

AFL-CIO KEY VOTES SURVEY



How Investment Managers Voted in the 2010 Proxy Season

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2010 AFL-CIO Key Votes Survey

Introduction

“During the crisis it became apparent that investors needed better protection and shareholders needed more voice in corporate governance.”

Report of the Senate Banking, Housing and Urban Affairs Committee on The Restoring American Financial Stability Act of 2010, March 22, 2010.

On July 21, 2010, President Barack Obama enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act, the most sweeping change in financial regulation since the Great Depression. The new law aims to restore the public’s trust in American capital markets after the scandals and crises of the last decade. Investors paid a heavy price for these failures of corporate governance—a 4.74 percent loss in the S&P 500 index over the 2001-2010 decade, resulting in the evaporation of \$283.9 billion of wealth during the period.

Once a year, every public corporation holds a shareholder meeting. Shareholders and senior management make critical decisions shaping each company’s governance—decisions such as who will serve on the board of directors, how the CEO will be paid, and what general policies the shareholders will recommend to the company’s board. The *Key Votes Survey* is a record of how investment managers, mutual funds and proxy voting consultants voted the shares they manage on behalf of worker funds on key issues at these meetings during the proxy season.

The AFL-CIO’s *Key Votes Survey* is designed to help pension fund trustees fulfill their fiduciary duty to monitor the proxy

voting performance of investment managers. Good corporate governance matters to shareholders and proxy voting is the most direct means for shareholders to exercise oversight over the corporations they own.

In 1988, the U.S. Department of Labor advised pension fund trustees that under the Employee Retirement Income Security Act (“ERISA”), the voting rights attached to company stock are “plan assets” that must be managed according to ERISA fiduciary standards. The Department of Labor requires investment managers to “maintain accurate records as to proxy voting” and permit trustees to “review the actions taken in individual proxy voting situations.”

Pension funds generally delegate the authority to vote their shares to an investment manager or a specialized proxy voting consultant. Because proxies are a plan asset, ensuring that they are voted in the interests of beneficiaries is part of a trustee’s fiduciary duty. The *Key Votes Survey* is intended to help trustees fulfill this duty by reviewing the voting records of these investment managers and proxy consultants.

The proposals included in the *Key Votes Survey* are submitted by a variety of union-sponsored and public pension funds, employee shareholders and other investors and are consistent with the *AFL-CIO Proxy Voting Guidelines*. These proposals represent a worker-owner view of value that emphasizes management accountability and good corporate governance. Percentage scores and tier groups are assigned to each firm to assist trustees in evaluating the relative proxy voting performance of competing investment managers.

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The 2010 Proxy Season

In 2010, investors continued to press companies for an annual, non-binding vote on executive compensation – a “say-on-pay.” These proposals received, on average, 44.6 percent support from investors. Among the 70 or so companies that did offer shareholders a non-binding vote on executive pay in the 2010 proxy season, three companies, Motorola, Occidental Petroleum and KeyCorp, failed to receive majority support by shareholders for their executive compensation.

Under the new law, enacted in July 2010, all public companies must provide investors a non-binding referendum on executive pay at their 2011 annual meetings, and at least every three years thereafter. Separately, the Dodd-Frank law requires companies to seek shareholder approval of severance packages or “golden parachutes” in case of a merger or acquisition of a company. The law also confirmed the Securities and Exchange Commission’s authority to issue rules allowing long-term shareholders to nominate their own candidates to corporate boards.

Several proposals in the Key Votes survey received majority support. Shareholder proposals seeking annual director elections received the most support—at Abercrombie & Fitch the proposal received 75.8 percent and the company agreed to declassify its board as a result. At DTE Energy the proposal received 74.6 percent, and at Penn Gaming the proposal received 66.2 percent of the votes. A proposal asking Whole Foods Market to rescind a bylaw amendment to permit the removal of directors received 55.4 percent of the votes.

The Massey Energy annual meeting dominated the 2010 proxy season. The company took center stage for corporate

governance failures after an April explosion killed 29 miners at a coal mine owned by Massey Energy. A coalition of public pension funds led a campaign against three directors at the company’s May annual meeting citing their failure to properly oversee the company.

