

2017 SAY ON PAY RESULTS

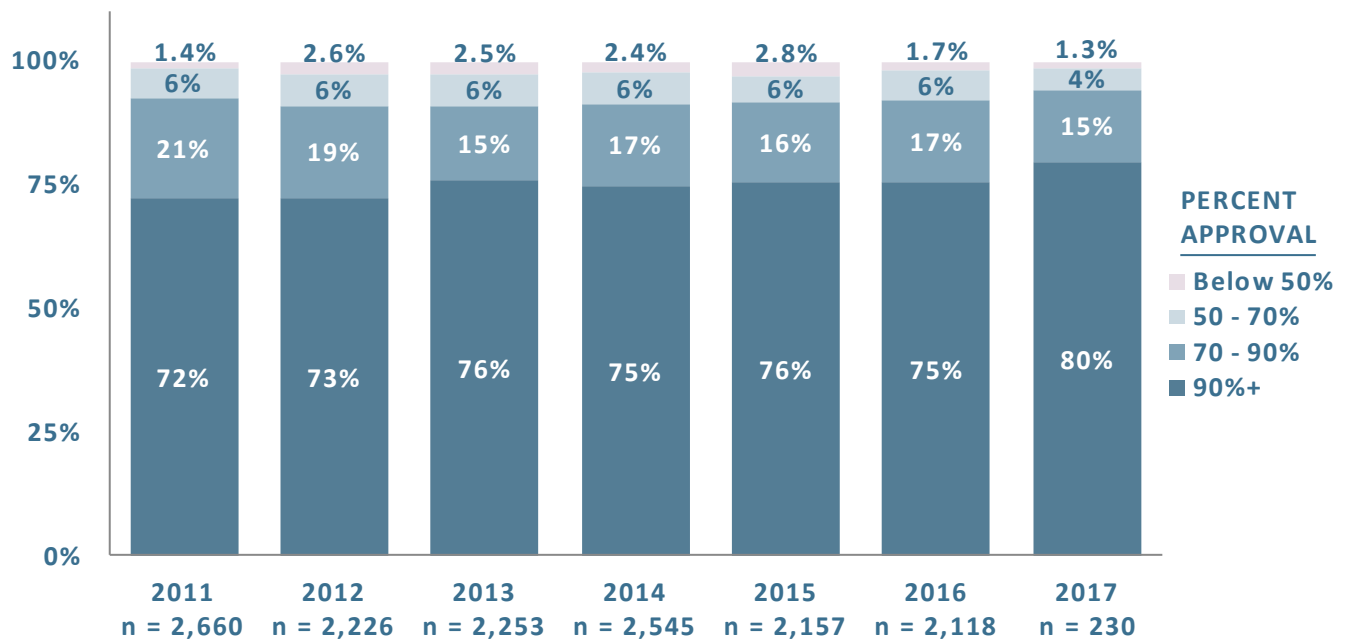
4/26/2017



230 COMPANIES

Breakdown of Say on Pay Vote Results

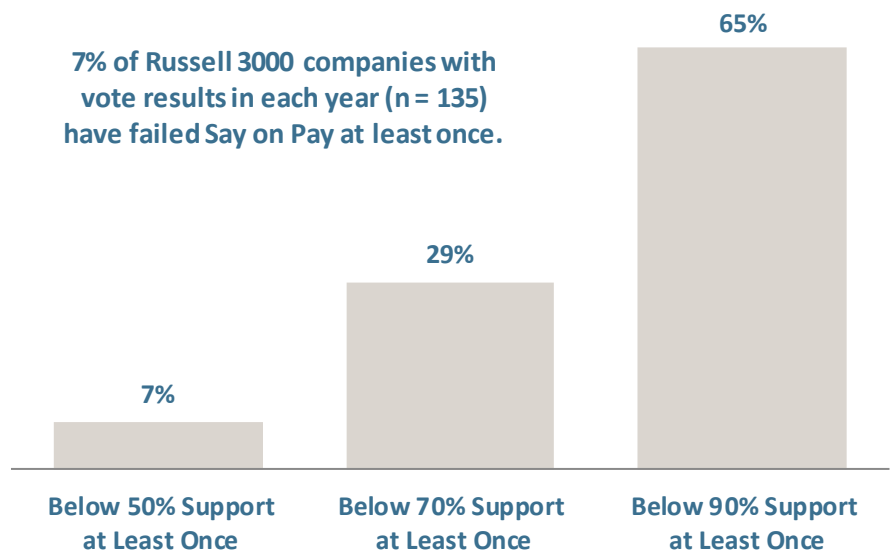
Three companies have failed Say on Pay thus far in 2017, though no new companies have failed since the last report.



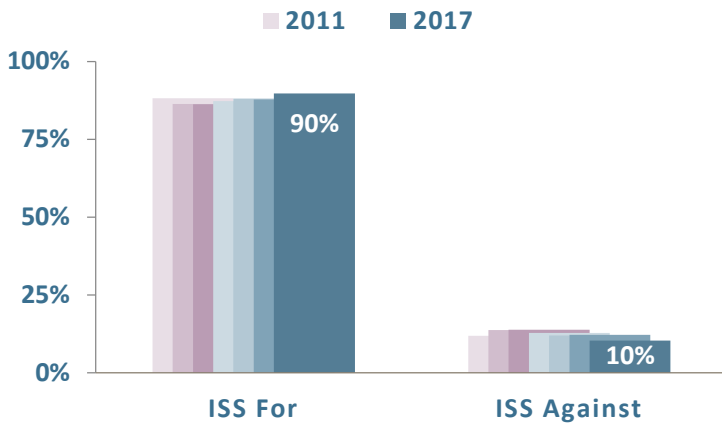
Since the Last Report

- While early in the proxy season, the current failure rate (1.3%) is the lowest failure rate since Say on Pay voting began
- Average vote result thus far in 2017 is 92.6%, which is a 1.7% increase over 2016
- A higher percentage of companies are receiving support above 90% thus far in 2017 than in any previous year
- The percentage of companies receiving less than 70% support is slightly lower than in prior years

7% of Russell 3000 companies with vote results in each year (n = 135) have failed Say on Pay at least once.

