

**WILSON  
SONSINI**

**2024 Silicon  
Valley 150  
Corporate  
Governance  
Report**

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# INTRODUCTION

Wilson Sonsini Goodrich & Rosati is pleased to present our *2024 Silicon Valley 150 Corporate Governance Report*, which analyzes the corporate governance practices and disclosures of the Valley's largest public companies based on reviews of proxy statements filed between October 1, 2023, and September 30, 2024 (referred to as 2024 in this report), as well as corresponding annual meetings and related documents.

This report uses the Lonergan SV150, which ranks the top 150 public companies with headquarters in Silicon Valley by annual sales. For more information on the methodology used to prepare the Lonergan SV150, please visit <https://lonerganpartners.com/assets/pdfsdownloads/2024-LSV-150-Company-Ranking.pdf>.

This report includes information on the SV150 companies regarding board matters, officer matters, defensive measures, proxy statement disclosures, environmental, social, and governance (ESG) and sustainability reporting, stockholder proposals, activism, and executive compensation.

Among the key takeaways from this year's report:

- The presence of women in the boardroom and executive suites has remained on par with previous years (33.9% of directors and 21.0% of executive officers in 2024), and ethnically diverse directors constitute on average 28-30% of all directors this year, similar to our findings last year.
- Virtual annual meetings are now the norm for most companies (89%) and over three-quarters of companies include disclosure in their proxy statements regarding ESG/sustainability (80.7%) and human capital (74.7%).
- Now that the SEC has passed its clawback rules, we also examine for the first time in two years the clawback policies of SV 150 companies, both in response to the rules and in addition to them.

Other key takeaways from this report are set forth in the [Conclusion](#) section.

We would like to thank the team that conducted the research and provided editorial input for this report, including Richard Blake (who oversaw the report), David Thomas, Jason Chan, Courtney Mathes, Barbara Novak, and Katherine O'Neal. Special thanks also to Katie Martin, immediate past chair of Wilson Sonsini's board of directors, Tony Jeffries, current chair, and Doug Clark, managing partner.

Please feel free to share your comments or questions about this report by emailing Richard Blake ([rblake@wsgr.com](mailto:rblake@wsgr.com)), your regular Wilson Sonsini attorney, or any Wilson Sonsini public company representation, corporate governance, employee benefits and compensation, sustainability and ESG advisory, or shareholder engagement and activism partner.

# ABOUT THE SV150



The SV150 is released each year by Lonergan Partners, a leading executive recruiting firm, and is comprised of the 150 largest public companies in Silicon Valley, based on annual sales. Among the SV150 are some of the most influential technology and life sciences companies in the world. Some have been public for many decades; a few completed their IPOs only last year. Most are headquartered along the peninsula between San Francisco and San Jose, but they spread as far north as Santa Rosa, as far east as Livermore, and as far south as Los Gatos. Given the range of type of business, annual sales, market cap, growth rate, and years since IPO, the SV150 provides a useful sample set for examining corporate governance matters for technology and life sciences companies throughout the United States. This section provides an overview of the demographics of the SV150.



# The Rankings (1-50)

SV150 Rank		IPO Year	Business Description	2023 Sales (\$millions)	Headquarters Location
1	Apple	1980	Consumer electronics	\$385,706	Cupertino
2	Alphabet	2004	Web search, advertising	\$307,394	Mountain View
3	Meta	2012	Social networking website	\$134,902	Menlo Park
4	NVIDIA	1999	Graphics processors	\$60,922	Santa Clara
5	TD SYNnex	2003	IT supply chain services	\$57,555	Fremont
6	Cisco	1990	IT networking services	\$57,233	San Jose
7	Intel	1971	Semiconductors	\$54,228	Santa Clara
8	HP Inc	1957	Imaging, printing, computing devices	\$53,105	Palo Alto
9	Broadcom	1998	Semiconductors and enterprise software	\$38,865	Palo Alto
10	Uber	2019	Transportation network company	\$37,281	San Francisco
11	Salesforce.com	2004	CRM software	\$34,857	San Francisco
12	Netflix	2002	Entertainment distributor	\$33,723	Los Gatos
13	Visa	2008	Payments processing technology	\$33,351	San Francisco
14	PayPal	2015	Digital payment platform	\$29,771	San Jose
15	Gilead Sciences	1992	Therapeutic viral medicines	\$27,116	Foster City
16	Applied Materials	1972	Chip-making equipment	\$26,485	Santa Clara
17	Advanced Micro Devices	1972	Semiconductors	\$22,680	Santa Clara
18	Block	2015	Mobile payment solutions	\$21,916	Dist'd Work/ Oakland
19	Adobe	1986	Publishing software	\$19,409	San Jose
20	Intuit	1993	Financial software	\$15,094	Mountain View
21	Lam Research	1984	Chip-making equipment	\$14,317	Fremont
22	Western Digital	1978	Storage devices	\$11,257	San Jose
23	eBay	1998	Online marketplace	\$10,112	San Jose
24	Airbnb	2020	Online marketplace for temporary lodging	\$9,917	San Francisco
25	KLA	1980	Chip-making equipment	\$9,671	Milpitas
26	Super Micro Computer	2007	IT hardware	\$9,253	San Jose
27	ServiceNow	2012	IT management software	\$8,971	Santa Clara
28	DoorDash	2020	Online food delivery platform	\$8,635	San Francisco
29	Sanmina	1993	IT manufacturing services	\$8,454	San Jose
30	Equinix	2000	IT data centers	\$8,118	Redwood City
31	Electronic Arts	1989	Entertainment software	\$7,657	Redwood City
32	Palo Alto Networks	2012	Network security	\$7,527	Santa Clara
33	Workday	2012	Human capital management	\$7,259	Pleasanton
34	Intuitive Surgical	2000	Robotic surgical systems	\$7,124	Sunnyvale
35	Concentrix	2020	Tech CX solutions	\$7,115	Newark
36	Agilent	1999	Electronic measurement tools	\$6,735	Santa Clara
37	NetApp	1995	IT storage, management	\$6,181	San Jose
38	Synopsys	1992	Chip-design software	\$6,131	Sunnyvale
39	Arista Networks	2014	Cloud networking equipment	\$5,860	Santa Clara
40	Juniper	1999	Networking tools	\$5,565	Sunnyvale
41	Marvell	2000	Semiconductors	\$5,508	Santa Clara
42	Autodesk	1985	Design software	\$5,497	San Francisco
43	Keysight	2013	Test and measurement equipment	\$5,342	Santa Rosa
44	Fortinet	2009	Network security devices, software	\$5,305	Sunnyvale
45	Zoom Video	2019	Web conferencing platform	\$4,527	San Jose
46	Lyft	2019	Transportation network	\$4,404	San Francisco
47	Twilio	2016	Internet infrastructure solutions	\$4,154	San Francisco
48	Cadence Design	1988	Chip-design software	\$4,090	San Jose
49	Roku	2017	Entertainment streaming	\$3,485	San Jose
50	AppLovin	2021	Mobile app development platform	\$3,283	Palo Alto

SOURCE: LONERGAN SV150

# The Rankings (51-100)

SV150 Rank	IPO Year	Business Description	2023 Sales (\$millions)	Headquarters Location	
51	Pinterest	2019	Social photo-sharing platform	\$3,055	San Francisco
52	Instacart	2023	Online grocery shopping	\$3,042	San Francisco
53	Pure Storage	2015	Data storage solutions	\$2,831	Santa Clara
54	Roblox	2021	Online game platform	\$2,799	San Mateo
55	DocuSign	2018	Electronic verification software	\$2,762	San Francisco
56	Bio-Rad	1980	Life science research equipment	\$2,671	Hercules
57	DropBox	2018	Web based content sharing	\$2,502	San Francisco
58	Veeva	2013	Cloud based business software	\$2,364	Pleasanton
59	Enphase Energy	2012	Solar microinverter technology	\$2,291	Fremont
60	Okta	2017	Identity management	\$2,263	San Francisco
61	Sunrun	2015	Solar energy products	\$2,260	San Francisco
62	RingCentral	2013	IP-based telephony	\$2,202	Belmont
63	Unity Software	2020	Platform for 3-D content creation	\$2,187	San Francisco
64	Nutanix	2016	Cloud platform infrastructure	\$2,019	San Jose
65	Affirm	2020	Online shopping installment loan platform	\$1,914	San Francisco
66	Zscaler	2018	Cloud based security platform	\$1,896	San Jose
67	Robinhood	2021	Financial services platform	\$1,865	Menlo Park
68	Exelixis	2000	Cancer treatments	\$1,830	Alameda
69	Ultra Clean	2004	Chip-making equipment	\$1,735	Hayward
70	SunPower	2005	Solar energy products	\$1,685	Richmond
71	Infinera	2007	Optical telecom equipment	\$1,647	San Jose
72	Informatica	2021	Data management platform	\$1,595	Redwood City
73	Stitch Fix	2017	Personalized online retail service	\$1,466	San Francisco
74	Corsair	2020	Gaming & streaming products	\$1,460	Milpitas
75	Lumentum	2015	Optical and photonic products	\$1,439	San Jose
76	Yelp	2012	User review network	\$1,337	San Francisco
77	Bloom Energy	2018	Fuel cell systems for onsite power	\$1,333	San Jose
78	Cloudflare	2019	Cloud based security platform	\$1,297	San Francisco
79	Dolby Laboratories	2005	Audio processing technology	\$1,280	San Francisco
80	SMART Global	2017	Specialty memory and storage solutions	\$1,250	Milpitas
81	BILL	2019	Intelligent bill payment platform	\$1,192	San Jose
82	Penumbra	2015	Medical devices for stroke patients	\$1,059	Alameda
83	Calix	2010	Communications platform	\$1,040	San Jose
84	Box	2015	Content sharing platform	\$1,038	Redwood City
85	Synaptics	2002	Touch based IT	\$1,029	San Jose
86	GoPro	2014	Wearable cameras	\$1,005	San Mateo
87	Samsara	2021	Platform for IOT data collection	\$937	San Francisco
88	Guidewire	2012	Insurance industry software	\$926	San Mateo
89	Five9	2014	Cloud contact center software	\$910	San Ramon
90	Hims & Hers Health	2021	Telehealth platform	\$872	San Francisco
91	LendingClub	2014	Internet based lending facilitation	\$865	San Francisco
92	Ichor	2016	Semiconductors	\$811	Fremont
93	Reddit	2024	Online forum for user generated content	\$804	San Francisco
94	Confluent	2021	Real-time cloud data platform	\$777	Mountain View
95	NETGEAR	2003	Home, small business networking	\$741	San Jose
96	8x8	1997	VoIP platforms	\$734	Campbell
97	Chegg	2013	Education software platform	\$734	Santa Clara
98	Shockwave Medical	2019	Devices to treat cardiovascular disease	\$730	Santa Clara
99	Udemy	2021	Platform for online learning	\$729	San Francisco
100	Upwork	2018	Freelance marketplace	\$689	San Francisco

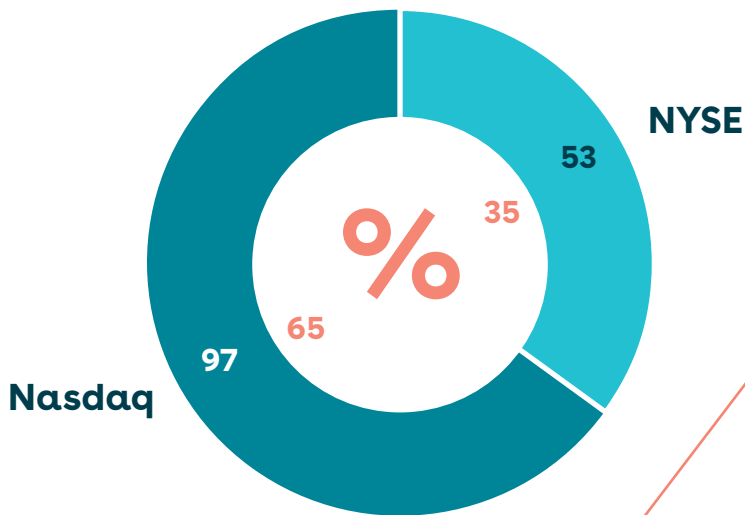
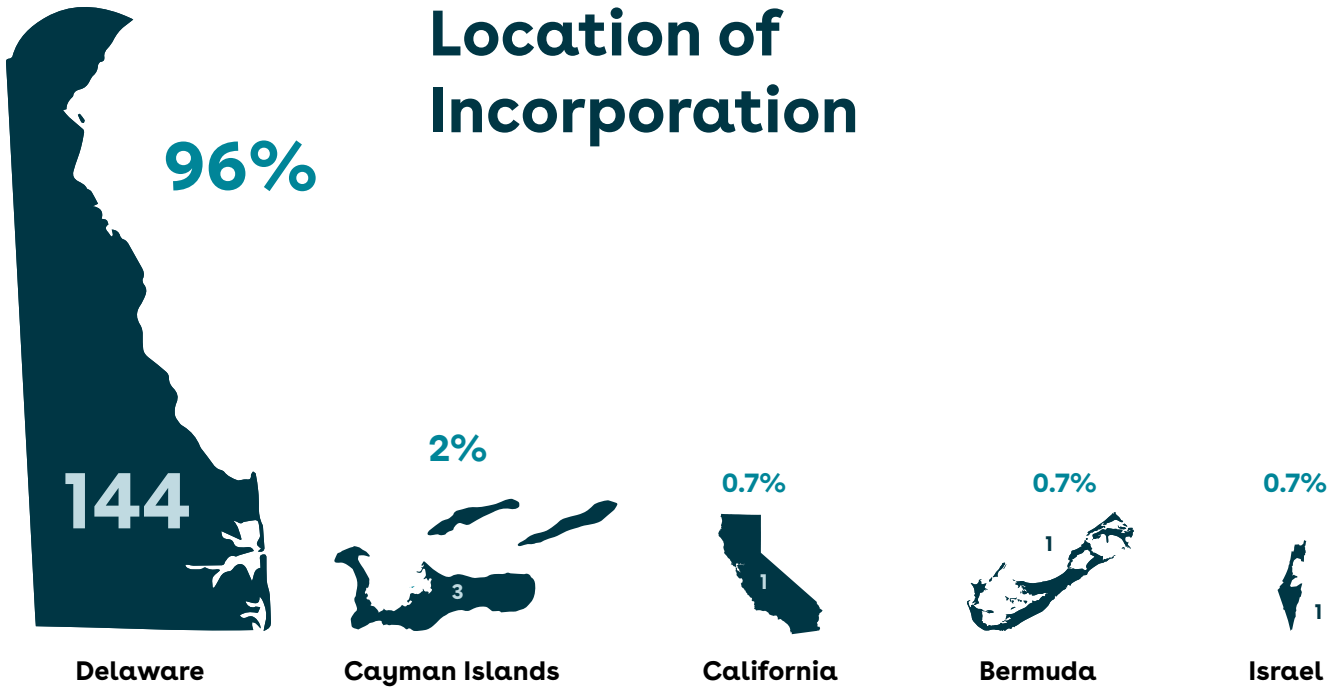
SOURCE: LONERGAN SV150

# The Rankings (101-150)

SV150 Rank	IPO Year	Business Description	2023 Sales (\$millions)	Headquarters Location	
101	Marqeta	2021	Payments platform	\$676	Oakland
102	FormFactor	2003	Chip-making equipment	\$663	Livermore
103	Asana	2020	Project management software	\$653	San Francisco
104	Alpha & Omega	2010	Semiconductors	\$640	Sunnyvale
105	LiveRamp	2018	Identity resolution platform	\$636	San Francisco
106	Coursera	2021	Online education services	\$636	Mountain View
107	SentinelOne	2021	Cloud security platform	\$621	Mountain View
108	10X Genomics	2019	Tools for genomic analysis	\$619	Pleasanton
109	Harmonic	1995	Content delivery services	\$608	San Jose
110	NerdWallet	2021	Platform for choosing financial products	\$599	San Francisco
111	Freshworks	2021	Customer/employee engagement platform	\$596	San Mateo
112	Lucid Group	2021	EV automotive company	\$595	Newark
113	HashiCorp	2021	Software for cloud-building infrastructure	\$583	San Francisco
114	GitLab	2021	DevOps platform for software development	\$580	San Francisco
115	Guardant Health	2018	Cancer detection technology	\$564	Redwood City
116	ACM Research	2017	Wafer cleaning technology	\$558	Fremont
117	Qualys	2012	IT security and compliance services	\$554	Foster City
118	QuinStreet	2010	Internet marketing tools	\$550	Foster City
119	The RealReal	2019	Online consignment for luxury goods	\$549	San Francisco
120	Xperi	2003	Chip scale packaging	\$521	San Jose
121	Upstart Holdings	2020	AI Lending platform	\$508	San Mateo
122	ChargePoint	2021	EV charging networks	\$507	Campbell
123	Fastly	2019	Website speed platform	\$506	San Francisco
124	iRhythm	2016	Ambulatory cardiac monitoring	\$493	San Francisco
125	Stem	2021	Intelligent energy storage	\$462	San Francisco
126	Rambus	1997	Semiconductor technology	\$461	San Jose
127	Power Integrations	1997	Power-conversion chips	\$445	San Jose
128	Zuora	2018	Subscription management software	\$432	Redwood City
129	PagerDuty	2019	Real time incident management platform	\$431	San Francisco
130	Nevro	2014	Medical devices for pain relief	\$425	Redwood City
131	Quantum	1999	Computer storage products	\$407	San Jose
132	Intapp	2021	Cloud based software solutions	\$392	Palo Alto
133	Adeia	2022	IP Licensing	\$389	San Jose
134	JFrog	2020	DevOps platform	\$350	Sunnyvale
135	Eventbrite	2018	Online Event ticketing	\$326	San Francisco
136	thredUP	2021	E-commerce platform for 2nd hand apparel	\$322	Oakland
137	Doximity	2021	Cloud-based digital healthcare platform	\$317	San Francisco
138	Grid Dynamics	2020	Digital transformation services	\$313	San Ramon
139	C3.ai	2020	AI Software platform	\$296	Redwood City
140	Wish (ContextLogic)	2020	Online e-commerce platform	\$287	San Francisco
141	Amplitude	2021	Digital customer analysis	\$276	San Francisco
142	PubMatic	2020	Cloud based advertising transactions	\$267	Redwood City
143	Model N	2013	Revenue management software for healthcare	\$254	San Mateo
144	A10 Networks	2014	Networking products	\$252	San Jose
145	23andMe	2021	Consumer genetics analysis	\$248	So San Francisco
146	Ooma	2015	Internet phone service provider	\$237	Sunnyvale
147	Ambarella	2012	Semiconductors for imaging	\$226	Santa Clara
148	Planet Labs	2021	Satellite data platform	\$221	San Francisco
149	Nextdoor	2021	Neighborhood network site	\$218	San Francisco
150	Cutera	2004	Laser-based medical devices	\$212	Brisbane

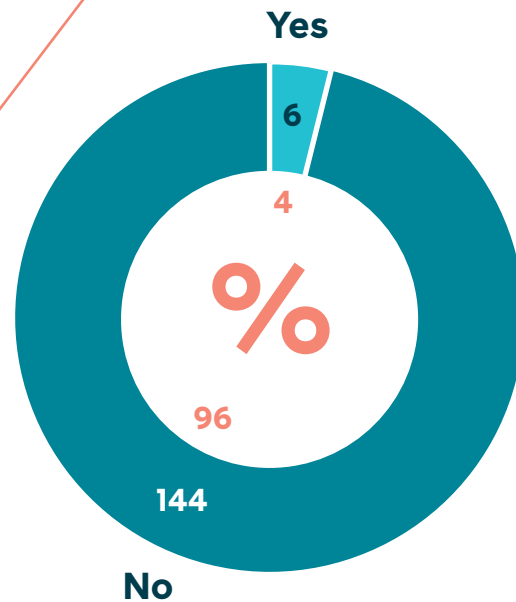
SOURCE: LONERGAN SV150

## Location of Incorporation



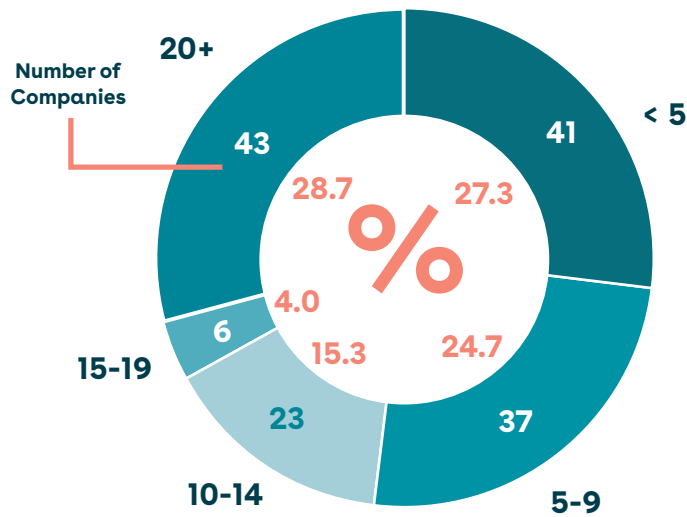
## Listing Exchange

## Emerging Growth Companies





# Years Since IPO



8

of the 150 companies have been public for more than 40 years.

