



# U.S. Executive Pay Votes 2022 Proxy Season Review

October 2022



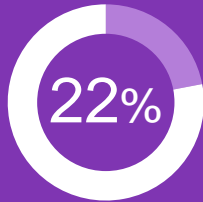
# Executive summary

## 2022 by the numbers

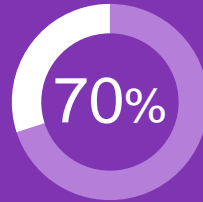
### Say-on-pay proposals



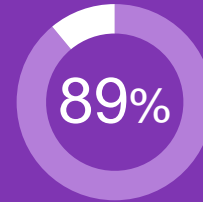
Failure rate,  
similar to 2021



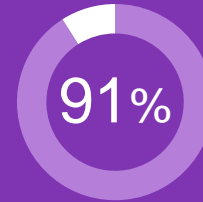
Companies that failed say  
on pay and had negative  
vote recommendations  
for compensation  
committee members



First-time failures



Average support



Companies with  
support > 70%

### Say-on-golden-parachute proposals

**21%**

Failure rate

**70%**

Average support

**47%**

Institutional Shareholder  
Services (ISS) negative  
recommendations

### Equity plans proposals

**91%**

Average support with one  
failure this year, still stable  
for equity plans

**13%**

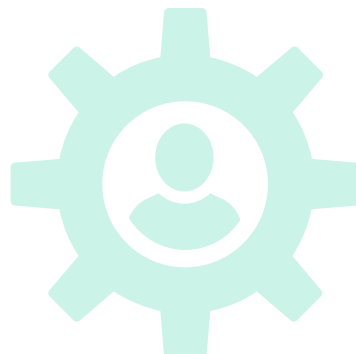
ISS negative vote  
recommendation rate

Source: WTW Global Executive Compensation Analysis Team. ISS recommendations confirmed using ISS's Governance Analytics.

# Say-on-pay snapshot

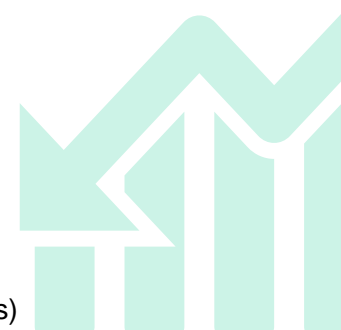
# 2022 Russell 3000 say-on-pay snapshot

89%



**Average support**  
2021 = 90%

3%



**Failure rate (69 failed votes)**  
2021 = 3% (based on 71 failed votes)

14%

ISS (Institutional Shareholder Services)  
negative vote recommendations

**Up from**  
12% in 2021



32 percentage points

Difference in average support between an  
ISS “for” and “against” vote recommendation

**Similar to 2021**



73%

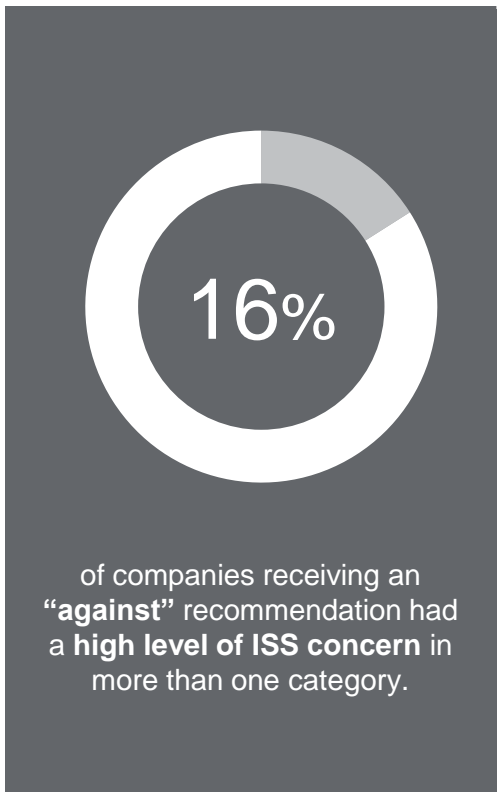
Rate of “high” ISS concerns related to pay for  
performance among proposals that ultimately  
received an “against” vote recommendation

**Down from**  
77% in 2021

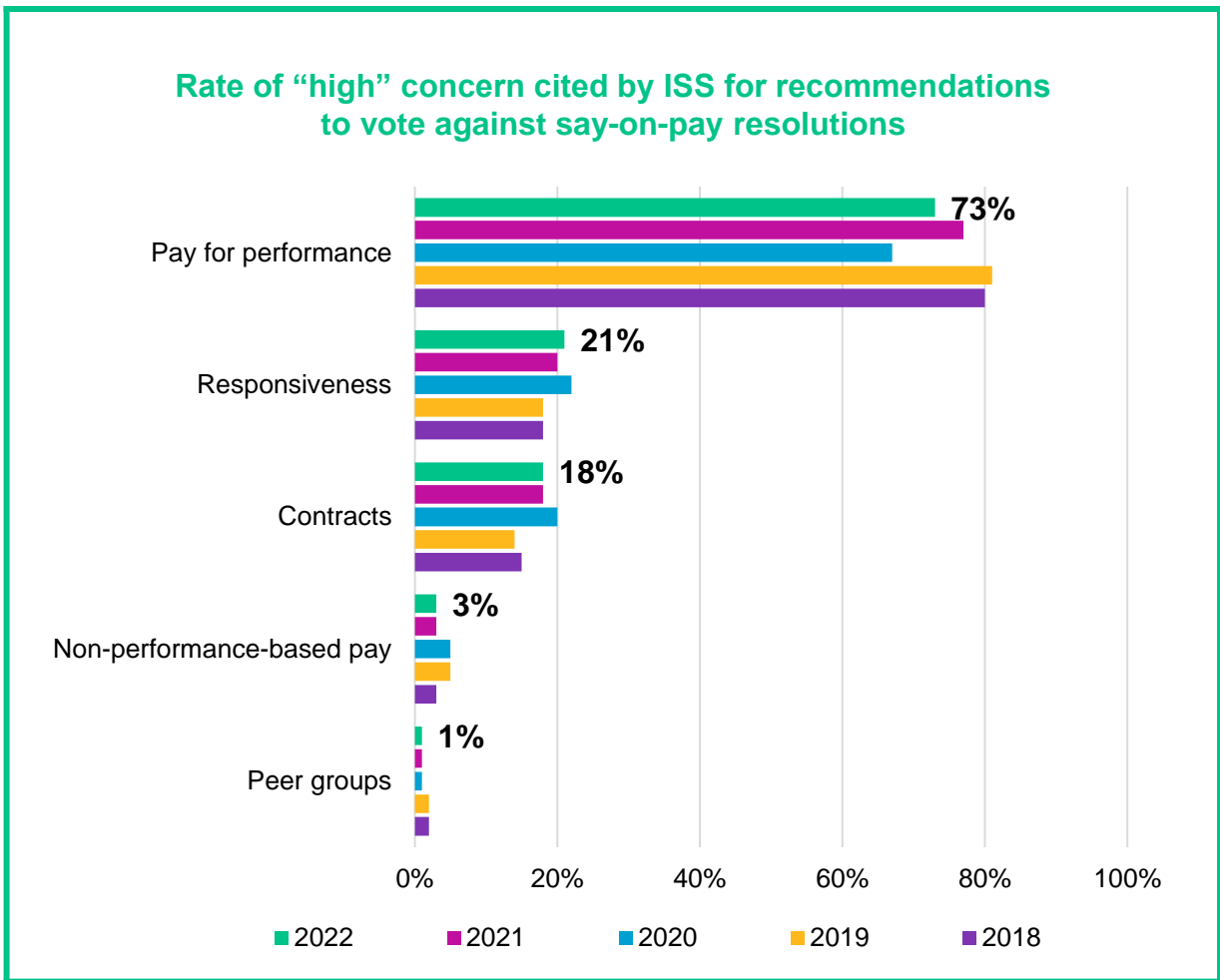


Source: WTW's Global Executive Compensation Analysis Team analysis of 2,007 Russell 3000 companies from January 1, 2022, to July 15, 2022, and 2,334 of Russell 3000 companies reporting results in 2021. ISS recommendations confirmed using ISS's Governance Analytics.

# Perceived pay-for-performance disconnects drive most ISS “against” recommendations

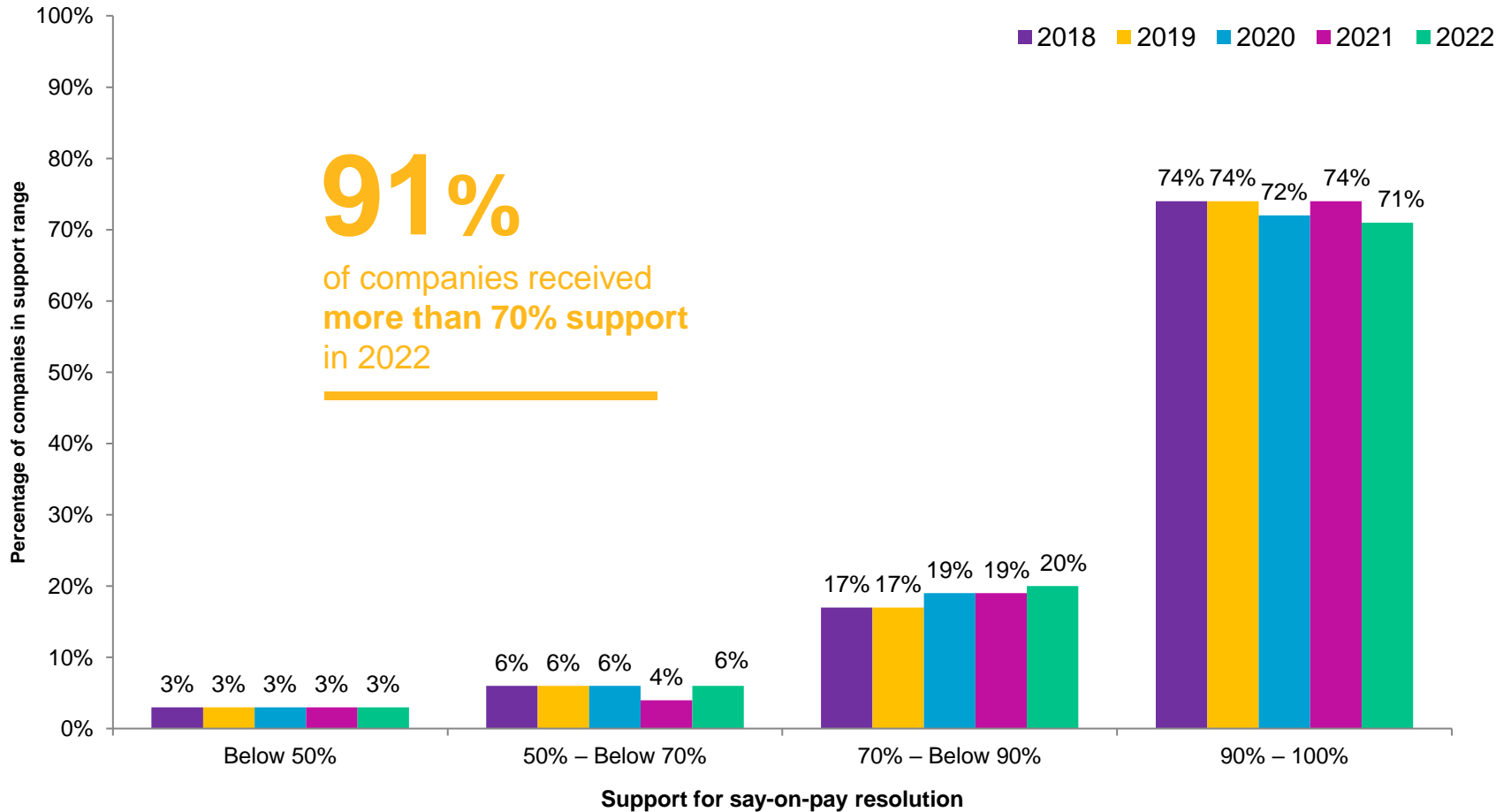


Source: WTW's Global Executive Compensation Analysis Team. Areas of concern confirmed using ISS's Governance Analytics.



