# CEOs Complain About Labor Shortages And Yet Have Reaped Millions More In Compensation As The CEO-Worker Pay Ratio Continues To Widen

**SUMMARY:** Historically, CEO compensation has always grown unevenly alongside worker compensation. However, during the pandemic, the CEO pay gap further widened as the top U.S. firms' ratio of CEO-to-typical-worker compensation increased from 2019 to 2020.

As many companies experience labor shortages, executives have complained about the challenges of the labor market, but their CEO-worker pay ratios do not reflect their concern for workers. Since 2017, companies that are now complaining about an inability to find workers have seen their CEO-worker pay ratios increase, with many dramatically widening during the pandemic:

- In its most recent earnings call, **Hilton's** CEO complained about "when labor comes back and you have to pay labor more" even as he projected "very good margins"—and its CFO complained about how hard it is to get workers in July 2021. Meanwhile, the company's **CEO-worker pay ratio dramatically increased to 1,953-to-1 in FY 2020 from 489-to-1 in FY 2019**, due to Hilton laying off workers while its CEO saw his total compensation increase by $34 million after the company "restructured several complex stock awards."

- **Nike** was "forced to close some of their doors" due in part to "overworked" employees in January 2022 and its CFO was quick to blame delays on "labor shortages" in September 2021. despite the company's **CEO-worker pay ratio growing from 379-to-1 in FY 2018 to 913-to-1 in FY 2021,** with the ratio peaking at **1,935-to-1 in FY 2020** due to the new CEO receiving $40 million more in compensation than the prior CEO–compensation which was even criticized by company shareholders.

- While **Whirlpool's** CEO blamed the "labor shortage" for hampering his company's ability to "dial up production" and has expressed worry about the shortage, the **company's CEO-worker pay ratio has increased from 356-to-1 in FY 2017 to 772-to-1 in FY 2020**, propelled by a nearly $10 million increase to the CEO's compensation over that same period.

- **Five Below's** CEO complained that the "'labor market is very tight right now'" and has even reduced store hours to mitigate the "'challenges of getting labor in the stores,'" even though he saw his compensation increase by over $10.7 million during the pandemic resulting in a **CEO pay ratio of 2,260-to-1 in FY 2020, compared to 718-to-1 in FY 2019.**

- Even though **Acuity Brands'** executives admitted to experiencing "'labor shortages'" and blamed the "'tight'" labor market on COVID-19, during the pandemic, the company's **CEO-worker pay ratio rose to 2,316-to-1 in FY 2020 from 981-to-1 in FY 2019** after the new CEO's compensation increased 40% from the prior CEO while the median employee compensation decreased 40%.

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# While CEO-Worker Pay Ratios Have Continued To Widen Since The 1970s, The Pandemic Exacerbated The Issue, With CEO Compensation Increasing Nearly 19% In 2020 As Low-Wage Workers Lost Their Jobs.

## Despite Increases To Worker Productivity, Average Workers' Pay Has Not Increased Proportionately Alongside CEO Pay–In 2020, CEO Pay Rose By Almost 19% While Low-Wage Workers Lost Their Jobs.

**Since 1978, CEO Compensation Has Grown 1,322% While Average Worker Compensation Has Only Risen 18%–351 Times More Than The Typical Worker.** "The CEO-to-worker pay gap has expanded exponentially over the past several decades. The Economic Policy Institute (EPI) estimates that CEO compensation has grown 1,322% since 1978, while typical worker compensation has risen just 18%. In 2020, CEOs of the top 350 firms in the U.S. made $24.2 million, on average — 351 times more than a typical worker." [CNBC, 09/15/21]

**In The Last 10 Years, The Average Workers' Salary Only Rose By $957 Per Year While CEO's Pay Grew By $260,00 Per Year, With The Average CEO Of An S&P 500 Company Now Making $15.5 Million A Year On Average.** "The AFL-CIO also found that CEOs of S&P 500 companies received $15.5 million in total compensation on average last year. The average S&P 500 CEO's pay grew $712,720 last year, according to the analysis. In the past 10 years, the average S&P 500 CEO's pay has grown by $2.6 million, representing an increase of $260,000 per year. The average wage for production and nonsupervisory workers only rose $957 per year in the same period, the AFL-CIO says." [Business Insider, 07/14/21]

**According To Economic Policy Institute Fellow Lawrence Mishel, Over The Last 40 Years, Wages Have Largely Stagnated Despite Worker Productivity Increasing By 3.5 Times Over The Same Period.** "CNBC Make It recently spoke with Lawrence Mishel, a distinguished fellow at the EPI about why the CEO-to-worker pay gap is expanding and what happens if nothing is done to close it. […] 'Wages and benefits have not grown very much in the last 40 years. It has grown far less than what the economy produced,' he says, referencing research that found worker productivity has increased 3.5 times faster than average worker pay since the late 1970s." [CNBC, 09/15/21]

**The Economic Policy Institute Surveyed 350 Large Firms And Found That CEO Compensation Rose Almost 19% From 2019 To 2020 While Median Employee Compensation Rose Only 3.9%, Which Is "Overstated" Given "High Job Loss Among Low-Wage Workers."** "While millions were jobless due to the pandemic-driven recession in 2020, CEO compensation at the top 350 U.S. firms grew 18.9% to $24.2 million on average, according to a new EPI analysis. Meanwhile, typical worker compensation rose 3.9% in 2020, but this wage growth is overstated: high job loss among low-wage workers skewed the average wage higher." [Economic Policy Institute, 08/10/21]

## The CEO-Worker Pay Ratio Widened Over The Course Of The Pandemic, With Some CEOs Receiving "Tremendous Compensation Packages" Even Though Their Companies Reported Losses.