Reflecting the IPO slowdown, **only two** of the 150 companies went public in 2023 or 2024.

**Eleven** companies joined (or rejoined) the list this year, some of which recently went public.

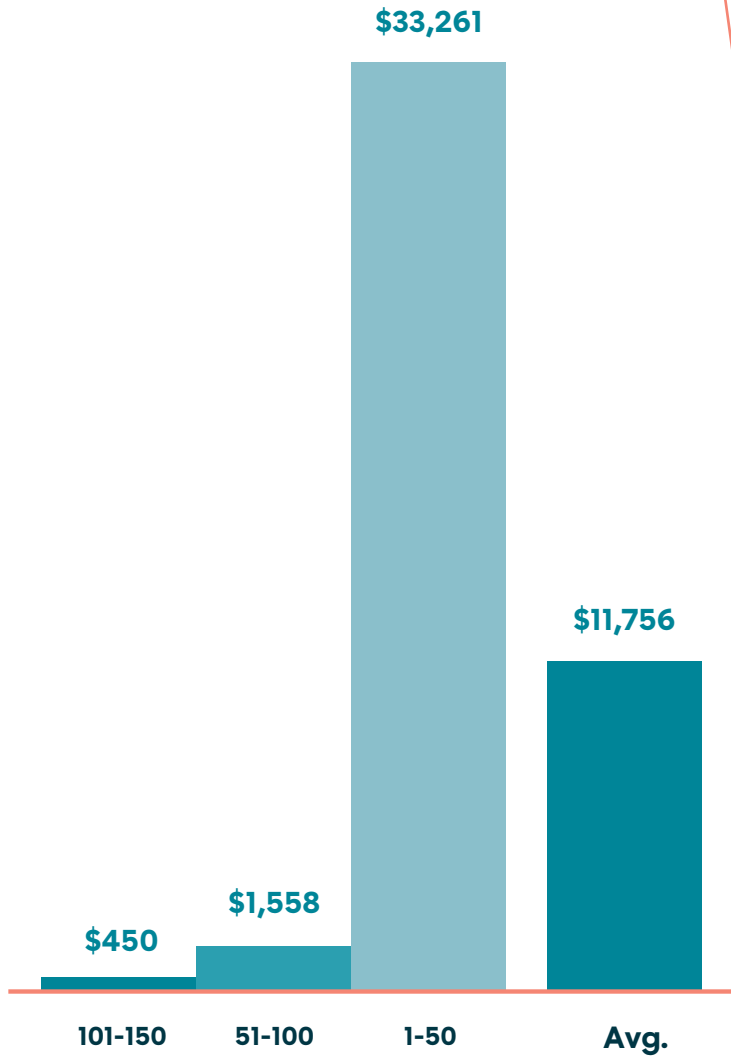
SV150 Rank	Company	Years Since IPO
1	Apple	44
25	KLA Corporation	44
56	Bio-Rad Laboratories	44
22	Western Digital	46
16	Applied Materials	52
17	Advanced Micro Devices	52
7	Intel	53
8	HP Inc	67

SV150 Rank	Company (year public - IPO, unless noted)
43	Keysight (2013- spinoff)
52	Instacart (2023)
93	Reddit (2024)
98	Shockwave Medical (2019)
121	Upstart Holdings (2020)
133	Adeia (2022 - spinoff)
138	Grid Dynamics (2020)
143	Model N (2013)
146	Ooma (2015)
148	Planet Labs (2021)
149	Nextdoor (2021)

# Sales (in millions)

Calculated based on four quarters ending on or nearest December 31, 2023.

SOURCE: LONERGAN SV150



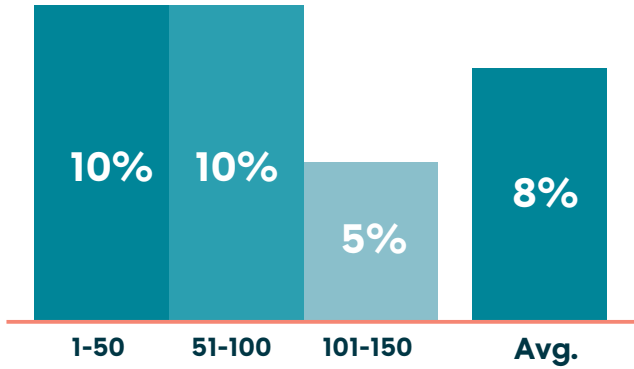
# Market Cap (in millions)

Market capitalization as of March 28, 2024.

SOURCE: LONERGAN SV150



## Sales Growth Rate



High Growth

**126%**



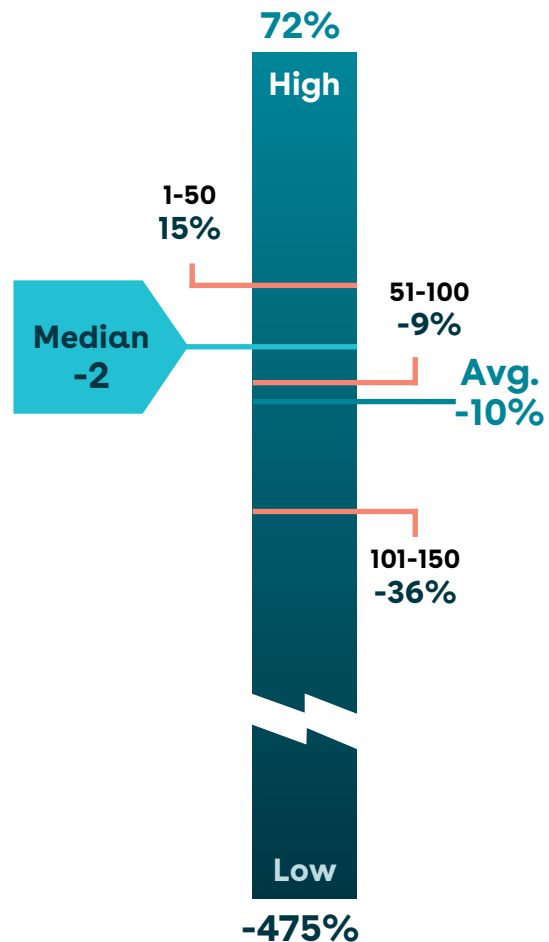
Low Growth

**-50%**

## Profitability

Growth rate (above) and profitability calculated based on companies' four quarters ending on or nearest to December 31, 2023. These measures are not weighted by 2023 sales.

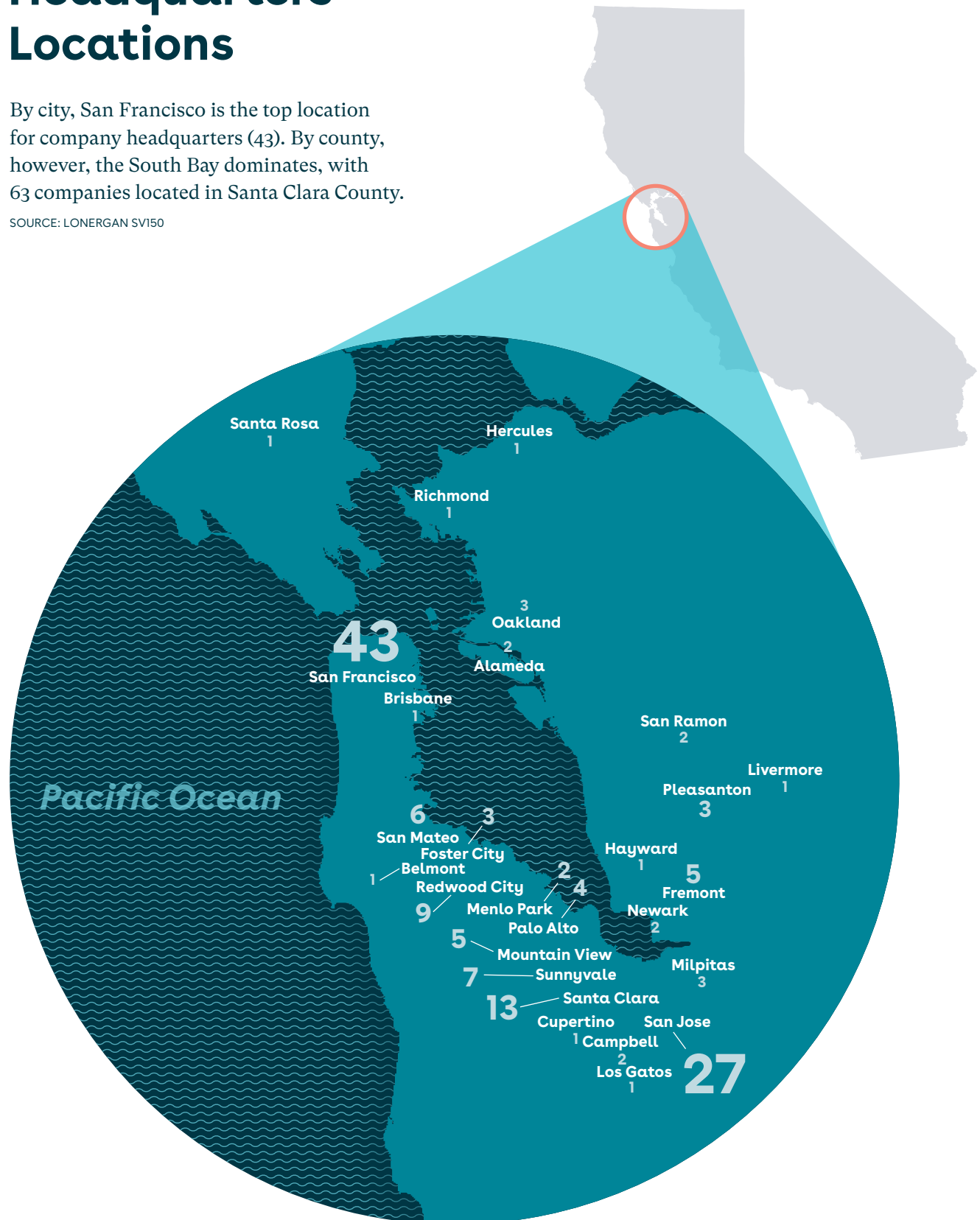
SOURCE: LONERGAN SV150



# Headquarters Locations

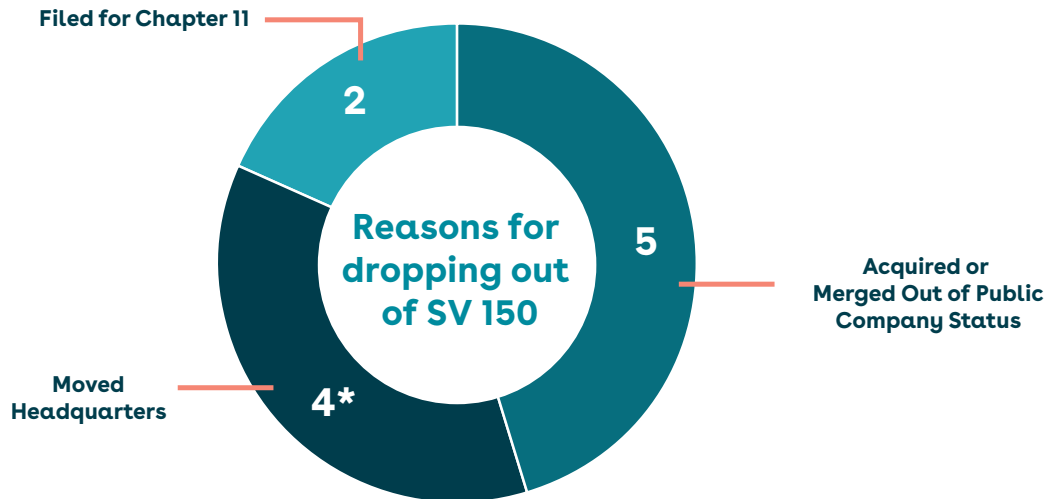
By city, San Francisco is the top location for company headquarters (43). By county, however, the South Bay dominates, with 63 companies located in Santa Clara County.

SOURCE: LONERGAN SV150



# Silicon Valley 150 Companies: 2024 Report vs. 2023 Report

**11 companies** that were included in our 2023 Silicon Valley 150 report were not included in this report.



\*States where companies moved: Texas, Wisconsin and Nevada. One company became a distributed company with no on-site headquarters.

## Comparisons to Prior Year

**Total number of companies dropping from the list was down**

**12 companies** in 2023 vs. **11** in 2024

**Headquarter moves increased significantly**

**1 move** in 2023 vs. **4** in 2024

**Acquisitions/mergers decreased 50%**

**10** transactions in 2023 down to **5** in 2024

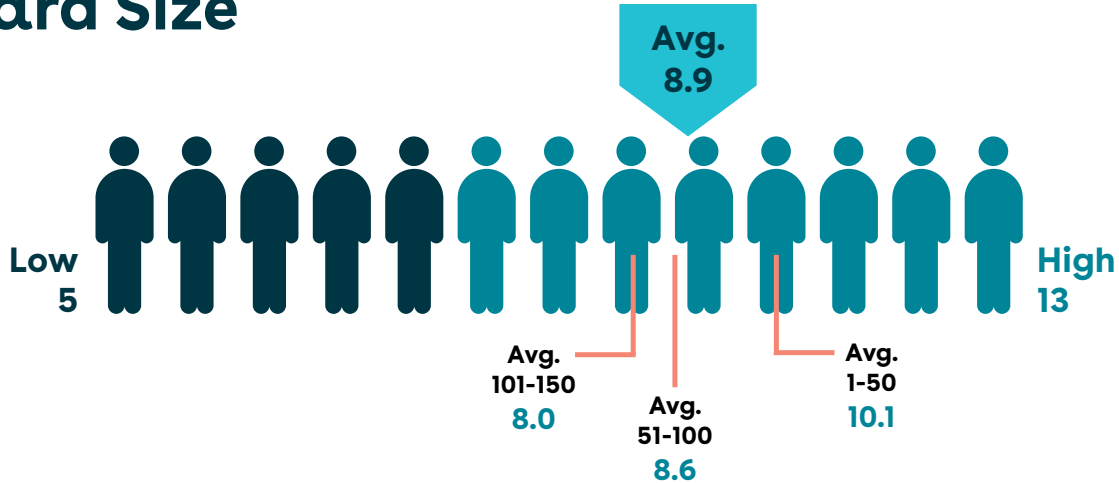
**No companies dropped off in 2024 due to low revenue**

**Second year** in a row

# BOARD MATTERS

Boards oversee companies, and stockholders elect boards. In the past 20 years, federal and state laws, as well as stockholder initiatives and activism, have put a sharp focus on board and committee independence, refreshment, leadership, diversity, age, tenure, and experience. Board oversight of environmental, cyber, and human capital issues has recently become a concern as well. This section provides demographic information about the boards of directors of the SV150 and their workloads (by number of board and committee meetings), obtained from each company's proxy statement. Among the findings: 33.9% of all SV150 directors are women, and the average percentage of women on SV150 boards is 34.1%. These percentages have remained consistent for the last several years. This section also provides information about board policies that address board refreshment and overboarding, obtained from each company's corporate governance policies. While many companies have policies on overboarding and change in occupation, fewer have policies on mandatory retirement age or term limits. Finally, in response to investor interest, as well as potential SEC rulemaking, boards are increasingly discussing their oversight of environmental, cyber, and human capital issues in their proxy statements and including the responsibility for oversight of these matters in committee charters.

