



**PROXY VOTING AT A GLANCE**  
**May 31, 2015 – June 1, 2016**

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Sound corporate governance principles enhance the NC SRP long-term portfolio value. Voting rights should be exercised for the exclusive benefit of NC SRP members and their beneficiaries.

**Post-transition Account Status**

- All account set up successfully and connectivity between custodial system and voting system at Glass Lewis confirmed.
- Ongoing, monthly account audit implemented to verify voting status and to ensure there are no instances of equity cross-overs between DB and DC proxy policies.

<p><b>Most active voting regions</b></p> <ul style="list-style-type: none"> <li>• United States and Canada</li> <li>• Europe</li> </ul>	<p><b>Least active voting regions</b></p> <ul style="list-style-type: none"> <li>• Africa</li> <li>• Oceania</li> </ul>
<p><b>Most common proposal categories – Management</b></p> <ul style="list-style-type: none"> <li>• Board related: Election of directors</li> <li>• Audit and Financials: Financial statement</li> <li>• Compensation: Executive compensation and director’s fees</li> </ul>	<p><b>Most common proposal categories – Shareholders</b></p> <ul style="list-style-type: none"> <li>• Governance: Separation of Chair and CEO</li> <li>• Social: Political spending and lobbying reports</li> <li>• Environmental: Climate change</li> </ul>

**North Carolina- based Companies – Proposals of Interest**

- Bank of America management issued a proposal to ratify the bylaw permitting Board to appoint a non-independent chairman.
- BB&T management proposed an advisory vote on executive compensation.
- Reynolds American, Inc., management proposed an increase of authorized shares of common stock.