

## UPCOMING MEETINGS

James Hardie  
Industries SE  
June 2, 2010

DIRECTV  
June 3, 2010

Compagnie de  
Saint-Gobain  
June 3, 2010

China Pacific  
Insurance (Group)  
June 3, 2010

Valeo  
June 3, 2010

Sberbank Rossii  
June 4, 2010

Wal-Mart Stores  
June 4, 2010

Solar Millennium  
June 5, 2010

SAP AG  
June 8, 2010

Hon Hai Precision  
Industry Co.  
June 8, 2010

Target Corporation  
June 9, 2010

France Télécom  
June 9, 2010

# GLASS LEWIS WEEKLY PROXY BULLETIN

## 2010 MEETING HIGHLIGHTS

JUNE 2, 2010

**Hon Hai Precision Industry Co. AGM June 8, 2010** Subsidiary Foxconn is now the focus of criticism and troubling questions about a wave of employee suicides at a pair of factories that supply global brands like Apple, Dell and Hewlett-Packard. Some of China's state-run newspapers have published a series of sensational reports about the suicides alongside exposés detailing harsh conditions inside Foxconn factories. Articles have described the company's authoritarian management style as well as the heavy burdens workers face in trying to meet production quotas. Executives have invited sociologists and mental health experts to offer advice about how to prevent additional deaths, but whether this will be enough to mitigate shareholder ire remains to be seen.

**Freeport-McMoRan Copper & Gold Inc. AGM June 9, 2010** A proposed amendment to the 2006 Stock Incentive Plan may expand the class of eligible participants to permit non-management and advisory directors to participate and receive annual grants. Not only does the analysis suggest that the annual cost of director compensation significantly exceeds that of its peers, but the Company is also planning to appoint four former directors to serve in advisory roles. What's more, each of these individuals also receives material consulting fees from the Company. Shareholders should encourage the Company to appoint new directors to the board, un beholden to management, who may be able to offer a fresh perspective on oversight issues.

**Abercrombie & Fitch Co. AGM June 9, 2010** All three nominees at last year's annual meeting received withhold votes in the range of 42-50% for reasons including the extension of the Company's poison pill without shareholder approval, and the compensation committee's failure to align pay with performance. Unfortunately, this year, Abercrombie's governance practices are anything but fashionable. Non-independent directors remain members of key board committees while the Company has again received an "F" in our pay-for-performance analysis.

**Chesapeake Energy Corporation AGM June 11, 2010** CEO Aubrey McClendon's 2008 compensation package was one of the most controversial and complex that year, and solidified him as the second highest-paid CEO in the US. Unsurprisingly, the Company maintains a pattern of poor pay-for-performance practices and again, provides shareholders with exceptionally poor disclosure of its compensation policies and procedures. The board has also blatantly ignored the will of shareholders by refusing to implement two shareholder proposals that each received well over a majority of the affirmative votes cast at the 2009 meeting. We believe shareholders should focus their energies on withholding votes from members of the compensation, nominating and corporate governance committees, voting against an amendment to the Long-Term Incentive Plan, and supporting four out of the six shareholder proposals up for a vote this year.