

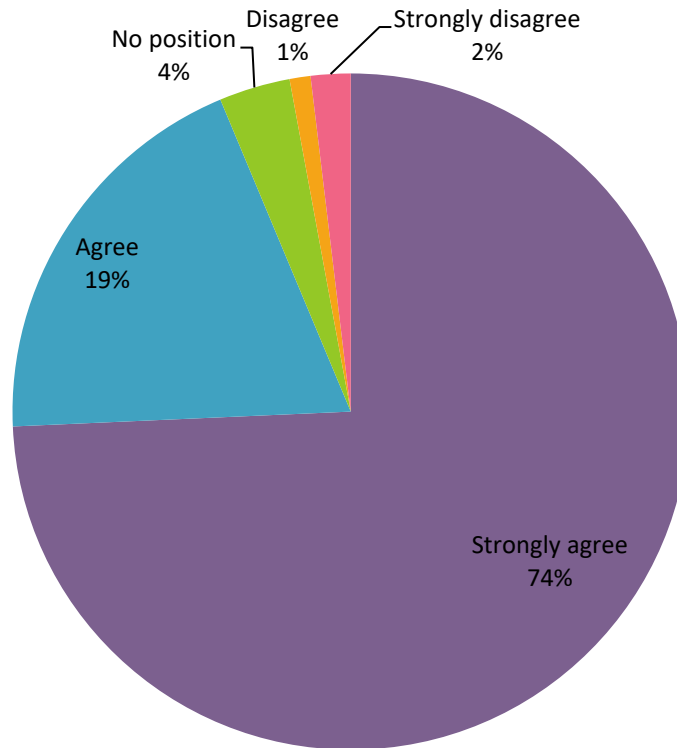
NIRI Advocacy Issues Survey – 2018

1. Please rate on a scale of 1 (Not at all important) to 5 (Extremely important), the importance of each issue below:

	1(Not at all important)	2	3	4	5(Extremely important)	Responses
	Row %	Row %	Row %	Row %	Row %	Count
Equity ownership transparency (more timely reporting of investors' long positions and 5 percent activist stakes; rulemaking petitions to require short-position disclosure).	%	1.5%	2.9%	21.0%	74.6%	205
Increased transparency and greater regulatory oversight of proxy advisory firms.	2.0%	2.9%	18.0%	35.6%	41.5%	205
Modernization and streamlining of corporate disclosure rules to reduce reporting burdens on issuers, including newly public companies and small issuers.	2.5%	11.3%	34.8%	28.4%	23.0%	204
Modernization of the U.S. proxy system (including voting and communications) to improve engagement	0.5%	9.3%	31.9%	36.8%	21.6%	204

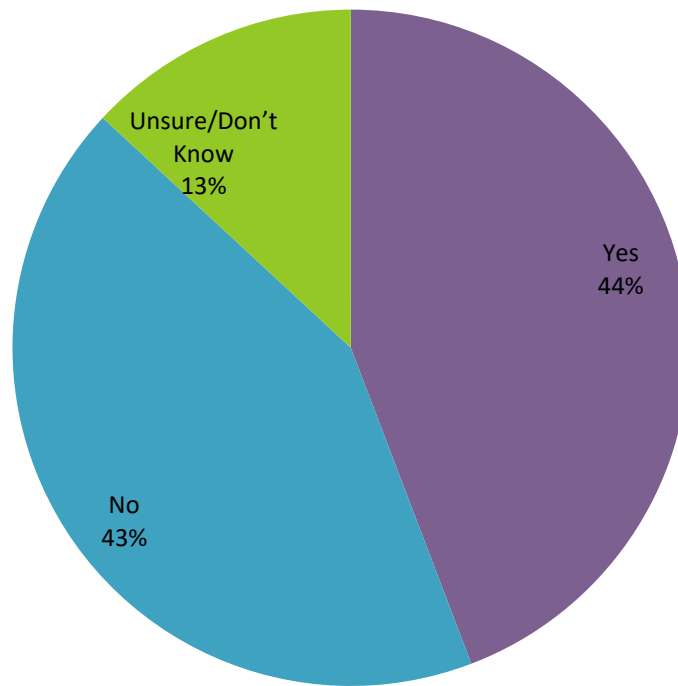
between public companies and their shareholders.						
Requests by corporate groups to tighten shareholder proposal resubmission requirements.	6.0%	15.4%	44.3%	23.4%	10.9%	201

