



# GLASS LEWIS

## Best Practice Principles for Providers of Shareholder Voting Research & Analysis

---

Statement of Compliance for the Period of 1 January 2020  
through 31 December 2020

[www.glasslewis.com](http://www.glasslewis.com)

# Table of Contents

Introduction.....	4
About Glass Lewis .....	5
Principle 1: Service Quality .....	6
Introduction to Glass Lewis.....	6
Responsibilities to Customers .....	6
Quality of Research .....	7
Research Methodologies .....	8
Voting Policies and Guidelines.....	9
Shareholder Policies.....	9
Employee Qualifications & Training .....	12
Commitment to Diversity, Equity, and Inclusion .....	14
Timeliness .....	15
Complaints & Feedback Management.....	15
Customer and Supplier Understanding .....	16
Customer Disclosure Facilitation .....	17
Audit and Assurance on Operations .....	17
Principle 2: Conflicts of Interest Avoidance or Management.....	18
Introduction .....	18
Conflicts of Interest Policy.....	18
Possible Conflicts for Consideration.....	18
Conflict Management & Mitigation.....	19
Conflict Disclosure .....	20

Principle 3: Communications Policy .....	22
Introduction .....	22
Dialogue with Public Companies, Shareholder Proponents and Other Stakeholders.....	22
Engagement with Public Companies .....	22
Engagement During the Solicitation Period .....	24
Issuer Data Report (IDR) .....	25
Errors or Omissions .....	25
Report Feedback Statement (RFS).....	26
Stakeholder Communications .....	26
Dialogue with Media, Regulatory Authorities, and the Public.....	27
Media .....	27
Regulatory Authorities.....	27
The Public.....	27
Feedback .....	28
Appendix A: Issuer Data Report (IDR).....	29
Appendix B: Report Feedback Statement (RFS).....	30
Connect with Glass Lewis.....	32

# Introduction

Glass Lewis is pleased to provide this annual statement of compliance with the Best Practice Principles for Providers of Shareholder Voting Research and Analysis 2019 (“Principles” or “BPP”) covering the period 1 January 2020 through 31 December 2020.

The Principles are the result of a thorough review process by the Best Practice Principles Group (“BPPG”) with reference to the latest updated stewardship codes globally, the requirements of the revised EU Shareholder Rights Directive II (“SRD II”) and the ESMA 2015 Follow-Up Report on the Development of the Best Practice Principles for Providers of Shareholder Voting Research and Analysis (“2015 ESMA Follow-Up Report”). The Principles are also informed by the input of institutional investors, public companies, and other stakeholders received through a public consultation by the BPPG (completed in December 2017) and a review by the BPP Review Committee chaired by an independent review chair. The 2019 Principles replace the original 2014 Principles. The BPPG implemented a new independent oversight structure, the Independent Oversight Committee (“IOC”), in 2020 to oversee proxy advisors’ reporting against the Principles. This statement reflects reporting improvements based on the feedback Glass Lewis received from the IOC on its 2019 Compliance Statement.

The Principles, applied through an apply-or-explain framework, are designed to help institutional investor customers and other stakeholders understand the nature and character of shareholder voting research and analysis services; the standards of conduct that underpin those services; and, how signatories to the Principles interact with other market participants. They are not a rigid set of prescriptive rules; rather they consist of a set of Principles and accompanying Guidance.

The three Core Principles are:

1. Maintaining a high level of service quality,
2. Disclosure of policies that address potential or actual conflicts of interest, and
3. Publication of policies for communication, with public companies, shareholder proponents, other stakeholders, the media, and the public.

This Statement of Compliance includes an introduction to Glass Lewis and three sections that describe how Glass Lewis applies each of the three Principles to its business model and to the products and services it provides its customers.

# About Glass Lewis

Glass Lewis<sup>1</sup> is the world's choice for governance solutions. We enable institutional investors and publicly listed companies to make sustainable decisions based on research and data. We cover nearly 30,000 meetings each year, across approximately 100 global markets. Our team has been providing in-depth analysis of companies since 2003, relying solely on publicly available information to inform its policies, research, and voting recommendations.

