

October 12, 2018

Summary Survey Results

Survey Construction

- Administered by Four Top Tier Law Firms to Clients
- Respondents Largely Fortune 100 Companies
- Covers 2017 and 2016 Proxy Seasons
- Focused on Adverse Recommendations by ISS and Glass Lewis and Increase in Negative Vote Immediately Following the Recommendation
- Designed to Separately Analyze Immediate Impact of ISS and Glass Lewis Recommendations
 - Prior Evidence That ISS Submits Votes Immediately After Recommendation
 - While Glass Lewis Understood to Wait Until Immediately Prior to Meeting

Survey Responses

- 35 Respondents
- 93 Separate ISS Adverse Recommendations During 2017 and 2016 Seasons
- 72 Separate Analyses of Voting Trends Following Adverse Recommendations over 2017 and 2016 Proxy Season
 - 41 Separate Analyses Following Adverse ISS Recommendations
 - 31 Separate Analyses Following Adverse Glass Lewis Recommendations

Survey Respondent Profiles

- 21 Respondents Received an Average of 3 Adverse Proposals From ISS
- 23 Respondents Received an Average of 3.5 Adverse Proposal from GL
- Approximately 77% of Respondents Have Over \$2 Billion in Market Cap
- Represent 11 Different Industries, including Health Care, Transportation, Energy, Retail, Technology, Manufacturing, and Financial Services
- Profiles Indicate These are Mainstream, High Profile Companies that Receive Shareholder Proposals Each Year

