

New Report Shows Lower Shareholder Voting Support at Smaller Public Companies

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NEW YORK, July 8, 2013 /PRNewswire/ -- [Broadridge Financial Solutions, Inc.](#) (NYSE:BR) and [PwC's Center for Board Governance](#) today released the second edition of their [ProxyPulse™](#) report. The report provides data and analysis on key shareholder voting trends and behaviors.

"This second report encompasses 2,858 shareholder meetings, five times more than the first ProxyPulse report. It looks at street shareholder voting based on company size and also provides an update on voting for directors, executive compensation and certain other proposals," said Chuck Callan, Senior Vice President of Corporate Affairs, Broadridge.

Mary Ann Cloyd, leader of PwC's Center for Board Governance, explained, "Examining the data by company size and investor make-up allows companies to better understand and benchmark shareholder behavior."

Key findings of the research include:

- Retail shareholders own 32% of the street shares but only vote about 29% of shares they own. Their voting participation is fairly consistent across companies of different sizes.
- Eighty-one percent of all directors received favorable votes of at least 90%. Support varies directly with company size; that is, directors of larger companies attained greater levels of support than directors of smaller companies.
- Ten percent of all say on pay proposals received less than 70% support. Micro cap companies show the lowest levels of support.
- Proposals to declassify boards received significant support at companies of all sizes.

The second edition of ProxyPulse covers meetings held between January 1, 2013 and May 23, 2013 - representing 55% of the estimated total number of meetings that will occur during the proxy season.

New to the second edition is "Political Spending Proposals" data. While companies are not required to disclose their political contributions, some large cap companies have increased the transparency around contributions --- partly due to shareholder pressure. These proposals, though, had low levels of support -- with 98% of companies receiving less than 50% of shares voted in favor.

ProxyPulse is the result of 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.

The analysis was based upon Broadridge's processing of shares held in street name, which accounts for over 80% of all shares outstanding of publicly listed companies in the U.S.

Visit proxypulse.com to access the full version of the second edition of the ProxyPulse 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 corporate issuers globally. Broadridge's investor communications, securities processing and operations outsourcing solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With 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 more than \$4.5 trillion in fixed income and equity trades per day. Broadridge employs approximately 6,200 full-time associates in 13 countries.

For more information about Broadridge, please visit www.broadridge.com.

About PwC's Center for Board Governance

PwC's Center for Board Governance assists corporate boards to more effectively meet the challenges of their oversight role. The Center provides information on significant corporate governance and financial reporting developments 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.

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