

## "Say-On-Pay" Support Strengthens, Shareholder Age Matters

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NEW YORK, March 9, 2017 /PRNewswire/ -- [Broadridge Financial Solutions, Inc.](#) (NYSE:BR) and [PwC's Governance Insights Center](#) today released their [ProxyPulse™](#) report previewing key corporate governance and shareholder voting trends based on the analysis of 1,052 U.S. public company annual shareholder meetings held during the "mini-season," July 1 and December 31, 2016.

### "Say-On-Pay" and Shareholder Age

ProxyPulse analysis, for the full year 2016, shows that shareholders under the age of 40 are the least likely to cast votes in favor of say-on-pay, at a rate of 66 percent. Shareholders aged 41 to 65 are the most likely to support say-on-pay, voting in favor 89 percent of the time – seven percentage points above the retail shareholder average of 82 percent.

"It's striking that there are such clear differences in say-on-pay support in different age groups. Those in the prime of their careers tend to be the most supportive of executive pay, while both younger and older shareholders are much less so," says Paula Loop, leader of PwC's Governance Insights Center.

Average shareholder support for executive compensation programs increased to 84 percent for the 2016 mini-season, up from 80 percent for the 2015 mini-season. However, almost 20 percent of companies failed to surpass 70 percent support, a threshold that is closely watched by proxy advisors.

"The analysis also showed that when companies have previously struggled with their say-on-pay votes, retail investors tend to be more supportive than institutions," said Chuck Callan, SVP Regulatory Affairs, Broadridge Financial Solutions. "Among companies that failed to receive at least 70 percent support, retail shareholders cast 78 percent of their votes in favor of the compensation programs, while institutions cast only 35 percent of their votes in favor."

### Director Elections, Strong Support, but Not Guaranteed

Average shareholder support for directors was 93 percent, but of the 3,483 directors who stood for election during the 2016 mini-season, 373 failed to surpass the 70 percent support threshold. At 55 companies, 128 directors failed to receive support from a majority of the shares voted.

Low levels of support can carry over from one shareholder meeting to the next. Thirty-eight percent of companies that had at least one director fail to obtain majority support in 2015 also had a director fail to reach that level of support in 2016.

A key finding of the report showed that for the first time, more than half of retail investors received their proxy materials electronically. "This is a sign of the growing acceptance of electronic delivery and the use of digital platforms for proxy voting, a development which will have large implications on corporate governance in the future," said Callan.

Other findings include:

- Retail shareholder voting remains low, at 28 percent of available shares;
- Large-cap companies continue to garner the most reliable levels of voting participation at 70 percent.

### About ProxyPulse

ProxyPulse is based in part on Broadridge's processing of shares held in street name, which accounts for over 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 collaboration between Broadridge, the leading 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) is the leading provider of investor communications and technology-driven solutions for broker-dealers, banks, mutual funds and other corporations. Broadridge's investor and customer 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 more than 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 90% of public companies and mutual funds in North America and processes on average \$5 trillion in equity and fixed income trades per day. Broadridge employs approximately 10,000 associates in 16 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. We're a network of firms in 157 countries with more than 223,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you, please visit: [www.pwc.com](#).

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### About PwC's Governance Insights Center

PwC's Governance Insights Center supports directors and investors with governance knowledge to answer tough questions and tackle complex challenges. Learn from our network of subject-matter experts, business leaders, and experienced peers as they share their insights and the latest thinking on current issues. Beyond governance, we help directors and investors better understand new financial accounting standards so they can make better oversight and investment decisions. The center connects all the dots for a more complete perspective. For more information, please visit: <http://www.pwc.com/us/en/governance-insights-center>.

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