2. NIRI, NYSE, and Nasdaq have urged the SEC to adopt a Dodd-Frank Act mandate to require 13F institutional filers to publicly disclose their short positions. NIRI believes that better short-position disclosure would promote broader market transparency that would benefit all investors and companies. Please indicate your level of agreement with the statement that the SEC should adopt rules to require improved short-position disclosure:



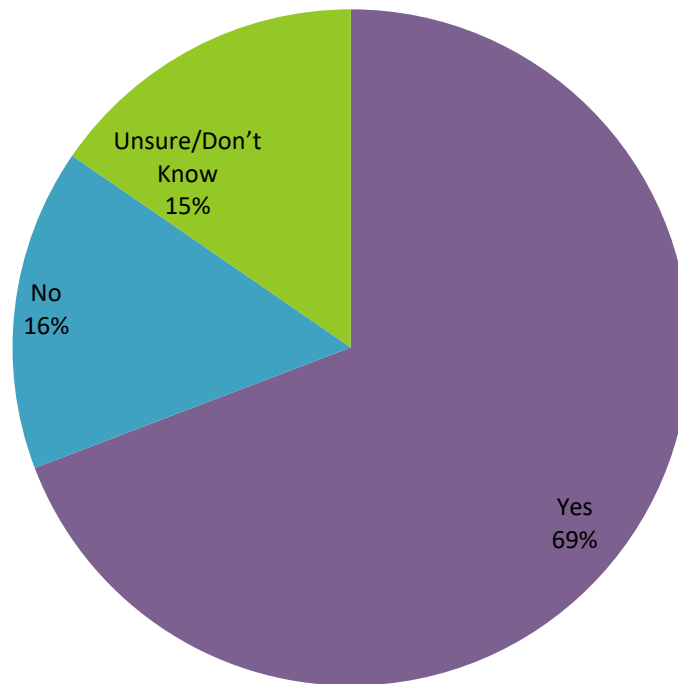
Value	Percent
Strongly agree	74.3%
Agree	19.4%
No position	3.4%
Disagree	1.0%
Strongly disagree	1.9%

3. Have you worked at a company (or had a client) that was attacked by a short seller or a group of short sellers?



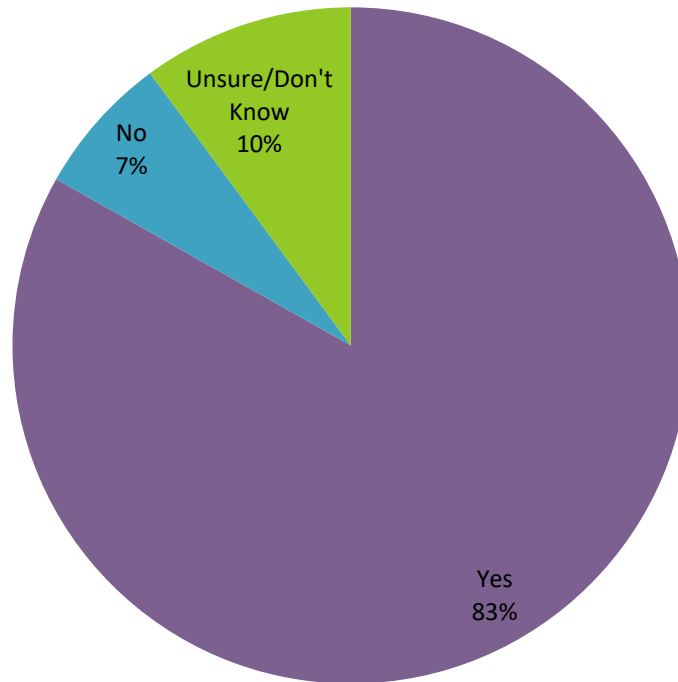
Value	Percent
Yes	44.2%
No	42.7%
Unsure/Don't Know	13.1%

4.If you answered yes to Question 3, did the short-sellers spread misleading or inaccurate information about the company in an attempt to drive down its share price?



