NASPP New York /New Jersey Chapter

# MANAGING SHARE UTILIZATION AND APPROACHING FUTURE AUTHORIZATIONS

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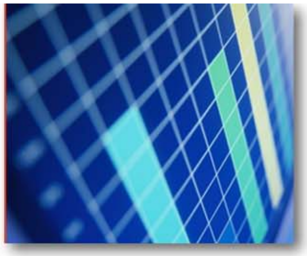

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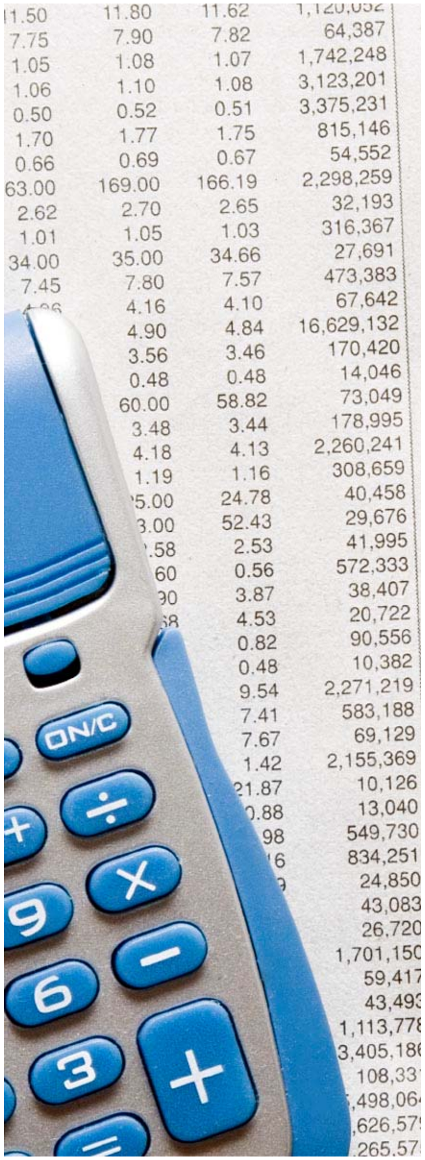

1. **Managing Existing Authorizations**
2. ISS Role
3. Winning Shareholder Approval
4. Appendix

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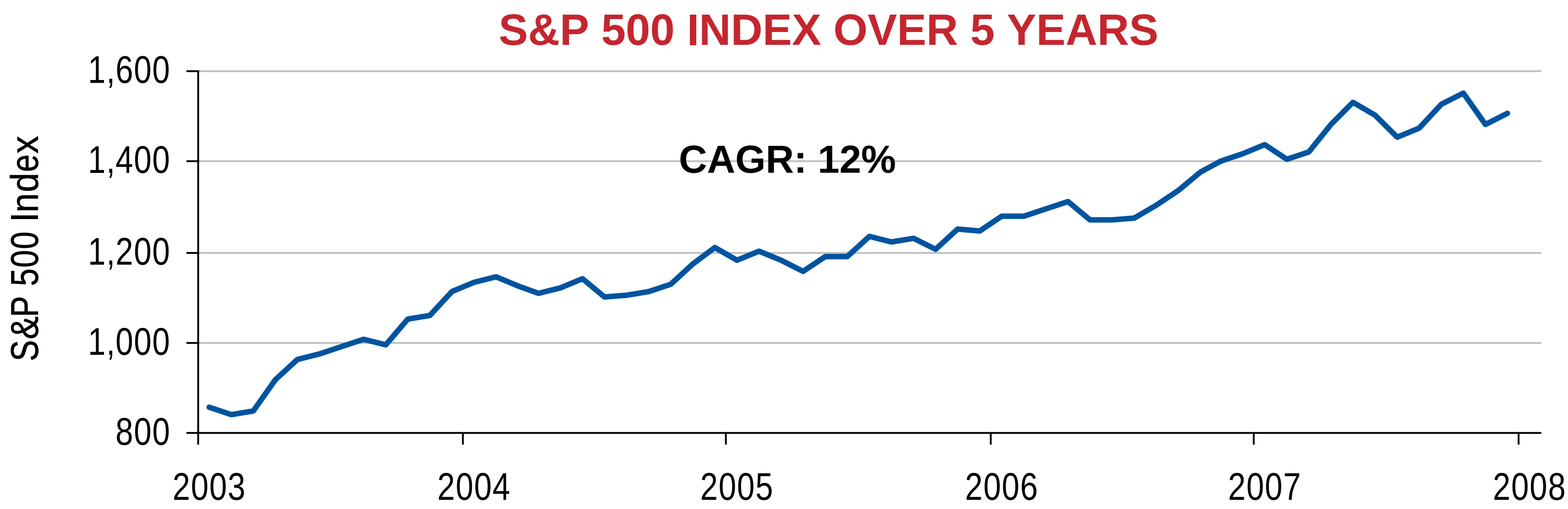
# Today's Discussion

1. **Managing Existing Authorizations:** Strategies to Stretch Your Pool
2. **ISS Role:** Overview of ISS Test's Regarding Future Authorizations
3. **Winning Shareholder Approval:** Best Practices With or Without ISS Approval

