

Shareholder Proposals: Trends from Recent Proxy Seasons (2007-2011)

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A comprehensive analysis of shareholder proposals introduced in the recent proxy seasons can assist corporate directors and officers preparing for annual general meetings. In addition to providing voting results, this study examines data on proposal volume, topics, and sponsorship from samples of Russell 3000 and S&P 500 companies. It inaugurates a collaboration between The Conference Board and FactSet.

In preparing for 2012 annual meetings, corporate counsel, corporate secretaries and governance officers, and board members (especially those serving on compensation or nominating committees) should evaluate necessary corporate actions in light of the 2011 voting results and the newly updated ISS proxy voting guidelines.

To provide assistance with the first prong of their analysis, this study examines shareholder proposals submitted to business corporations registered with the U.S. Securities and Exchange Commission (SEC) that held their annual general shareholder meetings (AGMs) between January 1, 2011 and August 3, 2011 and, at the time of their AGM, were in the Russell 3000 Index. The Russell 3000 Index was chosen as it assesses the performance of the largest 3000 U.S. companies, representing approximately 98 percent of the investable U.S. equity market.

The study inaugurates a collaboration between The Conference Board and FactSet Research Systems Inc. (FactSet); unless specifically noted, the study aggregates and analyzes data compiled by FactSet and drawn from public disclosure. To access the underlying database, which is updated daily, and retrieve management and shareholder proposals, no-action letter requests, and voting results regarding individual companies, visit www.conference-board.org/proxyvoting.

Data reviewed in the report includes proposal volume, topics, and sponsorship; proponent types considered in the sponsorship analysis are described on p. 5 and reflect the categorization used by FactSet LionShares. The discussion of voting results is integrated with information on non-voted shareholder proposals—due to their withdrawal by sponsors, the decision by management to omit them from the voting ballot or other, undisclosed reasons. Omission figures indicate that the company was granted no-action relief from the staff of the SEC in connection with the exclusion of a shareholder proposal from its proxy materials, in reliance on Rule 14a-8 under the Securities Exchange Act of 1934. Since the SEC began publishing no-action letters on its website only for letters issued after October 1, 2007, aggregate data provided in this report for 2007 should not be used for comparative purposes.

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The Methodology

Aggregate data on shareholder proposals is examined and segmented based on business industry and company size (as measured in terms of market capitalization). For the purpose of the industry analysis, the report aggregates companies within 20 industry groups (Chart 1), using the applicable Standard Industrial Classification (SIC) codes. In addition, to highlight differences between small and large companies, findings in the Russell 3000 sample are compared with those regarding companies that, at the time of their AGMs, were in the S&P 500. Year-on-year comparisons are conducted by referring to the same time period of previous proxy seasons—a fairly comprehensive review since most corporations hold their annual shareholder meetings before the end of July.

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Shareholder Meetings

The sample examined for the purpose of this report includes 2,511 companies in the Russell 3000 that held their annual shareholder meetings in the January 1-August 3, 2011 period. The sample includes non-U.S. companies registered with the U.S. Securities and Exchange Commission (SEC). In this section, the sample is compared with the S&P 500 and across industry groups.

By index

The index analysis illustrated in Chart 1 shows that approximately 53 percent of companies in the Russell 3000 sample and 57 percent of companies in the corresponding S&P 500 sample held their annual shareholder meeting in May. In the Russell 3000, the month with the second highest number of shareholder meeting is June (19 percent); in the S&P 500, it is April (24 percent).

Chart 1, p. 27

Shareholder Meetings, by Index (2011)

By industry

Chart 2 breaks down the composition of the Russell 3000 sample by industry groups.

Chart 2, p. 28

Shareholder Meetings, by Industry (2011)

Shareholder Proposals

Volume

Per company

As shown in Chart 3, in the Russell 3000 sample examined for the purpose of this report (i.e. general shareholder meetings held in the January 1-August 3, 2011 timeframe), shareholders filed on average 0.28 proposals per company, compared to the average of 0.34 proposals per company submitted in the same period in 2010. The average was calculated by dividing the total number of proposals submitted in the sample period (Chart 4) by the total number of shareholder meetings held by index companies during the sample period (Chart 1).

By comparison, in the corresponding S&P 500 sample the average number of shareholder proposals per company declined from 1.54 in 2010 to 1.23 in 2011.

Chart 3, p. 29

Average Shareholder Proposal Volume per Company (2007-2011)

By index

In 2011, shareholders filed fewer proposals than in prior proxy seasons (Chart 4). In the Russell 3000 sample, shareholders filed a total of 691 proposals, 634 of which were related to issues of executive compensation, corporate governance, or social and environmental policy (Chart 7). For the same period in 2010, shareholders had filed 864 proposals, 814 of which related to corporate governance, social and environmental issues; by the end of calendar year 2010, the total number rose to 943 proposals.

By comparison, in the S&P 500 sample examined for the purpose of this report, the number of shareholder proposals declined from 681 in 2010 to 544 in 2011.

The declining trend regarding the overall number of shareholder proposals started in 2008, when the total number of shareholder proposals had reached a record high of 944 in the Russell 3000 and 731 in the S&P 500.

Chart 4, p. 30

Shareholder Proposal Volume, by Index (2007-2011)

By industry

Proposal volume varies considerably from industry to industry. The financial services sector consistently receives the highest number of shareholder proposals, as shown in Chart 5 and confirmed by 2011 data. In 2011, as many as 114 proposals (or 16.5 percent of the total, down from the 21.9 percent observed for the 2010 sample) were submitted by shareholders of financial companies. The industry analysis also highlights a significant increase in the percentage of shareholder proposals filed at Russell 3000 electronic

technology (manufacturing) companies: 11.4 percent of the total, up from the 6.7 percent of 2010 and almost as high as the level recorded in 2007. Overall, finance and electronic technology (manufacturing) companies appear to be almost twice as likely as their counterparts in most other industry groups to face a shareholder proposal in any given year.

Other sectors facing a relatively higher than average number of shareholder proposals include utilities (9.5 percent of the total in 2011), energy minerals (9.4 percent) and retail trade (8.5 percent). On the contrary, distribution services (1.3 percent) and technology services (1 percent) were the least exposed to shareholder proposals in 2011.

Chart 5, p. 31

Shareholder Proposal Volume, by Industry (2007, 2010, and 2011)

By sponsor

The historical comparison on shareholder proposal volume by sponsor type shows that proposals introduced by activist hedge funds continued to increase from 2010 levels despite the decline registered for all other sponsor types. In the examined 2011 period, hedge funds filed 27 proposals (3.9 percent of the total), compared to 13 proposals (1.5 percent) submitted in the corresponding 2010 period (Chart 6). Another highlight from this analysis is the above-average decline in the number of proposals filed by labor unions over the last five years: 116 in the examined 2011 period (16.8 percent of the total), down from 164 in 2007 (or 27.2 percent of the corresponding sample for that year).

See “Sponsors,” on p. 5, for more information on the categorization of proposal sponsors used for the purpose of this report.

Chart 6, p. 32

Shareholder Proposal Volume, by Sponsor (2007, 2010, and 2011)

By subject

The historical comparison on the number of shareholder proposals submitted by subject shows that proposals on social and environmental policy issues continued to increase from 2007 levels despite the decline observed in other subjects. Specifically, 243 proposals related to matters of social and environmental policy were submitted in 2011, constituting 35.2 percent of the total number of proposals for the sample period. The volume increased considerably from the 28.1 and 29.1 percent observed in 2010 and 2007, respectively. The explanations for this shift should be sought in the momentum that the debate on public policy issues (including global warming and healthcare reform) has gained in recent years as well as the increasing sensitivity of shareholders to the long-term value generation potentials of a cohesive corporate sustainability strategy.

By contrast, in 2011, companies in the Russell 3000 received merely a third of the shareholder proposals on executive compensation that had been submitted in 2007. Say-on-pay proposals had been among the most frequent type of proposal on executive compensation introduced by shareholders in the most recent years. The passage in 2010

of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which mandates that all publicly traded companies submit their executive-compensation plans to shareholders for an advisory vote, is therefore the most likely explanation of the sensible decline in volume for this subject category. Moreover, the greater workload associated with market-wide advisory votes may have deterred some activists from introducing this type of proposals. Chart 7 also illustrates a less prominent but steady increase, from 2007 to 2011, in the percentage of shareholder proposals on issues of corporate governance.

See “Subjects,” on p. 8, for more information on the categorization of proposal subjects used for the purpose of this report.

Chart 7, p. 33

Shareholder Proposal Volume, by Subject (2007, 2010, and 2011)

Sponsors

The categorization of proposal sponsors used for the purpose of this report was made by FactSet LionShares. The following sponsor types are considered:

- **Corporations** While a business company is not typically a sponsor, a shareholder proposal could be filed by a (public or private) corporation attempting to take over another company via a proxy fight.
- **Hedge funds** Includes investment funds resorting to hedging techniques such as derivative securities and short-selling to reduce their risk exposure (e.g., Soros Fund Management). As part of their investment strategies, some hedge funds may also adopt activist tactics and request that a certain matter be put to a vote at the annual shareholder meeting.
- **Individuals** This category includes individual shareholders or family owners, including family trusts.
- **Investment advisers** For the purpose of this report, an investment firm is considered an investment adviser if it does not have the majority of its investments in mutual funds and is not a subsidiary of a bank, brokerage firm, or insurance company. An investment adviser provides investment advice and manages a portfolio of securities (e.g., Franklin Mutual Advisors).
- **Labor unions** This category comprises labor union pension funds (e.g., The Service Employees International Union) and workers’ associations.
- **Mutual fund managers** For the purpose of this report, an investment firm is considered a mutual fund manager if the majority of its investments is allocated to mutual funds. A mutual fund raises money from shareholders and reinvests the money in securities (e.g., BWD Rensburg Unit Trust Managers Ltd).

- **Named stockholder groups** This category refers to activist groups established as part of a specific shareholder activism campaign (e.g., The Committee for Concerned Cyberonics, Inc. Shareholders).
- **Public pension funds** This category is comprised of funds established by a state or local government to pay the benefits of retired workers (e.g., The California Public Employees Retirement System (CalPERS)).
- **Religious groups** This category includes religious organizations (e.g., Interfaith Center on Corporate Responsibility).
- **Other institutions** This category consists of institutional investors not otherwise categorized, including commercial banks and private banking portfolio managers, broker/dealer firms, investment banks, foundations and endowments, holding companies, insurance companies, corporate pension funds, and venture capital firms.
- **Other stakeholders** This category comprises other non-individual and investment entities not categorized as an institution by FactSet LionShares. Includes environmental, social and corporate governance activist groups such as People for the Ethical Treatment of Animals Inc. (PETA), The Humane Society of the United States, As You Sow, Nathan Cummings Foundation, and Amnesty International.

By index

Individual investors sponsored 41.8 percent of the shareholder proposals submitted at Russell 3000 companies (specifically, 289 proposals in the January 1-August 3, 2011 period). As shown in Chart 8, a similar share (43.8 percent) was found in the S&P 500 analysis. For both indexes, the second most represented group among sponsor types was labor unions (which submitted 116 proposals in the Russell 3000 sample and 101 proposals in the S&P 500—respectively, 16.8 and 18.6 percent of the total), followed by public pension funds (which submitted 77 proposals in the Russell 3000 sample and 56 proposals in the S&P 500—respectively, 11.1 and 10.3 percent of the total).

It is worth noting that none of the proposals submitted at S&P 500 companies were sponsored by activist hedge funds, which filed 27 proposals at smaller cap companies constituting the Russell 3000. In both indexes, mutual funds filed no proposals in the examined 2011 period.

Chart 8, p. 34

Sponsor Type, by Index (2011)

By industry

Even across business sectors, individuals rank consistently as the most prevalent type of sponsors of shareholder proposals (Chart 9). In finance companies, in particular, proposals sponsored by single individuals constituted almost half of the total number

received by the industry in the 2011 period (53 out of 114 proposals, or 46.5 percent). The only notable exception appears to be the health services sector, where labor unions filed one third of the shareholder proposals received by the industry in 2011 (5 out of 15 proposals, or 33.3 percent).

Labor-affiliated shareholders were also well represented among proposal sponsors in other unionized business sectors such as energy minerals (13 out of 65 proposals, or 20 percent) and transportation (3 out of 13 proposals, or 23.1 percent), whereas 21 of the 79 shareholder proposals (or 26.6 percent) received by electronic technology companies were filed by activist hedge funds.

Chart 9, p. 35

Sponsor Type, by Industry (2011)

By subject

The sponsor type analysis by subject of Chart 10 shows that individual proponents are particularly sensitive to issues of corporate governance. Proposals filed by individual shareholders on this subject (180) are almost three times as many as those on social and environmental policy (67). On the other hand, findings also highlight the presence of sponsor types that are primarily focused on the pursuit of social and environmental policy reforms at companies in their investment portfolio: religious groups (36 of the 43 proposals submitted by this sponsor type pertain to social and environmental policy) and other stakeholders (26 of the 42 submitted related to social and environmental policy).

The chart also shows that labor unions have played a dominant role in the introduction of executive compensation proposals, backing 27 of the 66 proposals (or 40.9 percent) filed on this subject at Russell 3000 companies in the 2011 sample.

Finally, all resolutions introduced by hedge funds (27) appear to fall into the all-inclusive “other shareholder proposals” subject category; for a topic-based analysis of these proposals, see p. 24.

See “Subjects,” on p. 8, for more information on the categorization of proposal subjects used for the purpose of this report.

Chart 10, p. 37

Sponsor Type, by Subject (2011)

Most frequent sponsors, by sponsor type

Table 1 ranks by type up to 10 of the most frequent sponsors of shareholder proposals. In the table, the sponsor name is followed by the number of proposals submitted. In those situations where more than one sponsor filed the same number of proposals, sponsors are ranked equally; as a result, more than 10 sponsor names may be listed under a single category.

Mr. John Chevedden (individuals), AFL-CIO Reserve Fund (labor unions), Ramius LLC (hedge funds), Sisters of Charity of St. Elizabeth (religious groups), the New York City Pension Funds (public pension funds), and Walden Asset Management (other institutions) ranked first in their respective categories.

More than two-thirds of the proposals submitted at Russell 3000 companies by individuals came from Evelyn Y. Davis, Gerald R. Armstrong and members of the Steiner and Chevedden families.

Labor unions typically exert their influence through the stock holdings of employee pension funds. The most frequent sponsors in this category are the large private-sector union American Federation of Labor—Congress of Industrial Organization (AFL-CIO), the United Brotherhood of Carpenters Pension Fund, and investment vehicles managed by the Amalgamated Bank (America’s 100-percent union-owned bank).

The New York City Pension Funds, under the management of the city’s comptroller, have also been very active proponents, leading the public pension fund category with a total of 27 proposals filed in the Russell 3000 during the sample period.

Finally, the table shows that a large majority of proponents in the religious group category is constituted by entities affiliated with the Catholic church—predominantly orders of nuns led by the Sisters of Charity of St. Elizabeth.

Table 1, p. 65

Most Frequent Sponsors, by Sponsor Type (2011)

Subjects

For the purpose of this report, shareholder proposals are categorized based on four main subjects:

- **Executive compensation** This subject category includes shareholder proposals requesting a shareholder advisory vote on executive compensation, limits on tax “gross-ups” and severance agreements, or the clawback of incentives. For a description of specific topics under this subject category, see p. 14.
- **Corporate governance** This subject category includes shareholder proposals requesting to change the director election system from plurality to majority voting, declassify the board, introduce restriction to multiple directorships, and separate the CEO/chairman positions. For a description of specific topics under this subject category, see p. 17.
- **Social and environmental policy** This subject category includes shareholder proposals requesting a board diversity policy or periodic sustainability reporting

as well as proposals addressing environmental, health-related, labor or political issues. For a description of specific topics under this subject category, see p. 22.

- **Other shareholder proposals** This subject category includes shareholder proposals on asset divestiture, capital distributions, the election of dissident's director nominees or the removal of board members. For a description of specific topics under this subject category, see p. 24.

By index

The subject analysis by index shows that larger companies are far more likely to receive proposals from shareholders (Chart 11). In particular, shareholder proposals on social and environmental policy submitted at S&P 500 companies represent about 88 percent of the total number of proposals on the same subject received by companies in the Russell 3000 sample; the proportion is only slightly lower for resolutions on executive compensation (85 percent) and decreases to 78 percent for corporate governance-related proposals.