# Strong shareholder support remains the norm

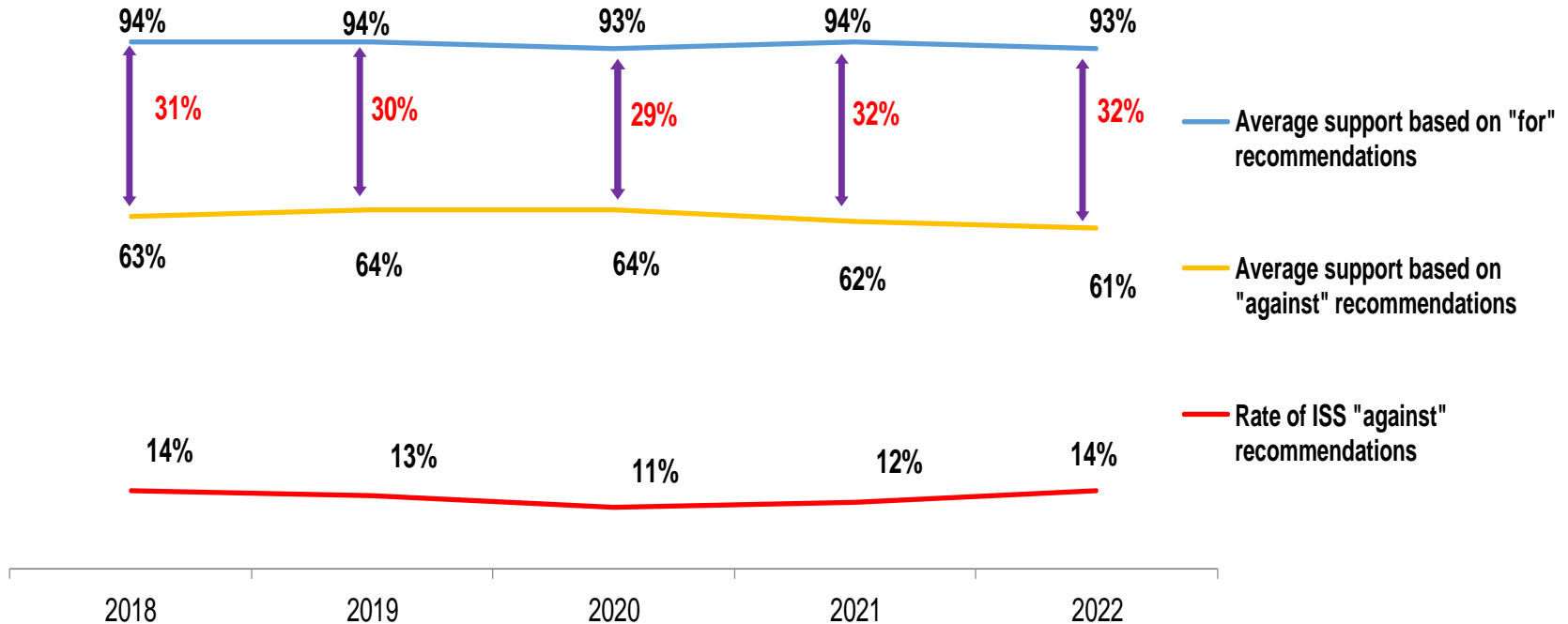
The trend of 90%+ support continues



Source: WTW's Global Executive Compensation Analysis Team.

# Shareholder support and proxy advisor recommendations

Lowest average support for "against" recommendations in 2022



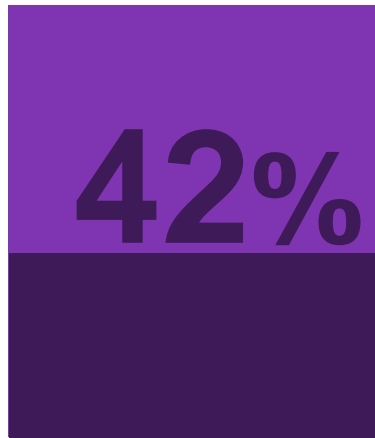
Source: WTW's Global Executive Compensation Analysis Team. ISS recommendations confirmed using ISS's Governance Analytics.

## Opposition to compensation committee members at companies with a negative say on pay vote recommendation

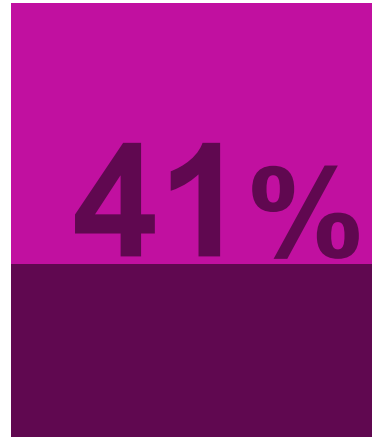
**31%**

of companies receiving an “against” recommendation also had a “withhold” recommendation on compensation committee members during the same year

### Main reasons leading to “withhold” recommendations



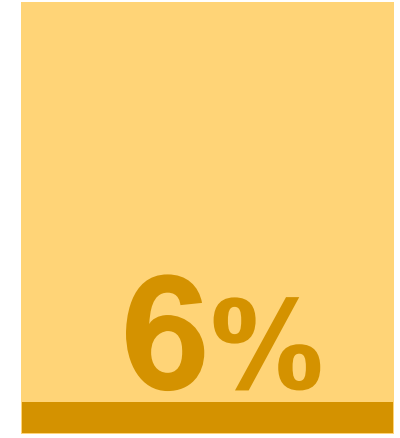
Governance failure



Lack of responsiveness to previous say-on-pay vote



Lack of diversity and inclusion



Director is nonindependent

Source: WTW's Global Executive Compensation Analysis Team review of 85 Russell 3000 companies that received a “withhold” vote against compensation committee members and a negative recommendation for say on pay. ISS areas of concern confirmed using ISS's Governance Analytics.

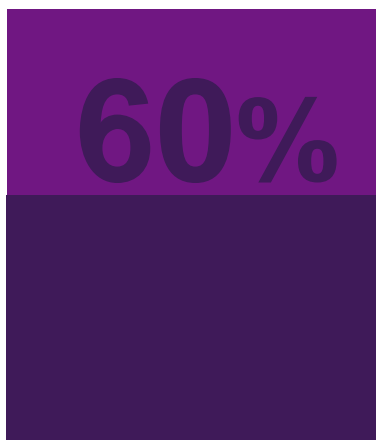


## Opposition to compensation committee members at companies that failed say on pay

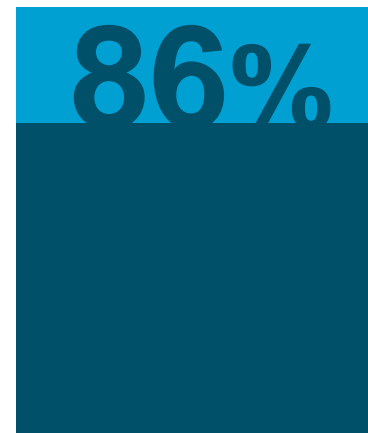
**22%**

of compensation committee members at companies that failed say on pay also received a negative vote recommendation from ISS

### Average support for compensation committee members at companies that failed



Average support for compensation committee members with a withhold recommendation



Average support for compensation committee members with a positive recommendation

Source: WTW's Global Executive Compensation Analysis Team review of 69 companies that failed say on pay as of July 15, 2022.

# Pay-for-performance snapshot

# Pay-for-performance concern

47%

of 2022 failures with high pay-for-performance concern report rigor of incentive plan metrics as an issue

- Majority long-term incentive (LTI) not performance-based is a concerning issue among 51% of companies reporting a high pay-for-performance concern (compared with 39% in 2021)
- Poor disclosure and rigor of incentive plan metrics are still viewed as major pay-for-performance concerns

## Common issues for companies with a high pay-for-performance concern

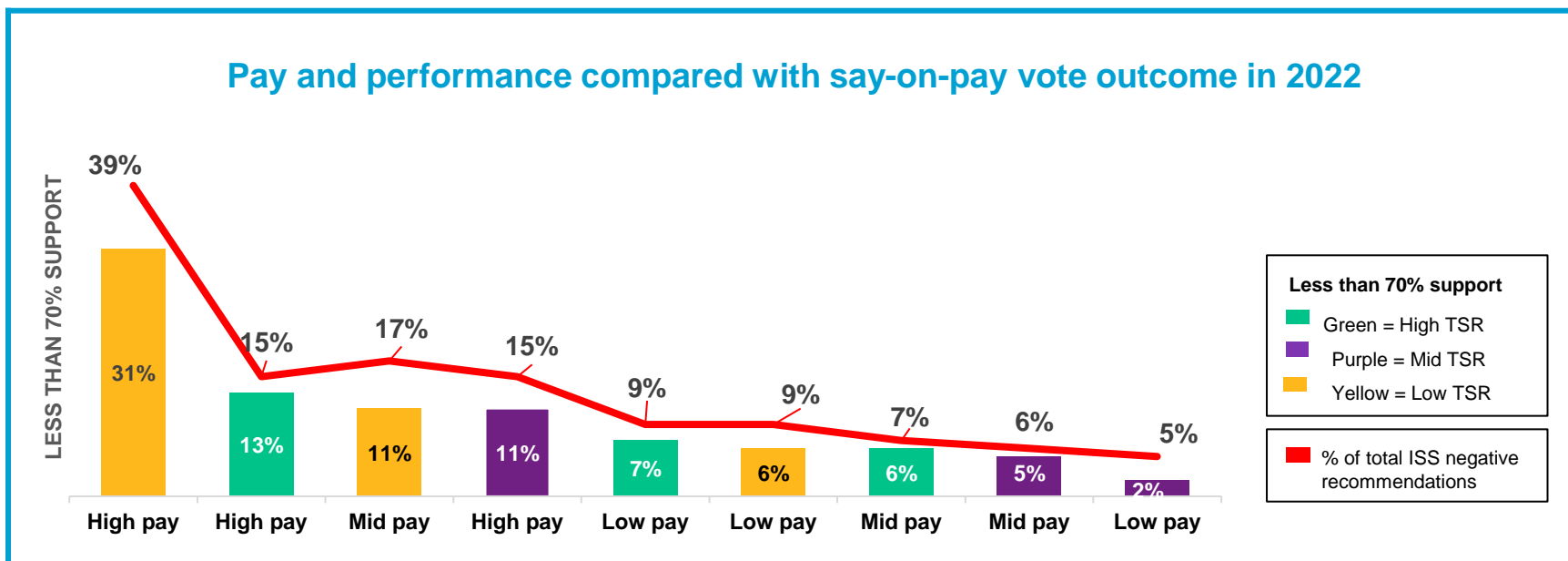


Source: WTW's Global Executive Compensation Analysis Team review of 202 Russell 3000 companies that received a high concern for pay for performance and a negative recommendation for say on pay. ISS areas of concern confirmed using ISS's Governance Analytics.