**Are there any specific issues you would like us to address in today's meeting?**

# Capital markets increased significantly over the last 5 years



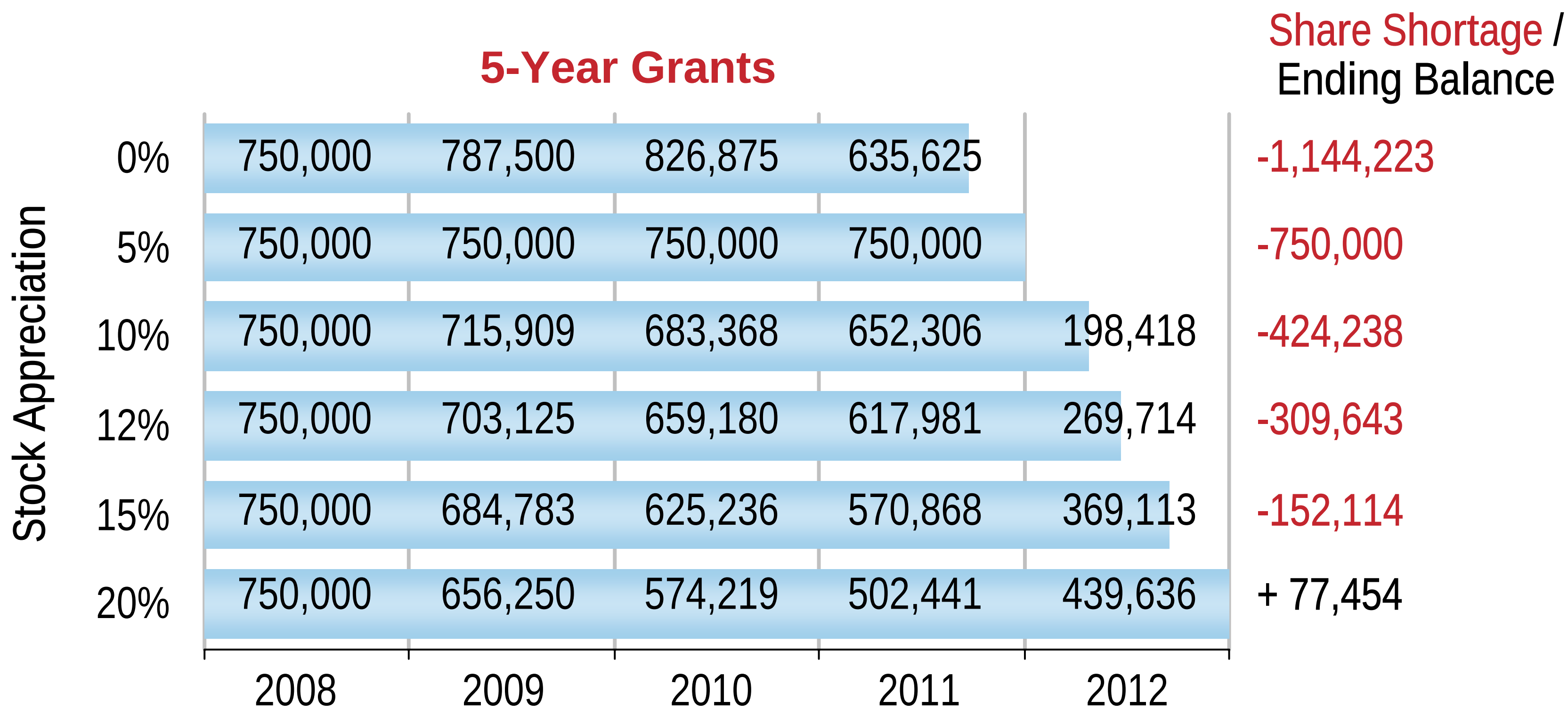

- **2002-2008 Major Indexes CAGR:** S&P 500 +12%, Dow Jones Industrial Average +11%, NASDAQ +16%
- **1999-2002, Major Indexes CAGR**: S&P 500 -8%, Dow Jones Industrial Average -2% and the NASDAQ -12%

**Over the long-term equity markets increase, yet short-term corrections are inevitable.**

# Stock appreciation stretches the equity available for grant from an authorization

Strong markets generally extend the life of plan 1-3 cycles depending the following variables:

| | | | |
|---|---|---|---|
| **Remaining Shares:** | **3,000,000** | **LTI Mix:** | **50% Options<br>50% Restricted Stock** |
| **LTI Value:** | **$10,000,000** | **Starting Stock Price:** | **$20** |
| **Annual LTI Increase** | **5.0%** | **Black Scholes Value:** | **50%** |

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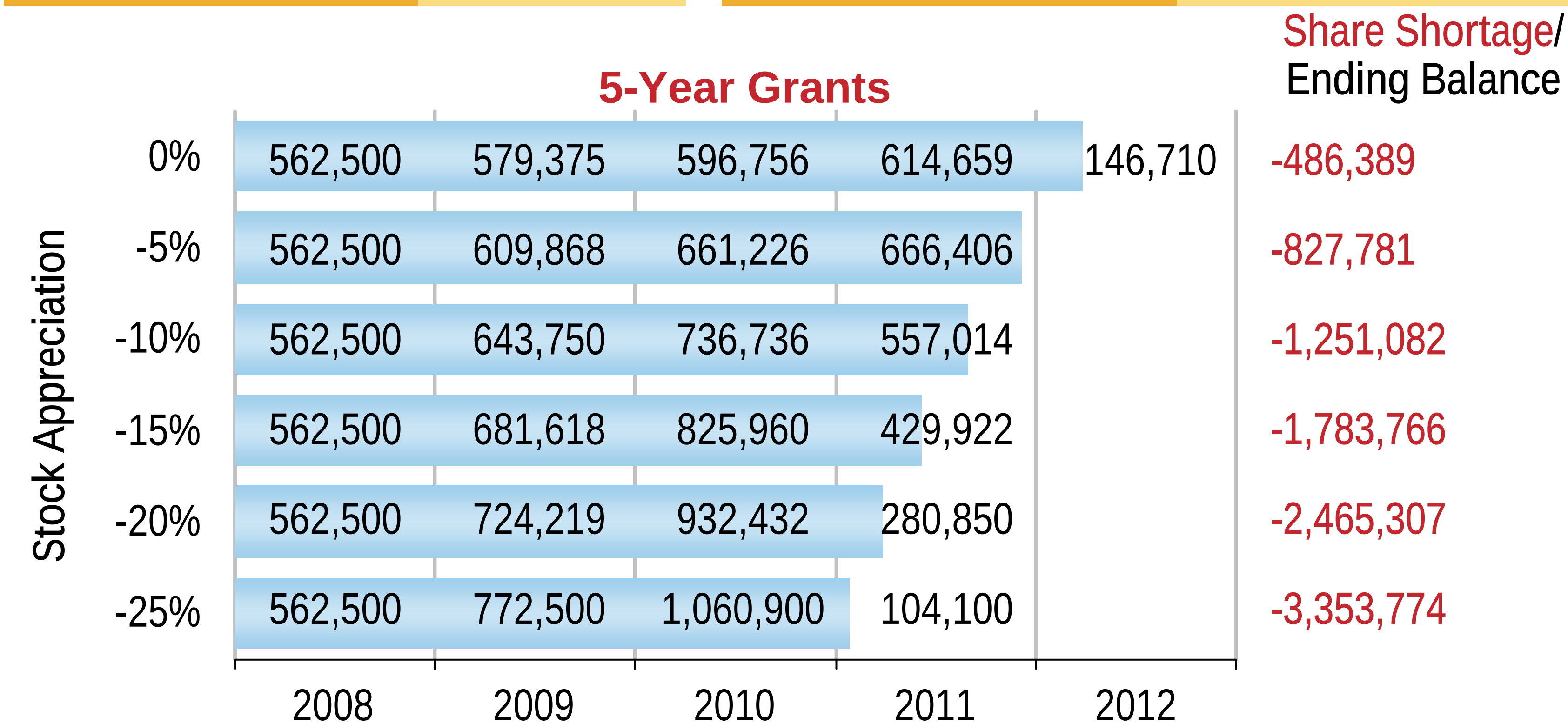
# However, as stock prices decreases the same numbers of share provide less value

Weak markets may shorten the life of a plan 1-3 cycles depending the following variables:

| | | | |
|---|---|---|---|
| **Authorized Shares:** | **2,500,000** | **LTI Mix:** | **50% Options<br>50% Restricted Stock** |
| **LTI Value:** | **$7,500,000** | **Starting Stock Price:** | **$20** |
| **LTI Growth** | **3.0%** | **Black Scholes Value:** | **50%** |



# Four Strategies to Stretch Authorization

**FOUR KEY WAYS TO STRETCH AN AUTHORIZATION**

1. Reduce Equity LTI Participation and/or Award Levels
2. Remix the LTI Portfolio
3. Stretch the Timing of Grant Cycles
4. Move to a Fixed Shares Grant Methodology

**The above alternatives can be used in combination.**

# When faced with a dearth of shares, companies rely on cutting either participation and/or award levels

1

## Reduce Participation and/or Award Levels

- Most common practice
- Essentially, amounts to pay differentiation between “have’s, have-less, and have-nots”
- Should be a focused / targeted effort, but often
  - happens exclusively from the bottom-up
  - non-methodological or “unscientific”
  - raises perceptions of “fairness”
- Award levels must remain large enough to be a meaningful component of total pay
- May be offset with other pay components or one-time cash awards

**Cutting eligibility or award levels may diminish goodwill or lead to turnover, but it can be managed.**

# Some practices to help mitigate "noise" surrounding reductions in levels and/or eligibility

1

If a reduction in eligibility or award levels is necessary, consider it as an investment in talent:

| | |
|---|---|
| Develop Specific Criteria<br>***Apply Consistently*** | • **Strategic Nature of the Role**—How important is the role in executing business strategy?<br>• **Performance**—Who are the high performing employees?<br>• **Talent Scarcity**—What roles are particularly difficult to recruit and retain?<br>• **Market opportunities**—How competitive is the pay opportunities with and without LTI? |
| Plan for the Future | • **Be conservative**—avoid year-over-year reductions<br>• Model out multiple scenarios<br>• Consider whether reductions are one-time, or in permanent |
| Manage the Message | • **Communicate business context**—be forthright and back it up with facts<br>• **Customize communications**—Reinforce positive messages to those who meet criteria<br>• **Reinforce and stay on message**—Avoid "look what leadership made us do" |