Findings also reveal that the breakdown based on subject is similar across the two indexes. For example, the percentage of shareholder proposals on corporate governance in the Russell 3000 sample is 47, compared to 46.7 in the S&P 500. Companies in the S&P 500 index appear to be receiving a higher share of proposals on social and environmental policy (39.2 percent, compared to 35.1 in the Russell 3000).

Chart 11, p. 38

Shareholder Proposal Subject, by Index (2011)

By industry

As shown by Chart 12, during the examined 2011 period, companies in the financial services industry received the highest number of shareholder proposals on executive compensation (13 proposals, or 19.7 percent of the total, compared to an average of 3.5 proposals across all industries) and corporate governance (64 proposals, compared to an average of 15 proposals across the other industries).

The industry analysis shows a more diversified distribution when it comes to resolutions on social and environmental policy, with the highest numbers in business sectors that often draw environmental and geopolitical scrutiny—particularly energy minerals (43 of the 243 shareholder proposals introduced on this subject in the sample period, or 17.7 percent), utilities (34 proposals, or 13.9 percent of the total number on this subject), and finance (32 proposals, or 13.2 percent). Services industries are clearly less exposed to shareholder activism on environmental and social policy issues, which tend to be related to the externality costs of manufacturing practices and to blue-collar workers' rights.

Chart 12, p. 39

Shareholder Proposal Subject, by Industry (2011)

By sponsor

The subject analysis by sponsor highlights an interest by multiple types of investors in social and environmental policy issues. Chart 13, in particular, illustrates the distribution of shareholder proposals submitted on this subject across almost the entire spectrum of sponsor types, with a higher concentration among individual shareholders (67 of the 243 proposals submitted on the subject in the examined 2011 period, or 27.6 percent), public pension funds (39 proposals, or 16 percent), and religious groups (36 proposals, or 14.8 percent).

Individuals were the main proponents of corporate governance resolutions (180 of the 325 proposals submitted on the subject in the examined 2011 period, or 55.3 percent), whereas proposals on executive compensation were filed in equal proportion by single investors (26 of the 66 proposals introduced on this subject, or 39.4 percent) and labor unions (27 proposals, or 40.8 percent).

The “other shareholder proposals” category was dominated by hedge funds, which introduced 27 of the 57 proposals on this subject, or 47.4 percent. For a topic-based analysis of these proposals, see p. 24.

Chart 13, p. 42

Shareholder Proposal Subject, by Sponsor (2011)

Most frequent sponsors, by subject

Table 2 ranks by subject up to 10 of the most frequent sponsors of shareholder proposals, including the sponsor name, information on the sponsor type, and number of proposals submitted. In those situations where more than one sponsor filed the same number of proposals, sponsors are ranked equally; as a result, more than 10 sponsor names may be listed under a single category. When numerous, sponsors with only one filed proposal were omitted from the ranking.

Table 2, p. 69

Most Frequent Sponsors, by Subject (2011)

Withdrawn, Omitted, and Voted Proposals

This section integrates the shareholder proposal analysis by examining voted proposals as well as the extent of withdrawals and omissions. Sponsors typically withdraw their proposal if the company voluntarily effects the requested change prior to the AGM or as a result of a private negotiation with management. Omissions indicate that the company was granted no-action relief by the staff of the SEC to exclude a shareholder proposal from its proxy materials, in reliance on Rule 14a-8 under the Securities Exchange Act of 1934. Since the SEC began publishing no-action letters on its website only for letters issued after October 1, 2007, aggregate data provided in this report for 2007 should not be used for comparative purposes.

It should also be noted that the analysis of withdrawn, omitted, and voted proposals is limited to shareholder proposals on corporate governance, executive compensation, and social and environmental policy.

By index

The index analysis of Chart 14 illustrates a decline in the percentage of shareholder proposals that went to a vote at 2011 annual general meetings, compared to data obtained for the same period of 2010. In the Russell 3000, 67.2 percent of submitted proposals were voted, down from 69.2 percent of the 2010 proxy season; in the S&P 500, the reduction was from 67.7 percent to 66.3 percent.

This softening trend was entirely compensated by an increase in the share of proposals withdrawn before the meeting. The percentage of withdrawn proposals was 5.8 percent in the Russell 3000 (up from 4.8 percent in 2010) and 6.5 percent in the S&P 500 (up from 5.2 percent in 2010), whereas no significant difference was observed with respect to the percentage of proposals omitted by management (24.8 percent in the Russell 3000 and 25.8 percent in the S&P 500).

Chart 14, p. 43

Withdrawn, Omitted, and Voted Shareholder Proposals, by Index (2007, 2010, and 2011)

By industry

As shown in Chart 15, the sectors with the highest percentage of voted proposals in the 2011 proxy season were industrial services (84.6 percent of the shareholder proposals filed at companies in the industry went to a vote) and consumer non-durables (84 percent). Finance companies saw the highest number of voted proposals across industries (78 proposals, or 71.5 percent of those submitted at companies in the sector), followed by energy minerals (48 proposals), retail trade (40) and utilities (39). Technology services and distribution services were the sectors with the lowest numbers of voted proposals (4 per sector). Transportation and health services showed the highest percentage of withdrawn proposals (23.1 and 20 percent, respectively, compared to 2.8 percent in producer manufacturing and 3.7 percent in finance companies), whereas distribution services and technology services led on the percentage of proposals that were omitted from the voting ballot (50 and 42.9 percent, respectively).

Chart 15, p. 47

Withdrawn, Omitted, and Voted Shareholder Proposals, by Industry (2011)

By sponsor

Chart 16 illustrates the analysis by sponsor type and highlights the large share of proposals submitted by individual investors that were ultimately omitted by management. Specifically, 107 of the 273 proposals (39.2 percent) by individuals were excluded from the voting ballot in reliance of securities laws. Findings also reveal that public pension funds are the sponsor type with the highest percentage of voted proposals (63 of the 76 proposals submitted, or 82.9 percent).

Moreover, the chart shows the degree with which sponsors decided to withdraw their proposals: 12 of 116 proposals submitted, or 10.3 percent, in the case of labor union and 8 of 76 proposal submitted, or 10.5 percent, in the case of public pension funds—compared to 2.6 percent of individuals and 2.3 percent of religious groups.

Chart 16, p. 49

Withdrawn, Omitted, and Voted Shareholder Proposals, by Sponsor (2011)

By subject

Approximately 71 percent of shareholder proposals on executive compensation were put to a vote in the 2011 proxy season, compared to 68.7 percent of those on corporate governance and 64 percent of those on social and environmental policy (Chart 17). The analysis based on subject also shows that executive compensation proposals had the highest percentage of withdrawals (10.6 percent, compared to 7.8 percent of those on social and environmental policy and only 3.4 percent of those on corporate governance).

Chart 17, p. 50

Withdrawn, Omitted, and Voted Shareholder Proposals, by Subject (2011)

Voting Results

This section extends the shareholder proposal analysis to their voting results, with a focus on those that received majority support. The commentary on voting results refers primarily to votes *for* or *against* a certain proposal as a percentage of votes cast, including abstentions and excluding broker non-votes; an analysis of results as a percentage of shares outstanding, with data on non-votes is offered in the corresponding tables.

It should be noted that, similar to the discussion of withdrawn, omitted, and voted proposals, the analysis in this section is limited to shareholder proposals on corporate governance, executive compensation, and social and environmental policy.

By index

Table 3 displays voting results by index. As mentioned earlier, *for* and *against* votes as well as abstention levels are calculated both as a percent of votes cast and as a percent of shares outstanding. The analysis shows that the percentage of *for* votes is, in both cases, slightly higher in the Russell 3000 sample. In the S&P 500, 61.4 percent of shareholder proposals put to a vote in the 2011 period examined for the purpose of this report were voted against at the annual general meeting; in the Russell 3000, the percentage was 59.9.

Chart 18 corroborates the index-based analysis by illustrating the recent historical evolution in the percentage of shareholder proposals receiving majority support: in 2011, the percentage was 20.4 in the Russell 3000 (up from 16.8 percent in 2007) and 16.1 in the S&P 500 (up from 15.2 in 2007).

Table 3, p. 73

Shareholder Proposal Voting Results, by Index (2011)

Chart 18, p. 51

Shareholder Proposals Receiving Majority Support, by Index (2007, 2010, and 2011)

By industry

The voting result analysis by industry (Table 4) shows that non-energy minerals is the sector with the highest percentage of *for* votes to shareholder proposals, whereas the weakest support level was recorded for shareholder proposals in technology service companies (where, on average, as many as 75.5 percent of votes cast were *against*). The highest level of non-votes was detected in the communications sector (19 percent), while the lowest was in technology service companies (4.3 percent).

Chart 19 shows that non-energy minerals and commercial services were, in the 2011 proxy voting season, the sectors with the highest percentages of shareholder proposals receiving majority support (55.6 percent of shareholder proposals, in both cases). Interestingly, in the financial services industry majority support was obtained by 24.4 percent of shareholder proposals, a level lower than what was recorded in industrial services (36.4 percent) and transportation (28.6 percent). In consumer durables, only 1 of the 18 voted proposals (5.6 percent) received majority support.

Table 4, p. 74

Shareholder Proposal Voting Results, by Industry (2011)

Chart 19, p. 52

Shareholder Proposals Receiving Majority Support, by Industry (2011)

By sponsor

From the voting result analysis by sponsor type it emerges that, in the examined 2011 general meeting period, as many as 67.2 percent of votes on shareholder proposals submitted by religious group were *against* the proposal (Table 5). The highest level of votes *for* was observed for proposals by public pension funds (41 percent), while individuals registered the lowest levels of abstentions (4.3 percent). As shown by the breakdown of votes as a percent of share outstanding, the percentage of non-votes remained quite consistent across the spectrum of sponsor types and ranged from 10.9 to 13.5 percent.

Chart 20 shows that 33.3 percent of shareholder proposals submitted by public pension funds received majority support—the highest level across sponsor types. However, none of the resolutions introduced by religious groups and put to a vote obtained majority support.

Table 5, p. 75

Shareholder Proposal Voting Results, by Sponsor (2011)

Chart 20, p. 53

Shareholder Proposals Receiving Majority Support, by Sponsor (2011)

By subject

The voting result analysis by subject of shareholder proposals filed in the 2011 proxy season (Table 6) shows that only 17.4 percent of votes cast proposals regarding social and environmental policy were *for* the proposed change; however, proposals on this subject also reported the highest levels of abstention from voting (15.4 percent, compared to an average of 1.7 percent for the other two subjects). The vote-*for* percentage was higher for proposals on executive compensation (25.2 percent) and highest for those on corporate governance (46.7 percent). The highest vote-*against* percentage was observed for executive compensation proposals (72.7). Levels of non-vote appeared consistent across the spectrum of subjects.

The major highlight from the analysis illustrated in Chart 21 is the sharp decline in percentage of shareholder proposals on executive compensation that received majority support (4.3 percent of voted proposals, from the 8 percent of 2010). In the social and environmental policy category, two of the 156 shareholder proposals voted received majority support.

When compared to findings for 2010, the percentage of corporate governance proposals that passed in 2011 with a majority of *for* votes was stable (37.2 percent of voted shareholder proposals on corporate governance filed at companies in the Russell 3000 sample).

Table 6, p. 76

Shareholder Proposal Voting Results, by Subject (2011)

Chart 21, p. 54

Shareholder Proposals Receiving Majority Support, by Subject (2007, 2010, and 2011)

Shareholder Proposals on Executive Compensation

For the purpose of this report, shareholder proposals on executive compensation are categorized based on the following topics:

- **Advisory vote on executive compensation (“say on pay”)** Shareholder proposals first introduced in 2006 requesting a policy instituting an annual advisory vote by shareholders to ratify the compensation of the company’s named executive officers. The vote is non-binding and does not affect any compensation paid or awarded but is viewed as a tool for shareholders to express their view on the company’s compensation practices. Effective January 2011, the Dodd-Frank

Act requires most U.S. companies to hold a management sponsored say-on-pay vote at least once every three years.

- **Cap (restrict) executive compensation** Shareholder proposals seeking to limit executive compensation. Includes proposals requesting that the compensation be capped at a specific dollar amount or calculated based on a specified formula that correlates it to the compensation of other employees. These proposals may also request prohibiting or limiting stock option grants.
- **Director compensation-related** Shareholder proposals related to the compensation of directors (typically non-employee directors). Includes proposals to approve, limit, or specify the type of compensation.
- **Expand compensation-related disclosure** Shareholder proposals seeking the adoption of more thorough compensation disclosure practices, including the disclosure of all employees making over a certain salary and the preparation of special reports (e.g. on pay disparity issues).
- **Limit tax “gross-ups”** Shareholder-sponsored proposals requesting the adoption of a corporate policy limiting or prohibiting tax gross-up payments to executives. A gross-up reimburses an executive for tax liability (or makes payment to a taxing authority on an executive’s behalf) and may be used to offset taxes on perquisites or applicable in a change-of-control situation.
- **Limit (vote on) supplemental executive retirement plan (“SERP”)** Shareholder proposals requesting a corporate policy to limit (or require shareholder approval of) supplemental executive retirement plans (SERPs) and extraordinary retirement benefits. SERPs provide supplemental retirement benefits beyond those permitted under a tax-qualified pension plan.
- **Limit (vote on) death benefit payments (“golden coffin”)** Shareholder-sponsored proposals first submitted in 2009 requesting that the company adopt a policy to limit (or require shareholder approval of) payments to its senior executives’ estate or beneficiaries following their death. Proponents generally define a “golden coffin” as any promised post-death payment of unearned salary or bonuses, accelerated vesting or the continuation in force of unvested equity grants, awards of ungranted equity, perquisites, and other payments or awards made in lieu of compensation.
- **Limit (vote on) severance agreements (“golden parachute”)** Shareholder-sponsored proposals to require shareholder approval of future severance agreements, employment agreements containing severance provisions, and change-of-control agreements offering executives benefits in an amount exceeding a specified multiple of the executive’s taxable compensation.

- **Link compensation to performance (“pay for performance”)** Shareholder proposals requesting a corporate policy under which executive compensation, including stock and stock-option awards, is dependent upon the achievement of specified performance targets.
- **Recoup incentive pay (“clawback”)** Shareholder proposals requesting the adoption of a “clawback” policy or bylaw to recoup all unearned bonuses and other incentive payments made to an executive if the performance targets were later reasonably determined to have not been achieved, including as a result of the restatement of financial results or significant extraordinary write-off.
- **Require equity retention period** Shareholder-sponsored proposals on the adoption of a corporate policy requiring executives and directors to retain a percentage of shares acquired through equity compensation programs during their employment. Proponents of these proposals claim such a policy would better align management interests with those of shareholders, and motivate executives and directors to focus on the company’s long-term business objectives.
- **Other executive compensation issues** Any other shareholder-sponsored proposals related to director and executive compensation issues. Topics may include: linking social and environmental issues to pay, restricting the payment of dividends on grants of equity compensation that executives do not yet own, prohibiting the sale of stock during periods in which the company has announced stock buybacks, options backdating, and other compensation-related requests depending on the specific circumstances of an individual company.

By topic

The historical analysis by topic of filed shareholder proposals on executive compensation (Chart 22) documents a shift of focus by investors from the say-on-pay issue (which had dominated the last few proxy seasons, before its mandatory introduction by federal law in late 2010) to requests related to the formulation of clawback policies to recoup variable components of pay packages (6.1 percent of the total number of proposals submitted on executive compensation in 2011, up from 3.7 percent in 2010 and 4.9 in 2007), the adoption of equity-retention requirements for senior executives (21.2 percent in 2011, while this type of resolutions had represented only 3.8 percent of the total in 2007), and the granting of a shareholder vote on “golden coffins” (7.6 percent in 2011, up from only 2.7 in 2010).

Chart 22, p. 55

Shareholder Proposals on Executive Compensation, by Topic (2007, 2010, and 2011)

Most frequent sponsors, by topic

Table 7 ranks by topic the most frequent sponsors of shareholder proposals on executive compensation.

Table 7, p. 77

Shareholder Proposals on Executive Compensation—Most Frequent Sponsors, by Topic (2011)

Voting results, by topic

As shown in Table 8, the executive compensation proposal topics that, in 2011, obtained the highest levels of *for* votes as a percentage of votes cast were the request to limit severance agreements (including through the introduction of a shareholder vote to ratify them: 42.9 percent of *for* votes), the request to strengthen pay and performance (34.5 percent) and the one to curb tax “gross-ups” (33.2 percent).