# Pay-for-performance and three-year total shareholder return (TSR)

## High pay triggers a high shareholder opposition

- Highest opposition historically recorded at companies with high pay and low performance
  - Strong TSR performance still mitigates opposition from institutional investors
- Low pay levels appears to drive less opposition



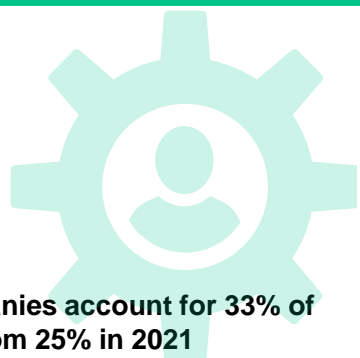
Note: Pay is total CEO pay disclosed in the summary compensation table; performance is TSR over the 2018 to 2021 period for each Russell 3000 company. "High," "mid" and "low" are those in the top third, middle third and lower third, respectively, in each category.

Source: WTW's Global Executive Compensation Analysis Team. ISS areas of concern confirmed using ISS's Governance Analytics.

# Say-on-pay trends

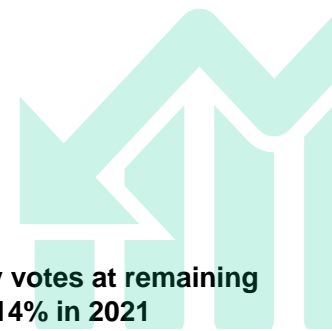
## Index component say-on-pay snapshot

**33%**



Remaining Russell 3000 companies account for 33% of 2022 say-on-pay failures, up from 25% in 2021

**16%**



Average opposition for say-on-pay votes at remaining Russell 3000 companies, up from 14% in 2021

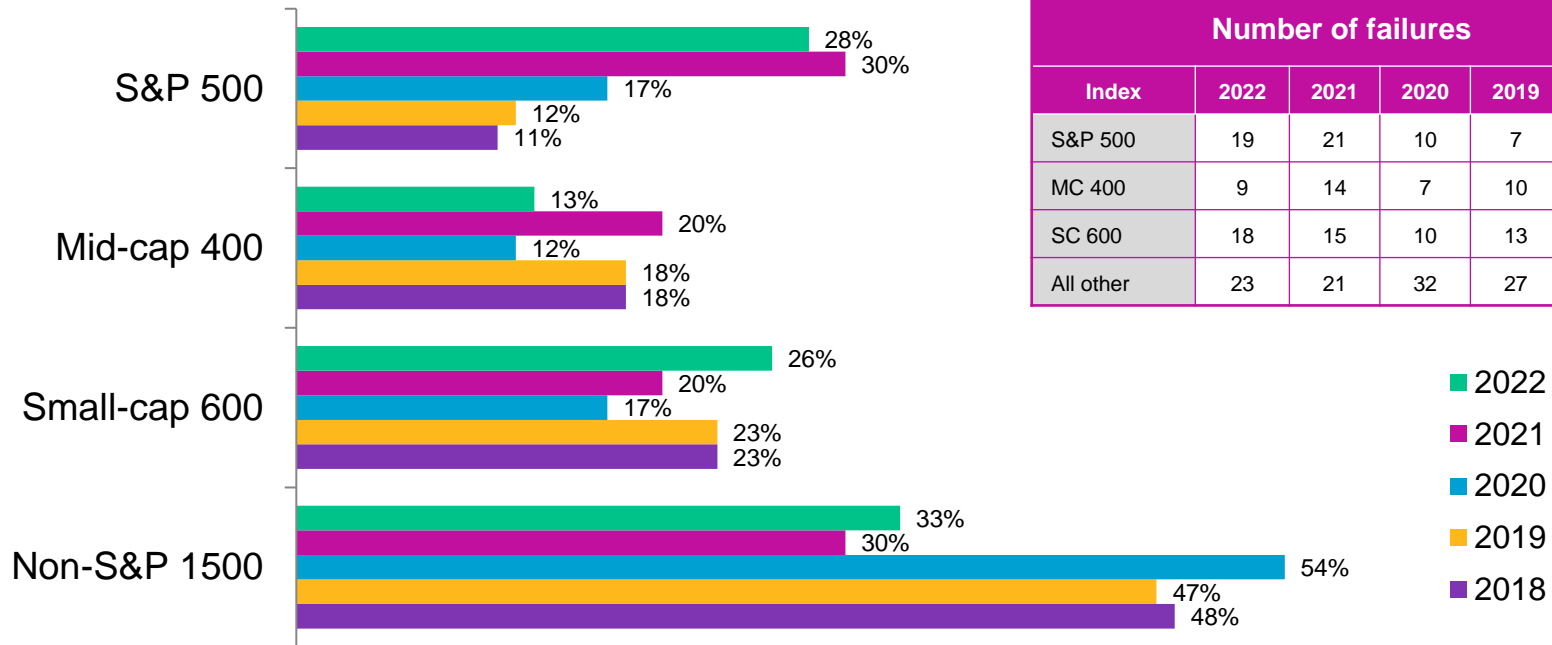
	S&P 500	S&P Mid-cap	S&P Small-cap	Remaining Russell 3000
Failure rate	5%	3%	4%	3%
Average support	87%	91%	90%	88%
ISS negative votes	12%	8%	12%	16%

Source: WTW Global Executive Compensation Analysis Team analysis of 321 S&P 400, 416 S&P 500, 448 S&P 600 and 822 non-S&P 1,500 companies from January 1, 2022, to July 15, 2022, and 356 S&P 400, 456 S&P 500, 517 S&P 600 and 1,005 non-S&P 1,500 companies reporting results in 2021. ISS recommendations confirmed using ISS's Governance Analytics.

# Comparison of say-on-pay failures by company size

Highest yearly failure rate for small-cap companies in 2022

## Sharp failure rate decline at mid-cap companies in 2022\*



Number of failures					
Index	2022	2021	2020	2019	2018
S&P 500	19	21	10	7	6
MC 400	9	14	7	10	10
SC 600	18	15	10	13	13
All other	23	21	32	27	27

\*Percentage of failures relative to the total number of failures.

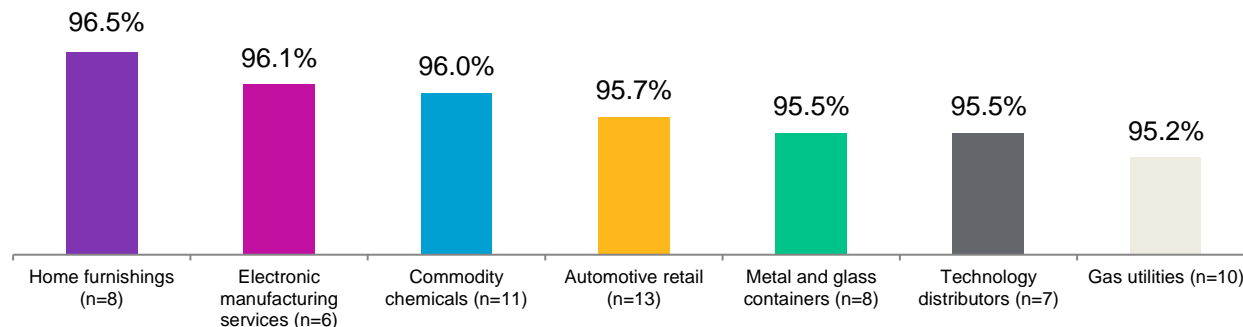
Source: WTW's Global Executive Compensation Analysis Team.

# Average say-on-pay results by industry in 2022

**22 out of  
154**

industries had an average support level of 95% or greater

## Industries with more than 95% average support



## Industries with the lowest average say-on-pay support

GICS primary industry	Average support
Hotel and resort REITs (n=16)	72.6%
Hotel, resorts and cruise lines (n=14)	76.2%
Soft drinks (n=6)	80.4%
Internet and direct marketing retail (n=13)	81.5%
Systems software (n=22)	82.1%

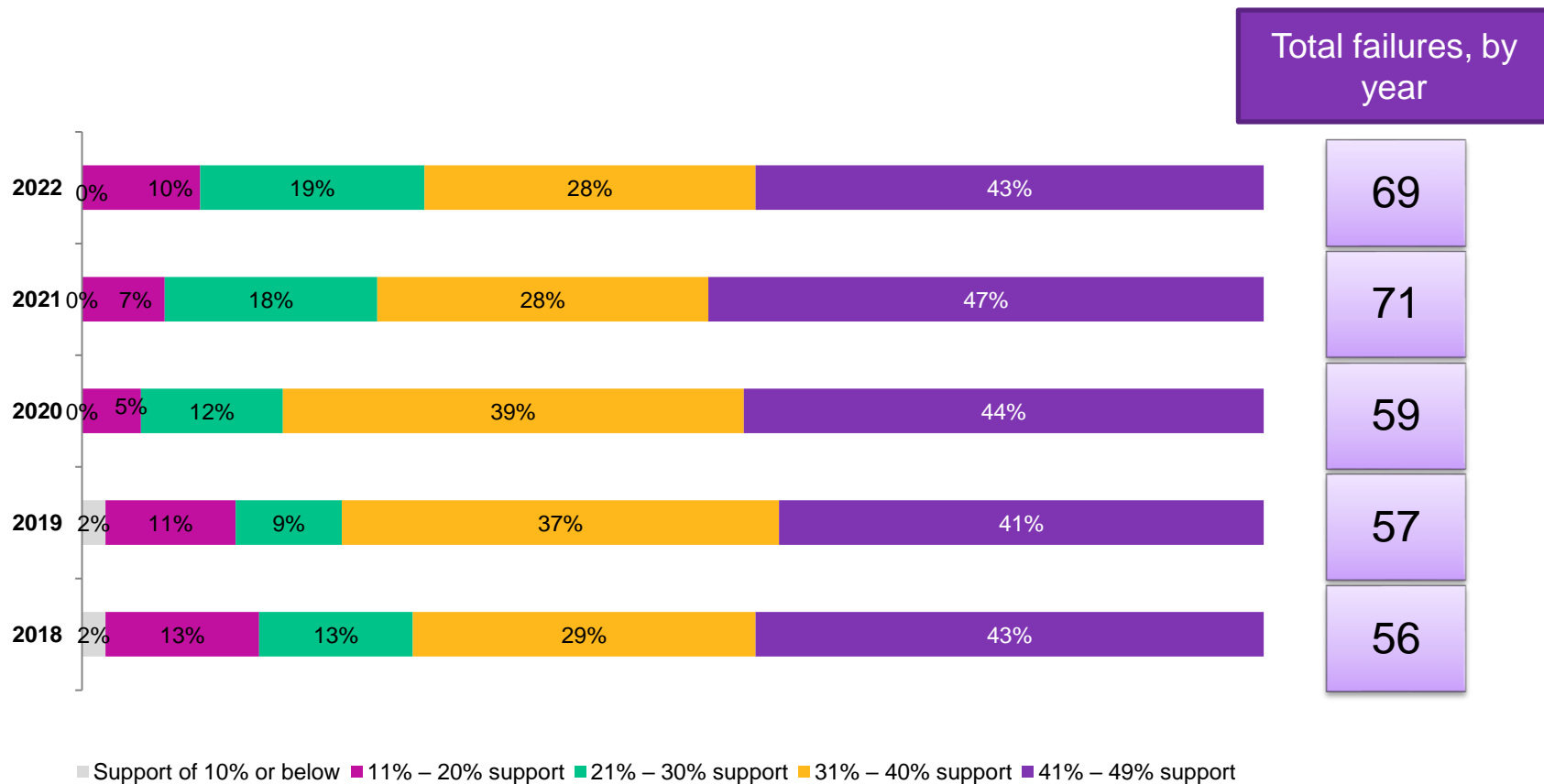
Source: WTW's Global Executive Compensation Analysis Team. Industry classifications were based on the Global Industrial Classification System (GICS). Results are included for those industries with six or more companies in the group (n=the number of companies in the industry). For this analysis, all companies with less than 50% support are considered to have failed say on pay.

