

Most Active Shareholder Participation And Voting In 14 Years, According To ProxyPulse™ Report

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Companies Dramatically Increase Virtual Shareholder Meetings During COVID-19

NEW YORK, Nov. 10, 2020 /PRNewswire/ -- Despite the onset of the COVID-19 pandemic limiting in-person events and meetings this proxy season, many companies were able to hold their shareholder meetings online, with voting participation reaching a 14-year high, according to the annual **ProxyPulse™ report released today**. The number of virtual shareholder meetings (VSMs) rose by over 500% to 1,494 in the first six months alone, compared to 248 during the same period in 2019.1

"Management teams got the job done with little time to prepare and nimbly switched to online-only meetings," said Chuck Callan, SVP, Regulatory Affairs at Broadridge. "Shareholders were understanding of the need for a shift in format and attendance rose online."

"As more shareholders engaged in governance matters, we saw proxy voting rates hit a 14-year high," according to Paul DeNicola, Principal, PwC's Governance Insights Center.

Additionally, many institutional investors emphasized the need for companies to consider environmental, social and governance (ESG) risks, and notable developments were made in environmental disclosures and board diversity.

The report, published by **Broadridge Financial Solutions, Inc.** (NYSE:BR) and the **Governance Insights Center at PwC US**, features voting trends covering the 3,844 public company annual shareholder meetings held between January 1 and June 30, 2020. The report highlights voting trends over the past five proxy seasons.

Download the **full report here**.

Additional Key Takeaways

Directors

- A total of 21,358 directors stood for election this season with shareholder support, on average, holding steady at 95%. However, 453 directors failed to attain majority support.

ESG, Say-on-Pay, and Political Spending

- There was an increase in the number of shareholder proposals to 440 this past season from 420 the prior season.
- Shareholder support for social and environmental proposals increased from 25% in 2019 to 27% in 2020.
- Support for say-on-pay declined slightly from 88% in 2019 to 87% in 2020 – the second decline in a row.
- Support for corporate political spending proposals increased each season over the last five years and rose to 36% in 2020 from 22% in 2016.

VSM Usage and Engagement Varied by Meeting

- 193 of the 1,494 VSMs had a shareholder proposal. These VSMs had greater attendance, lasted longer, addressed more questions from shareholders, and had more voting than the 1,301 VSMs for routine meetings. VSMs with shareholder proposals lasted 34 minutes on average, versus 18 minutes for meetings without shareholder proposals.

About ProxyPulse

The ProxyPulse report is based in part on Broadridge's processing of shares held in street names, which accounts for more than 80% of all shares outstanding in U.S. publicly listed companies. Shareholder voting trends during a proxy season represent a snapshot in time and may not be predictive of full-year results.

ProxyPulse is a collaboration between Broadridge, a leading provider of investor communications solutions, and PwC's Governance Insights Center, a group that supports directors, executives and investors with governance knowledge. Visit [ProxyPulse.com](https://www.proxypulse.com) to access the full report.

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE: BR), a \$4 billion global Fintech leader, is a leading provider of investor communications and technology-driven solutions to banks, broker-dealers, asset and wealth managers and corporate issuers. Broadridge's infrastructure underpins proxy voting services for over 50 percent of public

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1 Number specifies meetings hosted on Broadridge's platform.

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