

2021 SAY ON PAY & PROXY RESULTS

RUSSELL 3000

IN THIS ISSUE

SAY ON PAY

1,906 VOTE RESULTS

PAGES 1-3

E&S PROPOSALS

146 VOTE RESULTS

PAGE 4

DIRECTOR ELECTIONS

12,633 VOTE RESULTS

PAGE 5

EQUITY PLANS

530 VOTE RESULTS

PAGE 6

JUNE

24

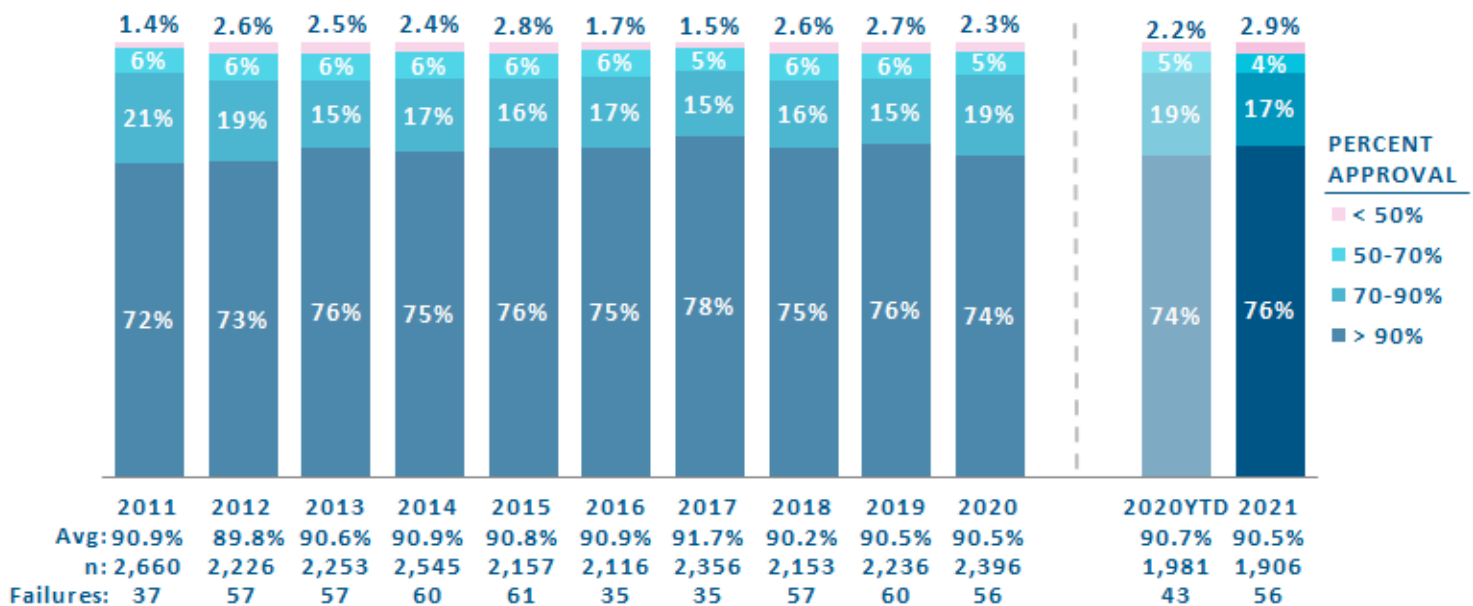
2021 SAY ON PAY RESULTS

6/24/2021

RUSSELL 3000
1,906 COMPANIES

BREAKDOWN OF SAY ON PAY VOTE RESULTS

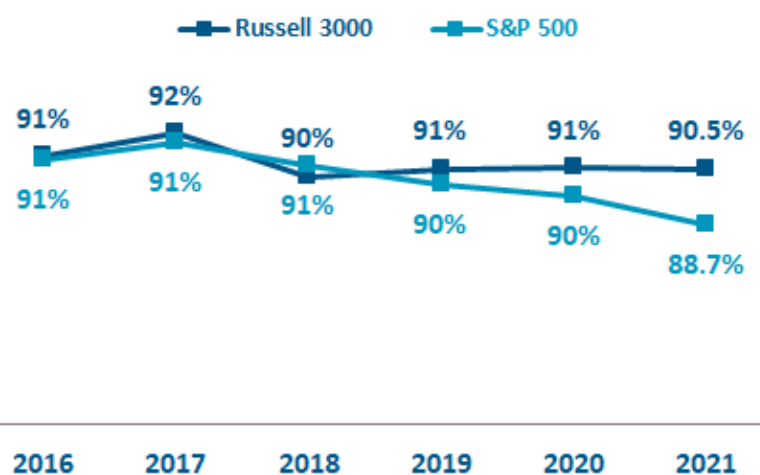
56 Russell 3000 companies (2.9%) failed Say on Pay thus far in 2021, 15 of which are in the S&P 500. The current S&P 500 failure rate is 3.7%. 8 companies failed since our last report and are highlighted in **bold** on page 3 of this report. Our evaluation of the likely reasons for failure indicates that eighteen of the fifty-six failed Say on Pay votes are due in part to Covid-19 related actions.