# An LTI portfolio helps balance three dimensions of pay strategy; dilution, company performance, and market risk

2

Mixing/remixing LTI vehicles within a portfolio will change the relative impact of each component below:

| Pay Philosophy Components | Outcome |
|---|---|
| **Dilution** | • Manage the level of shareholder dilution by weighing the LTI mix with cash and/or performance/full value shares |
| **Company Performance** | • Link aspects of the LTI portfolio mix with business strategy execution and value creation |
| **Market Risk** | • Mitigate the impact of overall market changes on the amounts of LTI value delivered |

**A model LTI portfolio moderates dilution and increases the performance focus, with modest levels of market risk.**

# Remix the LTI Portfolio

2

Increase cash and full value or performance shares of the LTI portfolio to reduce share usage. Four LTI portfolios below provide the same total value with a stock price of $10 and a Black Scholes of 50%.

| | Options | | Cash | | Performance/ Full Value Shares | | Total Value | Total Shares Used |
|---|---|---|---|---|---|---|---|---|
| Options only | 10,000 | | | | | = | $50,000 | 10,000 |
| Options and cash | 5,000 | + | $25,000 | | | = | $50,000 | 5,000 |
| Options and full value shares | 5,000 | + | | | 2,500 | = | $50,000 | 7,500 |
| Options, cash, and full value shares | 5,000 | + | $15,000 | + | 1,000 | = | $50,000 | 6,000 |

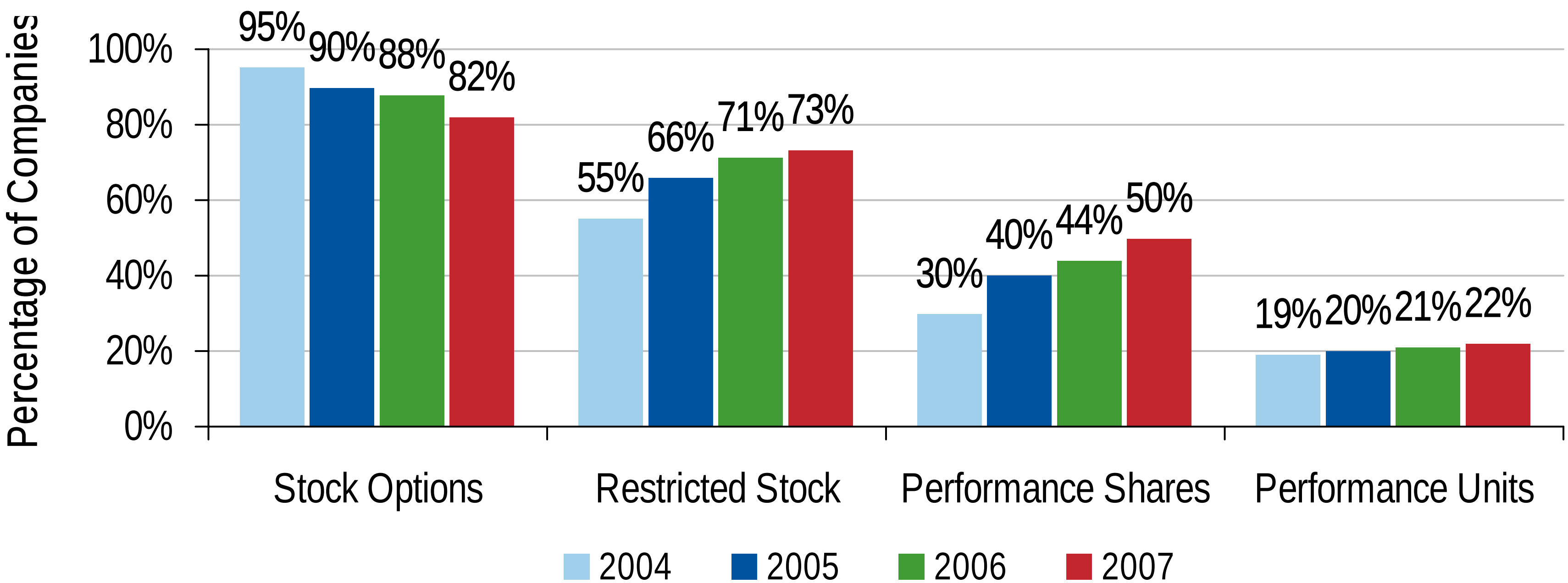
**By increasing the use of cash or full value shares, share usage can be reduced without decreasing the value of the LTI package.**

# Remix the LTI Portfolio

2

There has been a decline in the use of options and an increase in the use of alternative LTI vehicles.

**EXECUTIVE LONG-TERM INCENTIVE GRANT TYPE USAGE**[1]



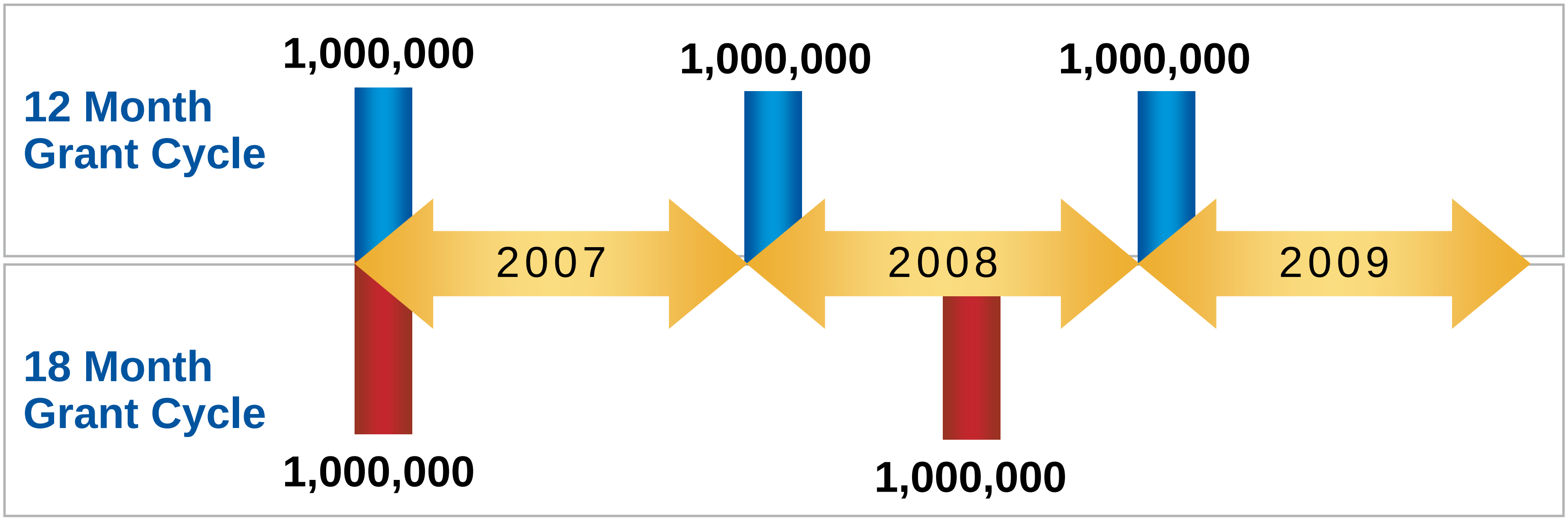

**90% of companies use more than one LTI vehicle,**
**50% of companies use more than two LTI vehicles.**

[1] The 2007 Top 250, Long Term Incentive Grant Practices for Executives. Frederic W. Cook & CO., Inc., 2007.

# Re-timing of grant cycles can buy you some additional time

3

Lengthening the LTI grant period from 12 months to 18 months can reduce the total share usage. The following scenarios illustrate 1,000,000 share grants with a 12 month cycle and an 18 month alternative.




