

2020
DIRECTOR
COMPENSATION
STUDY



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2020 Director Compensation Study Snapshot

This represents Steven Hall & Partners' 14th annual study of compensation paid to non-employee directors. Our review included 600 companies in the following three groups:

- **Top 200** – 200 companies with the largest revenues in fiscal 2019
- **Mid Cap 200** – 200 companies included in the S&P MidCap 400[®]
- **Small Cap 200** – 200 companies included in the S&P SmallCap 600[®]

	Median Values		
	Top 200	Mid Cap 200	Small Cap 200
Pro Forma Director	\$315,000	\$247,583	\$192,250
1-Year Growth	+2.4%	+5.6%	+1.7%
3-Year Growth*	+6.7%	+11.4%	+11.8%
Audit Chair	\$320,000	\$251,331	\$196,025
2019 vs. 2018	+1.8%	+4.2%	+1.3%
Compensation Chair	\$315,000	\$247,250	\$192,375
2019 vs. 2018	+1.8%	+5.0%	+1.2%
Nom / Gov Chair	\$310,000	\$245,000	\$187,625
2019 vs. 2018	+1.8%	+5.4%	+0.1%
Non-Chair	\$295,000	\$234,262	\$180,000
2019 vs. 2018	+1.7%	+4.2%	+0.6%

* Growth calculated among companies included in our previous four studies.

COVID-19 Compensation Reductions

The report that follows is reflective of director compensation programs that were in effect prior to the onset of the COVID-19 pandemic as disclosed in the most recently filed proxy statements. In response to COVID-19, many companies have enacted cost-reduction and cash-saving measures beginning in the spring of 2020 that included temporary reductions to executive and director compensation.

The reductions to director compensation are generally been focused on reductions to the annual cash retainer. Most reductions observed have ranged from -10% to -100%. All reductions are temporary in nature, ranging from three to 12 months. We note that not all companies set an end date for the reductions at the time they disclosed the changes. While most reductions have been a simple reduction to amounts paid, several companies have set up employee welfare funds funded with by executive and director compensation reductions. We have also observed limited use of deferrals of cash payments until a later date.

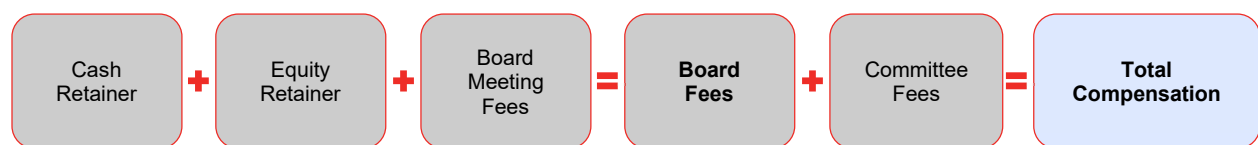
Moving forward, we anticipate that the uncertainty cast by COVID-19 will lead to a temporary stagnation of director compensation levels which we expect to continue until companies are able to return to their normal business operations.

Study Period

The non-employee director compensation data used in this study was derived from proxy statements filed between June 1, 2019 and May 31, 2020.

Components of Director Compensation Reviewed

Total compensation paid to directors consists of the following components:



Cash Retainer: Annual cash payment made to directors for board service.

Equity Retainer: Annual equity grants made to directors for board service. Awards may be delivered in a variety of equity vehicles, including stock options, restricted stock, deferred stock and shares of common stock.

Board Meeting Fees: Payments made for attendance at board meetings. Represents fees paid per board meeting multiplied by number of board meetings disclosed in the proxy. All meetings are assumed to be attended in person.

Board Fees: The sum of cash retainer, equity retainer, and board meeting fees.

Committee Fees: Additional compensation paid to directors for service on a committee of the board of directors, either as a member or chairperson. Includes any additional annual cash or equity retainers and fees paid on a per meeting basis, multiplied by the actual number of committee meetings as disclosed in the proxy.

Total Compensation: The sum of board pay and committee fees.

STUDY METHODOLOGY

Straw Directors

To facilitate comparisons among companies, we have created five hypothetical “straw” directors.

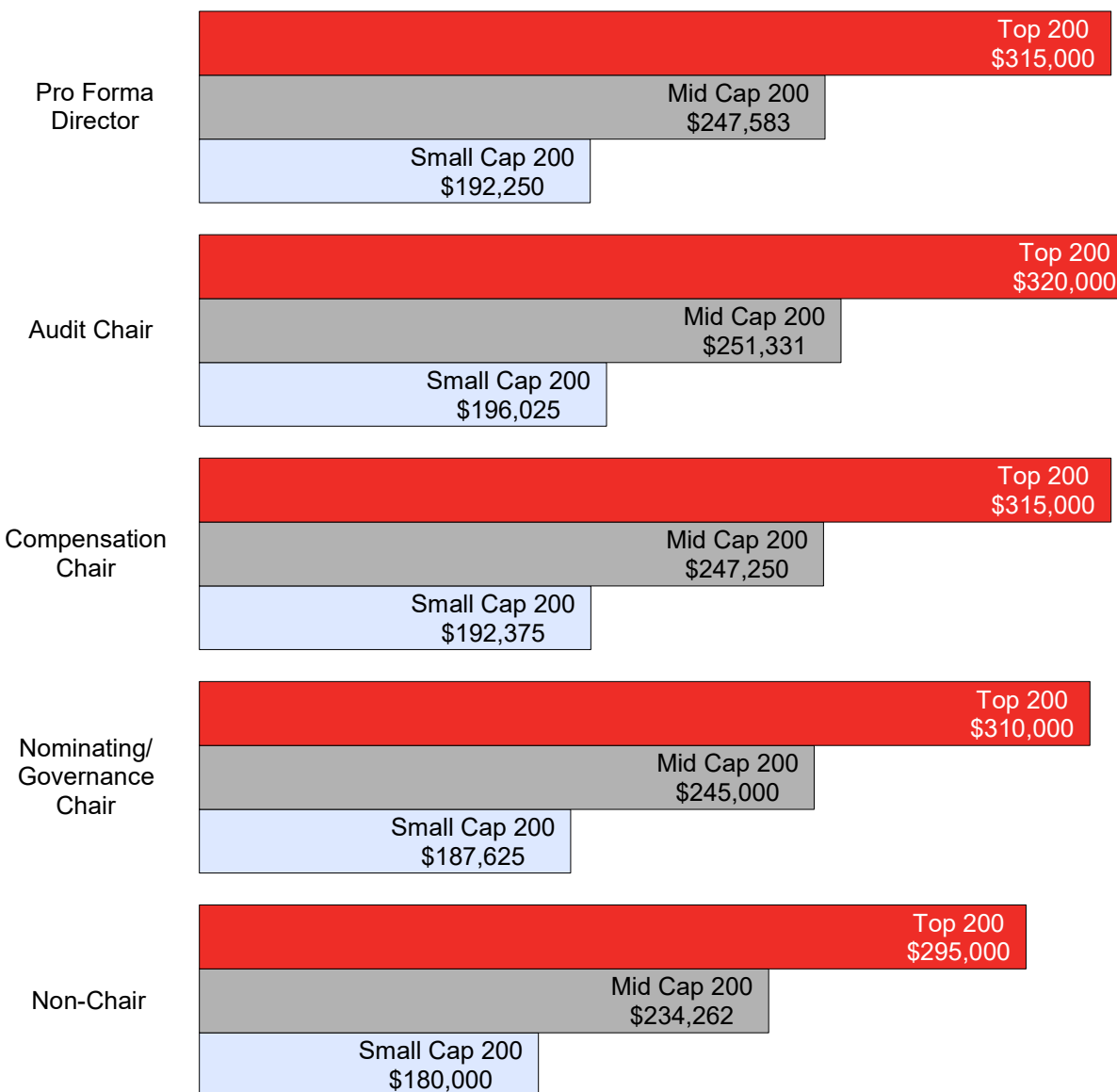
Straw Director	Description of Roles	Definition of Compensation
Pro Forma Director	Director is a chair of one committee and a member of one other committee.	Board pay plus committee fees. Committee fees reflect the average pay for Audit, Compensation, and Nominating/Governance committee chairs <u>plus</u> the average compensation paid to members of those committees.
Audit Committee Chair	Director is chair of Audit and member of one other committee.	Board pay plus committee fees. Committee fees reflect the fees paid to the chair of the respective committee <u>plus</u> the average compensation paid to members of the remaining two committees.
Compensation Committee Chair	Director is chair of Compensation and member of one other committee.	
Nominating/Governance Committee Chair	Director is chair of Nominating/Governance and member of one other committee.	
Non-Chair	Director is a member of two committees and chair of none.	Board pay plus committee fees. Committee fees reflect the average pay for Audit, Compensation and Nominating/Governance members multiplied by two.

TOTAL COMPENSATION

Total Compensation – 2019 Values

We note director compensation amounts continue to be correlated to company size and complexity. Among the three groups studied, the Top 200 pays the highest compensation to directors, followed by Mid Cap 200 and Small Cap 200 companies, respectively. In 2019, median total compensation for the Pro Forma Director ranged from \$192,250 at Small Cap companies to \$315,000 at Top 200 companies.