Our customers include many of the world's largest pension plans, mutual funds, and asset managers, collectively managing over \$40 trillion in assets. We have teams located across the United States, Europe, and Asia-Pacific giving us global reach with a local perspective on the important governance issues.

Investors around the world depend on Glass Lewis' [Viewpoint](#) platform to manage their proxy voting, policy implementation, recordkeeping, and reporting. Our industry leading [Proxy Paper](#) product provides comprehensive environmental, social, and governance research and voting recommendations weeks ahead of voting deadlines. Public companies can also use our innovative [Report Feedback Statement](#) to deliver their opinion on our proxy research directly to the voting decision makers at every investor customer in time for voting decisions to be made or changed.

The research team engages extensively with public companies, investors, regulators, and other industry stakeholders to gain relevant context into the realities surrounding companies, sectors, and the market in general. This enables us to provide the most comprehensive and pragmatic insights to our customers.

In 2020, Glass Lewis was a portfolio company of the Ontario Teachers' Pension Plan Board ("OTPP") and Alberta Investment Management Corp ("AIMCo").<sup>2</sup> Glass Lewis operated as an independent company separate from OTPP and AIMCo. Neither OTPP nor AIMCo was involved in the day-to-day management of Glass Lewis' business. Moreover, Glass Lewis excluded OTPP and AIMCo from any involvement in the formulation and implementation of its proxy voting policies and guidelines, and in the determination of voting recommendations for specific shareholder meetings.

---

<sup>1</sup> For purposes of this Report, Glass Lewis includes Glass, Lewis & Co., LLC (U.S.) and its affiliates: Glass Lewis Europe Limited (Ireland), GL&M UK Limited (U.K.), IVOX Glass Lewis GmbH (Germany), CGI Glass Lewis Pty Ltd. (Australia), and GL&M Japan GK (Japan).

<sup>2</sup> On March 16, 2021, Glass Lewis announced that it was acquired by Peloton Capital Management and Stephen Smith.

# Principle 1: Service Quality

*BPP Signatories provide services that are delivered in accordance with agreed-upon investor client specifications. BPP Signatories should have and publicly disclose their research methodology and, if applicable, “house” voting policies.*

## Introduction to Glass Lewis

Glass Lewis believes that proxy advisors play an important support role, helping institutional investors meet their fiduciary responsibility to vote thousands of securities on behalf of their participants and beneficiaries in an informed manner, often in a very compressed timeframe.

Glass Lewis supports proxy voting, as well as engagement and compliance processes, of institutional investors globally.

Specifically, governance research and vote management services are offered on the basis of established standards relating to Glass Lewis’ research methodologies and voting policies as outlined below. While institutional investors may use Glass Lewis research and recommendations in their decision-making processes, Glass Lewis is neither an investment research firm nor does it have the authority to make voting decisions on institutional investor customers’ behalf.

Glass Lewis has an entrepreneurial and collaborative culture that emphasizes transparency, integrity, and accountability. Our employees are an integral part of the value proposition for our customers so we prioritize employee development and empowerment which enables us to promote from within and retain our most valuable employees.

Glass Lewis views our relationship with customers as a partnership where we work closely to find new solutions to help drive their stewardship activities. Accordingly, customer and stakeholder feedback is always a key input in our product development and continuous improvement processes.

## Responsibilities to Customers

Glass Lewis, like other proxy advisors, is hired by institutional investors to assist them in voting their shares in public companies in a thoughtful, timely, and accurate manner. This is accomplished through the research, recommendations, data, and operational support that are core aspects of our services.

Glass Lewis provides contextual, accurate, and timely research, recommendations, and data to our customers, based on the analysis of information culled from public disclosure. The effectiveness of these deliverables is best

### 2020 Glass Lewis Research Statistics

Markets covered: **87**

Public companies covered: **21,193**

Companies covered by region:

- EMEA: **5,667**
- LATIN AMERICA: **619**
- ASIA PACIFIC: **13,549**
- NORTH AMERICA: **7,033**
- OCEANA: **906**

Total Reports Written: **27,774**

measured through the timeliness and accuracy metrics provided to customers as part of regular service level reporting.

Glass Lewis also provides operational support in the form of systems and service team members. The systems provide the infrastructure required to support the complexities of global voting and custom voting guidelines, as well as auditing, workflow, and reporting requirements. The service team provides oversight and support to customers. The effectiveness of these deliverables is best measured through KPI metrics provided as part of regular service level reporting and customer survey scores.

