

For Immediate Release
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SHARE RELEASES 10th ANNUAL PROXY VOTING LEAGUE TABLES

Survey shows asset managers increasingly flexing proxy power

VANCOUVER, BC – When they cast their votes at annual meetings, institutional shareholders are showing a growing intolerance for poor governance practices according to the 10th annual Canadian *Key Proxy Vote Survey*. They are also more willing to tell the public how they are fulfilling their duty to vote in their clients' interests. Over the last five years, the proportion of survey respondents publicly disclosing their voting record has grown from 11% (2005) to 42% this year.

"We hear a lot of talk about increasing shareholder activism in Canada," says SHARE's Director of Law and Policy Laura O'Neill, "and this survey delivers solid evidence that leading investment managers are using their voting power to push back against poor governance and undue deference to management."

Among the results in 28 bellwether votes included in this year's survey are:

- The election of the slate of directors at Linamar Corporation where 54% of shareholders withheld their votes;
- The election of Brett Godfrey to the Board of WestJet Airlines Ltd where 41% of shareholders withheld their votes;
- Approval of amendments to the options plan at TransAlta Corporation, opposed by 48% of shareholders;
- An NEI Investments proposal requesting a climate change report at agricultural firm Viterra supported by 23% of shareholders; and
- A Meritas Funds proposal calling for a shareholder advisory vote on executive compensation at Methanex Corporation supported by 64% of shareholders.

The lack of vote count-disclosure by many issuers continues to prevent shareholders from knowing the margin of approval or defeat on the matters they vote. No numeric vote results were released by companies in almost one-third of the votes in this year's survey. "The failure of so many public companies to provide any information about vote outcomes beyond 'pass' or 'fail' is permitted by regulations in Canada, but it is poor practice and suggests a lack of attention to shareholder views," said O'Neill.

"Two investment managers stand out for their commitment to transparency," according to Charley Beresford, Executive Director of the Columbia Institute, a survey

sponsor. “Leith Wheeler Investment Counsel and Greystone Managed Investments are the only Canadian pension fund managers that have responded to the survey every year for ten years and we want to acknowledge this outstanding record.”

The goal of the survey is to provide pension trustees and other investment fiduciaries with a tool for understanding how votes are being executed by their managers and across the market.

The Canadian *Key Proxy Vote Survey* is a project of the Columbia Institute, Fonds de solidarité (FTQ) and the Shareholder Association for Research and Education.

About the Columbia Institute: The Columbia Institute is national charitable organization whose goal is to foster inclusive, sustainable communities. They believe that communities that value social justice and the environment, as well as the local economy, are healthier, happier places to live. Fostering individual and organizational leadership is essential for achieving strong communities.

About the Fonds de solidarité: The Fonds de solidarité (FTQ) is a development capital fund that calls upon the solidarity and savings of Quebecers to help fulfill its mission to create and save jobs in Québec by investing in small and medium-sized businesses in all spheres of activity. The Fonds also seeks to encourage Quebecers to save for retirement and to offer is over half a million owner-shareholders a reasonable return over and above the outstanding tax benefits they receive by purchasing Fonds shares.

About SHARE: The Shareholder Association for Research and Education (SHARE) is a leading advisor to institutional investors on the integration of environmental, social and governance considerations in investment decision-making.

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Editors Note:

The 2010 *Key Proxy Vote Survey* is available for download at: share.ca

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