Median Total Compensation Values



TOTAL COMPENSATION

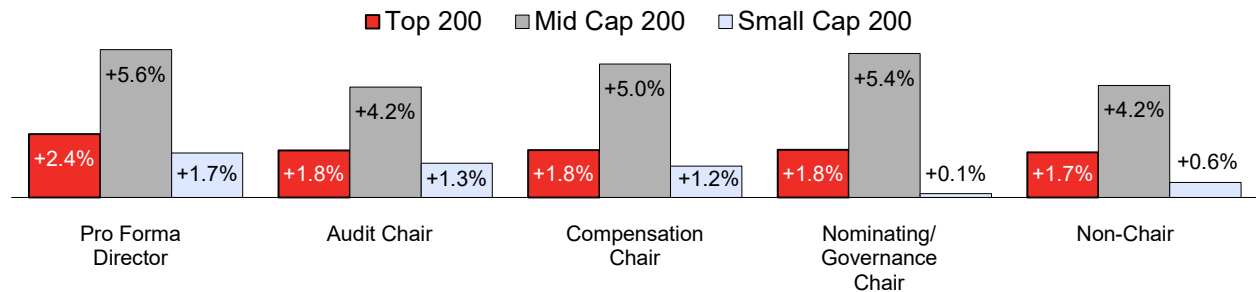
Total Compensation – One Year Growth

One-year growth calculations only include companies that were a part of our study both this year and last year, which represents:

- 162 (81%) of Top 200 companies
- 171 (86%) of Mid Cap 200 companies
- 175 (88%) of Small Cap 200 companies

Year-over-year median total compensation growth for the five straw positions is displayed below:

One-Year Growth in Median Total Compensation Values



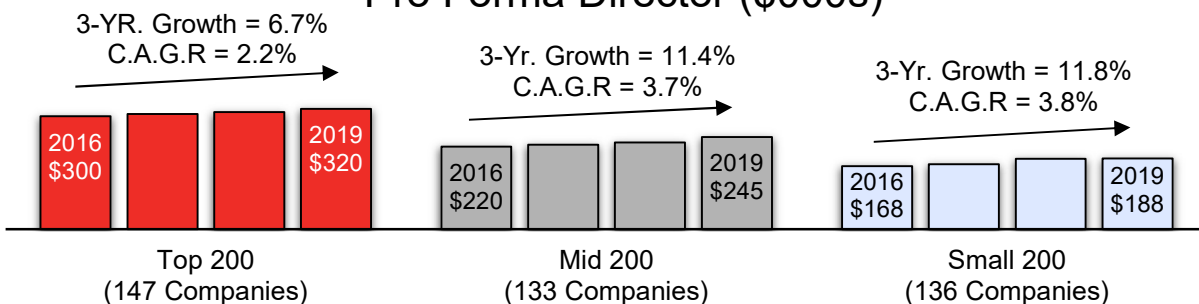
Total Compensation – Three-Year Growth

Three-year growth calculations only include companies that were a part of our four most recent studies, which represents:

- 147 (74%) of Top 200 companies
- 133 (67%) of Mid Cap 200 companies
- 136 (68%) of Small Cap 200 companies

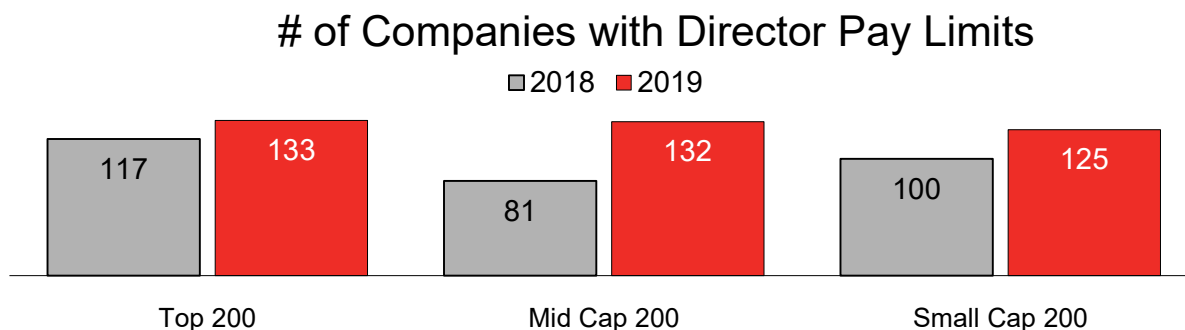
For the companies that were included in our last four studies, three-year total compensation growth for the Pro-Forma Director position in each of the three groups is displayed below:

Three-Year Growth in Total Compensation Pro Forma Director (\$000s)



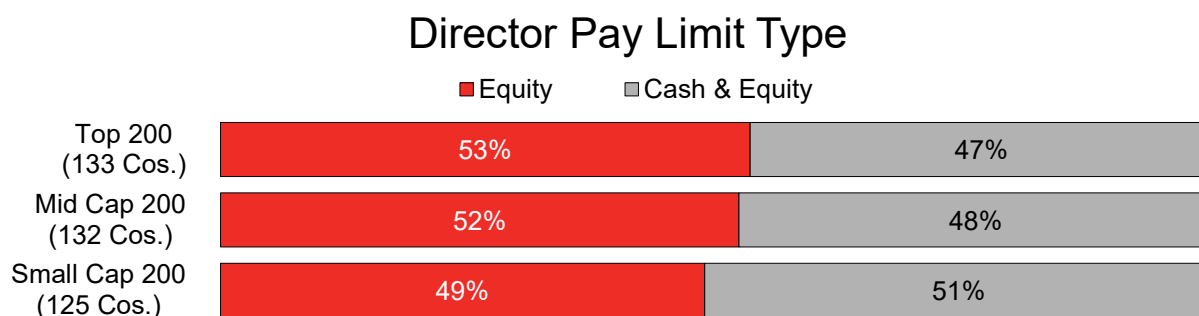
DIRECTOR PAY LIMITS

In response to past litigation involving director compensation amounts, we note that the prevalence of limits on director pay continues to increase. In 2019, the majority of companies reviewed disclosed director pay limits.



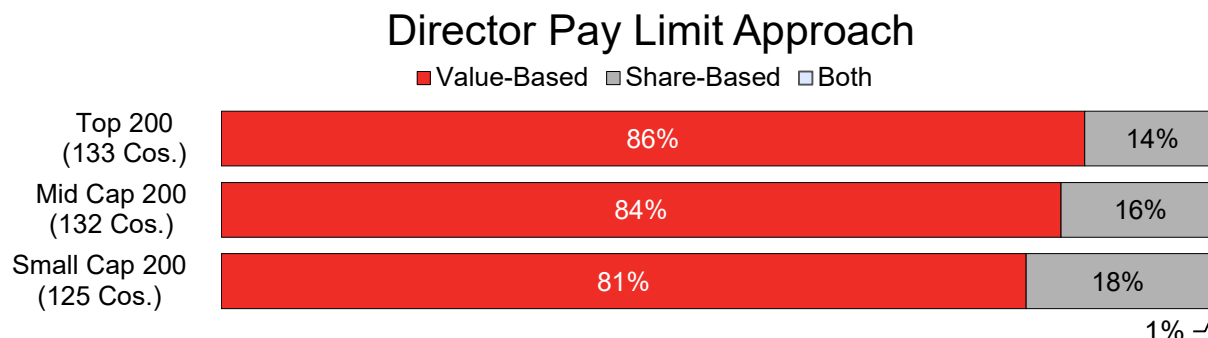
Director Pay Limit Type

In general, companies are evenly split between limiting equity awards only and limiting both cash and equity compensation. A slight majority of Top 200 and Mid Cap 200 companies only place a limit on the value of equity awards that are granted to a director in a given year, while a slight majority of Small Cap 200 companies place a limit on the aggregate value of both cash and equity awards.



Director Pay Limit Approach

Pay limits are generally disclosed as either a dollar value, a number of shares or a combination of the two. The overwhelming majority of companies disclose pay limits for directors as a dollar value.

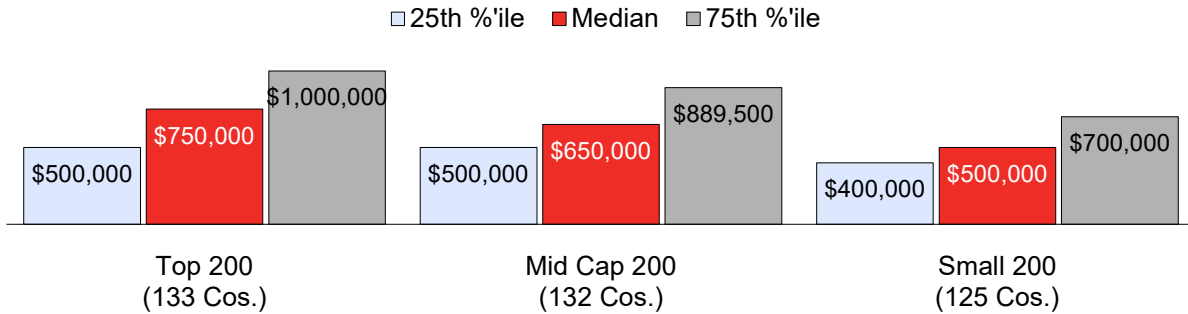


DIRECTOR PAY LIMITS

Director Pay Limit Values

When calculated as a dollar value, director pay limits are generally correlated with company size.

