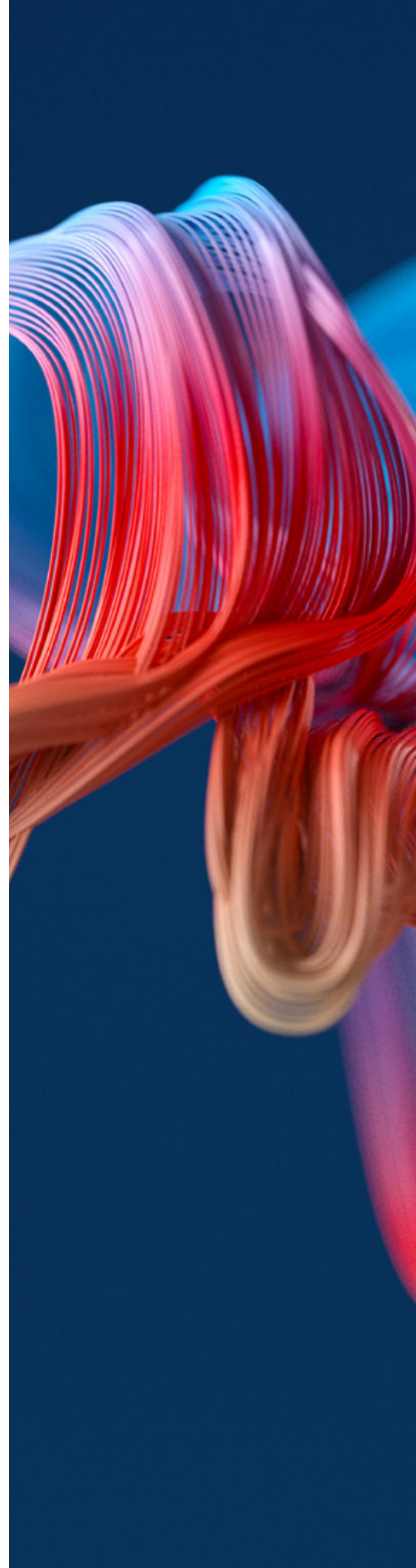


2020 Spencer Stuart Communication Services Sector Snapshot

Boards of communication services companies in the S&P 500 — a group of 22 companies — tend to be younger and less tenured than S&P 500 boards.

- » The average age of independent directors on communication services boards is 60.6, significantly lower than the S&P 500 average of 63.0 and the lowest of all S&P 500 primary sectors.
- » The youngest average age of a communication services board is 51.3 years and the oldest is 69.4.
- » Communication services boards average 10.4 members, slightly lower than the 10.7 director average for S&P 500 company boards.
- » Independent directors represent 80% of all directors on communication services boards, significantly lower than the 85% average for the S&P 500 universe and the lowest of all S&P 500 primary sectors.
- » The average tenure of independent directors on communication services boards is 7.2 years, below the S&P 500 average of 7.9 years and the second lowest of all S&P 500 primary sectors.
- » The longest-tenured communication services board average is 12.4 years.

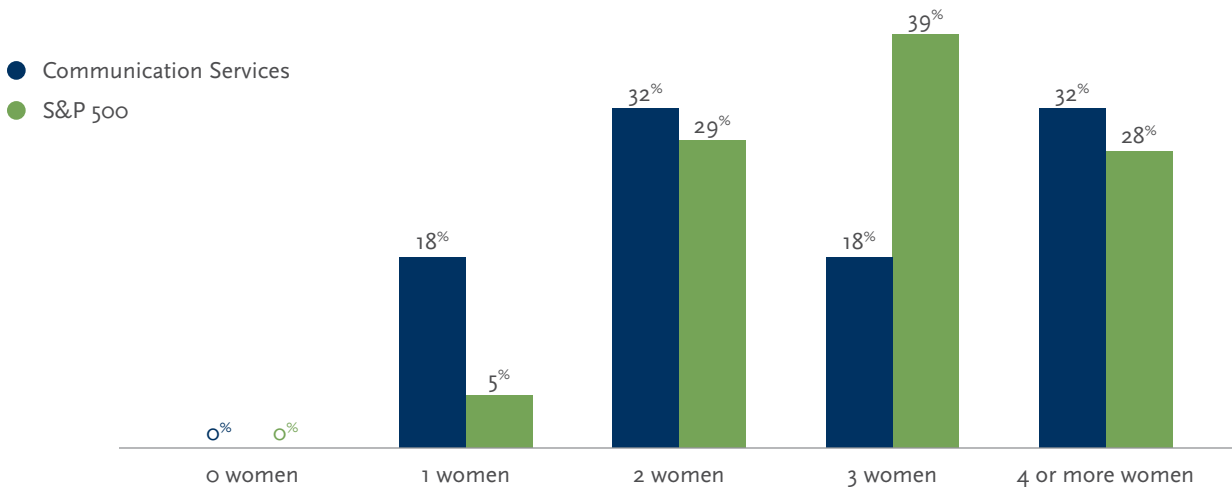


Diversity

Women represent 28% of all communication services directors in 2020, equal to the 28% average of the S&P 500.

