COVID-19 Disruption: Tracking Executive and Director Compensation Changes
Information as of July 31st, 2020
### Companies Reporting Pay Actions as of July 31\textsuperscript{st}, 2020

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All but a handful of companies reporting changes to non-employee director compensation also reported changes to executive compensation.
To date, a number of organizations in the “high impact” category of the above spectrum have announced executive, non-employee director, and broad-based employee pay actions (see detail on the next three pages) to shore-up liquidity during a period of unprecedented uncertainty.

Some organizations in the “medium impact” category have announced similar pay actions, although these are less prevalent and less severe.

To date, nearly 25% of S&P 500 companies and nearly 20% of Russell 3000 companies have announced executive pay actions, with most of these companies concentrated towards the right of the above spectrum.

As stay-at-home orders have lifted and business as usual has returned somewhat, we have observed nearly 30 Russell 3000 companies publicly disclosing that executive and director compensation has been restored to pre-COVID-19 levels.

In the Russell 3000, we have observed nearly 30 companies fully or partially restoring compensation.

Note: individual companies may find their various business units located at various points of the spectrum.
Magnitude of Pay Changes in S&P 500 and R 3000

Reductions generally represent decreases to salary for executives and cash retainers for directors.

S&P 500 Executive and Non-Employee Director Compensation Reductions

Russell 3000 Executive and Non-Employee Director Compensation Reductions

Reductions generally represent decreases to salary for executives and cash retainers for directors.
Compensation Adjustments by Industry Segment

S&P 500 Pay Adjustments by Industry

- Consumer Discretionary: 38
- Industrials: 30
- Health Care: 15
- Energy: 10
- Information Technology: 8
- Communication Services: 6
- Real Estate: 6
- Materials: 5
- Consumer Staples: 2
- Financials: 1

S&P 500 Salary Reduction Population

- Executives Only: 38%
- Executives & Non-Employee Directors: 62%

Russell 3000 Pay Adjustments by Industry

- Consumer Discretionary: 184
- Industrials: 130
- Health Care: 70
- Energy: 58
- Information Technology: 45
- Real Estate: 36
- Communication Services: 30
- Materials: 20
- Consumer Staples: 7
- Financials: 6
- Utilities: 1

Russell 3000 Salary Reduction Population

- Executives Only: 37%
- Executives & Non-Employee Directors: 63%
Salary Reductions by Exec Level and Time Frame

### S&P 500 Salary Reductions
- **Covered Executives**
  - **CEO only**: 7%
  - **NEOs**: 17%
  - **Senior Execs.**: 76%

### Russell 3000 Salary Reductions
- **Covered Executives**
  - **CEO only**: 7%
  - **NEOs**: 31%
  - **Senior Execs.**: 61%

### S&P 500 Salary Reduction Time Period
- **Indefinite**: 45%
- **<3 months**: 2%
- **3-6 months**: 21%
- **>6 months**: 31%

### Russell 3000 Salary Reduction Time Period
- **Indefinite**: 60%
- **<3 months**: 3%
- **3-6 months**: 16%
- **>6 months**: 21%