

Leading Public Company Directors and Representatives of Major Institutional Investors – United Under Shareholder-Director Exchange Banner – Announce New Steps Taken to Advance Growing Governance Movement

SDX Investor Members Ask Every Russell 1000 Company to Bolster Engagement Efforts in New Letter Available on www.sdxprotocol.com

Four New Members Join SDX Working Group; JP Morgan Chase & Co. Endorses SDX Protocol

NEW YORK, July 14, 2014 – The working group of the Shareholder-Director Exchange (SDX) and its founders – Cadwalader, Wickersham & Taft LLP; Teneo; and Tapestry Networks – today announced the transmission of a letter from the investor representatives of the SDX working group to Lead Directors and Corporate Secretaries of every Russell 1000 company urging boards to consider adopting and clearly articulating a policy for shareholder-director engagement, whether through adoption of the SDX Protocol or otherwise. SDX also announced other important developments related to SDX, including the addition of four new working group members to the roster of representatives of leading institutional investors and directors that have signed on to the SDX Working Group and the endorsement of the SDX Protocol by JP Morgan Chase & Co in its most recent annual proxy statement.

SDX has added the following new members to its working group:

- **Mayree Clark**, Director, Ally Financial Services
- **Gail Deegan**, Director, EMC Corp. and iRobot Corp.
- **Rakhi Kumar**, Head of Corporate Governance, State Street Global Advisors
- **Anne Sheehan**, Director of Corporate Governance, California State Teachers' Retirement System (CalSTRS)

JP Morgan Chase & Co in its 2014 Proxy Statement said the following:

“In 2013, we expanded our outreach program to discuss a wider range of issues with a broader group of shareholders. Outreach discussions in the fall tend to focus on corporate governance matters and discussions in the spring tend to focus on issues specifically related to the proxy statement. In 2014, the Board endorsed the Shareholder-Director Exchange (SDX) Protocol, as a guide for effective, mutually beneficial engagement between shareholders and directors.”

In the letter to Russell 1000 companies, investor representatives from the SDX working group urge boards to consider adopting a policy for shareholder-director engagement, stating: “Engagement between public company directors and their company’s shareholders is an idea whose time has come. We believe that US public companies, in consultation with management, should consider formally adopting a policy providing for shareholder-director engagement, whether through adoption or endorsement of the SDX Protocol or otherwise. Several prominent US companies are already following this path of engagement and disclosing their engagement

efforts – we believe other public companies should follow their lead.” The full letter is attached to this release and is also available at www.sdxprotocol.com.

“SDX is a thoughtful and purposeful approach to engagement that has been positively received by the marketplace,” said Declan Kelly, Co-Chair of SDX and Chairman and CEO of Teneo Holdings. “Our additions to the working group and the letter we have sent to lead directors of public companies will help further the movement in governance to be more open to director engagement that is already underway.”

Tim Goodman, Associate Director and Head of North American Engagement, Hermes Equity Ownership Services, said, “As a representative of long-term investors from around the world, we are delighted to be part of the working group that developed the SDX Protocol and are using it as part of our toolkit when engaging with US companies. Boards are increasingly realising the importance of engaging meaningfully with their investors on matters affecting long-term value, including corporate governance. We believe that the SDX Protocol is helping to improve the mutual understanding and trust between directors and investors for the benefit of both.”

“JP Morgan Chase’s endorsement of the SDX Protocol underscores the front-line position engagement has taken for shareholders and directors,” James C. Woolery, Co-Chair of SDX and Chairman-elect of Cadwalader, Wickersham & Taft LLP, added. “Engagement is a powerful tool in today’s market to combat short-term trends and thinking, and we look forward to continuing to build the stable of companies actively adopting the Protocol.”

“We’re pleased that the SDX Protocol has been endorsed by issuers, their boards and investors and expect that others will begin to follow its common-sense suggestions. The 10-point SDX Protocol offers guidance on when shareholder-director engagement is appropriate, and how to make these engagements valuable and effective,” said Anthony Goodman, Co-Chair of SDX and Partner at Tapestry Networks.

For more information about SDX, please contact: info@sdxprotocol.com.

ABOUT SDX

The Shareholder-Director Exchange (SDX) is a working group comprised of leading independent directors and representatives from some of the largest and most influential long-term institutional investors; the initiative was sponsored by Cadwalader, Wickersham & Taft LLP, Teneo and Tapestry Networks, with additional support from Broadridge Financial Solutions. SDX participants came together to discuss shareholder-director engagement and to use their collective experience to develop the SDX Protocol, a set of guidelines to provide a framework for shareholder-director engagements, which was created through a comprehensive series of interviews and meetings with more than 30 directors, institutional investors, and corporate governance thought leaders. The 10-point SDX Protocol offers guidance to public company boards and shareholders on when such engagement is appropriate, and how to make these engagements

valuable and effective. A copy of the SDX Protocol is available for download at www.sdxprotocol.com.

In addition to the new additions announced today, the following leading investors and directors currently serve on the SDX working group:

Glenn Booraem, Principal and Fund Controller, Vanguard

Linda Fayne Levinson, Director, Hertz, Ingram Micro, Jacobs Engineering Group, NCR and Western Union

Les Brun, Director, Automatic Data Processing, Inc., Broadridge Financial Solutions, and Merck

Michael McCauley, Senior Officer, Investment Programs & Governance, State Board of Administration of Florida

Stu Dalheim, Vice President, Shareholder Advocacy, Calvert Investments

Eileen Mercier, Director, Intact Financial, Ontario Teachers' Pension Plan, Teekay Shipping, University Health Network

Michelle Edkins, Managing Director and Global Head of Corporate Governance and Responsible Investment, BlackRock

Thomas Mistele, Director, Chief Operating Officer, Senior Counsel, and Secretary, Dodge & Cox, San Francisco

Tim Goodman, Associate Director and Head of North American Engagement, Hermes EOS

Tom O'Neill, Director, Archer Daniels Midland, NASDAQ OMX Group, Inc., and Misonix

Bonnie Hill, Director, AK Steel Holding Corp., California Water Service Group, and Yum! Brands

Nathan Partain, President and Chief Investment Officer, Duff & Phelps Investment Management Co.; Director, Otter Tail Corp.

Michele Hooper, Director, National Association of Corporate Directors, PPG Industries, United Health Group

Debra Perry, Director, Korn/Ferry International and PartnerRe

Labe Jackson, Director, JPMorgan Chase & Co.

Rich Roedel, Director, IHS, Inc., Lorillard, Inc., Luna Innovations Inc., and Six Flags Entertainment Corp.

Andrew Letts*, Managing Director and Head of Corporate Governance, State Street Global Advisors

Comment [A1]: Do we want to take Andrew out completely here? Currently, the release only includes the "original" crew -- with all newly added members at top

Anne Sheehan, Director of Corporate Governance, California State Teachers' Retirement System

** Role and title at time of SDX participation*

