

Press Release  
November 28, 2012

## **Shareholder Rights Project and North Carolina Department of State Treasurer Continue their Collaboration to Encourage Public Companies to Move to Annual Elections**

CAMBRIDGE, MA - The Shareholder Rights Project (SRP) and the North Carolina Department of State Treasurer, the fiduciary for the North Carolina Retirement Systems (NCRS), announced today that, during the 2013 proxy season, they will be continuing their work together to encourage a significant number of public companies to consider moving to annual elections. Their collaboration during the 2012 proxy season has already contributed to moving a significant number of S&P 500 companies toward annual elections.

NCRS and the SRP are pleased to report that the SRP has submitted shareholder proposals on behalf of NCRS to the following 13 S&P 500 and Fortune 500 companies for voting at their 2013 annual meetings:

Bemis Company, Inc. (BMS)	People's United Financial, Inc. (PBCT)
Foot Locker, Inc. (FL)	PPG Industries, Inc. (PPG)
Hess Corporation (HES)	Ryder System, Inc. (R)
Jarden Corporation (JAH)	Snap-On Incorporated (SNA)
Kellogg Company (K)	Teradata Corporation (TDC)
Lexmark International, Inc. (LXK)	United States Steel Corporation (X)
PACCAR Inc. (PCAR)	

The shareholder proposals urge a repeal of the companies' classified board structures and a move to annual elections, which 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.

NCRS and the SRP expect that, as occurred during the 2012 proxy season, their engagement with companies receiving declassification proposals for 2013 annual meetings will result in companies agreeing to take steps necessary to declassify their boards. One of the companies receiving a proposal, Bemis Company, Inc., has already taken the actions requested by the NCRS in its shareholder proposal,

declassifying its board of directors by amending the company's bylaws. NCRS and the SRP have begun engaging with other companies receiving declassification proposals for 2013 annual meetings, and it is expected that a large proportion of these companies will agree to take action to declassify their boards.

During the 2012 proxy season, as a result of active engagement with the SRP and NCRS following the submission of proposals, 14 companies entered into agreements to bring management declassification proposals to a vote, and 10 of these companies have already declassified following the passage of agreed-upon management proposals. Additional details regarding the negotiated outcomes resulting from proposals submitted to 2012 annual meetings are available at <http://srp.law.harvard.edu>.

Some of the companies receiving proposals for their 2013 annual meetings had precatory declassification proposals submitted by NCRS (with representation and advice from the SRP) pass at their 2012 annual meetings, but have not yet committed to move towards declassification. Further details regarding the 2012 proposals receiving majority support at these companies are available at <http://srp.law.harvard.edu>.

NCRS managed assets with a value exceeding \$74 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 June 30, 2012. More information regarding NCRS can be found at [www.nctreasurer.com](http://www.nctreasurer.com).

The Shareholder Rights Project is a clinical program at Harvard Law School. The SRP is working on behalf of eight public pension funds and charitable organizations seeking to improve corporate governance at publicly traded companies in which they are shareowners, as well as on research and policy projects related to corporate governance. Any views expressed and positions taken by the SRP and its representatives should be attributed solely to the SRP and not to Harvard Law School or Harvard University. More information regarding the SRP can be found at <http://srp.law.harvard.edu>.

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