The most comprehensive measure of the effectiveness of our services is through the renewal rates of our customers. They have a choice in service providers so they must believe they are getting value commensurate with the cost of our services.

## Quality of Research

Glass Lewis is dedicated to supporting the creation and preservation of long-term shareholder value through best-in-class proxy voting solutions and high quality, independent analysis of governance, environmental, social, finance, accounting, legal, and reputational risks at public companies worldwide.

Glass Lewis employs robust processes and procedures to meet the highest standards for accuracy, quality, and timeliness. These include but are not limited to:

- Employee hiring and training procedures,
- Management review of research services,
- Data checks,
- Application of the four-eyes principle,
- Vote recommendation audits,
- Procedures for responding to the disclosure of supplemental material information following the publication of a Proxy Paper research report, and
- Online, auditable process for receiving, tracking, and responding to alleged errors or omissions in reports that are brought to Glass Lewis' attention (see below for further discussion of Glass Lewis' error correction and notification procedures).

Glass Lewis' experienced, multi-disciplinary research team leverages formal training and commercial experience in finance, accounting, law, business management, public policy, and international relations. The research department comprises multiple research practices: Annual General Meeting (AGM), Remuneration, Mergers & Acquisitions, Quantitative Analysis, and ESG. The AGM team is divided into regional teams, each of which is led by an analyst with relevant, specialized experience. Glass Lewis has a detailed research process requiring several levels of review and approval prior to publication of research and recommendations. The authority to publish Glass Lewis Proxy Paper research reports, thereby providing them to customers, is limited based on the issues covered in the report as well as the analyst's specialty, seniority, and expertise.

Glass Lewis' proprietary databases allow the firm to maintain detailed audit tracking of analysts' work, as well as to keep records of company disclosures used in the preparation of Proxy Paper research reports. No private information is used by Glass Lewis research staff, while external information (e.g. newspaper articles, summary

of regulations, etc.) used in the analysis is referenced in the relevant report. Additionally, the sources of third-party data or information used in developing Glass Lewis services are identified in the relevant sections of reports. Internal notes summarizing information and/or clarifications gathered through exchanges with public companies and shareholder proponents are stored in Glass Lewis' databases for review by the research staff. Glass Lewis tracks exchanges with public companies, including error/correction rates, and provides such information to customers upon request.

## Research Methodologies

Glass Lewis has policy approaches for each of the markets where it provides research on public companies that recognize national and supranational regulations, codes of best practice, and established governance practices, among other considerations.

Glass Lewis' policy approaches are intended to provide a consistent framework for analyzing corporate governance issues at each company in each market. Nevertheless, they are designed to be applied in a flexible manner, allowing analysts to exercise bounded judgment when assessing each issue on the ballot in order to make a recommendation that serves the best interests of shareholders. This approach provides consistency, while still allowing for consideration of the unique circumstances of a company, including performance, size, maturity, governance structure, responsiveness to shareholders, and place of listing and incorporation.

While Glass Lewis has proprietary models for evaluating the link between compensation and performance and for assessing stock-based compensation plans, the firm also reviews these types of issues on a qualitative basis, taking into consideration the specific facts and circumstances of each company, including any rationale provided by the board for its decisions. For example, in addition to quantitative tests, stock-based compensation plans are evaluated for qualitative features that are relevant to our customers' assessment of the plan, such as reload,



repricing or evergreen provisions, single-trigger change in control arrangements, award limits, performance criteria, and the independence of the plan administrators.

Glass Lewis research and recommendations are based exclusively on publicly available information. Accordingly, Glass Lewis encourages companies to provide comprehensive and clear disclosure about the relevant issues for consideration by shareholders. Glass Lewis does not incorporate into our research information that is not available to all other market participants.

When Glass Lewis analysts require clarification on a particular issue they will reach out to companies, but otherwise generally refrain from meeting privately with companies during the solicitation period. Please refer to the Communication Policy section of this Statement of Compliance for information regarding Glass Lewis' policy for communication with public companies.