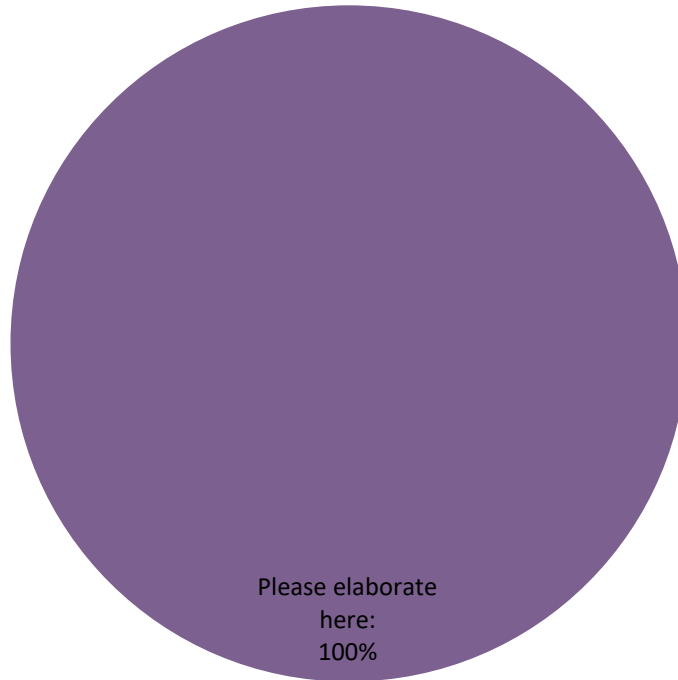
Value	Percent
Yes	69.2%
No	15.4%
Unsure/Don't Know	15.4%

5. If you answered yes to Question 3, did you receive any inquiries from other investors who were concerned about the impact of the short attacks on their investment?



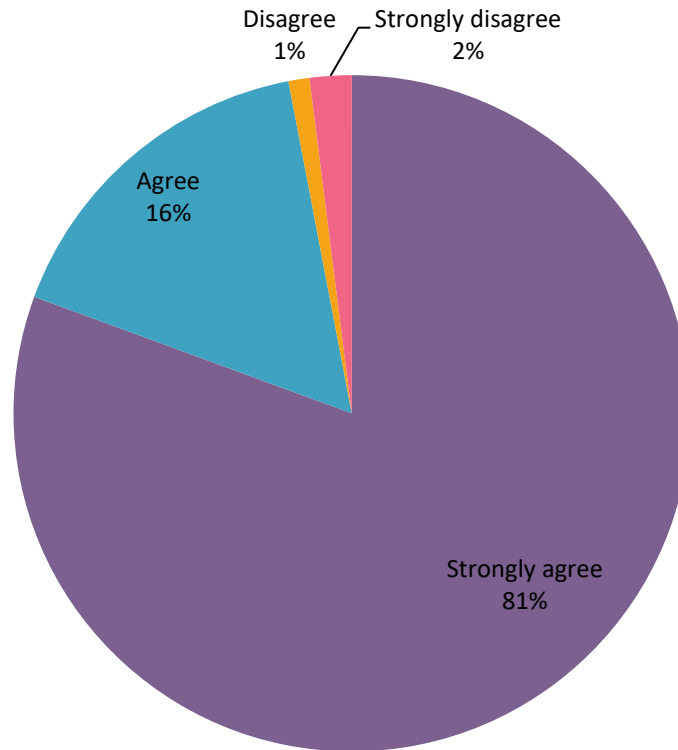
Value	Percent
Yes	83.1%
No	6.7%
Unsure/Don't Know	10.1%

6. If you answered yes to Question 3, please elaborate on how your company, investors, and/or employees were harmed by the short attack. (Your name and the name of your company or client will be kept confidential by NIRI.)



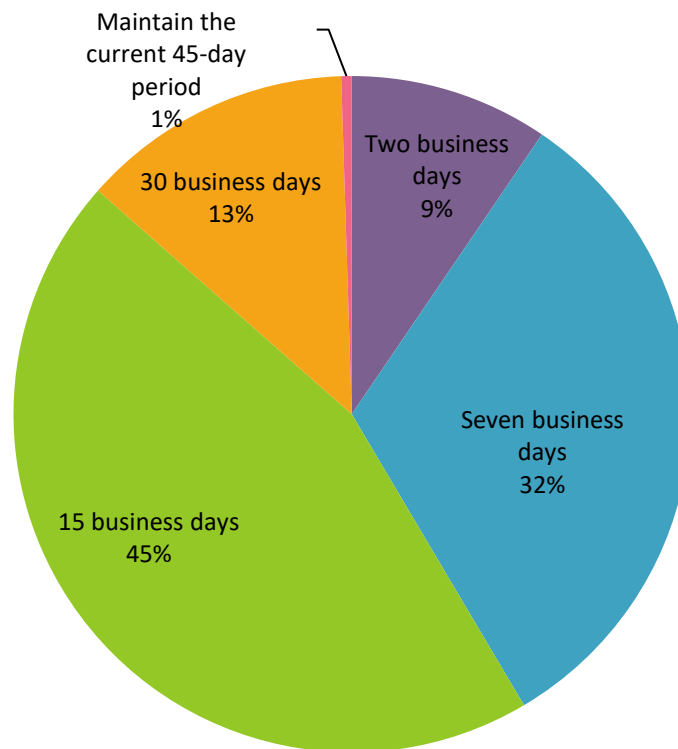
Value	Percent
Please elaborate here:	100.0%