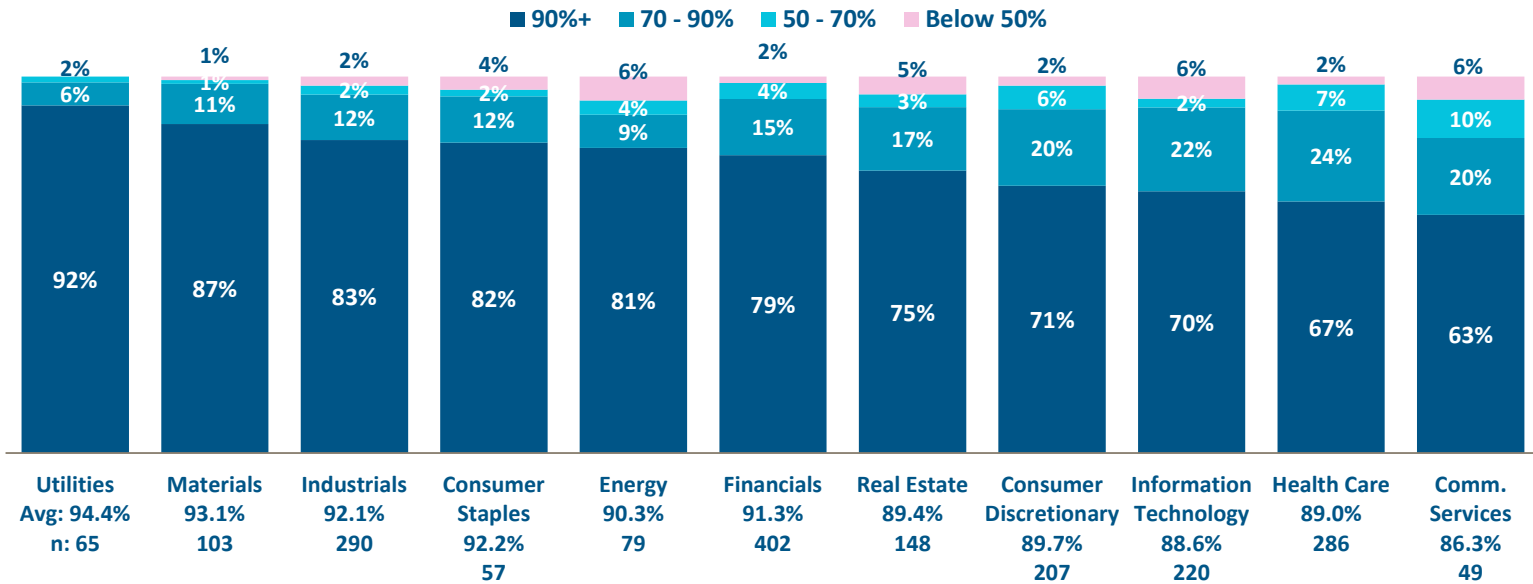
SAY ON PAY OBSERVATIONS

- The current failure rate (2.9%) remains above the failure rate at this time last year (2.2%) and is equal to the failure rate from our June 10th report. Additionally, the percentage of Russell 3000 companies receiving greater than 90% support (76%) is greater than the percentage at this time last year (74%)
- The current average vote results of 90.5% for the Russell 3000 and 88.7% for the S&P 500 are below the average vote results at this time last year
- The average Russell 3000 vote result thus far is 180 basis points higher than the average S&P 500 vote result, which is 80 basis points higher than the spread at this time last year

COMPARISON OF RUSSELL 3000 AND S&P 500

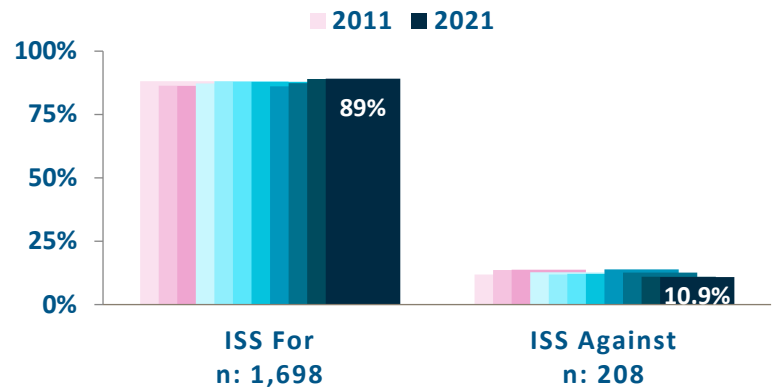


SAY ON PAY VOTE RESULTS BY GICS SECTOR



ISS RECOMMENDATION RATE

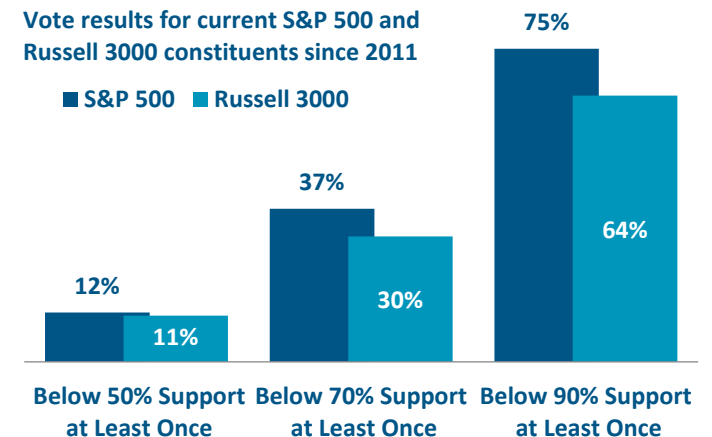
- 10.9% of companies thus far have received an “Against” recommendation from ISS, and the current average Say on Pay vote result for companies that received an ISS “Against” recommendation is 32 percentage points lower than for companies that received an ISS “For” recommendation
- The 32-percentage point gap is on the high end of the historical average range of 24 to 32 percentage points
- The current ISS against rate of 10.9% which is slightly lower than 2020 rate of 11.0%



ISS “AGAINST” RATE AND VOTE IMPACT OF MULTIPLE CONSECUTIVE “AGAINSTS”

FULL 2021 SAMPLE	1,906 Companies	11% “Against” Rate	90.5% Average Vote
1 “Against”	102 Companies	31% “Against” Rate	60.1% Average Vote
2 “Agains”	35 Companies	49% “Against” Rate	57.3% Average Vote
3 “Agains”	13 Companies	62% “Against” Rate	52.6% Average Vote
4+ “Agains”	5 Companies	40% “Against” Rate	47.2% Average Vote