After nearly 50 percent of shareholders withheld their support for Massey Energy’s directors, the company held a special meeting of shareholders in October 2010. As a result, the company implemented several corporate governance reforms, and Massey Energy’s chief executive officer Don Blankenship resigned in December. Following these changes, Massey Energy agreed to be sold to another company.

Survey Methodology

Proxy voting records were obtained directly from investment managers and from pension fund trustees and consultants who surveyed the proxy voting records of investment managers and forwarded the surveys to the AFL-CIO Office of Investment. Survey results were confirmed directly with the participating investment managers. Voting data for mutual fund families is gathered from SEC N-PX forms. The resulting data on investment manager voting can assist plan trustees in comparing the corporate governance policies and practices of their service providers.

Each investment manager is given a percentage score that is computed by comparing votes cast with the *AFL-CIO Proxy Voting Guidelines*. The total number of proposals on which a manager voted depends on the number of companies the manager held. The ratings of managers that held shares of many companies may be more representative of their proxy voting policies than the ratings of managers that

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held shares of only a few. Abstentions or failures to vote on shareholder proposals are counted as votes not in accordance with the *AFL-CIO Proxy Voting Guidelines*.

Each investment manager was asked to report on the votes cast for their entire portfolio of assets managed, for the majority of those assets or for those assets for which the investment manager has discretionary voting authority. Some firms chose to report their Taft-Hartley client votes in addition to these. The Taft-Hartley vote scores are listed as an endnote to the report.

A complete *Key Votes Survey* voting record for each investment manager can be found on the AFL-CIO's website at <http://www.aflcio.org/proxyvotes>. Managers are listed alphabetically by name, and then by performance tier groups. Managers have been divided into tiers using the following criteria:

- “Top Tier” – Managers who voted on five or more proposals and scored 100 percent.
- “Middle Tier” – Managers who voted on five or more proposals and scored between 50 percent and 100 percent.
- “Bottom Tier” – Managers who voted on five or more proposals and scored below 50 percent or who refused to disclose their proxy votes.
- “Fewer Than Five Votes” – Managers who are considered to have an inadequate sample size on which to be ranked, so such managers are not placed in any of the three tiers.

Proposals in Brief

Proposals selected for the *Key Votes Survey* have generally fallen into five broad categories: encouraging greater board independence, reining in excessive executive compensation, promoting sound corporate governance practices, increasing management accountability and advancing a worker-owner view of value. The *AFL-CIO Proxy Voting Guidelines* support independent boards of directors, measures to restrain excessive executive pay and link it to shareholder interests, reforms to increase management accountability, measures that encourage companies to respect human and labor rights, and mechanisms aimed at promoting disclosure and sustainable business practices.

It is important to note, however, that these positions should not be applied mechanically. Measures to enhance management accountability, for instance, are more important at companies where management is entrenched and unresponsive. Similarly, measures to restrain executive pay are more important at companies where executive compensation is excessive. The list of proposals for the *Key Votes Survey* was assembled with attention to both the merits of the proposals and the context at particular companies. Below are descriptions of the types of shareholder proposals listed on the survey this year:

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Board Declassification

A classified board of directors limits director accountability to shareholders. Classified boards set terms for “classes” of directors so that only a portion of the board is elected each year. As a result, shareholders have little or no way to register their views on a majority of the directors on a board. These proposals urge annual director elections.

Country Selection Standards

Companies risk damaging their reputation and brand name when they do business in countries that do not respect fundamental human rights. This type of proposal requests that the board of directors review and develop guidelines for country selection and report these guidelines to shareholders.

Director Removal Policy

This proposal asks the board of directors to take the necessary steps to permit removal of a director either with or without cause, thereby making directors more accountable to shareholders.

Director “Withhold” or “No” Votes

The election of directors is an important mechanism for shareholders to hold boards accountable for corporate governance failures. Shareholder “vote no” campaigns seek to remove underperforming directors by voting to “withhold” support from an individual or group of directors. While these “no votes” are not binding under a plurality election system, voting “no” can persuade directors that substantial changes are required to protect shareholder value.