\*Data based on 154 primary industries.



# Say-on-pay failures

# Comparison of say-on-pay support levels at companies that failed say-on-pay votes



Source: WTW's Executive Compensation Resources. Support levels reflect data for all Russell 3000 companies with 50% or less support in each year.

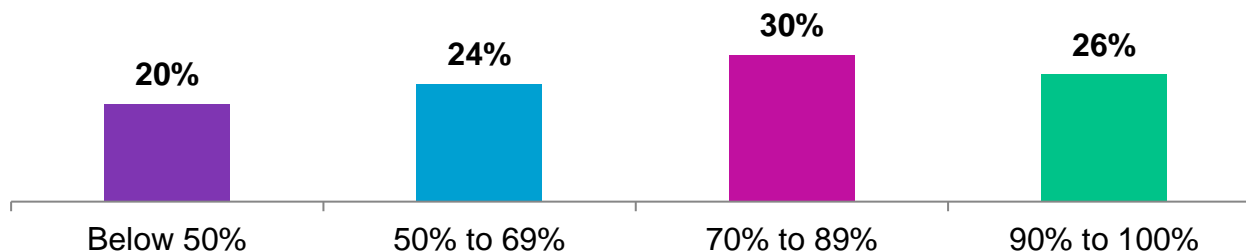
# Most companies that failed in 2021 improved their results in 2022

80% of companies recovered from last year's say-on-pay failure

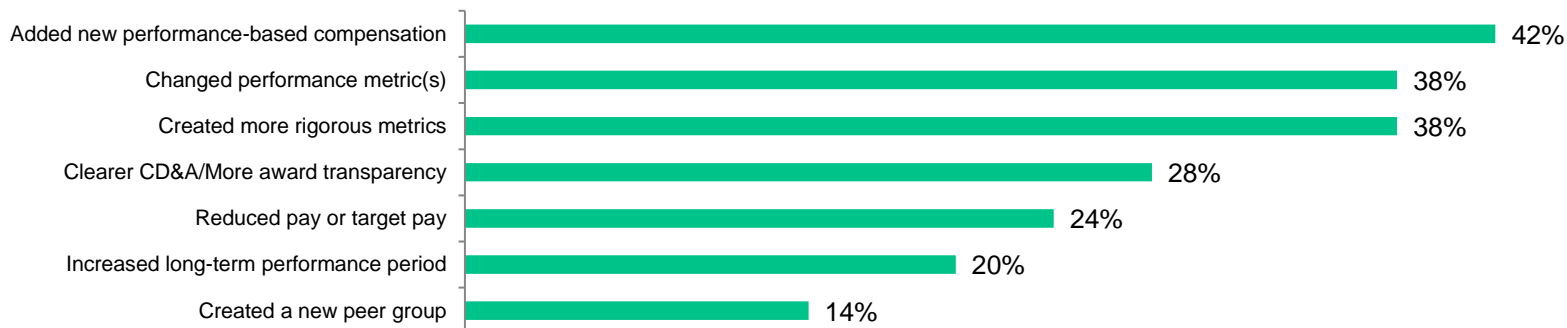
**33%**

Average year-over-year increase in shareholder support for companies failing in 2020

2022 support level for companies that failed in 2021\*



## Most common compensation program changes disclosed after failed 2021 vote



Source: WTW's Global Executive Compensation Analysis Team.

\*Based on 50 companies that failed in 2021 and have filed voting results for say on pay in 2022.

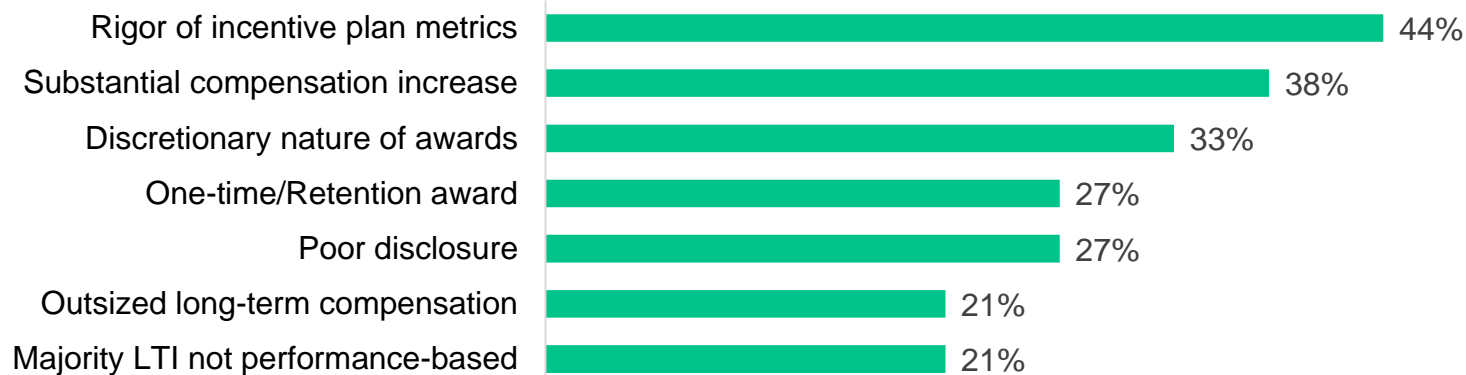
# 48 companies failed say on pay for the first time in 2022

70%

of all failures are *first-timers*

- 21% of first-time failures are from the healthcare industry, followed by consumer discretionary, industrials and information technology (17% each)
- 35% of first-time failures are non-S&P 1500 companies, and 27% are S&P 500 companies

## Common issues at first-time failures



Source: WTW's Global Executive Compensation Analysis Team review of 48 Russell 3000 companies that failed say on pay for the first time as of July 15, 2022. ISS areas of concern confirmed using ISS's Governance Analytics.

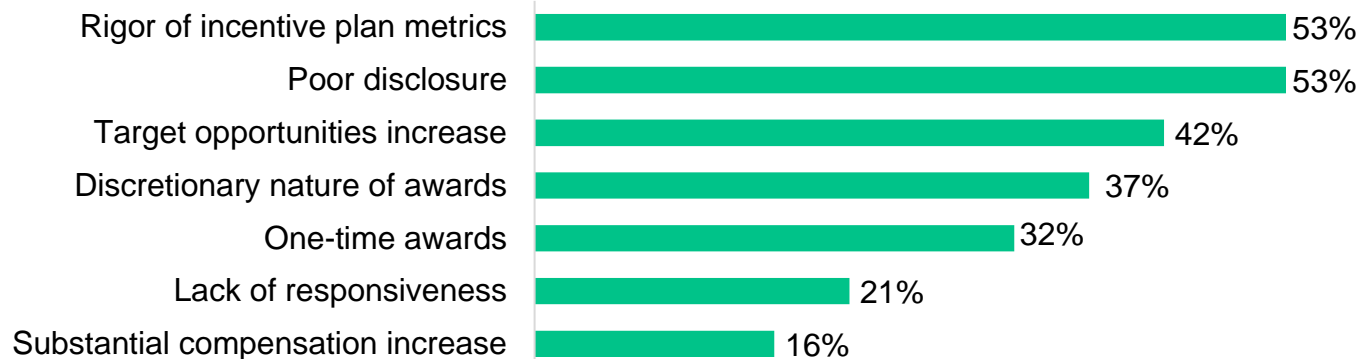
# 19 S&P 500 companies failed say on pay in 2022

**28%**

of all failures are S&P 500

- 32% of S&P 500 failures are from the information technology industry, followed by consumer discretionary (26%) and financials (11%).

## Common issues at S&P 500 failures



Source: WTW's Global Executive Compensation Analysis Team review of 19 S&P 500 companies that failed say on pay, as of July 15, 2022. ISS areas of concern confirmed using ISS's Governance Analytics.