LIKELIHOOD OF A LOW SAY ON PAY VOTE



LIKELY CAUSES OF SAY ON PAY VOTES UNDER 50% IN 2021

2021 Failed Say on Pay Vote Results¹

Russell 3000, n=56

Company	Say on Pay Vote Results			Number of Failures	Likely Causes of Votes Under 50%							
	2021▼	2020	YOY		Pay and Performance Relation	Problematic Pay Practices	Rigor of Goals	Shareholder Outreach and Disclosure	Non-Based Equity	Special Awards/Mega-Grants	COVID-Related Actions	
Phillips 66	50%	89%	-39%	1	X	X	X	X				
Prologis, Inc.	50%	84%	-34%	1	X	X	X	X				
PTC Inc.	50%	67%	-18%	2	X	X	X			X	X	
The Children's Place, Inc.	49%	75%	-26%	2	X	X		X				
AT&T Inc.	49%	88%	-39%	1	X					X		
International Business Machines Corporation	49%	86%	-38%	1	X					X		
Starbucks Corporation	47%	84%	-37%	1						X		
Vonage Holdings Corp.	47%	90%	-43%	1			X	X	X	X		
Zynga Inc.	47%	97%	-50%	1		X		X		X		
Walgreens Boots Alliance, Inc.	47%	83%	-36%	1	X		X	X				X
WEX Inc.	47%	98%	-51%	1								X
Vector Group Ltd.	46%	31%	15%	3	X	X						
Halliburton Company	46%	90%	-44%	2	X	X	X					
Essent Group Ltd.	46%	98%	-52%	1				X	X			X
XPO Logistics, Inc.	45%	67%	-22%	1	X	X		X				X
Cars.com Inc.	45%	96%	-51%	1		X			X			
Tejon Ranch Co.	45%	-	-	1		X	X	X	X			
Global Blood Therapeutics, Inc.	45%	78%	-33%	1						X		
Howmet Aerospace Inc.	45%	-	-	1		X		X	X	X		
Arrowhead Pharmaceuticals, Inc.	44%	98%	-54%	1	X	X				X		
Greenlight Capital Re, Ltd.	43%	66%	-23%	1		X		X				
TransDigm Group Incorporated	43%	66%	-23%	1	X	X	X	X				
The Brink's Company	43%	90%	-47%	1	X		X		X	X	X	
General Electric Company	42%	74%	-31%	1	X	X	X			X	X	
Xenia Hotels & Resorts, Inc.	42%	98%	-56%	1	X			X	X	X	X	
Universal Insurance Holdings, Inc.	42%	79%	-37%	3		X			X	X		
Allakos Inc.	41%	-	-	1		X		X	X			
G-III Apparel Group, Ltd.	39%	69%	-31%	3		X		X	X			X
Qualys, Inc.	38%	96%	-57%	2		X		X	X	X		X
Sterling Bancorp	38%	96%	-57%	2		X						X
Intel Corporation	38%	50%	-12%	2	X	X	X					
PacWest Bancorp	37%	81%	-44%	2		X	X	X		X		
Sabre Corporation	36%	-	-	1	X	X				X	X	
Enzo Biochem, Inc.	36%	56%	-20%	1		X		X				
Invacare Corporation	35%	92%	-56%	1	X	X						X
Splunk Inc.	35%	87%	-53%	2		X	X					X
Tutor Perini Corporation	35%	34%	0%	11	X	X		X				
SL Green Realty Corp.	34%	89%	-55%	2	X	X	X		X	X		
Ladder Capital Corp	34%	-	-	1		X						
Evofem Biosciences, Inc.	34%	73%	-40%	1	X	X				X		
Acuity Brands, Inc.	33%	33%	0%	2	X	X	X		X	X		
Nabors Industries Ltd.	32%	35%	-3%	10	X	X	X	X				
Xerox Holdings Corporation	31%	66%	-36%	2	X	X		X		X	X	
Paycom Software, Inc.	30%	45%	-15%	2	X	X				X		
Marathon Petroleum Corporation	30%	90%	-60%	1	X		X	X	X	X		
Cleveland-Cliffs Inc.	26%	32%	-6%	3	X	X	X			X		
Ceridian HCM Holding Inc.	26%	54%	-28%	1	X	X		X		X		
RPT Realty	23%	98%	-75%	1	X		X			X		
LCI Industries	23%	67%	-43%	1		X				X	X	
Whiting Petroleum Corporation	23%	-	-	2		X				X	X	
Skyworks Solutions, Inc.	22%	89%	-67%	1	X	X	X	X		X		
Global Net Lease, Inc.	21%	-	-	1				X				
Blucora, Inc.	20%	94%	-73%	1		X		X	X	X		
Park Hotels & Resorts Inc.	18%	96%	-78%	1	X		X	X		X		
Norwegian Cruise Line Holdings Ltd.	17%	87%	-70%	1	X	X				X	X	
NCR Corporation	16%	85%	-69%	2	X	X	X			X		
Count (n=56)					33	42	22	27	15	32	18	