# Board Size

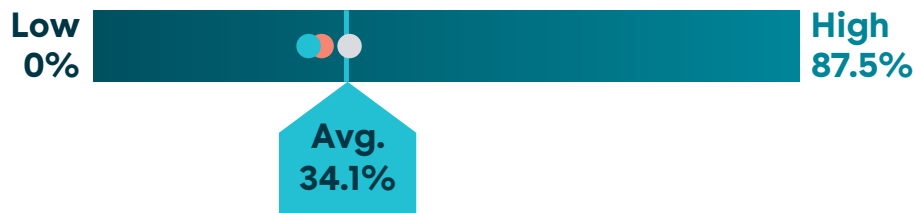


## Average % Independent Directors



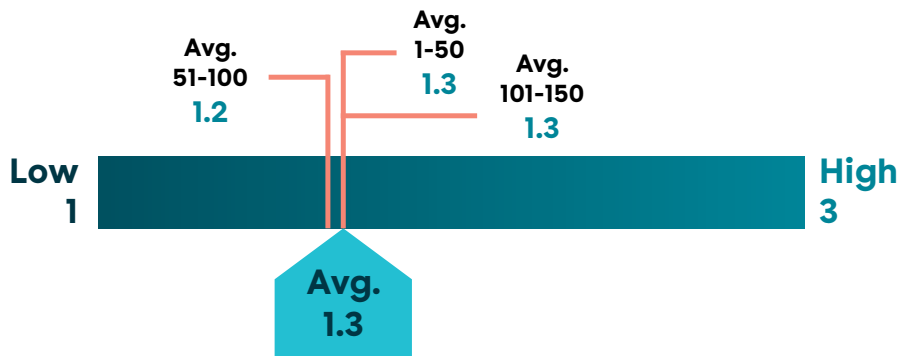
Rank	%	Number
1-50	82.6	8.3
51-100	80.6	7.0
101-150	81.0	6.5

## Average % Female Directors

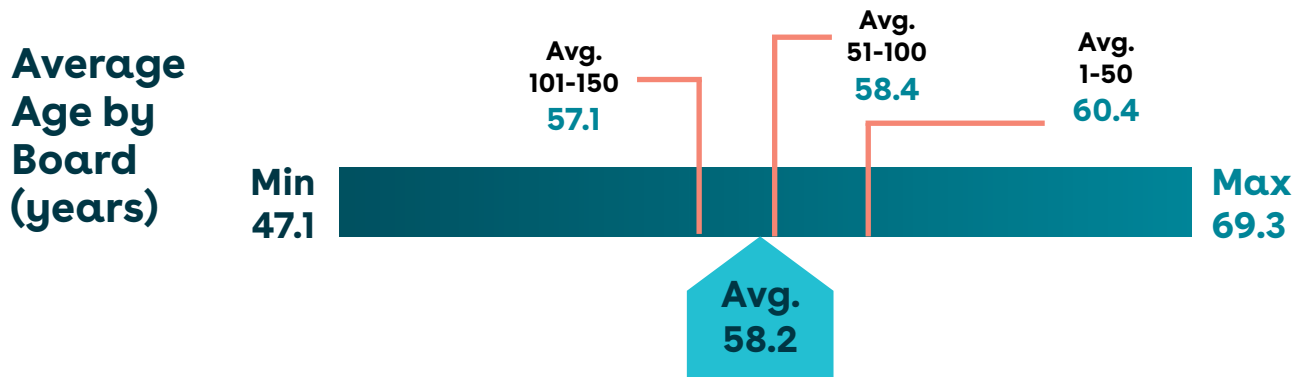
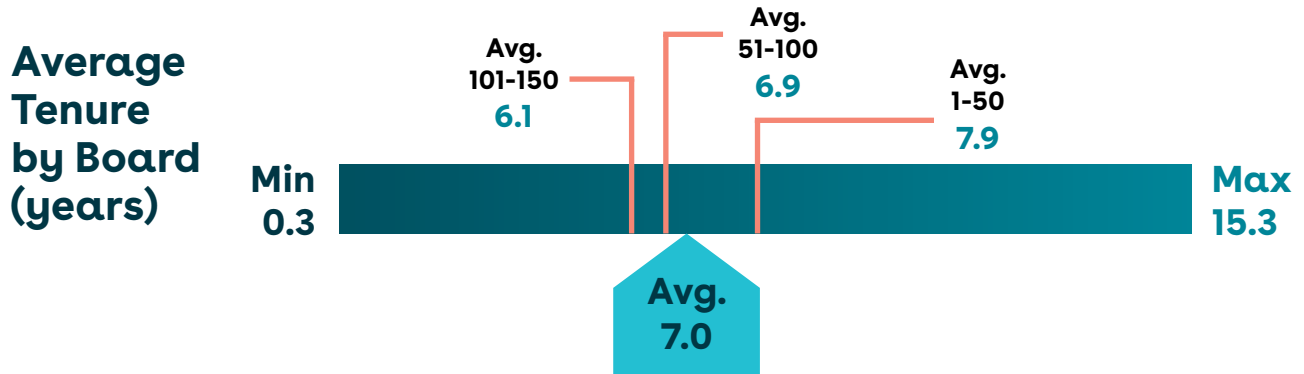


Rank	%	Number
1-50	33.5	3.4
51-100	33.9	2.9
101-150	34.9	2.8

## Average # Employee Directors



# Average Age and Tenure of Directors



**Andy Fang, 31**  
 Youngest director on DoorDash board since 2013; Head of Consumer Engineering, co-founder DoorDash



**Ralph Snyderman, M.D., 84**  
 Oldest director; Former Executive Director of Center for Health Research at Duke University; on board of iRhythm Technologies since 2017



## Board Tenure and Age: Highs and Lows

Highest Average Tenure: Over  
**15**  
 years

**NVIDIA**

Lowest Average Tenure:  
**0.3**  
 year\*

**ContextLogic**

\*Board recomposed following asset sale

Highest Average Age: Almost  
**70**  
 years

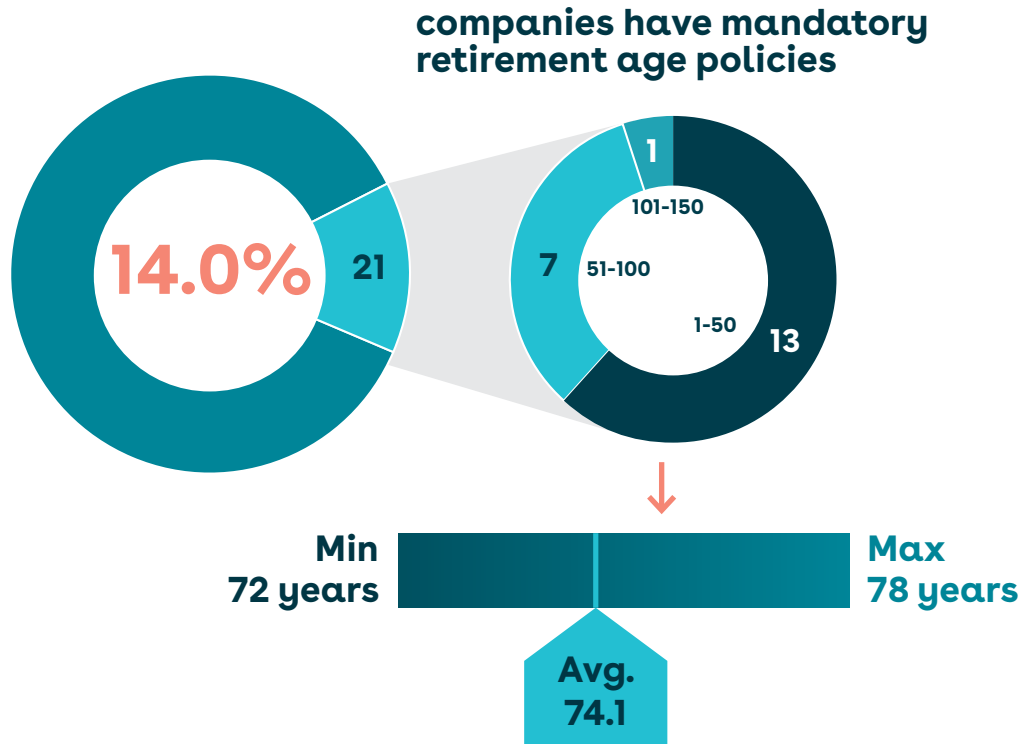
**Super Micro Computer**

Lowest Average Age:  
**47**  
 years

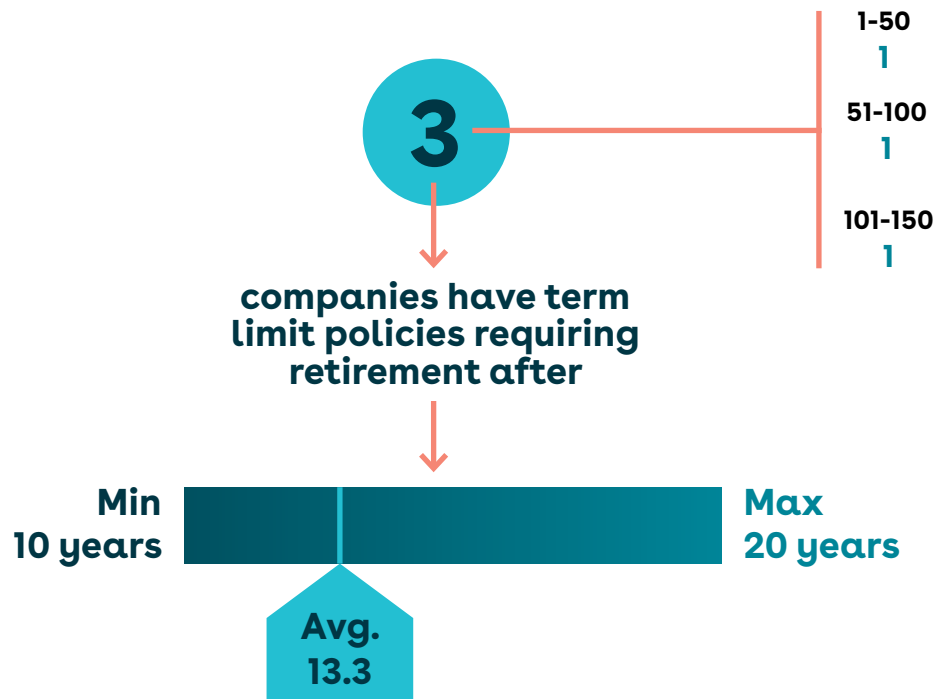
**Amplitude**



# Mandatory Retirement Age Policies

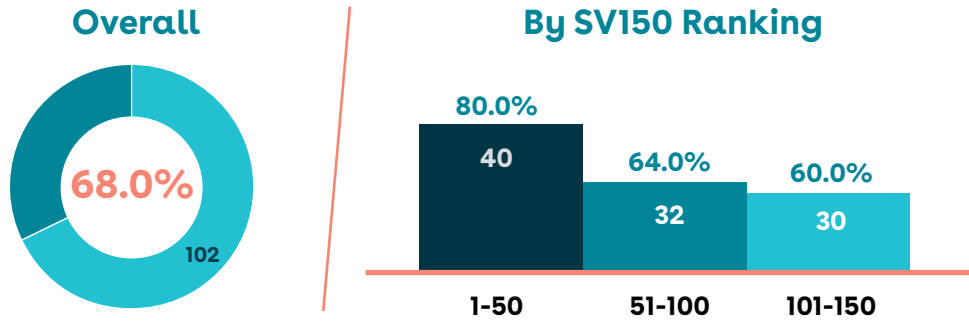


# Term Limits Policies



# Overboarding Policies

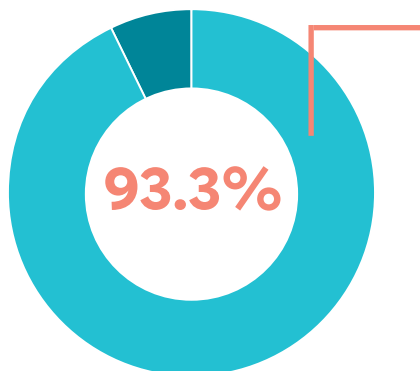
**68% of companies** have policies limiting the number of outside boards on which a director may sit.



**52% of companies** with overboarding policies apply different standards to a CEO director than they do to non-CEO directors, generally permitting fewer outside directorships for CEO directors. In some companies, the standard applies only to the company’s own CEO and in others, to a director who is the CEO of any public company. Other executive officers may in some cases be subject to the same standards as a CEO or have their own separate standard.



## Policy on change in occupation



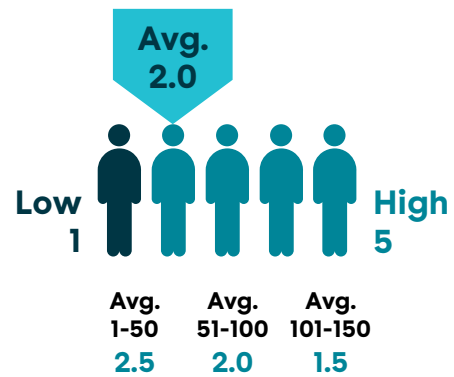
**140 companies** have a policy requiring notification to the board—and in some cases voluntary resignation from the board, to be accepted or rejected by the board after review of the circumstances—in the event of retirement or change in one’s principal occupation or business association or other significant change in personal circumstances.

# Committee Members

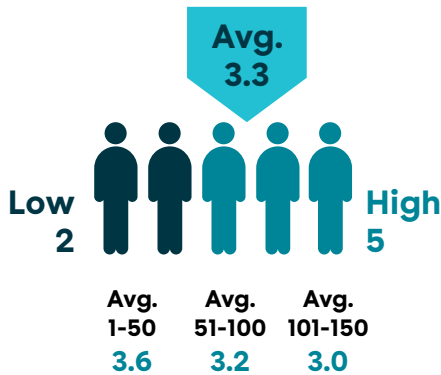
## Audit Committee Members



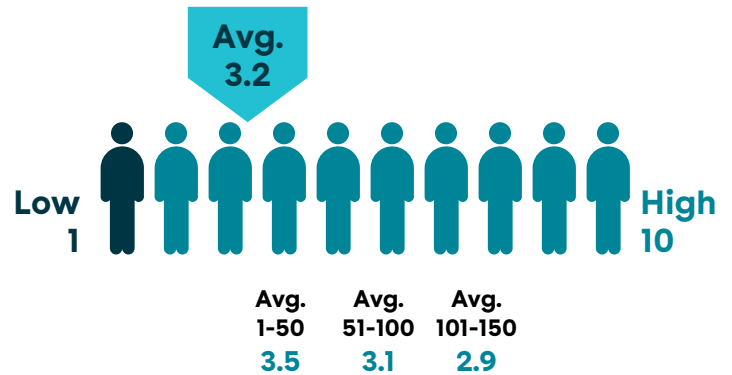
## Audit Committee Financial Experts



## Compensation Committee Members

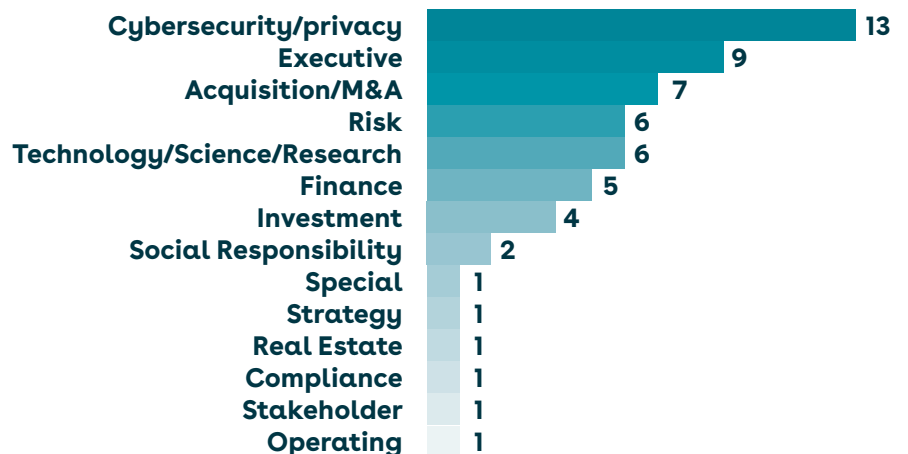


## Nominating/Governance Committee Members

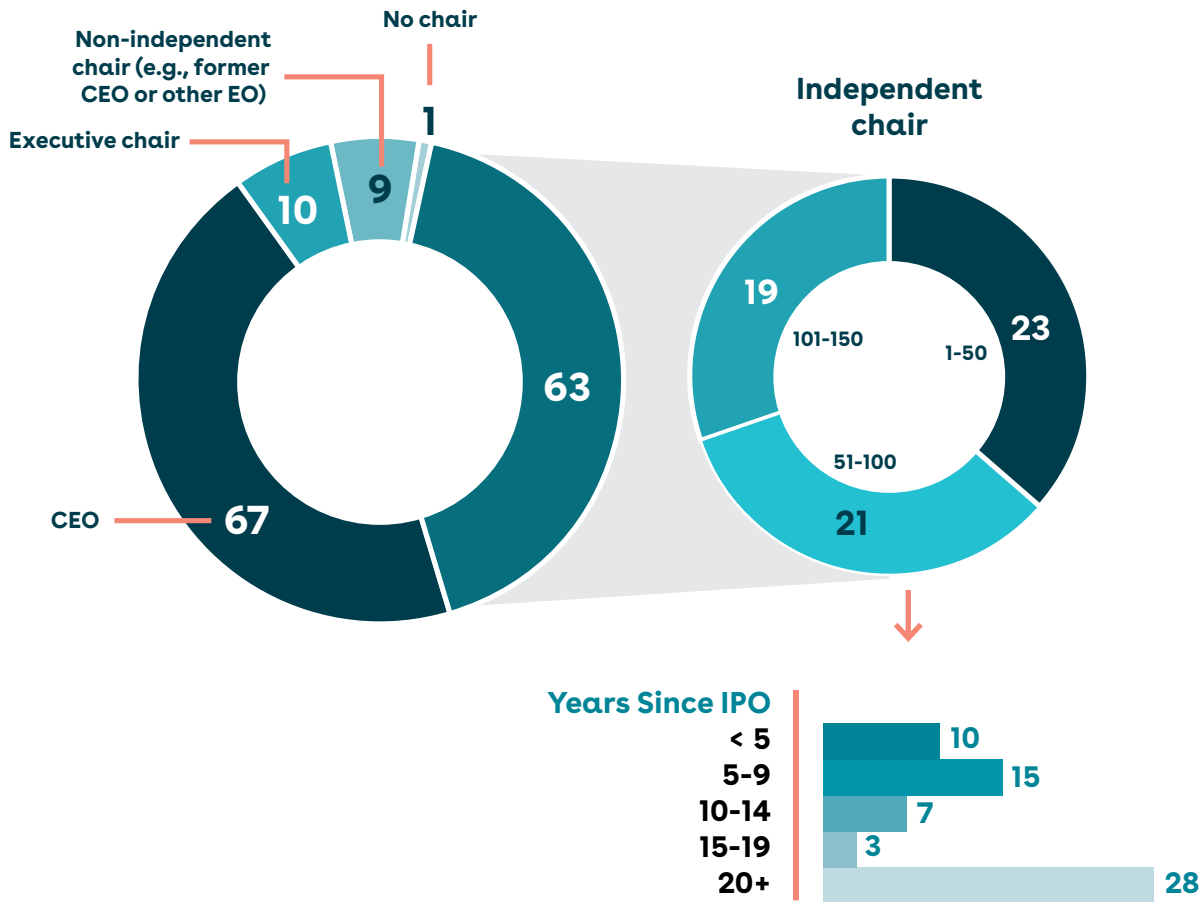


## Other Committees

25 of the top 50 had at least one additional committee. This was less prevalent for the middle 50 (20) and the bottom 50 (6).



# Who Is the Board Chair?



## Lead Independent Directors

In 79 of the 87 companies where the CEO, executive chair, or non-independent chair was the board chair or there was no board chair, the company also had a lead independent director.



In 6 of the 63 companies where there was an independent board chair, the company also had a lead independent director.