Chart 23 highlights the overall decline in the average support received by executive compensation proposals after the most recent regulatory intervention. The only notable exception to the overall downward trend concerns the requests to link pay and equity grants (as well as their vesting) to evaluated performance (the support of which rose from 29.2 percent of votes cast in 2010 to 34.5 percent in 2011) and the proposals to introduce caps on executive compensation (22.6 percent, up from 7.6 in 2010).

Table 8, p. 81

Shareholder Proposals on Executive Compensation—Voting Results, by Topic (2011)

Chart 23, p. 56

Shareholder Proposals on Executive Compensation—Average Support Level, by Topic (2007, 2010, and 2011)

Shareholder Proposals on Corporate Governance

For the purpose of this report, shareholder proposals on corporate governance are categorized based on the following topics:

- **Adopt director nominee qualifications** Shareholder-sponsored proposals requesting the institution of additional requirements to serve as a member of the board of directors. These requirements may include stock ownership guidelines, industry experience, director independence standards, and limiting service in the event of significant change in personal circumstances or principal job responsibilities.
- **Adopt term limits for directors** Shareholder proposals to create a policy or charter/bylaw provision that directors shall not serve on the board for more than a specified number of years.
- **Allow cumulative voting** Shareholder-sponsored proposals to provide for cumulative voting in the election of directors. Cumulative voting permits shareholders in the election of directors to cast as many votes as the number of

shares held, multiplied by the number of directors to be elected. A shareholder can cast all of its votes for one candidate or distribute them liberally among multiple candidates. Cumulative voting gives minority shareholders more opportunity for board representation since they can cast all of their votes for one candidate.

- **Allow for (or ease requirement to) act by written consent** Shareholder-sponsored proposals to allow shareholders to act by written consent or to reduce the requirement to take action by written consent (e.g. a majority of the shares outstanding instead of a supermajority or unanimous requirement).
- **Allow for (or ease requirement to) call special meetings** Shareholder proposals to grant shareholders the power to call special meetings or to reduce the ownership threshold required to do so (e.g. from 50 percent to 25 percent or, in some cases, as low as 10 percent of shares outstanding).
- **Approve dissident expense reimbursement** Shareholder-sponsored proposals for the adoption of a corporate policy requiring the reimbursement of the reasonable expenses (e.g. legal, advertising, solicitation, printing and mailing costs) incurred by a shareholder or group of shareholders in a contested election of directors if certain conditions are met (e.g. seeking less than a majority of the board seats, board seats won, certain percentage of votes for the dissident nominees).
- **Change from plurality to majority voting** Shareholder proposals first filed in 2004 to change the director election system from plurality to majority voting. Under the plurality voting system, nominees with the highest number of votes are elected as directors, up to the number of directors to be chosen at the election, without regard to votes “withheld” or not cast. The benefit of plurality voting is that someone always wins, and all vacant seats are filled; however, the system deprives dissenting shareholders of any substantial role in the election since their vote against a nominee is not taken into consideration. Unlike plurality voting, the majority voting system requires the director nominee to receive a majority of the votes cast to be elected.
- **Declassify board** Shareholder proposals to eliminate classified board structures (i.e. where directors are subject to staggered terms, typically running three years so only one-third of the board stands for election each year) in favor of annually elected directors. Classification is used as a defensive measure from hostile takeovers: when a board is staggered, hostile bidders must win more than one proxy contest at successive shareholder meetings to exercise control of the target.
- **Decrease board size** Shareholder-sponsored proposals to reduce the current number or the minimum number (where a range is established) of members of the board of directors.

- **Eliminate dual class structure (unequal voting)** Shareholder-sponsored proposals to eliminate dual class/unequal voting share structure. It may be accomplished through a recapitalization designed so that all outstanding stock has one vote per share or by eliminating any time-phased voting (where shareholders who have held the stock for a given period of time are assigned more votes per share than recent purchases).
- **Eliminate supermajority vote requirements** Shareholder-sponsored proposals requesting that the company eliminate all supermajority vote requirements and apply a simple majority standard in the voting on any matter by shareholders.
- **Establish committee or protocol for shareholder proposals receiving majority vote** Shareholder-sponsored proposals requesting that the board adopt an engagement process with the proponents of shareholder proposals supported by a majority of votes cast in order to discuss potential company action in response.
- **Include shareholder nominee in company proxy (proxy access)** Shareholder-sponsored proposals requesting the inclusion in proxy materials director candidate(s) nominated by shareholders.
- **Increase board size** Shareholder-sponsored proposals to increase the current number or the maximum number (where a range is established) of members of the board of directors.
- **Redeem (or require shareholder vote on) “poison pill”** Shareholder-sponsored proposals to redeem or require a shareholder vote on shareholder rights plans (“poison pills”).
- **Reduce difficulty to remove directors (with/without cause)** Shareholder-sponsored proposals to allow shareholders to remove a director either with or without cause (i.e. eliminate the requirement that directors may be removed only for cause).
- **Reincorporate in another state** Shareholder-sponsored proposals requesting that the company reincorporate in any U.S. state. These proposals may be used against companies that reincorporated in tax havens (e.g., Bermuda).
- **Report on management succession plans** Shareholder-sponsored proposals requesting that the board adopts, periodically reviews, and discloses a written and detailed management (CEO) succession planning policy.
- **Require an independent lead director** Shareholder-sponsored proposals for a policy requesting that, in the absence of an independent board chairman, the company appoints an independent lead director (with clearly delineated duties). The lead director coordinates the activities of the other independent directors and presides over board meetings where the (non-independent) chairman is absent.

- **Require an independent director on board committee** Shareholder proposals to create a policy, bylaw, charter or committee charter provision requiring members of key board committees to be independent directors. This proposal type also includes proposals prohibiting any current chief executive officers (CEOs) of other companies from serving on the board's compensation committee.
- **Restrict "overboarding"** Shareholder-sponsored proposals to discourage overextended directors by requiring the board service to be limited to a specified number of directorships.
- **Separate CEO/chairman positions** Shareholder proposals for the adoption of a policy separating the roles of chairman and CEO and/or requiring that the chairmanship is assumed by an independent director with no management duties, titles, or responsibilities.
- **Other board committee-related** Any shareholder-sponsored proposals related to board committees. This proposal type includes proposals to form a new committee and other requirements on who may serve on a committee, including prohibiting directors who receive a specified percentage of votes *against* their re-election from serving on a committee.
- **Other board structure-related** Any other shareholder-sponsored proposals related to board size and structure. This proposal type includes proposals to change from a fixed to a variable board size, provisions regarding the ability of the board to determine the board size, placing and eliminating other director qualification requirements, and eliminating term and age limits.
- **Other takeover defense-related (increase)** Any other shareholder-sponsored proposals requiring a charter and/or bylaw amendment to increase the company's takeover defenses. This proposal type could include proposals to decrease a charter ownership limit or extend its expiration date, adopt an expanded constituency provision, or adopt an anti-greenmail provision.
- **Other takeover defense-related (reduce)** Any other shareholder-sponsored proposals requiring a charter and/or bylaw amendment to reduce the company's takeover defenses or limit its ability to adopt defenses (e.g., to allow shareholders to amend the bylaws at a company where only the board can amend the bylaws).
- **Other corporate governance issues** Any other shareholder-sponsored proposals related to corporate governance practices not otherwise categorized (e.g. compensation consultant issues, stockholder communication, location of shareholder meetings, proxy issues, and increased disclosure of financial risk, credit risk, derivatives, or collateral and structured investment vehicles).

By topic

The historical analysis by topic of filed shareholder proposals on corporate governance (Chart 24) shows the resurgence in the relative number of proposals to change the director election method from plurality to majority voting (13.2 percent of the total number of proposals submitted on corporate governance in 2011, up from 9.4 percent in 2010, which in turn had represented a significant decline from the 16.3 percent level reported in 2007). Other corporate governance topics to gain momentum in 2011 were board declassification (16.3 percent, up from 13.8 percent in 2010) and the ease of requirements to act by written consent (11.7 percent, up from 7.3 percent in 2010), while shareholder proposals seeking to allow cumulative voting almost doubled in volume (measured as a percentage of the total) since the prior year (8.3 percent, up from 4.8 percent in 2010). However, the percent of proposals to separate the CEO and board chairman was halved (7.7 percent, from 14.5 percent of 2010).

Chart 24, p. 57

Shareholder Proposals on Corporate Governance, by Topic (2007, 2010, and 2011)

Most frequent sponsors, by topic

Table 9 ranks by topic the most frequent sponsors of shareholder proposals on corporate governance.

Table 9, p. 82

Shareholder Proposals on Corporate Governance—Most Frequent Sponsors, by Topic (2011)

Voting results, by topic

As shown in Table 10, the corporate governance proposal topics that, in 2011, obtained the highest levels of *for* votes as a percentage of votes cast were the requests to declassify the board of directors (which won majority support with a record average 73 percent of *for* votes, up more than 13 percentage points from 2010), the requests for a shareholder vote on poison pills (67.2 percent) and the elimination of supermajority requirements (58.5 percent). The change from plurality to majority voting was confirmed in the 2011 proxy season as another shareholder favorite, winning the average support of 57.9 percent of votes cast.

Chart 25 highlights the overall upward trend regarding the average support received by corporate governance proposals on board declassification (73 percent in 2011, up from 59.2 percent in 2010 and 67.6 percent in 2007), CEO-chairman separation (33.6 percent of votes cast in favor in 2011, up from 28.1 percent in 2010 and 27 percent in 2007), and shareholder approval of poison pills (67.2 percent in 2011, up significantly from 32.3 percent in 2007). Decreasing levels of support were reported for topics such as the elimination of dual class equity structure, which depart from the one share-one vote principle (18.5 percent in 2011, down from 27.4 percent in 2010 and 31.5 percent in 2009).

Table 10, p. 89

Shareholder Proposals on Corporate Governance—Voting Results, by Topic (2011)

Chart 25, p. 60

Shareholder Proposals on Corporate Governance—Average Support Level, by Topic (2007, 2010, and 2011)

Shareholder Proposals on Social and Environmental Policy

For the purpose of this report, shareholder proposals on social and environmental policy are categorized based on the following topics:

- **Animal rights** Shareholder-sponsored proposals to encourage the company to consider animal interests throughout its production and business processes, or to request that the board adopt an animal welfare policy. People for the Ethical Treatment of Animals (PETA) tends to submit the majority of these proposals.
- **Board diversity** Shareholder proposals to request that the board take steps to ensure that women and minority candidates are in the pool from which board nominees are chosen.
- **Environmental issues** Shareholder-sponsored proposals to request that the board issue a report detailing the company's impact on the environment, or to request that the board adopt policies to minimize the company's negative impact on the environment. If a proposal combines health and environmental issues, it is generally classified in the "health issues" category described below. If a proposal focuses on preparing a sustainability report regarding environmental practices, it is generally classified in the "sustainability reporting" category described below. See Appendix for examples of proposals filed under these categories.
- **Health issues** Shareholder-sponsored proposals to request that the board institute policies to protect human health or that the board issue a report regarding the company's stance on certain health-related issues.
- **Human rights** Shareholder-sponsored proposals to request that the board institute policies to protect and/or promote human rights. Such actions could include respecting human rights throughout the company's production process or refusing to do business with countries or businesses that contribute to human rights abuses.
- **Labor issues** Shareholder-sponsored proposal to request that the board institute certain labor-related policies. Such labor policies may include prohibiting discrimination based on sexual orientation and gender identity or abiding by certain fairness principles.

- **Political issues** Shareholder-sponsored proposals to request that the board provide a report detailing the company's policies regarding political contributions.
- **Sustainability reporting** Shareholder-sponsored proposals to request that the board issue a report describing the company's strategies to ensure sustainability, usually focusing on actions to address greenhouse gas emissions and other environmental and social considerations.
- **Other social issues** Shareholder-sponsored proposal to request that the board provide a report regarding certain other social issues. Common topics may include the examination of the company's effect on national security, the safety of the company's operations from terrorist attacks, and the company's lending practices.

By topic

The historical analysis by topic of filed shareholder proposals on social and environmental policy (Chart 26) highlights the increasing interest by investors in political issues (27.6 percent of the total number of proposals submitted on social and environmental policy in 2011, up from 18.1 percent in 2010) and environmental issues (26.3 percent, up from 25.1 percent in 2010 and 17.6 percent in 2007). In particular, it is widely recognized that the U.S. Supreme Court's controversial *Citizen United v. Federal Election Commission* decision (2010)—holding that the First Amendment prohibits government from placing limits on independent spending for political purposes by corporations and unions—has given impetus to shareholder activists concerned about the lack of transparency in this area of corporate activities.

Chart 26, p. 61

Shareholder Proposals on Social and Environmental Policy, by Topic (2007, 2010, and 2011)

Most frequent sponsors, by topic

Table 11 ranks by topic the most frequent sponsors of shareholder proposals on social and environmental policy.

Table 11, p. 90

Shareholder Proposals on Social and Environmental Policy—Most Frequent Sponsors, by Topic (2011)

Voting results, by topic

As shown in Table 12, the social and environmental policy proposal topics that, in 2011, obtained the highest levels of *for* votes as a percentage of votes cast were the requests for a sustainability report (which received, on average, 26.3 percent of *for* votes) and for the adoption of a corporate policy on board diversity (23.3 percent). While no shareholder proposals concerning corporate political contributions approached majority support in 2011, they have garnered an average backing from 23.1 percent of shareholders casting their votes.

When compared to proposals on other subjects, proposals on social and environmental policy saw higher levels of abstentions from the vote (14 percent on average across topics, compared to 2 percent for executive compensation proposals and virtually no abstentions for corporate governance).

Chart 27 highlights the overall upward trend regarding the average support received by proposals on sustainability reporting (26.3 percent in 2011, up from 22.6 percent in 2010 and 23.5 percent in 2007), political issues (23.1 percent of votes cast in favor in 2011, up from 20.6 percent in 2010 and 16.6 percent in 2007), human rights (12.3 percent in 2011, up from 11.2 percent in 2010 and 10.2 percent in 2007), and board diversity (23.3 percent in 2011, up from 21 percent in 2010 and 20.5 percent in 2007).

Table 12, p. 98

Shareholder Proposals on Social and Environmental Policy—Voting Results, by Topic (2011)

Chart 27, p. 62

Shareholder Proposals on Social and Environmental Policy—Average Support Level, by Topic (2007, 2010, and 2011)

Other Shareholder Proposals

For the purpose of this report, other shareholder proposals are categorized based on the following topics:

- **Approve control share acquisition** Shareholder-sponsored proposals to restore the voting rights to the common shares that are subject to the control share restrictions of a state control share acquisition statute. A typical control share acquisition statute provides that voting rights of shares acquired by a stockholder at ownership levels of 20 percent, 33 1/3 percent, and 50 percent of the outstanding voting stock are denied unless disinterested shareholders approve the restoration of the voting power. A control share acquisition provision protects a company against the accumulation of a controlling block of voting shares by allowing shareholders to decide collectively whether a proposed acquisition of voting control of the company should be permitted.
- **Divest asset (division)** Shareholder-sponsored proposals requesting the company sell/spin-off assets, divisions, or subsidiaries.
- **Elect dissident's director nominee** Shareholder-sponsored proposals to elect a dissident's director nominee. These proposals appear on the dissident's proxy card in a proxy fight.
- **Fill board vacancy (reduce defense)** Shareholder-sponsored proposals to limit the board of directors' ability to fill vacancies on the board, or to allow or require vacancies be filled by shareholders.

- **Hire adviser to evaluate strategy alternatives/Seek company sale or liquidation** Shareholder-sponsored proposals requesting that an investment banking firm be engaged to maximize shareholder value and/or seek the sale or liquidation of the company.
- **Remove director(s)** Shareholder-sponsored proposals to remove one or more directors from the board. This proposal usually appears at a special meeting or through a written consent solicitation, and it is often used in conjunction with proposals to elect one or more dissident directors.
- **Repeal bylaw amendments adopted during proxy fight** Shareholder-sponsored proposals to repeal any bylaw amendments adopted by the company during a proxy fight. This proposal type is usually a precautionary measure to pre-empt any potential defenses that the board might adopt during a proxy fight.
- **Return capital to shareholders (dividends/buyback)** Shareholder-sponsored proposals requesting the company return cash via dividends and share repurchases/self-tender offers.
- **Terminate investment advisory agreement** Shareholder sponsored proposals to terminate a closed-end fund's investment advisory agreement. The proposal may or may not be binding. Such proposal type is often made in order to pressure the board to reduce the fund's discount to net asset value (NAV).
- **Miscellaneous** Any shareholder-sponsored proposals not otherwise categorized in this report.

