

EARLY TREND SAY ON PAY VOTING UPDATE

May 2026

The following memorandum summarizes the say on pay voting results in Canada (among the TSX Composite companies) and the U.S. (among the S&P 500 companies) based on results released by May 15, 2026. The data were collected by ESGAUUGE, a data analytics firm.

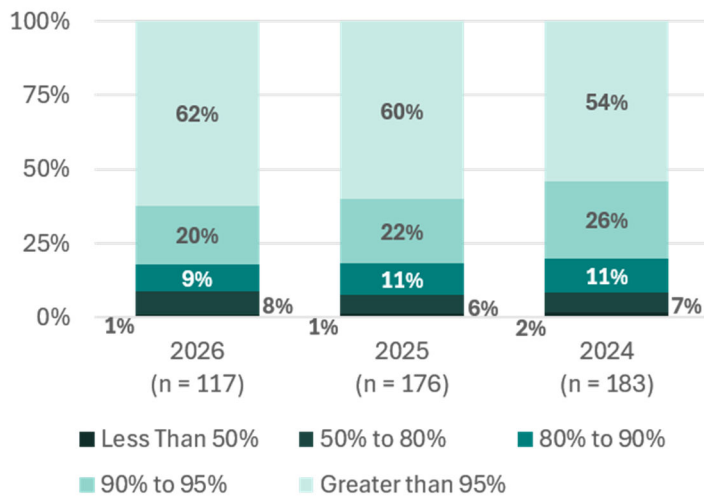
CANADA RESULTS

At this point in the AGM cycle, 117 Canadian companies have reported their say on pay results for 2026. Early indications suggest that voting results are becoming more dispersed than last year, as summarized in Table 1.

Table 1 – Canada say on pay results

	2026 (n=117)	2025 (n=176)	2024 (n=183)
Average	92.59%	92.96%	92.10%
50th percentile	95.60%	95.80%	95.56%

Chart 1 – Distribution of Canada say on pay results



As shown in Chart 1, as of mid-May 2026, 62% of companies received over 95% support, 20% received 90% to 95% support, 9% received 80% to 90% support, 8% received 50% to 80% support, and one company failed.

Companies trigger proxy advisors ISS and Glass Lewis' board responsiveness evaluation when their say on pay support levels fall below 80%. Issuers' responses generally should include engagement efforts, shareholder feedback, actions taken, and rationale for pay decisions. Although the 2026 proxy season is still underway, a higher proportion of companies have received less than 80% support than in the full year last year.

Of the reporting companies, 89% reported results that changed by less than 10 percentage points year over year.

Table 2 – Biggest year-over-year changes in say on pay voting results



	Company	2025	2026	YOY Change	1-Yr TSR*
YOY Increases	Methanex Corporation	81%	98%	17%	-19%
	Gildan Activewear Inc.	83%	97%	14%	35%
	The Toronto-Dominion Bank	84%	95%	11%	77%
	First Quantum Minerals Ltd.	87%	98%	11%	108%
	Topaz Energy Corp.	80%	91%	11%	4%
	Magna International Inc.	81%	90%	9%	34%
YOY Decreases	Barrick Mining Corporation	91%	77%	-14%	187%
	Altus Group Limited	97%	81%	-16%	2%
	Onex Corporation	96%	72%	-24%	6%
	Equinox Gold Corp.	98%	73%	-25%	180%
	Allied Properties Real Estate Investment Trust	79%	46%	-33%	-13%
	Intact Financial Corporation	98%	53%	-45%	11%

*TSR Data effective 31st December 2025

So far this year, we have observed several cases of much larger year-over-year gaps in voting results. Intact Financial is one example of shareholder frustration with one-time equity awards. In this case, special performance stock options (in addition to annual equity grants) contributed to the CEO's disclosed 65% year-over-year pay increase, despite the company's lackluster performance relative to peers. Both ISS and Glass Lewis issued AGAINST recommendations on Intact's say on pay vote, disagreeing with Intact's cited need for CEO retention given the value of outstanding equity awards (including the unvested value of the last special grant of stock options in 2021), and citing concerns about the misalignment of CEO pay and performance.

The only company that has failed a say on pay vote year to date is Allied Properties REIT, which received an AGAINST recommendation from ISS but a FOR from Glass Lewis. ISS identified a misalignment between pay and performance both in its quantitative and qualitative assessments, partly because ISS used the executive chair's compensation for evaluation in years when it was significantly higher than the CEO's. In addition, following a sub-80% vote result last year, the company's disclosure around shareholder feedback from engagement meetings, the board's review process, and specific compensation design changes was considered insufficient.