7. NIRI, the Society for Corporate Governance, and the NYSE have filed a rulemaking petition that urges the SEC to reduce the 45-day period for institutional fund managers to report their long-position holdings in Form 13F filings after each quarter. NIRI believes that a shorter reporting period would promote transparency and help companies better prioritize investor requests for meetings with C-suite executives and directors. Please indicate your level of agreement with NIRI’s views on this topic:



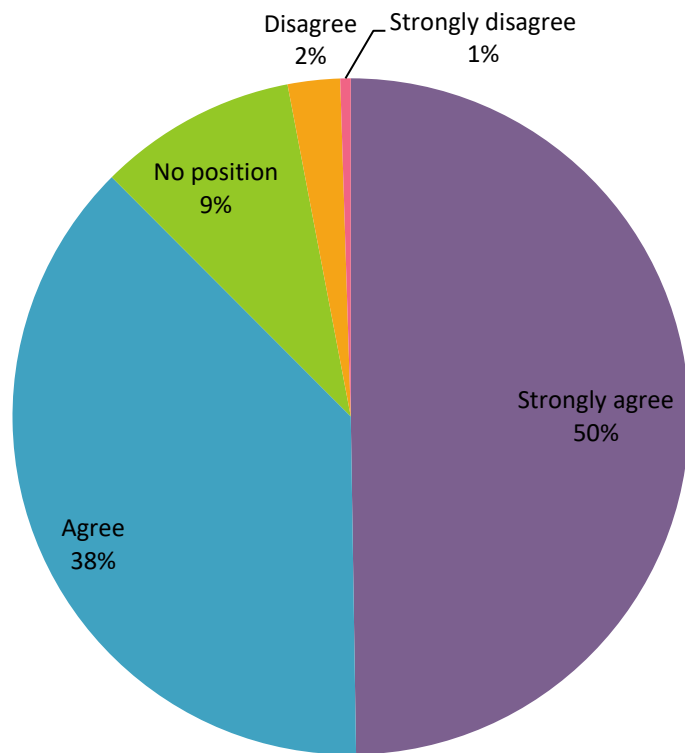
Value	Percent
Strongly agree	80.6%
Agree	16.4%
Disagree	1.0%
Strongly disagree	2.0%

8. If the SEC were to reduce the 45-day period for 13F long-position reporting, what in your opinion would be the most appropriate deadline to ensure that companies receive useful ownership data while addressing the concern of some investment managers about safeguarding their trading strategies?



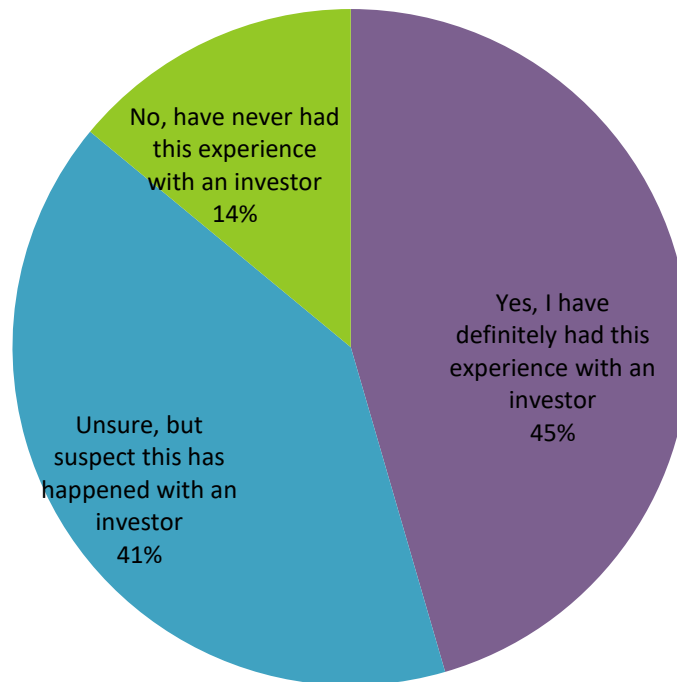
Value	Percent
Two business days	9.5%
Seven business days	32.0%
15 business days	45.0%
30 business days	13.0%
Maintain the current 45-day period	0.5%

