

2021 SAY ON PAY & PROXY RESULTS

RUSSELL 3000

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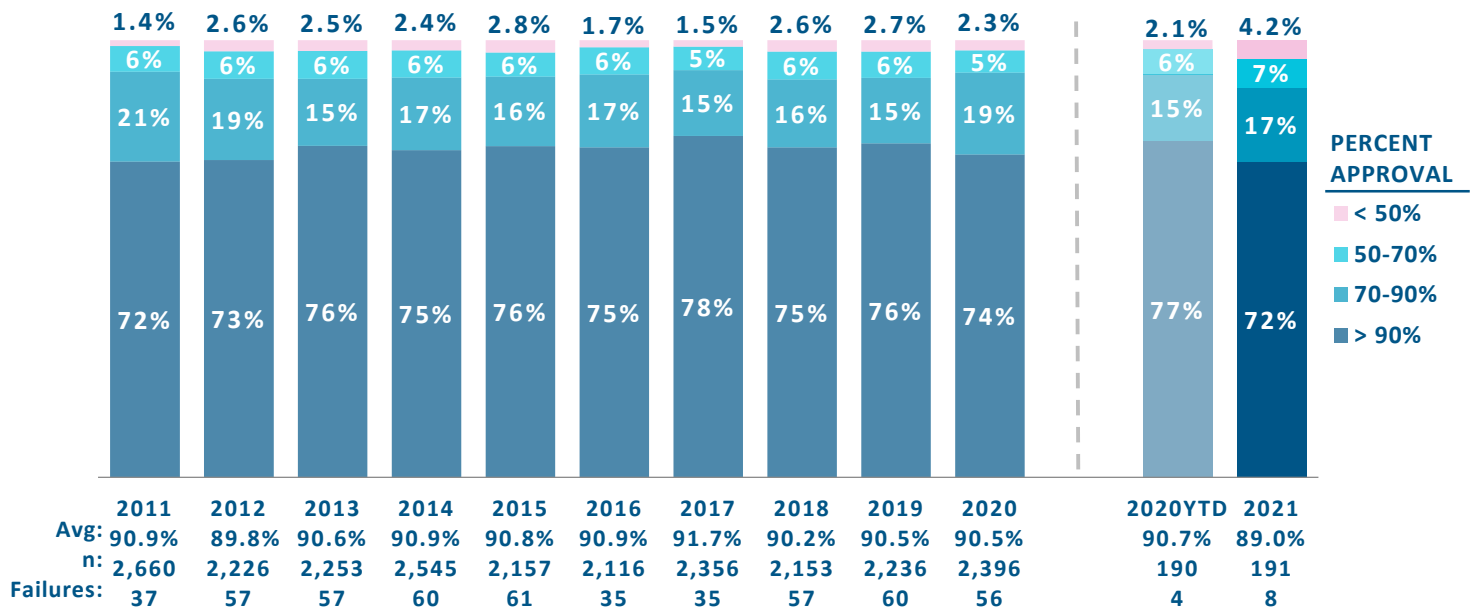
2021 SAY ON PAY RESULTS

4/29/2021

RUSSELL 3000
191 COMPANIES

BREAKDOWN OF SAY ON PAY VOTE RESULTS

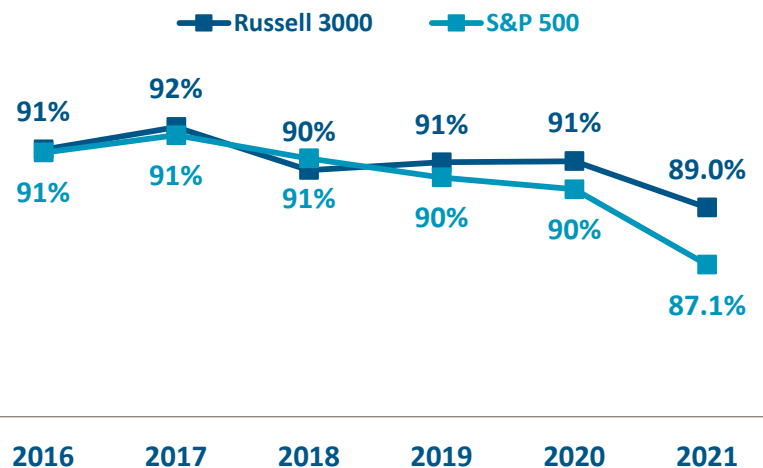
Eight Russell 3000 companies (4.2%) failed Say on Pay thus far in 2021: Acuity Brands, Arrowhead Pharmaceuticals, Enzo Biochem, Global Net Lease, PTC, Starbucks, TransDigm Group, and Walgreens Boot Alliance.