# Board and Committee Meetings

## Number of Board Meetings



## Number of Audit Committee Meetings



## Number of Compensation Committee Meetings



## Number of Nominating/Governance Committee Meetings

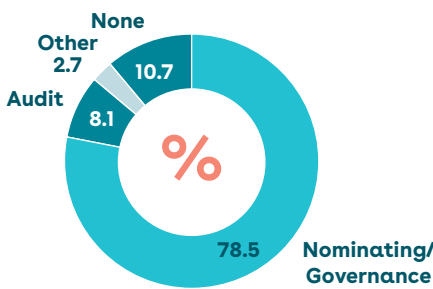


# Committee Deep Dive on Hot Topics

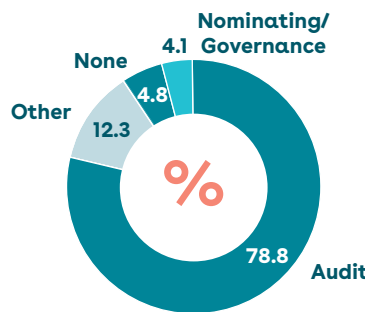
Boards are increasingly being tasked with explaining how they oversee issues related to Environmental, Social, and Governance (ESG) and/or Sustainability, Cybersecurity, and Human Capital. The following information includes our findings on which committees were delegated these responsibilities and how that mandate was communicated, whether through the proxy statement, committee charters, or corporate governance guidelines. We also include information about what type of Human Capital disclosure is included in proxy statements.

## Committees handling:

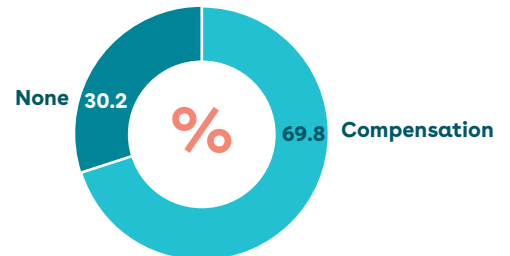
### ESG/Sustainability



### Cybersecurity

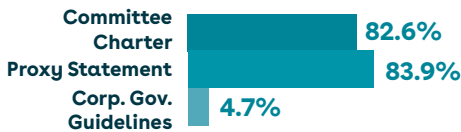


### Human Capital

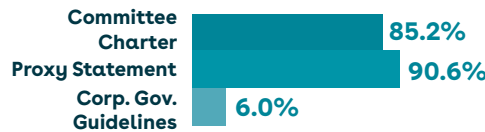


## Where responsibility appears:

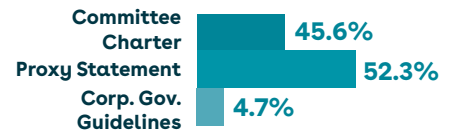
### ESG/Sustainability



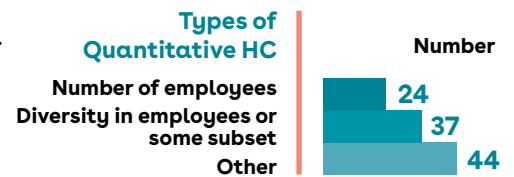
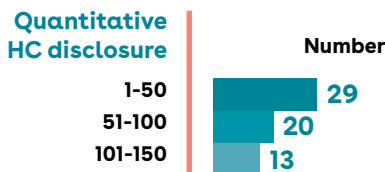
### Cybersecurity



### Human Capital



## Human Capital Disclosures in Proxy Statements:



In addition to those companies that specifically mention “human capital,” 20.8% of charters and 12.8% of proxy statements do not mention “human capital,” but give a mandate for talent management, people activities, employee diversity and inclusion, retention, or other key words that signal human capital management.

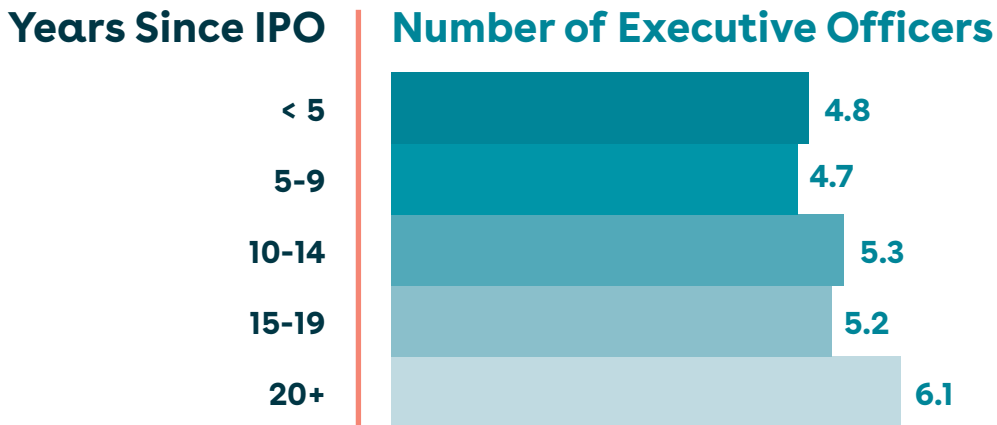
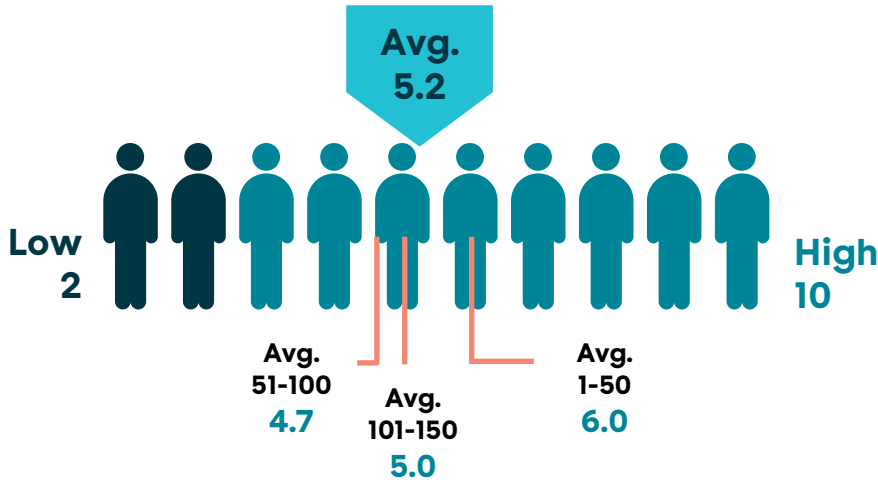
# OFFICER MATTERS



Perhaps the most important responsibility of the board of directors is to select the company's officers, who are responsible for the company's day-to-day management. We examined the average number of executive officers at the SV150 companies, as well as the types of officers that were most typical, as disclosed in proxy statements and annual reports. We also looked at the number of women CEOs and CFOs in the SV150 as well as the total number of women executive officers overall. While approximately 33.9% of all SV150 directors are women, only 5.3% of SV150 companies are led by women CEOs. Women CFOs fare better, with 22.2%. As a total percentage of executive officers in the SV150, women executives represent 21.0%. These percentages have remained consistent for the last several years.

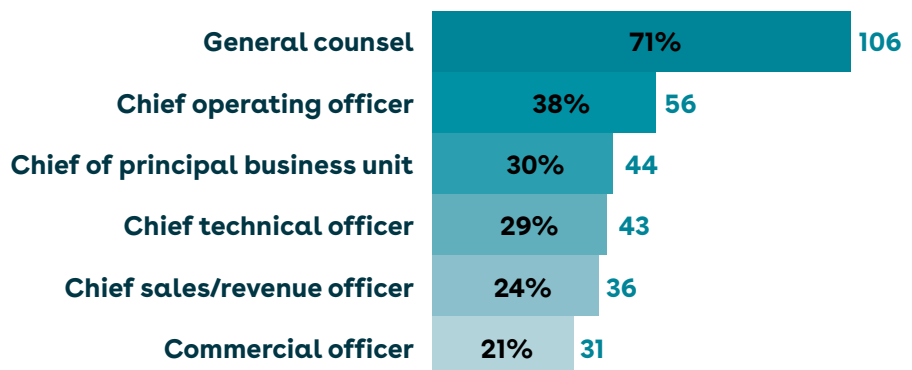


# Total Number of Executive Officers at Companies



## Other Executive Officers

In addition to CEO and CFO, these were the most frequent other executive officers listed in the proxy statement.





## Women CEOs in the SV150



Only **5.3%** of the CEOs in the SV150 are women.

**#17: Lisa T. Su, Ph.D., Advanced Micro Devices**

**#39: Jayshree V. Ullal, Arista Networks**

**#52: Fidji Simo, Instacart**

**#61: Mary Powell, Sunrun**

**#100: Hayden Brown, Upwork**

**#129: Jennifer Tejada, PagerDuty**

**#135: Julia Hartz, Eventbrite**

**#145: Anne Wojcicki, 23andMe**

## Other Women Executives in the SV150

Although progress toward more women CEOs in the SV150 has been glacial, women are gaining a foothold in the C-suite. The percentage of women CFOs and women executive officers in the SV150 represent a healthy portion of the total, albeit considerably less than half.

### Women CFOs

Slightly over 1 in 5 CFOs in the SV150 Are Women



### By SV150 Ranking

Rank	%	Number
1-50	34.0	17
51-100	20.0	10
101-150	12.2	6

### Women Executive Officers

Average No. of Women Executive Officers Among Total Executive Officers Overall



Average **21.0%** of Women Officers Among Total Executive Officers Overall

### By SV150 Ranking

Rank	%	Number
1-50	23.3	70
51-100	21.1	50
101-150	18.0	44

# DEFENSIVE MEASURES

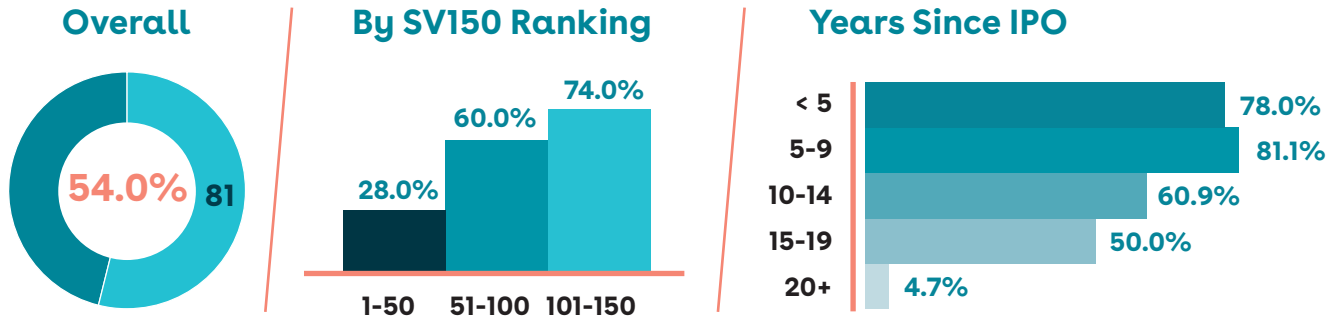


When going public, most companies adopt defensive measures to help prevent hostile takeovers. These measures tend to place power in the hands of the board as opposed to stockholders, so that the board can control negotiations with a potential acquirer. Stockholders, however, dislike that defensive measures take control away from them, and they work over time to weaken them. Accordingly, larger companies and those farther in time from IPO have fewer defensive measures. This section provides information about the defensive measures of the companies in the SV150, based on certificates of incorporation and bylaws. Controlled companies are included in this section, as well as companies with sponsors or other large stockholders, and the information below reflects the provisions that will be in place once any additional protections for the controlling or large stockholders fall away. For this section, we show results based both on SV150 ranking and years since IPO.



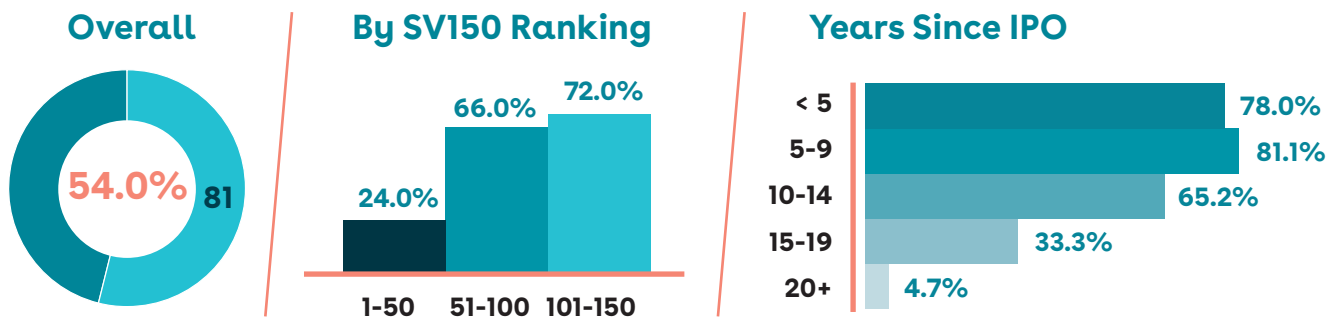
## Classified Boards

Companies with a classified board stagger director elections over a three-year period, with approximately one-third of the directors subject to re-election each year.



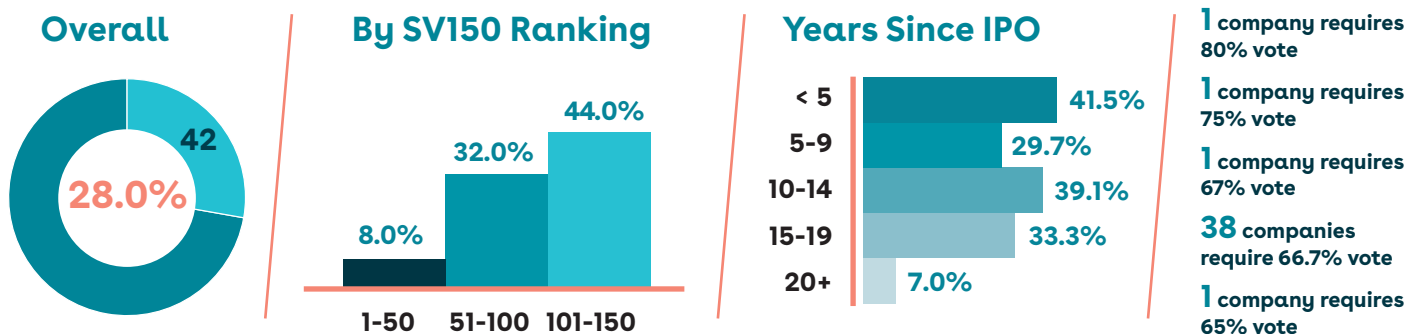
## Director Removal for Cause Only

According to Delaware law, examples that constitute cause for removal of directors include: malfeasance in office, gross misconduct or neglect, false or fraudulent misrepresentation inducing the director's appointment, willful conversion of corporate funds, breach of the obligation of full disclosure, incompetency, gross inefficiency, or moral turpitude.



## Supermajority Stockholder Vote Required to Remove Director

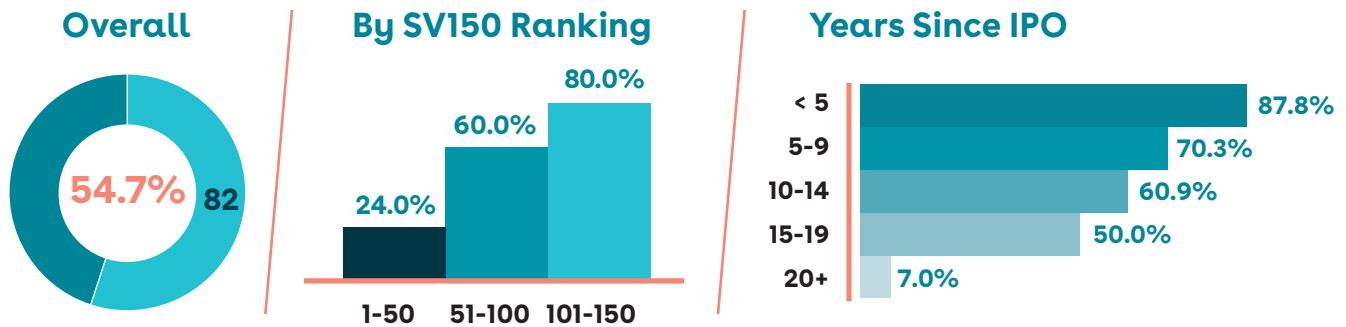
More than a simple majority of the company's outstanding stock is required to remove a director from office.



## Board Elected by Majority or Plurality

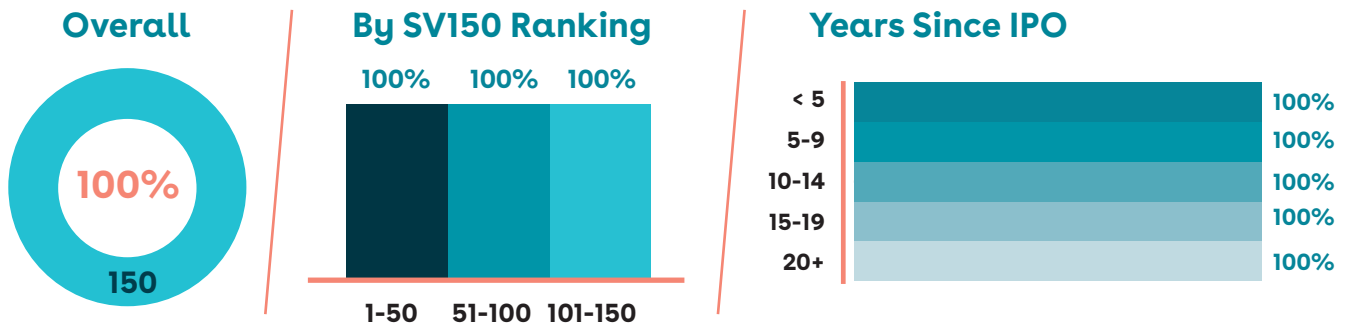
If the board is selected by a plurality of votes cast, the winners are the nominees who receive the most votes regardless of whether that is more than 50% of the votes cast. If the board is elected by a majority of the votes cast, a nominee must receive more than 50% of the votes cast in order to be elected.

### For companies with a plurality standard



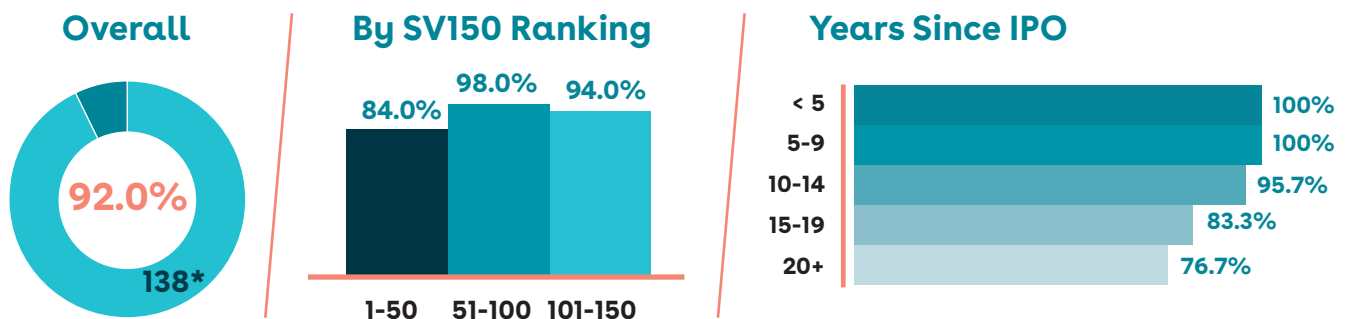
## Board Authority to Change Number of Directors

The typical provision in a company’s certificate of incorporation will provide the board of directors with the ability to increase or decrease the size of the board.



