



**THE OFFICE OF
STATE TREASURER
DENISE L. NAPIER**

NEWS

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Connecticut State Treasurer Denise L. Nappier Joins Institutional Investors in Announcing Milestone for Say on Pay

HARTFORD—Connecticut State Treasurer Denise L. Nappier, principal fiduciary of the \$23 billion Connecticut Retirement Plans and Trust Funds (CRPTF), joined two other large institutional investors in announcing that over 50 companies have now voluntarily allowed shareholders to vote on the compensation package granted to top executives. Treasurer Nappier made the announcement with representatives from AFSCME and Walden Asset Management.

Treasurer Nappier has been a strong advocate for the voting measure, also known as “Say on Pay,” since it first appeared on company ballots in 2006. In advance of the 2010 proxy season, the CRPTF brokered settlements with Goldman Sachs, CVS Caremark and – in partnership with AFSCME – Conoco Phillips, under which the companies agreed to hold Say on Pay votes within the next two years. A shareholder proposals asking for Say on Pay at WellPoint is expected to go to a vote at the company’s annual shareholder meeting later this year.

Last month, Treasurer Nappier partnered with Walden Asset Management in leading a coalition of approximately 30 institutional investors and investor groups in calling on seventeen of the largest financial firms to adopt Say on Pay.

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More Than 50 Companies Voluntarily Adopt “Say on Pay” as Institutional Investors Continue to Press for an Advisory Vote

*Shareholder resolutions filed with over 70 companies by large coalition
of investors for 2010*

Washington, DC — Investors pushing for annual advisory shareholder votes on executive compensation today announced that more than 50 companies have now voluntarily adopted giving their shareholders an annual advisory vote on executive compensation, colloquially known as “Say on Pay.”

This milestone comes in the midst of the continued public debate focusing on executive compensation and Wall Street’s \$20 billion bonus payouts. Legislative efforts to initiate this reform passed the House of Representatives and are currently before a Senate Committee.

“Say on Pay holds corporate leaders accountable for unjustifiable CEO pay,” said AFSCME President Gerald W. McEntee, whose 1.6 million members participate in public pension funds with combined assets worth more than \$1 trillion. “The recklessness of too many CEO’s has got to end. Shareowners are demanding sensible pay for performance programs that discourage excessive risk taking.”

In 2008, starting with Aflac’s adoption, a total of six companies had agreed to hold an advisory vote. In 2009 the number of adopters grew to 19 companies. Now, in 2010, more than 50 companies have agreed to hold the vote. In addition, all TARP companies are required to have annual advisory votes.

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“It’s been a natural evolutionary process for companies to embrace a relatively new idea like Say on Pay. But now we are reaching the tipping point. Less than a year ago, only a handful of companies had adopted the vote. Now more than 50 companies have agreed to do so, with more stating a higher comfort level with the concept,” said Timothy Smith, Senior Vice President at Walden Asset Management.

Additionally, in the absence of legislation or regulations mandating a market wide rule, the investor coalition announced the filing of additional Say on Pay shareholder proposals at more than 70 U.S. corporations for 2010 votes as part of the continuing campaign to give shareowners a voice in determining executive pay.

“Corporate boards have a primary responsibility to their shareholders – and this includes getting input from them on how well the company’s executive compensation ties pay to performance. These 50 and counting companies deserve credit for listening to their shareowners,” said Connecticut Treasurer Denise L. Nappier.

Momentum and support for proposals asking for an advisory vote has been steadily growing. In 2009, more than 75 Say on Pay shareholder proposals came to vote, averaging more than 46 percent support, with 24 majority votes. In 2008, more than 75 shareholder proposals seeking Say on Pay came to vote, averaging more than 41 percent support with 11 majority votes. In 2007, more than 50 shareholder proposals came to a vote, averaging over 42 percent support with nine majority votes.

This unique investor network started in 2007 — comprised of public pension funds, labor funds, asset managers, individual investors, foundations and religious investors, who are members of the Interfaith Center on Corporate Responsibility (ICCR) — is organized by the American Federation of State, County and Municipal Employees, AFL-CIO (AFSCME) Employees Pension Plan and Walden Asset Management, a division of Boston Trust & Investment Management Company.

Many financial firms are among the companies recently announcing they adopted this vote, including American Express, Bank of New York Mellon, Goldman Sachs, JPMorgan Chase, State Street, SunTrust Banks and Wells Fargo. Other adopting companies include Aflac, Ameriprise, Apple, Bristol-Myers Squibb, CVS Caremark, ConocoPhillips, Hewlett-Packard, Honeywell, Ingersoll-Rand, Intel, Motorola, Valero Energy and Verizon.

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