**During The Pandemic, The Gap Between CEO Pay And Worker Pay Continued To Widen**. "A comprehensive survey of the 200 highest-paid chief executives at public companies conducted for The New York Times by Equilar, an executive compensation consulting firm, revealed some of the biggest pay packages on record, and showed that the gap between C.E.O.s and everybody else widened during the pandemic." [The New York Times, 07/11/21]

**In 2020, The CEO-Worker Pay Ratio Of The Top 350 U.S. Firms Increased To 351-To-1 From 307-To-1 In 2019.** "In 2020, a CEO at one of the top 350 firms in the U.S. was paid $24.2 million on average (using a "realized" measure of CEO pay that counts stock awards when vested and stock options when cashed in rather than when granted). […] In 2020, the ratio of CEO-to-typical-worker compensation was 351-to-1 under the realized measure of CEO pay; that is up from 307-to-1 in 2019 and a big increase from 21-to-1 in 1965 and 61-to-1 in 1989." [Economic Policy Institute, 08/20/21]

**Even Companies Reporting Big Net Losses, Such As Palantir, DoorDash, and Opendoor, Still Granted Their CEOs "Tremendous Compensation Packages."** "Palantir, DoorDash and Opendoor only began trading on the stock market last year. All three reported big net losses and their stocks are trading below recent highs. Yet the boards of all three companies granted the C.E.O.s. tremendous compensation packages." [The New York Times, 07/11/21]

# In Its Most Recent Earnings Call, Hilton's CEO Complained About "When Labor Comes Back And You Have To Pay Labor More" And In July 2021, Its CFO Complained That "'It's Hard To Get Workers Right Now,'" While The Company's CEO-Worker Pay Ratio Increased To 1,953-To-1 In 2020 From 489-To-1 In 2019 After the Company "Restructured Several Complex Stock Awards."

## In Its Most Recent Earnings Call, Hilton's CEO Complained About "When Labor Comes Back And You Have To Pay Labor More" Even As He Projected "Very Good Margins" In The Future.

**In Its Most Recent Earnings Call, Hilton Worldwide Holdings Inc. CEO & Director Christopher Complained About "When Labor Comes Back And You Have To Pay Labor More" Even As He Projected Future Growth And "Very Good Margins."** "Christopher J. Nassetta A President, Chief Executive Officer & Director, Hilton Worldwide Holdings, Inc. [...] Broadly, I think when we get to the other side of this, across the system, margins are going to be higher and you know why. With input costs going up, labor costs going up and all of those fun things, they're going to be – margins are going to be higher, because rate is going to be a lot higher. [...] So, we're pretty confident. And we have pretty good evidence, which I'll talk about that, even with the – when labor comes back and you have to pay labor more, given where rate structures are going to be in most places and given the efficiencies that we've been able to garner, that these are – our owners are going to end up with higher margin businesses. [...] But even in places where they are able to get the labor back for the reasons I described, meaning more efficiencies on our standards and pricing power on the top line, they're driving very good margins." [Hilton Worldwide Holdings, Inc., 10/27/21]

- **Hilton's Most Recent Quarterly Results Were Released on October 27, 2021, As Of January 26, 2022.** [Hilton Worldwide Holdings, Inc., accessed 01/26/22]

## In July 2021, Hilton's CFO Complained That "'It's Hard To Get Workers Right Now,'" While Blaming A Range Of Factors That Are "'Tightening The Labor Market Drastically.'"

**In July 2021, Hilton CFO Kevin Jacobs Complained That "'It's Hard To Get Workers Right Now'" And It Poses "'A Really Big Issue.'"** "The scarcity of hospitality workers poses 'a really big issue,' Jacobs said. 'It's hard to get workers right now, and that's not really unique to the hotel business. Specifically, in the service businesses, it's really hard to hire people.' Most of the issues regarding the worker shortage are structural, Jacobs said, and 'not necessarily short-term.'" [CFO Dive, 07/30/21]

- **Jacobs Added That There Are "'A Bunch Of Things […] Tightening The Labor Market Drastically.'"** "'Whether that's federal unemployment insurance, or the fact that people are still concerned about the virus, or the fact that schools haven't [reopened], so people have childcare issues, a bunch of things are tightening the labor market dramatically, and it is hard to get workers in our business,' he said." [CFO Dive, 07/30/21]

## Hilton's CEO Pay Ratio Dramatically Increased To 1,953-To-1 In 2020, After Ranging From 489-To-1 To 567-To-1 Between 2017 And 2019.

**In Its 2020 Fiscal Year, Hilton's Pay Ratio Was 1,953-To-1. "**For the fiscal year ended December 31, 2020, we estimate that the ratio of the annual total compensation of our CEO ($55,884,527(1)) to the annual total compensation of our median employee ($28,608(2)) was 1,953:1." [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **Hilton Attributed This Large Pay Ratio Increase To Changes To Certain Stock Compensation, With The Actual Ratio Being 702-To-1 If These Changes Were Not Made.** "The 2020 figures are not historically representative of our CEO's pay, median employee's pay or pay ratio. On average for 2017 through 2019, the annual total compensation of our CEO was $19,994,035, the annual total compensation of our median employee was $37,798 and our pay ratio was 533:1. The 2020 ratio would have been 702:1 if not for the PSU modifications that were undertaken to help drive the Company's long-term performance. If not for the PSU modifications, the CEO's annual total compensation would have been $20,072,443, which represents a 6% decrease from 2019." [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

**In Its 2019 Fiscal Year, Hilton's Pay Ratio Was 489-To-1.** "For the fiscal year that ended December 31, 2019, we estimate that the ratio of the annual total compensation of our CEO to the annual total compensation of our median employee was 489:1 based on the following: […]The annual total compensation of our CEO was $21,387,511. […] The annual total compensation of our median employee was $43,695." [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 03/24/20]

**In Its 2018 Fiscal Year, Hilton's Pay Ratio Was 542-To-1.** "For the fiscal year ended December 31, 2018, we estimate that the ratio of the annual total compensation of our CEO to the annual total compensation of our median employee was 542:1 based on the following: […] The annual total compensation of our CEO was $19,803,897. […] The annual total compensation of our median employee was $36,530." [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 03/29/19]

**In Its 2017 Fiscal Year, Hilton's Pay Ratio Was 567-To-1.** "For 2017, we estimate that the ratio of the annual total compensation of our CEO ($18,790,698) to the annual total compensation of our median employee ($33,168) was 567:1. This ratio would have been 325:1 if not for the one-time grant made to the CEO in 2017. The one-time grant was awarded in recognition of successfully completing the spin-offs and transforming Hilton into a new fee-based, capital-efficient business model." [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 03/29/18]

## During The Pandemic, Hilton Drastically Reduced Its Workforce, With Plans To Further Reduce Labor Costs To Obtain Higher Margins, Even Though Its CEO Saw His Pay Increase By $34 Million After the Company "Restructured Several Complex Stock Awards."