Equity Holding Requirements

Stock ownership is the best way to align the interests of executives with shareholders. However, many companies’ stockholding requirements for their senior executives are too low given the large amounts of equity compensation that are awarded. This proposal requests the board of directors to adopt a policy requiring a holding period for senior executives’ equity incentive awards.

Global Warming Principles

This proposal urges the board of directors to adopt principles and goals for action to stop global warming, an environmental issue that affects companies’ long-term sustainability.

Golden Parachutes

This proposal urges that shareholders approve future severance agreements for senior executives that exceed a specified amount. Such agreements (known as “golden parachutes”) can reward executives for their underperformance leading up their termination of employment.

Independent Board Chair

Independent board chair proposals seek to separate the positions of chief executive officer and board chair. The primary purpose of the board of directors is to oversee management on behalf of shareholders. For this reason, an independent director who has not served as an executive of the company can best provide the necessary leadership and objectivity as board chair.

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Limit Accelerated Vesting of Equity

This proposal asks the board of directors to adopt a policy that limits the accelerated vesting of equity awards to senior executives when there is a change of control of the company. To prevent the excessive enrichment of executives, equity awards should vest pro-rata rather than in their entirety following a change in control.

Lobbying Disclosure

This proposal requests that the company provide a report disclosing the company's policies and procedures for expenditures used for direct lobbying and grassroots lobbying communications. Such disclosure is necessary for a shareholder assessment of financial and reputational risks that may result from a company's lobbying.

Political Disclosure

These proposals ask for the company to provide a report disclosing its policies and procedures for political contributions (both direct and indirect) made with corporate funds. Such disclosure is necessary for a shareholder assessment of financial and reputational risks that may result from a company's political donations.

Prohibit Margin Trading By Executives

This proposal asks the board of directors to adopt a policy that bars the use by named executive officers and directors from participating in derivative or speculative transactions involving company stock. Stock hedging reduces the alignment of interests between shareholders and executives.

Recoup Unearned Bonuses

This proposal urges the board of directors to adopt a policy that the board will review and determine whether to seek recoupment of bonuses and other incentive compensation paid to senior executive when the basis for this compensation proves to be illusory.

Reimburse Proxy Contest Costs

This proposal urges the board of directors to take the necessary steps to reimburse any shareholder for expenses incurred in connection with the successful election of one or more shareholder-nominated director candidates in a contested election.

Say on Pay

This proposal urges that shareholders be given the opportunity at each annual meeting to cast an advisory vote on the company's executive compensation. A "say-on-pay" vote will encourage directors to better link executive compensation to shareholder interests and provide shareholder feedback to the board.

Sexual Orientation Non-Discrimination

This proposal requests the company to prohibit discrimination based on sexual orientation and gender identity. Such a policy will help protect the company's reputation, prevent violations of state employment non-discrimination laws, and help retain and recruit qualified employees.

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2010 Proxy Season AFL-CIO Key Votes

Shareholder Proposals: "FOR" votes are consistent with the *AFL-CIO Proxy Voting Guidelines*