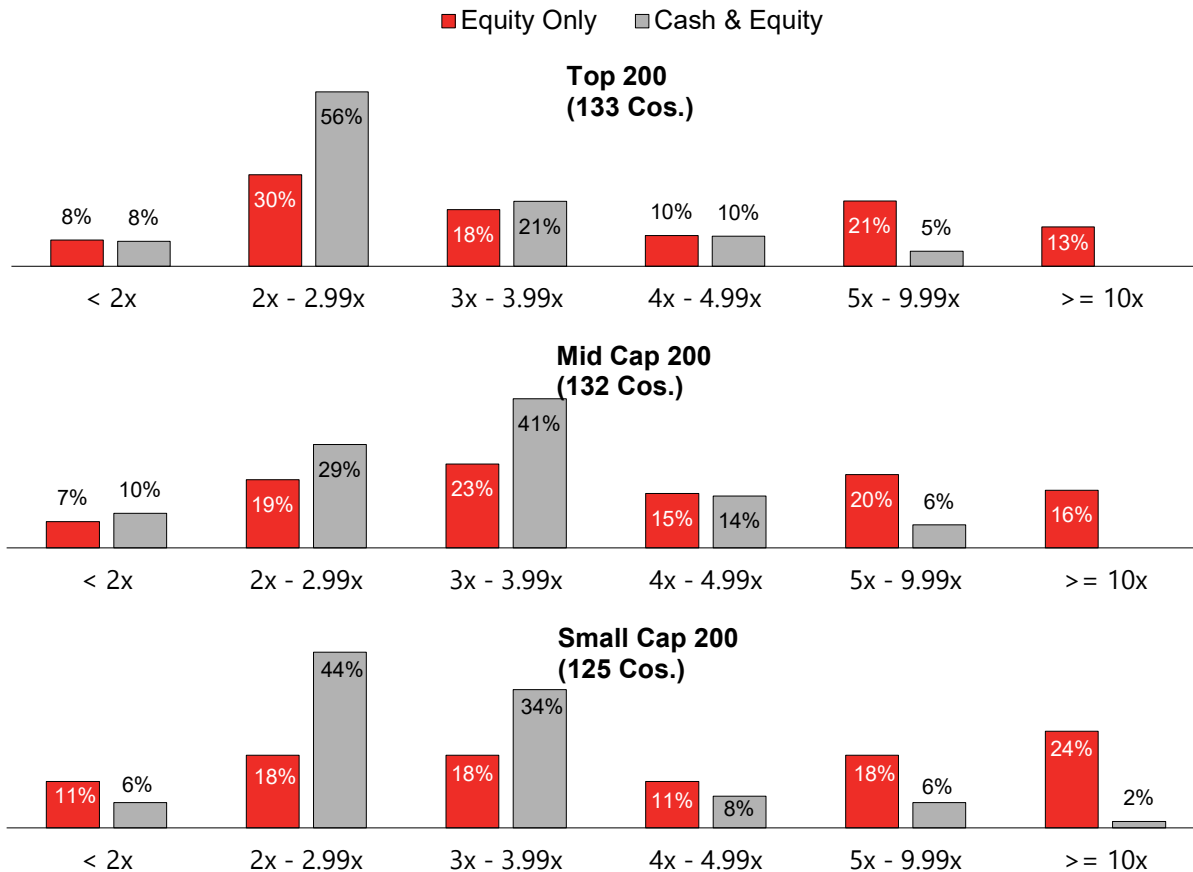
Director Pay Limit Dollar Value



Regardless of company size and the limit type (equity only or cash and equity), we note the majority of limits are set within a range of 2x – 5x of the annual compensation component being limited.

Director Pay Limits

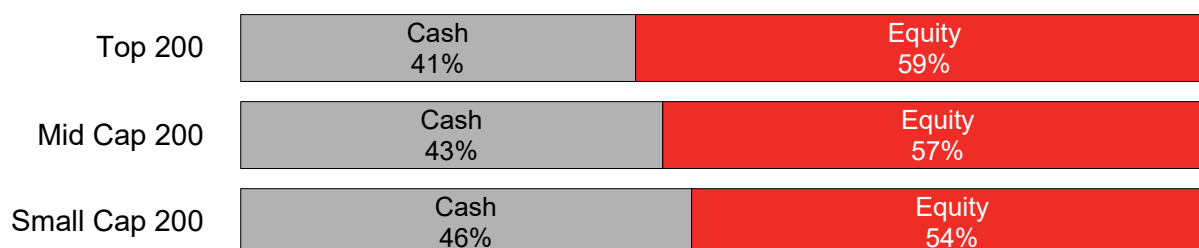
as a Multiple of Annual Equity Retainer or Annual Cash & Equity Retainers



Cash versus Equity

Corporate governance best practices call for at least one-half of a director's total compensation to be paid in the form of equity. We find that the majority of companies reviewed exceed this standard. The average cash versus equity mix for each of the three groups is displayed below:

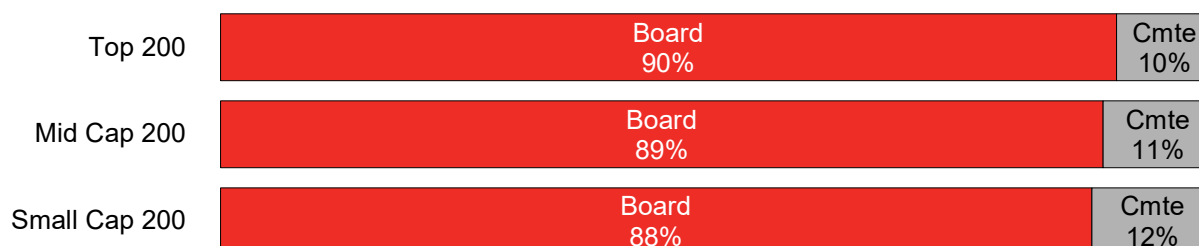
Pro Forma Director Pay Mix Cash vs. Equity



Board Fees versus Committee Fees

Board fees account for the majority total compensation for the Pro Forma Director in each of the three groups. The remaining amount is comprised of fees for committee service. The average board versus committee fee mix for each of the three groups is displayed below:

Pro Forma Director Pay Mix Board vs. Committee Fees



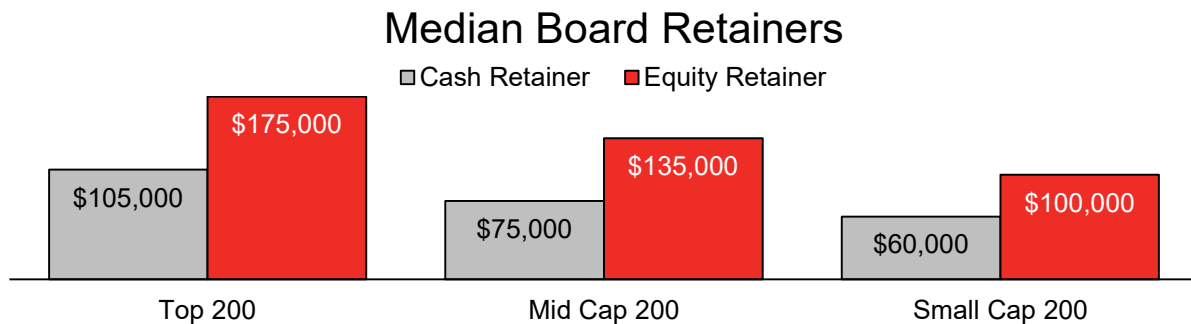
Board Retainers

Payment of both cash and equity retainers are nearly universal among the companies reviewed. One company from the Top 200 does not provide its directors with any cash or equity retainer for their board service. All other companies contained in the study pay directors a cash retainer, an equity retainer or both cash and equity retainers for service on the board of directors.

Board Retainer Prevalence

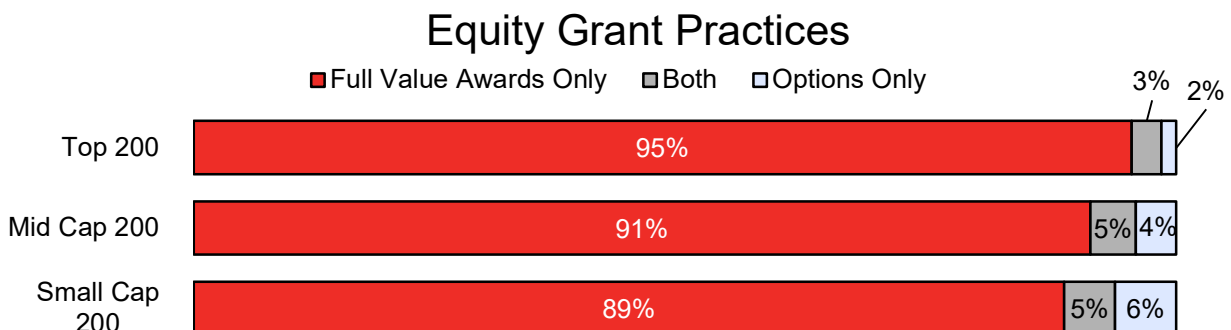
	Cash Retainer	Equity Retainer
Top 200	98%	99%
Mid Cap 200	99%	98%
Small Cap 200	99%	97%

The median values of cash and equity retainers paid to directors in 2019 are displayed below; these values remain unchanged from 2018 values, with the exception of a slight (\$5,000) increase to the median equity retainer for the Mid Cap 200.



Equity Vehicles Granted

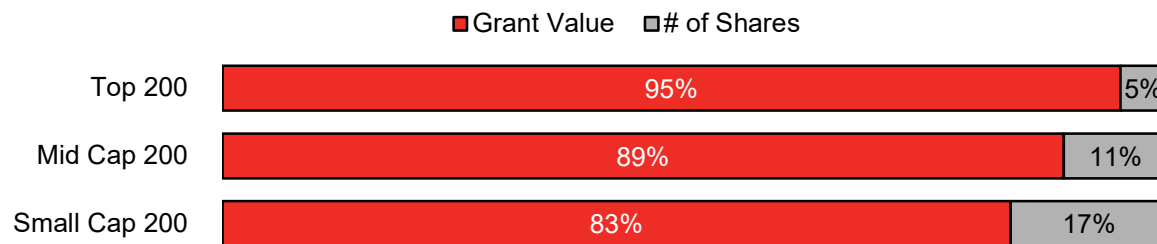
Among companies granting equity, the overwhelming majority grant full value equity awards, such as restricted or common stock. Stock option usage is more prevalent among Small Cap 200 companies than Mid Cap 200 or Top 200 companies.



Equity Retainer – Grant Value versus Number of Shares

The majority of companies granted equity awards based on the grant date value of the award instead of a fixed number of shares. This practice controls the value of equity-based pay. The prevalence of this practice continues to increase among smaller companies as they seek greater control of director pay levels by limiting volatility due to stock price fluctuations.

