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Proxy Access Results and Investor Policies

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Of the 63 companies that opposed proxy access shareholder proposals and have announced voting results, 36 proposals received more support than in opposition and 27 proposals did not obtain majority votes.

Not all companies opposed the proposals. A few boards supported it and one company took a neutral position, which resulted in higher votes than the overall average vote tallies. On the other hand, companies showing very low votes supporting the proposal generally had significant insider holdings of company stock.

Two companies argued against the shareholder proposals by adopting their own version of proxy access, usually by providing access rights requiring higher ownership threshold than those in the shareholder proposals, with mixed voting results. About seven companies provided alternative management and shareholder proposals on the same ballot with different ownership thresholds. Those results were also mixed.

Companies that want to be prepared for proxy access may find it useful to understand their largest investors' voting policies on proxy access. The proxy voting guidelines of **BlackRock** and **T. Rowe** indicate support for the types of proposals we saw this season that allows shareholders owning 3% or more for at least three years to nominate directors onto a company's ballot.

Vanguard prefers a higher ownership threshold while **Fidelity** opposes proxy access entirely, and will vote against both management and shareholder proposals to adopt proxy access. Others, like **State Street**, indicate a case-by-case approach.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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