## Board Authority to Fill Vacancies on the Board

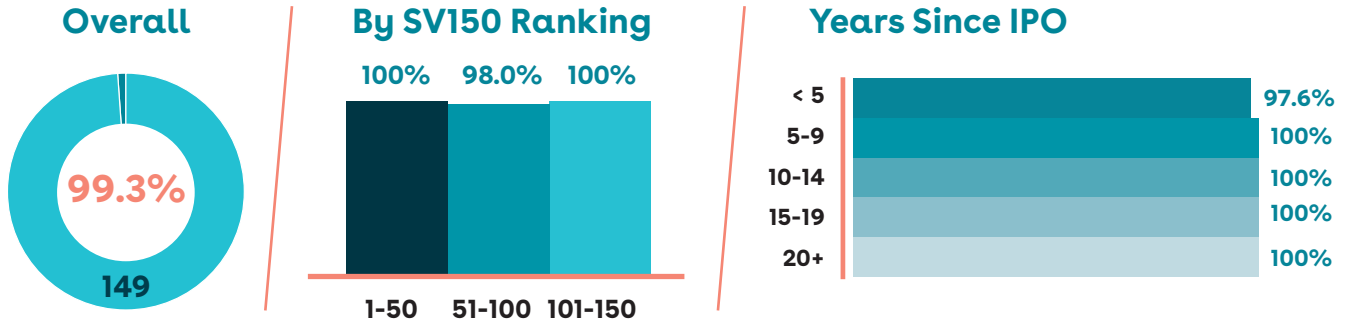
The typical provision in a company’s certificate of incorporation will provide the board of directors, even if less than a quorum, with the exclusive ability to fill vacancies on the board, including new director positions created through an increase in the authorized number of directors.



\*Does not include companies where shareholders may fill vacancies in certain instances.

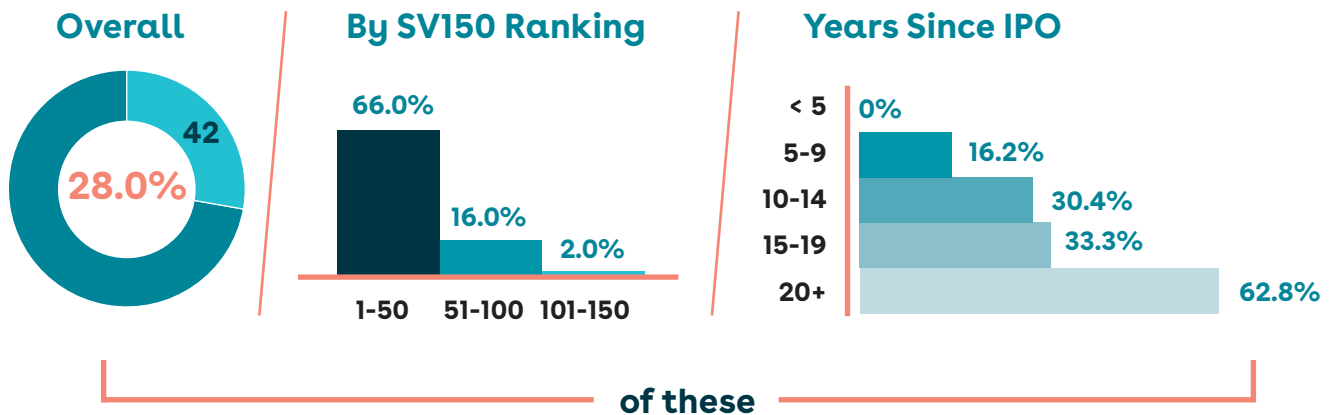
## Advance Notice Bylaws

Advance notice bylaws set forth certain requirements that a stockholder must satisfy in order to bring a matter of business before a stockholder meeting or nominate a director for election.



## Proxy Access Bylaw

A proxy access bylaw permits stockholders holding a certain percentage of stock for a certain number of years to nominate a certain percentage of directors in the company’s proxy materials without starting a formal proxy fight. The typical “3/3/20/20” approach means 3% of stock must be held for at least three years by up to 20 stockholders who can nominate up to 20% of the board.



of these

**36**  
use 3/3/20/20  
approach

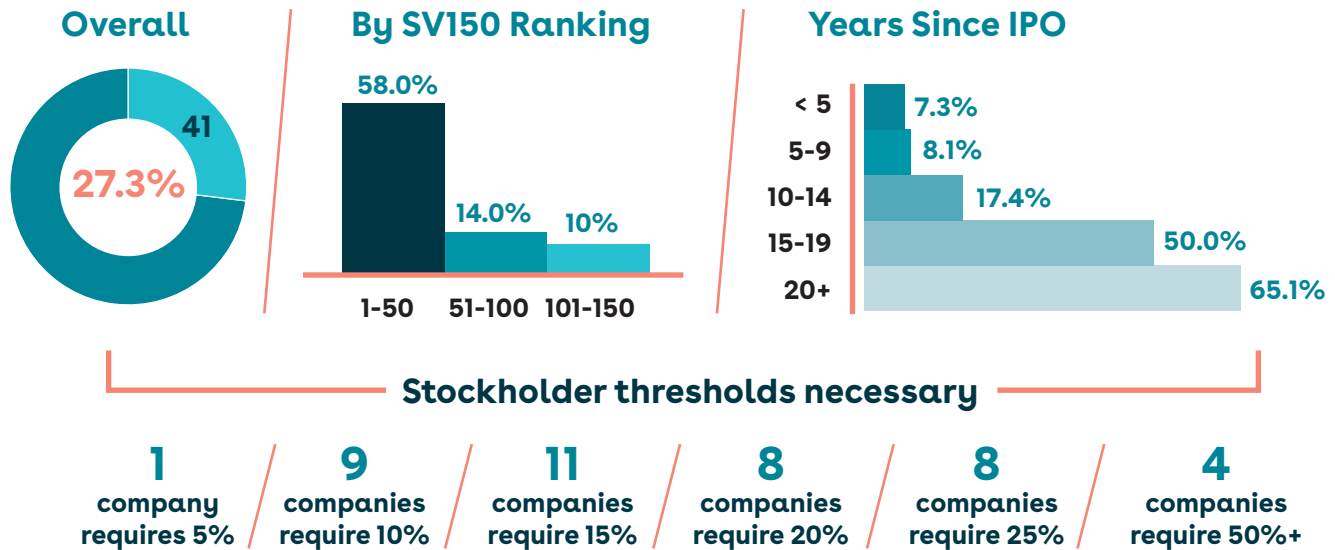
**3**  
use 3/3/20/25  
approach

**2**  
use 3/3/50/20  
approach

**1**  
is governed by home  
country approach

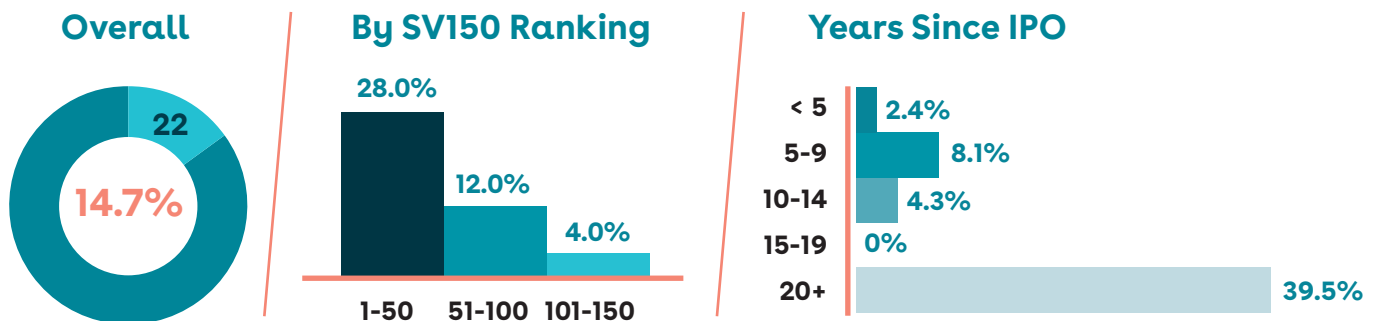
## Stockholder Ability to Call Special Meeting

The typical provision in a company’s bylaws provides that a special meeting may only be called by the chairperson of the board, the CEO, or the president (in the absence of a CEO), and prohibits stockholders from calling a special meeting. Below we show the companies whose stockholders can call a special meeting.



## Stockholder Ability to Act by Written Consent

If companies do not permit stockholders to act by written consent, any action requiring stockholder approval must occur at a stockholder meeting. Below we show the companies whose stockholders can act by written consent.



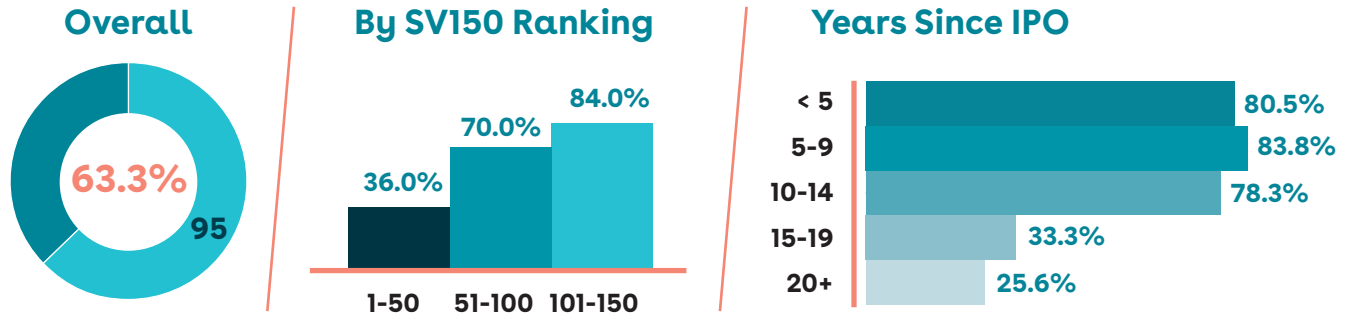
## Shareholder Rights Plan (Poison Pill)

A shareholder rights plan, also known as a “poison pill,” acts as a defensive measure against hostile takeovers by making a company’s stock less attractive to an acquirer.

Only **1** company

## Supermajority Stockholder Vote Required to Amend Certificate of Incorporation

More than a simple majority of the company's outstanding stock is required to amend this governing document.

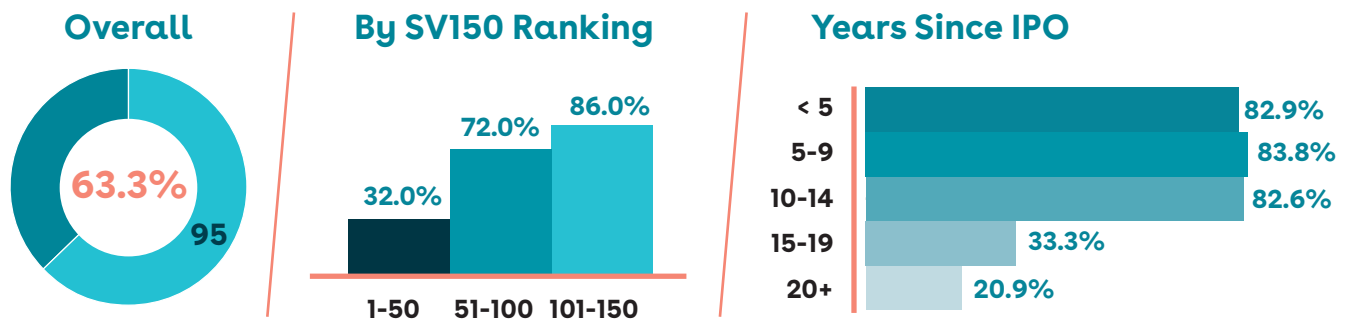


### Required thresholds



## Supermajority Stockholder Vote Required to Amend Bylaws

More than a simple majority of the company's outstanding stock is required to amend this governing document.



### Required thresholds

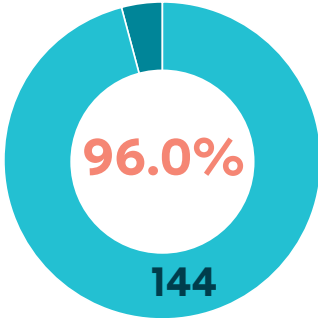




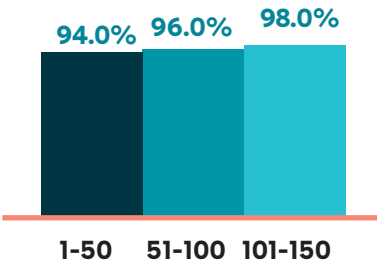
### Blank Check Preferred

Blank check preferred allows the board of directors, without stockholder approval, to issue preferred stock with rights, preferences, and privileges it chooses. Blank check preferred can be used for a poison pill or for an investment by a strategic investor.

Overall



By SV150 Ranking



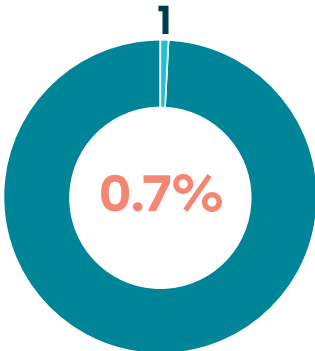
Years Since IPO



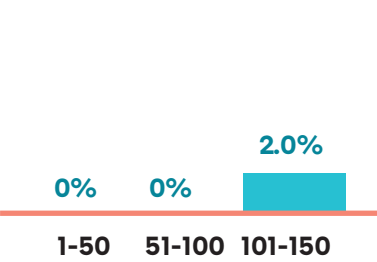
### Cumulative Voting

Cumulative voting is a method of voting for a company’s directors. Each stockholder holds a number of votes equal to the number of shares owned by the stockholder, multiplied by the number of directors to be elected.

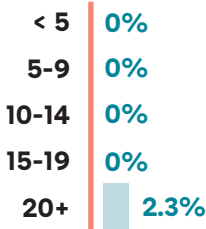
Overall



By SV150 Ranking



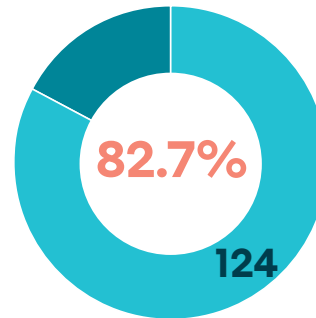
Years Since IPO



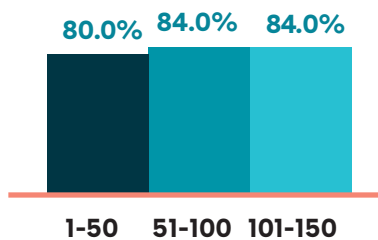
## Exclusive Forum Provisions

Exclusive forum provisions require that certain types of litigation (i.e., derivative suits, claims of breach of fiduciary duty, claims under Delaware corporate law, or claims governed by the internal affairs doctrine) be brought solely and exclusively in the Court of Chancery of the State of Delaware (or another specified forum).

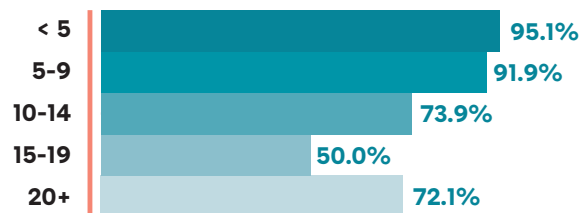
### Overall



### By SV150 Ranking



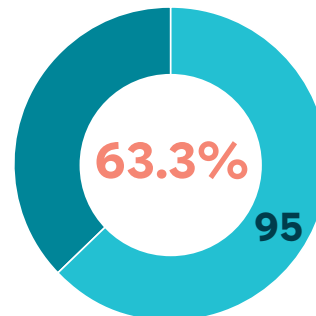
### Years Since IPO



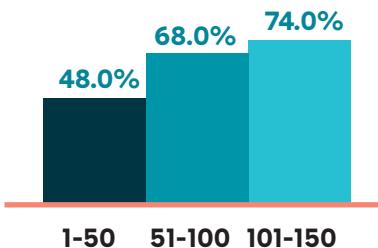
## Federal Forum Provisions for Securities Claims

Federal forum provisions require that litigation under the Securities Act of 1933 must be brought solely and exclusively in Federal court. Companies use this provision as a means to avoid having multiple securities actions filed in state and Federal forums, which can be duplicative and costly.