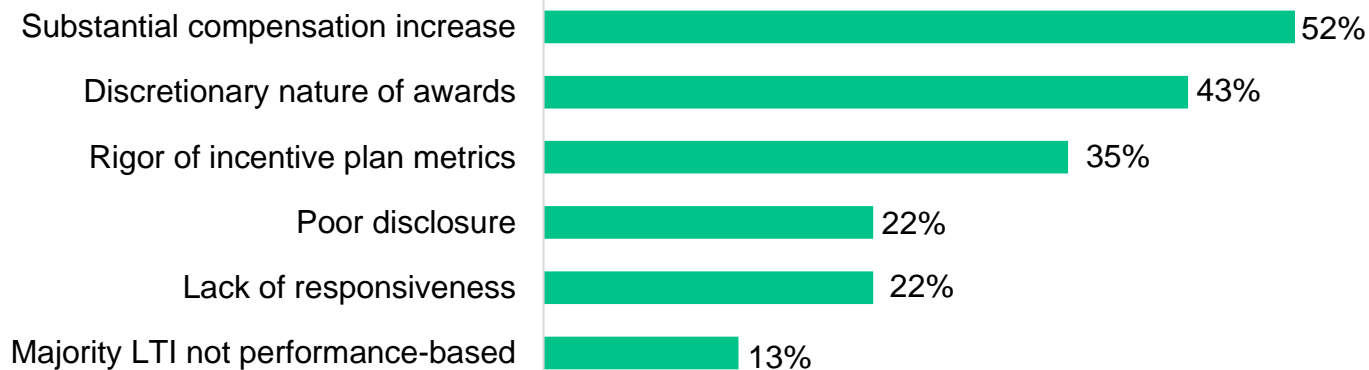
## 23 non-S&P 1500 companies failed say on pay in 2022

**33%**

of all failures are non-S&P 1500

- 30% of non-S&P 1500 failures are from the healthcare industry, followed by information technology and industrials (22% each)

### Common issues at non-S&P 1500 failures

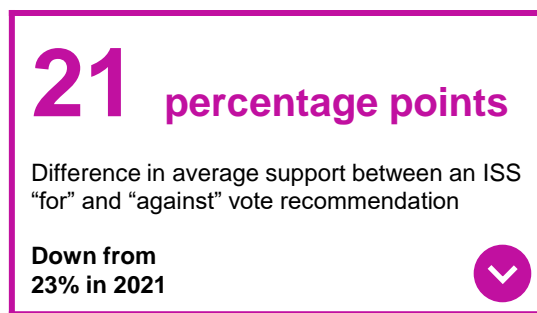
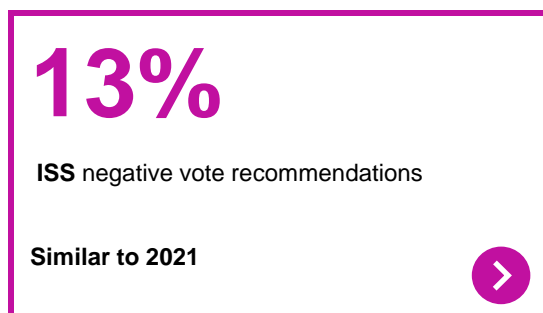
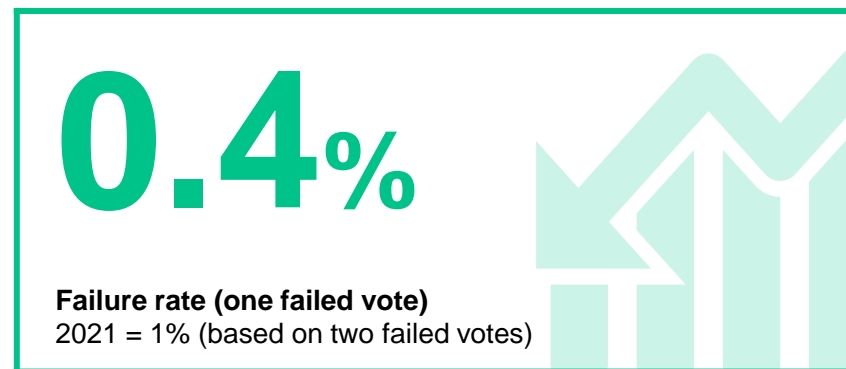
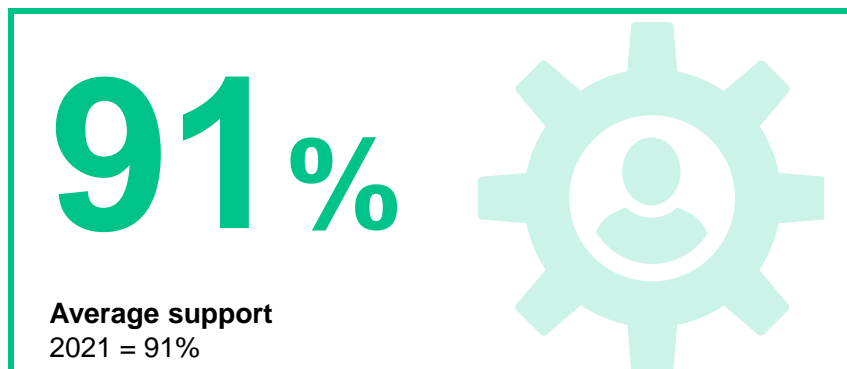


Source: WTW's Global Executive Compensation Analysis Team review of 23 non-S&P 1500 companies that failed say on pay as of July 15, 2022. ISS areas of concern confirmed using ISS's Governance Analytics.

# Equity plans

# 2022 S&P 1500 equity plan voting results snapshot

## One S&P 1500 failure in 2022



Source: WTW Global Executive Compensation Analysis Team analysis of 246 S&P 1500 companies that had a new or materially amended plan with voting results from January 1, 2022, to July 15, 2022, and 347 companies in 2021. ISS recommendations confirmed using ISS's Governance Analytics.

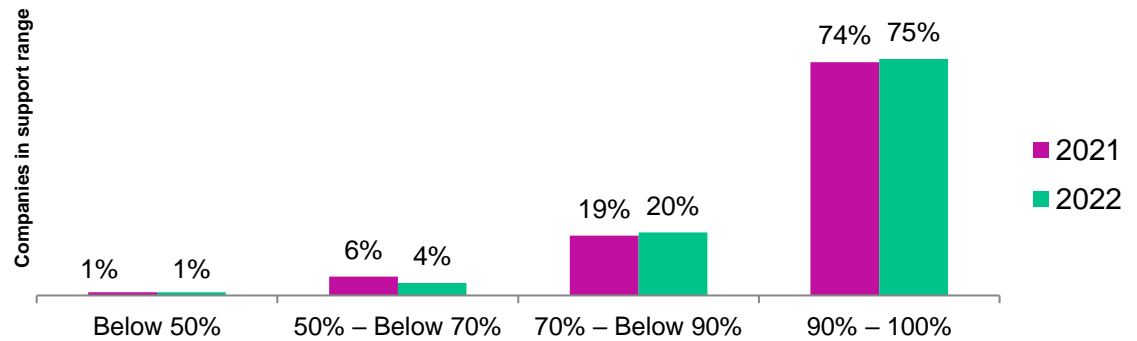


# Spotlight on equity plans

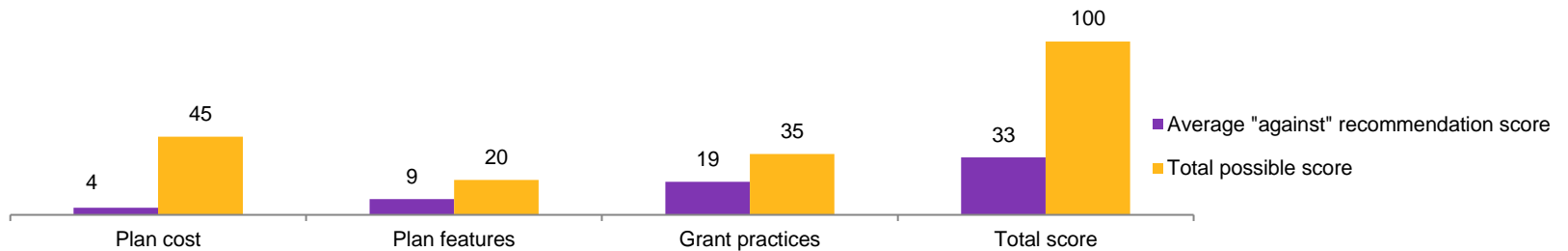
**95%**

S&P 1500 equity plans with support above 70% in 2022 (from 93% in 2021)

## Support level for S&P 1500 equity plans



## Plan cost is the number one concern for those with “against” recommendations\*



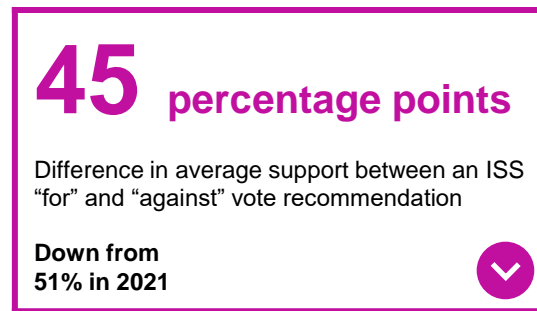
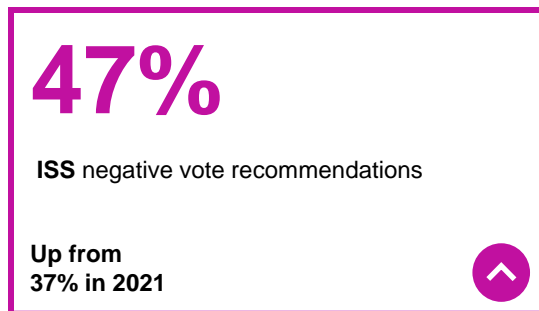
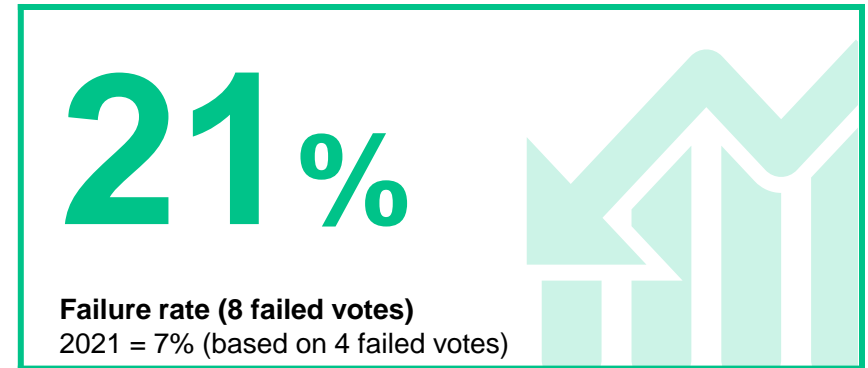
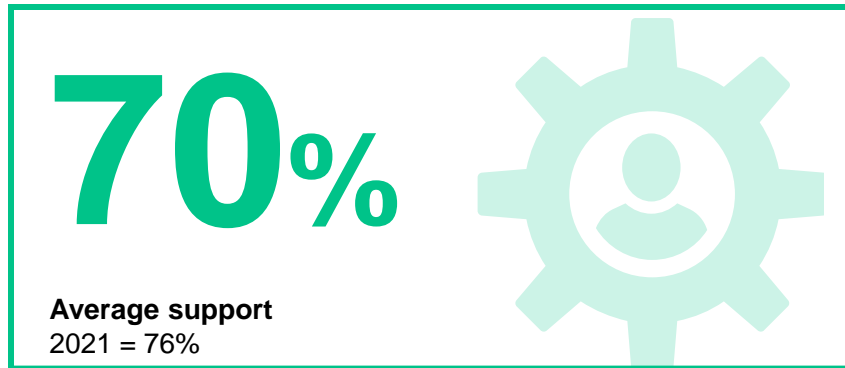
Source: WTW's Global Executive Compensation Analysis Team review of 246 S&P1500 companies that had a new or materially amended plan with voting results from January 1, 2022, to July 15 2022, and 347 companies in 2021.

\*This spotlight highlights 31 S&P 1500 companies with an “against” recommendation that were evaluated under ISS's Equity Plan Scorecard.



