Harvard Law School Shareholder Rights Project and North Carolina Department of State Treasurer Announce Collaboration to Facilitate Annual Elections in Public Companies

CAMBRIDGE, MA - The Harvard Law School Shareholder Rights Project (SRP) and the North Carolina Retirement Systems (NCRS) are pleased to announce that they are working together to encourage 25 Standard & Poor’s 500 companies to move to annual elections during the 2011-2012 proxy season.

During the fourth quarter of 2011, NCRS, represented and advised by the SRP, submitted shareholder proposals for a vote at the companies’ 2012 annual meetings. The proposals seek to increase the accountability of directors by urging a repeal of the companies’ classified board structures and a move to annual elections, which are widely viewed as corporate governance best practice.

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

NCRS managed assets with a value exceeding $71.8 billion, and provided retirement benefits and savings for more than 850,000 North Carolinians, including teachers, state employees, firefighters, police officers, and other public workers, as of December 31, 2011. More information regarding NCRS can be found at www.nctreasurer.com.

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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