**During The Pandemic, Hilton "Reduced Compensation For Certain Roles, Reduced [Its] Workforce, Reduced Work Hours, And Furloughed A Substantial Number Of Employees," Which Resulted In A Smaller Average Employee Pay.** "The pandemic has significantly affected the global economy and strained the hospitality industry, including Hilton. Due to materially reduced travel around the world, Hilton temporarily reduced compensation for certain roles, reduced our workforce, reduced work hours and furloughed a substantial number of our employees, which resulted in the decline in the median employee's pay." [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **In 2021, Hilton Announced Its Plans To Reduce Labor Costs With Aims To Obtain Higher-Margins While Requiring "'Less Labor Than They Did Pre-Covid.'"** "And some large employers are signaling they plan to make do with fewer employees as they experiment with new business models that allow them to cut labor costs. Hilton's chief executive said recently that he's focused on reducing labor costs at the chain's 6,400 hotels. 'The work we're doing right now in every one of our brands is about making them higher-margin businesses and creating more labor efficiencies,' Hilton chief executive Chris Nassetta told investors in February. 'When we get out of the crisis, those businesses will be higher-margin and require less labor than they did pre-covid.'" [The Washington Post, 04/16/21]

**In 2020, Hilton President And CEO Christopher Nassetta Saw His Total Compensation Increase By Nearly $34 Million From 2019.**

| Name | Year | Salary[1] ($) | Bonus[2] ($) | Stock Awards[3][4] ($) | Option Awards[3] ($) | Non-Equity Incentive Plan Compensation ($) | Change in Pension Value & Nonqualified Deferred Compensation Earnings[5] ($) | All Other Compensation[6] ($) | Total[7] ($) |
|---|---|---|---|---|---|---|---|---|---|
| **Christopher J. Nassetta** President & Chief Executive Officer | **2020** | **$350,000** | **—** | **$49,518,248** | **$4,568,730** | **$1,072,500** | **—** | **$361,161** | **$55,870,639** |
| | 2019 | $1,291,346 | — | $12,937,424 | $4,312,483 | $2,397,525 | — | $435,343 | $21,374,121 |
| | 2018 | $1,250,000 | — | $11,874,648 | $3,958,229 | $2,462,813 | — | $658,021 | $20,203,711 |

[Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

**Hilton Attributed This Increase In CEO Compensation To The "Restructur[ing] [Of] Several Complex Stock Awards," With The Company's CEO Actually Earning "Closer To $20.1 Million, A Slight Decrease From 2019."** "A Hilton spokesman said the $55.9 million figure reported in the company's annual filing did not reflect Mr. Nassetta's actual pay. Because of the pandemic, Hilton restructured several complex stock awards. As a result, Mr. Nassetta's actual earnings for 2020 will be closer to $20.1 million, a slight decrease from 2019." [New York Times, 04/24/21]

## Despite Claims Of Introducing "Temporary" Executive Pay Cuts, All Of Hilton's Top Executives Received More Total Compensation in FY 2020 Than In FY 2019.

**June 2020: Hilton Laid Off 2,100 Employees And Introduced Temporary Pay Cuts For Executives As A Result Of The Pandemic.** "Hilton Hotels is laying off 2,100 employees, or roughly 22% of its corporate workforce, as the lingering effects of coronavirus continue to depress demand for leisure and corporate travel. The hotel chain is also extending the existing furloughs for many of its corporate staff for an additional 90 days. Hilton announced the initial furloughs, as well as temporary pay cuts for executives, in late March." [CNN, 06/16/20]

**While Hilton's Top Executives Received A Lower Base Salary In FY 2020 Than They Did In FY 2019, Their Total Compensation Was Higher In FY 2020 Than In FY 2019.**

| Name | Year | Salary[1] ($) | Bonus[2] ($) | Stock Awards[3][4] ($) | Option Awards[3] ($) | Non-Equity Incentive Plan Compensation ($) | Change in Pension Value & Nonqualified Deferred Compensation Earnings[5] ($) | All Other Compensation[6][7] ($) | Total[7] ($) |
|---|---|---|---|---|---|---|---|---|---|
| **Christopher J. Nassetta** President & Chief Executive Officer | **2020** | **$350,000** | **—** | **$49,518,248** | **$4,568,730** | **$1,072,500** | **—** | **$361,161** | **$55,870,639** |
| | 2019 | $1,291,346 | — | $12,937,424 | $4,312,483 | $2,397,525 | — | $435,343 | $21,374,121 |
| | 2018 | $1,250,000 | — | $11,874,648 | $3,958,229 | $2,462,813 | — | $658,021 | $20,203,711 |
| **Kevin J. Jacobs** Chief Financial Officer & President, Global Development | **2020** | **$718,750** | **—** | **$9,615,437** | **$937,488** | **$577,500** | **—** | **$11,400** | **$11,860,575** |
| | 2019 | $845,500 | — | $2,437,406 | $812,486 | $1,046,860 | — | $34,331 | $5,176,583 |
| | 2018 | $820,308 | — | $2,138,959 | $712,996 | $928,730 | — | $36,466 | $4,637,459 |
| **Matthew W. Schuyler** EVP & Chief Brand & Communications Officer | **2020** | **$594,712** | **—** | **$6,536,102** | **$621,234** | **$478,500** | **—** | **—** | **$8,230,548** |
| | 2019 | $696,861 | $300,000 | $1,799,946 | $599,979 | $917,420 | — | $30,928 | $4,345,134 |
| | 2018 | $677,826 | — | $1,411,161 | $470,416 | $795,460 | — | $34,486 | $3,389,349 |
| **Kristin A. Campbell** EVP, General Counsel & Chief ESG Officer | **2020** | **$592,173** | **—** | **$5,851,686** | **$533,658** | **$475,860** | **—** | **$11,400** | **$7,464,777** |
| | 2019 | $696,861 | — | $1,554,219 | $518,104 | $776,020 | — | $40,402 | $3,585,606 |
| | 2018 | $677,826 | — | $1,411,161 | $470,416 | $784,959 | — | $11,040 | $3,355,402 |
| **Christopher W. Silcock[8]** EVP & Chief Commercial Officer | **2020** | **$500,417** | **$184,519** | **$3,457,879** | **$339,999** | **$396,322** | **$80,223** | **$168,723** | **$5,128,082** |
| | 2019 | $554,559 | — | $2,884,825 | $294,994 | $666,653 | $66,422 | $184,618 | $4,652,071 |
| **Ian R. Carter** Former EVP & President, Global Development | **2020** | **$689,808** | **—** | **$3,756,070** | **$536,235** | **$420,000** | **$131,504** | **$3,490,503** | **$9,024,120** |
| | 2019 | $810,302 | — | $1,559,954 | $519,980 | $1,051,432 | $251,771 | — | $4,193,439 |
| | 2018 | $784,326 | — | $1,519,315 | $506,466 | $935,501 | — | $22,815 | $3,768,423 |

[Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **In FY 2020, Even Though Hilton President And CEO Christopher Nassetta Received A Lower Base Salary Than In FY 2019, He Still Saw His Total Compensation Increase By Nearly $34 Million From 2019.** [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **Hilton CFO And President Of Global Development Kevin Jacobs Saw A 129% Compensation Increase From FY 2019 To FY 2020.** [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **Hilton EVP And Chief Brand & Communications Officer Matthew Schuyler Saw His Total Compensation Rise By 89% From FY 2019 To FY 2020 Despite Receiving A Smaller Base Salary.** [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **Hilton EVP, General Counsel, And Chief ESG Officer Kristin Campbell's Total Compensation Rose By 108% In FY 2020 From FY 2019, Even With A Base Salary Cut.** [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **In FY 2020, Hilton's EVP And Chief Commercial Officer Christopher Silcock Received 10% More In Total Compensation Than In FY 2019.** [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

- **Ian Carter, Hilton's Former EVP And President Of Global Development Saw A 115% Increase To His Total Compensation In FY 2020, Even With A Lower Base Salary.** [Hilton Worldwide Holdings Inc. SEC Schedule 14A, 04/09/21]

**Despite Nike Being "Forced To Close Some Of Their Doors" Due To Labor Shortages In 2022 And Its CFO Blaming Delays On "Labor Shortages" In September 2021, Nike's CEO-Worker Pay Ratio Increased From 379-To-1 In 2018 To 1,935-To-1 in 2020–Nike CEO's $53.5 Million In 2020 Compensation Was Even Criticized By Nike Shareholders.**

## In January 2022, Nike Was "Forced To Close Some Of Their Doors" Due To Labor Shortages.

**January 2022: Nike Was "Forced To Close Some Of Their Doors As They Simply Don't Have Enough People To Keep Them Open," Amid Absences Of "Overworked," "Sick," And "Exposed" Workers.** "A soaring number of sick, exposed or overworked employees has caused retailers and restaurants to take unusual steps as their existing labor problems worsen. Macy's cut store hours at locations across the country for the rest of this month. Walmart temporarily closed nearly 60 stores in December in coronavirus hot spots. And other employers, including Starbucks, Chipotle and Nike have been forced to close some of their doors as they simply don't have enough people to keep them open." [CNBC, 01/07/22]

## In September 2021, Nike's Executive Vice President And Chief Financial Officer Blamed "Labor Shortages" For Increases In Transit Times After Laying Off 700 Workers In 2020.

**In Its Q1 FY 2022 Earnings Call, Nike's Executive Vice President And Chief Financial Officer Matt Friend Said That The Company Is Seeing Increases In Transit Times Due To Congestion And "Labor Shortages."** "However, we are not immune to the global supply chain headwinds that are challenging the manufacture and movement of product around the world. Previously, I had shared that we were planning for transit times to remain elevated for the balance of fiscal 2022. Unfortunately, the situation deteriorated even further in the first quarter with North America and EMEA seeing increases in transit times due primarily to port and rail congestion and labor shortages." [Nike FY 2022 Q1 Earnings Release Conference Call Transcript, 09/23/21]

**In June 2020, On The Same Day It Reported A Net Loss Of $790 Million In Its Quarterly Earnings Report, Nike CEO John Donahoe Announced The Company Would Be "'Forced'" To Make Decisions That Would "'Likely Result In A Net Reduction Of Jobs.'"** "Nike CEO John Donahoe announced in a company-wide email on Thursday that the brand will soon be 'forced to make some difficult choices' that will 'likely result in a net reduction of jobs.' The email, viewed by Complex, comes after Nike posted a net loss of $790 million in its latest quarterly earnings report on the same day. The company attributed the loss in part to the strain COVID-19 placed on its business globally." [Complex, 07/25/20]

**July 2020: Nike Announced That Beginning In October 2020, It Would Lay Off At Least 500 Workers At Its Headquarters.** "Nike Inc. on Thursday said it will lay off at least 500 workers at its Washington County headquarters. The company said layoffs will begin on Oct. 1, according to a mass layoff notice filed with the state. The layoffs include the closure of Nike's child care center and 192 associated jobs." [Portland Business Journal, 07/30/20]

**November 2020: Nike Said That About 700 Jobs Would Be Cut, 200 More Than Previously Announced.** "Nike said Monday it expects to eliminate 700 jobs at its Oregon headquarters near Beaverton by early January as part of a broader restructuring the company announced during the summer. The footwear and apparel company had previously estimated its Oregon layoffs at roughly 500, The Oregonian/OregonLive reported. The cutbacks announced Monday, in a brief legal filing with state workforce officials, appear to include that tally." [AP News, 11/03/20]

## Nike's CEO-Worker Pay Ratio Grew From 379-To-1 In 2018 To 913-To-1 In 2021, Peaking At 1,935-To-1 in 2020 After The Company's New President And CEO Received Nearly $40 Million More In Total Compensation Than His Predecessor.