Glass Lewis directly sources annual and special meeting information from stock exchanges, regulators, companies (via direct mailings and company websites), custodians, transfer agents, and other forms of direct procurement. Proxy materials are stored in Glass Lewis' research databases, made available to customers for their review, and duly referenced in Glass Lewis Proxy Paper research reports whenever appropriate.

## Voting Policies and Guidelines

### Shareholder Policies

The supermajority of Glass Lewis institutional investor customers, which include many of the world's largest public pension funds, asset managers and mutual funds, vote according to a custom policy or via a custom process for reaching vote decisions, in line with what is becoming the standard practice among institutional investors. Accordingly, custom policy customers rely on Glass Lewis more for data and analysis than for Glass Lewis' voting recommendations.

Glass Lewis supports institutional investor customers in the development and implementation of custom policies. A customer's existing voting policy is initially reviewed both by research staff and a dedicated custom policy team in order to identify areas that require further discussion with the customer before the custom policy is implemented. During the implementation process, the Glass Lewis custom policy team discusses the options that can be used to accommodate the customer's specific approaches to various issues. Once the policy is fully developed, the customer reviews a final implementation document to ensure that its policy is being implemented by Glass Lewis in a manner that is in line with the customer's instructions. Throughout the year, custom policy managers monitor trends and developments in corporate governance and proxy voting, and will consult with customers to implement new approaches that are consistent with their policies. In addition, Glass Lewis conducts annual policy reviews with each custom policy customer to further analyze the customer's policy and discuss any developments that might result in modifications to the policy.

Custom policy customers receive vote recommendations based on customer custom policies, as well as the rationales for each recommendation. Custom policy customers also have access to Glass Lewis Proxy Paper reports, which feature analysis and recommendations based on the Glass Lewis house policy. IVOX Glass Lewis custom research customers may also receive research reports that are based on the [BVI](#) policy or their own

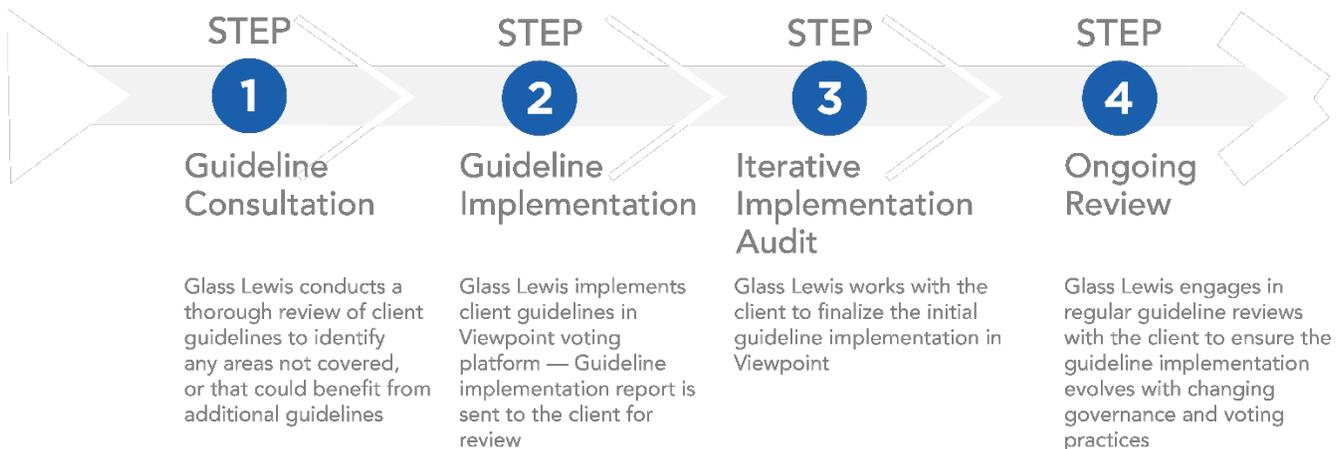
custom policy. Glass Lewis Proxy Papers and IVOX Glass Lewis custom research reports contain extensive data, information, and analysis for relevant agenda items.