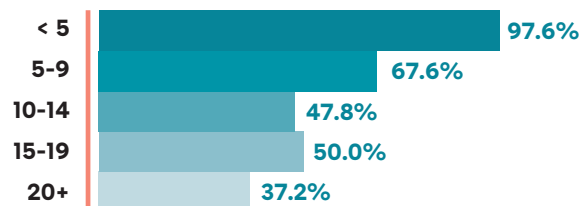
### Overall



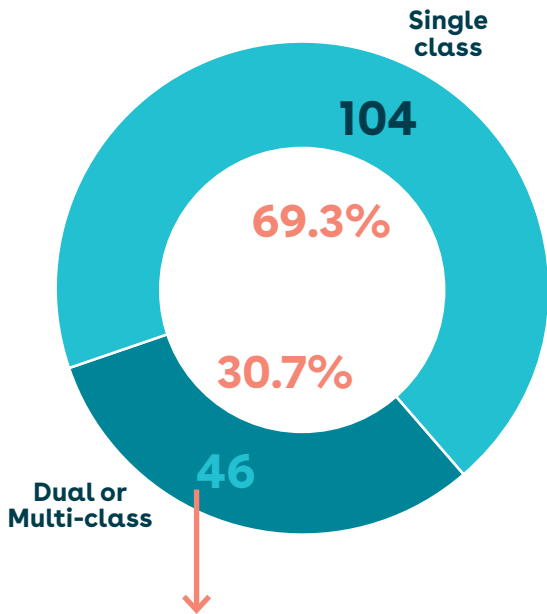
### By SV150 Ranking



### Years Since IPO



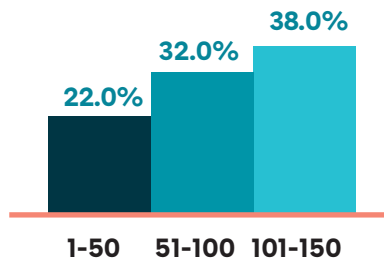
# Classes of Common Stock



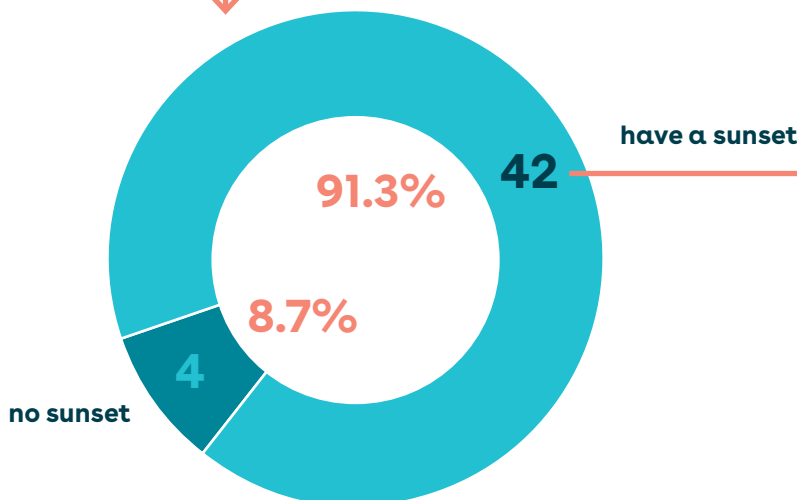
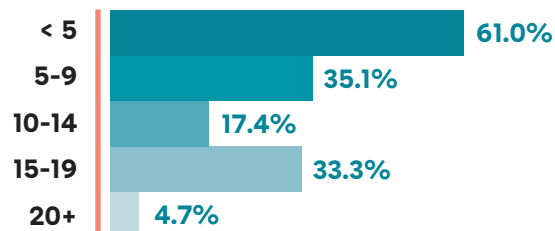
In companies with dual or multi-classes of common stock, shares held by the public carry one vote (or in some cases zero votes) per share while shares held by pre-IPO investors carry multiple votes per share, giving more voting control to founders, employees, and other pre-IPO investors. Many companies that implement a dual or multi-class structure include a sunset provision where the high-vote shares fall away upon the occurrence of a specified condition, such as the date on which all high-vote shares represent less than a certain percentage of all shares outstanding; after a specified time period; or upon the occurrence of a specific event, such as the death of a founder. The most common approach used by this year's SV150 companies is that all high-vote shares automatically convert to low-vote shares upon a specified event. A time-based fall away or a percentage threshold is often used in combination with an event so that the sunset occurs if any one of them is triggered.

of these

By SV150 Ranking



Years Since IPO



- 13** determined by event or time
- 11** determined by time, event or percentage
- 10** determined by event or percentage
- 6** determined by event only
- 1** determined by time only
- 1** determined by percentage only

# PROXY STATEMENT DISCLOSURES



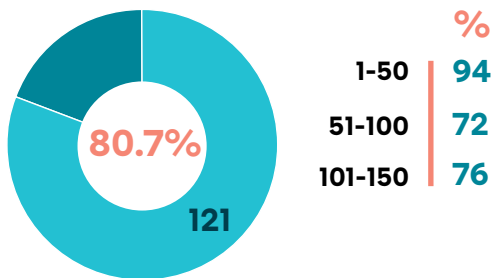
Each proxy statement includes disclosure required by SEC rules. Many companies, however, voluntarily include additional disclosure on a number of corporate governance topics important to institutional stockholders and others. We examined proxy statements of the SV150 to determine how prevalent such voluntary disclosure is becoming. We also looked at whether companies are including summaries at the beginning of the proxy statement to emphasize important matters included elsewhere in the proxy statement. We found that each of these items continue to be more typically provided by the top 50 companies in the SV150 but are also being included by the bottom 100 companies in greater numbers this year as well. We also looked at whether companies hold their annual meetings at a physical location, virtually, or both. What started in 2020 following the onset of the COVID-19 pandemic has continued to date, with an overwhelming majority of companies continuing to hold virtual annual meetings in 2024. For the third year that Nasdaq companies have been required to publish a board diversity matrix, we looked at where Nasdaq companies included this matrix and found that most continued to include it in their proxy statement rather than on their website. Most NYSE companies continued to include some information on board diversity but stopped short of including the Nasdaq-required matrix. We also looked at what diversity disclosures, whether through the mandated matrix or the company's own voluntary disclosure, revealed about how diverse the boardroom is or is not becoming.



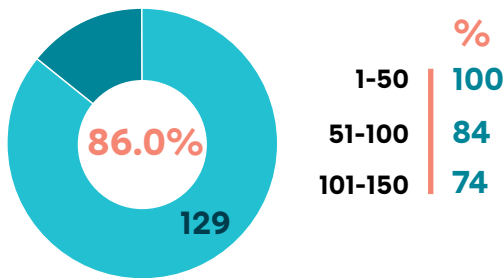
# Voluntary Disclosure

Companies are increasingly including ESG or Sustainability disclosures in their proxy statements and/or on dedicated ESG/ Sustainability websites or in ESG/Sustainability reports, which are discussed further in the “ESG and Sustainability Reporting” section of this report. This increased disclosure is consistent with an increase in discussing oversight of these matters by board committees, as referenced earlier in this report.

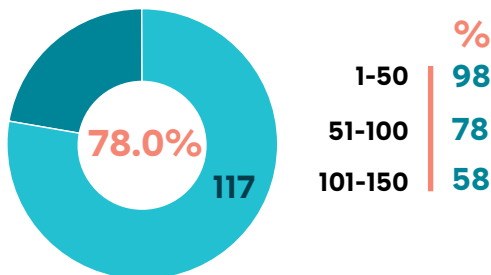
## ESG/Sustainability Disclosure in Proxy



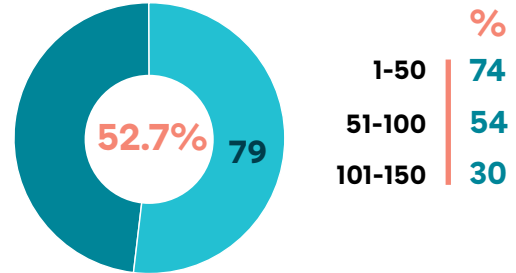
## ESG/Sustainability Website



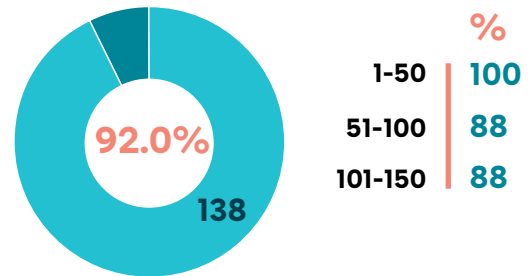
## ESG/Sustainability Report on Website



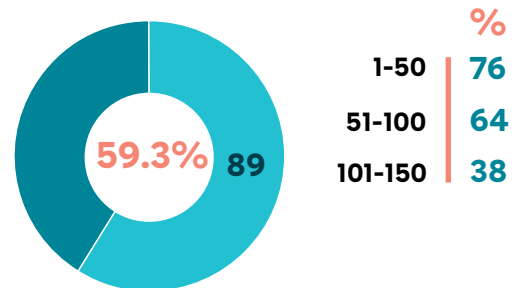
## Director Skills Matrix



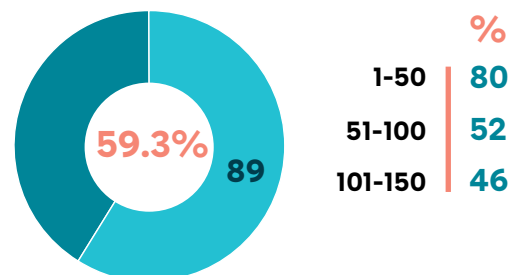
## Board Diversity Disclosure



## Director Photos

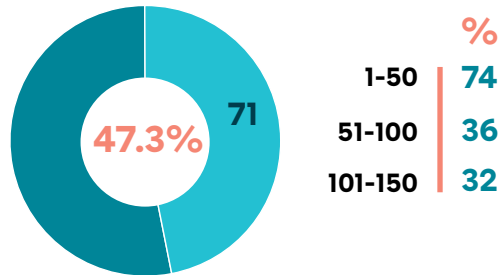


## Shareholder Engagement Disclosure

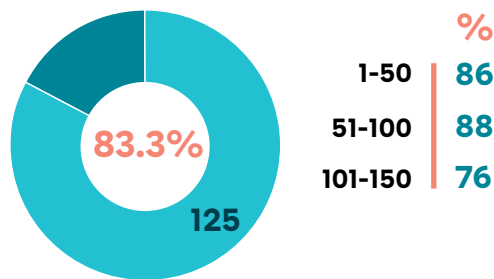


# Voluntary Disclosure *continued*

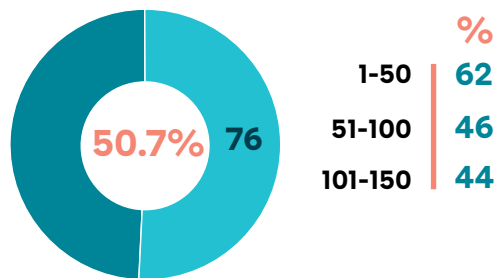
## Board Evaluation Process Disclosure



## Both Board and Committee Evaluated

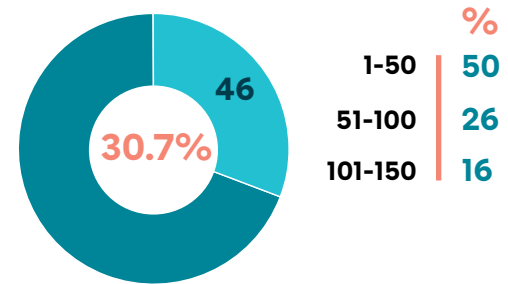


## Peers/Individual Directors Evaluated

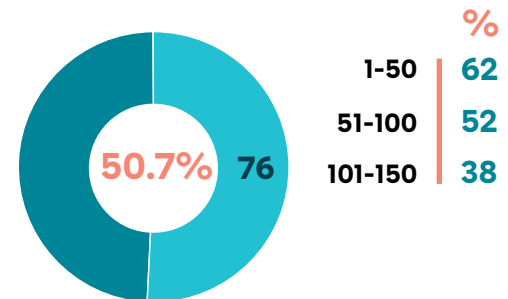


Our research continued to show that board and committee evaluations are typically conducted by board chairs, lead independent directors, governance committee chairs, outside or in-house counsel, or governance consultants. Interviews, questionnaires, and group discussions are the most typical evaluation methods.

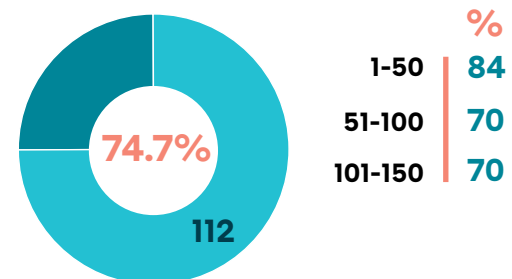
## Officer Succession Plan Disclosure



## Cybersecurity Disclosure



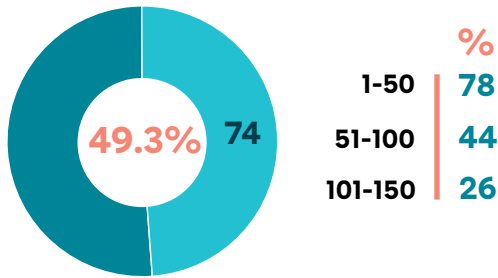
## Human Capital Management Disclosure



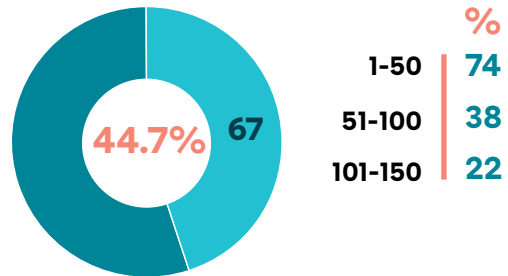
For the third year in a row, voluntary disclosure of human capital management continued to be prevalent throughout the SV150.

# Proxy Statement Summaries

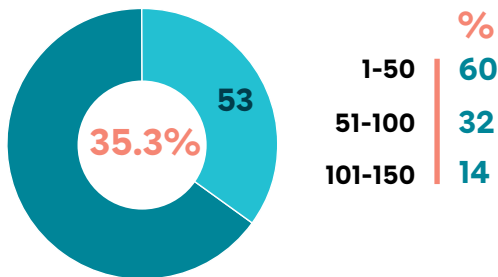
Proxy Statement/Annual Meeting Summary



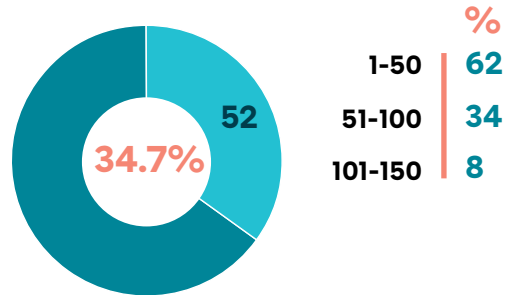
Corporate Governance Summary



Company Financial Performance Summary

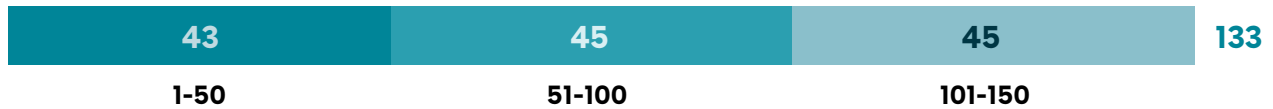


Executive Compensation Summary



## Type of Annual Meetings\*

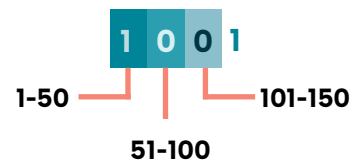
### Virtual



### Physical



### Hybrid

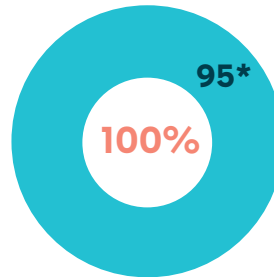


\* Does not include three companies that did not hold annual meetings (one filed for bankruptcy, one was acquired, and one was a newly public company not required to hold an annual meeting in 2024).

# Nasdaq Board Diversity Matrix

For most of the SV150 companies that are listed on Nasdaq, this is the third year in which they were required to provide the Board Diversity Matrix. Like in previous years, the vast majority of these companies chose to include the diversity matrix in their proxy statements. Although the New York Stock Exchange still does not have a similar requirement, some NYSE-listed companies in the SV150 voluntarily included the diversity matrix or other statistics on board diversity in their proxy statements.

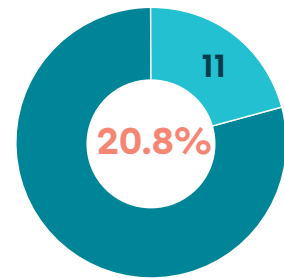
## Nasdaq Companies That Provided Board Diversity Matrix



	%
1-50	100
51-100	100
101-150	100

\* Does not include one company that is no longer public and one newly public company not yet required to provide the diversity matrix.

## NYSE Companies That Provided Board Diversity Matrix\*

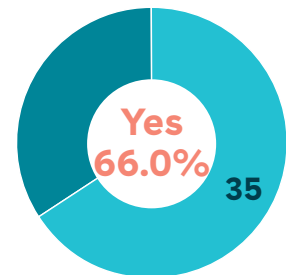


\* Not necessarily Nasdaq-compliant, but included comparable information on gender and ethnicity of all directors.

## Choice of Where to Include Diversity Matrix

	%
Proxy	95.3
Website	4.7

## If NYSE company did not include Nasdaq Board Diversity Matrix in the proxy statement, is there diversity disclosure in the proxy statement?





# Breakdown of Board Diversity Statistics

For the second year, we are providing a breakdown of diversity statistics, substantively comparing the extent of diversity in boardrooms. These statistics are based either on the diversity matrix required by Nasdaq or, in the case of most companies listed on the New York Stock Exchange, the company’s voluntary disclosure and its own definition of diversity.

## Nasdaq Companies - Based on the Board Diversity Matrix:

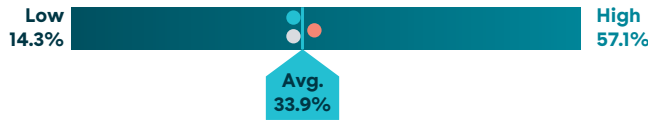
### Gender of Directors

#### Male



Rank	%
1-50	66.0
51-100	63.5
101-150	65.4

#### Female



Rank	%
1-50	33.4
51-100	35.0
101-150	33.5

#### Non-Binary

Only one company listed a non-binary director in their board diversity matrix.

Rank	%
1-50	0
51-100	0.6
101-150	0

### Underrepresented Minority Directors (as Defined by Nasdaq)



Rank	%
1-50	26.7
51-100	26.3
101-150	33.9

### LGBTQ+ Directors\*



Rank	%
1-50	1.8
51-100	2.9
101-150	1.9

\* 16 companies listed one or more LGBTQ+ directors in their board diversity matrix.

### Did Not Disclose Demographic Background\*



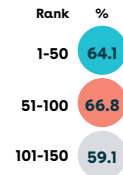
Rank	%
1-50	3.2
51-100	2.0
101-150	2.9

\* 18 companies had one or more directors who did not disclose their demographic background.

## NYSE Companies - Based on their Voluntary Disclosure

### Gender of Directors

#### Male

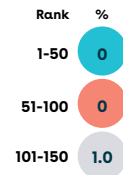


#### Female



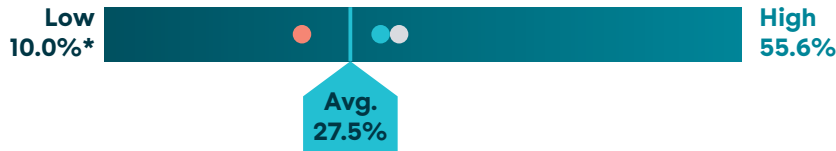
#### Non-Binary

Only one company identified as having a non-binary director.



### Diverse Directors

(Includes Racial, Ethnic, or LGBTQ+, as Defined by the Company)



\* Of companies that disclosed diversity.

### Did Not Disclose Demographic Background



\* 9 companies did not disclose the demographic background of any of their directors.

# ESG AND SUSTAINABILITY REPORTING



As discussed elsewhere in this report, many companies in the SV150 have voluntarily added ESG or sustainability disclosure to their proxy statements and delegated the responsibility for oversight of this topic to specific board committees. The movement towards transparency in the ESG or sustainability area was initially driven by investor feedback requesting more information about how the public companies they own are responding to environmental, social, and governance concerns and how they are fulfilling environmental and social responsibilities. The current regulatory environment and peer practices continue to drive ESG and sustainability disclosure. Whether a company includes these disclosures in SEC filings, including proxy statements, and the extent and type of disclosure if they do, varies considerably. Although the SEC adopted final climate-related disclosure rules on March 6, 2024, it issued an order implementing a stay of these rules on April 4, 2024, pending legal challenges to the rule. In addition to disclosure (or not) in SEC filings, some companies have also produced separate ESG or sustainability reports (referred to hereafter as ESG Reports for ease of reference). Companies post their ESG Report on their website, often on a separately designated section of the website. The contents of these ESG Reports and their frequency differ significantly from company to company. We examined which companies in the SV150 published ESG Reports and the content of these reports, including the third-party framework or standard used, the topics substantively discussed, whether there were any greenhouse gas (GHG) reduction targets, and whether there was independent verification of the data. Other aspects of ESG and sustainability disclosure and governance are found earlier in this report under “Committee Deep Dive on Hot Topics” and “Voluntary Disclosure.”