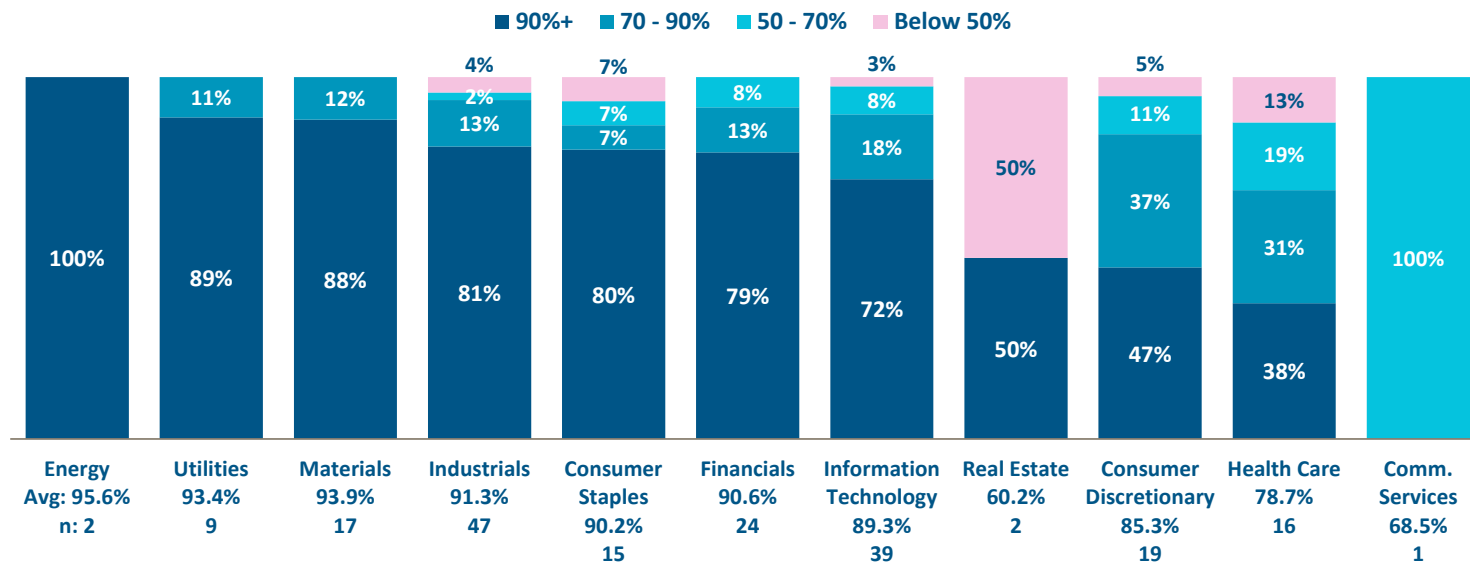
SAY ON PAY OBSERVATIONS

- The current failure rate (4.2%) is 2x higher than the failure rate at this time last year (2.1%); however, it is still early in the season and we will monitor whether the failure rate remains at an elevated level following annual meetings for the 12/31 FYE filers
- The average vote results of 89.0% for the Russell 3000 and 87.1% for the S&P 500 thus far in 2021 are well below the average vote results at this time last year
- Nearly all companies were challenged by the Covid-19 pandemic in 2020, and some responded by adjusting compensation design and magnitude; early proxy season vote results indicate shareholders are likely to hold companies that made changes to a high standard