Responding to Recommendations

68%

of Respondents Need at
Least 5 Days to Respond

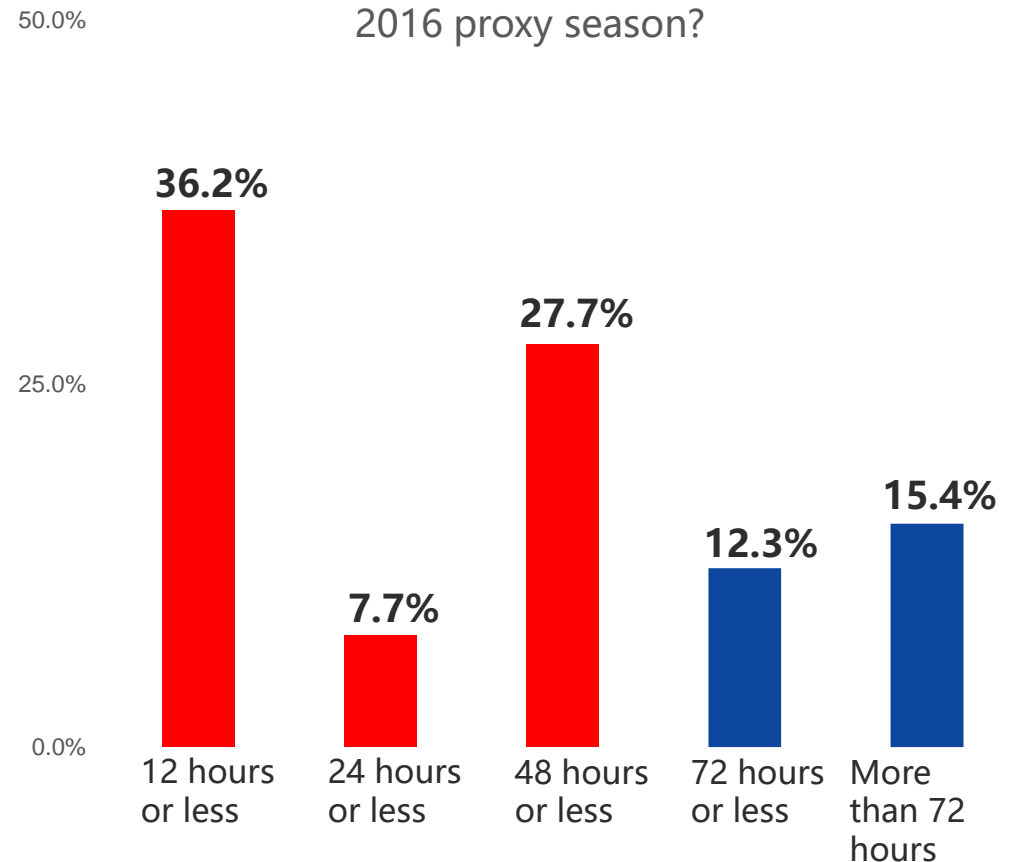
All

Respondents Need at
Least 3 Days to Respond

Advanced Notice of Recommendations

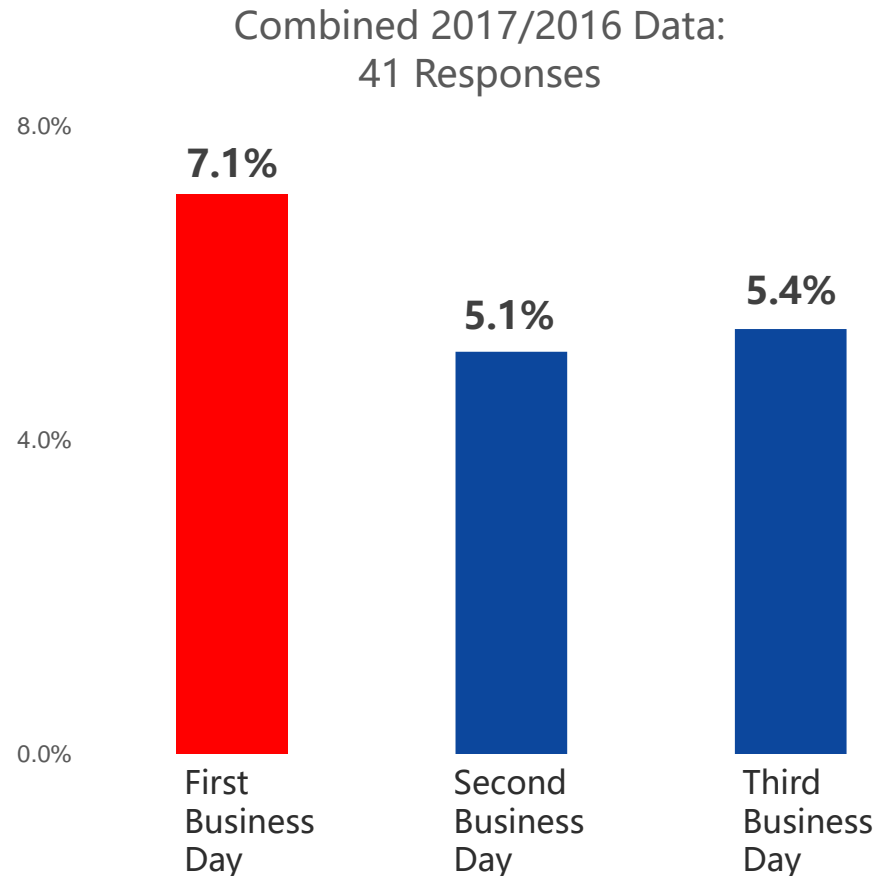
- Current Response Time Much Shorter Than Needed
- Almost 37% Receive No Notice
- 72% Receive Two Days or Less
- Only 16% Report Receiving Any Advanced Notice from GL

How much advance notice did your company receive from ISS prior to the release of their recommendation to investors in the 2017 or 2016 proxy season?



