

Broadridge and PwC U.S. Report Declining Shareholder Support for Directors and Say-on-Pay

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LAKE SUCCESS, N.Y. and NEW YORK, March 23, 2015 /PRNewswire/ -- [Broadridge Financial Solutions, Inc.](#) (NYSE: BR) and [PwC's Center for Board Governance](#) released their [ProxyPulse™](#) report for the 2014 fall proxy "mini-season," analyzing data from 1,077 U.S. public company shareholder meetings held between July 1, 2014 and December 31, 2014.

This first 2015 edition of ProxyPulse finds that shareholder support for directors and say-on-pay proposals declined from 2013. Notwithstanding the fact that fewer directors stood for election in the 2014 mini-season, there was a 26 percent increase in the number of directors that failed to attain majority support, from 99 directors in the 2013 fall mini-season to 125 directors in the 2014 mini-season. With regard to "say-on-pay," out of 471 companies that had a say-on-pay vote, 35 failed to attain majority support.

"Overall, 344 directors failed to attain the support of at least 70 percent of the shares voted," said Chuck Callan, senior vice president, regulatory affairs, Broadridge. "The 70 percent 'support' benchmark is important to many companies and proxy advisors. At the same time, retail shareholders were not broadly engaged in voting and their 'un-voted' shares amounted to 29 percent of street shares outstanding."

"As we move into the 2015 proxy season, this data about recent shareholder behavior can serve as a barometer to help companies and boards as they consider their future shareholder engagement efforts," said Mary Ann Cloyd, leader of PwC's Center for Board Governance.

Some other key findings highlighted by this edition of ProxyPulse include:

- One-third of the companies that had a director fail to attain majority support last season also had a director fail to obtain majority support this season.
- Almost half of all companies whose say-on-pay failed to garner at least 70 percent shareholder support in the 2013 mini-season, also failed to receive at least 70 percent support in the 2014 mini-season.

The report is based upon Broadridge's processing of shares held beneficially in street name, which accounts for more than 80 percent of all shares outstanding of U.S. publicly-listed companies. In addition, it provides perspectives from PwC's annual surveys of directors and investors. Visit [ProxyPulse.com](#) to access the full report.

ProxyPulse is collaboration between Broadridge, the leading provider of investor communication solutions for financial services firms, mutual funds and corporate issuers globally, and PwC's Center for Board Governance, a group within PwC whose mission is to help directors effectively meet the challenges of their critical roles.

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE: BR) is the leading provider of investor communications and technology-driven solutions for broker-dealers, banks, mutual funds and corporate issuers globally. Broadridge's investor communications, securities processing and business process outsourcing 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 90 percent of public companies and mutual funds in North America, and processes more than \$5 trillion in fixed income and equity trades per day. Broadridge employs approximately 6,700 full-time associates in 14 countries.

For more information about Broadridge, please visit [www.broadridge.com](#).

About PwC's Center for Board Governance

PwC's Center for Board Governance helps directors more effectively meet the challenges of their oversight role. The Center provides information on significant corporate governance and financial reporting topics through a series of publications, available on our [Center for Board Governance website](#). The Center also engages with directors and executives to share insights through seminars, roundtables, webcasts, and one-on-one meetings.

About PwC US

PwC US helps organizations and individuals create the value they're looking for. We're a member of the PwC network of firms, which has firms in 157 countries with more than 195,000 people. We're committed to delivering quality in assurance, tax and advisory services. Find out more and tell us what matters to you by visiting us at [www.pwc.com/US](#).

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