay	Performance	Outreach and	Performance	Awards/ Mega-	
				Relation	Practices	Goals	Disclosure	Based Equity	Grants	Practices
ICU Medical, Inc.	28%	87%	-59%		X	X	X	X	X	
Fabrinet	28%	74%	-46%		X			X		
Walter Energy, Inc.	28%	94%	-67%	X		X		X		
Schnitzer Steel Industries, Inc.	24%	76%	-52%	X	X	X	X			
Shutterfly, Inc.	22%	50%	-28%	X		X	X			X
Acacia Research Corp.	22%	68%	-47%	X	X	X	X	X		
Knoll, Inc.	20%	77%	-57%	X	X	X				
Celadon Group, Inc.	20%	49%	-30%	X	X		X			
Ultratech, Inc.	15%	80%	-65%	X	X			X		X
Nuance Communications, Inc.	15%	50%	-36%	X		X	X			
<b>Count (n=61)</b>				<b>46</b>	<b>52</b>	<b>20</b>	<b>27</b>	<b>28</b>	<b>15</b>	<b>16</b>



## APPENDIX: 2015 SAY ON PAY DEFA14A RESPONSES

## ADDITIONAL MATERIALS FILED AS REPOSES TO PROXY ADVISORS

Summary of Responses to Say on Pay Recommendations from Proxy Advisors<sup>1</sup>