| Company | Meeting | Item # | Proposal Subject |
|------------------------------------|----------------|---------------|---------------------------------------|
| Abercrombie & Fitch (ANF) | 6/9/10 | 5 | Board Declassification |
| American International Group (AIG) | 5/12/10 | 8 | Political Disclosure |
| Bank of America (BAC) | 4/28/10 | 12 | Recoup Unearned Bonuses |
| Boeing (BA) | 4/26/10 | 6 | Independent Board Chair |
| Chesapeake Energy (CHK) | 6/11/10 | 5 | Prohibit Margin Trading by Executives |
| Chevron (CVX) | 5/26/10 | 7 | Country Selection Standards |
| Citigroup (C) | 4/20/10 | 9 | Political Disclosure |
| Coca-Cola Enterprises (CCE) | 4/23/10 | 4 | Golden Parachutes |
| Comcast (CMCSA) | 5/20/10 | 6 | Independent Board Chair |
| ConocoPhillips (COP) | 5/12/10 | 4 | Global Warming Principles |
| CVS Caremark (CVS) | 5/12/10 | 6 | Global Warming Principles |
| DTE Energy (DTE) | 5/6/10 | 6 | Board Declassification |
| Express Scripts (ESRX) | 5/5/10 | 4 | Independent Board Chair |
| Exxon Mobil (XOM) | 5/26/10 | 6 | Sexual Orientation Non-Discrimination |
| Goldman Sachs (GS) | 5/7/10 | 9 | Political Disclosure |
| JP Morgan Chase (JPM) | 5/18/10 | 8 | Independent Board Chair |
| Morgan Stanley (MS) | 5/18/10 | 6 | Equity Holding Requirements |
| Nabors Industries (NBR) | 6/1/10 | 5 | Independent Board Chair |
| Occidental Petroleum (OXY) | 5/7/10 | 11 | Limit Accelerated Vesting of Equity |
| Penn National Gaming (PENN) | 6/9/10 | 3 | Board Declassification |
| PulteGroup (PHM) | 5/12/10 | 10 | Reimburse Proxy Contest Costs |
| Reynolds American (RAI) | 5/7/10 | 3 | Board Declassification |
| United Technologies (UTX) | 4/14/10 | 3 | Say on Pay |
| Wal-Mart (WMT) | 6/4/10 | 6 | Say on Pay |
| Waste Management (WM) | 5/11/10 | 4 | Political Disclosure |
| WellPoint (WLP) | 5/18/10 | 4 | Lobbying Disclosure |
| Wells Fargo (WFC) | 4/27/10 | 6 | Independent Board Chair |
| Whole Foods (WFMI) | 3/8/10 | 4 | Director Removal Policy |

"WITHHOLD" or "NO" vote on the following directors is consistent with the *AFL-CIO Proxy Voting Guidelines*

| Company | Meeting | Item # | Director |
|---------------------|----------------|---------------|------------------------|
| Chico's FAS (CHS) | 6/24/10 | 1 | Betsy S. Atkins |
| Massey Energy (MEE) | 5/18/10 | 1 | Richard M. Gabrys |
| Massey Energy (MEE) | 5/18/10 | 1 | Dan R. Moore |
| Massey Energy (MEE) | 5/18/10 | 1 | Baxter F. Phillips Jr. |

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Alphabetical Listing of Investment Manager Statistics

| | |
|------------------------------------------|----------------------|
| Alliance Bernstein | 12 out of 32 = 37.5% |
| Amalgamated Bank | 31 out of 31 = 100% |
| Amalgatrust | 3 out of 3 = 100% |
| American Funds | 5 out of 23 = 21.7% |
| AmeriServ Trust Financial Services | 12 out of 12 = 100% |
| Ariel Investments | 2 out of 3 = 66.6% |
| ASB Capital Management | 5 out of 5 = 100% |
| Atlanta Capital Management | 8 out of 13 = 61.5% |
| Becker Capital Management | 14 out of 18 = 77.7% |
| BlackRock Funds | 11 out of 32 = 34.3% |
| BNY Mellon | 16 out of 31 = 51.6% |
| Boston Trust & Investment Management Co. | 9 out of 9 = 100% |
| Brandywine Global Investment | 15 out of 25 = 60% |
| C.S. McKee | 4 out of 6 = 66.6% |
| Cambiar Investors | 0 out of 4 = 0% |
| Capital Management Associates | 6 out of 6 = 100% |
| Chartwell Investment Partners | 12 out of 12 = 100% |
| Chicago Equity Partners | 15 out of 18 = 83.3% |
| Colony Capital Management | 10 out of 10 = 100% |
| Columbia Partners | 11 out of 12 = 91.6% |
| Columbus Circle Investors | 3 out of 5 = 60% |
| Comerica Bank | 32 out of 32 = 100% |
| Congress Asset Management | 2 out of 2 = 100% |
| Delaware Investments | 12 out of 16 = 75% |
| DePrince, Race & Zollo | 8 out of 8 = 100% |
| Dodge & Cox | 0 out of 6 = 0% |
| Dreyfus Corporation | 14 out of 30 = 46.6% |
| Eaton Vance | 19 out of 30 = 63.3% |
| FAF Advisors | 26 out of 32 = 81.2% |
| Federated Investors | 5 out of 32 = 15.6% |
| Fidelity Investments | 6 out of 31 = 19.3% |
| Fiduciary Management | 1 out of 1 = 100% |
| Fifth Third Asset Management | 24 out of 29 = 82.7% |

