

Press Release
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Harvard Law School Shareholder Rights Project and Illinois State Board of Investment Announce Collaboration to Facilitate Annual Elections in Public Companies

CAMBRIDGE, MA - The Harvard Law School Shareholder Rights Project (SRP) and the Illinois State Board of Investment (ISBI) are pleased to announce that they are working together to encourage a significant number of public companies to consider moving to annual elections during the 2011-2012 proxy season.

During the fourth quarter of 2011, ISBI, advised and represented by the SRP, submitted shareholder proposals to twenty-five S&P 500 companies. The proposals, which were submitted for a vote at the companies' 2012 annual meetings, urge a repeal of the companies' classified board structures and a move to annual elections.

The SRP and ISBI are also pleased to report that they have been able to reach negotiated outcomes with ten of the companies that received declassification proposals. These ten companies have entered into agreements committing them to bring management proposals to declassify their boards of directors. The ISBI and the SRP commend the companies entering into such agreements for their responsiveness to shareholder concerns and for their willingness to move to annual elections.

Annual elections are widely viewed as corporate governance best practice. A move to annual elections could make directors more accountable and thereby contribute to improving performance and increasing firm value.

ISBI is a non-appropriated state agency that is responsible for managing and investing the pension assets of the Illinois General Assembly Retirement System, the Judges' Retirement System of Illinois and the State Employees' Retirement System of Illinois. More information regarding ISBI can be found at <http://www.isbi.illinois.gov>.

The Harvard Law School Shareholder Rights Project is a clinical program through which Harvard Law School faculty, staff and students assist public pension funds and charitable organizations to improve corporate governance at publicly traded companies in which they own shares. During the current proxy season, the SRP is advising and representing several institutional investors in connection with the submission of board declassification proposals to a large number of public companies. More information regarding the SRP can be found at <http://srp.law.harvard.edu>.

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