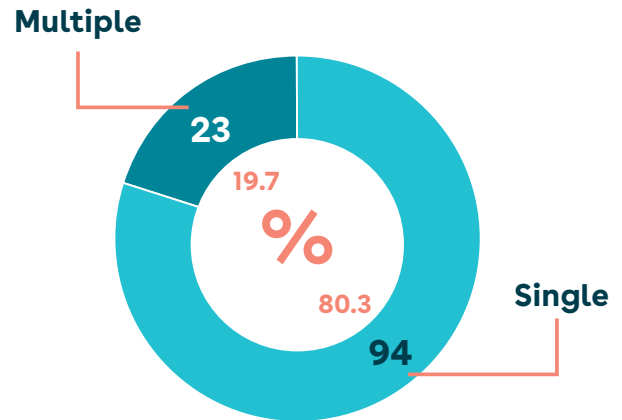
## ESG Reports

117 of the SV150 companies, or 78%, have issued one or more ESG Reports.

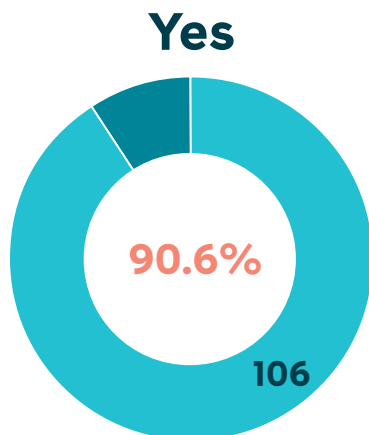
**Companies that issued an ESG Report**



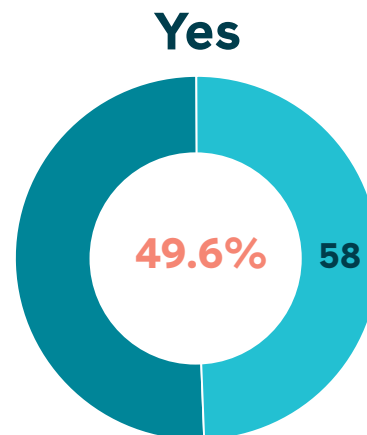
**Single/ Multiple ESG Reports**



**Letter from CEO included in ESG Report**



**Independent, third-party assurance of certain data in the ESG Report**

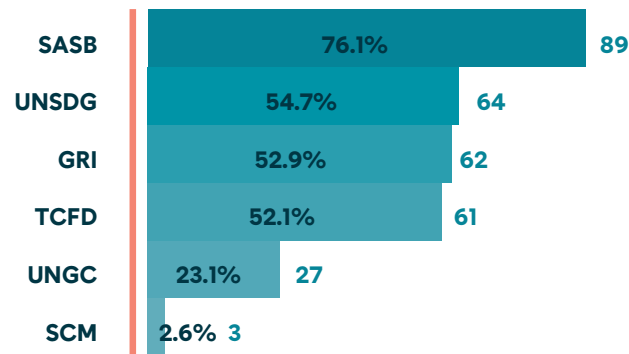


### California Carbon Market Disclosures

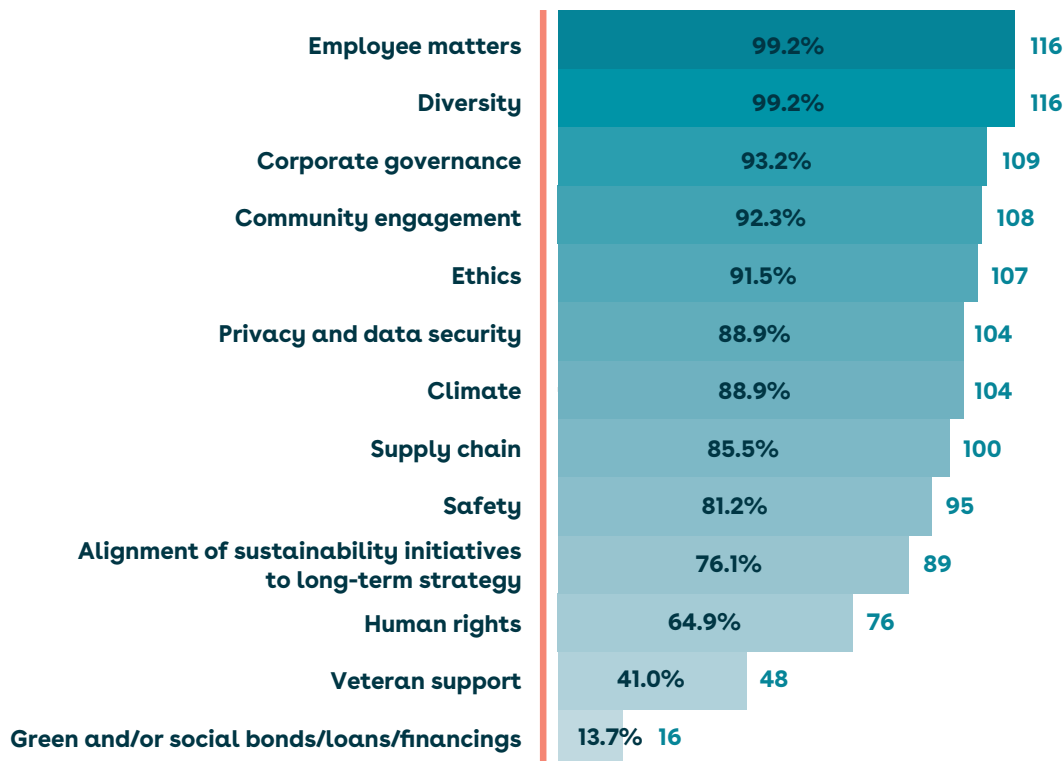
In October 2023, the Voluntary Carbon Market Disclosures Act (AB 1305) was signed into effect. This legislation generally requires disclosure by public and private entities operating in California that make certain climate-related claims and/or buy, sell, or market carbon offsets. AB 1305 disclosures were first required on company websites on January 1, 2024. These disclosures are not reflected in this year's SV150 Report, but likely increased the number of companies disclosing emissions data and using their website for ESG-related disclosure.

## Third-Party Frameworks/ Standards Referenced in ESG Report

Set forth below are the most common frameworks used by the SV150 in their ESG Reports and the most commonly discussed topics. Most companies that issued an ESG Report (70.9%) used multiple frameworks rather than a single framework.



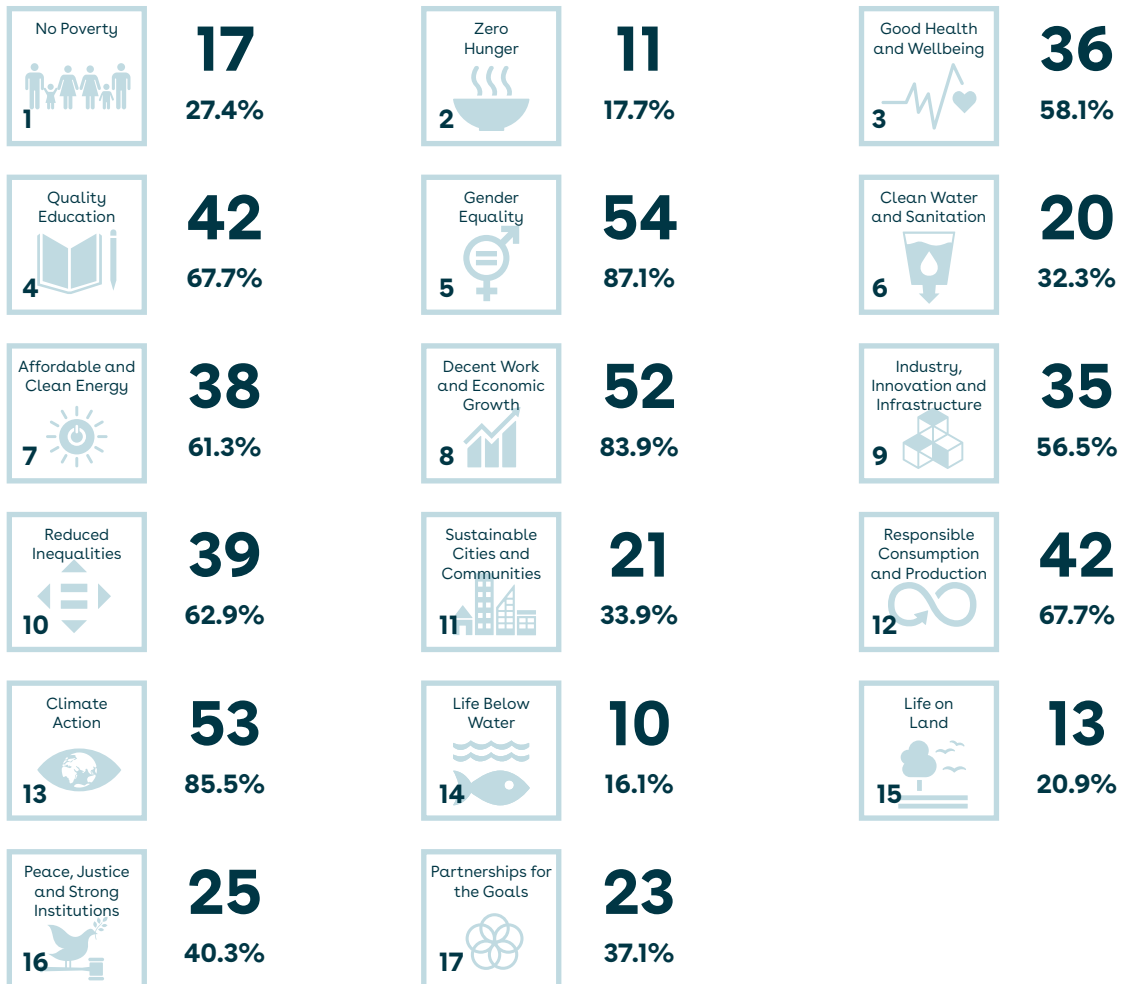
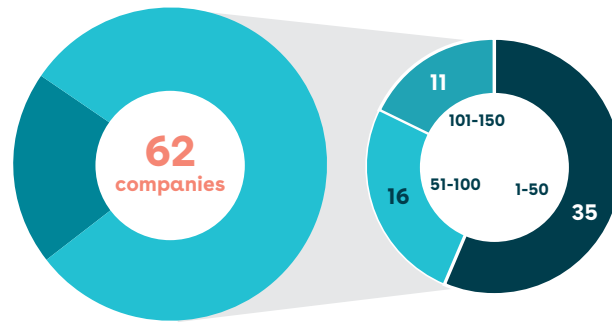
## Topics Substantively Discussed in ESG Report



## United Nations Sustainable Development Goals (UNSDGs) Referenced in ESG Reports

Does the Company disclose its alignment with UNSDGs?\*

Yes

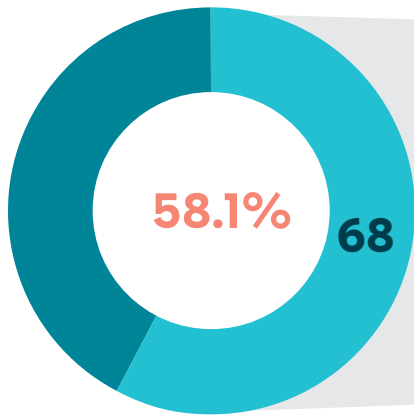


\* Percentages for each goal are based on total number of SV150 companies that disclosed they were aligned with the UNSDGs.

## GHG/Emissions

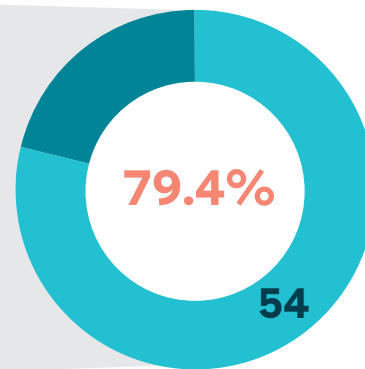
Sets a Carbon/ GHG Emissions Reduction Target in ESG Report

Yes



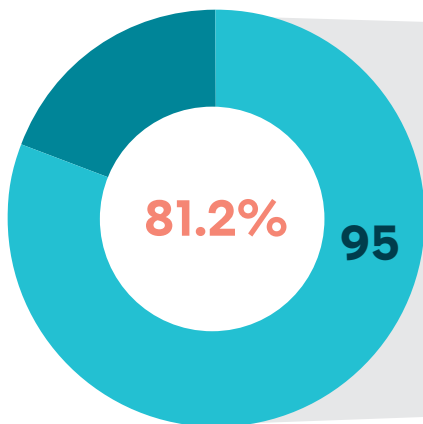
Indicates that carbon credits/ offsets or renewable energy certificates will be used to reach a target

Yes



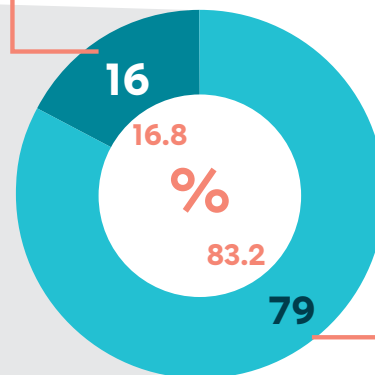
Discloses GHG Emissions Metrics in ESG Report

Yes



GHG Emissions Metrics Disclosed

Scope 1 and 2



Scope 1, 2 and 3

# STOCKHOLDER PROPOSALS

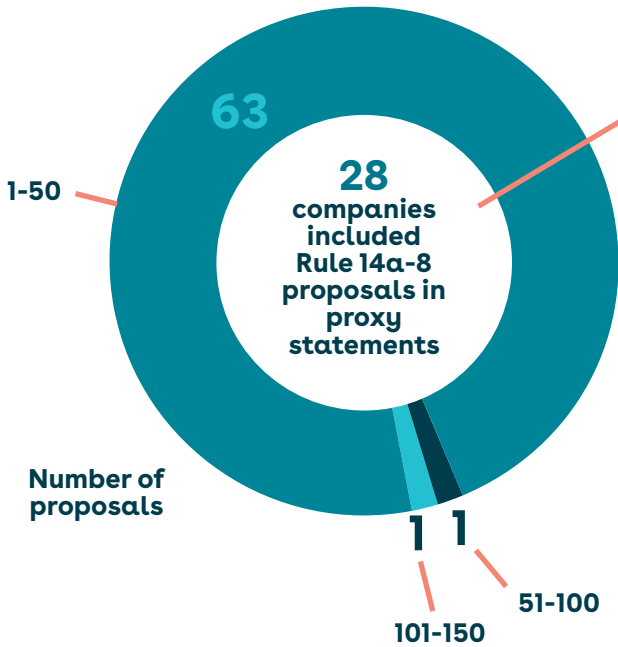


Exchange Act Rule 14a-8 permits stockholders to propose a non-binding resolution that is included in the company's proxy statement and voted upon at the annual meeting. These proposals are typically intended to urge companies to improve different aspects of their corporate governance. While non-binding, boards of directors of companies that ignore a Rule 14a-8 proposal that receives majority voting support do so at their peril, as they will likely be the subject of a "vote no" campaign the following year. Rule 14a-8 proposals are more prevalent in the largest of the SV150, but only four percent of SV150 companies had proposals that received majority vote support in 2024.





# Stockholder Proposals



## Companies with most proposals included in proxy statement:

- Alphabet  
12
- Meta  
10
- Apple  
5
- Netflix  
5

3 companies included 3 proposals;  
3 companies included 2 proposals;  
18 companies included 1 proposal.

# Proposal Frequency

- 8** Simple majority voting/eliminate supermajority voting
- 7** Artificial intelligence
- 6** Other corporate governance issues
- 5** Termination/Severance agreement
- 4** Employee rights and safety
- 3** Pay disparity  
Special meeting rights  
Platform content issues
- 2** Human rights  
Eliminate dual class/unequal voting  
Lobbying  
Climate change/GHG emissions  
Require independent Board Chair  
Political contributions  
Report on reproductive rights/data privacy  
Child safety  
Director compensation
- 1** Climate lobbying  
Other social issues  
Political congruence report  
Executives to retain stock  
Tax transparency report  
More inclusive hiring  
Report on diversity hiring  
Wireless technology risks

Of the 65 stockholder proposals, only 6 were approved by stockholders.

- 1** Special meetings rights for shareholders
- 5** Simple majority voting/eliminate supermajority voting

### Companies where stockholder proposal was approved:

- NVIDIA ServiceNow
- Agilent Autodesk
- Keysight
- Power Integrations

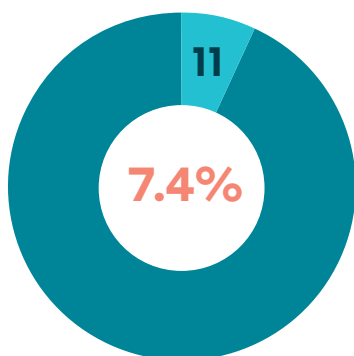
# ACTIVISM



Stockholder proposals are not the only way in which stockholders can attempt to shape company governance. Increasingly, some activist investors have put pressure on companies to improve their corporate governance through means other than a Rule 14a-8 proposal or a non-exempt solicitation commenting on a Rule 14a-8 proposal. This may involve simply buying up a significant number of shares in the company (sometimes less than the requirement for SEC reporting on Form 13D or Form 13G) and requesting a meeting with the company to discuss alternatives. Although negotiations relating to this type of activism can occur completely behind the scenes, some evidence of it may appear in a company's SEC filings if a formal agreement is reached with the investor. Most commonly, any settlement agreement includes the investor agreeing to a standstill which prohibits the investor from acquiring additional shares, agitating publicly for changes, or nominating directors. In exchange, the company usually agrees to appoint a director of the investor's choosing or make other corporate governance changes. We reviewed the SEC filings of the SV150 in 2024 for evidence of this kind of activism and found it in 7.4% of companies. The form of activism and the company's response, if any, varied from company to company, with the appointment of a director being the most frequent outcome.