Every S&P 500 company has at least one female director. Ninety-five percent (95%) of the S&P 500 index have at least two female directors and 67% have three or more women, compared with 82% and 50%, respectively, among communications services boards.

Representation of Women Directors on Communication Services Boards



When it comes to race/ethnic diversity of the boardroom, 25% of the directors of the 12 communication services companies in the top 200 companies are minorities (defined as Black/African American, Hispanic/Latinx and Asian), higher than the 20% average for the S&P 500 index and the highest percentage of all primary sectors in the top 200. The diversity breakdown of communication services boards varies from the S&P 500: 16% Black/African American (compared to 10% of S&P 500 directors); 4% Hispanic/Latinx (compared to 4% S&P 500); and 5% Asian (compared to 5% S&P 500). According to the U.S. Census Bureau, about 40% of the U.S. population is estimated to be a minority, including 18.5% Hispanic/Latinx, 13.4% Black/African American, 5.9% Asian.

New independent director backgrounds

Twelve communication services companies — 55% of the surveyed group — added at least one director over the past year. Appointees averaged 56.6 years of age, younger than the 57.8 average for all independent directors joining S&P 500 boards in 2020. First-time directors represented 15% of directors joining communication services boards — significantly lower than the 28% overall average for the S&P 500 and the second lowest of all S&P primary sectors.

Diverse directors comprised 55% of the 20 directors joining communication services boards over the past year; 45% are women and 10% are minority men. In comparison, 59% of directors joining the S&P 500 index are diverse, including 47% women and 12% minority men.

Compared to the S&P 500 incoming class, where 49% are actively employed, 60% of the directors joining communication boards are actively employed, the highest percentage of all S&P primary sectors. Another difference is the backgrounds of the incoming class, with communication services boards appointing the lowest percentage of CEOs of all S&P 500 primary sectors and the highest percentage of directors with chair/president/COO experience.

Seventy percent (70%) of independent directors joining communication services boards over the past year have the following backgrounds: active or retired financial executives (30%); chairs/presidents/COOs (15%); line and functional leaders (15%); and CEOs (10%).

	2020 Communication Services	2020 S&P 500
CEOs	10%	29%
<i>Active</i>	5%	13%
<i>Retired</i>	5%	16%
Chairs/presidents/COOs	15%	6%
<i>Active</i>	10%	3%
<i>Retired</i>	5%	3%
Line and functional leaders	15%	16%
Division/subsidiary presidents	5%	7%
Finance/accounting executives	30%	27%
<i>Financial executives/CFOs/treasurers</i>	10%	14%
<i>Investment managers/investors</i>	20%	8%
<i>Bankers/investment bankers</i>	0%	4%
<i>Public accounting executives</i>	9%	1%
Academics/nonprofit executives	5%	3%
Consultants	5%	3%
Legal	5%	2%
<i>General counsel</i>	0%	2%
<i>Lawyers</i>	5%	0%
Others	10%	7%
<i>Government/military</i>	10%	5%
<i>Others</i>	0%	2%

Board leadership

Just over half (55%) of the communication services companies in the S&P 500 index separate the chair and CEO roles, equal to the 55% average for the S&P 500 index. Independent chairs are in place at only 18% of communication services companies, significantly below the 34% of the S&P 500 index and the lowest of all S&P 500 primary sectors. Seventy-seven percent (77%) of all communication services companies have an independent lead or presiding director, higher than the 73% average of the S&P 500.

Board organization and process

As detailed below, 14% of communication services companies have staggered, three-year terms for directors, the second highest percentage of all S&P 500 primary sectors. In contrast, 10% of S&P 500 companies have classified boards. While 70% of S&P 500 boards have adopted mandatory retirement policies, only 36% of communication services boards have adopted age limits for directors, the lowest percentage of all S&P 500 primary sectors.