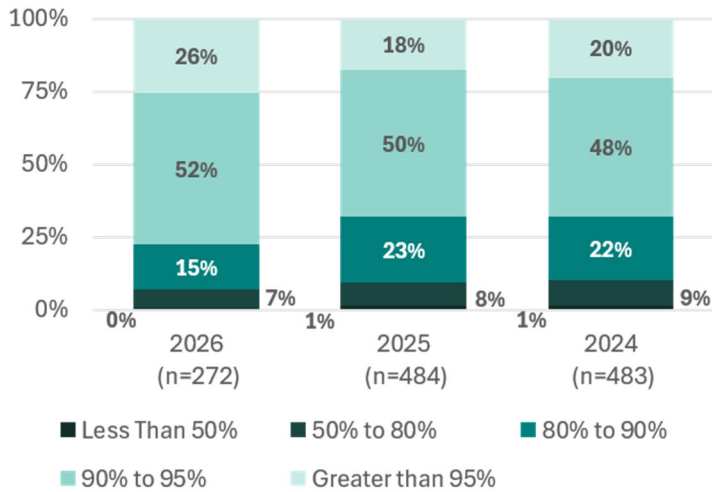
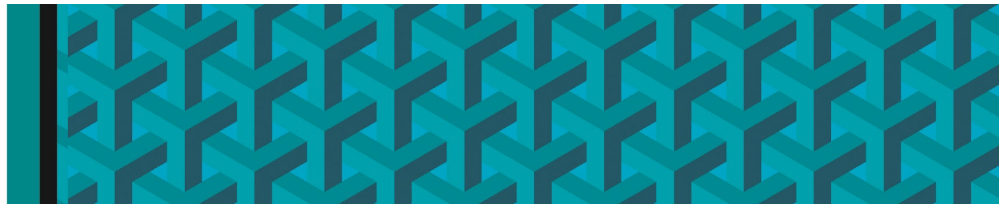
U.S. RESULTS

In the U.S., among the 272 S&P 500 companies that had reported as of May 15, 2026, the average level of support is slightly higher than last year's average (see Table 3).

Table 3 – U.S. say on pay results

	2026 (n=272)	2025 (n=484)	2024 (n=483)
Average	90.98%	89.45%	89.29%
50th percentile	93.25%	92.20%	92.22%

Chart 2 – Distribution of U.S. say on pay results



As illustrated in Chart 2, the percentage of companies garnering more than 95% shareholder support climbed from 18% to 26%, and the overall proportion of companies receiving over 80% support also increased slightly. In addition, only one company has failed the say-on-pay vote year to date, compared with seven in total last year.

EVOLVING PROXY ADVISOR MODELS AND INFLUENCE

The proxy advisor landscape has shifted significantly over the past year. In early 2025, following President Trump’s executive order on DEI, both ISS and Glass Lewis softened their policy guidelines on director diversity. Later in the fall, Glass Lewis announced a major transition from a single-policy research model to tailored voting perspectives beginning in 2027. In December 2025, President Trump issued an executive order targeting ISS and Glass Lewis, aiming to reduce their influence. At the same time, large institutions such as JPMorgan and Wells Fargo publicly announced that they would discontinue the use of proxy advisory services and instead rely on internal systems for policy application and proxy voting.

Against this backdrop of evolving proxy advisor practices, this year we have observed several cases where FOR or AGAINST recommendations from proxy advisors no longer correlate as strongly with shareholder support for say-on-pay as in prior years. As proxy advisor influence shifts, the uncertainty of voting outcomes has increased. As a result, companies must engage directly with their shareholders to understand their voting guidelines, rationale, and expectations. On the other hand, issuers are also moving away from uniform or standardized practices shaped by proxy advisors and are instead pursuing innovative pay design solutions tailored to their unique strategic needs.

ABOUT US

Southlea Group is a national independent compensation advisory firm that provides global perspectives as a GECN Group company working with over 150 compensation professionals across 6 continents. We are headquartered in Toronto with offices in Montreal, Calgary, and Vancouver, and clients across Canada, representing all industries and organization structures. Our team of advisors is multi-disciplined with diverse backgrounds and experiences. We are proud to be a certified Women’s Business Enterprise by WBE Canada and to be Rainbow Registered as an LGBT+ friendly organization.

We would be pleased to address any questions and/or explore how we can support your challenging compensation needs. Please email us at hello@southlea.com and we will follow up to set-up a time to discuss further.