All institutional investor customers, with the exception of IVOX Glass Lewis custom research customers as previously mentioned, receive the same Glass Lewis Proxy Paper report, in the same format, at the same time and with the same recommendations. The Proxy Paper reports are not customized for any customer or customer investment strategy. In conjunction with the publication of the Proxy Paper report, Glass Lewis also generates and displays customer custom recommendations through our web-based voting platform, Viewpoint.

Viewpoint applies customer custom policies to each meeting using a proprietary rules engine developed by Glass Lewis. The logic-based rules engine technology and agnostic data collection process used by Glass Lewis ensure that custom policies are applied in an objective and consistent manner that is fully logged and auditable. As upcoming meetings are identified, each proposal is categorized by Glass Lewis research analysts. The rules engine then references the relevant customer policies for those proposals, determines the data points that are required to apply the policies, and prompts the research analysts working on that meeting to furnish the data points. Once all of the necessary information has been gathered and reviewed for accuracy, the rules engine processes the relevant rules and generates the custom recommendations for customers.

Many customers employ hybrid policies. Vote decisions of hybrid policy customers may be based on a combination of recommendations generated by the customer custom policy, the Glass Lewis house policy, and issues that were “referred” for case-by-case analysis by the customer.

Whether customers elect to receive vote recommendations according to a custom policy, a hybrid policy, or the Glass Lewis house policy, they control when and how votes are cast. Viewpoint provides customers with the ability to override recommendations triggered by their selected policy or policies, which they often elect to do. Customers are responsible for designing and managing their vote management preferences, assigning review and voting rights to users, etc. Glass Lewis is responsible for ensuring that voting is conducted in accordance with customer instructions.



### Glass Lewis “House” Policies

Glass Lewis’ Senior Vice President of Research & Engagement oversees the development and implementation of the Glass Lewis house voting policies, in consultation with the Glass Lewis Research Advisory Council, an independent external group of prominent industry experts. In 2020, the Research Advisory Council was

composed of David Nierenberg (Chair), Charles Bowsher, Jesse Fried, Bonnie Hill, Stephanie Lachance, and Katherine Rabin. Please refer to [www.glasslewis.com/leadership-2/](http://www.glasslewis.com/leadership-2/) for more details about the Glass Lewis Research Advisory Council.

While Glass Lewis applies global general principles, including promoting director accountability, fostering close alignment of remuneration and performance, and protecting shareholder rights across all of these policies, Glass Lewis closely tailors our approach to each country's relevant regulations, practices, corporate governance codes, and stewardship codes. Guidelines are revised and enhanced at least annually in response to regulatory developments, market practices, and public company trends, which are closely monitored and assessed throughout the year. Policy updates are usually made publicly available in November and December.

Glass Lewis policies are formulated via a bottom-up approach that involves extensive discussions with a wide range of market participants, including institutional investor customers, public companies, public company organizations, academics, and subject matter experts, among others. Ongoing dialogue with the various industry players and active participation in panels, working groups, and industry conferences allow Glass Lewis to keep abreast of and respond to industry developments. In addition, Glass Lewis accepts feedback about our policies throughout the year via a dedicated mechanism on our public website.

Policy changes and report enhancements are driven by such engagement, as well as by in-depth internal discussions involving the various research teams and focusing on any gap between existing guidelines and market developments. Changes may also be made in response to voting outcomes of the previous proxy season and review of academic literature and regulatory body reports, among other sources.

When Glass Lewis policy guidelines deviate from local standards on that same topic and apply stricter principles as a way to promote better governance practices, market standards are nevertheless clearly identified in the voting guidelines and the Glass Lewis Proxy Paper research reports to allow customers to make an informed decision.

The Glass Lewis house policy is not a “default option” that it either seeks to steer customers into, or that must be “disabled” by a customer who wishes to vote otherwise. Most customers that choose to adopt Glass Lewis' policy toward one or more voting issues do so after a thorough review of Glass Lewis guidelines, methodologies, and research samples, in conjunction with an assessment of the experience and qualifications of Glass Lewis' management and analysts. Such evaluation often involves presentations by Glass Lewis to various members of the investor organization, including members of investment management, compliance, or risk management groups, as well as proxy committees and fund trustees, among others. Customers that adopt some or all of Glass Lewis' policies as their own generally do so after determining that the Glass Lewis approach closely reflects their own view; they will review the policy at least annually and, over time, often choose to customize some of their approaches as their views on issues evolve.

