



FOR IMMEDIATE RELEASE
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CII Publishes Two Reports on Investor-Company Engagement

Washington, D.C.—The Council of Institutional Investors (CII) is releasing today two publications highlighting the most effective ways to conduct and disclose investor-company engagement.

The first report, [CII Investor-Company Roundtable: Effective Engagement](#) is the result of a roundtable convened by CII in July 2015 to discuss the most effective engagement practices for both types of representatives. Some of the recommendations that came out of that discussion include:

- Ground rules should be set beforehand on who can attend, what topics are open for discussion and which discussion format will be used.
- Periodic engagement outside of the proxy season yields stronger long-term relationships and better outcomes.
- Quantitative measures of engagements by companies should not lead to focus on quantity rather than quality in discussions.
- Both corporate governance/proxy voting staff and investment staff, such as portfolio managers should be included in engagements with companies.
- Corporate long-term strategy should be a focus of discussion because it is critical to understanding executive pay and governance practices.
- Preparation can set the tone for a discussion so companies should familiarize themselves with investors' proxy voting guidelines and shareholders should draft a roster of questions that make it clear where their priorities lie

The second CII publication, [Best Disclosure: Company-Shareholder Engagement](#) highlights 10 companies' 2014 or 2015 proxy disclosures of their engagement practices. The companies were identified as having exemplary disclosure by CII members who responded to a survey conducted via the Council's listserv.

An analysis found some common elements in these firms' disclosure:

- Half of the companies provide detailed information about the processes they employ to facilitate engagement.
- Three include instructions and/or email addresses for shareholders wishing to engage with the companies.
- Four emphasize their boards' role in the engagement process.
- Three companies say engagement with shareholders is primarily a management responsibility.

The Council of Institutional Investors (CII) is a nonprofit association of pension funds, other employee benefit funds, endowments and foundations, with combined assets that exceed \$3 trillion. CII is a leading voice for effective corporate governance and strong shareholder rights. CII educates its members, policymakers and the public about corporate governance, shareholder rights and related investment issues, and advocates on its members' behalf.



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- Several companies quantify their engagement activities.
- Others list reforms they made to their governance practices as a result of feedback from discussions with shareholders.

This report is the third in a series of “Best Disclosure” issue briefs that seek to provide investors and companies with approaches to, and examples of, exemplary disclosure.

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