By topic

As shown in Chart 28, more than half of the proposals in the all-inclusive “other shareholder proposals” category regard the election of a dissident’s director nominee (52.6 percent, or 30 of the 57 proposals counted in this category).

Chart 28, p. 63

Other Shareholder Proposals, by Topic (2007, 2010, and 2011)

Most frequent sponsors, by topic

Table 13 ranks by topic the most frequent sponsors of other shareholder proposals.

Table 13, p. 99

Other Shareholder Proposals—Most Frequent Sponsors, by Topic (2011)

Voting results, by topic

As shown in Table 14, the other shareholder proposal topics documented by this report received high level of support, with *for* votes averaging 55 percent across all topics in 2011. Chart 29 shows that the average support level for proposals to elect a dissident

director's nominee increased to 84.4 in 2011, up from the 78.5 percent of votes cast reported in 2010.

Table 14, p. 101

Other Shareholder Proposals—Voting Results, by Topic (2011)

Chart 29, p. 64

Other Shareholder Proposals—Average Support Level, by Topic (2007, 2010, and 2011)

Chart 1
Shareholder Meetings, by Index (2011)
 number of meetings (percent of total)

	Month								n=	Percentage of total							
	January	February	March	April	May	June	July	August		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
S&P 500	13	10	16	107	252	37	8	1	444	2.93	2.25	3.60	24.10	56.76	8.33	1.80	0.23
Russell 3000	73	71	77	408	1328	479	58	17	2511	2.91	2.83	3.07	16.25	52.89	19.08	2.31	0.68

Source: The Conference Board/FactSet, 2012.

Chart 2

Shareholder Meetings, by Industry (2011)

number of meetings (percent of total)

Industry	Shareholder Meetings	Percent of total
Commercial Services	158	6.3%
Communications	43	1.7%
Consumer Durables	61	2.4%
Consumer Non-Durables	76	3%
Consumer Services	125	5%
Distribution Services	60	2.5%
Electronic Technology	225	9%
Energy Minerals	101	4%
Finance	571	22.7%
Health Services	59	2.3%
Health Technology	226	9%
Industrial Services	70	2.8%
Miscellaneous	13	0.5%
Non-Energy Minerals	50	2%
Process Industries	100	4%
Producer Manufacturing	177	7%
Retail Trade	128	5.1%
Technology Services	109	4.3%
Transportation	66	2.7%
Utilities	93	3.7%

n=2,511

Source: The Conference Board/FactSet, 2012.

Chart 3

Average Shareholder Proposal Volume per Company (2007-2011)

average number of shareholder proposals per company (total proposals; total meetings)

Russell 3000				S&P 500		
	Average number of shareholder proposals per company	Total proposals	Total meetings	Average number of shareholder proposals per company	Total proposals	Total meetings
2007	0.25	605	2410	1.17	502	430
2008	0.38	944	2452	1.64	731	446
2009	0.36	880	2440	1.45	648	448
2010	0.34	864	2547	1.54	681	442
2011	0.28	691	2511	1.23	544	444

Source: The Conference Board/FactSet, 2012.

Chart 4
Shareholder Proposal Volume, by Index (2007-2011)
number of shareholder proposals

Russell 3000	Number of shareholder proposals	S&P 500	Number of shareholder proposals
2007	605	2007	502
2008	944	2008	731
2009	880	2009	648
2010	864	2010	681
2011	691	2011	544

Source: The Conference Board/FactSet, 2012.

Chart 5

Shareholder Proposal Volume, by Industry (2007, 2010, and 2011)

number of shareholder proposals (percent of total)

2011

Industry	Number of shareholder proposals	Percent of total
Commercial Services	19	2.7%
Communications	29	4.2%
Consumer Durables	25	3.6%
Consumer Non-Durables	26	3.8%
Consumer Services	39	5.6%
Distribution Services	9	1.3%
Electronic Technology	79	11.4%
Energy Minerals	65	9.4%
Finance	114	16.5%
Health Services	15	2.2%
Health Technology	38	5.5%
Industrial Services	13	1.9%
Non-Energy Minerals	13	1.9%
Process Industries	21	3%
Producer Manufacturing	42	6.1%
Retail Trade	59	8.5%
Technology Services	7	1%
Transportation	13	1.9%
Utilities	65	9.5%

n=691

2010

Industry	Number of shareholder proposals	Percent of total
Commercial Services	12	1.4%
Communications	41	4.7%
Consumer Durables	34	3.9%
Consumer Non-Durables	33	3.8%
Consumer Services	51	5.9%
Distribution Services	9	1%
Electronic Technology	58	6.7%
Energy Minerals	79	9.2%
Finance	189	21.9%
Health Services	15	1.7%
Health Technology	55	6.6%
Industrial Services	21	2.4%
Miscellaneous	1	0.1%
Non-Energy Minerals	13	1.5%
Process Industries	27	3.1%
Producer Manufacturing	50	5.8%
Retail Trade	84	9.7%
Technology Services	9	1%
Transportation	19	2.2%
Utilities	64	7.4%

n=864

2007

Industry	Number of shareholder proposals	Percent of total
Commercial Services	10	1.7%
Communications	20	3.3%
Consumer Durables	47	7.8%
Consumer Non-Durables	24	4%
Consumer Services	41	6.7%
Distribution Services	2	0.3%
Electronic Technology	72	12%
Energy Minerals	44	7.2%
Finance	86	14.2%
Health Services	10	1.7%
Health Technology	37	6.1%
Industrial Services	10	1.7%
Non-Energy Minerals	7	1.2%
Process Industries	28	4.6%
Producer Manufacturing	32	5.3%
Retail Trade	63	10.4%
Technology Services	10	1.7%
Transportation	23	3.7%
Utilities	39	6.4%

n=605

Source: The Conference Board/FactSet, 2012

Chart 6

Shareholder Proposal Volume, by Sponsor (2007, 2010, and 2011)

number of shareholder proposals (percent of total)

Sponsor type	2011 Number of proposals	Percent of total	2010 Number of proposals	Percent of total	2007 Number of proposals	Percent of total
Individuals	289	41.8%	390	45.1%	226	37.4%
Labor unions	116	16.8%	155	17.9%	164	27.2%
Other institutions	13	1.9%	11	1.3%	11	1.8%
Other stakeholders	42	6.1%	55	6.4%	30	5%
Hedge funds	27	3.9%	13	1.5%	6	1%
Corporations	2	0.3%	0	0.0%	1	0%
Religious groups	43	6.2%	58	6.7%	46	7.6%
Public pension funds	77	11.1%	95	11.0%	57	9.4%
Investment advisers	40	5.8%	50	5.8%	27	4.5%
Mutual fund manager	0	0.0%	1	0.1%	0	0%
Named stockholder group	0	0.0%	4	0.5%	0	0%
Unknown	42	6.1%	32	3.7%	37	6.1%
	n=691		n=864		n=605	

Source: The Conference Board/FactSet, 2012.

Chart 7
Shareholder Proposal Volume, by Subject (2007, 2010, and 2011)
 number of shareholder proposals (percent of total)

	2011		2010		2007	
	Number of shareholder proposals	Percent of total	Number of shareholder proposals	Percent of total	Number of shareholder proposals	Percent of total
Corporate governance	325	47%	384	44.5%	233	38.5%
Executive compensation	66	9.6%	187	21.6%	182	30.1%
Social and environmental policy	243	35.2%	243	28.1%	176	29.1%
Other	57	8.2%	50	5.8%	14	2.3%
	n=691		n=864		n=605	

Source: The Conference Board/FactSet, 2012.

Chart 8

Sponsor Type, by Index (2011)

number of shareholder proposals (percent of total)

Russell 3000

Sponsor type	Number of proposals	Percent of total
Individuals	289	41.8%
Labor unions	116	16.8%
Other institutions	13	1.9%
Other stakeholders	42	6.1%
Hedge funds	27	3.9%
Corporations	2	0.3%
Religious groups	43	6.2%
Public pension funds	77	11.1%
Investment advisers	40	5.8%
Mutual fund manager	0	0.0%
Named stockholder group	0	0.0%
Unknown	42	6.1%
	n=691	

S&P 500

Sponsor type	Number of proposals	Percent of total
Individuals	238	43.8%
Labor unions	101	18.6%
Other institutions	11	2.0%
Other stakeholders	30	5.5%
Hedge funds	0	0.0%
Corporations	0	0.0%
Religious groups	40	7.4%
Public pension funds	56	10.3%
Investment advisers	32	5.9%
Mutual fund manager	0	0.0%
Named stockholder group	0	0.0%
Unknown	36	6.5%
	n=544	

Source: The Conference Board/FactSet, 2012.

Chart 9
Sponsor Type, by Industry (2011)
 number of shareholder proposals (percent of total)

Corporations Hedge Funds Individuals Investment Advisers Labor Unions Other Institutions Other Stake Holders Public Pension Funds Religious Groups Unknown	Commercial Services		Communications		Consumer Durables		Consumer Non-Durables		Consumer Services		Distribution Services	
	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
			1	3.4%					4	10.3%		
	6	31.6%	13	44.8%	9	36%	7	26.9%	16	41%	8	88.9%
	3	15.8%	1	3.4%	1	4%	2	7.7%				
	2	10.5%	8	27.8%	5	20%	3	11.5%	9	23.1%		
							2	7.7%				
	6	31.6%	1	3.4%	3	12%	1	3.8%	4	10.3%	1	11.1%
	2	10.5%	3	10.3%	4	16%	3	11.6%	5	12.7%		
			2	6.9%			2	7.7%	1	2.6%		
				3	12%	6	23.1%					
	n=19		n=29		n=25		n=26		n=39		n=9	
n=691												

Electronic Technology		Energy Minerals		Finance		Health Services		Health Technology		Industrial Services	
No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
2	2.5%										
21	26.6%										
31	39.2%	11	16.9%	53	46.5%	3	20%	20	52.6%	5	38.5%
1	1.3%	8	12.3%	7	6.1%			2	5.3%		
10	12.7%	13	20%	18	15.8%	5	33.3%	3	7.9%	5	38.5%
1	1.3%	2	3.1%					1	2.6%		
1	1.3%	2	3.1%	6	5.3%			4	10.5%	1	7.7%
6	7.5%	10	15.4%	17	14.9%	2	13.3%	3	7.9%	1	7.7%
5	6.3%	8	12.3%	8	7%	4	26.7%	5	13.2%	1	7.7%
1	1.3%	11	16.9%	5	4.4%	1	6.7%				

n=79

n=65

n=114

n=15

n=38

n=13

Non-Energy Minerals		Process Industries		Producer Manufacturing		Retail Trade		Technology Services		Transportation		Utilities	
No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
1	7.7%												
5	38.5%	8	38.2%	26	61.9%	27	45.8%	4	57.1%	8	61.5%	29	44.6%
		1	4.8%	3	7.1%	5	8.5%	1	14.3%			5	7.7%
5	38.5%	4	19%	4	9.5%	13	22%			3	23.1%	6	9.2%
		2	9.5%	2	4.8%	2	3.4%			1	7.7%		
		2	9.5%	1	2.4%	3	5.1%			1	7.7%	5	7.7%
2	15.3%	2	9.5%	4	9.5%	7	11.8%	2	28.6%			4	6.2%
		2	9.5%	2	4.8%	2	3.4%					1	1.5%
												15	23.1%

n=13

n=21

n=42

n=59

n=7

n=13

n=65

Chart 10
Sponsor Type, by Subject (2011)
 number of shareholder proposals (percent of total)

	Corporate Governance		Executive Compensation		Social and Environmental Policy		Other	
	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
Individuals	180	55.3%	26	39.4%	67	27.6%	16	28.1%
Labor unions	73	22.4%	27	40.9%	16	6.7%		
Other institutions					12	4.9%	1	1.8%
Other stakeholders	9	2.8%	3	4.5%	26	10.7%	4	7%
Corporations							2	3.5%
Religious groups	7	2.2%			36	14.8%		
Public pension funds	33	10.2%	4	6.1%	39	16%	1	1.8%
Hedge funds							27	47.3%
Investment advisers	11	3.4%	1	1.5%	26	10.7%	2	3.5%
Unknown	12	3.7%	5	7.6%	21	8.6%	4	7%
	n=325		n=66		n=243		n=57	
n=691								

Source: The Conference Board/FactSet, 2012.

Chart 11
Shareholder Proposal Subject, by Index (2011)
number of shareholder proposals (percent of total)

Russell 3000			S&P 500		
	Number of shareholder proposals	Percent of total		Number of shareholder proposals	Percent of total
Corporate Governance	325	47%	Corporate Governance	254	46.7%
Executive Compensation	66	9.6%	Executive Compensation	56	10.3%
Social and Environmental Policy	243	35.1%	Social and Environmental Policy	213	39.2%
Other	57	8.2%	Other	21	3.9%
n=691			n=544		

Source: The Conference Board/FactSet, 2012.

Chart 12

Shareholder Proposal Subject, by Industry (2011)

number of shareholder proposals (percent of total)

Corporate Governance	Number of proposals	Percent of total
Commercial Services	12	3.7%
Communications	12	3.7%
Consumer Durables	10	3.1%
Consumer Non-Durables	12	3.7%
Consumer Services	20	6.2%
Distribution Services	7	2.2%
Electronic Technology	30	9.2%
Energy Minerals	15	4.6%
Finance	64	19.6%
Health Services	7	2.2%
Health Technology	21	6.5%
Industrial Services	9	2.8%
Non-Energy Minerals	11	3.4%
Process Industries	9	2.8%
Producer Manufacturing	19	5.8%
Retail Trade	30	9.2%
Technology Services	5	1.5%
Transportation	10	3.1%
Utilities	22	6.7%

n=325

Executive Compensation

Commercial Services	1	1.5%
Communications	2	3%
Consumer Durables	4	6.1%
Consumer Non-Durables	3	4.6%

Consumer Services	2	3%
Distribution Services	1	1.5%
Electronic Technology	7	10.6%
Energy Minerals	6	9.1%
Finance	13	19.7%
Health Services	0	0%
Health Technology	1	1.5%
Industrial Services	1	1.5%
Non-Energy Minerals	0	0%
Process Industries	2	3%
Producer		
Manufacturing	8	12.2%
Retail Trade	6	9.1%
Technology Services	0	0%
Transportation	1	1.5%
Utilities	8	12.1%

n=66

Social and Environmental Policy

Commercial Services	3	1.2%
Communications	12	4.9%
Consumer Durables	10	4.1%
Consumer Non-Durables	10	4.1%
Consumer Services	12	4.9%
Distribution Services	0	0%
Electronic Technology	15	6.2%
Energy Minerals	43	17.7%
Finance	32	13.2%
Health Services	8	3.4%
Health Technology	14	5.9%
Industrial Services	3	1.2%
Non-Energy Minerals	1	0.4%
Process Industries	10	4.1%
Producer		
Manufacturing	9	3.7%
Retail Trade	23	9.5%
Technology Services	2	0.8%
Transportation	2	0.8%

Utilities	34	13.9%
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n=243

Other

Commercial Services	3	5.3%
Communications	3	5.3%
Consumer Durables	1	1.8%
Consumer Non-Durables	1	1.8%
Consumer Services	5	8.8%
Distribution Services	1	1.8%
Electronic Technology	27	47.2%
Energy Minerals	1	1.8%
Finance	5	8.7%
Health Technology	2	3.5%
Non-Energy Minerals	1	1.8%
Producer Manufacturing	6	10.4%
Utilities	1	1.8%

n=57

Source: The Conference Board/FactSet, 2012.

Chart 13
Shareholder Proposal Subject, by Sponsor (2011)
 number of shareholder proposals (percent of total)
Corporate Governance

Individuals	180	55.3%
Investment advisers	11	3.4%
Labor unions	73	22.5%
Other stakeholders	9	2.8%
Public pension funds	33	10.2%
Religious groups	7	2.2%
Unknown	12	3.6%
	n=325	

Executive Compensation

Individuals	26	39.4%
Investment advisers	1	1.5%
Labor unions	27	40.8%
Other stakeholders	3	4.5%
Public pension funds	4	6.1%
Unknown	5	7.7%
	n=66	

Social and Environmental Policy

Individuals	67	27.6%
Investment advisers	26	10.7%
Labor unions	16	6.7%
Other institutions	12	4.9%
Other stakeholders	26	10.7%
Public pension funds	39	16%
Religious groups	36	14.8%
Unknown	21	8.6%
	n=243	

Other

Individuals	16	28.1%
Investment advisers	2	3.5%
Hedge funds	27	47.4%
Corporations	2	3.5%
Other institutions	1	1.8%
Other stakeholders	4	7%
Public pension funds	1	1.7%
Unknown	4	7%
	n=57	

Source: The Conference Board/FactSet, 2012.