Observations:

- Under a 12 month cycle, 3 million share are granted. Under an 18 month cycle, 2 million shares are granted
- By lengthening the grant cycle by 50%, share usage decreases by 33%

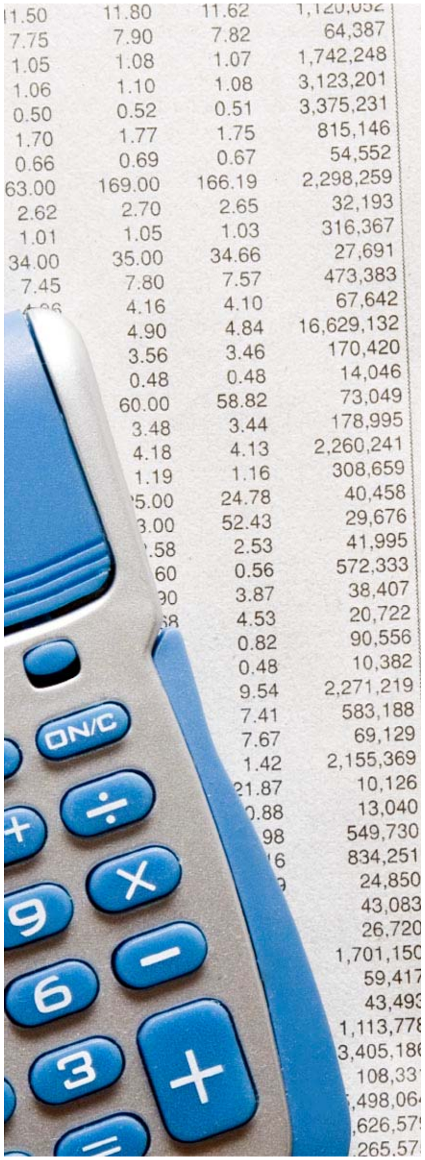
# Fixed share grants can stabilize your annual run-rate

4

## Fixed Share Grants

- More relevant with option grants than restricted shares
- Easier to communicate, understand and administer
- Need to be tested every two-three year to ensure delivery of desired value
- Potentially greater P&L volatility (as stock price rises/falls so does your expense)
- Easier to forecast and manage equity pool

**Granting a fixed number of shares essentially reflects a reduction in LTI awards in down markets but an increase in up markets.**




1. Managing Existing Authorizations
2. **ISS Role**
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# Overview of ISS Governance Services

## Who is ISS Governance Services?

- An indirect wholly-owned subsidiary of RiskMetrics Group, Inc., a privately-held company
- Serves as a proxy/governance advisory with the underlying premise:
  - Evaluate corporate governance practices because "good corporate governance ultimately results in increased shareholder value"
- Provides services to institutional investors
- Provides services to corporations

**ISS exerts strong influence on institutional investors that will be discussed later.**

# Overview of ISS Governance Services *continued*

What corporate governance issues are reviewed by ISS Governance Services?

- Audit and Accounting Issues
- Board Issues
- Corporate Responsibility Issues
- **Compensation Issues and Policies**

# As you determine your authorization needs you should also begin to think about the ISS tests

How can companies assess whether or not their plan will meet ISS Governance Services' guidelines?

1. Gather data and run historical tests
2. Purchase access to ISS Governance Services' proprietary model (ISS Compass)
3. Use an iterative process, adjust design and authorization request to conform with the ISS Governance Services tests
4. However…recognize that results in testing phase are not binding on ISS Proxy Advisory Services

**Key 2008 ISS Governance Services Tests**

**Historical Tests:**

- ☑ Burn Rate
- ☑ CEO Pay for Performance

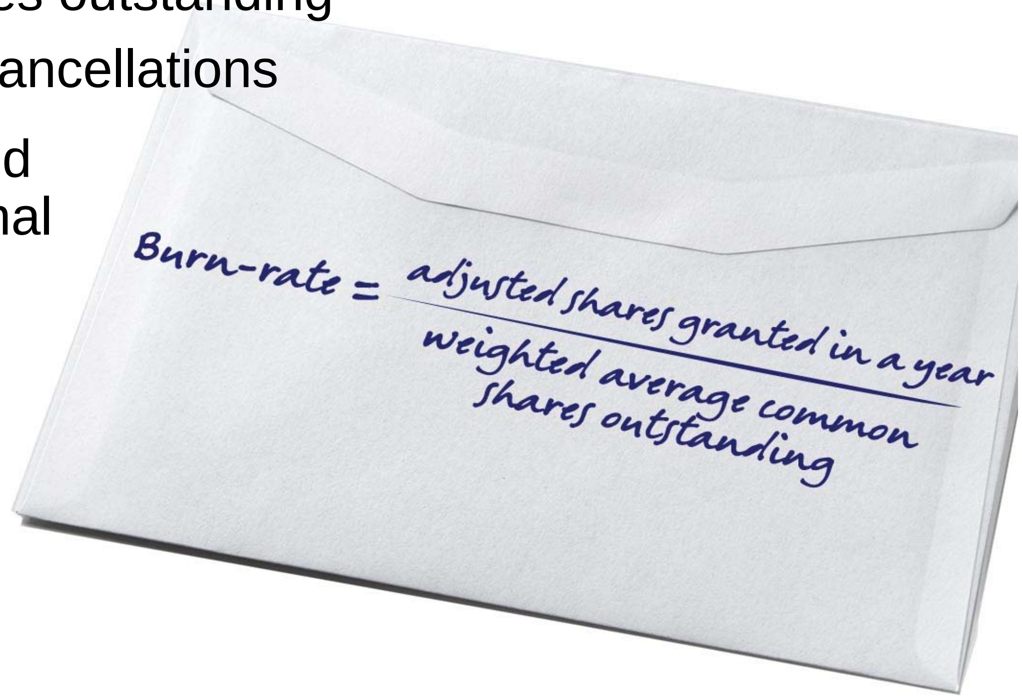
**Prospective Tests:**

- ☑ Shareholder Value Transfer vs. Allowable Cap
- ☑ Poor Pay Practices

# Accuracy of data is key to designing a plan that meets ISS Governance Services' standards

## Gathering Data

- Key pieces of information include:
  - Shares granted but unexercised and shares available for grant under all stock plans (excluding ESPPs)
  - Weighted average common shares outstanding
  - Historical annual exercises and cancellations
- Understand the desired quantity and mix of shares needed to fulfill internal estimation of future share usage
- Conduct a back-of-the-envelope calculation for the burn rate and CEO pay-for-performance tests ***before*** purchasing the model