COMPARISON OF RUSSELL 3000 AND S&P 500

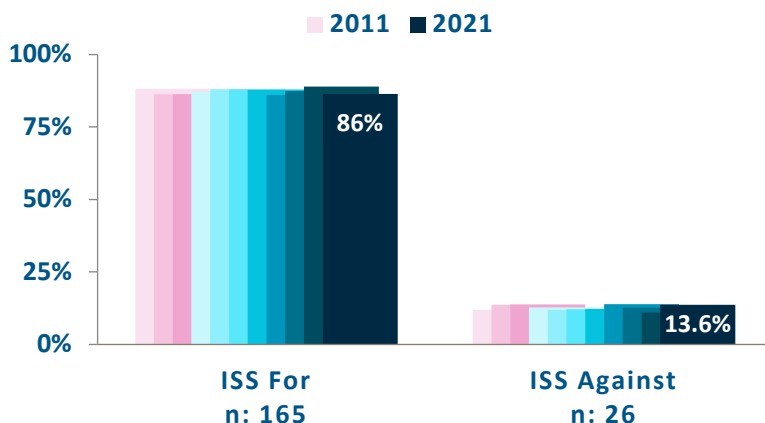


SAY ON PAY VOTE RESULTS BY GICS SECTOR



ISS RECOMMENDATION RATE

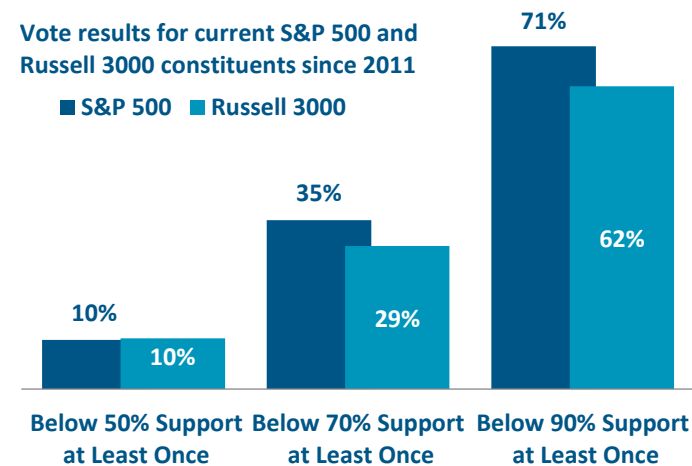
- 13.6% of companies thus far have received an “Against” recommendation from ISS, which is nearly as high as any full-year “Against” rate observed since 2011
- Early proxy season results suggest ISS is holding the line and evaluating companies critically with respect to its Covid-19 guidance
- We will continue to monitor this data throughout the proxy season and look closely at trends of how proxy advisors and shareholders evaluate companies that implemented executive compensation changes in response to Covid-19



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

FULL 2020 SAMPLE	2,396 Companies	11% “Against” Rate	90.5% Average Vote
1 “Against”	163 Companies	28% “Against” Rate	60.0% Average Vote
2 “Againsts”	45 Companies	44% “Against” Rate	58.5% Average Vote
3 “Againsts”	20 Companies	40% “Against” Rate	56.3% Average Vote
4+ “Againsts”	16 Companies	63% “Against” Rate	53.6% Average Vote

LIKELIHOOD OF A LOW SAY ON PAY VOTE



LIKELY CAUSES OF SAY ON PAY VOTES UNDER 50% IN 2020

2021 Failed Say on Pay Vote Results¹

Russell 3000, n=8

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 Performance Goals	Shareholder Outreach and Disclosure	Non- Based Equity Performance	Special Awards/ Mega-Grants	COVID- Related Actions
Enzo Biochem, Inc.	36%	56%	-20%	1		X		X			
Acuity Brands, Inc.	33%	33%	0%	2	X	X	X		X	X	
Walgreens Boots Alliance, Inc.	47%	83%	-36%	1	X		X	X			X
TransDigm Group Incorporated	43%	66%	-23%	1	X	X	X	X			
PTC Inc.	50%	67%	-18%	2	X	X	X			X	X
Arrowhead Pharmaceuticals, Inc.	44%	98%	-54%	1	X	X				X	
Starbucks Corporation	47%	84%	-37%	1						X	
Global Net Lease, Inc.	21%	-	-	1				X			
Count (n=8)					5	5	4	4	1	4	2

¹ As of April 23, 2021

2021 DIRECTOR ELECTION RESULTS

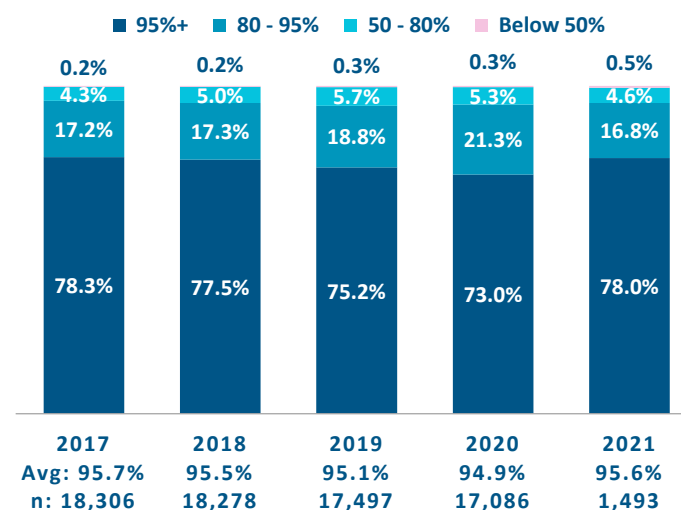
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RUSSELL 3000
1,493 DIRECTORS