Chart 14
Withdrawn, Omitted, and Voted Shareholder Proposals, by Index (2007, 2010, and 2011)
 number of shareholder proposals (percent of total)

Russell 3000

2011	No. of porposals	Percent of total
Voted	426	67.2%
Withdrawn	37	5.8%
Omitted	157	24.8%
Not voted, reason unspecified	10	1.6%
Not voted, other reason*	4	0.6%

n=634

* Includes proposals at Apache Corp, KBR, Inc, and Kinetic Concepts, Inc. which each filed lawsuits in Federal District Court for the Southern District of Texas to exclude the respective proposals and were each granted declaratory judgment by the court. Also includes a proposal filed at Southwest Airlines Co., reported by the company in a May 24, 2011 Form 8K as not put to a vote because the proponent failed to properly present the proposal personally or through a qualified representative.

2010	No. of proposals	Percent of total
Voted	563	69.2%
Withdrawn	39	4.8%
Omitted	197	24.2%
Not voted, reason unspecified	14	1.7%
Not voted, other reason*	1	0.1%

n=814

* Includes a proposal filed at Apache Corp. which excluded the proposal without seeking no-action relief from the SEC and instead filed suit in Federal District Court for the Southern District of Texas to exclude the proposal. The court granted the company's motion for declaratory judgment.

	No. of proposals	Percent of total
2007		
Voted	571	96.6%
Withdrawn	1	0.2%
Omitted	0	
Not voted, reason unspecified	18	3%
Not voted, other reason*	1	0.2%
	n=591	

* Includes proposal at Bed Bath and Beyond that the company stated were not put to a vote because they were not presented at the meeting by any proponent.

S&P 500

	No. of proposals	Percent of total
2011		
Voted	347	66.3%
Withdrawn	34	6.5%
Omitted	135	25.8%
Not voted, reason unspecified	5	1%
Not voted, other reason*	2	0.4%
	n=523	

* Includes a proposal at Apache Corp., which filed suit in Federal District Court for the Southern District of Texas to exclude the proposal. The court granted the company's motion for declaratory judgment. Also includes a proposal at Southwest Airlines Co., which reported in a May 24, 2011 Form 8-K that the proposal was not put to a vote because the proponent failed to properly present the proposal personally or through a qualified representative. The proposal would have been approved with 399,756,879 "For" votes, 212,655,095 "Against" votes, 1,655,687 "Abstentions" and 78,990,651 "Broker Non-Votes".

2010	No. of proposals	Percent of total
Voted	452	67.7%
Withdrawn	35	5.2%
Omitted	172	25.8%
Not voted, reason unspecified	7	1%
Not voted, other reason*	2	0.3%
n=668		

* Includes a proposal filed at Occidental Petroleum Corp., was not presented by the proponent and was not voted on. Also includes a proposal filed at Apache Corp. which filed suit in Federal District Court for the Southern District of Texas to exclude the proposal. The court granted the company's motion for declaratory judgment.

2007	No. of proposals	Percent of total
Voted	486	97.4%
Withdrawn	2	0.4%
Omitted	1	0.2%
Not voted, reason unspecified	1	0.2%
Not voted, other reason*	9	1.8%
n=499		

*Includes a proposal at Bed Bath and Beyond which was not put to a vote because it was not presented at the meeting by any proponent.

Note: The analysis in these charts is limited to shareholder proposals on corporate governance, executive compensation, and social and environmental policy.

Source: The Conference Board/FactSet, 2012.

Chart 15
Withdrawn, Omitted, and Voted Shareholder Proposals, by Industry (2011)
 number of shareholder proposals (percent of total)

	Commercial Services		Communications		Consumer Durables		Consumer Non-Durables		Consumer Services		Distribution Services		Electronic Technology		Energy Minerals	
	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
Withdrawn	2	12.5%	1	3.9%	2	8.3%	1	4%	2	5.9%			5	9.6%	3	4.6%
Omitted	5	31.3%	9	34.6%	3	12.5%	3	12%	12	35.3%	4	50%	13	25%	11	17.2%
Voted	9	56.2%	16	61.5%	18	75%	21	84%	18	52.9%	4	50%	34	65.4%	48	75%
Not voted, reason unspecified									2	5.9%					1	1.6%
Not voted, other reason					1	4.2%									1	1.6%
	n=16		n=26		n=24		n=25		n=34		n=8		n=52		n=64	

Source: The Conference Board/FactSet, 2012.

Finance		Health Services		Health Technology		Industrial Services		Non-Energy Minerals		Process Industries		Producer Manufacturing	
No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
4	3.7%	3	20%	2	5.6%					2	9.5%	1	2.8%
27	24.8%	4	26.7%	11	30.5%	2	15.4%	2	16.7%	4	19.1%	10	27.7%
78	71.5%	8	53.3%	23	63.9%	11	84.6%	9	75%	15	71.4%	24	66.7%
												1	2.8%
								1	8.3%				
n=109		n=15		n=36		n=13		n=12		n=21		n=36	

Retail Trade		Technology Services		Transportation		Utilities		Total
No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals
2	3.4%			3	23.1%	4	6.2%	37
15	25.4%	3	42.9%	2	15.4%	17	26.5%	157
40	67.8%	4	57.1%	7	53.8%	39	61%	426
2	3.4%					4	6.3%	10
				1	7.7%			4
n=59		n=7		n=13		n=64		n=634

Chart 16

Withdrawn, Omitted, and Voted Shareholder Proposals, by Sponsor (2011)

number of shareholder proposals (percent of total)

	Individuals		Investment Advisers		Labor Unions		Other Institutions	
	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total
	7	2.6%	2	5.3%	12	10.3%	2	16.7%
	107	39.2%	7	18.4%	19	16.4%		
	152	55.7%	28	73.7%	83	71.6%	10	83.3%
	4	1.5%						
Withdrawn								
Omitted								
Voted								
Not voted, other reason								
Not voted, reason unspecified	3	1.1%	1	2.6%	2	1.7%		
	n=273		n=38		n=116		n=12	

Source: The Conference Board/FactSet, 2012.

Other Institutions		Other Stakeholders		Public Pension Funds		Religious Groups		Unknown		Total
No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of total	No. of proposals	Percent of totals	No. of proposals
2	16.7%	5	13.2%	8	10.5%	1	2.3%			37
		9	23.7%	4	5.3%	11	25.6%			157
10	83.3%	23	60.5%	63	82.9%	31	72.1%	36	94.7%	426
										4
		1	2.6%	1	1.3%			2	5.3%	10
n=12		n=38		n=76		n=43		n=38		n=634

Chart 17

Withdrawn, Omitted, and Voted Shareholder Proposals, by Subject (2011)

number of shareholder proposals (percent of total)

Corporate Governance

	No. of proposals	Percent of total
Withdrawn	11	3.4%
Omitted	82	25.2%
Voted	223	68.7%
Not voted, reason unspecified	5	1.5%
Not voted, other reason	4	1.2%

n=325

Executive Compensation

	No. of proposals	Percent of total
Withdrawn	7	10.6%
Omitted	12	18.1%
Voted	47	71.2%

n=66

Social and Environmental Policy

	No. of proposals	Percent of total
Withdrawn	19	7.8%
Omitted	63	26%
Voted	156	64%
Not voted, reason unspecified	5	2.2%

n=243

Chart 18

Shareholder Proposals Receiving Majority Support, by Index (2007, 2010, and 2011)

percent of proposals receiving majority support (number of proposals receiving majority support; total proposals voted)

	Proposals receiving majority support	Total proposals voted	Percent of proposals receiving majority support
Russell 3000			
2011	87	426	20.4%
2010	111	563	19.7%
2007	96	570	16.8%
S&P 500			
2011	56	347	16.1%
2010	76	452	16.8%
2007	74	486	15.2%

Note: Analysis excludes "Other Shareholder Proposals," as defined on p. X.

Source: The Conference Board/FactSet, 2012.

Chart 19

**Shareholder Proposals Receiving Majority Support, by Industry
(2011)**

percent of proposals receiving majority support (number of proposals receiving majority support; total proposals voted)

	Percent of proposals receiving majority support	Number of proposals receiving majority support	Total proposals voted
Commercial Services	55.6	5	9
Communications	18.8	3	16
Consumer Durables	5.6	1	18
Consumer Non-Durables	14.3	3	21
Consumer Services	16.7	3	18
Distribution services	0	0	4
Electronic Technology	23.5	8	34
Energy Minerals	8.3	4	48
Finance	24.4	19	78
Health Services	25	2	8
Health Technology	26.1	6	23
Industrial Services	36.4	4	11
Non-Energy Minerals	55.6	5	9
Process Industries	26.7	4	15
Producer Manufacturing	20.8	5	24
Retail Trade	15	6	40
Technology Services	25	1	4
Transportation	28.6	2	7
Utilities	15.4	6	39

Note: Analysis excludes "Other Shareholder Proposals," as defined on p. X.

Source: The Conference Board/FactSet, 2012.

Chart 20

**Shareholder Proposals Receiving Majority Support, by Sponsor
(2011)**

percent of proposals receiving majority support (number of proposals receiving majority support; total proposals voted)

Sponsor Type	Proposals receiving majority support	Total proposals voted	Percent of proposals receiving majority support
Individual	30	152	19.7
Investment Adviser	5	28	17.9
Labor Union	20	83	24.1
Other Institutions	2	10	20.0
Other Stake Holders	5	23	21.7
Public Pension Funds	21	63	33.3
Religious Groups	0	31	0.0
Unknown	4	36	11.1

Note: Analysis excludes "Other Shareholder Proposals," as defined on p. X.

Source: The Conference Board/FactSet, 2012.

Chart 21

Shareholder Proposals Receiving Majority Support, by Subject (2007, 2010, and 2011)

percent of proposals receiving majority support (number of proposals receiving majority support; total proposals voted)

	2011			2010			2007		
	Proposals receiving majority support	Total proposals voted	Percent of proposals receiving majority support	Proposals receiving majority support	Total proposals voted	Percent of proposals receiving majority support	Proposals receiving majority support	Total proposals voted	Percent of proposals receiving majority support
Corporate Governance	83	223	37.2	99	264	37.5	79	226	35
Executive Compensation	2	47	4.3	11	138	8	16	175	9.1
Social and Environmental Policy	2	156	1.3	1	161	0.6	1	170	0.6

Source: The Conference Board/FactSet, 2012.

Chart 22

Shareholder Proposals on Executive Compensation, by Topic (2007, 2010, and 2011)

number of shareholder proposals (percent of total)

	No. of Proposals	Percent of total	2007		
2011					
Advisory vote on compensation ("say on pay")	4	6.1	Advisory vote on compensation ("say on pay")	40	22
Cap (restrict) executive compensation	1	1.5	Cap (restrict) executive compensation	14	7.7
Expand compensation-related disclosure	7	10.6	Director compensation-related	2	1.1
Limit tax "gross-ups"	2	3	Expand compensation-related disclosure	11	6
Limit (vote on) supplemental executive retirement plan ("SERP")	3	4.5	Limit (vote on) supplemental executive retirement plan ("SERP")	14	7.7
Limit (vote on) death benefit payments ("golden coffin")	5	7.6	Limit (vote on) severance agreements ("golden parachute")	12	6.6
Limit (vote on) severance agreements ("golden parachute")	7	10.6	Link compensation to performance ("pay for performance")	66	36.3
Link compensation to performance ("pay for performance")	7	10.6	Recoup incentive pay ("clawback")	9	4.9
Recoup incentive pay ("clawback")	4	6.1	Require equity retention period	7	3.8
Require equity retention period	14	21.2	Other executive compensation issues	7	3.8
Other executive compensation issues	12	18.2			
	n=66			n=182	
2010			<i>Source: The Conference Board/FactSet</i>	2012	
Advisory vote on compensation ("say on pay")	65	34.8			
Cap (restrict) executive compensation	19	10.2			
Expand compensation-related disclosure	15	8			
Limit tax "gross-ups"	3	1.6			
Limit (vote on) supplemental executive retirement plan ("SERP")	1	0.5			
Limit (vote on) death benefit payments ("golden coffin")	5	2.7			
Limit (vote on) severance agreements ("golden parachute")	6	3.2			
Link compensation to performance ("pay for performance")	24	12.8			
Recoup incentive pay ("clawback")	7	3.7			
Require equity retention period	33	17.6			
Other executive compensation issues	9	4.8			
	n=187				

Chart 23

Shareholder Proposals on Executive Compensation—Average Support Level, by Topic (2007, 2010, and 2011)

for votes as percent of votes cast

	2011	2010	2007
	For As a Percentage of Votes Cast	For As a Percentage of Votes Cast	For As a Percentage of Votes Cast
Advisory vote on executive compensation (“say on pay”)	14.3	41.4	36.9
Cap (restrict) executive compensation	22.6	7.6	4.7
Expand compensation-related disclosure	9.6	11	12.1
Limit tax “gross-ups”	33.2	39.9	n/a
Limit (vote on) supplemental executive retirement plan (“SERP”)	29.5	41.9	32.4
Limit (vote on) death benefit payments (“golden coffin”)	27.6	39.4	n/a
Limit (vote on) severance agreements (“golden parachute”)	42.9	54.1	53.2
Link compensation to performance (“pay for performance”)	34.5	29.2	30
Recoup incentive pay (“clawback”)	26	42.1	28
Require equity retention period	23.5	23.7	22
Other executive compensation issues	16.2	36.4	26.4

n/a = No voted proposals.

Source: The Conference Board/FactSet, 2012.

Chart 24

Shareholder Proposals on Corporate Governance, by Topic (2007, 2010, and 2011)

number of shareholder proposals (percent of total)

	No. of proposals	Percent of total
2011		
Adopt director nominee qualifications	4	1.2%
Allow cumulative voting	27	8.3%
Allow for (or ease requirement to) act by written consent	38	11.7%
Allow for (or ease requirement to) call special meetings	47	14.5%
Change from plurality to majority voting	43	13.2%
Declassify board	53	16.3%
Eliminate dual class structure (unequal voting)	7	2.2%
Eliminate supermajority vote requirements	34	10.5%
Require an independent lead director	1	0.3%
Require an independent director on board committee	1	0.3%
Report on management succession plans	5	1.5%
Reincorporate in another state	2	0.6%
Reduce difficulty to remove directors (with/without cause)	1	0.3%
Redeem (or require shareholder vote on) "poison pill"	2	0.6%
Separate CEO/chairman positions	25	7.7%
Other board structure-related	1	0.3%
Other corporate governance issues	34	10.5%
	n=325	
2010		
Adopt director nominee qualifications	4	1.1%
Adopt term limits for directors	1	0.3%
Allow cumulative voting	19	4.8%

Allow for (or ease requirement to) act by written consent	28	7.3%
Allow for (or ease requirement to) call special meetings	72	18.8%
Approve dissident expense reimbursement	7	1.8%
Change from plurality to majority voting	36	9.4%
Declassify board	53	13.8%
Eliminate dual class structure (unequal voting)	2	0.5%
Eliminate supermajority vote requirements	46	12%
Establish committee or protocol for shareholder proposals receiving majority vote	3	0.8%
Increase board size	2	0.5%
Require an independent lead director	1	0.3%
Require an independent director on board committee	9	2.3%
Report on management succession plans	4	1%
Reincorporate in another state	5	1.3%
Reduce difficulty to remove directors (with/without cause)	1	0.3%
Redeem (or require shareholder vote on) "poison pill"	6	1.6%
Separate CEO/chairman positions	56	14.5%
Other board structure-related	6	1.6%
Other corporate governance issues	23	6%

n=384

2007

Adopt director nominee qualifications	9	3.9%
Adopt term limits for directors	1	0.4%
Allow cumulative voting	24	10.3%
Allow for (or ease requirement to) call special meetings	18	7.7%
Approve dissident expense reimbursement	2	0.9%
Change from plurality to majority voting	38	16.3%
Declassify board	37	15.8%
Decrease board size	1	0.4%
Eliminate dual class structure (unequal voting)	5	2.1%
Eliminate supermajority vote requirements	21	9%

Establish committee or protocol for shareholder proposals receiving majority vote	3	1.3%
Include shareholder nominee in company proxy (proxy access)	2	0.9%
Redeem (or require shareholder vote on) "poison pill"	17	7.3%
Reincorporate in another state	3	1.3%
Require an independent director on board committee	1	0.4%
Restrict "overboarding"	3	1.3%
Separate CEO/chairman positions	40	17.2%
Other board structure-related	2	0.9%
Other takeover defense-related (increase)	1	0.4%
Other takeover defense-related (reduce)	2	0.9%
Other corporate governance issues	3	1.3%

n=233

Source: The Conference Board/FactSet, 2012.

