

Institutional and Retail Investors Differ on Social, Environmental, Political Spending, Proxy Access Proposals, and Participation New Broadridge, PwC Report Shows

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NEW YORK, Oct. 2, 2018 /PRNewswire/ -- The new [ProxyPulse™ report](#) released today by [Broadridge Financial Solutions, Inc.](#) (NYSE:BR) and [PwC's Governance Insights Center](#) shows that institutional and retail investors differ on social, environmental, political spending disclosure, and proxy access proposals, and on how actively they engage in the proxy voting process.

This report is based on analysis of 4,090 U.S. public company annual shareholder meetings held between January 1 and June 30, 2018 and on Broadridge's processing of shares held in street name.

Highlights

	<u>Institutions</u>	<u>Retail</u>
Percent of all shares owned	70%	30%
Participation in the voting process	91%	28%
Support of Social & Environmental Proposals	29%	16%
Support of Political Spending Proposals	29%	21%
Support of Proxy Access Proposals	35%	13%

Insights

Commenting on this season's findings were two of the ProxyPulse™ report authors, Chuck Callan, senior vice president, regulatory affairs, Broadridge Financial Solutions and Paul DeNicola, principal, Governance Insights Center, PwC.

Mr. Callan noted, "A new theme emerged over the last few proxy seasons that shows a divergence between how institutional and retail investors view certain topics, such as social and environmental proposals, political spending disclosure by companies, and even how much participants engage in proxy voting. This divergence suggests companies would be wise to participate broadly with all shareholders."

Mr. DeNicola commented, "The increase in shareholder support for ESG-related proposals is particularly notable. In the 2018 proxy season, institutional investors voted in favor of social and environmental proposals at an average rate of 29% -- compared to just 19% five years ago."

Notable Topics to Watch

In 2018, companies began making mandatory CEO pay ratio disclosures, comparing the total compensation of their chief executive officer with that of their median employee. Average support for say-on-pay proposals this season remained at 89%, generally consistent over a five-year period. Notably, shareholder support for say-on-pay proposals at companies where the CEO pay ratio was disclosed was the same, on average, as it was at companies that were not required to disclose the pay ratio.

The number of proxy access proposals declined over the last four years, from 81 in 2015 to 34 in 2018. This is primarily due to the number of companies that have adopted proxy access -- including 65% of S&P 500 companies. Notably this past season, institutions opposed shareholder proposals that sought to lower existing thresholds or remove limits on the number of shareholders required to reach the ownership threshold.

Additional details, insights, graphics, data, and observations can be found at www.ProxyPulse.com.

About ProxyPulse

ProxyPulse is based in part on Broadridge's processing of shares held in street name, which accounts for more than 80 percent of all shares outstanding of 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 research project between Broadridge, a provider of investor communications solutions and PwC's Governance Insights Center, a group that supports directors and investors with governance knowledge.

Visit ProxyPulse.com to access the full report.

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE: BR) a global Fintech leader and a part of the S&P 500® Index, is a leading provider of investor communications and technology-driven solutions to banks, broker-dealers, asset managers and corporate issuers globally. Broadridge's investor communications, securities processing and managed services solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With over 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 50 percent of public companies and mutual funds globally, and processes on average more than US \$5 trillion in fixed income and equity trades per day. Broadridge employs over 10,000 full-time associates in 18 countries. For more information about Broadridge, please visit www.broadridge.com.

About PwC US

At PwC, our purpose is to build trust in society and solve important problems. PwC is a network of firms in 158 countries with more than 236,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

For more information, please visit: <http://www.pwc.com/us/en/governance-insights-center>.

Media Contacts:

Andrew MacMillan
1-212-681-1700
1-914-400-3674 mobile
amacmillan@torrenzano.com

Ryan Cangialosi
PwC US
1-347-443-2157
Ryan.A.Cangialosi@pwc.com

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