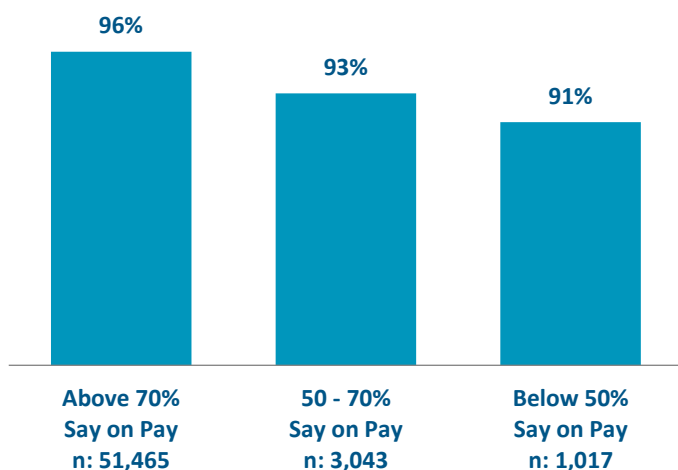
DIRECTOR ELECTION OBSERVATIONS

- Early 2021 proxy season vote support for Director nominees of 95.6% is 50 basis points higher than the year-end support observed in 2019; however, average vote support was 95.7% as of 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 five percentage points lower than at companies that received above 70% support
- Thus far in the proxy season, average vote support for female Director nominees is 110 basis points higher than average support for male nominees, which is slightly smaller than the difference observed in the last two years