Chart 25

Shareholder Proposals on Corporate Governance—Average Support Level, by Topic (2007, 2010, and 2011)

for votes as percent of votes cast

	For As a Percent of Votes Cast		
	2011	2010	2007
Adopt director nominee qualifications	19.5	24.7	4
Adopt term limits for directors	n/a	n/a	2.9
Allow cumulative voting	29.7	27.2	32.8
Allow for (or ease requirement to) act by written consent	47.8	53.8	n/a
Allow for (or ease requirement to) call special meetings	40.4	42.6	55.3
Approve dissident expense reimbursement	n/a	35	7.6
Change from plurality to majority voting	57.9	56	49.6
Declassify board	73	59.2	67.6
Decrease board size	n/a	n/a	3
Eliminate dual class structure (unequal voting)	18.5	27.4	31.5
Eliminate supermajority vote requirements	58.5	72.5	66.3
Establish committee or protocol for shareholder proposals receiving majority vote	n/a	31.8	37.4
Include shareholder nominee in company proxy (proxy access)	n/a	n/a	40.8
Increase board size	n/a	3.1	n/a
Restrict “overboarding”	n/a	n/a	16.9
Redeem (or require shareholder vote on) “poison pill”	67.2	55.3	32.3
Reduce difficulty to remove directors (with/without cause)	47	52.7	n/a
Reincorporate in another state	38.7	20.9	41.5
Report on management succession plans	26.9	28.7	n/a
Require an independent lead director	11.9	n/a	n/a
Require an independent director on board committee	13.6	8	14.6
Separate CEO/chairman positions	33.6	28.1	27
Other board committee-related	n/a	4.3	n/a
Other corporate governance issues	15.5	20.5	30.1

n/a = No voted proposals.

Source: The Conference Board/FactSet, 2012.

Chart 26

Shareholder Proposals on Social and Environmental Policy, by Topic (2007, 2010, and 2011)

number of shareholder proposals (percent of total)

	No. of proposals	Percent of total
2011		
Animal rights	13	5.3%
Board diversity	2	0.8%
Environmental issues	64	26.3%
Health issues	22	9.1%
Human rights	21	8.6%
Labor issues	17	6.9%
Political issues	67	27.7%
Sustainability reporting	14	5.8%
Other social issues	23	9.5%
	n=243	
2010		
Animal rights	22	9.1%
Board diversity	2	0.8%
Environmental issues	61	25.1%
Health issues	16	6.6%
Human rights	30	12.4%
Labor issues	24	9.9%
Political issues	44	18.1%
Sustainability reporting	17	6.9%
Other social issues	27	11.1%
	n=243	
2007		
Animal rights	16	9.1%
Board diversity	3	1.8%
Environmental issues	31	17.6%
Health issues	26	14.7%
Human rights	13	7.4%
Labor issues	24	13.6%
Political issues	33	18.7%
Sustainability reporting	17	9.7%
Other social issues	13	7.4%
	n=176	

Source: The Conference Board/FactSet, 2012.

Chart 27

Shareholder Proposals on Social and Environmental Policy—Average Support Level, by Topic (2007, 2010, and 2011)
for votes as percent of votes
cast

	For as Percent of Votes Cast		
	2011	2010	2007
Animal rights	3.8	3.2	5.3
Board diversity	23.3	21	20.5
Environmental issues	14.5	16	12.8
Health issues	10.6	8.2	7
Human rights	12.3	11.2	10.2
Labor issues	20	23.5	19.1
Political issues	23.1	20.6	16.6
Sustainability reporting	26.3	22.6	23.5
Other social issues	2.5	7.6	13.2

Source: The Conference Board/FactSet,
2012.

Chart 28

Other Shareholder Proposals, by Topic (2007, 2010, and 2011)

number of shareholder proposals (percent of total)

	No. of proposals	Percent of total
2011		
Divest asset (division)	2	3.5%
Elect dissident's director nominee	30	52.6%
Fill board vacancies (reduce defense)	1	1.8%
Miscellaneous	13	22.8%
Remove director(s)	6	10.5%
Repeal bylaw amendments adopted during proxy fight	1	1.8%
Return capital to shareholders (dividends/buybacks)	4	7%
	n=57	
2010		
Approve adjournment of meeting	1	2%
Approve control share acquisition	1	2%
Elect dissident's director nominee	29	58%
Hire adviser to evaluate strategy alternatives/Seek company sale or liquidation	1	2%
Miscellaneous	10	20%
Remove director(s)	5	10%
Repeal bylaw amendments adopted during proxy fight	1	2%
Return capital to shareholders (dividends/buyback)	1	2%
Terminate investment advisory agreement	1	2%
	n=50	
2007		
Divest asset (division)	2	14.3%
Hire adviser to evaluate strategy alternatives/Seek company sale or liquidation	5	35.7%
Miscellaneous	1	7.1%
Remove director(s)	5	35.7%
Return capital to shareholders (dividends/buyback)	1	7.1%
	n=14	

Source: The Conference Board/FactSet, 2012.

Chart 29

Other Shareholder Proposals—Average Support Level, by Topic (2007, 2010, and 2011)

for votes as percent of votes cast

	For as Percent of Votes Cast		
	2011	2010	2007
Approve adjournment of meeting	n/a	85.5	n/a
Approve control share acquisition	n/a	83.1	n/a
Divest asset (division)	n/a	n/a	3.6
Elect dissident's director nominee	84.4	78.5	n/a
Fill board vacancies (reduce defense)	90.8	n/a	n/a
Hire adviser to evaluate strategy alternatives/Seek company sale or liquidation	n/a	1.5	12
Remove director(s)	62.4	n/a	21.4
Repeal bylaw amendments adopted during proxy fight	90.8	n/a	n/a
Return capital to shareholders (dividends/buyback)	1.9	n/a	5.5
Terminate investment advisory agreement	n/a	21	n/a
Miscellaneous	n/a	17.3	6.5

n/a = No voted proposals.

Source: The Conference Board/FactSet, 2012.

Table 1
Most Frequent Sponsors, by Sponsor Type (2011)

Corporations		
Rank	Sponsor Name	No. of Proposals
1	Bel Fuse Inc.	2
Hedge Funds		
Rank	Sponsor Name	No. of Proposals
1	Ramius LLC	14
	FrontFour Capital Group LLC	4
	MMI Investments, LP	4
2	Carl C. Icahn	3
3	Barington Capital Group, LP	1
	Pentwater Capital Management LP	1
Individuals		
Rank	Sponsor Name	No. of Proposals
1	John Chevedden	55
2	Kenneth Steiner	30
3	Gerald R. Armstrong	25
4	Evelyn Y. Davis	24
5	William Steiner	18
6	James McRitchie	6
	Ray T. Chevedden	6
7	Peter W. Lindner	5
8	James W. Mackie	4
	Ray T. Chevedden and Veronica G. Chevedden Family Trust	4
9	Douglas S. Doremus	3
	Jing Zhao	3
	Lawrence L. Bryan	3
	Richard R. Treumann	3
10	Angelina Iannacone	2
	Chris Rossi	2

David Brook	2
Elizabeth Currier	2
Emil Rossi	2
Kenneth Wachtell	2
Normal W. Davis	2

Investment Advisers

Rank	Sponsor Name	No. of Proposals
1	John C. Harrington	6
2	Domini Social Investments LLC	5
	Trillium Asset Management Corp.	5
3	Calvert Asset Management Co., Inc.	4
	Tides Foundation	4
4	Green Century Capital Management, Inc.	3
	NorthStar Asset Management, Inc.	3
5	Calvert Social Index Fund	2
	GAMCO Investors	2
6	Darlington Partners, LP	1
	First Affirmative Financial Network	1
	Green Century Equity Fund	1
	Harrington Investments, Inc.	1
	Miller/Howard Investments, Inc.	1
	Ram Trust Services, Inc.	1

Labor Unions

Rank	Sponsor Name	No. of Proposals
1	AFL-CIO Reserve Fund	16
2	The United Brotherhood of Carpenters Pension Fund	10
3	Amalgamated Bank LongView LargeCap 500 Index Fund	8
	Sheet Metal Workers National Pension Fund	8
4	Trowel Trades S&P 500 Index Fund	7
5	International Brotherhood of Electrical Workers	6
	International Brotherhood of Teamsters	6
6	SEIU Master Trust	5
7	American Federation of State, County and Municipal Employees	4
	Central Laborers' Pension Fund	4
8	The United Association S&P 500 Index Fund	3
	UNITE HERE	3

	United Brotherhood of Carpenters and Joiners of America	3
9	AFL-CIO	2
	Laborers National Staff Pension Fund	2

Public Pension Funds

Rank	Sponsor Name	No. of Proposals
1	New York City Pension Funds	27
2	New York State Common Retirement Fund	13
3	The Florida State Board of Administration	7
4	Firefighters' Pension System of the City of Kansas City, Missouri, Trust	5
5	California State Teachers Retirement System	4
	Massachusetts Laborers' Pension Fund	4
6	The California Public Employees Retirement System	3
7	Connecticut Retirement Plans & Trust Funds	2
	The City of Philadelphia Public Employees Retirement System	2
	The Laborers' District Council and Contractors' Pension Fund of Ohio	2
8	Legal & General Assurance	1
	Miami Firefighters' Relief and Pension Fund	1
	Office of the Comptroller of New York City	1
	Office of the State Comptroller of the State of New York	1
	The Miami Fire Fighters' Relief & Pension Fund	1

Religious Groups

Rank	Sponsor Name	No. of Proposals
1	Sisters of Charity of St. Elizabeth	7
2	Unitarian Universalist Association of Congregations	5
3	Missionary Oblates of Mary Immaculate	4
4	Province of St. Joseph of the Capuchin Order	3
5	Sisters of St. Francis of Philadelphia	2
	The Mercy Investment Program	2
	Trinity Health	2
6	Benedictine Sisters of Virginia	1
	Board of Pensions of the Presbyterian Church	1
	Catholic Healthcare West	1
	Congregation of the Passion of the Holy Cross Province	1
	Congregation of the Sisters of St. Agnes	1
	Detroit Province of the Society of Jesus	1

Evangelical Lutheran Church In America Board of Pensions	1
Franciscan Sisters of Mary	1
Human Life International	1
School Sisters of Notre Dame, Mankato Province	1
Sisters of Charity of the Blessed Virgin Mary	1
Sisters of St. Dominic of Caldwell New Jersey	1
Sisters of St. Francis of Dubuque, Iowa	1
Sisters of the Humility of Mary	1
The Domestic and Foreign Missionary	1
The Presbyterian	1

Other Institutions

Rank	Sponsor Name	No. of Proposals
1	Walden Asset Management	9
2	Northstar Asset Management Inc.	2
3	Agape Foundation	1
	Jewish Voice for Peace	1

Other Stakeholders

1	Nathan Cummings Foundation	13
2	People for the Ethical Treatment of Animals Inc.	8
3	National Legal and Policy Center	4
	National Center for Public Policy Research	4
	Kovpak II, LLC	4
4	William M. Hamada Revocable Trust	3
5	The Christopher Reynolds Foundation	2
	The Community Reinvestment Association of North Carolina	2
	The Humane Society of the United States	2
6	As You Sow	1
	Association of BellTel Retirees	1
	Faye S. Rosenthal Living Trust	1
	June A. Wright Family Trust	1
	The Park Foundation	1

Source: The Conference Board/FactSet, 2012.

Table 2

Most Frequent Sponsors, by Subject (2011)

Executive Compensation			
Rank	Sponsor Name	Sponsor Type	Pro.
1	Amalgamated Bank LongView LargeCap 500 Index Fund	Labor Unions	7
	AFL-CIO Reserve Fund	Labor Unions	7
2	Gerald R. Armstrong	Individuals	4
3	John Chevedden	Individuals	3
4	International Brotherhood of Teamsters	Labor Unions	3
	Evelyn Y. Davis	Individuals	2
	Kenneth Steiner	Labor Unions	2
	Central Laborers' Pension Fund	Labor Unions	2
	SEIU Master Trust	Labor Unions	2
	Trowel Trades S&P 500 Index Fund	Labor Unions	2
	Massachusetts Laborers' Pension Fund	Public Pension Funds	2
	Nathan Cummings Foundation	Other Stakeholder	2
5	(omissis)	Individuals	1
	John C. Harrington	investment Adviser	1
	AFSCME Employee Pension Fund	Labor Unions	1
	CtW Investment Group	Labor Unions	1
	CWA Employees Pension Fund	Labor Unions	1
	International Brotherhood of DuPont Workers	Labor Unions	1
	UNITE HERE	Labor Unions	1
	New York State Common Retirement Fund	Public Pension	1
	The Laborers' District Council and Contractors' Pension Fund of Ohio	Funds	1
	Association of BellTel Retirees	Other Stakeholder	1

Corporate Governance			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	John Chevedden	Individuals	52
2	Kenneth Steiner	Individuals	28
3	Gerald R. Armstrong	Individuals	21

5	William Steiner	Individuals	18
6	Evelyn Y. Davis	Individuals	16
7	AFSCME Employee Pension Fund	Labor Unions	11
	The United Brotherhood of Carpenters Pension Fund	Labor Unions	10
		Public Pension	
8	New York City Pension Funds	Funds	9
9	Sheet Metal Workers National Pension Fund	Labor Unions	8
		Public Pension	
10	The Florida State Board of Administration	Funds	7
		Other	
	Nathan Cummings Foundation	Stakeholder	7

Social and Environmental Policy

Rank	Sponsor Name	Sponsor Type	Pro.
	New York City Pension Funds	Public Pension	
1		Funds	18
	New York State Common Retirement Fund	Public Pension	
2		Funds	10
	Walden Asset Management	Other	
3		Institutions	8
	People for the Ethical Treatment of Animals Inc.	Other	
		Stakeholders	8
4	Evelyn Y. Davis	Individuals	6
	AFL-CIO Reserve Fund	Labor Unions	6
	Domini Social Investments LLC	Investment	
5		Advisers	5
	AFSCME Employee Pension Fund	Labor Unions	5
	Sisters of Charity of St. Elizabeth	Religious	
		Groups	5
	Unitarian Universalist Association of Congregations	Religious	
		Groups	5
6	James W. Mackie	Individuals	4
	Calvert Asset Management Co., Inc.	Investment	
		Advisers	4
	Trillium Asset Management Corp.	Investment	
		Advisers	4
	Nathan Cummings Foundation	Other	
		Stakeholders	4
7	Douglas S. Doremus	Individuals	3
	Jing Zhao	Individuals	3
	Lawrence L. Bryan	Individuals	3

	Green Century Capital Management, Inc.	Investment Advisers	3
	Firefighters' Pension System of the City of Kansas City, Missouri, Trust	Labor Unions	3
	Province of St. Joseph of the Capuchin Order	Religious Groups	3
	National Legal and Policy Center	Other Stakeholders	3
	William M. Hamada Revocable Trust	Other Stakeholders	3
8	David Brook	Individuals	2
	Norman W. Davis	Individuals	2
	John C. Harrington	Individuals	2
	NorthStar Asset Management, Inc.	Investment Advisers	2
	Sisters of St. Francis of Philadelphia	Religious Groups	2
	The Mercy Investment Program	Religious Groups	2
	The Sisters of St. Francis of Philadelphia	Religious Groups	2
	Trinity Health	Religious Groups	2
	The Community Reinvestment Association of North Carolina	Other Stakeholders	2
	The Humane Society of the United States	Other Stakeholders	2
	National Center for Public Policy Research	Other Stakeholders	2
9	(omissis)	Various	1

Other

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Ramius LLC	Hedge Funds	14
2	FrontFour Capital Group LLC	Hedge Funds	4
	MMI Investments, LP	Hedge Funds	4
3	Carl C. Icahn	Hedge Funds	3
	Kovpak II, LLC	Other Stakeholders	3
4	Bel Fuse Inc.	Corporations	2
	Peter W. Lindner	Individuals	2

5	GAMCO Investors	Investment	
	Barington Capital Group, LP	Advisers	2
	Pentwater Capital Management LP	Hedge Funds	1
		Hedge Funds	1
	National Center for Public Policy Research	Public Pension	
		Funds	1
	Walden Asset Management	Other	
		Institutions	1
	National Legal and Policy Center	Other	
	(omissis)	Stakeholders	1
		Individuals	1

Source: The Conference Board/FactSet, 2012.