**In Its 2021 Fiscal Year, Nike's CEO-Worker Pay Ratio Was 913-To-1.** "For fiscal 2021, our last completed fiscal year: […] The estimated ratio of the annual total compensation of our CEO to the median annual total compensation of all other NIKE employees was 913 to 1." [Nike, Inc. SEC Schedule 14A, 08/09/21]

**In Its 2020 Fiscal Year, Nike's CEO-Worker Pay Ratio Was 1,935-To-1, With The Company's New CEO Receiving $40 Million More In Compensation Than The Former CEO In The Prior Year.** "For fiscal 2020, our last completed fiscal year: […] The estimated ratio of the annual total compensation of our CEO to the median annual total compensation of all other NIKE employees was 1935 to 1." [Nike, Inc. SEC Schedule 14A, 09/24/20]

- **In Fiscal Year 2020, Nike President And CEO John Donahoe Made $53,499,980 In Total Compensation.** [Nike 2020 Annual Report, 07/24/20]

- **In Fiscal Year 2019, Nike's Then Chairman, President, And CEO Mark Parker Made $13,968,022 In Total Compensation.** [Nike 2019 Annual Report, 07/23/19]

- **On January 13, 2020. John Donahoe Became Nike's New President And CEO, With Mark Parker Becoming The Company's Executive Chairman.** "The Board of Directors of NIKE, Inc. (NYSE:NKE) announced today that John Donahoe will be appointed as the company's new President and Chief Executive Officer, effective Jan. 13, 2020. At the same time, Mark Parker, CEO since 2006 and Chairman, President & CEO since 2016, will become Executive Chairman and continue to lead the Board of Directors and work closely with Donahoe and the senior management team." [Nike, 10/22/19]

**In Its 2019 Fiscal Year, Nike's CEO-Worker Pay Ratio Was 550-To-1.** "For fiscal 2019, our last completed fiscal year: […] The estimated ratio of the annual total compensation of our CEO to the median annual total compensation of all other NIKE employees was 550 to 1." [Nike, Inc. SEC Schedule 14A, 07/23/19]

**In Its 2018 Fiscal Year, Nike's CEO-Worker Pay Ratio Was 379-To-1.** "For fiscal 2018, our last completed fiscal year: […] The estimated ratio of the annual total compensation of our CEO to the median annual total compensation of all NIKE employees was 379 to 1." [Nike, Inc. SEC Schedule 14A,07/24/18]

## Even Nike Shareholders Criticized Donahoe's $53.5 Million In 2020 Compensation, With Nike Defending It Due To The "$79 Million In Incentive Awards" He Left On The Table By Leaving His Previous Job To Become Nike's CEO.

**In Its 2021 Proxy Statement, Nike Stated It Had Reached Out To Large Shareholders After Only 54% Of Shareholders Voted In Favor Of The Company's 2020 Compensation Plan When Over 90% Of Votes Are Typically "In Favor Of The Plan."** "On an annual proxy statement filed Tuesday with the Securities and Exchange Commission, the company (NYSE: NKE) said it reached out to shareholders who own roughly 33% of its outstanding shares after only 54% of votes were cast in favor of last year's compensation plan. 'The board and compensation committee greatly values these engagements with shareholders and is committed to maintaining ongoing dialogue and incorporating shareholder feedback into the design of the executive compensation program going forward,' Nike wrote in the proxy statement. As Nike noted in the proxy, the company's non-binding vote on executive compensation typically gets more than 90% of votes cast in favor of the plan." [Portland Business Journal, 08/10/21]

**Shareholders' "Two Basic Criticisms Of Its 2020 Compensation Plan" Were A "Lack Of Clarity Around Compensation Adjustments Made Because Of Covid" And "John Donahoe's $53.5 Million In 2020 Compensation."** "The company noted two basic criticisms of its 2020 compensation plan: lack of clarity around compensation adjustments made because of Covid and CEO John Donahoe's $53.5 million in 2020 compensation, which was heavily weighted towards sign-on compensation. Donahoe started work in January 2020." [Portland Business Journal, 08/10/21]

**In Defending Donahoe's Compensation, Nike Noted He Had "Left $79 Million In Incentive Awards On The Table When He Left His Previous Job To Become CEO Of Nike."** "In the proxy statement, Nike said it informed shareholders that Donahoe left $79 million in incentive awards on the table when he left his previous job to become CEO of Nike. It said the information 'mitigated their concern around these awards.' The company also said it agreed to provide 'robust disclosure' about how Covid will impact 2021 annual bonuses." [Portland Business Journal, 08/10/21]

# Despite Whirlpool's CEO Admitting That He Was "'Worried'" About The Labor Shortage, The Company's CEO-Worker Pay Ratio Has Continuously Increased From 358-To-1 In 2017, To 772-To-1 In 2020, With The CEO's Compensation Increasing By Nearly $10 Million Over That Same Period.

## Whirlpool's CEO Has Frequently Discussed The Challenges Of The "Labor Shortage" During His Company's Quarterly Earnings Calls And Has Admitted He Was "'Worried'" That The Labor Shortage Could Be Due To Structural Issues.

**During Whirlpool's Q2 2021 Earnings Call, Chairman And CEO Marc Bitzer Identified "Labor Shortages" As Being One Of The "Fundamental Sources" Of Current "Supply Constraints."** "Marc Bitzer -- Chairman of the Board and Chief Executive Officer […] We think the supply constraints will last and what the source of that is. The supply constraints are fundamentally driven by similar elements as we've seen in prior quarters. There's now a slightly different emphasis on one item in particular. Fundamentally we talk about three issues: labor shortages, broader component shortages because other suppliers also have labor shortages, other issues in the factory, and thirdly very specifically, was either resins because of the Texas storm and semiconductors. These are the fundamental sources." [The Motley Fool, 07/22/21]

**During Whirlpool's Q3 2021 Earnings Call, Bitzer Also Suggested The "Labor Shortage" Hurt His Company's Ability To "Dial Up Production."** "Marc Bitzer -- Chairman, Chief Executive Officer […] But frankly, yes, we would have like to dial-up production in more. We're facing similar constraints as you hear throughout the press, it's labor shortage, component shortage and transportation bottlenecks." [The Motley Fool, 10/22/21]

**October 2021: During An Interview With CNBC's Jim Cramer, Whirlpool Chairman And CEO Marc Bitzer Stated He Was, "'Starting To Get Worried'" That Labor Supply Shortages Become Structural.** "The CEO of American appliance maker Whirlpool told CNBC's Jim Cramer on Thursday he's 'starting to get worried' the U.S. labor market could face structural challenges in the years ahead, even after various pandemic-related hurdles have been cleared. In an interview on 'Mad Money,' Cramer asked Whirlpool CEO Marc Bitzer whether he was concerned about the country's declining birthrate, which fell for a sixth straight year in 2020, and its long-term implications for the world's largest economy." [CNBC, 10/21/21]

- **Whirlpool Head Marc Bitzer: "I'm Starting To Get Worried That The Labor Shortage Start Becoming Structural, So Yes, Demographics Are A Little Bit Of A Worry Down The Road."** [CNBC, 10/21/21]

## Whirlpool's CEO-Worker Pay Ratio Has Increased From 358-To-1 In 2017 To 772-To-1 In 2020, With The CEO's Pay Increasing By Nearly $7 Million Over That Same Period.