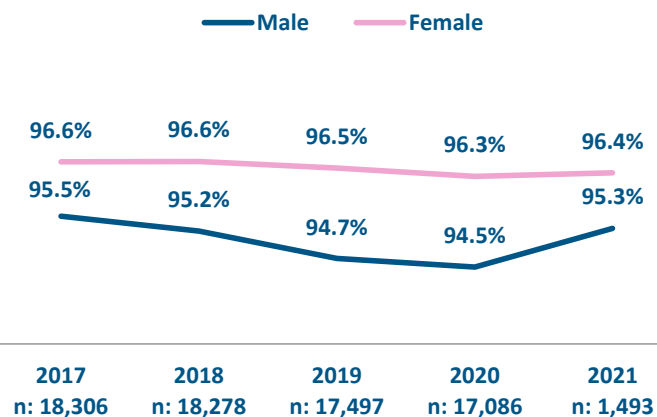
BREAKDOWN OF DIRECTOR ELECTION RESULTS



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



AVERAGE DIRECTOR ELECTION RESULTS BY GENDER



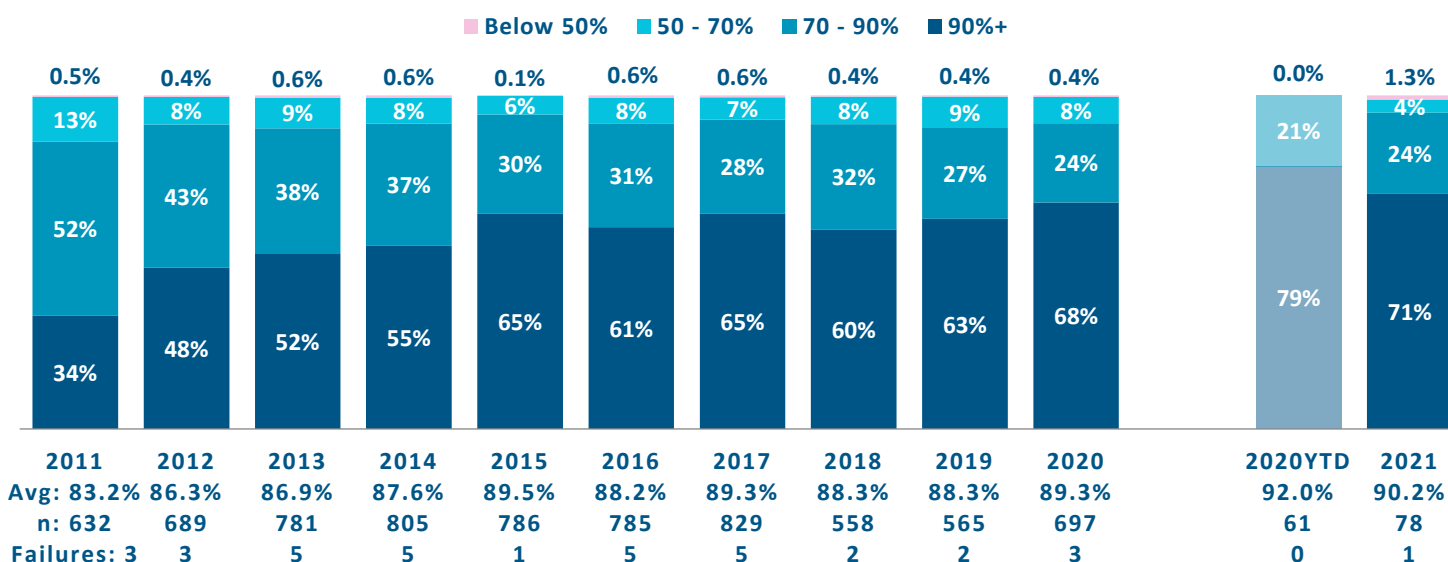
2021 EQUITY PROPOSAL RESULTS

4/29/2021

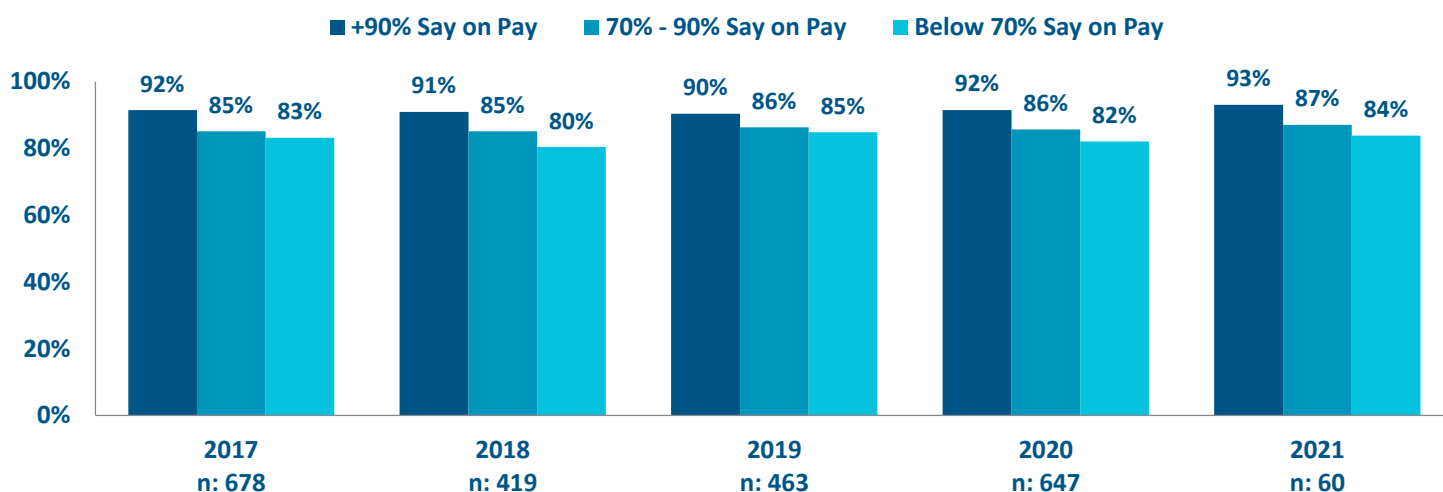
RUSSELL 3000
78 COMPANIES

- Average vote support for equity proposals thus far in the proxy season (90.2%) is 180 basis points lower than the average vote support observed at this time, but is higher than the year-end levels observed over the past several years
- One proposal (Simulations Plus) has received vote support below 50% thus far in 2021; three proposals received vote support below 50% in 2020
- The stock market volatility during 2020 caused by Covid-19 placed pressure on many companies' equity grants, and could lead to a higher volume of companies with proposals to increase equity plan share reserves

BREAKDOWN OF EQUITY PLAN PROPOSAL VOTES



SAY ON PAY IMPACT ON EQUITY PLAN PROPOSAL VOTES



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