Equity Awards Grant Value vs. # of Shares

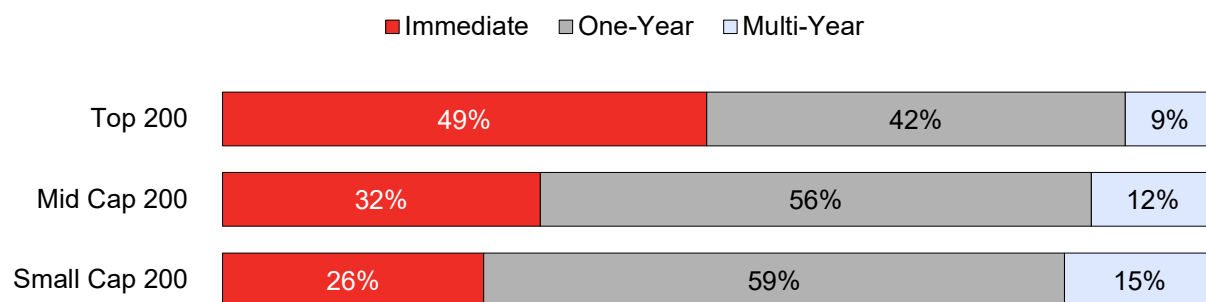


Vesting

Most companies grant equity with immediate or one-year vesting provisions. Extended vesting schedules are not viewed as a best practice. Current thinking is that directors should be free to resign from their positions at any time, and not be forced to continue serving on the board to receive shares from past awards. Directors received awards that vest either immediately or within one year of grant at:

- 181 (91%) of Top 200 companies
- 176 (88%) of Mid Cap 200 companies
- 170 (85%) of Small Cap 200 companies

Equity Vesting Schedule Prevalence



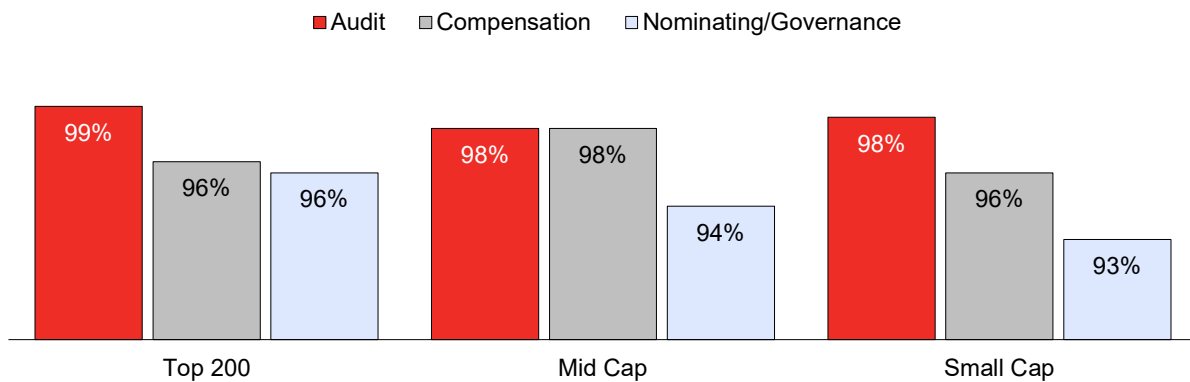
Additional Committee Fees (Retainer + Meeting Fees)

Additional committee fees include annual chair and member retainers plus any fees received for attendance at committee meetings.

Committee Chair Fee Prevalence

The overwhelming majority of committee chairs receive additional fees for their service.

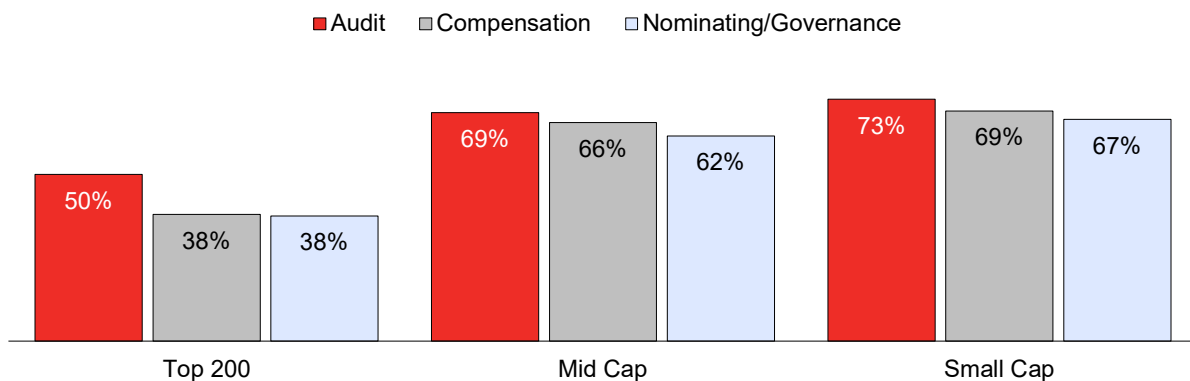
Prevalence of Committee Chairs Receiving Additional Committee Fees



Committee Member Fee Prevalence

Committee members are more likely to receive additional fees at Mid and Small Cap companies compared to companies in the Top 200.

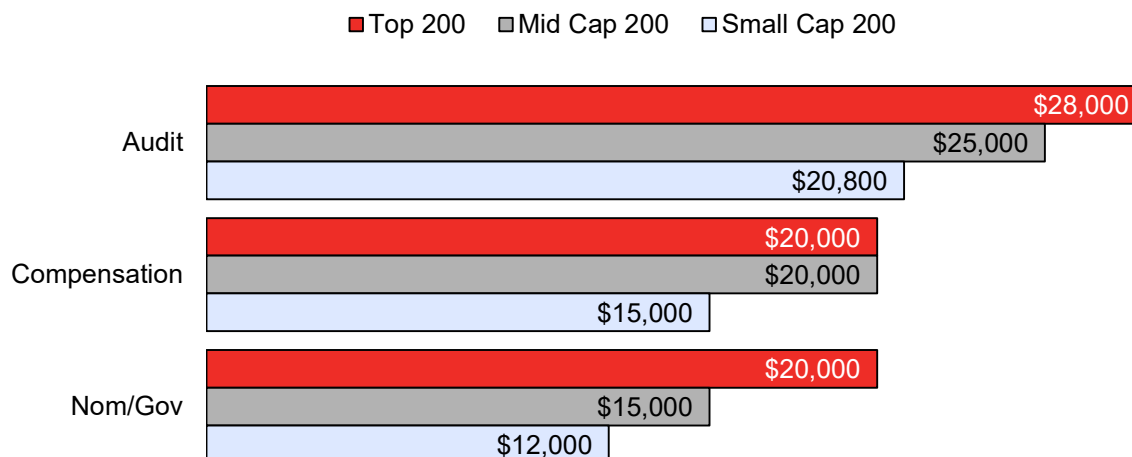
Prevalence of Committee Members Receiving Additional Committee Fees



Committee Chair Total Additional Fees

Among companies providing additional fees for committee chairs, audit chairs are the highest paid followed by compensation and nominating/governance committee chairs.

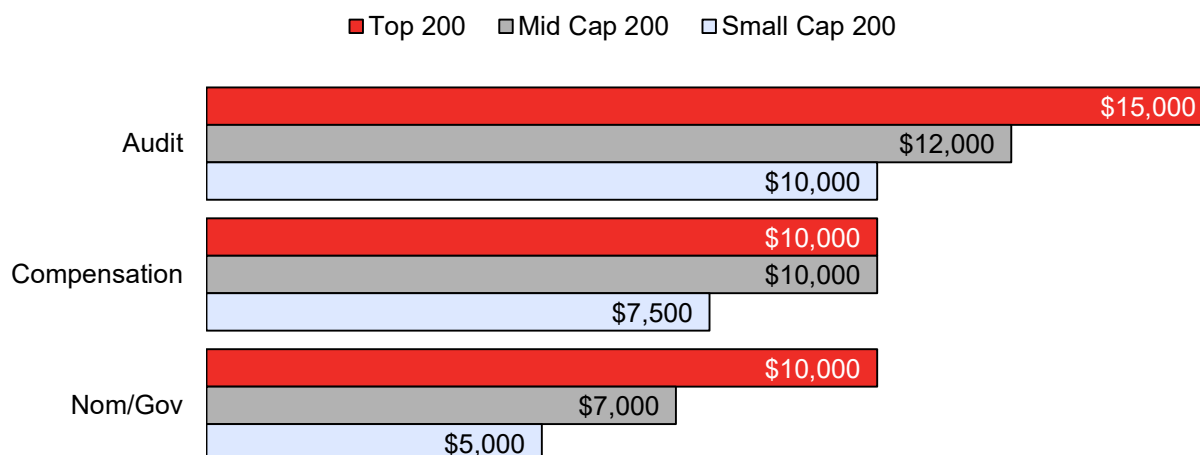
Median Committee Chair Additional Fees



Committee Member Total Additional Fees

Among companies providing additional fees for committee members, audit committee members are the highest paid followed by compensation and nominating/governance committee members.

Median Committee Member Additional Fees



Meeting Fees

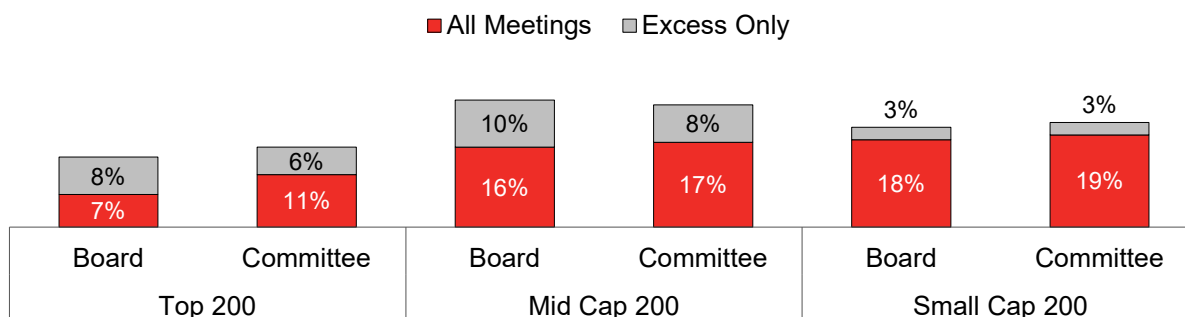
The majority of companies do not pay fees for attendance at board or committee meetings. Over the last ten years, these fees have been phased out as companies look to simplify director compensation programs by moving to retainer-only programs.