¹ As of June 22, 2021

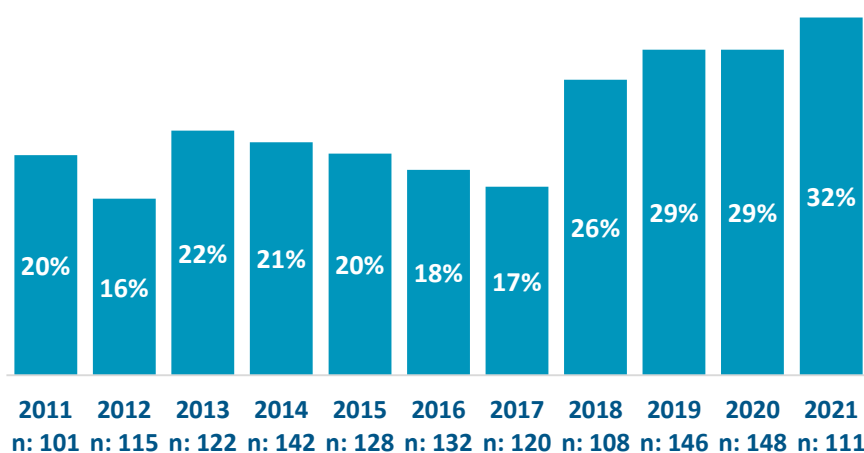
2021 E&S PROPOSAL RESULTS

6/24/2021

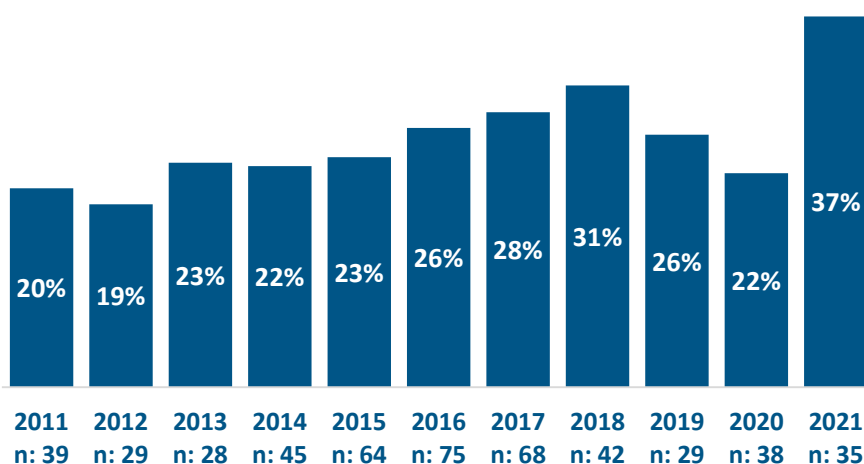
RUSSELL 3000
146 PROPOSALS

- Thus far in the proxy season, shareholders have voted on 111 social proposals and 35 environmental proposals, which is slightly less than the number of proposals voted on at this time last year (130 social proposals and 34 environmental proposals)
- Median support for social proposals is 32% and median support for environmental proposals is 37%
- Twenty social proposals (18%) and fourteen environmental proposals (40%) have received greater than 50% support in 2020; both rates are significantly higher than any previous year (9% of social proposals and 16% of environmental proposals received greater than 50% support in 2020)
- We have observed significantly higher support (often above 70%) for proposals that request reporting on EEO-1 statistics, diversity and inclusion efforts, Board diversity, lobbying payments, climate impact reporting, and emission reduction target disclosure

SOCIAL PROPOSALS MEDIAN VOTE RESULT



ENVIRONMENTAL PROPOSALS MEDIAN VOTE RESULT



SPOTLIGHT: BOOKING HOLDINGS

A shareholder submitted a proposal requesting that Booking Holdings issue a climate transition report that addresses the scale and pace of its responsive measures associated with climate change, and update the report annually.

The proposal received 56% vote support

- The proponents noted that Booking Holdings does report Scope 1 and 2 emissions and has energy efficiency programs in place; however, it does not set climate-related targets to reduce its greenhouse gas (GHG) emissions
- The proponents stated that setting such targets along with a timeframe and regular reporting on progress against peers and climate standards would benefit shareholders
- The Board recommended “Against” the proposal; they noted that the company already makes investments and has taken significant steps to assess and report on such matters publicly (and follows the standards of the Sustainability Accounting Standards Board and Global Reporting Initiative), and the additional request from shareholders would be burdensome
- ISS recommended “For” the proposal and noted that despite the company disclosing its emissions associated with travel, the Company has not set any quantitative, time-based GHG emission targets nor committed to net-zero emissions by 2050

2021 DIRECTOR ELECTION RESULTS

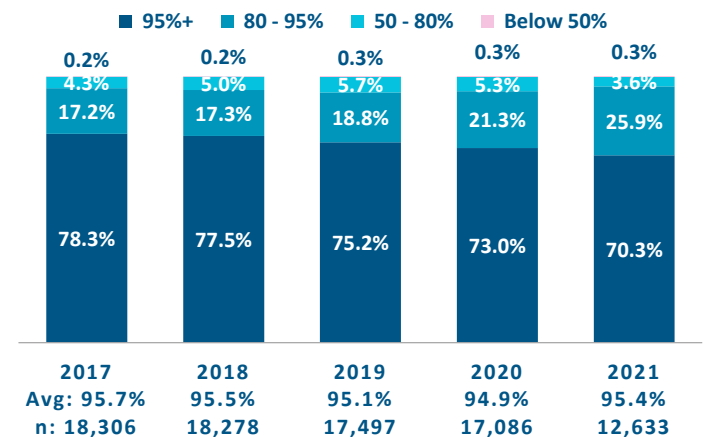
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RUSSELL 3000
12,633 DIRECTORS