Say on parachutes

# 2022 say-on-parachute snapshot



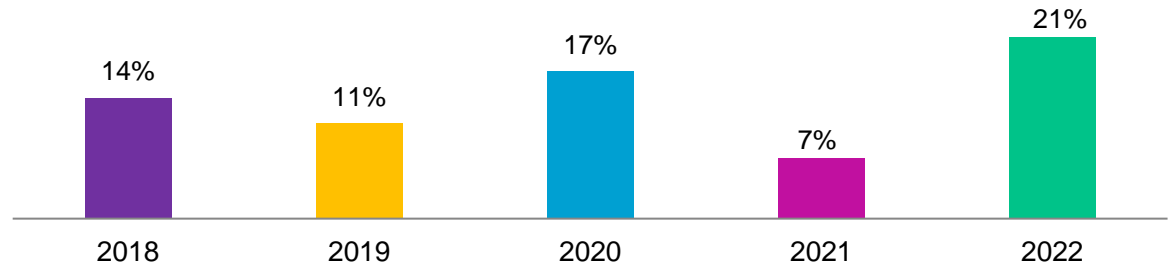
Source: WTW Global Executive Compensation Analysis Team analysis of 38 Russell 3000 companies holding a say-on-parachute vote from January 1, 2022, to July 15, 2022, and 57 Russell 3000 companies reporting results in 2021. ISS recommendations confirmed using ISS's Governance Analytics.

# Say-on-parachute overview

**78%**

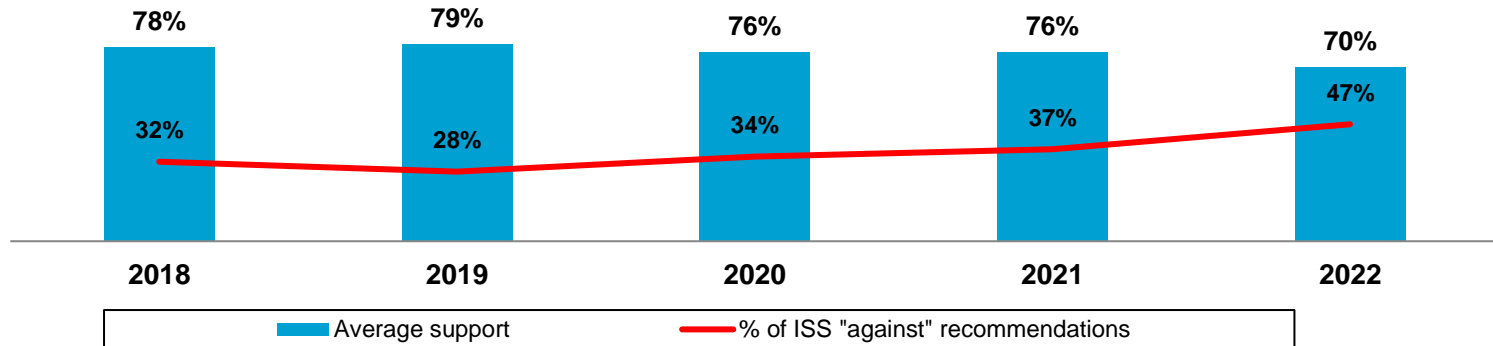
Average support for all say-on-parachute votes since the requirement was introduced (average support for related mergers was 97%)

## Say-on-parachute failures by year



## Highest ISS opposition to say-on-parachute resolutions since 2018

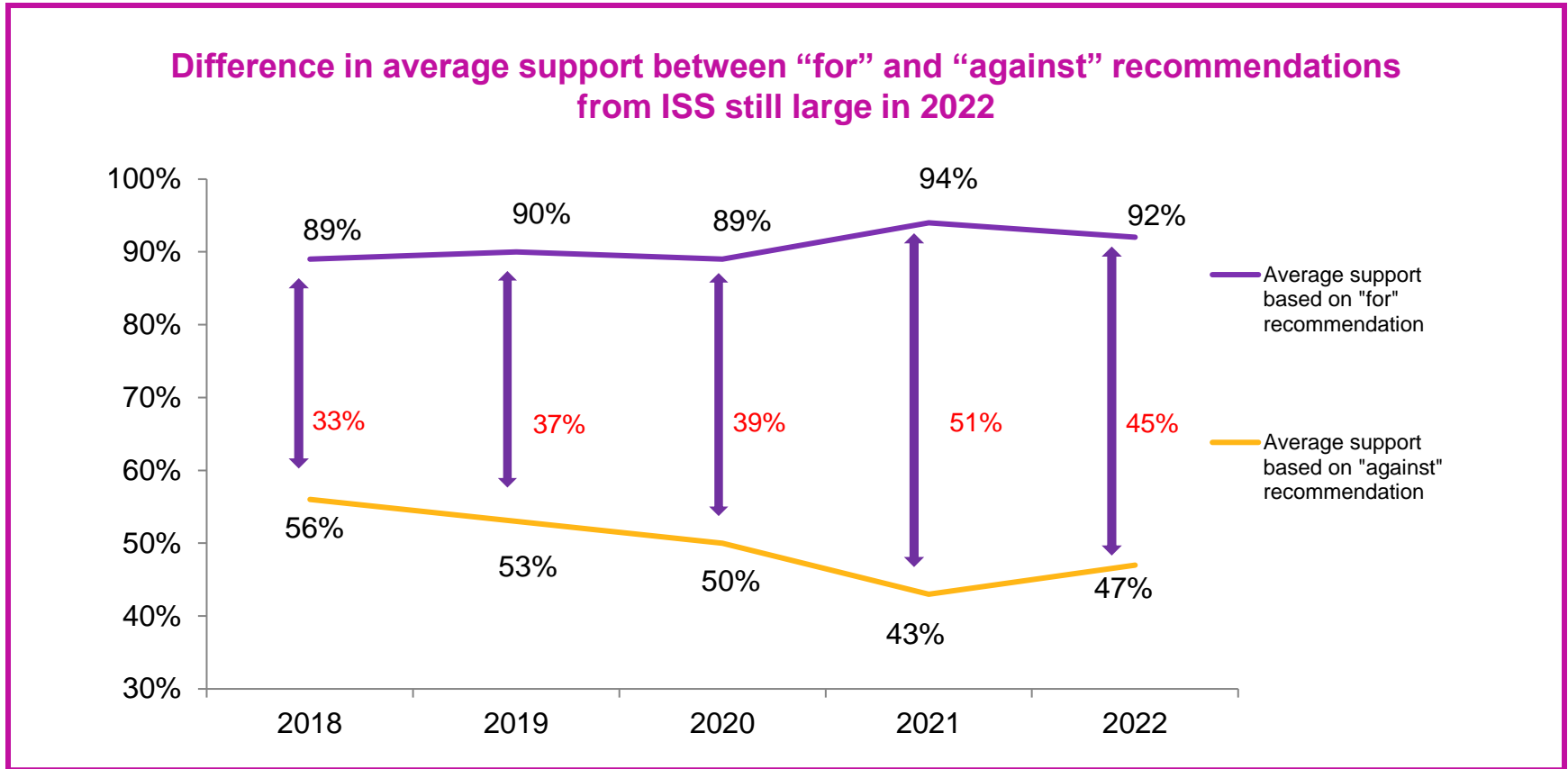
### Say-on-parachute vote summary



Source: WTW's Global Executive Compensation Analysis Team analysis of say-on-parachute votes at 381 Russell 3000 companies reporting results since 2018 (with 81 companies reporting in 2018, 72 in 2019, 41 in 2020, 57 in 2021 and 38 in 2022). ISS recommendations confirmed using ISS's Governance Analytics.

# Say-on-parachute support

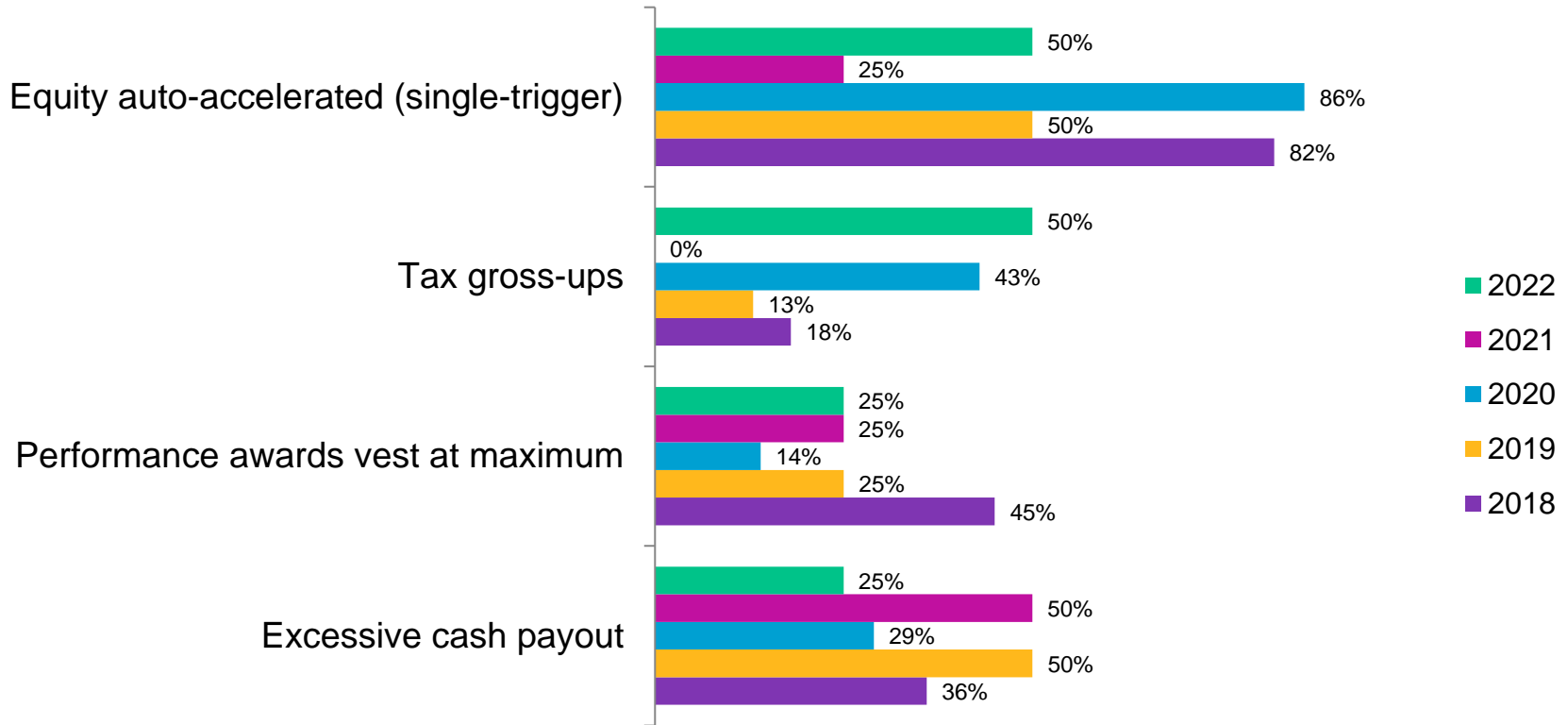
ISS impact marginally decreased from 2021



Source: WTW's Global Executive Compensation Analysis Team analysis of say-on-parachute votes at 381 Russell 3000 companies reporting results since 2018 (with 81 companies reporting in 2018, 72 in 2019, 41 in 2020, 57 in 2020 and 38 in 2022). ISS recommendations confirmed using ISS's Governance Analytics.