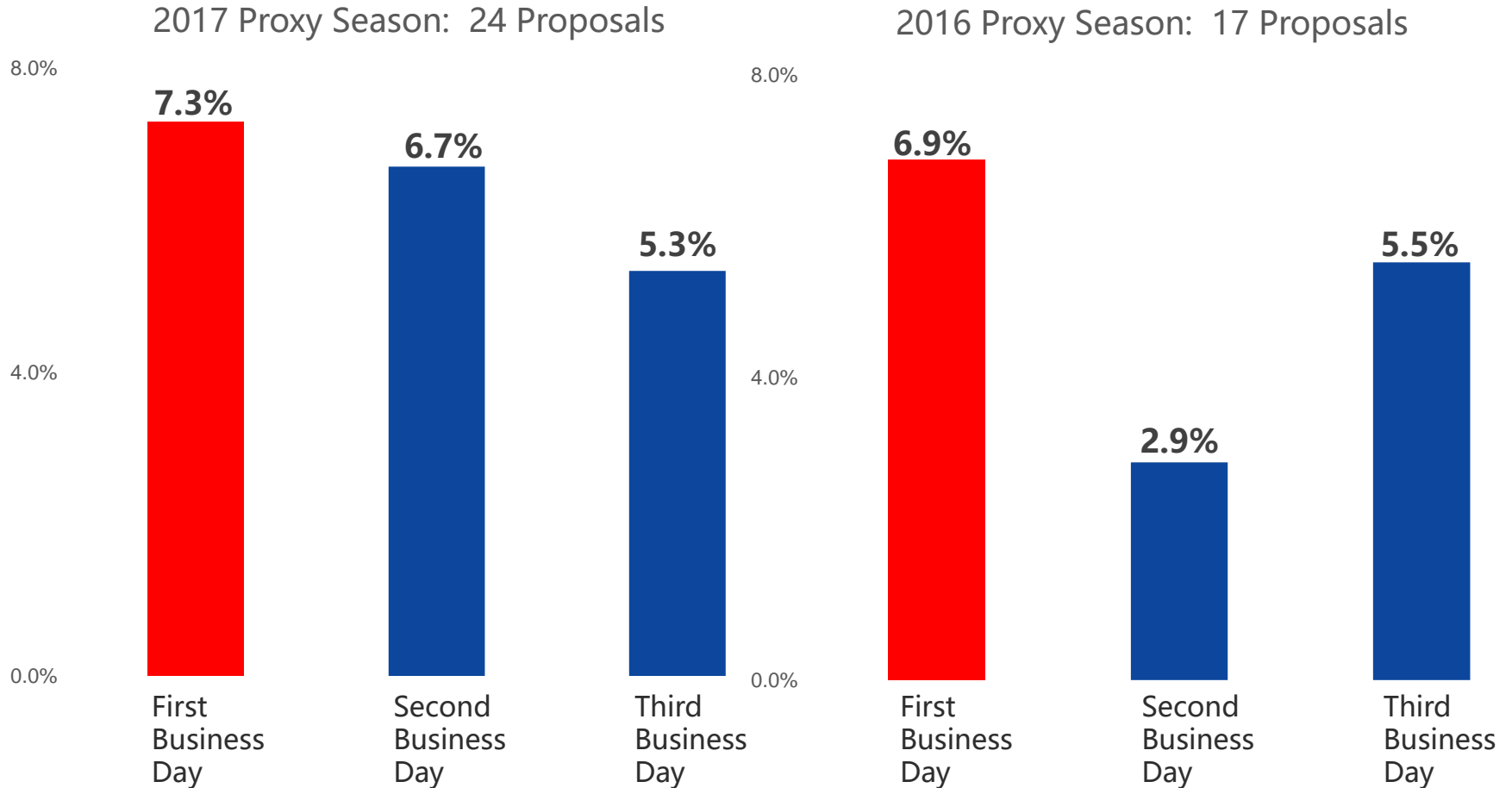
Negative Votes After an ISS Adverse Recommendation

- Combined Data Show Immediate Increase in Negative Vote
- On Average, 17.7% of Total Vote is Voted Negatively in the Three Days After Recommendation
- Immediate Impact of ISS Recommendation Before Companies Can Review Analysis
- Investors Likely Need Same Amount of Time to Review
- Votes Occurring Before Reasonable Investor Review