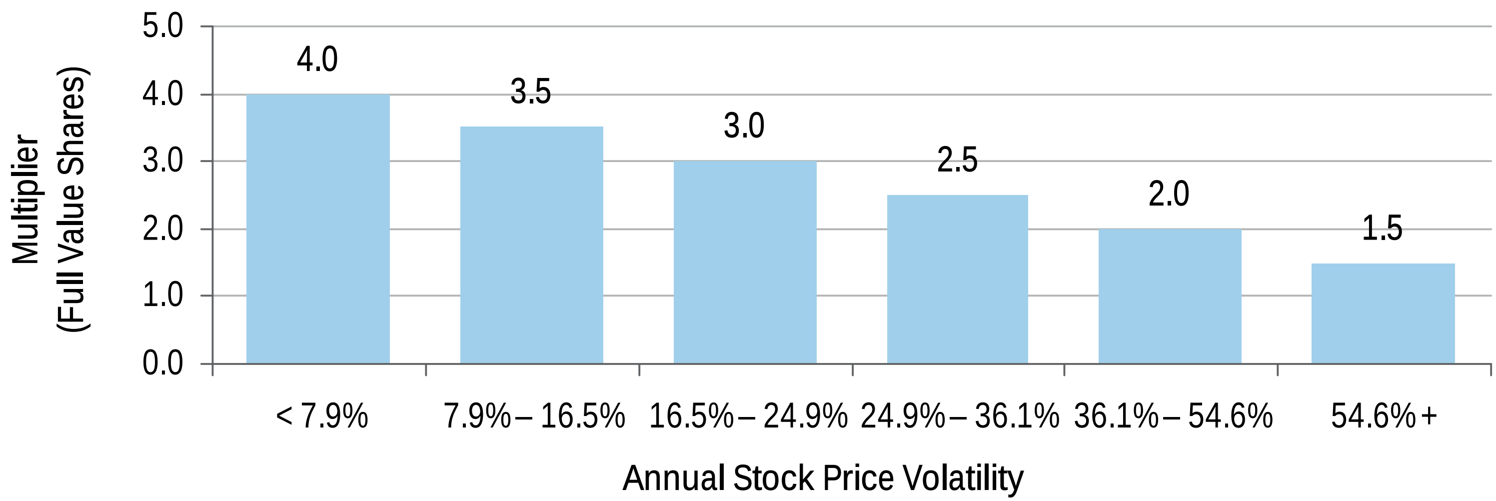


# The Burn Rate test is a modified 3-year average run-rate calculation

## Modeling and Iterations—Test #1

$$\textbf{Burn Rate} = \frac{\text{Adjusted shares granted in year}}{\text{Weighted average common shares outstanding}}$$

- Industry specific burn-rate cap equals mean plus one standard deviation, but no less than 2%
- Premium multiplier applied to full value shares when calculating burn rate
- Test compares company's three-year average burn rate to industry-specific cap
- Companies in excess of the cap receive an "Against" recommendation




**The number of volatility segments used to determine the multiplier for full-value share is expanded from three to six.**

Note: Prior to 2008 used FY end shares outstanding rather than average.

# The CEO pay-for-performance test checks alignment between pay increases and performance

## Modeling and Iterations— Test #2

### CEO Pay-for-Performance

- Calculate one- and three-year Total Shareholder Return (TSR) for the company
- TSR calculations compared to the CEO's Total Direct Compensation (TDC)
- To pass test:
  - Positive one- or three-year TSR or,
  - If both are negative, company must not have increased the CEO's pay (TDC) in the past year

**TDC vs. TSR Test**

| | 2006 | 2007 |
|---|---|---|
| CEO's TDC | $1.5 million | $2.0 million |

| Scenario | TSR | | Pass |
|---|---|---|---|
| | 1-yr | 3-yr | |
| Scenario A | 15% | -5% | Yes |
| Scenario B | -5% | 10% | Yes |
| Scenario C | -5% | -20% | No |

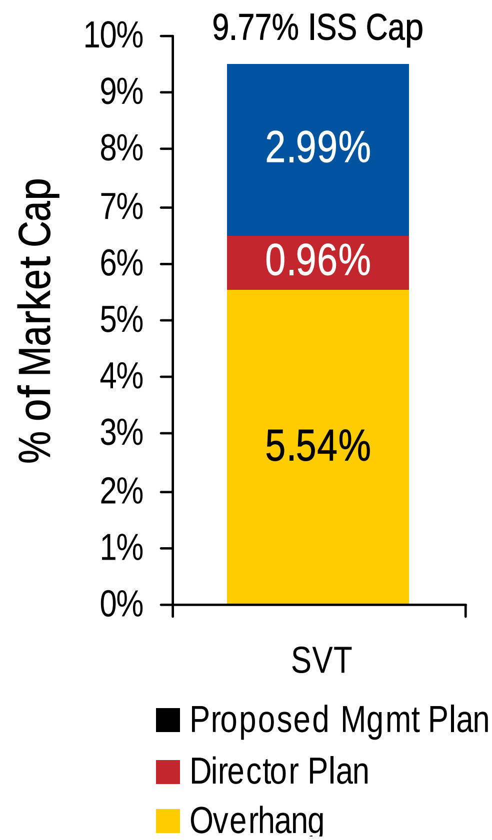
# The Shareholder Value Transfer test compares the value of equity in the plan to top performing companies

## Modeling and Iterations—Test #3

### Shareholder Value Transfer (SVT)—Overall Cost vs. Allowable Cap

- ISS Governance Services proprietary binomial option pricing model used
- All elements of the current and proposed equity compensation plans considered
- The “allowable cap” is:
  - Industry specific and expressed as a % of market cap
  - Determined by evaluating average SVT of companies performing in the top quartile of industry

**Shareholder Value Transfer Cap**

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# Significant change to the ISS SVT test occur in 2008

Potential carve-out of in-the-money options outstanding for more than 6 years. Considerations for carve-out include :

- **Performance:** (e.g., TSR for five years, year-over-year, and peer performance)
- **Overhang Disclosure:** (e.g., weighted average exercise price and remaining terms for):

| Outstanding Options | < 6 Years | > 6 Years |
|---|---|---|
| All Options | ✓ | |
| • In the Money | | X |
| • Underwater | | ✓ |

■ Counts towards burn rate
■ Excluded from burn rate

- **Dilution:** expected duration calculated based on company's three-year average unadjusted burn rate (i.e., run-rate)

# The final ISS "test" is a catch-all assessing poor pay practices

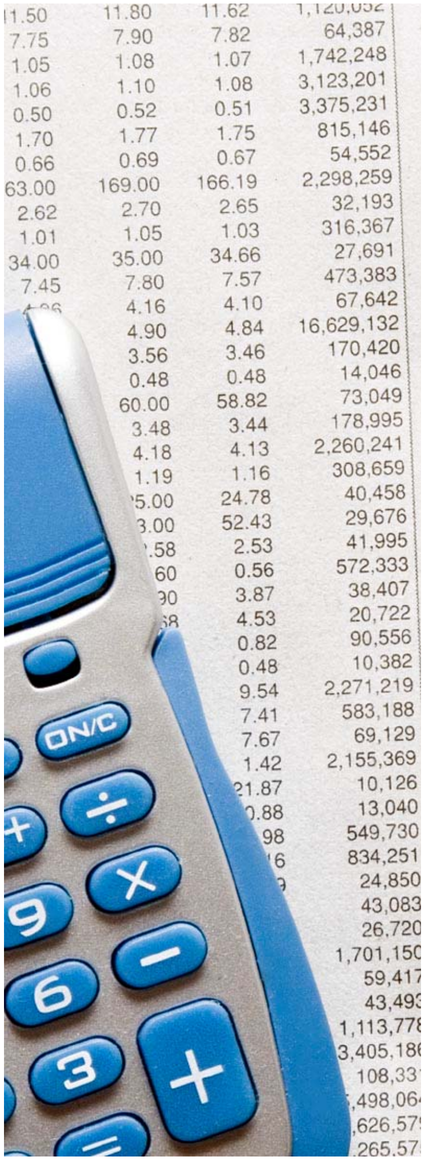
## Modeling and Iterations—Test #4

- Poor pay practices may result in ISS Governance Services voting against a share authorization.  Examples include:
  - Re-pricing provisions
  - High concentration ratios of grants to top executive
  - Egregious employment contracts
  - Excessive perks
  - Abnormally large bonus payouts without justifiable performance linkage/disclosure
  - Egregious pension/SERP payouts
  - Overly generous new hire package for CEO
  - Excessive severance and/or change-in-control provisions
  - Poor disclosure practices
  - Internal pay disparity
  - Options backdating
  - Other excessive compensation payouts or poor pay practices

# Engaging with ISS Governance Services *continued*

## Modeling and Iterations—"Words of Wisdom"

- Be aware of the degree to which modeling assumptions change throughout the process
- Run models using the full-spectrum of possible assumptions. Ensure that even the worst case scenario is under the cap
- Understand the model's sensitivity to key drivers of Shareholder Value Transfer:
  - Quantity of equity units
  - Mix between equity vehicles
- Don't push the limit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# Winning Shareholder Approval