9. NIRI supports a NYSE proposal to supplement the quarterly 13F long-position reporting regime with monthly reporting of positions by institutions. Please indicate your level of agreement with NIRI's views on this topic:



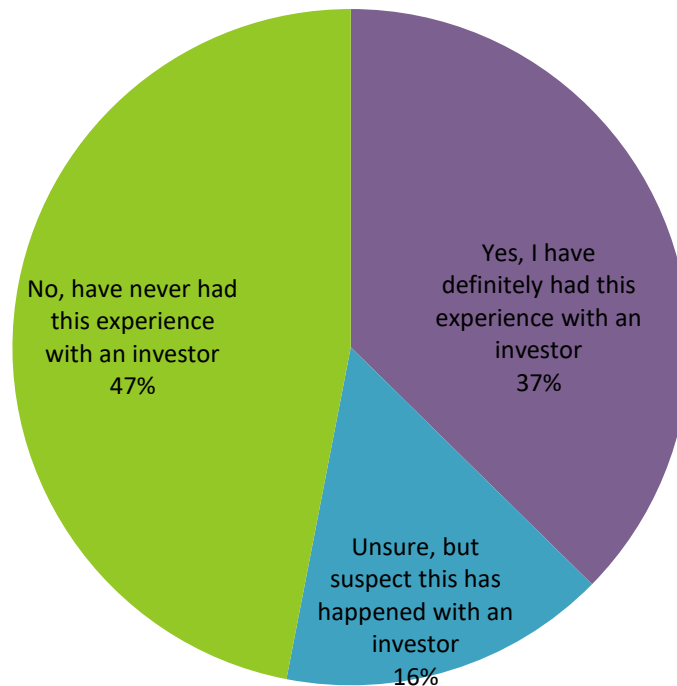
Value	Percent
Strongly agree	49.8%
Agree	37.8%
No position	9.5%
Disagree	2.5%
Strongly disagree	0.5%

10. Have you had any experiences with investors who misrepresented their stock positions (or failed to tell you that they had sold all or most of their position) in order to obtain a meeting with senior management or board members?



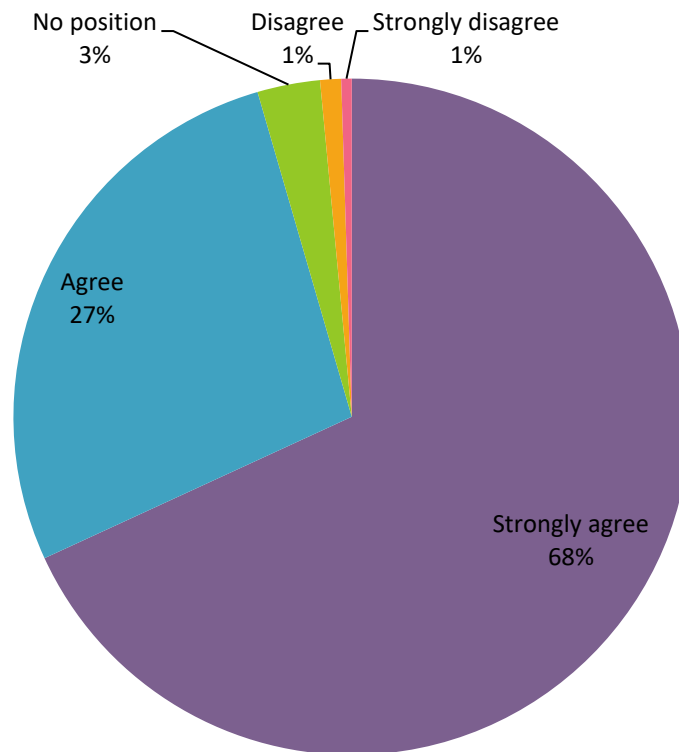
Value	Percent
Yes, I have definitely had this experience with an investor	45.5%
Unsure, but suspect this has happened with an investor	40.5%
No, have never had this experience with an investor	14.0%

11. Have you had any experiences with an activist investor who secretly accumulated a significant stake (i.e., between 1 and 4.99 percent) in your company (or a client's company) that you didn't learn about until you reviewed 13F filings?