# Activism in SV150



Number	
1-50	4
51-100	2
101-150	5



## Action Taken

**4**  
Appoint one director

**1**  
Company settles shareholder activist lawsuit

**3**  
Dialogue with management

**1**  
Company makes governance changes

**1**  
Activist delivers letter suggesting strategy changes

**1**  
Activist launches proxy contest

# EXECUTIVE COMPENSATION

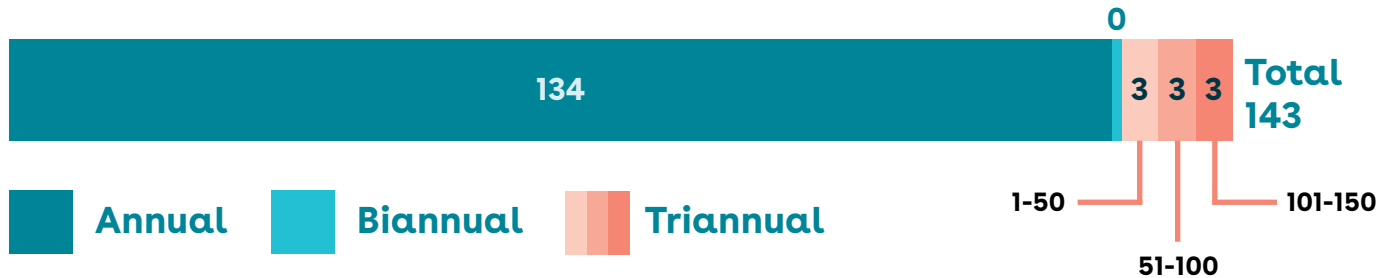


For decades, companies have been required to include executive compensation information in proxy statements, but the amount and type of such information has increased, particularly in the last 18 years. In addition, since 2011, public companies have been required to hold non-binding “say-on-pay” votes, in which stockholders provide an advisory vote on whether they approve the executive compensation of the CEO, CFO, and the other most highly compensated executive officers at the company. More recently, companies have been required to provide pay-ratio disclosure, showing how the CEO’s compensation compares to the compensation of the median employee at the company. In addition, this is the second year that companies must also include pay versus performance information regarding the correlation between executive compensation and company performance. We looked at the frequency and approval rates of “say-on-pay” votes, CEO pay-ratio disclosure, measures to determine pay versus performance, and prevalence of certain executive compensation perks. We also looked at new clawback policies, whereby the compensation of certain employees may be recouped in certain circumstances, adopted in response to Nasdaq and NYSE rulemaking that became effective in late 2023, as well as whether companies maintained their previous clawback policies, if any.



# Say-on-Pay

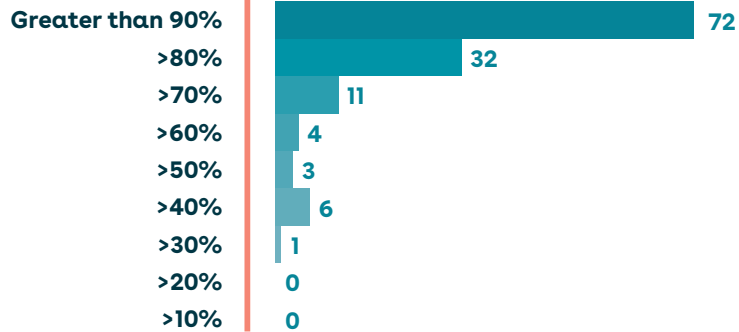
**143** companies have chosen a “say-on-pay” frequency.



**129** companies held a say-on-pay vote in 2024.

## Approval Rate

## Number of Companies



# CEO Pay Ratio

**142** companies have disclosed CEO pay ratio.\*

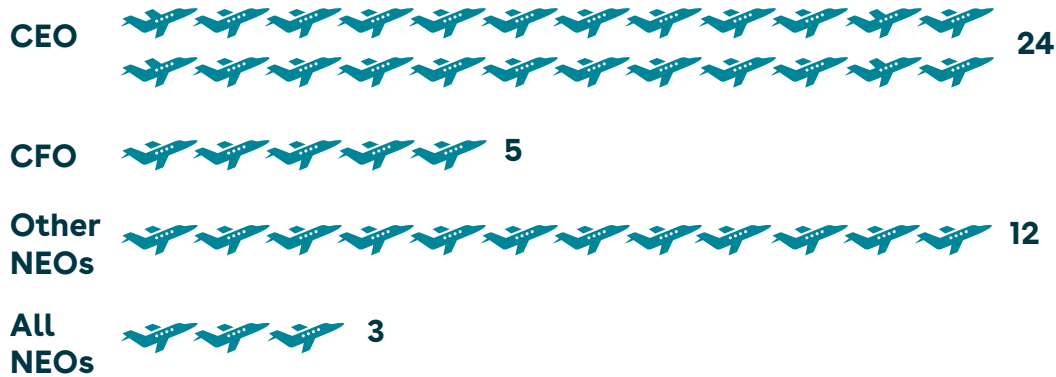


\* Not required for emerging growth companies or newly public companies.

# Executive Compensation Perks

These types of perks were found primarily in the top 50 of the SV150, among well-established and relatively young public companies alike, with aircraft usage being the most common perk.

## Use of Aircraft



## Personal Security



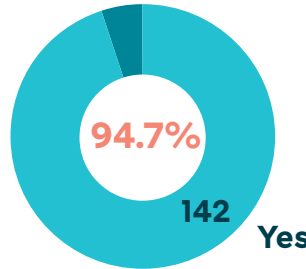
## Personal Driver



# Pay versus Performance

This is the second year that calendar year companies needed to include information on the correlation between executive pay and company performance (pay versus performance) in their proxy or information statements filed in 2024.

## Companies That Included Pay Versus Performance\*

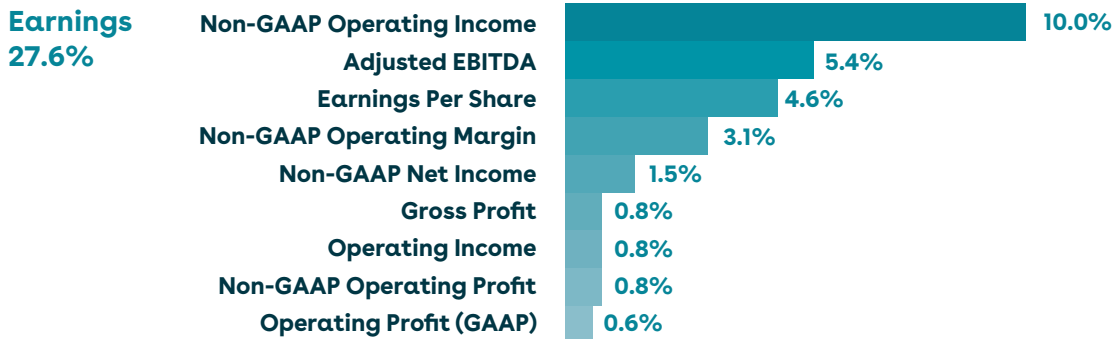
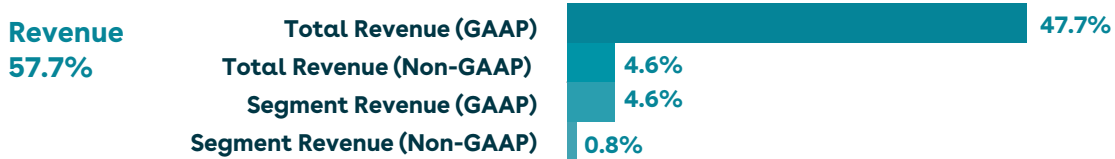


	%
1-50	98.0
51-100	94.0
101-150	92.0

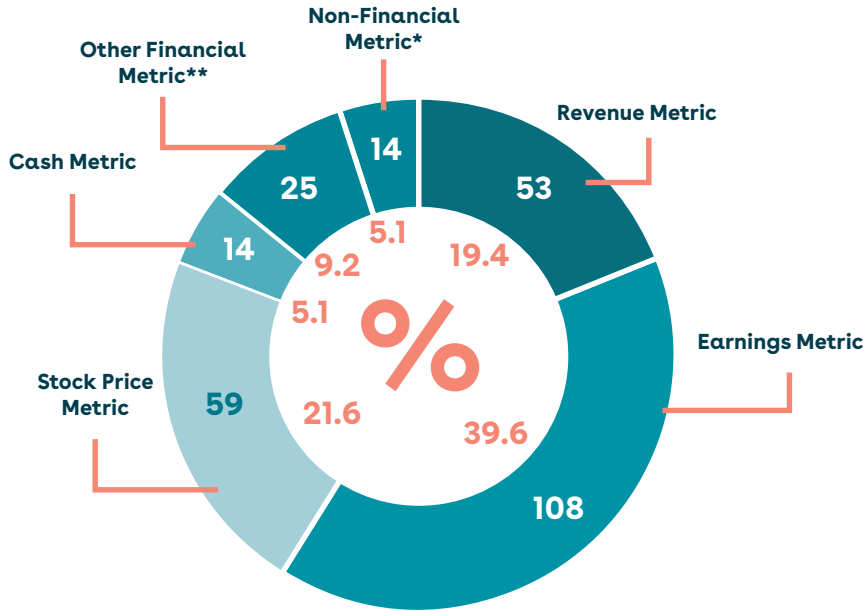
\*Not required for emerging growth companies.

## Company Selected Measures in Pay Versus Performance Table

In the pay versus performance table, companies are required to designate and include their most important financial performance measure for compensation actually paid for the most recently completed year and not already included in the table.



## Other Performance Measures in Tabular List



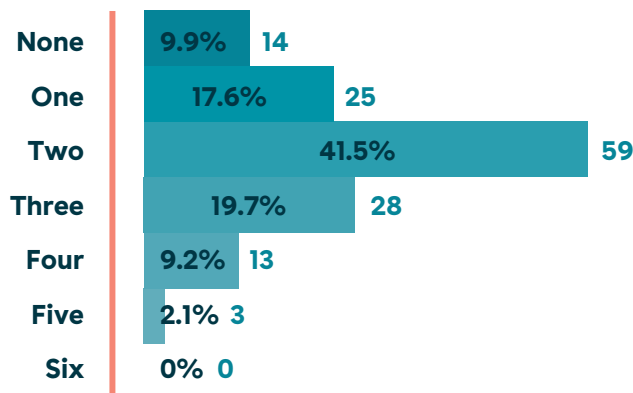
Companies are also required to list three to seven of the most important financial performance measures they use to link executive compensation actually paid to company performance. Companies are permitted to include nonfinancial performance measures as well under certain circumstances. Given the number and variety of measures included in the tabular lists of SV150 companies, measures are provided here by category rather than listed verbatim. In addition, although the company selected measure from the pay versus performance table is required to be included in the tabular list, it has been excluded here for the purposes of showing what other performance measures were used.

\* Examples of non-financial metrics include, among others, diversity or human capital goals, number of strategic acquisitions, and safety performance.

\*\* Examples of other financial metrics include, among others, bookings, contract value, and contractual.

## Maximum Number of Other Performance Measures in Tabular List

Company selected measure plus:



Although companies are permitted to include up to six other performance measures in the tabular list (in addition to the company selected measure, which is required to be included), most companies listed only two or three.



# Clawbacks

## Triggers



The Dodd-Frank Act of 2010 directed the SEC to approve rules requiring public companies to adopt clawback policies. These policies would require the companies to recover certain incentive compensation previously paid to executive officers if there was a financial statement restatement, regardless of whether there was fraud or misconduct. The SEC adopted final rules in October 2022 requiring the stock exchanges to adopt related listing standards, which became effective in late 2023. Public companies were required to file their new clawback policies in 2024. We surveyed these new policies this year.

Even before the final rules were adopted, over 100 companies across all SV150 rankings and years since IPO voluntarily adopted clawback policies. More than 20 companies have also adopted “detrimental conduct” clawback policies, which require compensation to be recouped in the event of violations of contract, law, company policy, or other specified conduct detrimental to the company. Almost none of these existing clawback policies complied with the final SEC rule so we looked to see what companies still maintained these clawback policies after adopting new ones.

## Dodd-Frank Clawback Policies

### Companies adopting new clawback policy



Companies were subject to delisting from their stock exchange if they failed to adopt a new compliant clawback policy later than December 1, 2023. In addition, the SEC requires that new clawback policies compliant with exchange listing standards be filed with a company’s annual report on Form 10-K.

**138**  
92% **Filed the required policy**

**5**  
3% **Not required to file yet**

**7**  
5% **Failed to file the required policy**  
(of these, 5 state in their proxy statements that they have adopted compliant policies)

### Scope of persons covered



The exchange listing standards required the new clawback policy to apply to Section 16 officers. We examined whether companies that have filed their policies expanded the scope of persons covered beyond such officers.

**126**  
91% **Section 16 officers only**

**10**  
7% **Section 16 officers and additional specified persons**

**2**  
2% **Section 16 officers and participants in specified compensation programs**

# Clawbacks *continued*

## Scope of triggers covered



The exchange listing standards required the new clawback policy to be triggered if the issuer is required to prepare an accounting restatement due to the issuer's material noncompliance with any financial reporting requirement under the securities laws. We examined whether companies expanded the scope of triggers beyond restatements. Where companies expanded the scope of trigger, the expansion typically included an error in non-financial statement performance metrics affecting incentive compensation, misconduct or detrimental conduct, or other actions that result in material harm to the company.

**127**  
92% **As required by listing standards**

**11**  
8% **Broader than listing standards**

## Fault/no fault for expanded triggers



The exchange listing standards required the new clawback policy to be triggered without regard to fault. In situations where the scope of trigger exceeded the requirement, we looked to see if a fault element was required. Where fault was required, it typically required some type of fraud or misconduct, as defined in the policy.

**127**  
92% **No-fault**

**11**  
8% **Fault**

## How many policies are filed with the SEC?



The SEC's final rules required the new clawback policy adopted in accordance with exchange listing standards to be filed with the company's annual report on Form 10-K. We examined whether companies who disclose that they have more than one clawback policy filed multiple policies. As shown in the next section, we found at least 67 companies that have multiple clawback policies.

**137**  
99% **Filed one policy**

**1**  
1% **Filed multiple policies**

# Clawbacks *continued*

## Pre-Dodd Frank Clawback Policies

Financial restatement	}	Fraud or misconduct	37	Compliant with SEC rule	0	
		No fraud or misconduct	13		Other fraud or misconduct	5
No financial restatement	}	Fraud or misconduct	4			
		Materially inaccurate financial misstatements	8			

### Covered Persons



NEOs only 2  
 All EOs 41  
 Senior employees 8  
 All officers 1  
 All employees 13  
 Not disclosed 1

### Comp Recouped



Cash 3  
 Equity 15  
 Both 46  
 Not specified 3

### Enforcement



Discretion 64  
 Mandatory 2  
 Both 0  
 Not specified 1

# Clawbacks *continued*

## Detrimental Conduct (some companies have multiple triggers)

### Violations of contracts or restrictive covenants



### Violation of law



### Violation of company policy



### Acts resulting in reputational/financial/other harm to company



### Failure of risk management

0

### Failure to supervise



### General fraud or misconduct



### Termination for cause or misconduct



### Other



Found primarily in the top 50 of the SV150, among well-established and newly public companies alike.

# CONCLUSIONS

Corporate governance structuring and proxy statement disclosure are certainly not one-size-fits-all endeavors. We hope, however, that this glimpse by the numbers into the corporate governance and annual meeting matters of the SV150 is useful as companies benchmark their own practices with those of the most prominent technology and life sciences companies in the world.

We noted the following key conclusions from our survey of SV150 corporate governance:

- Virtual meetings are here to stay. Following the practice started during the COVID-19 pandemic, approximately 89% of the SV150 opted to hold a virtual meeting in 2024 rather than a physical one.
- ESG/CSR disclosure in the proxy statement and on websites continued to remain strong throughout the SV150, with 83% of the top 100 companies having such disclosure in their proxies and 92% of the top 100 companies having such disclosure on their website.
- Over three-quarters of the SV150 companies published an ESG Report on their website, with 98% of the top 50 companies doing so. Most of the companies that issued an ESG Report (80.3%) issued a single report rather than multiple reports. Nearly 50% of the ESG Reports contained an independent, third-party assurance of some of the data.
- Most companies discussed ESG or sustainability and cybersecurity committee responsibility in their proxy statements (83.9% and 90.6%, respectively). In most companies, ESG or sustainability was handled by the nominating/corporate governance committee (78.5%) and cybersecurity by the audit committee (78.8%). The number of standalone cybersecurity/privacy committees remained steady at 13.
- Human capital disclosure remained strong this year, with 74.7% of companies including such disclosure in their proxy statement. Most of the companies (73.8%) chose a qualitative discussion although 41.6% provided specific numbers. Of those companies that provided quantitative human capital information, 37 companies disclosed diversity numbers or percentages among employees or some subset of employees. A significant number of companies (69.8%) gave their compensation committee a mandate in the charter or proxy statement to oversee human capital matters.
- Voluntary proxy statement disclosures in general and proxy summaries also continued to remain prevalent throughout the SV150, depending on the type of disclosure, although it continued to be the case that these are much more likely to be implemented by top 50 companies—and shareholder proposals are almost always directed to top 50 companies.
- Almost all Nasdaq companies (approximately 95.3%) included the board diversity matrix in their proxy statements rather than on their websites. Adoption of the Nasdaq board diversity matrix was not common among NYSE companies, although 11 included it or included diversity information in comparable detail. Among the NYSE companies that did not include such extensive information, all but 8 companies identified whether the company had “diverse” directors by the company’s own definition of diverse, which generally included racial or ethnic diversity or LGBTQ+. The extent of average diversity on the boards of Nasdaq and NYSE companies was similar, with approximately 30% for Nasdaq companies and almost 28% for NYSE companies. Non-binary directors were rare, with only one Nasdaq company and one NYSE company identified as including a non-binary director.

- The SV150 is still fairly diversified in years since IPO, with two of this year's SV150 newly public. The top 50 companies continued to have substantially greater annual sales, market cap, and profitability than the other 100 companies.
- The top 50 companies, on average, have up to two more directors. In addition, directors at the top 50 companies have longer tenure, are older, and are more likely to be subject to mandatory retirement policies. Female directors, however, are more common throughout the SV150, with the bottom 50 companies actually averaging a higher percentage of female directors (34.9%) than the top 50 companies (33.5%).
- Companies more than 20 years from their IPO are significantly more likely to have an independent chair than any other demographic factor.
- The number of women executive officers (21.0%) is considerably higher than women CEOs (5.3%).
- The top 50 companies are much more likely to have a non-classified board, majority voting, proxy access, and ability for stockholders to call a special meeting or act by written consent. Years since IPO also plays a role in these decisions.
- Activism affected 7.4% of SV150 companies in 2024. Only one activism campaign resulted in a proxy fight, with the most frequent result being at least one director added to the board in a settlement with the activist stockholder.
- Almost 94% of SV150 companies that have chosen say-on-pay frequency have adopted annual say-on-pay votes, and of the companies that took a say-on-pay vote in 2024, nearly 56% received greater than 90% stockholder approval.
- Executive compensation perks are primarily found in top 50 companies, regardless of time since IPO.
- Most companies (94.7%) included pay versus performance disclosure in their proxy statements. Revenue was the most frequent company selected measure (57.7%) with earnings the next most frequent company selected measure (27.6%). Among other performance measures included in the SV150 companies' tabular lists, earnings was the most frequent (39.6%). Most companies included two or three measures in their tabular lists of performance measures (59 companies and 28 companies, respectively), in addition to their company-selected measure.
- Nearly every SV 150 company, as required, filed a new clawback policy in response to SEC requirements. As expected, the vast majority of companies did not expand their policies beyond Nasdaq and NYSE requirements, although several did.

Looking forward to 2025, we expect that companies will continue to actively engage with their stockholders on performance metrics, governance, executive compensation and say-on-pay, as well as other matters. We anticipate that companies will continue to focus on adequately communicating board actions in these areas through their proxy statements. Despite the stay on the SEC's rules on climate disclosure, companies will undoubtedly continue to focus on ESG and greenhouse gas emissions disclosure. And stockholder activism will continue to be a focal point for many companies.

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650 Page Mill Road, Palo Alto, California 94304-1050 | Phone 650-493-9300 | Fax 650-493-6811 | [www.wmgr.com](http://www.wmgr.com)

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