2010 AFL-CIO Key Votes Survey

Alphabetical Listing of Investment Manager Statistics

| | |
|-----------------------------------------|----------------------|
| Fifth Third Bank | 24 out of 29 = 82.7% |
| First Hawaiian Bank | 19 out of 23 = 82.6% |
| Franklin Templeton Investments | 11 out of 20 = 55% |
| Gamco Investors | 0 out of 27 = 0% |
| Garcia Hamilton & Associates | 10 out of 10 = 100% |
| Goldman Sachs Asset Management | 19 out of 32 = 59.3% |
| Griffon Capital | 11 out of 11 = 100% |
| Groupe Investment Responsible | 7 out of 7 = 100% |
| Herndon Capital Management | 4 out of 5 = 80% |
| HGK Asset Company | 17 out of 18 = 94.4% |
| ICC Capital Management | 12 out of 12 = 100% |
| ING Investment Management Company | 25 out of 30 = 83.3% |
| Institutional Capital | 4 out of 4 = 100% |
| INTECH | 26 out of 32 = 81.2% |
| Invesco | 24 out of 29 = 82.7% |
| JP Morgan Asset Management | 18 out of 31 = 58% |
| Lazard Asset Management | 18 out of 20 = 90% |
| Loomis Sayles & Company | 17 out of 24 = 70.8% |
| Lord Abbett & Company | 3 out of 21 = 14.2% |
| MacKay Shields | 4 out of 4 = 100% |
| Manning & Napier Advisors | 6 out of 8 = 75% |
| Marco Consulting Group | 32 out of 32 = 100% |
| Marshfield Associates | 5 out of 6 = 83.3% |
| McMorgan & Company | 24 out of 24 = 100% |
| Mesirow Financial Investment Management | 8 out of 9 = 88.8% |
| Metropolitan West Capital Management | 0 out of 5 = 0% |
| Missouri Valley Partners | 12 out of 12 = 100% |
| Montag & Caldwell | 1 out of 3 = 33.3% |
| Munder Capital Management | 17 out of 21 = 80.9% |
| NCM Capital | 11 out of 12 = 91.6% |
| New Amsterdam Partners | 3 out of 3 = 100% |
| Northern Trust Investments | 5 out of 5 = 100% |

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Alphabetical Listing of Investment Manager Statistics