Table 3
Shareholder Proposal Voting Results, by Index (2011)

	Voted Proposals	As a Percent of Votes Cast			As a Percent of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non Vote
Russell 3000	426	33.8%	59.9%	6.4%	25.4%	44.3%	4.6%	11.9%
S&P 500	347	31.8%	61.4%	6.9%	23.5%	44.8%	4.9%	12.1%

Source: The Conference Board/FactSet, 2012.

Table 4

Shareholder Proposal Voting Results, by Industry (2011)

Industry	Voted Proposals	As a Percent of Votes Cast			As a Percent of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non Vote
Commercial Services	9	48.4%	46.7%	5.0%	40.3%	38.9%	4.1%	6.4%
Communications	16	39.1%	55.1%	5.8%	25.9%	35.4%	3.8%	19.0%
Consumer Durables	18	27.2%	66.0%	7.2%	21.6%	51.3%	5.8%	11.4%
Consumer Non-Durables	21	32.1%	62.5%	5.4%	24.1%	45.8%	3.9%	10.6%
Consumer Services	18	27.8%	66.7%	5.5%	22.1%	52.7%	3.8%	9.1%
Distribution Services	4	35.7%	63.9%	0.4%	25.4%	48.0%	0.3%	7.6%
Electronic Technology	34	39.4%	56.9%	3.7%	30.2%	43.0%	2.8%	10.8%
Energy Minerals	48	26.9%	60.0%	13.1%	19.9%	42.8%	9.4%	12.7%
Finance	78	35.0%	58.4%	6.7%	26.0%	43.0%	4.7%	12.0%
Health Services	8	37.9%	59.1%	3.0%	31.2%	46.8%	2.4%	5.3%
Health Technology	23	31.9%	61.3%	7.5%	23.4%	42.8%	5.1%	14.5%
Industrial Services	11	44.1%	49.1%	6.8%	34.8%	40.3%	5.0%	6.6%
Non-Energy Minerals	9	50.8%	47.4%	1.8%	34.6%	33.6%	1.4%	13.2%
Process Industries	15	34.2%	58.9%	7.4%	26.6%	43.9%	5.6%	10.0%
Producer Manufacturing	24	36.2%	58.1%	5.7%	27.6%	41.0%	4.1%	13.6%
Retail Trade	40	26.7%	68.6%	4.9%	20.4%	54.2%	3.8%	10.7%
Technology Services	4	22.6%	75.5%	1.9%	19.0%	65.1%	1.6%	4.3%
Transportation	7	42.4%	57.1%	0.5%	32.7%	42.9%	0.3%	13.5%
Utilities	39	32.3%	61.2%	6.5%	23.1%	42.2%	4.5%	15.0%

Source: The Conference Board/FactSet, 2012.

Table 5
Shareholder Proposal Voting Results, by Sponsor (2011)

Sponsor Type	Voted Proposals	As a Percent of Votes Cast			As a Percent of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non Vote
Individual	152	34.2%	61.5%	4.3%	25.6%	45.7%	3.1%	11.5%
Investment								
Adviser	28	27.6%	63.9%	9.2%	20.7%	47%	6.6%	12.2%
Labor Union	83	39%	56.7%	4.4%	28.9%	42.2%	3.1%	12.2%
Other								
Institutions	10	35.1%	55.9%	11.2%	27.3%	39.8%	8.5%	13.5%
Other								
Stakeholders	23	32%	58.9%	9.2%	23.1%	44%	7.1%	13.1%
Public								
Pension								
Fund	63	41%	53.7%	5.3%	31.7%	40.6%	3.9%	10.9%
Religious								
Groups	31	17.7%	67.2%	15.1%	13.1%	48.6%	10.7%	12.6%
Unknown	36	24.7%	65.9%	9.6%	18.9%	47.2%	6.9%	12.2%

Source: The Conference Board/FactSet, 2012.

Table 6
Shareholder Proposal Voting Results, by Subject
(2011)

Subject	Voted Proposals	As a Percent of Votes Cast			As a Percent of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non Vote
Corporate Governance	223	46.7%	52.1%	1.2%	35.3%	39.6%	0.8%	11.3%
Executive Compensation	47	25.2%	72.7%	2.2%	18.4%	52.6%	1.6%	12.6%
Social and Environmental Policy	156	17.4%	67.6%	15.4%	12.8%	49.0%	11.1%	12.5%
Other	36	76%	28%	8.6%	35.7%	19.9%	5.4%	11.3%

Source: The Conference Board/FactSet, 2012.

Table 7

Shareholder Proposals on Executive Compensation—Most Frequent Sponsors, by Topic (2011)

Advisory vote on executive compensation (“say on pay”)

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Gerald R. Armstrong	Individuals	3
2	Robert L. Kurte	Individuals	1

Cap (restrict) executive compensation

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Frank Hayer	Individuals	1

Expand compensation-related disclosure

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Evelyn Y. Davis	Individuals	2
	Carol Mahar	Individuals	1
	Wendell R. Hunt	Individuals	1
	International Brotherhood of DuPont Workers	Labor Unions	1
		Public Pension Funds	
2	New York State Common Retirement Fund		1
		Other Stakeholders	
3	Nathan Cummings Foundation		1

Limit tax “gross-ups”

Rank	Sponsor Name	Sponsor Type	No. of Proposals
-------------	---------------------	---------------------	-------------------------

1	AFL-CIO Reserve Fund	Labor Unions	1
	Amalgamated Bank LongView		
	LargeCap 500 Index Fund	Labor Unions	1

Limit (vote on) supplemental executive retirement plan ("SERP")

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	AFL-CIO Reserve Fund	Labor Unions	1

Limit (vote on) death benefit payments ("golden coffin")

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Amalgamated Bank LongView		
	LargeCap 500 Index Fund	Labor Unions	2
2	CWA Employees Pension Fund	Labor Unions	1
	International Brotherhood of Teamsters	Labor Unions	1

Limit (vote on) severance agreements ("golden parachute")

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Amalgamated Bank LongView		
	LargeCap 500 Index Fund	Labor Unions	3
2	International Brotherhood of Teamsters	Labor Unions	2
3	AFL-CIO Reserve Fund	Labor Unions	1
	Trowel Trades S&P 500 Index Fund	Labor Unions	1

Link compensation to performance ("pay for performance")

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Elton W. Shepherd	Individuals	1
	William J. Freeda	Individuals	1
	SEIU Master Trust	Individuals	1
	Trowel Trades S&P 500 Index Fund	Individuals	1
		Public	
	Massachusetts Laborers' Pension Fund	Pension Funds	1
		Public	
	The Laborers' District Council and Contractors' Pension Fund of Ohio	Pension Funds	1
		Other	
	Association of BellTel Retirees	Stakeholders	1

Recoup incentive pay ("clawback")

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Gerald R. Armstrong	Individuals	1
	John Hepburn	Individuals	1
	Sally S. Thompson	Individuals	1
	SEIU Master Trust	Labor Unions	1

Require equity retention period

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	John Chevedden	Individuals	3
	AFL-CIO Reserve Fund	Labor Unions	3
2	Kenneth Steiner	Individuals	2
3	Chris Rossi	Individuals	1

David Watt	Individuals	1
Rita Weisshaar	Individuals	1
Susan Freeda	Individuals	1
John C. Harrington	Investment Advisers	1
Nathan Cummings Foundation	Other Stakeholders	1

Other executive compensation issues

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Central Laborers' Pension Fund	Labor Unions	2
2	Gimi Giustina	Individuals	1
	Joseph Dox	Individuals	1
	Morris Propp	Individuals	1
	AFSCME Employee Pension Fund	Labor Unions	1
	Amalgamated Bank LongView		
	LargeCap 500 Index Fund	Labor Unions	1
	CtW Investment Group	Labor Unions	1
	UNITE HERE	Labor Unions	1
	Massachusetts Laborers' Pension Fund	Public Pension Funds	1

Note: Total number of proposals does not include five proposals for which sponsors are unknown.

Source: The Conference Board/FactSet, 2012.

Table 8

Shareholder Proposals on Executive Compensation—Voting Results, by Topic (2011)

Topic	Voted Prop.	As a Percent of Votes Cast			As a Percent of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non Vote
Advisory vote on executive compensation ("say on pay")	4	14.3%	81.5%	4.2%	10.2%	60.1%	3.1%	10.7%
Cap (restrict) executive compensation	1	22.6%	74.3%	3.0%	17.6%	57.8%	2.4%	n/a
Expand compensation-related disclosure	5	9.6%	86.0%	4.4%	6.2%	56.8%	3.0%	16.8%
Limit tax "gross-ups"	2	33.2%	66.2%	0.6%	22.4%	42.8%	0.4%	22.4%
Limit (vote on) supplemental executive retirement plan ("SERP")	3	29.5%	69.5%	0.9%	21.6%	50.4%	0.7%	12.2%
Limit (vote on) death benefit payments ("golden coffin")	3	27.6%	70.9%	1.5%	21.7%	53.0%	1.2%	9.1%
Limit (vote on) severance agreements ("golden parachute")	7	42.9%	55.9%	1.2%	33.6%	44.2%	0.9%	8.0%
Link compensation to performance ("pay for performance")	4	34.5%	64.2%	1.2%	23.0%	42.3%	0.8%	17.1%
Recoup incentive pay ("clawback")	3	26.0%	73.3%	0.9%	17.0%	46.0%	0.6%	19.9%
Require equity retention period	8	23.5%	75.6%	0.8%	17.9%	57.5%	0.6%	10.6%
Other executive compensation issues	7	16.2%	80.0%	3.9%	11.4%	59.6%	2.8%	12.0%

n=47

Source: The Conference Board/FactSet, 2012.

Table 9

Shareholder Proposals on Corporate Governance—Most Frequent Sponsors, by Topic (2011)

Adopt director nominee qualifications			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
		Public Pension	
1	New York State Common Retirement Fund	Funds	2
2	Frederick S. Leber	Individuals	1
		Investment	
	Trillium Asset Management Corp.	Advisers	1
Allow cumulative voting			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Evelyn Y. Davis	Individuals	16
2	International Brotherhood of Electrical Workers	Labor Unions	5
3	Trowel Trades S&P 500 Index Fund	Labor Unions	3
4	Gerald R. Armstrong	Individuals	2
5	AFL-CIO	Labor Unions	1
Allow for (or ease requirement to) act by written consent			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	John Chevedden	Individuals	10
	William Steiner	Individuals	10
2	Kenneth Steiner	Individuals	7
3	James McRitchie	Individuals	2
	Ray T. Chevedden	Individuals	2
	Ray T. Chevedden and Veronica G. Chevedden		
4	Family Trust	Individuals	1
	Brian David Miller	Individuals	1
Allow for (or ease requirement to) call special meetings			
Rank	Sponsor Name	Sponsor Type	No. of Proposals

1	John Chevedden	Individuals	14
2	William Steiner	Individuals	8
3	Kenneth Steiner	Individuals	7
4	Ray T. Chevedden	Individuals	2
	Richard R. Treumann	Individuals	2
	James McRitchie	Individuals	2
	Emil Rossi	Individuals	2
5	Chris Rossi	Individuals	1
	Dana Chatfield Jones	Individuals	1
	Elizabeth Currier	Individuals	1
	Glyn A. Holton	Individuals	1
	Jesse D. Hoch	Individuals	1
	June Kreutzer	Individuals	1
	Nick Rossi	Individuals	1
	Ray T. Chevedden and Veronica G. Chevedden		
	Family Trust	Individuals	1
	Vincent Cirulli	Individuals	1
	SEIU Master Trust	Labor Unions	1

Change from plurality to majority voting

Rank	Sponsor Name	Sponsor Type	No. of Proposals
	The United Brotherhood of Carpenters Pension		
1	Fund	Labor Unions	10
2	Sheet Metal Workers National Pension Fund	Labor Unions	6
	United Brotherhood of Carpenters and Joiners of		
3	America	Labor Unions	3
		Public Pension	
	California State Teachers Retirement System	Funds	3
4	Gerald R. Armstrong	Individuals	2
	John Chevedden	Individuals	2
	International Brotherhood of Teamsters	Labor Unions	2
	The United Association S&P 500 Index Fund	Labor Unions	2
		Public Pension	
	New York City Pension Funds	Funds	2

	The California Public Employees Retirement System	Public Pension Funds	2
5	Calvert Social Index Fund	Investment Advisers	1
	Tides Foundation	Investment Advisers	1
	Amalgamated Bank of Longview Small Cap 600 Index Fund	Labor Unions	1
	The American Federation of State, County and Municipal Employees	Labor Unions	1
	UNITE HERE	Labor Unions	1
		Other	
	The Christopher Reynolds Foundation	Stakeholders	1

Declassify board

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Gerald Armstrong	Individuals	13
2	John Chevedden	Individuals	8
3	The Florida State Board of Administration	Public Pension Funds	7
		Other	
	Nathan Cummings Foundation	Stakeholders	7
4	Kenneth Steiner	Individuals	2
		Investment Advisers	2
	Tides Foundation	Advisers	2
	AFSCME Employee Pension Fund	Labor Unions	2
		Public Pension Funds	2
	New York City Pension Funds	Funds	2
		Investment Advisers	
5	Darlington Partners, L.P.	Advisers	1
	International Association of Machinists and Aerospace Workers	Labor Unions	1
	International Brotherhood of Electrical Workers	Labor Unions	1
	Utility Workers Union of America General Fund	Labor Unions	1
	Connecticut Retirement Plans & Trust Funds	Public Pension	1

		Funds	
	Firefighters' Pension System of the City of Kansas City, Missouri, Trust	Public Pension Funds	1
	The California Public Employees Retirement System	Public Pension Funds	1
		Other	
	The Christopher Reynolds Foundation	Stakeholders	1

Eliminate dual class structure (unequal voting)

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Kenneth Steiner	Individuals	4
2	Donald R. and Alexandria J. McIntyre	Individuals	1
	Ray T. Chevedden and Veronica G. Chevedden Family Trust	Individuals	1
	Bricklayers & Trowel Trades International Pension Fund	Labor Unions	1

Eliminate supermajority vote requirements

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	John Chevedden	Individuals	17
2	Kenneth Steiner	Individuals	7
3	Gerald R. Armstrong	Individuals	4
4	James McRitchie	Individuals	1
	John Levin	Individuals	1
	Ray T. Chevedden	Individuals	1
	Richard R. Treumann	Individuals	1
	UNITE HERE	Labor Unions	1

Redeem (or require shareholder vote on) "poison pill"

Rank	Sponsor Name	Sponsor Type	No. of Proposals
		Public Pension	
1	California State Teachers Retirement System	Fund	1
	Teamsters General Fund	Labor Unions	1

Reduce difficulty to remove directors (with/without cause)

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Amalgamated Bank LongView LargeCap 500 Index Fund	Labor Unions	1

Reincorporate in another state

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	AFSCME Employee Pension Fund	Labor Unions	1
	The American Federation of State, County and Municipal Employees	Labor Unions	1

Report on management succession plans

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Central Laborers' Pension Fund	Labor Unions	1
	Laborers National Staff Pension Fund	Labor Unions	1
	Ohio Laborers' Pension Fund	Labor Unions	1
	Trowel Trades S&P 500 Index Fund	Labor Unions	1
	Massachusetts Laborers' Pension Fund	Public Pension Funds	1

Require an independent lead director

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Ray T. Chevedden and Veronica G. Chevedden Family Trust	Individuals	1

Require an independent director on board committee

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Firefighters' Pension System of the City of Kansas City, Missouri, Trust	Public Pension Funds	1

Separate CEO/chairman positions

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	AFL-CIO Reserve Fund	Labor Unions	3
2	AFSCME Employee Pension Fund	Labor Unions	2

3	SEIU Master Trust	Labor Unions	2
	Sheet Metal Workers National Pension Fund	Labor Unions	2
	Elizabeth Currier	Individuals	1
	James McRitchie	Individuals	1
	John Chevedden	Individuals	1
		Investment	
	Ram Trust Services, Inc.	Advisers	1
	AFL-CIO	Labor Unions	1
	Central Laborers' Pension Fund	Labor Unions	1
	International Brotherhood of Teamsters	Labor Unions	1
	The American Federation of State, County and Municipal Employees	Labor Unions	1
	The United Association S&P 500 Index Fund	Labor Unions	1
	Trowel Trades S&P 500 Index Fund	Labor Unions	1
	Legal & General Assurance Pensions Management Limited	Public Pension Funds	1
		Public Pension	
	New York City Pension Funds	Funds	1
	The City of Philadelphia Public Employees Retirement System	Public Pension Funds	1
	The Laborers' District Council and Contractors' Pension Fund of Ohio	Public Pension Funds	1

Other board structure-related

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Michael Brod	Individuals	1

Other corporate governance issues

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	AFSCME Employee Pension Fund	Labor Unions	6
		Public Pension	
2	New York City Pension Funds	Funds	4
3	Missionary Oblates of Mary Immaculate	Religious Groups	3
		Investment	
	John C. Harrington	Advisers	3

4	Peter W. Lindner	Individuals	2
	Sisters of Charity of St. Elizabeth	Religious Groups	2
5	Adam Pritchard	Individuals	1
	Angelina Iannacone	Individuals	1
	Barbara S. Schwartz	Individuals	1
	Kenneth Steiner	Individuals	1
	Kenneth Wachtell	Individuals	1
	Marc Kyle	Individuals	1
	Michael J. Shea	Individuals	1
	Patrick Missud	Individuals	1
	Steven Krol	Individuals	1
		Investment	
	NorthStar Asset Management, Inc.	Advisers	1
	AFL-CIO Reserve Fund	Labor Unions	1
		Public Pension	
	National Center for Public Policy Research	Funds	1
	Board of Pensions of the Presbyterian Church USA	Religious Groups	1
	Sisters of St. Francis of Dubuque, Iowa	Religious Groups	1

Note: Total number of proposals does not include 12 proposals for which sponsors are unknown.