Negative Votes After an ISS Adverse Recommendation

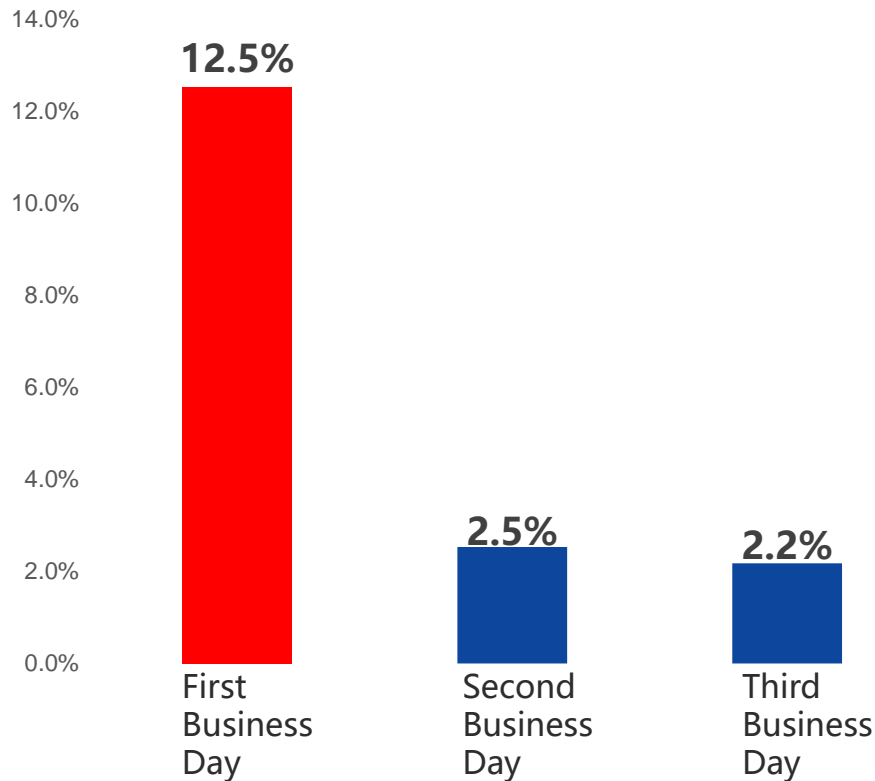
- 2017 and 2016 Data Shows the Same Trend



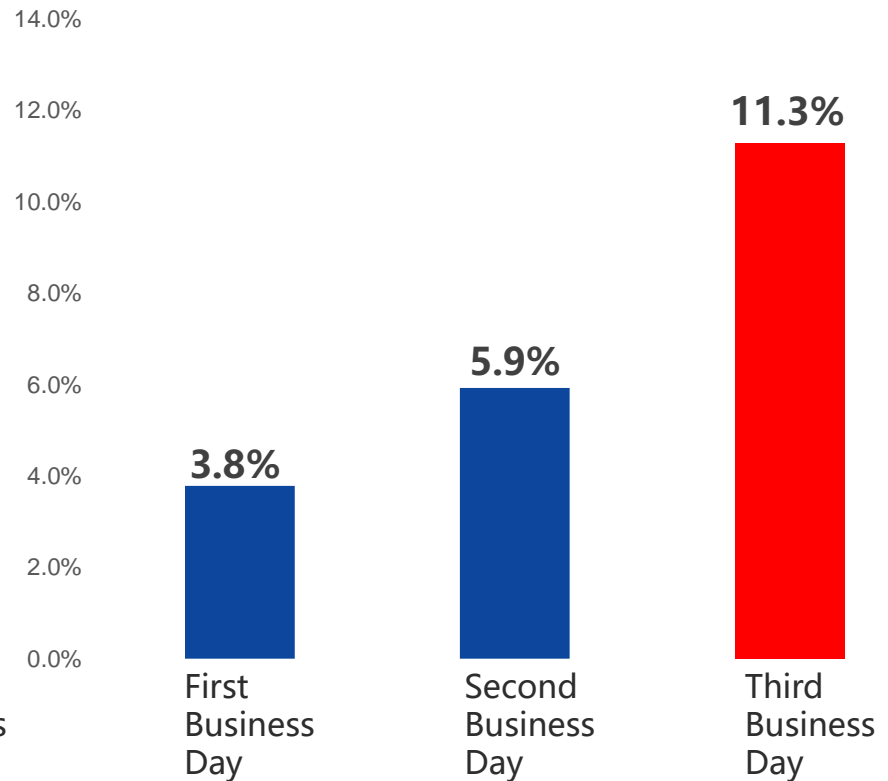
Negative Votes After an ISS Adverse Recommendation

- Data is Largely Bimodal With Major Jumps on First Day (17) and Third Day (14)
- 4 Responses Also Shows Jump on Day 2 and Six Show No Jump