| | |
|---------------------------------------------|----------------------|
| NorthPointe Capital | 8 out of 11 = 72.7% |
| Nuveen HydePark Group | 26 out of 32 = 81.2% |
| NWQ Investment Management | 3 out of 7 = 42.8% |
| Ocean State Asset Management | 8 out of 8 = 100% |
| PanAgora Asset Management | 26 out of 32 = 81.2% |
| Payden & Rygel | 18 out of 18 = 100% |
| Phillips, Hager & North | 5 out of 10 = 50% |
| Pillar Pacific Capital Management | 8 out of 9 = 88.8% |
| ProxyVote Plus | 32 out of 32 = 100% |
| Putnam Investments | 12 out of 30 = 40% |
| Quantitative Management Associates | 23 out of 32 = 71.8% |
| Quest Investment Management | 7 out of 7 = 100% |
| Rainier Investment Management | 9 out of 10 = 90% |
| Ram Trust Services | 9 out of 14 = 64.2% |
| RBC Global Asset Management | 14 out of 14 = 100% |
| Renaissance Investment | 12 out of 20 = 60% |
| Robeco Investment Management | 18 out of 22 = 81.8% |
| Segall, Bryant & Hamill | 5 out of 7 = 71.4% |
| Seizert Capital Partners | 6 out of 7 = 85.7% |
| Shareholder Assoc. for Research & Education | 17 out of 18 = 94.4% |
| Sierra Investment Partners | 10 out of 10 = 100% |
| Stacey Braun Associates | 17 out of 17 = 100% |
| State Street Global Advisors | 6 out of 32 = 18.7% |
| Stone Ridge Investment Partners | 7 out of 11 = 63.6% |
| T Rowe Price | 19 out of 32 = 59.3% |
| TCW | 6 out of 20 = 30% |
| TIAA-CREF | 16 out of 31 = 51.6% |
| TimesSquare Capital | 0 out of 1 = 0% |
| Tradewinds Global Investors | 12 out of 15 = 80% |
| Trillium Asset Management | 14 out of 14 = 100% |
| Trilogy Global Advisors | 3 out of 4 = 75% |
| Turner Investments | 24 out of 24 = 100% |
| ULLICO Investment Advisors | 16 out of 16 = 100% |

2010 AFL-CIO Key Votes Survey

Alphabetical Listing of Investment Manager Statistics

| | |
|------------------------------------|----------------------|
| Union Labor Life Insurance Company | 13 out of 13 = 100% |
| Vanguard Group | 6 out of 32 = 18.7% |
| Victory Capital Management | 20 out of 32 = 62.5% |
| Washington Capital Management | 8 out of 8 = 100% |
| Wedge Capital Management | 7 out of 11 = 63.6% |
| WestEnd Advisors | 3 out of 5 = 60% |
| Westfield Capital Management | 6 out of 7 = 85.7% |
| Winslow Capital Management | 4 out of 5 = 80% |

2010 AFL-CIO Key Votes Survey

Tier Group Listing of Investment Manager Statistics

Top Tier

| | |
|------------------------------------------|---------------------|
| Amalgamated Bank | 31 out of 31 = 100% |
| AmeriServ Trust Financial Services | 12 out of 12 = 100% |
| ASB Capital Management | 5 out of 5 = 100% |
| Boston Trust & Investment Management Co. | 9 out of 9 = 100% |
| Capital Management Associates | 6 out of 6 = 100% |
| Chartwell Investment Partners | 12 out of 12 = 100% |
| Colony Capital Management | 10 out of 10 = 100% |
| Comerica Bank | 32 out of 32 = 100% |
| DePrince, Race & Zollo | 8 out of 8 = 100% |
| Garcia Hamilton & Associates | 10 out of 10 = 100% |
| Griffon Capital | 11 out of 11 = 100% |
| Groupe Investment Responsible | 7 out of 7 = 100% |
| ICC Capital Management | 12 out of 12 = 100% |
| Marco Consulting Group | 32 out of 32 = 100% |
| McMorgan & Company | 24 out of 24 = 100% |
| Missouri Valley Partners | 12 out of 12 = 100% |
| Northern Trust Investments | 5 out of 5 = 100% |
| Ocean State Asset Management | 8 out of 8 = 100% |
| Payden & Rygel | 18 out of 18 = 100% |
| ProxyVote Plus | 32 out of 32 = 100% |
| Quest Investment Management | 7 out of 7 = 100% |
| RBC Global Asset Management | 14 out of 14 = 100% |
| Sierra Investment Partners | 10 out of 10 = 100% |
| Stacey Braun Associates | 17 out of 17 = 100% |
| Trillium Asset Management | 14 out of 14 = 100% |
| Turner Investments | 24 out of 24 = 100% |
| ULLICO Investment Advisors | 16 out of 16 = 100% |
| Union Labor Life Insurance Company | 13 out of 13 = 100% |
| Washington Capital Management | 8 out of 8 = 100% |

