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ANNUAL MEETING AND PROXY SOLUTIONS

What information are companies putting in their proxy summaries?

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In recent years, Proxy Statements have moved beyond a compliance-only document.

The use of a proxy summary section in Proxy Statements has grown dramatically over the last few years. As a market indicator, EZOnlineDocuments annually reviews the S&P 500 companies to study the trends in online Proxy Statements and Annual Reports.

If you currently have a proxy summary or are considering adding one to your Proxy Statement, what content should you consider including in it? To help answer that question, EZOnlineDocuments has completed a review of the top twenty listed S&P 500 companies that have a proxy summary to see what content their summaries contain.

What goes into a proxy summary?

Proxy summaries are an exceptionally useful way to present key information that you want to stand out from your lengthy and complex Proxy Statement. The average number of pages in our sample of proxy summaries is five, while the largest is eleven.

Here is a breakdown of what sections are included in this sample of proxy summaries:

95% include Voting Matters

Most of the proxy summaries have a section that lists the voting matters and the company's recommendation for the vote.

85% include Director Nominees

A list of director nominees is also a key section of most proxy summaries. The lists usually include traits such as age, tenure, diversity, independence, primary occupation, committees, and involvement in other boards.

75% include Compensation Highlights

Most proxy summaries in our sample have a section—often lengthy—covering executive compensation. Other sections, such as a discussion on the link between pay and performance, compensation program enhancements, and key features of the executive compensation program, are also often included.

70% include Governance Highlights

Most proxy summaries in our sample highlight their corporate governance practices.

55% include Performance Review

Just over half of the proxy summaries in our sample showcase their performance in sections such as Operational Performance, Business Performance, Financial Review, or other similar sections.

50% include Board Composition

Half of the proxy summaries in our sample showcase the composition of the board on various measures such as diversity, tenure, age, experience, and many other traits and skills. This section often includes charts and diagrams for impact.

50% include Meeting Dates and Notice or How to Vote

Half of the sample Proxy Statements put the meeting date and notice or a how to cast a vote section in the summary instead of on its own page.

20% include Return to Shareholders

Some proxy summaries include a section showcasing their return to shareholders.

20% include Company Values/Overview

Some proxy summaries include a company overview or list of values, using the summary as an opportunity to discuss overall company objectives.

Companies in this review:

Apple Inc.
Microsoft Corporation
Johnson & Johnson
JPMorgan Chase & Co.
Alphabet Inc. (Google)
Wells Fargo & Company

Bank of America Corporation
General Electric Company
AT&T Inc.
The Procter & Gamble Company
Pfizer Inc.
Comcast Corporation
Citigroup Inc.

Philip Morris International Inc.
The Home Depot, Inc.
UnitedHealth Group Incorporated
Visa Inc.
Verizon Communications Inc.
Merck & Co., Inc.
The Coca-Cola Company

Visually showcasing proxy summary data

The proxy summary is the most common feature of upgraded Proxy Statements. This three-to-five page summary focuses on key voting issues, corporate governance, compensation and business results. The use of infographics draws the reader's attention to key points and makes the summary visually appealing. The best proxy summaries in our sample group utilize charts and diagrams to help investors easily digest information.

Proxy Statements have moved beyond a compliance-only document.

Whether you want to win the vote by enhancing proxy style and messaging, save money by streamlining your annual general meeting process and restructuring mailing costs, or maintain seamless control of your communications with an intuitive SaaS platform, Toppan Merrill offers customized publishing solutions catered to your shareholder communications needs.

Toppan Merrill has extensive experience helping top-tier clients upgrade and update Proxy Statements to improve shareholder communications and create a more dynamic corporate identity, while also proactively managing key issues such as production costs, scheduling, and postage fees.

This image shows a detailed proxy statement executive summary for Hewlett-Packard Enterprise Company (HPE) for the 2019 annual meeting. The document is organized into several sections:

- SUSTAINABILITY**: A section titled "SUSTAINABILITY" includes a mission statement and a timeline for environmental, social, and governance (ESG) integration.
- ESG Principles**: A section titled "ESG Principles" outlines the company's commitment to environmental, social, and governance principles.
- ESG Core Values**: A section titled "ESG Core Values" highlights the company's values related to environmental, social, and governance.
- Proxy statement executive summary**: The main summary section provides an overview of the proposals to be voted on at the annual meeting, including the election of directors, ratification of independent registered public accounting firm, advisory vote to approve executive compensation, and stockholder proposal related to action by written consent of stockholders.
- Annual meeting of stockholders**: A table providing details about the meeting, including the time and date (11:00 a.m. Pacific Time, Wednesday, April 3, 2019), place (Online at HPE.onlineshareholdermeeting.com), and record date (February 4, 2019).
- Proposals to be voted on and board voting recommendations**: A table detailing the proposals and the Board's recommended votes, such as a vote FOR the election of each of the 12 nominees.

About Toppan Merrill

Toppan Merrill, a leader in financial printing and communications solutions, and its parent, Toppan Leefung, are part of the Toppan Printing Co., Ltd., the world's leading printing group, headquartered in Tokyo with approximately US \$14 billion in annual sales. Toppan Merrill has been a pioneer and trusted partner to the financial, legal and corporate communities for five decades, providing secure, innovative solutions to complex content and communications challenges.

Through proactive partnerships, unparalleled expertise, continuous innovation and unmatched service, Toppan Merrill delivers a hassle-free experience for mission-critical content for capital markets transactions, financial reporting and regulatory disclosure filings, and marketing and communications solutions for regulated and non-regulated industries.

With global expertise in major capital markets, Toppan Merrill delivers unmatched service around the world.

Enhance your annual meeting and proxy statement the way you want and the way your shareholders want.