Among the companies reviewed, we note two methods of paying directors for meeting attendance:

- Directors receive fees for every meeting
- Directors receive fees for attendance at meetings in excess of a pre-determined number

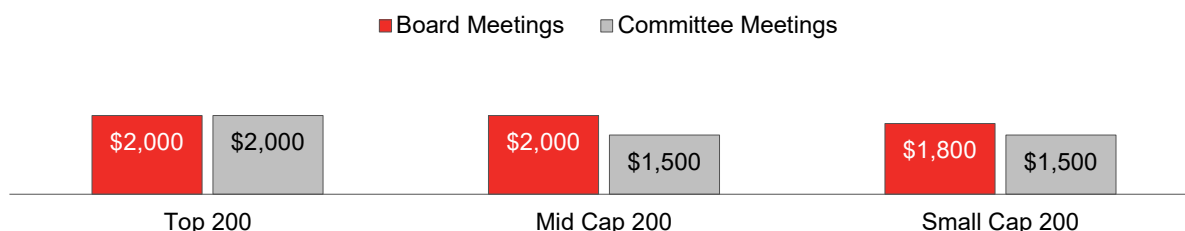
Companies tend to use the second approach when they are interested in eliminating meeting fees but remain concerned about unpredictable increases in future workloads. Thresholds for the commencement of paid meeting fees among these companies range from four to twenty-one meetings with nine meetings being the most common.

Meeting Fee Prevalence



The median meeting fees for attendance at board and committee meetings have remained fairly consistent for the last several years.

Median Per Meeting Fee*

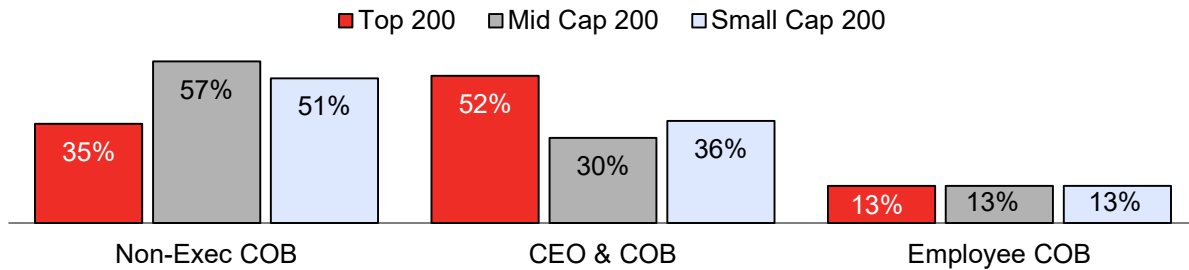


* Represents fees for meetings attended in person.

Non-Executive Chairperson

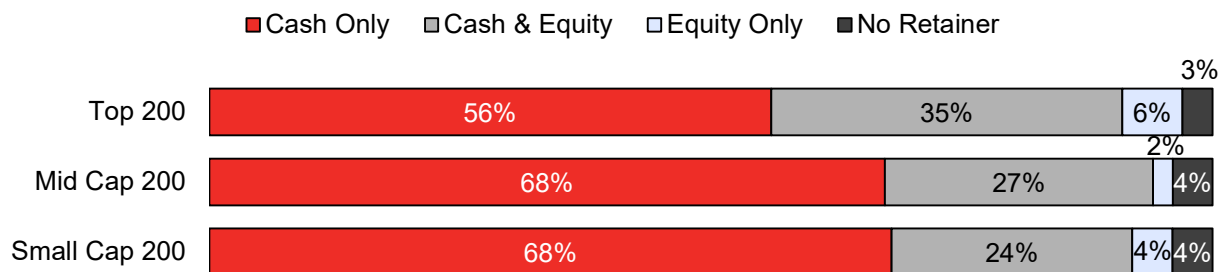
Small Cap and Mid Cap company boards are more likely to be led by a non-executive chair than Top 200 companies. The majority of Top 200 companies are led by a combined Chair and CEO position.

Non-Executive COB Prevalence



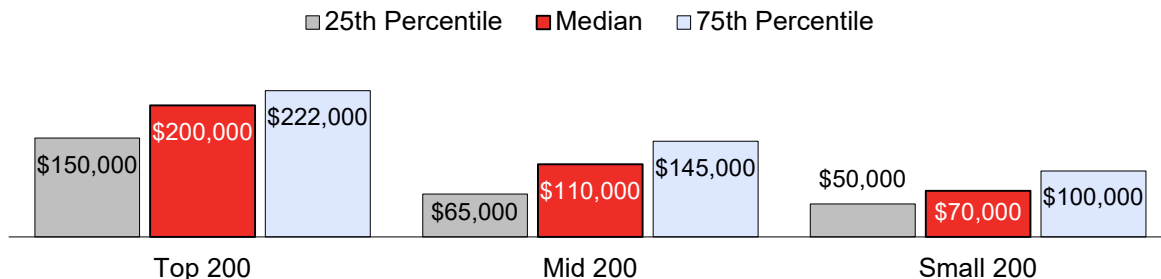
The majority of non-executive chairs are paid an additional fee for their service; more than 95% of chairs in each of the Top 200, Mid Cap and Small Cap groups are paid an additional retainer. The majority of additional retainers are paid solely in cash, but a sizable minority of companies award both additional cash and equity retainers to the non-executive chair.

Non-Executive COB Retainer



At median, the total additional compensation paid to non-executive chairpersons in 2019 ranged from \$70,000 at Small Cap companies to \$200,000 at Top 200 companies. The median fee among Top 200 companies has remained at \$200,000 since 2011.

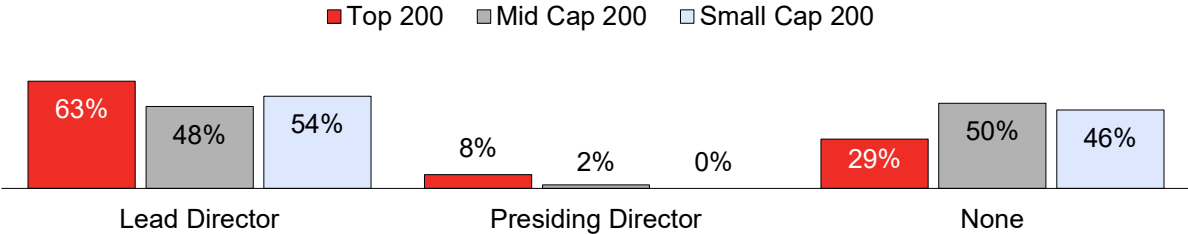
Non-Executive COB Premium



Lead and Presiding Director

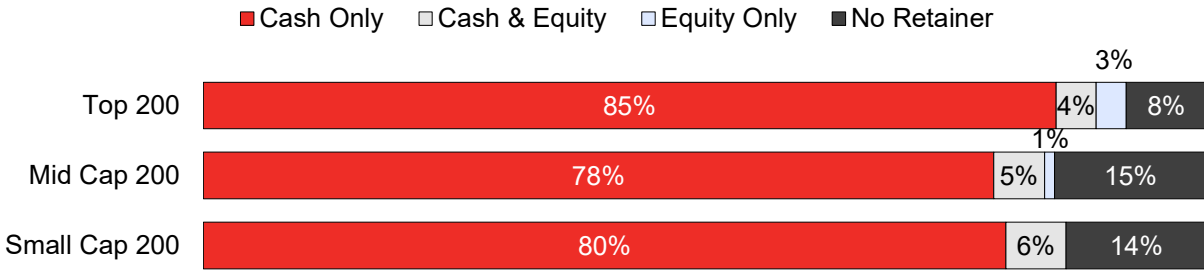
Companies without a non-executive chairperson generally have an independent lead or presiding director. Lead directors are significantly more prevalent than presiding directors.

Lead/Presiding Director Prevalence



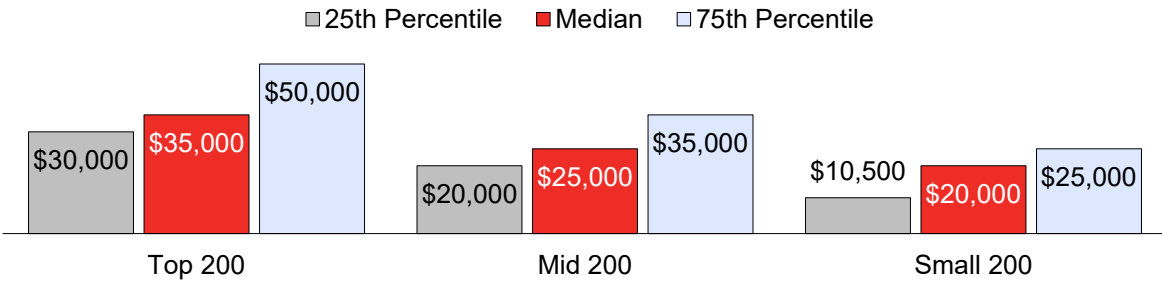
Most lead/presiding directors are paid an additional fee. The majority of these additional fees are paid in cash, with a small minority of companies awarding equity either as the sole component or in conjunction with the cash retainer.

Lead/Presiding Director Retainer



At median, the additional compensation paid to lead/presiding directors in 2019 ranged from \$20,000 at Small Cap companies to \$35,000 at Top 200 companies.

