

New ProxyPulse Reports Increasing Shareholder Activism, Pressure on Corporate Directors

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NEW YORK, April 30, 2014 /PRNewswire/ -- Increased shareholder activism, decreased support for smaller company directors and increased retail investor ownership of public companies are some of the key findings of the 2014 first edition of [ProxyPulse™](#), the joint publication from Broadridge Financial Solutions, Inc. and PwC's Center for Board Governance.

This edition of ProxyPulse contains key trends from the 2013 fall "mini-season" covering the 1,066 shareholder meetings held between July 1 and December 31, 2013, as well as perspectives on early developments for the 2014 spring proxy season.

Highlights of this edition include:

- While overall director support was strong, there was significantly less support for directors of small- and micro-cap companies during the 2013 fall mini-season. Additionally, in all company size segments there were increases in the percentage of directors whose support fell from over 90% of shares cast in favor the prior year – into the 70-89% range this past mini-season.
- Retail share ownership, at 44% of all street shares, was substantially greater in the 2013 fall mini-season than it was for companies that had meetings last spring. But the percentage of retail shares voted fell from 29% in the 2012 mini-season to 27% in the 2013 mini-season.
- Retail shareholders received their proxy materials in a variety of ways and used a more diverse mix of voting methods than institutional investors. For 42% of retail shares, investors received proxy materials electronically and for 20% of retail shares, investors received materials through a mailed notice (compared to 36% and 21%, respectively, in the same period in 2012). In addition, for 38% of retail shares, investors were mailed a full paper package – a decrease of 5 percentage points from the same period in 2012.
- Shareholder activism is rising. Activist investors are stepping up their activity levels and the number of exempt solicitations (e.g., "Vote No" letters) increased 69% between calendar year 2012 and 2013. Their approaches are varied and the demands include selling off business units, issuing special dividends and board representation.

ProxyPulse is the product 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 is 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 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 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% 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 6,400 full-time associates in 13 countries.

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

About PwC's Center for Board Governance

Our Center for Board Governance helps directors effectively meet the challenges of their critical roles. We do this by sharing leading governance practices, publishing thought leadership materials, and offering forums on current issues. We also meet with boards of directors, audit committees, and executives to share our insights into significant corporate governance challenges and developments.

For more information about PwC's Center for Board Governance, please visit [www.pwc.com/us/CenterforBoardGovernance](#)

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