## Best Practices for Seeking Shareholder Approval of New Plan/Share Authorization

(With or Without ISS's "For" Recommendation)

# Winning Shareholder Approval *continued*

## Overarching Considerations

- ISS is currently considered the most influential of the proxy advisory firms

  **However**, ISS influence is worth 25%–30% on a stock incentive plan vote

- Companies have succeeded in adopting stock plans in the face of an ISS "Against" recommendation

  **However**, their success seems to stem from an ability to communicate the merits of the plan directly with key decision makers

# Winning Shareholder Approval: ISS Influence Is Worth 25%–30% on a Stock Incentive Plan Vote

## STOCK OPTION PLAN PROPOSAL—11.5% DILUTION NON-ROUTINE BROKER VOTES; VOTE PROJECTION 1: ISS RECOMMENDATION *FOR*

| Shareholder Categories | Votes Controlled as a % of Outstanding | % of Votes Controlled Cast | Votes Cast as a % Outstanding | % of Votes Cast as "Affirmative" | "Affirmative" as a % of Outstanding |
|---|---|---|---|---|---|
| Institutional Investors—ISS Followers | 29.58% | 85.00% | 25.14% | 73.00% | 18.36% |
| Institutional Investors—Others | 28.58 | 85.00 | 24.29 | 62.00 | 15.06 |
| ABC Investment Management | 7.79 | 100.00 | 7.79 | 100.00 | 7.79 |
| Banks (Other than Institutional Investors) | 1.00 | 80.00 | 0.80 | 80.00 | 0.64 |
| Brokers | 13.60 | 40.00 | 5.44 | 80.00 | 4.35 |
| Officers and Directors | 1.46 | 100.00 | 1.46 | 100.00 | 1.46 |
| Company Plan Shares | 13.11 | 100.00 | 13.11 | 90.00 | 11.80 |
| Pension Plan | 1.81 | 90.00 | 1.63 | 100.00 | 1.63 |
| Registered Holders | 3.08 | 75.00 | 2.31 | 2.31 | 2.20 |
| Total Percentage | 100.00% | | 81.97% | | 63.27% |

### Summary

- Votes cast on proposal as % of outstanding 81.97%
- "Affirmative" votes on proposal as % of outstanding 63.27%
- "Affirmative" votes on proposal as % of votes cast **77.19%**

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# Winning Shareholder Approval: ISS Influence Is Worth 25%–30% on a Stock Incentive Plan Vote *continued*

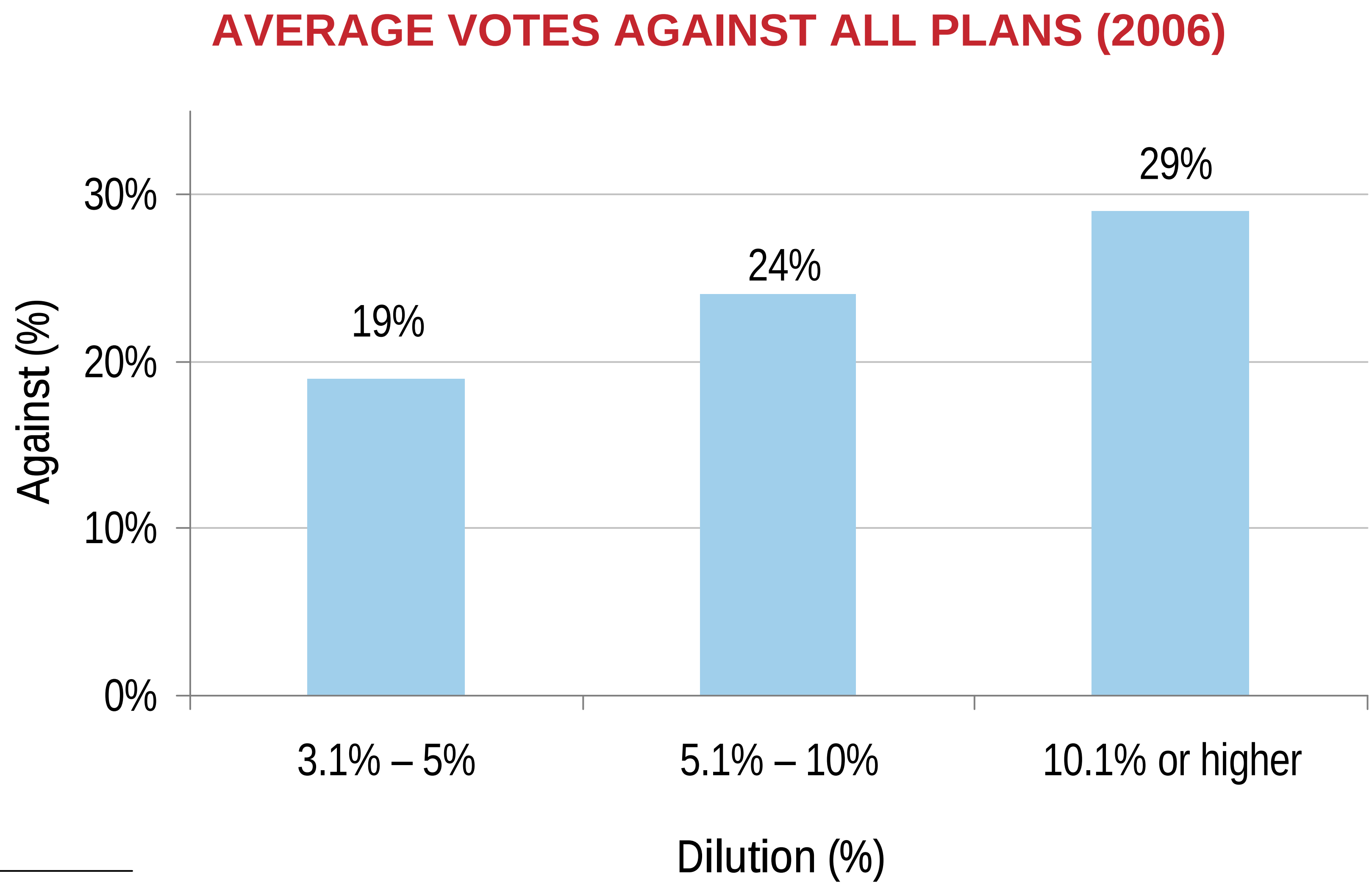
## STOCK OPTION PLAN PROPOSAL—11.5% DILUTION NON-ROUTINE BROKER VOTES; VOTE PROJECTION 2: ISS RECOMMENDATION *AGAINST*

| Shareholder Categories | Votes Controlled as a % of Outstanding | % of Votes Controlled Cast | Votes Cast as a % Outstanding | % of Votes Cast as "Affirmative" | "Affirmative" as a % of Outstanding |
|---|---|---|---|---|---|
| Institutional Investors—ISS Followers | 29.58% | 85.00% | 25.14% | 28.00% | 7.04% |
| Institutional Investors—Others | 28.58 | 85.00 | 24.29 | 62.00 | 15.06 |
| ABC Investment Management | 7.79 | 100.00 | 7.79 | 0.00 | 0.00 |
| Banks (Other than Institutional Investors) | 1.00 | 80.00 | 0.80 | 80.00 | 0.64 |
| Brokers | 13.60 | 40.00 | 5.44 | 80.00 | 4.35 |
| Officers and Directors | 1.46 | 100.00 | 1.46 | 100.00 | 1.46 |
| Company Plan Shares | 13.11 | 100.00 | 13.11 | 90.00 | 11.80 |
| Pension Plan | 1.81 | 90.00 | 1.63 | 100.00 | 1.63 |
| Registered Holders | 3.08 | 75.00 | 2.31 | 95.00 | 2.20 |
| Total Percentage | 100.00% | | 81.97% | | 44.17% |