2010 AFL-CIO Key Votes Survey

Tier Group Listing of Investment Manager Statistics

Middle Tier

| | |
|-----------------------------------------|----------------------|
| Atlanta Capital Management | 8 out of 13 = 61.5% |
| Becker Capital Management | 14 out of 18 = 77.7% |
| BNY Mellon | 16 out of 31 = 51.6% |
| Brandywine Global Investment | 15 out of 25 = 60% |
| C.S. McKee | 4 out of 6 = 66.6% |
| Chicago Equity Partners | 15 out of 18 = 83.3% |
| Columbia Partners | 11 out of 12 = 91.6% |
| Columbus Circle Investors | 3 out of 5 = 60% |
| Delaware Investments | 12 out of 16 = 75% |
| Eaton Vance | 19 out of 30 = 63.3% |
| FAF Advisors | 26 out of 32 = 81.2% |
| Fifth Third Asset Management | 24 out of 29 = 82.7% |
| Fifth Third Bank | 24 out of 29 = 82.7% |
| First Hawaiian Bank | 19 out of 23 = 82.6% |
| Franklin Templeton Investments | 11 out of 20 = 55% |
| Goldman Sachs Asset Management | 19 out of 32 = 59.3% |
| Herndon Capital Management | 4 out of 5 = 80% |
| HGK Asset Company | 17 out of 18 = 94.4% |
| ING Investment Management | 25 out of 30 = 83.3% |
| INTECH | 26 out of 32 = 81.2% |
| Invesco | 24 out of 29 = 82.7% |
| JP Morgan Asset Management | 18 out of 31 = 58% |
| Lazard Asset Management | 18 out of 20 = 90% |
| Loomis Sayles & Company | 17 out of 24 = 70.8% |
| Manning & Napier Advisors | 6 out of 8 = 75% |
| Marshfield Associates | 5 out of 6 = 83.3% |
| Mesirow Financial Investment Management | 8 out of 9 = 88.8% |
| Munder Capital Management | 17 out of 21 = 80.9% |
| NCM Capital | 11 out of 12 = 91.6% |
| NorthPointe Capital | 8 out of 11 = 72.7% |
| Nuveen HydePark Group | 26 out of 32 = 81.2% |

2010 AFL-CIO Key Votes Survey

Tier Group Listing of Investment Manager Statistics

Middle Tier

| | |
|---------------------------------------------|----------------------|
| PanAgora Asset Management | 26 out of 32 = 81.2% |
| Phillips, Hager & North | 5 out of 10 = 50% |
| Pillar Pacific Capital Management | 8 out of 9 = 88.8% |
| Quantitative Management Associates | 23 out of 32 = 71.8% |
| Rainier Investment Management | 9 out of 10 = 90% |
| Ram Trust Services | 9 out of 14 = 64.2% |
| Renaissance Investment | 12 out of 20 = 60% |
| Robeco Investment Management | 18 out of 22 = 81.8% |
| Segall, Bryant & Hamill | 5 out of 7 = 71.4% |
| Seizert Capital Partners | 6 out of 7 = 85.7% |
| Shareholder Assoc. for Research & Education | 17 out of 18 = 94.4% |
| Stone Ridge Investment Partners | 7 out of 11 = 63.6% |
| T Rowe Price | 19 out of 32 = 59.3% |
| TIAA-CREF | 16 out of 31 = 51.6% |
| Tradewinds Global Investors | 12 out of 15 = 80% |
| Victory Capital Management | 20 out of 32 = 62.5% |
| Wedge Capital Management | 7 out of 11 = 63.6% |
| WestEnd Advisors | 3 out of 5 = 60% |
| Westfield Capital Management | 6 out of 7 = 85.7% |
| Winslow Capital Management | 4 out of 5 = 80% |

Bottom Tier

| | |
|-----------------------|----------------------|
| Alliance Bernstein | 12 out of 32 = 37.5% |
| American Funds | 5 out of 23 = 21.7% |
| BlackRock Funds | 11 out of 32 = 34.3% |
| Dodge & Cox | 0 out of 6 = 0% |
| Dreyfus | 14 out of 30 = 46.6% |
| Federated Investors | 5 out of 32 = 15.6% |
| Fidelity Investments | 6 out of 31 = 19.3% |
| Gamco Investors | 0 out of 27 = 0% |
| Lord Abbett & Company | 3 out of 21 = 14.2% |