Value	Percent
Yes, I have definitely had this experience with an investor	37.4%
Unsure, but suspect this has happened with an investor	15.7%
No, have never had this experience with an investor	47.0%

12. Two U.S. senators have introduced bipartisan legislation known as the “Brokaw Act” that would direct the SEC to modernize the 13D rules and shorten the 10-day period for activist investors to report when they acquire more than a 5 percent stake in a company. The legislation, which NIRI and the Society for Corporate Governance support, calls for reducing the reporting period to four business days and broadening the definition of beneficial ownership under 13D to include derivatives, short positions, or other instruments. Please indicate your level of agreement with these efforts to update the 13D rules:



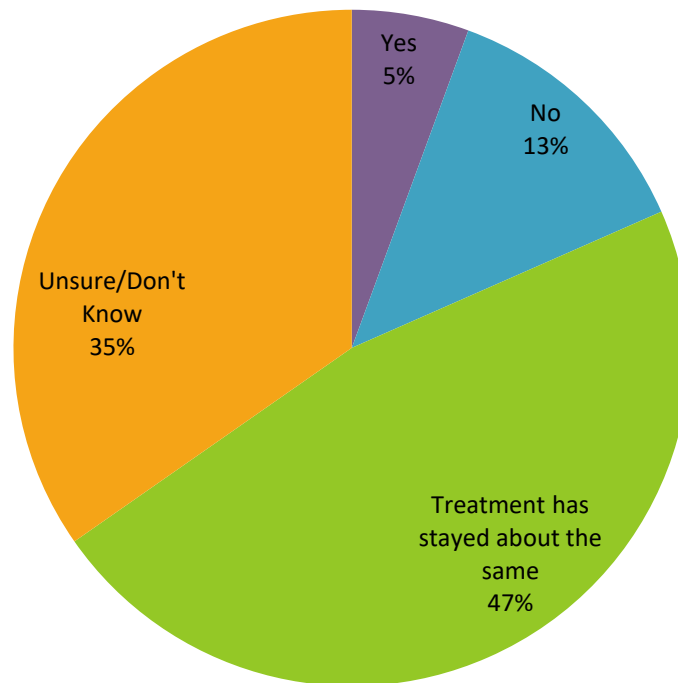
Value	Percent
Strongly agree	68.2%
Agree	27.4%
No position	3.0%
Disagree	1.0%
Strongly disagree	0.5%

13. NIRI and other corporate organizations support legislation that would direct the SEC to regulate the two major U.S. proxy advisory firms, ISS and Glass Lewis. Please rate on a scale of 1 (Not at all important) to 5 (Extremely important), the importance of each issue below:

	1(Not at all important)	2	3	4	5(Extremely important)	Responses
	Row %	Row %	Row %	Row %	Row %	Count
Inaccuracies (or misunderstandings about your company or a client) in proxy advisory reports	%	1.0%	11.5%	24.0%	63.5%	192
Inadequate disclosures about conflicts of interest (e.g., a report fails to mention that a proxy firm client is sponsoring a shareholder proposal or waging a "vote no" campaign)	1.0%	3.1%	14.4%	31.4%	50.0%	194
Opaque policy-setting process, reliance on one-size-fits-all voting guidelines, and/or insufficient consideration of corporate views	0.5%	2.1%	15.0%	31.6%	50.8%	193
ISS business practices (e.g., marketing consulting services to companies that seek shareholder approval for equity plans)	%	2.1%	18.6%	24.7%	54.6%	194
Glass Lewis business practices (e.g., requiring	0.5%	2.6%	8.3%	23.8%	64.8%	193