**In Its 2020 Fiscal Year, Whirlpool's CEO-Worker Pay Ratio Was 772-To-1.** "For 2020, The median of the annual total compensation of all of our employees, other than Mr. Bitzer, was $22,113. Mr. Bitzer's annual total compensation was $17,064,835. […] Based on this information, the ratio of the annual total compensation of Mr. Bitzer to the median of the annual total compensation of all employees is estimated to be 772 to 1." [Whirlpool Corporation SEC Schedule 14A, 03/05/21]

**In Its 2019 Fiscal Year, Whirlpool's CEO-Worker Pay Ratio Was 675-To-1.** For 2019, the median of the annual total compensation of all of our employees, other than Mr. Bitzer, was $20,765. Mr. Bitzer's annual total compensation was $14,011,663. […] Based on this information, the ratio of the annual total compensation of Mr. Bitzer to the median of the annual total compensation of all employees is estimated to be 675 to 1." [Whirlpool Corporation SEC Schedule 14A, 03/06/20]

**In Its 2018 Fiscal Year, Whirlpool's CEO-Worker Pay Ratio Was 578-To-1.** For 2018, The median of the annual total compensation of all of our employees, other than Mr. Bitzer, was $20,485. Mr. Bitzer's annual total compensation was $11,847,762. […] Based on this information, the ratio of the annual total compensation of Mr. Bitzer to the median of the annual total compensation of all employees is estimated to be 578 to 1." [Whirlpool Corporation SEC Schedule 14A, 03/01/19]

**In Its 2017 Fiscal Year, Whirlpool's CEO-Worker Pay Ratio Was 356-To-1.** "For 2017, The median of the annual total compensation of all of our employees, other than Mr. Bitzer, was $19,906. Mr. Bitzer's annual total compensation was $7,082,024. […] Based on this information, the ratio of the annual total compensation of Mr. Bitzer to the median of the annual total compensation of all employees is estimated to be 356 to 1." [Whirlpool Corporation SEC Schedule 14A, 03/02/18]

**Whirlpool Chairman And CEO Marc Bitzer Has Seen His Total Compensation Increase From $6.7 Million In 2017 To Over $17 Million In 2020:**

| Name and Principal Position | Year | Salary (1) ($) | Bonus ($) | Stock Awards (3) ($) | Option Awards (4) ($) | Non-Equity Incentive Plan Compensation (5) ($) | Change in Pension Value and Non-Qualified Deferred Compensation Earnings (6) ($) | All Other Compensation (7) ($) | Total ($) |
|---|---|---|---|---|---|---|---|---|---|
| Marc R. Bitzer Chairman and Chief Executive Officer | 2020 | 1,255,208 | — | 6,428,294 | 3,029,689 | 4,208,000 | 1,957,677 | 172,541 | 17,051,409 |
| | 2019 | 1,279,167 | — | 6,341,437 | 2,717,768 | 2,302,500 | 1,171,410 | 187,212 | 13,999,494 |
| | 2018 | 1,250,000 | — | 4,374,836 | 4,374,977 | 1,462,500 | 178,692 | 195,270 | 11,836,275 |

[Whirlpool 2021 Proxy Statement, 03/05/21]

| Name and Principal Position | Year | Salary ($) | Bonus ($) | Stock Awards ($) (3) | Option Awards ($) (4) | Non-Equity Incentive Plan Compensation ($) (5) | Change in Pension Value and Non-Qualified Deferred Compensation Earnings ($) (6) | All Other Compensation ($) (7) | Total ($) |
|---|---|---|---|---|---|---|---|---|---|
| Marc R. Bitzer President and Chief Executive Officer | 2019 | 1,279,167 | — | 6,341,437 | 2,717,768 | 2,302,500 | 1,171,410 | 187,212 | 13,999,494 |
| | 2018 | 1,250,000 | — | 4,374,836 | 4,374,977 | 1,462,500 | 178,692 | 195,270 | 11,836,275 |
| | 2017 | 1,091,667 | — | 2,099,879 | 2,100,075 | 591,798 | 621,618 | 241,327 | 6,746,364 |

[Whirlpool 2020 Proxy Statement, 03/06/20]

## Even As Five Below's President And CEO Complained About The Labor Market Being "Very Tight Right Now," The Company's CEO-Worker Pay Ratio Increased From 718-To-1 In 2019 To 2,260-To-1 In 2020, With The CEO's Compensation Increasing By More Than $10.8 Million.

### Since June 2021, Five Below President And CEO Joel Anderson Has Complained That The "Labor Market Is Very Tight Right Now" While Reducing Hours And Introducing Self-Check Out To Mitigate The "Challenges Of Getting Labor In The Stores."