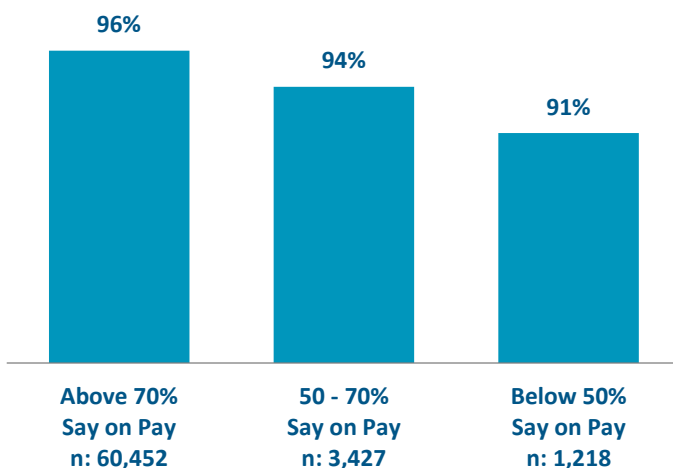
DIRECTOR ELECTION OBSERVATIONS

- Average vote support for Director nominees of 95.4% is 50 basis points higher than the year-end support observed in 2020; however, average vote support was the same at this time last year before declining to the year-end level (94.9%)
- Over the past five years, average Director election vote support at companies that received a Say on Pay vote below 50% in the prior year is three percentage points lower than at companies that received above 70% support
- Average vote support for female Director nominees is 120 basis points higher than average support for male nominees, which is slightly lower than the difference observed in the last two years

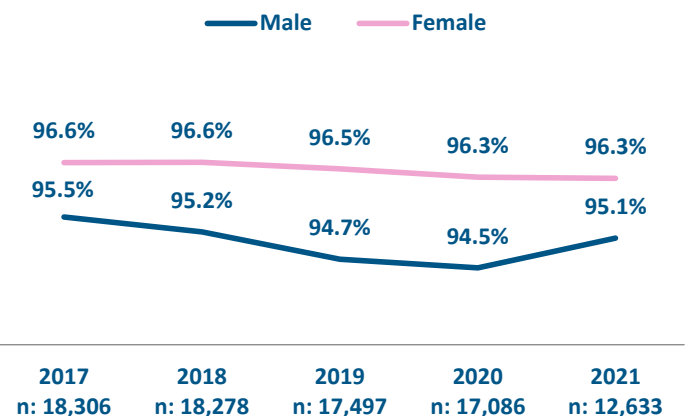
BREAKDOWN OF DIRECTOR ELECTION RESULTS



AVERAGE DIRECTOR ELECTION RESULTS IN YEAR FOLLOWING SAY ON PAY (2017-2021)