Lead/Presiding Director Premium



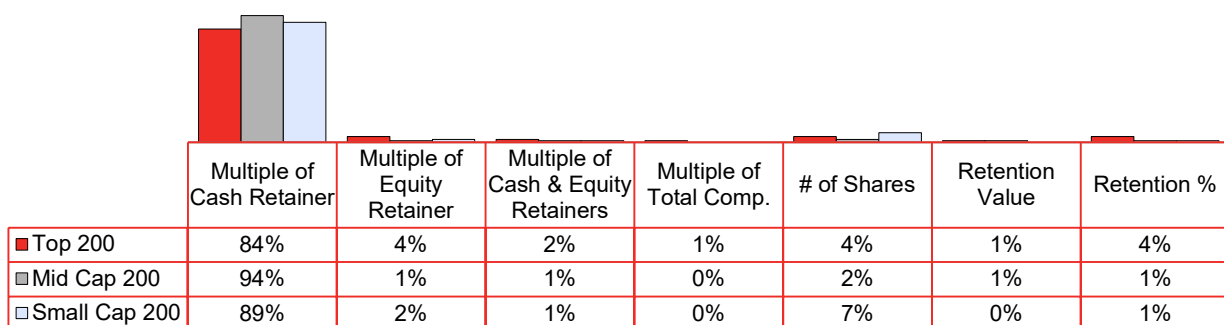
SHARE OWNERSHIP AND RETENTION GUIDELINES

Ownership and stock retention guidelines have generally increased in prevalence over the last several years. Prevalence of ownership guidelines increased from 2018 levels for the Small Cap 200 companies, but remained even for Top 200 and Mid 200 companies. Ownership guidelines were disclosed by:

- 192 (96%) of Top 200 companies
- 185 (93%) of Mid Cap companies
- 177 (89%) of Small Cap companies

The majority of ownership requirements were stipulated as a multiple of the annual board cash retainer, although sizeable minorities defined the requirement as a fixed dollar value or a fixed number of shares.

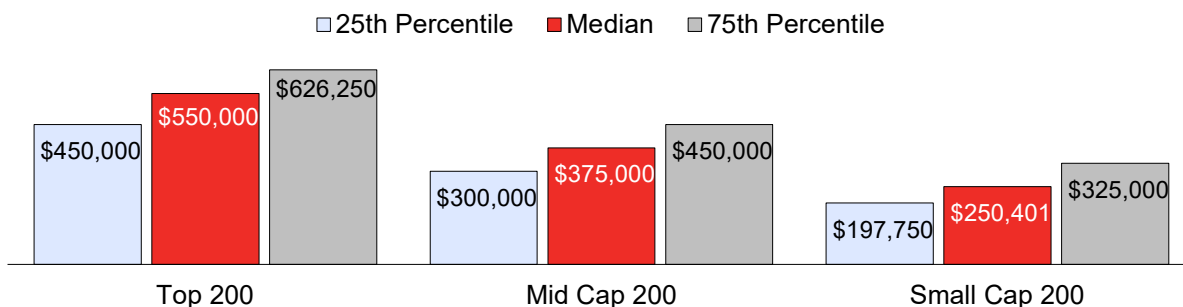
Share Ownership and Retention Guideline Definitions



When ownership guidelines are calculated as a multiple of annual board cash retainer for each company, the median ownership multiple for each group equals 5x the annual board cash retainer.

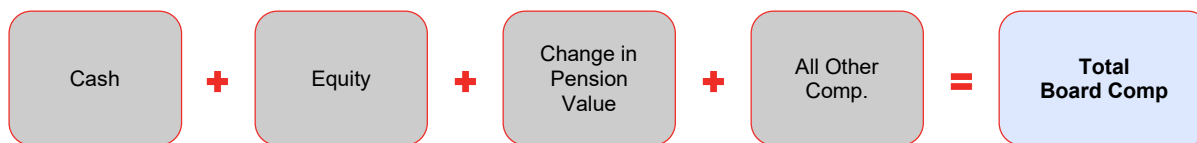
The value of such guidelines (valued on December 31, 2019) is displayed below:

Share Ownership Guideline Value



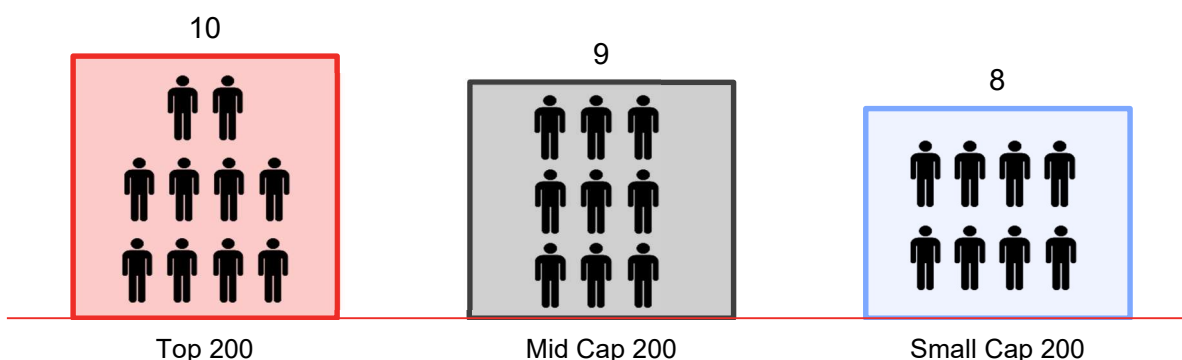
TOTAL BOARD COMPENSATION

Total board compensation reflects the sum of all four fee components (cash, equity, pension value changes, and all other compensation amounts), as reported in the director compensation table of the most recent proxy statement. Certain exclusions were made for fees paid for duties unrelated to board service, such as consulting fees and payments made pursuant to previous employment by the company.



Median number of paid directors ranged from eight at Small Cap companies to ten at Top 200 companies.

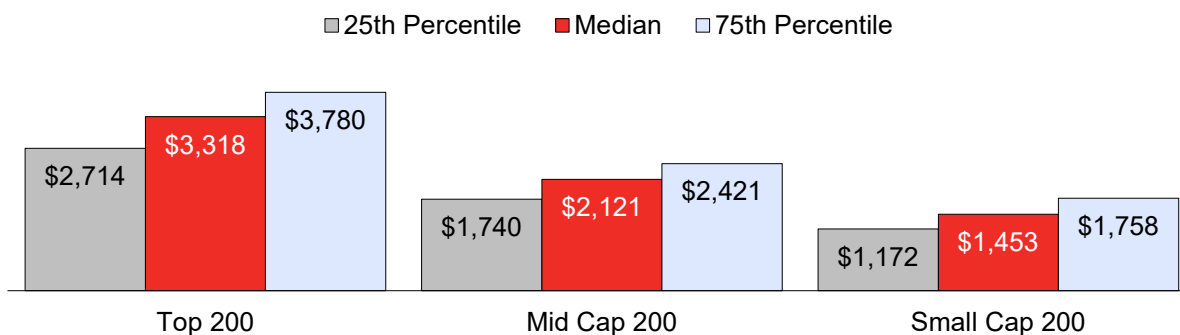
Median Number of Paid Directors



Size of the organization continues to be an important factor in total board compensation. Higher total board compensation amounts at larger companies reflect the fact that these organizations pay higher fees and have more directors than smaller companies.

Among the companies reviewed, median total board compensation ranged from \$1.5 million among Small Cap companies to \$3.3 million among Top 200 companies.

Median Total Board Compensation (\$000s)



What to expect in 2021

- Lower increases in director compensation levels relative to previous years
 - With the presence of COVID-19 and the uncertainty that surrounds the pandemic, many boards have reduced or frozen director compensation until business and the economy return to normal
- Increased use of limits in director compensation plans
- Increase in share ownership guideline prevalence and guideline value
 - Guideline values will increase as both a dollar amount and as a multiple of annual cash retainer reflecting the desire for directors to have significant equity holdings

Things to consider when conducting an annual review of director compensation

- Is the current director compensation program competitive with regards to compensation levels and mix of cash and equity?
 - Does it allow the company to attract and retain high quality director candidates?
 - Are modifications to the director compensation program sustainable, appropriate and reflective of projected market increases and company growth?
 - Is the program's structure aligned with the current best practice of delivering at least half of total value to directors in the form of equity?
- How will modifications to the director compensation program affect total board cost?

Top 200 Companies Studied

Communication Services

AT&T, Inc.	Netflix, Inc.	T-Mobile Us Inc.
Centurylink Inc.	Sprint Corporation	Verizon Communications, Inc.

Consumer Discretionary

Adient PLC	Core-Mark Holding Company, Inc.	Kohl's Corp.	Ross Stores, inc.
Amazon.com, Inc.	D.R. Horton, Inc.	Lear Corp.	Starbucks Corp.
ARAMARK	Dollar General Corp.	Lennar Corp.	Target Corp.
Autonation, Inc.	Dollar Tree, Inc.	Lowe's Companies, Inc.	Tenneco Inc.
Best Buy Co., Inc.	Ford Motor Company	Macy's, Inc.	Tesla, Inc.
Camax, Inc.	Gap, Inc. (The)	Marriot International	TJX Companies, Inc. (The)
Camival Corporation	General Motors Company	McDonald's Corp.	Walt Disney Company (The)
Charter Communications, Inc.	Genuine Parts Company	Nike Inc.	Whirlpool Corp.
Comcast Corp.	Home Depot, Inc. (The)	Penske Automotive Group, Inc.	

Consumer Staples

Altria Group, Inc.	General Mills, Inc.	Performance Food Group Company	Tyson Foods, Inc.
Archer-Daniels-Midland Company	Kimberly-Clark Corporation	Philip Morris International, Inc.	United Natural Foods, Inc.
Bunge Ltd.	Kraft Heinz Company	Procter & Gamble Company (The)	US Foods Holding Corp.
Coca-Cola Company (The)	Kroger Company (The)	Rite Aid Corporation	Walgreens Boots Alliance, Inc.
Costco Wholesale Corp.	Mondelez International, Inc.	SYSCO Corp	Walmart, Inc.
Estee Lauder Companies, Inc. (The)	Pepsico, Inc.		