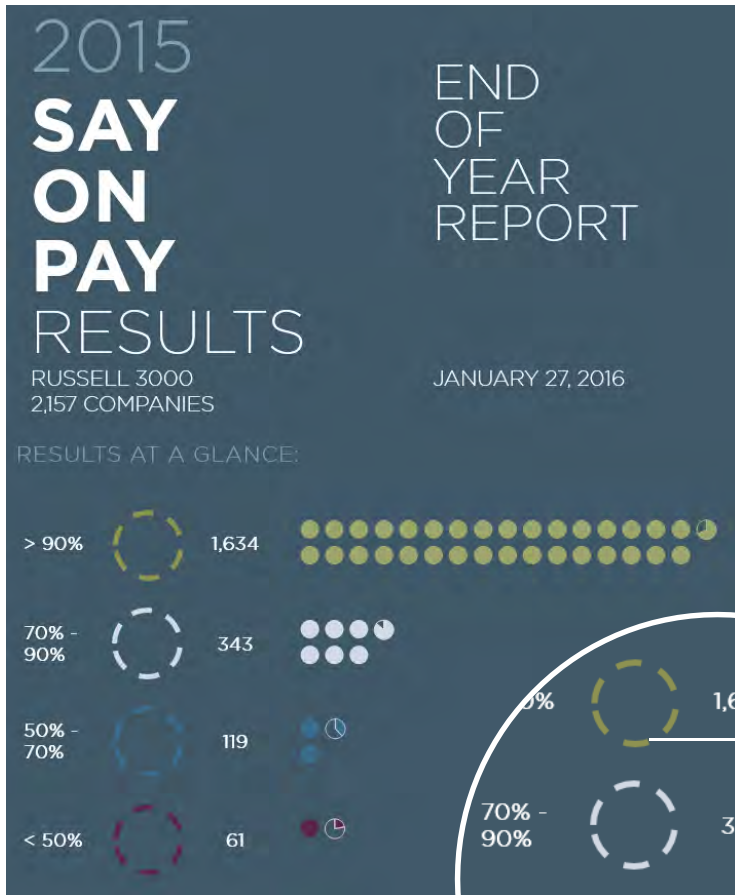
Russell 3000, n=38

Company (Link to Filing)	Filing Date	S&P 500	FYE 2014 Revenue (\$MM)	Say on Pay Vote Results			Key Topics Addressed										
				2015 ▼	2014	YOY	Pay and Performance Relation	Peer Group Comparators	Proxy Advisor Methodology	Factual Error	Timing of Grants	Governance	Realizable Pay	Program Changes Following Proxy Advisor Rec.	ISS Rec Reversal		
<a href="#">Celanese Corp.</a>	04/07/15		\$6,802	95%	99%	-4%	X	X	X								Yes
<a href="#">The Finish Line, Inc.</a>	06/25/15		\$1,821	95%	96%	-1%				X							Yes
<a href="#">South Jersey Industries, Inc.</a>	04/22/15		\$911	91%	95%	-3%		X	X						X		Yes
<a href="#">Endo International Plc</a>	05/28/15		\$2,877	82%	99%	-17%	X	X									No
<a href="#">Alexandria Real Estate Equities, Inc.</a>	04/24/15		\$724	79%	87%	-8%	X			X					X		No
<a href="#">Quest Diagnostics, Inc.</a>	05/04/15	X	\$7,435	78%	92%	-14%	X		X								No
<a href="#">R.R. Donnelley &amp; Sons Co.</a>	05/08/15		\$11,603	75%	81%	-6%	X										No
<a href="#">Royal Gold, Inc.</a>	10/30/15		\$237	75%	75%	-1%	X	X	X								No
<a href="#">Waste Connections, Inc.</a>	05/05/15		\$2,079	74%	98%	-24%	X			X					X		No
<a href="#">Newfield Exploration Co.</a>	04/30/15	X	\$2,288	72%	92%	-20%	X		X								No
<a href="#">Kraton Performance Polymers, Inc.</a>	05/27/15		\$1,230	72%	70%	2%	X			X				X			No
<a href="#">Superior Energy Services, Inc.</a>	05/14/15		\$4,557	69%	98%	-29%	X		X								No
<a href="#">Expeditors International of Washington, Inc.</a>	05/11/15	X	\$6,565	67%	44%	23%	X		X	X							No
<a href="#">Mobile Mini, Inc.</a>	04/21/15		\$445	66%	66%	0%							X		X		Yes
<a href="#">SL Green Realty Corp.</a>	05/28/15		\$1,518	66%	62%	4%	X	X									No
<a href="#">Tanger Factory Outlet Centers, Inc.</a>	05/04/15		\$421	66%	88%	-22%	X					X					No
<a href="#">Yum! Brands, Inc.</a>	04/14/15	X	\$13,279	65%	95%	-30%	X		X								No
<a href="#">RenaissanceRe Holdings Ltd.</a>	05/12/15		\$1,258	65%	91%	-26%	X		X				X				No
<a href="#">Pepco Holdings, Inc.</a>	11/25/15	X	\$4,878	63%	62%	0%	X								X		No
<a href="#">Praxair, Inc.</a>	04/08/15	X	\$12,273	62%	96%	-33%	X						X	X			No
<a href="#">Teradata Corp.</a>	04/07/15	X	\$2,732	62%	93%	-31%	X							X			No
<a href="#">BioMed Realty Trust, Inc.</a>	05/15/15		\$676	59%	62%	-3%	X						X	X			No
<a href="#">QUALCOMM, Inc.</a>	02/23/15	X	\$26,487	58%	96%	-38%	X					X					No
<a href="#">Linear Technology Corp.</a>	10/13/15	X	\$1,388	57%	89%	-32%									X		No
<a href="#">Stifel Financial Corp.</a>	06/24/15		\$2,243	56%	69%	-13%	X								X		No
<a href="#">OraSure Technologies, Inc.</a>	05/04/15		\$106	54%	41%	13%			X	X	X						No
<a href="#">Medical Properties Trust, Inc.</a>	05/05/15		\$313	53%	50%	2%	X	X					X				No
<a href="#">Cynosure, Inc.</a>	05/04/15		\$292	50%	47%	3%							X		X		No
<a href="#">OSI Systems, Inc.</a>	11/30/15		\$907	50%	75%	-25%	X						X				No
<a href="#">Superior Industries International, Inc.</a>	04/27/15		\$745	49%	77%	-28%	X										No
<a href="#">Basic Energy Services, Inc.</a>	05/15/15		\$1,491	48%	98%	-50%	X		X	X							No
<a href="#">Natural Gas Services Group, Inc.</a>	06/15/15		\$97	47%	67%	-20%	X	X	X	X							No
<a href="#">K12, Inc.</a>	12/07/15		\$920	47%	69%	-22%	X		X								No
<a href="#">SPX Corp.</a>	04/30/15		\$4,722	47%	62%	-16%	X							X			No
<a href="#">BE Aerospace, Inc.</a>	07/16/15		\$2,599	42%	66%	-23%	X			X			X				No
<a href="#">TIVO, Inc.</a>	07/07/15		\$451	40%	93%	-53%	X	X	X								No
<a href="#">Palo Alto Networks, Inc.</a>	11/30/15		\$598	36%	68%	-32%	X	X		X			X				No
<a href="#">Knoll, Inc.</a>	04/23/15		\$1,050	20%	77%	-57%	X										No

<sup>1</sup> As of December 31, 2015.

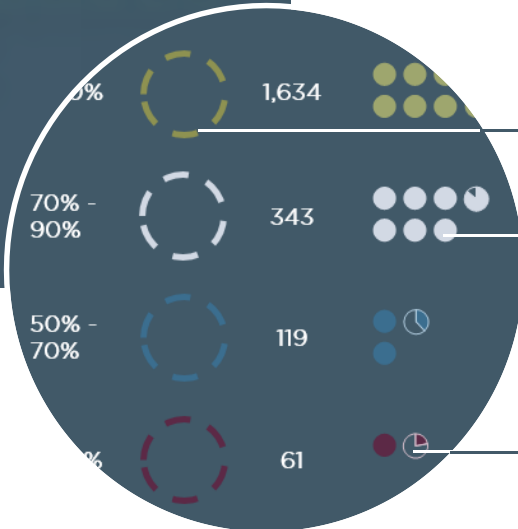
Source: Semler Brossy data and analysis; Fund Votes LLC; ISS Voting Analytics; FactSet.

DATA AT A GLANCE: HOW TO READ OUR COVERS



**EACH ISSUE COVER ILLUSTRATES AT A GLANCE:** the progress of the 2015 Say on Pay season

**EACH COLORED CIRCLE REPRESENTS:** the vote results for 50 Russell 3000 companies



**2015 VOTING GROUP** divides companies by their 2015 Say on Pay vote

**FILLED CIRCLES** represent 50 companies with vote results within the range

**PARTIAL CIRCLES** represent fewer than 50 companies with vote results within range

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