# Highlighted concerns among say-on-parachute failures

Auto-accelerated equity (single trigger) and tax gross-ups are the main concerns in 2022



Source: WTW Global Executive Compensation Analysis Team analysis of 8 Russell 3000 companies that failed say on parachute from January 1, 2022, to July 15, 2022 (4 in 2021, 7 in 2020, 8 in 2019 and 11 in 2018). ISS areas of concern confirmed using ISS's Governance Analytics.

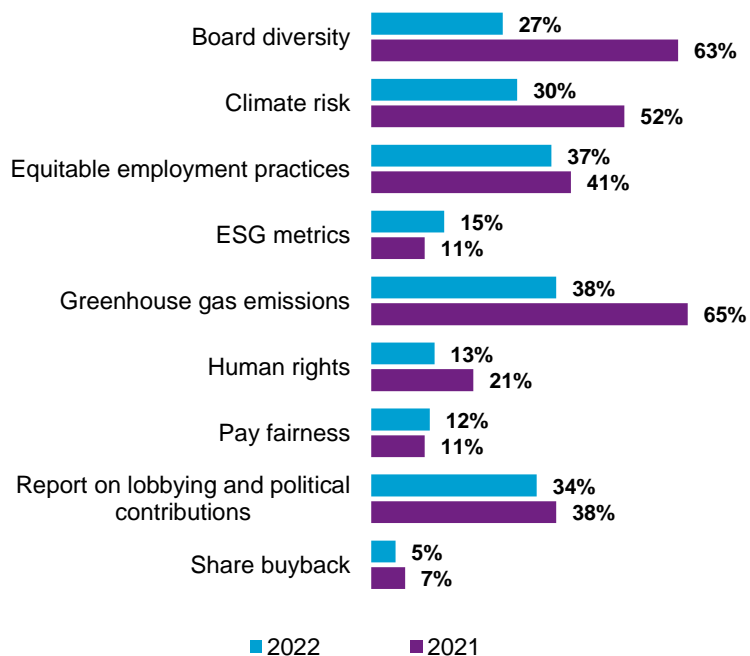
# ESG shareholder proposals

# Environmental, social and governance (ESG) shareholder proposals

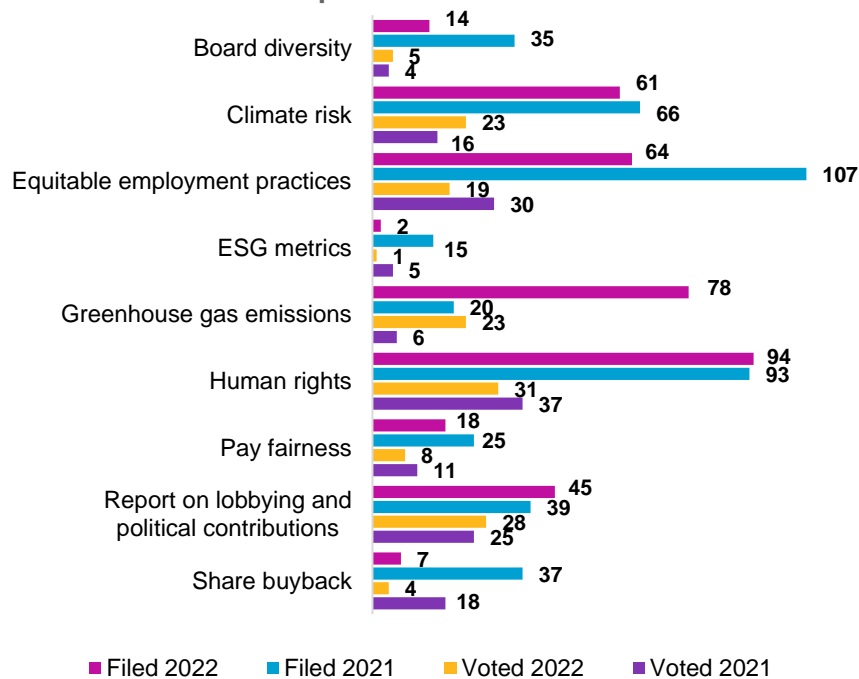
## Support in 2022

### Votes pending for ESG proposals in 2022

Average support for ESG proposals



Proposals filed vs. voted\*



\*Difference between filed and voted proposals made by withdrawals

Source: WTW Global Executive Compensation Analysis Team analysis of executive compensation-related governance, social and environmental shareholder proposals voted in 2022 at Russell 3000 companies using ISS's Governance Analytics.



# Appendix

## Majority votes against say on pay in 2022 (Page 1 of 3)

Company	Votes in favor <sup>1</sup>	ISS issues of concern					Repeat failure <sup>2</sup>	CC members negative recommendation <sup>3</sup>
		Pay for performance	Non-performance-based pay	Peer group benchmarking	Contracts	Responsiveness		
ATI Inc.	49%	High	Low	Low	Low	Low	✓	
2U, Inc.	33%	High	Low	Low	Low	Low	✓	
AMC Entertainment Holdings, Inc.	36%	Low	Low	Low	Low	High		✓
Arrowhead Pharmaceuticals, Inc.	20%	High	Low	Low	Low	High	✓	✓
Barnes Group Inc.	37%	High	Medium	Low	Low	Low		
Booking Holdings Inc.	32%	High	Low	Medium	Low	Low		
Castle Biosciences, Inc.	40%	High	Low	Low	Low	Medium		
Centene Corp.	34%	Medium	Medium	Low	High	Low		
CenterPoint Energy, Inc.	22%	High	Medium	Low	Low	Low		
CME Group Inc.	23%	High	Low	Low	Medium	Low		
CONSOL Energy Inc.	36%	High	Low	Low	Low	Low		
Dime Community Bancshares Inc.	46%	High	Medium	Low	Low	Low		
DR Horton Inc.	27%	High	Low	Low	Low	Low		
Endo International plc	15%	High	Low	Low	Low	High		
Enphase Energy, Inc.	47%	High	Low	Medium	Low	Low		
FleetCor Technologies, Inc.	36%	High	Low	Low	Low	Low		
Flowserve Corp.	23%	High	Low	Low	Low	Low		
G-III Apparel Group, Ltd.	22%	High	Medium	Low	Low	High	✓	✓
Global Payments Inc.	41%	High	Low	Low	Low	Low		
Griffon Corporation	34%	High	Medium	Low	Low	High		✓
Halliburton Company	46%	High	Low	Low	Low	High	✓	✓
Harley-Davidson, Inc.	40%	High	Low	Low	Low	Low		
Health Catalyst, Inc.	46%	High	Low	Low	Low	Medium		
Heritage-Crystal Clean, Inc	46%	Medium	Low	Low	Medium	High		✓
Heska Corporation	39%	High	Low	Low	Low	Low		

Source: WTW's Global Executive Compensation Analysis Team. Areas of concern confirmed using ISS's Governance Analytics.

## Majority votes against say on pay in 2022 (Page 2 of 3)

Company	Votes in favor <sup>1</sup>	ISS issues of concern					Repeat failure <sup>2</sup>	CC members negative recommendation <sup>3</sup>
		Pay for performance	Non-performance-based pay	Peer group benchmarking	Contracts	Responsiveness		
Hexcel Corp.	41%	High	Low	Low	Medium	Low		
IMAX Corporation	48%	Low	Medium	Medium	Medium	High	✓	✓
Intel Corporation	34%	High	Medium	Low	Low	High	✓	✓
JBG SMITH Properties	44%	High	Low	Low	Low	Low		
JPMorgan Chase & Co.	31%	High	Medium	Low	Low	Low		
Masimo Corporation	47%	Low	Medium	Low	High	Low	✓	
MEDNAX, Inc.	43%	High	Low	Low	Low	Low	✓	
Mersana Therapeutics, Inc.	44%	High	Low	Low	Low	Medium		
Montrose Environmental Group, Inc.	25%	High	Low	Low	Medium	Low		
Nabors Industries Ltd	32%	High	Low	Low	Medium	High	✓	✓
Natus Medical Inc.	25%	Low	Low	Low	High	Low		
Neogenomics Inc.	31%	High	Low	Low	Low	Low		
Netflix, Inc.	27%	High	High	Low	Medium	High	✓	
nLIGHT, Inc.	35%	High	Low	Low	Low	Low		
Norwegian Cruise Line Holdings Ltd.	15%	High	Low	High	Low	High	✓	
PacWest Bancorp	20%	High	Medium	Low	Low	High	✓	✓
Palomar Holdings, Inc.	22%	High	Low	Low	Low	Low		
Paycom Software, Inc.	49%	Low	Medium	Low	Low	High	✓	✓
Pebblebrook Hotel Trust	20%	High	Low	Low	Medium	Low		
Penn National Gaming Inc.	42%	High	Low	Low	Low	Low		
Quotient Technology Inc.	46%	High	Low	Low	Low	Low		
Redwood Trust Inc.	19%	High	Low	Low	Low	Low		
RLJ Lodging Trust	26%	High	Low	Low	Low	Low		
Sage Therapeutics, Inc.	43%	High	Low	Low	Low	Low		
ServiceNow, Inc.	35%	High	Low	Low	Low	Low		

Source: WTW's Global Executive Compensation Analysis Team. Areas of concern confirmed using ISS's Governance Analytics.

## Majority votes against say on pay in 2022 (Page 3 of 3)

Company	Votes in favor <sup>1</sup>	ISS issues of concern					Repeat failure <sup>2</sup>	CC members negative recommendation <sup>3</sup>
		Pay for performance	Non-performance-based pay	Peer group benchmarking	Contracts	Responsiveness		
Smartsheet Inc.	43%	High	Low	Low	Low	Low		
SS&C Technologies Holdings, Inc.	48%	High	Low	Low	High	Low	✓	
Tabula Rasa HealthCare, Inc.	25%	High	Low	High	Low	Low		
Talos Energy Inc.	48%	High	Low	Low	Low	Low		
TG Therapeutics, Inc.	30%	High	Low	Low	Medium	Medium	✓	
The Goodyear Tire & Rubber Company	21%	High	High	Low	Low	Low		
The RealReal, Inc.	48%	High	Low	Low	Low	Low		
The TJX Companies, Inc.	48%	High	Medium	Low	Low	Low		
Titan International Inc.	49%	Low	Low	Low	Medium	High	✓	✓
TransMedics Group, Inc.	42%	High	Low	Low	Low	Medium		
Tutor Perini Corporation	31%	High	Medium	Medium	High	High	✓	✓
Upland Software, Inc.	18%	High	Low	Low	Low	Low		
UroGen Pharma Ltd.	42%	High	Low	Low	Low	Medium	✓	
Vector Group Ltd.	44%	High	High	Low	Medium	High	✓	✓
Ventas, Inc.	49%	High	Medium	Low	Medium	Low		
Welbilt, Inc.	38%	High	Low	Low	Low	Low		
Wynn Resorts Ltd.	48%	High	Low	Low	High	High	✓	✓
Yellow Corporation	45%	Low	Low	Low	Low	Low		
Zurn Water Solutions Corporation	47%	High	Low	Low	Low	Medium		
<b>Percentage of "high" concerns</b>		<b>87%</b>	<b>4%</b>	<b>3%</b>	<b>9%</b>	<b>26%</b>	<b>30%</b>	<b>22%</b>

<sup>1</sup> Votes in favor are calculated by dividing the number of "for" votes by the total number of votes cast (including "against" and "abstaining" votes). Companies may report levels of support differently based on how they count abstentions.