Energy

Baker Hughes Company	EOG Resources, Inc.	Marathon Petroleum Corp.	Plains All American Pipeline LP
Chevron Corp.	EXXON Mobile Corp.	Occidental Petroleum Corp.	Schlumberger N.V.
ConocoPhillips	Halliburton Company	PBF Energy Inc.	Valero Energy Corp.
Enbridge, Inc.	HollyFrontier Corp.	Phillips 66	World Fuel Services Corp.
Enterprise Products Partners LP			

Financials

Aflac Corp.	Capital One Financial Corp.	Lincoln National Corp.	Progressive Corp. (The)
Allstate Corp. (The)	Chubb Limited	Marsh & McLennan Companies, Inc.	Prudential Financial, Inc.
American Express Company	Citigroup, Inc.	MetLife, Inc.	The Bank Of New York Mellon Corp.
American International Group, Inc.	Goldman Sachs Group, Inc. (The)	Morgan Stanley	The Travelers Companies, Inc.
Bank of America Corp.	Hartford Financial Services Group, Inc. (The)	PNC Financial Services Group, Inc. (The)	U.S. Bancorp
Berkshire Hathaway, Inc.	JP Morgan Chase & Co.	Principal Financial Group, Inc.	Wells Fargo & Company

Health Care

Abbott Laboratories	Bristol-Myers Squibb Company	Gilead Sciences, Inc.	Molina Healthcare, Inc.
Abbvie Inc.	Cardinal Health, Inc.	HCA Healthcare, Inc.	Pfizer, Inc.
Allergan PLC	Centene Corporation	Humana Inc.	Tenet Healthcare Corp.
AmerisourceBergen Corp.	Cigna Corp.	Johnson & Johnson	Teva Pharmaceutical Industries Ltd
Amgen Inc.	CVS Health Corp.	Mckesson Corp	Thermo Fisher Scientific, Inc.
Anthem, Inc.	Danaher Corp.	Medtronic PLC	UnitedHealth Group Inc. (De)
Becton, Dickinson And Company	Eli Lilly And Company	Merck & Company, Inc.	

Industrials

3M Company	Deere & Company	Ingersoll-Rand PLC	Southwest Airlines Company
Aecom	Delta Air Lines, Inc.	Johnson Controls International PLC	Union Pacific Corp.
American Airlines Group, Inc.	Emerson Electric Company	Lockheed Martin Corp.	United Airlines Holdings, Inc.
Boeing Company (The)	Fedex Corp	Manpowergroup	United Parcel Service, Inc.
C.H. Robinson Worldwide, Inc.	General Dynamics Corp.	Northrop Grumman Corp.	United Tech Corp.
Caterpillar, Inc.	General Electric Company	Paccar Inc.	XPO Logistics, Inc.
Cummins Inc.	Honeywell Intl Inc.	Raytheon Company	

Information Technology

Accenture PLC	Cisco Systems	HP Inc.	Oracle Corp
Alphabet Inc.	Cognizant Tech Solutions Corp.	Intel Corp.	Paypal Holdings, Inc.
Apple, Inc.	Dell Tech, Inc.	International Business Machines Corporation	Qualcomm, Inc.
Arow Electronics, Inc.	DXC Technology Company	Jabil, Inc.	Salesforce.com Inc
Avnet, Inc.	Facebook, Inc.	Mastercard Inc.	Synnex Corp.
Broadcom Inc.	Flex Ltd.	Micron Technology	Tech Data Corp.
CDW Corp.	Hewlett Packard Enterprise Company	Microsoft Corp	Visa, Inc.

Materials

Dupont De Nemours, Inc.	Lyondellbasell Industries NV	Sherwin-Williams Company (The)
International Paper Company	Nucor Corp.	Westrock Company

Real Estate

CBRE Group, Inc.	Jones Lang Lasalle, Inc.
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Utilities

American Electric Power Company, Inc.	Exelon Corp.	Pacific Gas & Electric Co.
Duke Energy Corp.	Nextera Energy, Inc.	Southern Company (The)

Mid Cap Companies Studied

Communication Services

Telephone And Data Systems

Consumer Discretionary

Aaron's, Inc.	Cracker Barrel Old Country Store, Inc.	Murphy USA, Inc.	Tempur Sealy International, Inc.
Adtalem Global Education, Inc.	Dana Holding Corp.	Office Depot, Inc.	Texas Roadhouse, Inc.
AMC Networks, Inc.	Dillard's, Inc.	Polaris Industries, Inc.	Thor Industries, Inc.
American Eagle Outfitters, Inc.	Dunkin' Brands Group, Inc.	Pool Corp.	Toil Brothers, Inc.
Bed Bath & Beyond, Inc.	Foot Locker, Inc.	Sally Beauty Holdings, Inc.	Tri Pointe Group, Inc.
Brunswick Corporation	Helen Of Troy Ltd	Scientific Games Corporation	Urban Outfitters, Inc.
Carter's, Inc.	KB Home	Service Corp International	Williams-Sonoma, Inc.
Cheesecake Factory Inc (The)	Live Nation Entertainment, Inc.	Skechers U.S.A., Inc.	

Consumer Staples

Boston Beer Company, Inc.	Energizer Holdings, Inc.	Post Holdings, Inc.
Casey's General Stores, Inc.	Flowers Foods, Inc.	Tootsie Roll Industries
Edgewell Personal Care Co.	Ingredion, Inc.	Treehouse Foods, Inc.

Energy

Apergy Corporation	Equitrans Midstream Corp.	Oceaneering International, Inc.	Transocean Ltd
CNX Resources Corp.	Matador Resources Company	Patterson-UTI Energy	WPX Energy Inc.
Core Laboratories	Murphy Oil Corp.	Southwestern Energy Co.	

Financials

Alleghany Corp.	Eaton Vance Corp.	Mercury General Corp.	SLM Corp.
American Financial Group	Factset Research Systems, Inc.	Old Republic Intl Corp.	Sterling Bancorp
Associated Banc-Corp	Federated Investors, Inc.	Pacwest Bancorp	Synovus Financial Corp.
Brighthouse Financial	First American Financial Corp.	Pinnacle Financial Partners, Inc.	Trustmark Corp.
Brown & Brown, Inc.	FNB Corporation	Primerica, Inc.	Webster Financial Corp.
CNO Financial Group, Inc.	Fulton Financial Corporation	Prosperity Bancshares, Inc.	WR Berkley Corp.
Commerce Bancshares, Inc.	Genworth Financial, Inc.	Reinsurance Group Of America, Inc.	
Cullen/Frost Bankers, Inc.	Hanover Insurance Group, Inc. (The)	Renaissancere Holdings Ltd	
East West Bancorp, Inc.	Legg Mason, Inc.	SEI Investments Company	

Health Care

Acadia Healthcare Co., Inc.	Encompass Health Corporation	Masimo Corp.	Steris Plc
Allscripts Healthcare Solutions, Inc.	Healthequity, Inc.	Mednax, Inc.	West Pharmaceutical Services
Bio-Techne Corp.	Hill-Rom Holdings, Inc.	Nektar Therapeutics	
Charles River Laboratories	LivaNova PLC	NuVasive, Inc.	

Industrials

Carlisle Cos, Inc.	Graco, Inc.	Lennox International, Inc.	Timken Co.
CoreLogic	Hubbell, Inc.	Lincoln Electric Holdings, Inc.	Toro Co. (The)
Crane Company	ITT, Inc.	MSA Safety, Inc.	Trinity Industries, Inc.
Curtiss-Wright Corp.	Jetblue Airways Corp.	MSC Industrial Direct Co.	Valmont Industries, Inc.
Deluxe Corp.	KBR, Inc.	Nordson Corp.	Woodward, Inc.
Dycom Industries, Inc.	Kirby Corp.	Old Dominion Freight Line	
EMCOR Group, Inc.	Knight-Swift Transportation Holdings, Inc.	Ryder System, Inc.	
GATX Corp.	Landstar System, Inc.	Teledyne Technologies, Inc.	

Information Technology

ACI Worldwide, Inc.	First Solar, Inc.	Netscout Systems, Inc.	Tetra Technologies, Inc.
Belden, Inc.	Interdigital, Inc.	Plantronics, Inc.	Trimble Navigation Ltd
CACI International	J2 Global, Inc..	PTC, Inc.	Viasat, Inc.
CDK Global, Inc.	Littelfuse, Inc.	Sabre Corp.	Vishay Intertechnology, Inc.
Ciena Corp.	Lumentum Holdings, Inc.	Science Applications International Corp.	WEX, Inc.
Cognex Corp.	Manhattan Associates, Inc.	Silicon Laboratoris, Inc.	Zebra Technologies Corp.
Coherent, Inc.	Maximus, Inc.	Synaptics, Inc.	
Cree, Inc.	National Instruments Corp.	Teradata Corporation	
Fair Isaac Corp.	NCR Corp.	Teradyne	

Materials

Aptargroup, Inc.	Greif, Inc.	Royal Gold, Inc.	United States Steel Corp.
Cabot Corp.	Minerals Technologies, Inc.	Sensient Technologies Corp.	Worthington Industries
Carpenter Technology Corp.	Olin Corp.	Silgan Holdings, Inc.	
Commercial Metals Co.	PolyOne Corp.	Sonoco Products Co.	

Real Estate

Alexander & Baldwin, Inc.	Cousins Properties, Inc.	Highwoods Properties, Inc.	Life Storage, Inc.
American Campus Communities	Douglas Emmett, Inc.	Hospitality Properties Trust	National Retail Properties, Inc.
CoreCivic, Inc.	EPR Properties	Kilroy Realty Corp.	Potlatch Corp.
Corporate Office Properties Trust	GEO Group, Inc.	Lamar Advertising Co.	Taubman Centers, Inc.

Utilities

Aqua America, Inc.	MDU Resources Group, Inc.	ONE Gas Inc.
Atmos Energy Corp.	Northwestern Corporation	PNM Resources Inc.
Hawaiian Electric Industries	OGE Energy Corp	UGI Corp

Small Cap Companies Studied

Communication Services

ATN International Inc	Consolidated Communications Holdings, Inc.	Iridium Communications, Inc.
Cogent Communications Holdin	E.W. Scripps Company	Vonage Holdings Corp.