First Day Jump: 17 Responses



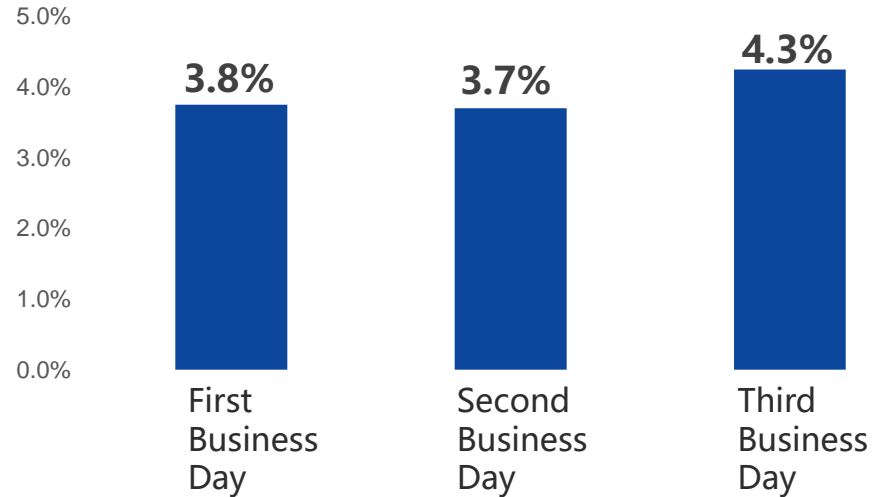
Third Day Jumps: 14 Responses



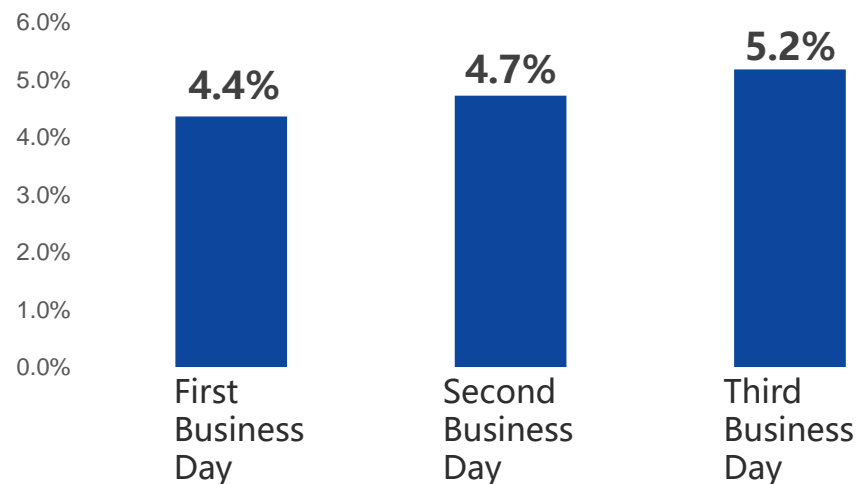
Negative Votes After an GL Adverse Recommendation

- No Significant Trend in GL Data
- No Underlying Trend in Responses (Peaks Equally Distributed)
- Consistent With Anecdotal Understanding of GL Process
- Most GL Proxy Shares Voted Immediately Prior to Meeting
- Lends Significance to ISS Results

Glass Lewis 2017 Results



Glass Lewis 2016 Results



Analyzing the ISS Data

- 35 Out of 41 Analyzed Votes Showed a Significant Jump on Day 1, 2 or 3
 - Different Days Likely Attributed to Different Measuring Techniques By Companies
 - Jumps Occur In Period Before Companies Are Able to Review ISS Analysis
 - Suggests Votes Are **Robovoted** on Recommendation Without Review of Analysis
 - Size of Significant One Day Jump (Over 10%) Shows Impact of Robovoting
- Within 3 Days, Average of 17.7% **Robovoted**
 - Consistent With Other Data Sources Suggesting a 20% Robovote Representing Smaller Investment Funds That Follow ISS
 - Lack of Corresponding Glass Lewis Data Suggests Jump Results Tied Direct to Recommendation