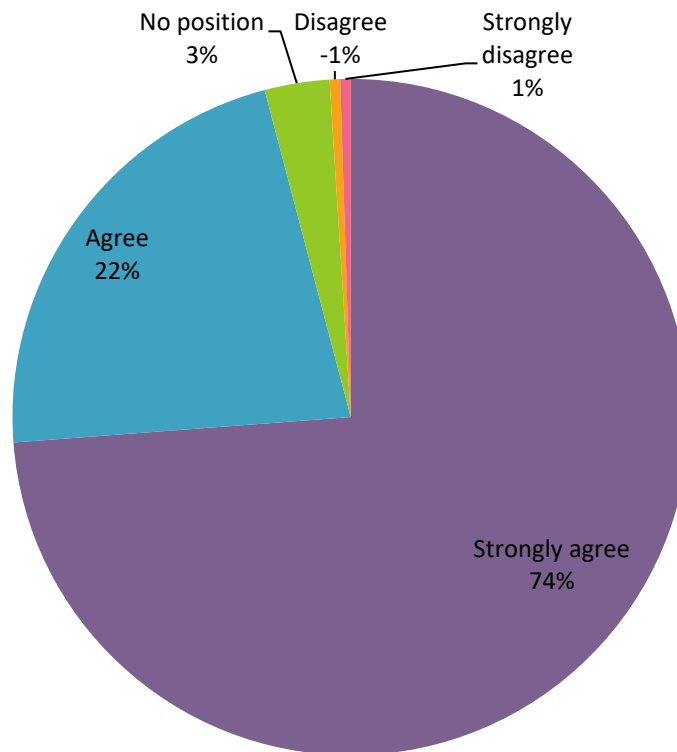
issuers to pay to obtain a copy of their own company report; not providing a draft review process to any companies)						
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14. In June 2014, the SEC issued Staff Legal Bulletin 20, which placed a greater onus on investment advisors to oversee the work of proxy advisory firms. Since then, in your opinion, has your company (or your clients' companies) received improved treatment (e.g., fewer errors in proxy reports, more responsiveness to concerns) from the proxy advisory firms?



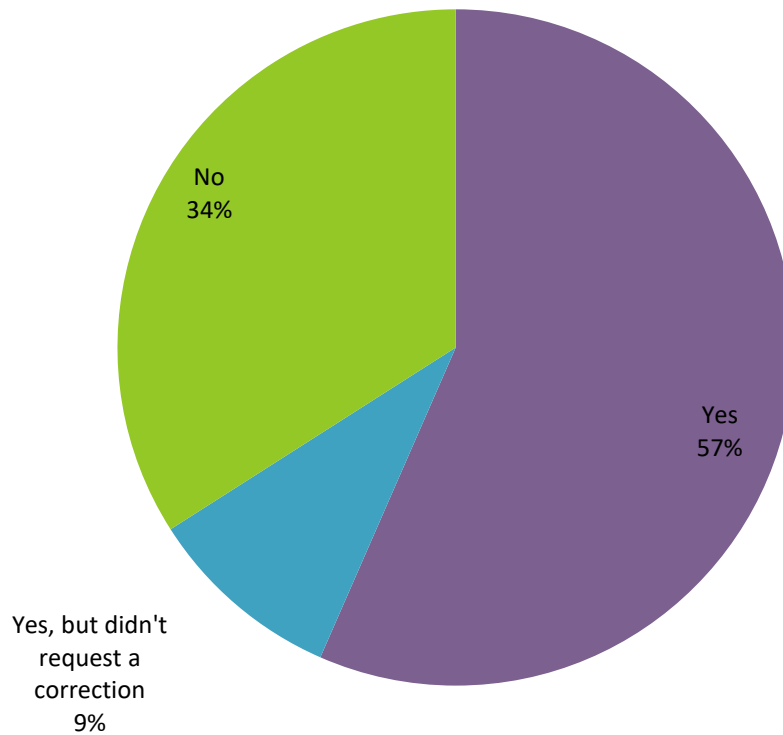
Value	Percent
Yes	5.6%
No	12.8%
Treatment has stayed about the same	46.9%
Unsure/Don't Know	34.7%

15. Currently, only ISS allows companies an opportunity to review draft proxy reports before distribution to investors; that review period is brief (e.g., 24-48 hours) and is available only to S&P 500 issuers. NIRI supports legislation that would require proxy advisors to provide a three-day review process to all issuers to ensure that proxy vote recommendations are not based on inaccurate data or misunderstandings of corporate disclosures. Please indicate your level of agreement with whether a draft review process should be mandated.



Value	Percent
Strongly agree	73.8%
Agree	22.1%
No position	3.1%
Disagree	0.5%
Strongly disagree	0.5%

16. Have you (or one of your client companies) noticed any factual inaccuracies (or misunderstandings) in any proxy advisor reports on your company (or a client company) since June 2014 that you asked the proxy firm to correct?



Value	Percent
Yes	56.5%
Yes, but didn't request a correction	9.4%
No	34.0%