	2020 Communication Services	2020 S&P 500
Classified board	14%	10%
Board meetings (avg #)	8.6	7.9
Board committees (avg #)	3.9	4.2
Audit committee		
<i>Size (avg #)</i>	3.8	4.4
<i>Meetings (avg #)</i>	7.5	8.2
Compensation committee		
<i>Size (avg #)</i>	3.9	4.3
<i>Meetings (avg #)</i>	6.3	5.9
Nominating/governance committee		
<i>Size (avg #)</i>	3.7	4.4
<i>Meetings (avg #)</i>	4.4	4.5
Mandatory retirement	36%	70%
Retirement age (avg)	73	73.6

Communication services sector companies

Activision Blizzard

Alphabet

AT&T

CenturyLink

Charter Communications

Comcast Corporation

Discovery

DISH Network Corporation

Electronic Arts

Facebook

Fox Corporation

Live Nation Entertainment

Netflix

News Corporation

Omnicom Group

Take-Two Interactive Software

The Interpublic Group of Companies

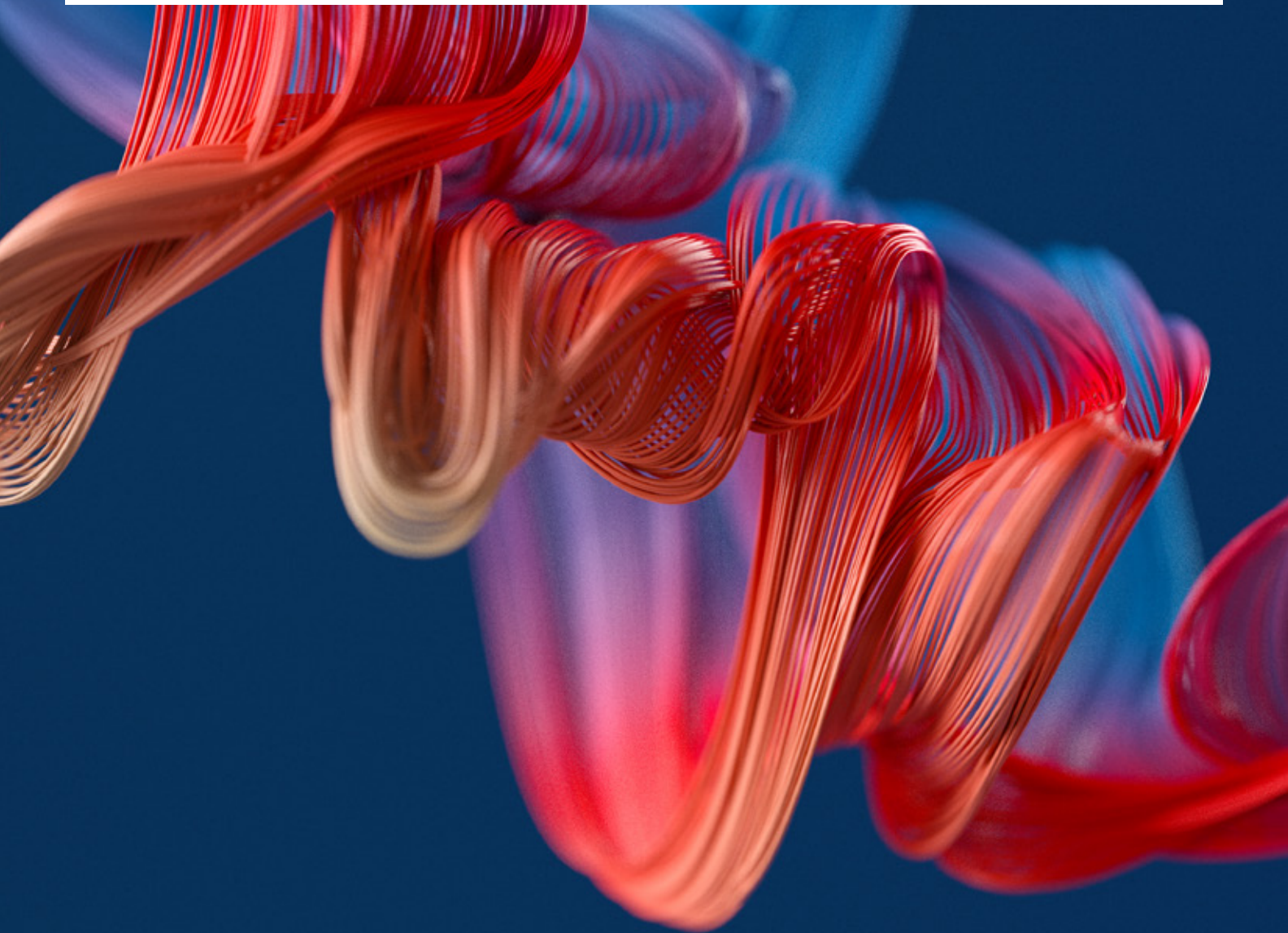
The Walt Disney Company

T-Mobile US

Twitter

Verizon Communications

ViacomCBS



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