**In A June 2021 CNBC Interview, Five Below President And CEO Joel Anderson Admitted That "Labor Shortages Are Real" And Has Had To Take Several Steps, Including Reducing Hours, To Mitigate The "Challenges Of Getting Labor In The Stores."** "Look the labor shortages are real. I must admit that we are running on reduced hours which has really helped us maintain a great store experience. So when we are open we want our customers to have a great experience. We have raised our minimum wages and that seems to be working. The other thing we do that really works well is we hire a lot move 16- and 17-year-olds it's their first job and everybody remembers their first job. Our stores are a lot of fun it's a great place for high school kids to come work we get a lot of return in college kids and so we've done an amazing job the store teams of mitigating the wage issues and the challenges of getting labor in the stores." [CNBC Television YouTube, 02:00 06/07/21]

**During Five Below's Q2 2021 Earnings Call In September 2021, Anderson Complained That The "Labor Market Is Very Tight Right Now."** " Joel Anderson -- President and Chief Executive Officer […] Clearly, we have seen if you increase the hours, the transactions do go up. But the balance is, the labor market is very tight right now and hiring is tight." [The Motley Fool, 09/01/21]

**In Its Most Recent Q3 2021 Earnings Call, Five Below's CEO Acknowledged That Its Introduction Of Self-Check Out "Helps Us On The Labor Side."** "Joel Anderson -- President and Chief Executive Officer […] And I think last year was a huge unlock for us that ACO really honestly eliminates those lines, and that's probably adds to the satisfaction level that the customers have and it certainly helps us on the labor side because we kind of always have open nine registers." [The Motley Fool, 12/01/21]

**January 2022: During Remarks At The 2022 ICR Conference, Five Below CEO Joel Anderson Again Noted That Self-Check Out Helped Its Operations, Particularly If They "Were Short On Staff Or Something."** "Joel Anderson […] The other thing I'd mention is we've talked a lot about ACO. That is something that now is in over 60% of our chain and that really helped with not only flowthrough but social distancing and really made it efficient way -- if we were short on staff or something we could really still keep all our registries open. So the progress we made over the last 5 years of investments in people, systems and infrastructure are really coming to pay off and it delivered a great quarter for us." [Seeking Alpha, 01/11/22]

## During The Height Of The Pandemic, Five Below's CEO-Worker Pay Ratio Rose From 718-To-1 In 2019 To 2,260-To-1 In 2020, With The CEO's Compensation Increasing By More Than $10.8 Million While Median Employee Compensation Decreased By Over 10%.

**In Its 2020 Fiscal Year, Five Below's CEO-Worker Pay Ratio Was 2,260-To-1, With The Median Employee's Total Compensation Decreasing From $8,315 In 2019 To $7,426 In 2020–A 10.6% Decrease–While The CEO's Compensation Increased By More Than $10.8 Million To $16.7 Million.** "Finally, we determined that median employee's total compensation, using the same methodology used for our Named Executive Officers in the Summary Compensation Table, to be $7,426, as compared to our CEO's total compensation of $16,786,577. […] Based upon this methodology, we estimate that the ratio of CEO pay to median employee pay for fiscal 2020 is 2,260:1." [Five Below, Inc. SEC Schedule 14A, 06/06/21]

- **In Its 2019 Fiscal Year, The Median Total Compensation For A Five Below Employee Was $8,315.** [Five Below, Inc. SEC Schedule 14A, 05/07/20]

- **In Its 2019 Fiscal Year, Five Below's CEO Compensation Was $5,969,576** [Five Below, Inc. SEC Schedule 14A, 05/07/20]

- **The 2020 Total Compensation Of Five Below's CEO Included "One-Time Off-Cycle Equity Awards" Valued At $11,939,077.** "This amount includes the one-time Off-cycle equity awards (fair value of $11,939,077) issued to our CEO in September 2020 as discussed in 'Compensation Discussion and Analysis' above." [Five Below, Inc. SEC Schedule 14A, 06/06/21]

**In Its 2019 Fiscal Year, Five Below's CEO-Worker Pay Was 718-To-1.** "Finally, we determined that median employee's total compensation, using the same methodology used for our Named Executive Officers in the Summary Compensation Table, to be $8,315, as compared to our CEO's total compensation of $5,969,576. Based upon this methodology, we estimate that the ratio of CEO pay to median employee pay is 718:1." [Five Below, Inc. SEC Schedule 14A, 05/07/20]

**In Its 2018 Fiscal Year, Five Below's CEO-Worker Pay Was 612-To-1. "**Finally, we determined that median employee's total compensation, using the same methodology used for our Named Executive Officers in the Summary Compensation Table, to be $8,975, as compared to our CEO's total compensation of $5,492,154. Based upon this methodology, we estimate that the ratio of CEO pay to median employee pay is 612:1." [Five Below, Inc. SEC Schedule 14A, 05/09/19]

**In Its 2017 Fiscal Year, Five Below's CEO-Worker Pay Was 626-To-1. "**Finally, we determined that median employee's total compensation, using the same methodology used for our Named Executive Officers in the Summary Compensation Table, to be $6,572, as compared to our CEO's total compensation of $4,111,529. Based upon this methodology, we estimate that the ratio of CEO pay to median employee pay is 626:1." [Five Below, Inc. SEC Schedule 14A, 05/10/18]

# In 2021, Acuity's Executives Blamed The Pandemic For Creating A "Tight Labor Market," But During The First Year Of The Pandemic, The CEO's Pay Ratio Rose To 2,316-To-1 From 981-To-1 In 2019, With The New Acuity CEO's Compensation Increasing 40% From The Prior CEO While Median Employee Compensation Decreased 40%.

## In Both Its Q3 2021 And Q4 2021 Earnings Call, Acuity Brands Executives Admitted To Experiencing "Labor Shortages," While Blaming The Pandemic For The "Tight" Labor.

**During Its July Q3 2021 Earnings Call, Acuity Brands' Senior Vice President And Chief Financial Officer Karen Holcom Acknowledged That They Are Experiencing "Labor Shortages."** "Karen J. Holcom -- Senior Vice President and Chief Financial Officer […] In the near term, we do have some opportunity based on some increased activity in the market where we may be able to take advantage of that opportunity. We're positioned to do so, but we're also aware of the component labor shortages that we're experiencing." [The Motley Fool, 07/01/21]

**In Its October Q4 2021 Earnings Call, Acuity's Chairman, President, And CEO Neil Ashe Blamed The "Impact Of The Pandemic" For The "Tight" Labor Market And Stated The Company Was "Aggressively Working" On Hiring.** "Neil M. Ashe -- Chairman, President and Chief Executive Officer […] So first on the US labor market, the labor market is tight as you indicated. You know, my view is that people -- all people are taking a step back as a result of the impact of the pandemic and the general changes in their lives and saying, kind of, what do I really want to do and so we're aggressively working to be the place where the best people want to come because they can do their best work. And that for us is everybody, whether you're a maintenance employee at one of our manufacturing facilities that sell operator a focused factory manager, distribution employee driver etc. So that's tight. So availability has been tight and there will be wage inflation over the course of the next year or so." [The Motley Fool, 08/31/21]

## During The Pandemic, Acuity's CEO-Worker Pay Ratio Rose To 2,316-To-1 From 981-To-1 In 2019 – The New CEO's Total Compensation Increased 40% From the Prior CEO While The Median Employee Compensation Decreased 40%.