<sup>2</sup> Failed say on pay prior to 2022 (since 2011).

<sup>3</sup> Compensation committee (CC) members with a negative ISS recommendation due to compensation issues.

<sup>4</sup> Nicolet Bankshares, Inc. received less than 50% support using our methodology; however, the company does not tabulate abstentions and therefore noted that the vote passed.

# Companies with repeat say on pay failures (page 1 of 3)

Only one company has failed say-on-pay in each of the 12 years

Company	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
2U, Inc.			No SoP			Pass	Pass	Pass	Fail	Pass	Pass	Fail
Abercrombie & Fitch Co.	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Acacia Research Corporation	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Fail	Pass	Pass	Pass	Pass
Acuity Brands, Inc.	No SoP	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass
Accuray Incorporated	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail	Pass	Pass	Pass
Ameriprise Financial, Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass
Applied Optoelectronics, Inc.				No SoP				Pass	Fail	Fail	Pass	Pass
Argan, Inc.	No SoP		Pass	Pass	Fail	Pass	Fail	Pass	Pass	Pass	Pass	Pass
Arrowhead Pharmaceuticals, Inc.	No SoP		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail
ATI Inc.	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Fail
Atlas Air Worldwide	Pass	Pass	Fail	Pass	Pass	Fail	Fail	Pass	Pass	Fail	Pass	Pass
Bed Bath & Beyond Inc.	Pass	Pass	Pass	Pass	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass
Big Lots Inc.	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Biglari Holdings Inc.	Pass	Pass	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Carriage Services Inc.	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Cassava Sciences, Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail	Pass	Pass
Celadon Group Inc.	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Chesapeake Energy Corp	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass
Children's Place Retail Stores, Inc.	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass
Citizens Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass
Cleveland-Cliffs Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Fail	Fail	Pass
Cogent Communications Group Inc.	Fail	Pass	Fail	Fail	Fail	Pass	Pass	Fail	Pass	Pass	Pass	Pass
Community Health Systems, Inc.	Pass	Fail	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass
Comstock Resources Inc.	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Consolidated Water Co. Ltd	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Cooper Industries Ltd.	Fail	Fail						Merged				
Dendreon Corp.	Pass	Pass	Fail	Fail				Bankruptcy				
Dex Media Inc.	Fail	Pass	N/A	Pass	Fail	Pass		Bankruptcy				
DFC Global Corp.	Pass	Fail	Fail					Merged				
Digimarc Corporation	Pass	Pass	No SoP	Pass	No SoP		Pass	Fail	Fail	Fail	Pass	Pass
DMC Global Inc.	Pass	Pass	Fail	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
DXC Technology Co.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass
Electronic Arts Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass
Ennis Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass

Source: WTW's Global Executive Compensation Analysis Team.

# Companies with repeat say on pay failures (page 2 of 3)

Company	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EPIQ Systems, Inc.	Pass	Fail	Pass	Fail	Pass	Pass		Merged			Pass	Pass
Everest Re Group Ltd	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
FirstMerit Corporation	Pass	Fail	Pass	Fail	Pass	Pass		Merged			Pass	Pass
FleetCor Technologies, Inc.	Pass	No SoP	No SoP	Fail	No SoP	No SoP	Fail	Fail	Fail	Pass	Pass	Pass
Freeport-McMoRan Copper & Gold	Fail	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Gentiva Health Services Inc.	Pass	Fail	Fail	Pass				Merged				Pass
G-III Apparel Group, Ltd.	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail	Fail
Halliburton Company	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail	Fail
Hercules Offshore, Inc.	Fail	Fail	Pass	Pass	Pass	Pass		Bankruptcy				
Hospitality Properties Trust	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass
IMAX Corporation	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Fail	Pass	Pass	Fail
Intel Corporation	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Fail
iStar Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass
Kilroy Realty Corp.	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass
Mack-Cali Realty Corp.	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Mallinckrodt plc		No SoP			Pass	Pass	Pass	Pass	Fail	Fail	Fail	Pass
Marvell Technology Group Ltd	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Fail	Pass	Pass
Masimo Corporation	Pass	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Fail
McKesson Corporation	Pass	Pass	Fail	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass
MDC Holdings, Inc.	Fail	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass
Medifast Inc.	Pass	No SoP		Fail	No SoP		Fail	Fail	Pass	Pass	Pass	Pass
MEDNAX, Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Fail
Middleby Corp.	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass
Monster Worldwide	Pass	Pass	Pass	Fail	Fail	Pass		Acquired				
Motorcar Parts of America Inc.	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail	Pass	Pass	Pass
Mylan N.V	Pass	Fail	Pass	Pass	No SoP	Pass	Fail	Pass	Pass	Pass	Pass	Pass
iStar Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass
Nabors Industries Ltd	Fail	Fail	Fail	Fail	Pass	Fail	Fail	Fail	Fail	Fail	Fail	Fail
NCR Corporation	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Fail	Pass
Netflix, Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail
New York Community Bancorp Inc.	Pass	No SoP		Fail	No SoP		Fail	Fail	Pass	Pass	Pass	Pass
Nexstar Broadcasting Group, Inc.	Pass	No SoP	Pass	No SoP	Pass	No SoP	Pass	Pass	Fail	Pass	Pass	Pass
Norwegian Cruise Line Holdings Ltd.		No SoP		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail
Nuance Communications, Inc.	Pass	Pass	Fail	Pass	Fail	Fail	Fail	Fail	Fail	Pass	Pass	Pass

Source: WTW's Global Executive Compensation Analysis Team.

# Companies with repeat say on pay failures (page 3 of 3)

Company	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Oracle Corporation	Pass	Fail	Fail	Fail	Fail	Pass	Fail	TBD	Pass	Pass	Pass	Pass	
OraSure Technologies Inc.	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	
PacWest Bancorp	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	
Palo Alto Networks, Inc.	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Fail	Pass	Pass	Pass	Pass	
Paycom Software, Inc.	No SoP	No SoP	No SoP	No SoP	No SoP	Pass	Pass	Pass	Pass	Fail	Fail	Fail	
PICO Holdings Inc.	Fail	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	
PTC Inc	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Fail	Pass	
RadioShack Corp.	Pass	Pass	Fail	Fail				Bankruptcy			Pass	Pass	
RBC Bearings Inc.	Pass	Fail	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Fail	Fail	Pass	
SandRidge Energy, Inc.	Pass	No SoP		Pass	Pass	Pass	Fail	Fail	Fail	Pass	Pass	Pass	
Senior Housing Properties Trust	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	
SL Green Realty Corp.	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Fail	Pass	
Spectrum Pharmaceuticals, Inc.	Pass	Pass	Fail	Fail	Fail	Pass	Fail	Pass	Pass	Pass	Pass	Pass	
Splunk, Inc.	No SoP	No SoP	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	
Sonus Networks, Inc.	Pass	Pass	Fail	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	
SS&C Technologies Holdings, Inc.	Pass	No SoP		Pass	No SoP		Pass	Pass	Fail	Fail	Pass	Fail	
Stride, Inc.	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Fail	Pass	Pass	
TCF Financial Corporation	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	
TG Therapeutics, Inc.	No SoP	No SoP	Pass			Pass	No SoP	No SoP	Fail	No SoP	No SoP	Fail	
Titan International Inc.	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	
Tivity Health, Inc.	Pass	Fail	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	
TiVo Inc.	Pass	Pass	Pass	Pass	Fail	Fail	Acquired	Pass	Pass	Pass	Pass	Pass	
Tutor Perini Corporation	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	Fail	
United Therapeutics Corporation	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Fail	Fail	Pass	Pass	
Universal Insurance Holdings Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Fail	Pass	
UroGen Pharma Ltd.				No SoP						Pass	Fail	Pass	Fail
VCA Inc.	Pass	Fail	Pass	Fail	Pass	Pass		Acquired			Pass	Pass	
Vector Group Ltd.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Fail	Fail	
VeriFone Systems Inc.	Pass	Pass	Fail	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	
Viatrix Inc.	Pass	Fail	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Fail	Pass	
Vista Outdoor Inc.	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	
Whiting Petroleum Corp.	Pass	Pass	Pass	Fail	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	
Whitestone REIT	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail	Pass	Pass	Pass	Pass	
Wynn Resorts Ltd.	Pass	No SoP	No SoP	Pass	No SoP	No SoP	Pass	Fail	Pass	Pass	Pass	Fail	
Xerox Holdings Corporation	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass	Fail	Pass	

Source: WTW's Global Executive Compensation Analysis Team.

## Failed say-on-parachute resolutions in 2022

Company	Meeting date	Votes in favor	Primary areas of concern
Alleghany Corporation	June 9	40%	<ul style="list-style-type: none"> <li>Excise tax gross-up</li> <li>Performance awards vest at maximum</li> </ul>
Citrix Systems, Inc.	April 21	37%	<ul style="list-style-type: none"> <li>Excessive cash payment</li> </ul>
CMC Materials, Inc.	March 3	36%	<ul style="list-style-type: none"> <li>Cash severance with single-trigger</li> <li>All NEOs' equity will auto-accelerate</li> </ul>
QuidelOrtho Corp.	May 16	36%	<ul style="list-style-type: none"> <li>Excise tax gross-up</li> </ul>
Rogers Corporation	January 25	18%	<ul style="list-style-type: none"> <li>All NEOs' equity will auto-accelerate</li> <li>Excise tax gross-up</li> <li>Performance awards vest at maximum</li> </ul>
TEGNA, Inc.	May 17	30%	<ul style="list-style-type: none"> <li>Cash severance with single-trigger</li> <li>All NEOs' equity will auto-accelerate</li> <li>Excise tax gross-up</li> </ul>
Tenneco Inc.	June 7	45%	<ul style="list-style-type: none"> <li>All NEOs' equity will auto-accelerate</li> </ul>
Umpqua Holdings Corporation	January 26	35%	<ul style="list-style-type: none"> <li>Excessive cash payment</li> <li>Cash severance with single-trigger</li> </ul>

Source: WTW Global Executive Compensation Analysis Team analysis of 8 Russell 3000 companies that failed say on parachute from January 1, 2022, to July 15, 2022 (4 in 2021, 7 in 2020, 8 in 2019 and 11 in 2018). ISS areas of concern confirmed using ISS's Governance Analytics.



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Thank you!