Consumer Discretionary

American Public Education, Inc.	Dave & Buster's Entertainment, Inc.	La-Z Boy, Inc.	Red Robin Gourmet Burgers, Inc.
Barnes & Noble Education, Inc.	Express, Inc.	Lithia Motors, Inc.	Shoe Carnival, Inc.
Caleres, Inc.	Gannett Co, Inc.	Monarch Casino & Resort, Inc.	Universal Electronics, Inc.
Callaway Golf Company	Genesco, Inc.	Monro Muffler Brake, Inc.	Vera Bradley, Inc.
Cato Corp.	Hibbet Sports, Inc.	Motorcar Parts of America, Inc.	
Children's Place, Inc. (The)	Installed Building Products, Inc.	Movado Group, Inc.	
Chuy's Holdings, Inc.	iRobot Corp.	Oxford Industries, Inc.	

Consumer Staples

Andersons, Inc. (The)	Central Garden & Pet Co.	Medifast, Inc.	Universal Corp.
B&G Foods, Inc.	Inter Parfums, Inc.	National Beverage Corp.	WD-40 Co.
Calavo Growers, Inc.	Marcus Corp.		

Energy

Era Group, Inc.	Helix Energy Solutions Group	Renewable Energy Group, Inc.
Geospace Technologies Corp.	Laredo Petroleum, Inc.	Rex American Resources Corp.
Green Plains, Inc.	Newpark Resources, Inc.	Seacor Holdings, Inc.

Financials

American Equity Investment Life Holding	Dime Community Bancshares	NBT Bancorp, Inc.	ServisFirst Bancshares, Inc.
Ameris Bancorp	Encore Capital Group, Inc.	Northfield Bancorp, Inc.	Simmons First Natl Corp.
Banner Corporation	First Midwest Bancorp, Inc.	Northwest Bancshares, Inc.	Tompkins Financial Corp.
Blucora, Inc.	Greenhill & Co, Inc.	Old National Bancorp	United Community Banks
Boston Private Financial Holdings, Inc.	HCI Group, Inc.	PRA Group, Inc.	Universal Insurance Holdings
Capstead Mortgage Corp.	Horace Mann Educators Corp.	Pro-Assurance Corp.	Walker & Dunlop, Inc.
Central Pacific Financial Co.	Intl Fcstone, Inc.	Provident Financial Services, Inc.	WisdomTree Investments, Inc.
Community Bank System, Inc.	Invesco Mortgage Capital, Inc.	S&T Bancorp, Inc.	

Health Care

Acorda Therapeutics, Inc.	Corvel Corp.	Integer Holdings Corp.	Nextgen Healthcare, Inc.
AMAG Pharmaceuticals, Inc.	Cross Country Healthcare, Inc.	Lannett Co, Inc.	Omniceil, Inc.
Amn Healthcare Services, Inc.	Cryolife, Inc.	LHC Group, Inc.	Spectrum Pharma, Inc.
Angiodynamics, Inc.	Cytokinetics, Inc.	Magellan Health, Inc.	Varex Imaging Corp.
Biotelemetry, Inc.	Emergent Biosolutions, Inc.	Medpace Holdings, Inc.	
Conmed Corp.	Ensign Group, Inc. (The)	Meridian Bioscience, Inc.	
Corcept Therapeutics, Inc.	HMS Holdings Corp.	Merit Medical Systems, Inc.	

Industrials

Aaon, Inc.	Exponent, Inc.	Lindsay Corporation	Skywest, Inc.
Aerojet Rocketdyne Holdings	Federal Signal Corp.	Marten Transport Ltd	SPX Corp.
Aerovironment, Inc.	Forward Air Corp.	Mobile Mini, Inc.	Team, Inc.
Applied Industrial Technologies, Inc.	Franklin Electric Company	Moog, Inc.	Titan International
Azz, Inc.	Griffon Corp.	MYR Group, Inc.	Trueblue, Inc.
Brady Corporation	Harsco Corp.	Powell Industries, Inc.	Vertiv Corp.
Cubic Corp.	Interface, Inc.	Resources Connection, Inc.	Viad Corp.
Echo Global Logistics, Inc.	Kaman Corp.	RR Donnelley & Sons Co.	
Esco Technologies, Inc.	Kom/Ferry International	Saia, Inc.	

Information Technology

8X8, Inc.	Diodes, Inc.	OSI Systems, Inc.	Rogers Corp.
Adtran, Inc.	Fabrinet	Park Electrochemical Corp.	Stamps.com, Inc.
Advanced Energy Industries, Inc.	Harmonic, Inc.	PDF Solutions, Inc.	Sykes Enterprises, Inc.
Agilysys, Inc.	Itron, Inc.	Perficient, Inc.	TTM Technologies, Inc.
Anixter International, Inc.	Kulicke & Soffa Industries, Inc.	Plexus Corp.	Unisys Corp.
Badger Meter, Inc.	Liquidity Services, Inc.	Power Integrations, Inc.	Virtusa Corp.
Brooks Automation, Inc.	Methode Electronics, Inc.	Progress Software Corp.	Xperi Corporation
CTS Corp.	MicroStrategy, Inc.	Quinstreet, Inc.	
Daktronics, Inc.	Netgear, Inc.	Rambus, Inc.	

Materials

American Vanguard Corp.	H. B. Fuller Company	Myers Industries, Inc.	Rayonier Advanced Materials, Inc.
Balchem Corp.	Koppers Holdings, Inc.	Olympic Steel, Inc.	Tredegar Corp.
Clearwater Paper Corp.	Materion Corp.	P. H. Glatfelter Company	US Concrete, Inc.

Real Estate

Acadia Realty Trust	Cedar Realty Trust, Inc.	Re/Max Holdings, Inc.
Agree Realty Corp.	Four Corners Property Trust, Inc.	Retail Opportunity Investments Corp.
CBL & Associates Properties, Inc.	Kite Realty Group Trust	Summit Hotel Properties, Inc.

Utilities

American States Water Co.	California Water Service Group	South Jersey Industries
Avista Corp.	Northwest Natural Gas Company	

APPENDIX B

2019 Director Compensation									
	Top 200			Mid Cap 200			Small Cap 200		
	25th %ile	Median	75th %ile	25th %ile	Median	75th %ile	25th %ile	Median	75th %ile
Revenues (\$ million)	\$20,820	\$29,046	\$64,740	\$1,423	\$2,645	\$4,113	\$446	\$837	\$1,456
Board Fees									
Cash Retainer*	\$90,000	\$105,000	\$125,000	\$65,000	\$75,000	\$90,000	\$45,000	\$60,000	\$75,000
Prevalence		98%			100%			99%	
Equity Retainer*	\$159,500	\$175,000	\$200,000	\$115,000	\$135,000	\$164,262	\$75,000	\$100,000	\$130,000
Prevalence		100%			98%			97%	
Meeting Fee*	\$1,500	\$2,000	\$2,000	\$1,500	\$2,000	\$2,313	\$1,500	\$1,800	\$2,500
Prevalence		14%			26%			20%	
Committee Fees									
Audit Committee									
Chair Retainer*	\$25,000	\$25,000	\$35,000	\$20,000	\$25,000	\$30,000	\$15,000	\$20,000	\$25,000
Prevalence		98%			97%			96%	
Member Retainer*	\$10,000	\$15,000	\$15,250	\$10,000	\$11,000	\$15,000	\$7,625	\$10,000	\$12,500
Prevalence		38%			55%			55%	
Meeting Fee*	\$1,500	\$2,000	\$2,000	\$1,000	\$1,500	\$2,000	\$1,000	\$1,500	\$1,500
Prevalence		16%			25%			21%	
Compensation Committee									
Chair Retainer*	\$20,000	\$20,000	\$25,000	\$15,000	\$20,000	\$20,000	\$12,500	\$15,000	\$20,000
Prevalence		96%			96%			93%	
Member Retainer*	\$10,000	\$10,000	\$15,000	\$7,000	\$10,000	\$10,000	\$6,000	\$7,500	\$10,000
Prevalence		24%			50%			50%	
Meeting Fee*	\$1,500	\$2,000	\$2,000	\$1,000	\$1,500	\$2,000	\$1,000	\$1,250	\$1,500
Prevalence		16%			26%			22%	
Nominating / Governance Committee									
Chair Retainer*	\$15,000	\$20,000	\$20,000	\$10,000	\$15,000	\$17,250	\$10,000	\$10,000	\$15,000
Prevalence		95%			93%			89%	
Member Retainer*	\$7,625	\$10,000	\$12,500	\$5,000	\$7,000	\$8,625	\$5,000	\$5,500	\$7,500
Prevalence		23%			46%			47%	
Meeting Fee*	\$1,500	\$1,875	\$2,000	\$1,000	\$1,500	\$2,000	\$1,000	\$1,225	\$1,500
Prevalence		16%			24%			21%	
Total Compensation									
Pro Forma Director	\$293,333	\$315,000	\$339,000	\$218,250	\$247,583	\$278,083	\$150,250	\$192,250	\$224,750
Cash / Equity		41% / 59%			43% / 57%			46% / 54%	
Audit Chair	\$297,500	\$320,000	\$345,000	\$224,313	\$251,331	\$283,875	\$154,938	\$196,025	\$229,531
Cash / Equity		43% / 57%			46% / 54%			49% / 51%	
Compensation Chair	\$295,000	\$315,000	\$340,250	\$218,063	\$247,250	\$276,313	\$149,097	\$192,375	\$224,250
Cash / Equity		42% / 58%			45% / 55%			48% / 52%	
Nom / Gov Chair	\$290,000	\$310,000	\$335,000	\$215,000	\$245,000	\$273,675	\$147,498	\$187,625	\$219,438
Cash / Equity		42% / 58%			44% / 56%			47% / 53%	
Non-Chair	\$275,000	\$295,000	\$321,042	\$206,250	\$234,262	\$262,083	\$142,849	\$180,000	\$211,417
Cash / Equity		39% / 61%			42% / 58%			45% / 55%	

* Represents median of non-zero values.

How does your company compare?

We welcome the opportunity to further discuss this study and provide additional pay level data that is specific to your industry and organization size.

Please contact us at shp@shallpartners.com for more information.

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