### Summary

- Votes cast on proposal as % of outstanding 81.97%
- "Affirmative" votes on proposal as % of outstanding 44.17%
- "Affirmative" votes on proposal as % of votes cast **53.89%**

# Winning Shareholder Approval: Companies Can Pass Incentive Plan Proposals with ISS "AGAINST"




Source: IRRC

# Winning Shareholder Approval: Companies Can Pass Incentive Plan Proposals with ISS "AGAINST" *continued*

Companies with high dilution and burn rates can successfully solicit even when ISS recommends "Against" due to SVT, burn rate or pay-for-performance issues

## Examples from 2006:

| Company | ISS Recommendation | Reason | Votes FOR as % of Votes Cast | Comment on Actions Taken |
|---|---|---|---|---|
| The Boeing Company | Against | SVT[1] | 66.30% | Retail/institutional campaign |
| The Shaw Group | Against | Burn Rate | 63.40 | Retail/institutional campaign |
| First Industrial Realty Trust | Against | SVT | 69.85 | Retail/registered/institutional campaign |
| Tenneco, Inc. | Against | SVT | 67.00 | Primarily institutional contacts |
| Papa John's Int'l, Inc. | Against | SVT | 69.91 | Insider positions/retail campaign[2] |
| SPX Corp. | Against | SVT | 64.74 | Institutional campaign |
| Irvine Sensors Corp. | Against | SVT | 82.90 | Low institutional pop. and large retail campaign |
| Perini Corp. | Against | SVT | 55.10 | Fidelity provided swing vote |
| Hanover Insurance Group | Against | SVT | 55.00 | Hotchkis & Wiley provided swing vote |

[1] Exceeded ISS cap on "Shareholder Value Transfer." [2] Increase in authorization for restricted stock.

# Winning Shareholder Approval: How to Be Successful When ISS Recommends Against

- Success begins with better argument in proxy statement
  - Dilution discussion (explanation of overhang problem)
  - Burn rate comparisons
  - Emphasize “good governance” aspect
  - Meet non-ISS institution voting guidelines
- Shareholder identification and communication with proxy voting decision maker
- Use of “fight letters” to drive home key points (comment on proxy adviser analyses) in a positive way
- Retail/registered stockholder outreach campaigns (NOBO/OBO)
  - Broker reminder notice
  - TeleVote campaign

# Winning Shareholder Approval: Communicate with Institutional Investors

- Communicate early with institutional investors
  - To learn their “hot button” issues
  - Use that knowledge to create effective proxy statement arguments and supplemental solicitation materials
- Use “plain English” proxy statement arguments (beyond legal boilerplate) that address factors that are important to institutional investors, including:
  - How long share authorizations are expected to last before further requests will be made
  - Burn rate and dilution trends, particularly vis-à-vis peer groups
  - Reliance on performance-based awards
  - How the plan design meets specific/unique needs of the company’s strategic business plan

For example...

# Winning Shareholder Approval: Communicate with Institutional Investors *continued*

## Topic: New Director's Plan

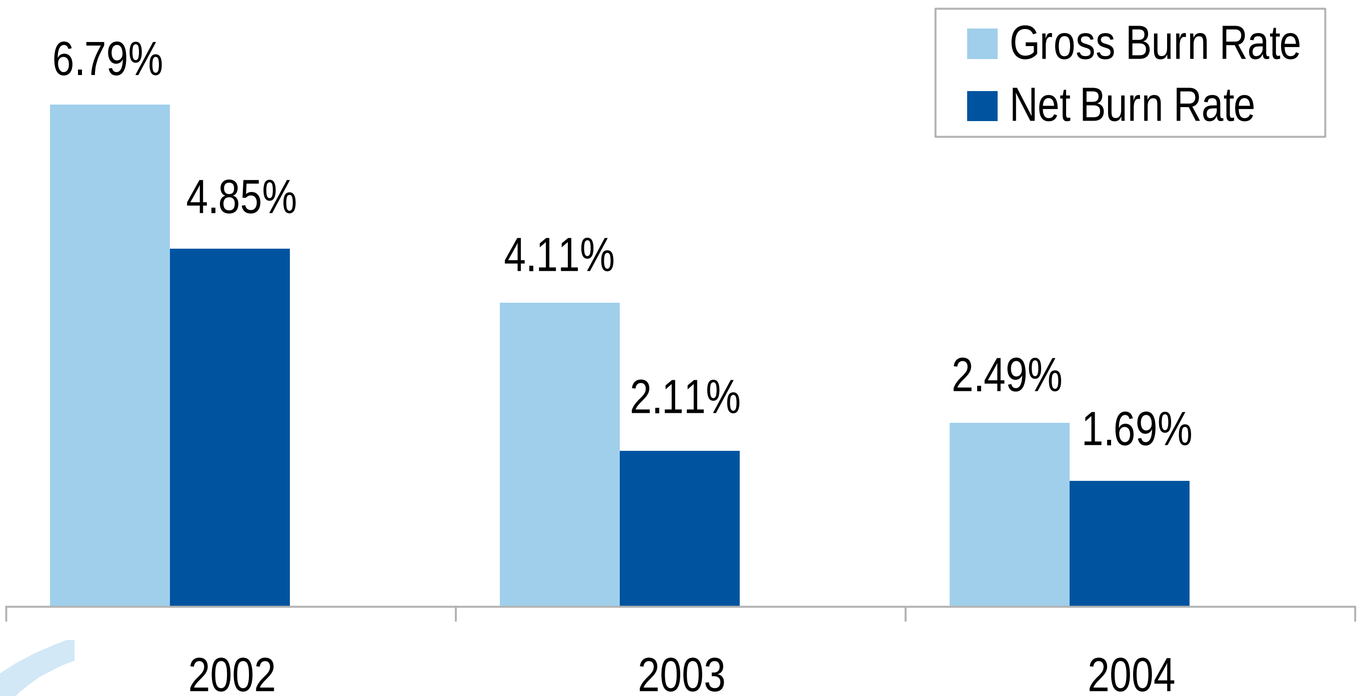
**Key features of the proposed 2006 Directors' Plan are as follows:**

- Overall design of the Plan is substantially similar to the 2001 Directors' Plan, which was approved by stockholders. Just like the 2001 Directors' Plan, the Plan has a five-year term and the same number of authorized shares to be issued
- The Plan reflects compensation and governance best practices, such as no stock option re-pricing, no discounted options, no reload options, a limitation on the number of shares that can be utilized in a given year, a limitation on the total number of shares that can be granted as stock units over the term of the Plan, no dividends on options, and the avoidance of expensive share-counting features

*—From General Mills 2006 Proxy Statement*

# Winning Shareholder Approval: Communicate with Institutional Investors *continued*

## Topic: Burn Rate Issue




Red Hat estimates its Burn Rate, on average, approximates the 25th percentile of software industry practice. Red Hat's intention is to limit annual net issuances to employees to the median Burn Rate of a competitive peer group…

*—From Red Hat 2004 Proxy Statement*

# Winning Shareholder Approval: Communicate with Institutional Investors *continued*

## Topic: Promotion of Plan's Good Governance Features

The 2004 Plan also reflects Red Hat's continued strong commitment to strong corporate governance practices including:

- Intention to submit future request…in amounts designated to last no longer than two years, thus providing an opportunity for stockholders to review Red Hat's equity incentive plan on a frequent basis…
- No new stock option will be issued upon the exercise of another stock option
- Prohibition on re-pricing on discount stock options

*—From Red Hat 2004 Proxy Statement*

# Winning Shareholder Approval: Communicate with Institutional Investors *continued*

## Topic: Dilution

The following are important factors affecting Cadence's stockholder dilution:

- …within the last five years, (Cadence) repurchased approximately 59 million shares…causing the dilution percentage from equity compensation to be relatively higher than would be the case if no repurchases had occurred
- Included in Cadence's current option "overhang" are approximately 7.4 million options assumed in Cadence's acquisition of other companies
- 21.7% of Cadence's currently outstanding options have exercise prices greater than $20.00 per share; the average trading price of Cadence's common stock during the 12 months ended March 31, 2004, was $14.41

*—From Cadence Design System 2004 Proxy Statement*

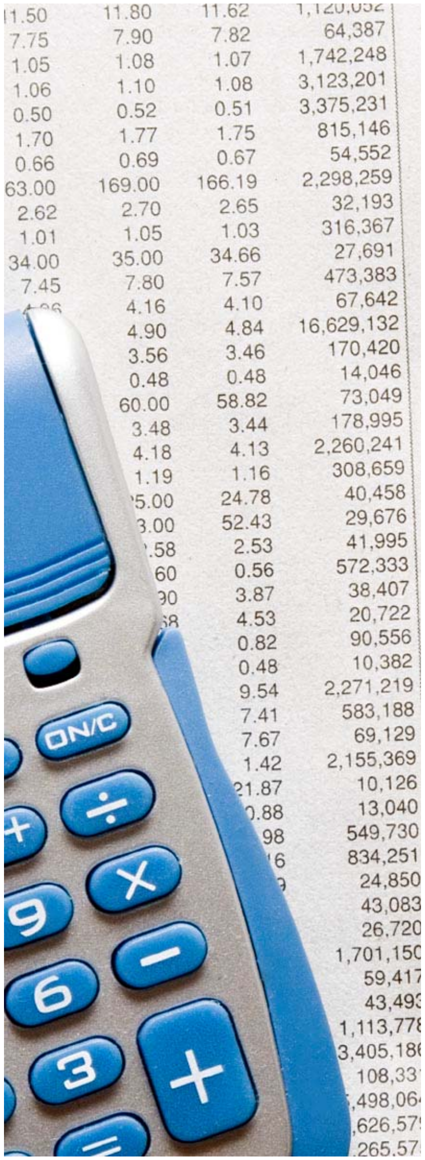
# Going Through the Paces with ISS

## Conclusions

- Recognize the influential role of ISS, but don't become paralyzed
- Understand your organization's objectives with respect to equity use
- Understand your institutional investors' "hot buttons" with respect to equity plans
- Collaborate with ISS and management to work towards a "For" recommendation of your authorization request


- With or without a "For" recommendation, if you decide to seek authorization, communicate in "plain English" the merits of the plan directly with key decision makers and in your proxy

# Wrap-Up and Questions




❶ Managing Existing Authorizations

❷ ISS Role

❸ Winning Shareholder Approval

❹ **Appendix**

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# Speakers

## Richard V. Smith

Richard V. Smith is a Senior Vice President, Principal and Executive Compensation Consultant in Sibson Consulting's Organizational Effectiveness Practice located in their New York office. Rick is responsible for the design and implementation of executive and employee compensation and benefit plans. He has extensive experience designing and implementing reward strategies that define the proper mix of annual and long-term incentives as appropriate to the organization and its culture. Additionally, Rick reviews and advises on executive employment contracts in light of current practices and individual situations including recommending compensation for outside Directors and advising on strengthening corporate governance.

## Jason Adwin

Jason Adwin is a Sr. Consultant in Sibson Consulting's Organizational Effectiveness Practice located in their New York office. Jason works with companies to develop human capital solutions that align with the organization's strategy and business plan. He has deep expertise in executive and broad based compensation strategy and performance management, designing and implementing programs targeted to all levels of the organization. He serves a diverse cross-section of clients spanning such industries as professional services, financial services, and manufacturing.

## David Drake

David Drake is President of Georgeson, Inc. He works with clients to help them obtain favorable shareholder vote results on proxy contests, shareholder proposals, compensation plans and other corporate governance matters. David is a frequent speaker and writer on corporate governance and compensation issues. His recent articles include "Seeking Shareholder Approval of Option Plans Under the New NYSE/NASDAQ Listing Standards" and "Are You Ready for the Ratings Game: The Corporate Governance Ratings Game." Prior to joining Georgeson in 1997, David served as Vice President and Director of US Research and Senior Analyst for Institutional Shareholder Services (ISS). David earned a BA in Political Science from George Washington University and an MBA in Finance from The American University in Washington, DC.

# Burn Rate Table for 2008

| | | Russell 3000 | | | Non-Russell 3000 | | |
|---|---|---|---|---|---|---|---|
| GICS | Description | Mean | Standard Deviation | Mean + STDEV | Mean | Standard Deviation | Mean + STDEV |
| 1010 | Energy | 1.71% | 1.39% | 3.09% | 2.12% | 2.31% | 4.43% |
| 1510 | Materials | 1.16% | 0.77% | 1.93% | 2.23% | 2.26% | 4.49 % |
| 2010 | Capital Goods | 1.51% | 1.04% | 2.55% | 2.36% | 2.03% | 4.39 % |
| 2020 | Commercial Services & Supplies | 2.35 % | 1.70 % | 4.05 % | 2.20 % | 2.03 % | 4.23 % |
| 2030 | Transportation | 1.59 % | 1.22 % | 2.80 % | 2.02 % | 2.08 % | 4.10 % |
| 2510 | Automobiles & Components | 1.89 % | 1.10 % | 2.99 % | 1.73 % | 2.05 % | 3.78 % |
| 2520 | Consumer Durables & Apparel | 2.02 % | 1.31 % | 3.33 % | 2.10 % | 1.94 % | 4.04 % |
| 2530 | Hotels Restaurants & Leisure | 2.15 % | 1.18 % | 3.33 % | 2.32 % | 1.93 % | 4.25 % |
| 2540 | Media | 1.92 % | 1.35 % | 3.27 % | 3.33 % | 2.60 % | 5.93 % |
| 2550 | Retailing | 1.86 % | 1.04 % | 2.90 % | 3.15 % | 2.65 % | 5.80 % |
| 3010, 3020, 3030 | Food & Staples Retailing | 1.69 % | 1.23 % | 2.92 % | 1.82 % | 2.03 % | 3.85 % |
| 3510 | Health Care Equipment & Services | 2.90 % | 1.67 % | 4.57 % | 3.75 % | 2.65 % | 6.40 % |
| 3520 | Pharmaceuticals & Biotechnology | 3.30 % | 1.66 % | 4.96 % | 4.92 % | 3.77 % | 8.69 % |
| 4010 | Banks | 1.27 % | 0.88 % | 2.15 % | 1.07 % | 1.12 % | 2.19 % |
| 4020 | Diversified Financials | 2.45 % | 2.07 % | 4.52 % | 4.41 % | 5.31 % | 9.71 % |
| 4030 | Insurance | 1.21 % | 0.93 % | 2.14 % | 2.07 % | 2.28 % | 4.35 % |
| 4040 | Real Estate | 1.04 % | 0.81 % | 1.85 % | 0.80 % | 1.21 % | 2.02 % |
| 4510 | Software & Services | 3.81 % | 2.30 % | 6.11 % | 5.46 % | 3.81 % | 9.27 % |
| 4520 | Technology Hardware & Equipment | 3.07 % | 1.74 % | 4.80 % | 3.43 % | 2.40 % | 5.83 % |
| 4530 | Semiconductors & Semiconductor Equipment | 3.78 % | 1.81 % | 5.59 % | 4.51 % | 2.30 % | 6.81 % |
| 5010 | Telecommunication Services | 1.57 % | 1.23 % | 2.80 % | 2.69 % | 2.41 % | 5.10 % |
| 5510 | Utilities | 0.72 % | 0.50 % | 1.22 % | 0.59 % | 0.66 % | 1.25 % |