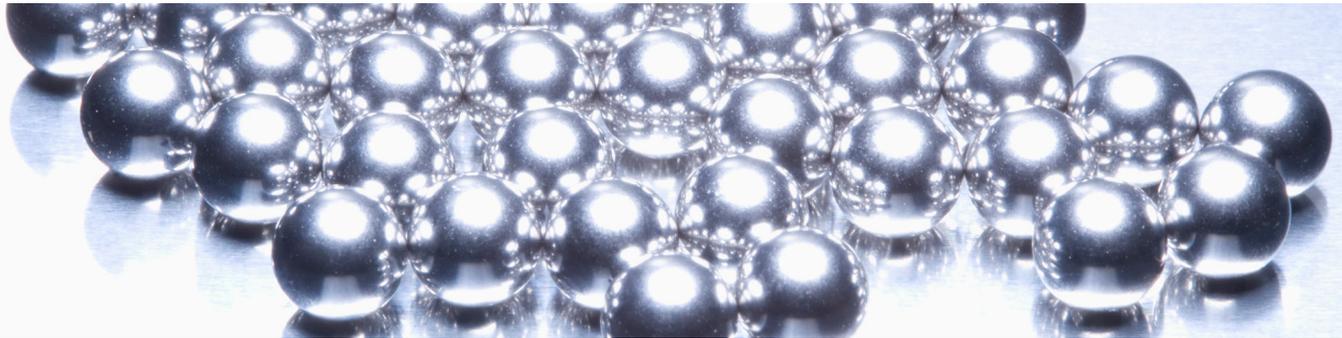




Chart of the Week



THE CONFERENCE BOARD GOVERNANCE CENTER®

Majority Voting Proposals

FROM PROXY VOTING ANALYTICS (2009-2013)

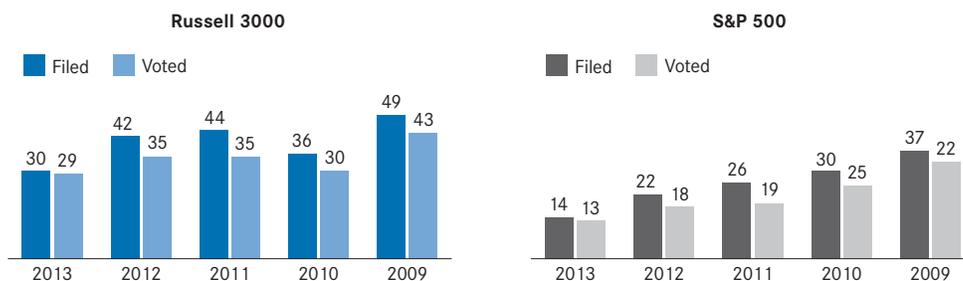
During the 2013 proxy season, shareholders continued to press for the adoption of majority voting for director elections, particularly among smaller cap companies in the Russell 3000. For meetings held during the first half of the year, shareholders submitted 30 proposals to Russell 3000 companies seeking a change from plurality to majority voting, 29 of which went to a vote.

Overall average support for shareholder proposals that went to a vote by June 30 was 58.4 percent of votes cast. For the 19 management-sponsored majority voting proposals for which votes occurred during the first half of the year, overall support averaged 99 percent of votes cast.

Variations of the majority voting model exist, depending on whether the incumbent receiving more votes *against* than votes *for* must tender his or her resignation to the board or automatically ceases to be a director after a certain time period.

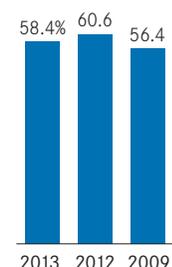
Majority Voting—Shareholder Proposal Volume, by Index (2009-2013)

Number of shareholder proposals



Change from plurality to majority voting

Average support (*for* votes as a percentage of votes cast)



Source: The Conference Board/FactSet, 2013.

Why it matters...

- Pressure by shareholders has made majority voting the prevailing standard among larger SEC-registered corporations, and institutional investors are now petitioning NYSE Euronext and NASDAQ to make majority voting a listing standard.
- On average, when put to a vote, shareholder proposals requesting a change from plurality to majority voting receive the support of the majority of shareholders, and boards that fail to respond to majority-supported proposals may face negative recommendations from proxy advisory firms or future opposition from shareholders for not taking action.

For more information on this and other historical data on annual general meetings of shareholders, download *Proxy Voting Analytics (2009-2013)* at: www.conference-board.org/proxyanalytics or contact Matteo Tonello at matteo.tonello@conference-board.org