AVERAGE DIRECTOR ELECTION RESULTS BY GENDER



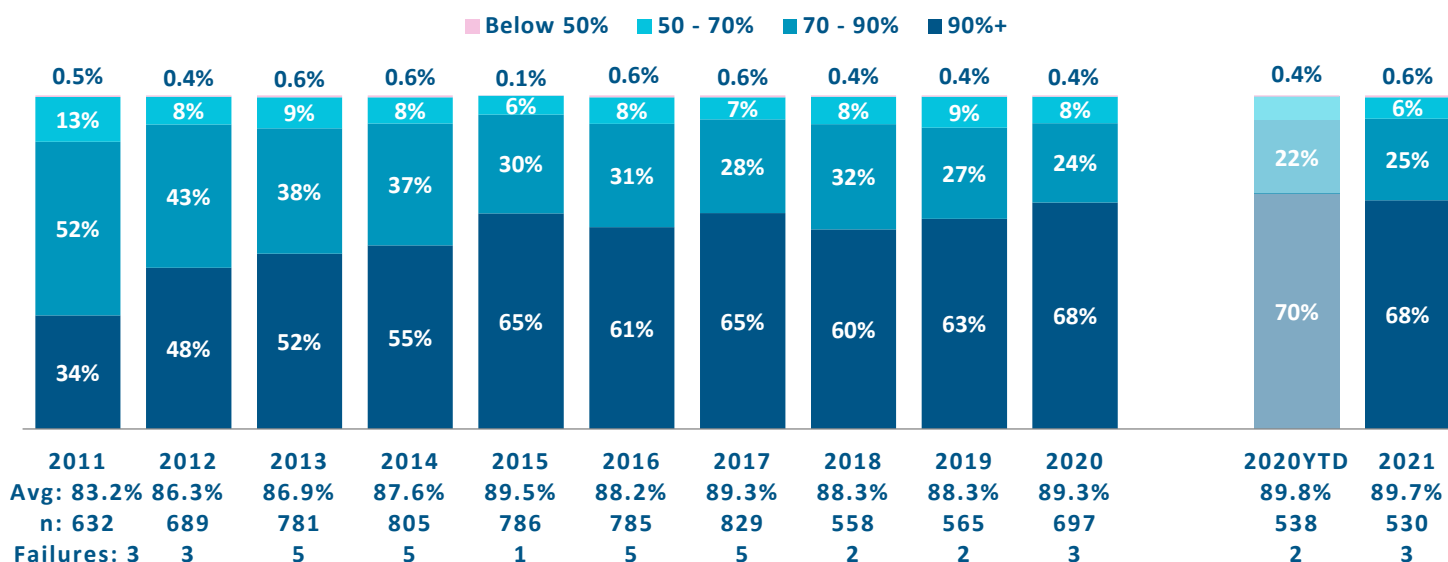
2021 EQUITY PROPOSAL RESULTS

6/24/2021

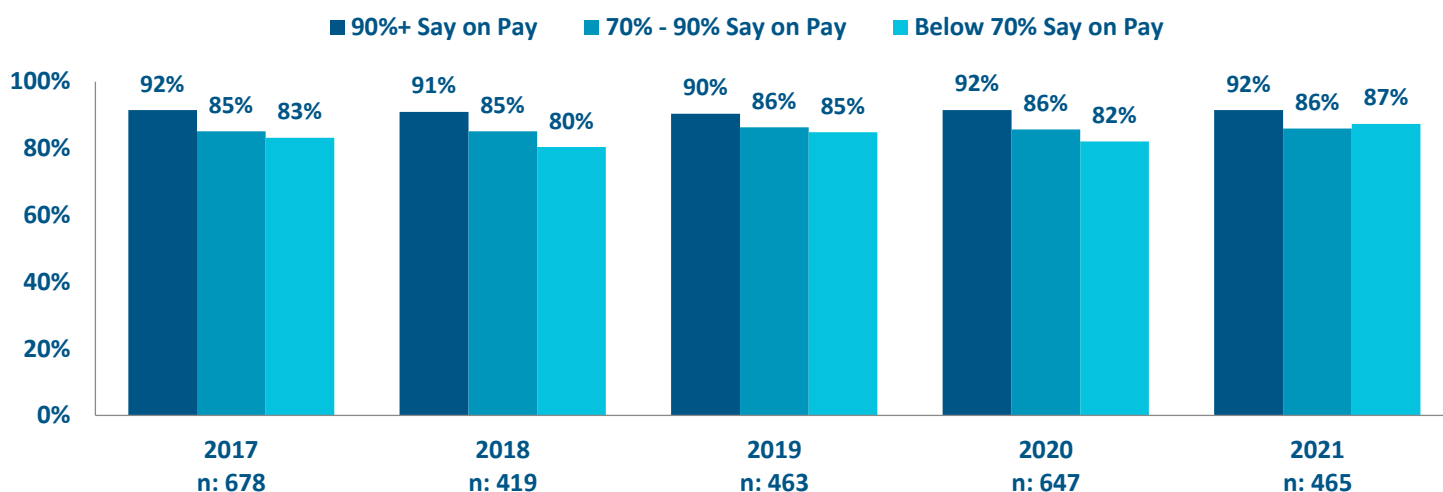
RUSSELL 3000
530 COMPANIES

- Average vote support for equity proposals thus far in the proxy season (89.7%) is 10 basis points lower than the average vote support observed at this time last year (89.8%), and is higher than the year-end levels observed over the past several years
- Three proposals (Penumbra, Simulations Plus, and Cassava Sciences) have received vote support below 50% thus far in 2021 (Penumbra's vote occurred since our last report); three proposals received vote support below 50% in 2020

BREAKDOWN OF EQUITY PLAN PROPOSAL VOTES



SAY ON PAY IMPACT ON EQUITY PLAN PROPOSAL VOTES



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