**In Its 2021 Fiscal Year, Acuity's CEO-Worker Pay Ratio Was 1,288-To-1.** "For fiscal 2021, the median of the total annual compensation of all of the Company's associates, other than Mr. Ashe, was $11,649. Mr.

Ashe's total annual compensation, as reported in the 'Total Compensation' column of the Summary Compensation Table was $15,003,563. Based on this information, the CEO Pay Ratio is estimated to be 1,288 to 1. [Acuity Brands, Inc. SEC Schedule 14A, 11/22/21]

**In Its 2020 Fiscal Year, Acuity's CEO-Worker Pay Ratio Was 2,316-To-1, With The Median Employee's Total Compensation Decreasing From $15,169 In FY 2019 To $9,029 In FY 2020–A 40.4% Decrease.**

### Fiscal 2020 CEO Pay Ratio

| | | Fiscal 2020 Total Compensation(1) | Pay Ratio |
|---|---|---|---|
| Mr. Ashe | $ | 20,916,146 | 2,316:1 |
| Median Employee | $ | 9,029 | |

[Acuity Brands, Inc. SEC Schedule 14A, 11/27/20]

- **In Its 2019 Fiscal Year, The Median Total Compensation For An Acuity Employee Was $15,169, A 40% Decrease From The Prior Fiscal Year.** [Acuity Brands, Inc. SEC Schedule 14A, 11/22/19]

- **Though Required To Be A Part Of Its Pay Ratio Calculation, Acuity Claims This Figure Included An Annualized Base Salary As Well As Over $18 Million In Unrealizable Stock Options, With The Pay Ratio Excluding These Options Being 305-To-1.** "With respect to the total annual compensation of Mr. Ashe, we adjusted the amount reported in the "Total" column of our Summary Compensation Table by annualizing his base salary and certain components of "All Other Compensation" to account for the fact that he only commenced employment with us in January 2020, resulting in an adjusted total amount of $20,916,146. We also note that a substantial portion of Mr. Ashe's total compensation for the current year was in the form of stock options he received in accordance with his employment letter, which had a grant date fair value of approximately $18,159,500, but a current realizable value of $0. Excluding the grant date fair value of these options, the CEO pay ratio applicable to Mr. Ashe would be 305:1." [Acuity Brands, Inc. SEC Schedule 14A, 11/27/20]

**In Its 2020 Fiscal Year, Acuity Obtained A New CEO, Neil Ashe, Who Was Paid $20,916,146–A 40% Increase From What The Previous CEO Earned In FY 2019.** [Acuity Brands, Inc. SEC Schedule 14A, 11/27/20]

- **January 31, 2020: Neil Ashe Became President And CEO Of Acuity Brands, With The Company's Former CEO, Vernon Nagel, Stepping Into The "Newly Created Role Of Executive Chairman."** "Acuity Brands, Inc. (NYSE: AYI) (the 'Company') announced today that Neil M. Ashe will become its next President and Chief Executive Officer ('CEO') effective January 31, 2020. Additionally, the Board of Directors ('Board') appointed Mr. Ashe as a member of the Board effective January 31, 2020. Mr. Ashe, 52, will take over the CEO position from Vernon J. Nagel, who will remain with the Company in the newly created role of Executive Chairman." [Acuity Brands, 01/08/20]


### Fiscal 2020 CEO Pay Ratio

| | | Fiscal 2020 Total Compensation(1) | Pay Ratio |
|---|---|---|---|
| Mr. Ashe | $ | 20,916,146 | 2,316:1 |
| Median Employee | $ | 9,029 | |

[Acuity Brands, Inc. SEC Schedule 14A, 11/27/20]

### Fiscal 2019 CEO Pay Ratio

| | Fiscal 2019 Total Compensation(1) | Pay Ratio |
|---|---|---|
| Mr. Nagel | $ 14,874,164 | 981:1 |
| Median Employee | $ 15,169 | |

[Acuity Brands, Inc. SEC Schedule 14A, 11/22/19]

- **Neil Ashe's Compensation Included An "Annualized" Base Salary To "Account For The Fact That He Only Commenced Employment With [Acuity] In January 2020," As Well As Currently Unrealizable Stock Options Valued At $18,159,500 At The Time They Were Granted.** "With respect to the total annual compensation of Mr. Ashe, we adjusted the amount reported in the 'Total' column of our Summary Compensation Table by annualizing his base salary and certain components of 'All Other Compensation' to account for the fact that he only commenced employment with us in January 2020, resulting in an adjusted total amount of $20,916,146. We also note that a substantial portion of Mr. Ashe's total compensation for the current year was in the form of stock options he received in accordance with his employment letter, which had a grant date fair value of approximately $18,159,500, but a current realizable value of $0." [Acuity Brands, Inc. SEC Schedule 14A, 11/27/20]

**In Its 2019 Fiscal Year, Acuity's Pay Ratio Was 981-To-1.**

### Fiscal 2019 CEO Pay Ratio

| | Fiscal 2019 Total Compensation(1) | Pay Ratio |
|---|---|---|
| Mr. Nagel | $ 14,874,164 | 981:1 |
| Median Employee | $ 15,169 | |

[Acuity Brands, Inc. SEC Schedule 14A, 11/22/19]

**In Its 2018 Fiscal Year, Acuity's Pay Ratio Was 305-To-1.**

*Fiscal 2018 CEO Pay Ratio*

| | Fiscal 2018 Total Compensation* ($) | Pay Ratio |
|---|---|---|
| Mr. Nagel | 2,456,355 | 305:1 |
| Median Employee | 8,052 | |

[Acuity Brands, Inc. SEC Schedule 14A, 11/19/18]