2010 AFL-CIO Key Votes Survey

Tier Group Listing of Investment Manager Statistics

Bottom Tier

| | |
|--------------------------------------|---------------------|
| Metropolitan West Capital Management | 0 out of 5 = 0% |
| NWQ Investment Management | 3 out of 7 = 42.8% |
| Putnam Investments | 12 out of 30 = 40% |
| State Street Global Advisors | 6 out of 32 = 18.7% |
| TCW | 6 out of 20 = 30% |
| Vanguard Group | 6 out of 32 = 18.7% |

Fewer Than Five Votes

| | |
|---------------------------|--------------------|
| Amalgatrust | 3 out of 3 = 100% |
| Ariel Investments | 2 out of 3 = 66.6% |
| Cambiar Investors | 0 out of 4 = 0% |
| Congress Asset Management | 2 out of 2 = 100% |
| Fiduciary Management | 1 out of 1 = 100% |
| Institutional Capital | 4 out of 4 = 100% |
| MackKay Shields | 4 out of 4 = 100% |
| Montag & Caldwell | 1 out of 3 = 33.3% |
| New Amsterdam Partners | 3 out of 3 = 100% |
| TimesSquare Capital | 0 out of 1 = 0% |
| Trilogy Global Advisors | 3 out of 4 = 75% |

Taft-Hartley Client Votes

| | |
|------------------------------|---------------------|
| Alliance Bernstein | 20 out of 20 = 100% |
| Atlanta Capital Management | 5 out of 6 = 83.3% |
| Brandywine Global Investment | 9 out of 12 = 75% |
| Columbus Circle Investors | 4 out of 4 = 100% |
| FAF Advisors | 14 out of 14 = 100% |
| Fifth Third Asset Management | 17 out of 17 = 100% |
| Fifth Third Bank | 17 out of 17 = 100% |
| First Hawaiian Bank | 4 out of 4 = 100% |
| Griffon Capital | 11 out of 11 = 100% |

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Tier Group Listing of Investment Manager Statistics

Taft-Hartley Client Votes

| | |
|-----------------------------------------|----------------------|
| INTECH | 32 out of 32 = 100% |
| Lord Abbett & Company | 15 out of 15 = 100% |
| MacKay Shields | 2 out of 2 = 100% |
| Manning & Napier Advisors | 2 out of 2 = 100% |
| Mesirow Financial Investment Management | 9 out of 9 = 100% |
| Munder Capital Management | 12 out of 12 = 100% |
| NCM Capital | 13 out of 13 = 100% |
| Northern Trust Investments | 5 out of 5 = 100% |
| NorthPointe Capital | 1 out of 1 = 100% |
| NWQ Investment Management | 5 out of 5 = 100% |
| Putnam Investments | 23 out of 24 = 95.8% |
| Quantitative Management Associates | 18 out of 20 = 90% |
| Rainier Investment Management | 9 out of 9 = 100% |
| Renaissance Investment | 3 out of 3 = 100% |
| Segall, Bryant & Hamill | 6 out of 6 = 100% |
| Seizert Capital Partners | 6 out of 7 = 85.7% |
| State Street Global Advisors | 19 out of 19 = 100% |
| Stone Ridge Investment Partners | 11 out of 11 = 100% |
| TCW | 7 out of 7 = 100% |
| TimesSquare Capital | 1 out of 1 = 100% |
| Tradewinds Global Investors | 3 out of 3 = 100% |
| Westfield Capital Management | 4 out of 5 = 80% |

The Taft-Hartley Client Votes above reflect votes for a segment of clients. Each firm's voting record for a majority of votes cast at its discretion is reported separately in the Summary Statistics By Manager and Tier Group sections.

Full investment manager scorecards are available electronically in the Capital Stewardship Toolbox of the AFL-CIO's website at <http://www.aflcio.org/proxyvotes>.

