

ICI VIEWPOINTS

NOVEMBER 10, 2010

ICI Research Shows How Funds Have Addressed Changing Mix of Proxy Proposals

By ICI Strategic Communications

New ICI research on trends in proxy voting by mutual funds finds that the 2007–2009 financial crisis altered the mix of proxy proposals funds voted on. Our economists' examined more than 10 million fund votes cast during this period. Funds, as they contended with these changes, were guided by the principle of voting for proxy proposals on their merits, in accordance with fund policies and voting guidelines designed to advance the interests of fund shareholders.

The study, *Trends in Proxy Voting by Registered Investment Companies, 2007–2009*, finds that funds' voted 50 percent of the time in favor of shareholder proposals was 50 percent in 2009, up from 35 percent in 2007. This to a great extent reflected a change in the mix of shareholder proposals toward proposals relating to shareholder rights, which funds tend to favor. Notably, these years saw a sharp increase in shareholder proposals seeking the right to call special shareholder meetings and proposals seeking an advisory vote on executive compensation.

- Read *Trends in Proxy Voting by Registered Investment Companies, 2007–2009*.
- Learn more about ICI's work on [corporate and fund governance](#).

Staff members across ICI Strategic Communications contribute to various ICI publications, including ICI Viewpoints.