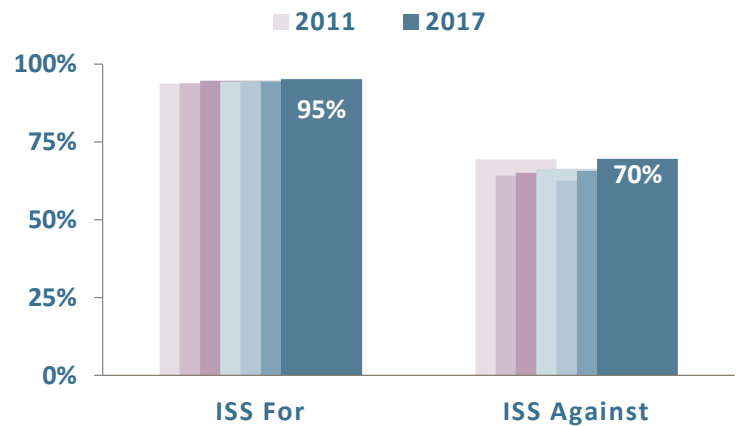


ISS Recommendation Breakdown



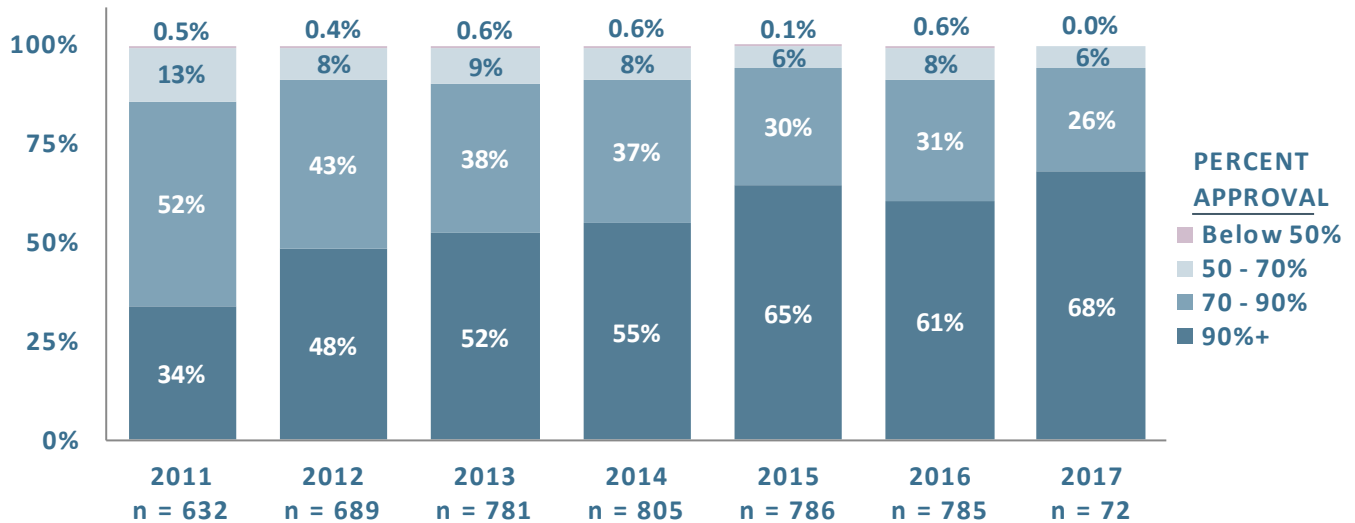
- ISS has recommended "Against" at 10% of the companies it has assessed thus far in 2017

ISS Impact on Vote Results



- Shareholder support is 25% lower at companies that have received an ISS "Against" recommendation

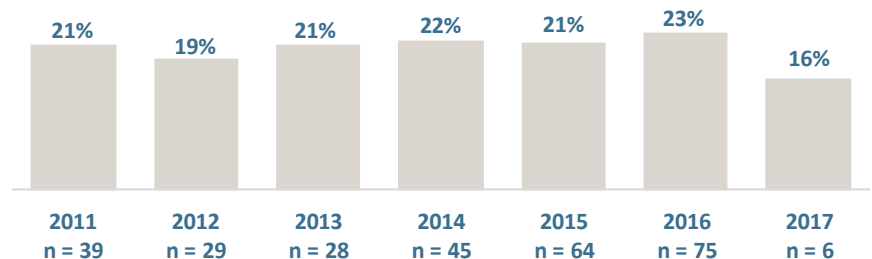
Breakdown of Equity Plan Proposal Votes



Governance Observations

- Since 2011, average vote support for environmental proposals is 22%
- Average vote support thus far in 2017 (16%) is the lowest over the past 7 years
- 3 environmental proposals (1.0%) have passed since 2011

Environmental Proposal Average Vote Results



Likely Causes of Votes Under 50% in 2017

2017 Failed Say on Pay Vote Results¹

Russell 3000, n=3

Company	Say on Pay Vote Results			Number of Failures	Likely Causes of Votes Under 50%						
	2017 ▼	2016	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
	Microsemi Corp.	45%	83%		-37%	1	X	X	X		
Immunomedics, Inc.	38%	-	-	1		X					
Nuance Communications, Inc.	33%	33%	1%	4	X	X	X		X	X	

¹ As of April 24, 2017.

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