Source: The Conference Board/FactSet, 2012.

Table 10

Shareholder Proposals on Corporate Governance—Voting Results, by Topic (2011)

Topic	Voted Proposals	As a Percentage of Votes Cast			As a Percentage of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non-vote
Adopt director nominee qualifications	3	19.5	0.7	0.1	13.4	0.5	0	10.8
Allow cumulative voting	26	29.7	0.7	0	21.8	0.5	0	12
Allow for (or ease requirement to) act by written consent	33	47.8	0.5	0	35.7	0.4	0	10.9
Allow for (or ease requirement to) call special meetings	29	40.4	0.6	0	29.1	0.4	0	12.2
Change from plurality to majority voting	34	57.9	0.4	0	45.6	0.3	0	10.7
Declassify board	38	73	0.3	0	55.4	0.2	0	13.2
Eliminate dual class structure (unequal voting)	7	18.5	0.8	0	15.3	0.7	0	7.6
Eliminate supermajority vote requirements	14	58.5	0.4	0	44.6	0.3	0	8.5
Redeem (or require shareholder vote on) “poison pill”	1	67.2	0.3	0	56.7	0.3	0	5
Reduce difficulty to remove directors (with/without cause)	1	47	0.5	0	36	0.4	0	11.8
Reincorporate in another state	2	38.7	0.6	0	30.9	0.5	0	5.5
Report on management succession plans	2	26.9	0.7	0	19.2	0.5	0	12
Require an independent lead director	1	11.9	0.9	0	8.9	0.6	0	9
Require an independent director on board committee	1	13.6	0.9	0	11.9	0.7	0	5.6
Separate CEO/chairman positions	22	33.6	0.7	0	25.5	0.5	0	10.9
Other corporate governance issues	9	15.5	0.7	0.1	10.1	0.6	0.1	12.6

n=223

Source: The Conference Board/FactSet, 2012.

Table 11

Shareholder Proposals on Social and Environmental Policy—Most Frequent Sponsors, by Topic (2011)

Animal rights			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	People for the Ethical Treatment of Animals Inc.	Other Stakeholders	8
2	The Humane Society of the United States	Other Stakeholders	2
3	Andrew Rodriguez	Individuals	1
	Jill Maynard	Individuals	1
	Julia Randall	Individuals	1
Board diversity			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Calvert Asset Management Co., Inc.	Investment Advisers	1
	Evangelical Lutheran Church In America Board of Pensions	Religious Groups	1
Environmental issues			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	AFL-CIO Reserve Fund	Labor Unions	5
2	Trillium Asset Management Corp.	Investment Advisers	3
	Nathan Cummings Foundation	Other Stakeholders	3
	William M. Hamada Revocable Trust	Other Stakeholders	3
3	Calvert Asset Management Co., Inc.	Investment Advisers	2
	Green Century Capital Management, Inc.	Investment Advisers	2
	National Center for Public Policy Research	Public Pension Funds	2

4	New York City Pension Funds	Public Pension Funds	2
	New York State Common Retirement Fund	Public Pension Funds	2
	National Legal and Policy Center	Other Stakeholders	2
	As You Sow	Other Stakeholders	1
	Faye S. Rosenthal Living Trust	Other Stakeholders	1
	The Park Foundation	Other Stakeholders	1
	Alice de V. Perry	Individuals	1
	Bartlett Naylor	Individuals	1
	Conrad Gebhart	Individuals	1
	David Brook	Individuals	1
	Eleanore Despina	Individuals	1
	Emily S. Coward	Individuals	1
	John Capozzi	Individuals	1
	Margot Cheel	Individuals	1
	Pamela Morgan	Individuals	1
	Philip Klasky	Individuals	1
	Robert A. Vanderhye	Individuals	1
	Robert Dozor	Individuals	1
	Ruth Valere Adar	Individuals	1
	Thomas C. Valens	Individuals	1
	William R. Miller	Individuals	1
	First Affirmative Financial Network	Investment Advisers	1
	Office of the State Comptroller of the State of New York	Public Pension Funds	1
	Province of St. Joseph of the Capuchin Order	Religious Groups	1
	Sisters of St. Dominic of Caldwell New Jersey	Religious Groups	1
	Sisters of St. Francis of Philadelphia	Religious Groups	1

Unitarian Universalist Association of Congregations	Religious Groups	1
Walden Asset Management	Other Institutions	1

Health issues

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Lawrence L. Bryan	Individuals	3
2	Norman W.Davis	Individuals	2
	Sisters of Charity of St. Elizabeth	Religious Groups	2
	Sisters of St. Francis of Philadelphia	Religious Groups	2
3	David Brook	Individuals	1
	Janet McAlpin	Individuals	1
	John C. Fila	Individuals	1
	Paul W. Cahan	Individuals	1
	Robert Stone	Individuals	1
	Domini Social Investments LLC	Investment Advisers	1
	Missionary Oblates of Mary Immaculate	Religious Groups	1
	Province of St. Joseph of the Capuchin Order	Religious Groups	1
	School Sisters of Notre Dame, Mankato Province	Religious Groups	1
	Sisters of the Humility of Mary	Religious Groups	1
	Trinity Health	Religious Groups	1
	June A. Wright Family Trust	Other Stakeholders	1

Human rights

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Jing Zhao	Individuals	3
2	NorthStar Asset Management, Inc.	Investment Advisers	2

3	Alice Rosenfeld	Individuals	1
	Henry Chalfant	Individuals	1
	Louise Rice	Individuals	1
	Stephen M. Jaeger	Individuals	1
	Benedictine Sisters of Virginia	Religious Groups	1
	Congregation of the Sisters of St. Agnes	Religious Groups	1
	Detroit Province of the Society of Jesus	Religious Groups	1
	Franciscan Sisters of Mary	Religious Groups	1
	Sisters of Charity of the Blessed Virgin Mary	Religious Groups	1
	The Domestic and Foreign Missionary Society of the Episcopal Church	Religious Groups	1
	The Mercy Investment Program	Religious Groups	1
	The Presbyterian Church USA	Religious Groups	1
	NorthStar Asset Management, Inc.	Investment Advisers	1
	John C. Harrington	Investment Advisers	1
	Jewish Voice for Peace	Other Institutions	1

Labor issues

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	New York City Pension Funds	Public Pension Funds	5
2	New York State Common Retirement Fund	Public Pension Funds	3
3	Unitarian Universalist Association of Congregations	Religious Groups	2
4	Peter B. Kaiser	Individuals	1

Peter W. Lindner	Individuals	1
Trillium Asset Management Corp.	Investment Advisers	1
Human Life International	Religious Groups	1
Province of St. Joseph of the Capuchin Order	Religious Groups	1
The Sisters of St. Francis of Philadelphia	Religious Groups	1

Political issues

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Evelyn Y. Davis	Individuals	6
2	New York State Common Retirement Fund	Public Pension Funds	5
3	James W. Mackie	Individuals	4
	AFSCME Employee Pension Fund	Labor Unions	4
	New York City Pension Funds	Public Pension Funds	4
	Walden Asset Management	Other Institutions	4
4	Domini Social Investments LLC	Investment Advisers	3
	Firefighters' Pension System of the City of Kansas City, Missouri, Trust	Public Pension Funds	3
5	Miami Firefighters' Relief and Pension Fund	Public Pension Funds	2
6	Alexandra Lorraine	Individuals	1
	Bryce Mathern	Individuals	1
	David A. Ridenour	Individuals	1
	Dyke R. Turner	Individuals	1
	John Sponcer	Individuals	1
	Joseph F. Granata	Individuals	1
	JS Weisfeld	Individuals	1
	Marie Bogda	Individuals	1

Michael Lazarus	Individuals	1
Green Century Capital Management, Inc.	Investment Advisers	1
Green Century Equity Fund	Investment Advisers	1
Tides Foundation	Investment Advisers	1
AFL-CIO Reserve Fund	Labor Unions	1
Amalgamated Bank LongView MidCap 400 Index Fund	Labor Unions	1
Communications Workers of America	Labor Unions	1
CWA General Fund	Labor Unions	1
Laborers National Staff Pension Fund	Labor Unions	1
The American Federation of State, County and Municipal Employees	Labor Unions	1
Connecticut Retirement Plans & Trust Funds	Public Pension Funds	1
Catholic Healthcare West	Religious Groups	1
Congregation of the Passion of the Holy Cross Province	Religious Groups	1
The Mercy Investment Program	Religious Groups	1
Unitarian Universalist Association of Congregations	Religious Groups	1
Agape Foundation	Other Institutions	1
Northstar Asset Management Inc.	Other Institutions	1
Nathan Cummings Foundation	Other Stakeholders	1
National Legal and Policy Center	Other Stakeholders	1

Sustainability reporting

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	New York City Pension Funds	Public Pension Funds	3
	Walden Asset Management	Other Institutions	3
2	Calvert Asset Management Co., Inc.	Investment Advisers	1
	Calvert Social Index Fund	Investment Advisers	1
	Domini Social Investments LLC	Investment Advisers	1
	Harrington Investments, Inc.	Investment Advisers	1
	John C. Harrington	Investment Advisers	1
	Miller/Howard Investments, Inc.	Investment Advisers	1
	Unitarian Universalist Association of Congregations	Religious Groups	1

Other social issues

Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	New York City Pension Funds	Public Pension Funds	4
2	Douglas S. Doremus	Individuals	3
	Sisters of Charity of St. Elizabeth	Religious Groups	3
3	The Community Reinvestment Association of North Carolina	Other Stakeholders	2
4	Dan Farcasiu	Individuals	1
	Dennis W. Dubro	Individuals	1
	John Malaspina	Individuals	1
	Louise M. Todd	Individuals	1
	Mike Bankston	Individuals	1
	Richard A. Dee	Individuals	1
	Shelton Ehrlich	Individuals	1
	Thomas Strobhar	Individuals	1

NorthStar Asset Management, Inc.	Investment	
	Advisers	1
AFSCME Employee Pension Fund	Labor Unions	1
Trinity Health		
	Religious Groups	1

Note: Total number of proposals does not include 17 proposals for which sponsors are unknown.
Source: The Conference Board/FactSet, 2012.

Table 12
**Shareholder Proposals on Social and Environmental Policy—Voting Results, by Topic
(2011)**

Topic	Voted Proposals	As a Percent of Votes Cast			As a Percent of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non Vote
Animal rights	7	3.8%	77.4%	18.8%	2.7%	57.7%	13.5%	11.5%
Board diversity	2	23.3%	70.7%	6%	20.3%	61.5%	5.1%	5.2%
Environmental issues	47	14.5%	70.2%	16.3%	10.5%	50.2%	11.8%	13.5%
Health issues	8	10.6%	76.5%	12.9%	7.2%	52.8%	8.8%	13.7%
Human rights	13	12.3%	71.3%	16.4%	9.2%	52.7%	12.3%	11%
Labor issues	14	20%	67.3%	12.7%	14.8%	48.3%	9%	13.2%
Political issues	50	23.1%	61%	16%	16.9%	43.9%	11.4%	12.5%
Sustainability reporting	10	26.3%	62.1%	12.9%	21.3%	48.6%	10.5%	8.4%
Other social issues	5	2.5%	83.4%	14%	1.8%	59.6%	9.7%	13%

n=156

Source: The Conference Board/FactSet,
2012.

Table 13

Other Shareholder Proposals—Most Frequent Sponsors, by Topic (2011)

Divest asset (division)			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
1	Alexander R. Lehmann	Individuals	1
	Lloyd J. Spafford	Individuals	1
Elect dissident's director nominee			
Rank	Sponsor Name	Sponsor Type	No. of Proposals
	Ramius LLC	Hedge Funds	6
	FrontFour Capital Group LLC	Hedge Funds	4
	MMI Investments, LP	Hedge Funds	4
	Kovpak II, LLC	Other Stakeholders	3
	Bel Fuse Inc.	Corporations	2
	Carl C. Icahn	Hedge Funds	2
	GAMCO Investors	Investment Advisers	2
	Barington Capital Group, L.P.	Hedge Funds	1
	Pentwater Capital Management LP	Hedge Funds	1
Fill board vacancy (reduce defense)			
Rank	Sponsor Name	Sponsor Type	
	Ramius LLC	Hedge Funds	1
Remove director(s)			
Rank	Sponsor Name	Sponsor Type	
	Ramius LLC	Hedge Funds	6
Repeal bylaw amendments adopted during proxy fight			
Rank	Sponsor Name	Sponsor Type	
	Ramius LLC	Hedge Funds	1

Return capital to shareholders (dividends/buyback)

Rank	Sponsor Name	Sponsor Type	
	Alfred Wagner	Individuals	1
	Angelina Iannacone	Individuals	1
	Linda Bush	Individuals	1
	Steven Towns	Individuals	1

Miscellaneous

Rank	Sponsor Name	Sponsor Type	
	Allan S. Cohen	Individuals	1
	Elio Greco	Individuals	1
	Harold Bitler	Individuals	1
	Jeffrey L. Doppelt	Individuals	1
	Kenneth Wachtell	Individuals	1
	Laszlo R. Treiber	Individuals	1
	Peter W. Lindner	Individuals	1
	Robert Granzow	Individuals	1
	Yehudah Rubenstein	Individuals	1
	National Center for Public Policy Research	Public Pension Funds	1
	Walden Asset Management	Other Institutions	1
	National Legal and Policy Center	Other Stakeholders	1

Note: Total number of proposals does not include 4 proposals for which sponsors are unknown.

Source: The Conference Board/FactSet, 2012.

Table 14

Other Shareholder Proposals—Voting Results, by Topic (2011)

Topic	Voted Proposals	As a Percentage of Votes Cast			As a Percentage of Shares Outstanding			
		For	Against	Abstain	For	Against	Abstain	Non-votes
Elect dissident's director nominee	24	84.4	23.9%	10.5%	34.9	12.3%	6.7%	12.6%
Fill board vacancy (reduce defense)	1	90.8	8.4%	0.8%	59.7	5.5%	0.5%	n/a
Remove director(s)	6	62.4	27.2%	10.5%	42.5	18.2%	6.7%	n/a
Repeal bylaw amendments adopted during proxy fight	1	90.8	8.4%	0.8%	59.7	5.5%	0.5%	n/a
Return capital to shareholders (dividends/buyback)	1	1.9	97.5%	0.6%	1.4	73.4%	0.4%	10.2%
Miscellaneous	2	0	n/a	n/a	0	74.1%	n/a	10.5%

Source: The Conference Board/FactSet, 2012.