Attached are AFSCME’s comments on the proposed guideline updates. We appreciate the opportunity to provide comments and feedback.

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Board Response to Management Say-on-Pay Vote (U.S.)

- Does a support level of less than 70 percent warrant an explicit response from a company to address concerns – i.e., including actions or an action plan? If not, what opposition level warrants an explicit response?

Yes. We’d suggest that a support level of less than 80 percent may be an even better place to start for a company to need to address compensation concerns. As can be seen in the overall numbers for 2011, support for MSOPs largely exceeds 90% at most companies. Anything less than 90% begins to stand out. Anything less than 80% indicates a level of serious investor concern.

- Should boards be expected to provide an explicit response to a low supported MSOP proposal by the year following that vote; or should accountability be based on the results of more than one low MSOP vote?

Yes. One low vote (less than 70%) deserves a response for what actions the board has taken.

- Are there additional factors that investors should consider for the case-by-case analysis, besides those mentioned above?

It likely will fall into the case-by-case nature of consideration for compensation committee members, but any failing MSOP vote should trigger a vote against the Compensation Committee that fails to respond in any way to the vote.

Board Response to Management Say-on-Pay Frequency Vote (U.S.)

We agree that boards that ignore a majority frequency vote by implementing a lesser frequency warrant a vote against each incumbent director.

Proxy Access Proposals (U.S)

We generally support proxy access proposals. That said, we will also take into consideration the contours and mechanics of each proposal.

Evaluation of Executive Pay (Management Say-on-Pay) (US*)

We believe the proposed change adding a five-year trend review of pay alignment is positive.

In terms of factors to be included for qualitative review, an additional factor we believe should be included is internal pay disparity. We believe an excessive pay disparity between the CEO and other NEOs qualifies as a problematic pay practice and is worth noting.

Equity Plans Related to Section 162(m) (U.S.)

- Should the potential tax deduction on performance-based compensation for named executive officers outweigh the adverse impact of problematic features in equity plans for 162(m) proposals from new IPO companies?
- Answer: No.

Political Contribution Proposals (U.S.)

We support the change in policy from case-by-case to generally support. As a general matter, we believe that companies should disclose their policies and oversight mechanisms, and we prefer annual disclosure of actual contributions in a report.

As an additional matter, we believe the same principles should apply to proposals seeking greater lobbying disclosure, taking into consideration disclosure of payments to trade associations as well as disclosure of state-level lobbying, noting there are many states that do not require disclosure.