Information regarding Glass Lewis' policies and research methodologies is available on Glass Lewis' public website at [www.glasslewis.com/guidelines](http://www.glasslewis.com/guidelines).

## Employee Qualifications & Training

The biographies of Glass Lewis' management and senior executives are available via the Glass Lewis public website at [www.glasslewis.com/leadership-2/](http://www.glasslewis.com/leadership-2/). Information about the staff is available to current customers, who may assess the qualifications of Glass Lewis' analysts as part of their due diligence, as well as to prospects.

Glass Lewis' proxy research efforts are led by the Senior Vice President of Research and Engagement. Glass Lewis employs a team of 380+ professionals with diverse, relevant experience and education, and allows them to exercise bounded judgment, while senior management closely oversees the development of new and existing policies and research. The research group includes professionals who collectively speak 25+ languages. Glass Lewis' global perspective is further informed by the unique talents and experience of Glass Lewis' independent Research Advisory Council.

All Glass Lewis analysts have at least a bachelor's degree in a relevant field while many Glass Lewis executives, senior managers, and senior analysts have advanced degrees and/or professional experience in relevant disciplines such as law, business, public policy, finance, and accounting. Most of the permanent team has worked at Glass Lewis for several years, including some who have been with the firm since its founding in 2003. As previously noted, depending on the size and complexity of the company being analyzed, the report will be edited by several additional analysts, up to and including the Senior Vice President of Research and Engagement, Vice Presidents, and Directors of Research. Specialized teams devoted to analyzing remuneration, ESG, and mergers and other financial transactions also contribute to and review reports, as necessary. Publishing rights are limited to senior research staff.

Glass Lewis closely manages the training and professional development of its Research staff.

**Temporary Employees ("Research Associates").** Glass Lewis employs some staff on a temporary contract basis. These staff have the title "associate" and are responsible for assisting in the preparation of data collection and preliminary drafts of research reports. Research Associates, however, have no authority to publish Glass Lewis reports, which remains the responsibility of our Research Analysts.

All Research Associates participate in an approximately three-week intensive training period at the beginning of their employment. Depending on which market, team, or topic the Research Associate will be focused on, detailed training will be received on some or all of the following:

- Governance – General concepts of corporate governance; analyzing public company filings; analysis of board elections, committee memberships, director qualifications, and skills matrices, etc.; and an introduction to the Glass Lewis proprietary systems and models,
- Compensation – Analysis of executive pay practices; incentive plans; pay program disclosure; pay-for-performance; analysis of equity plans, etc,
- ESG – Training on how to perform long-form qualitative written analysis of topical issues including climate change, board diversity, and human rights, among others.

The training conducted during this period includes live sessions with an experienced analyst where prepared training materials are presented, breakout sessions to work on test reports using historic company filings, and Q&A sessions to resolve any questions or challenges new employees may face at any point during the training program.

**Permanent Employees (“Research Analysts”).** The entry level position for permanent research staff is that of junior research analyst (“Junior Analyst”). The Junior Analyst will often have completed a proxy season as a Research Associate, though if they have not they will still receive the same training afforded to Research Associates, including weeks spent assisting more experienced analysts in the preliminary preparation of research reports, before gaining the authority to publish Glass Lewis reports.

Onboarding of Junior Analysts, whether or not they are from the Research Associate pool, includes a detailed mentorship program with a senior member of the research team. The mentorship program focuses on providing Junior Analysts with a deeper dive into the Junior Analyst’s area of expertise, ongoing feedback on the Junior Analyst’s reports from senior publishers of the research team, along with weekly 1:1 check-ins with the Junior Analyst’s manager. Each employee will be given personal goals (typically at the beginning of each calendar year) by their supervisor and receives ongoing feedback of their progression throughout the year. These goals generally include mastery of additional concepts, analysis of complex issues, and the ability to incorporate a case-by-case assessment when applying Glass Lewis policy, completion of which would then enable them to act as final reviewers of Glass Lewis reports. Junior Analysts generally progress to the title of Research Analyst within six-months to one-year after their completion of this mentorship program.

Prior to gaining full rights to publish Glass Lewis reports, Research Analysts participate in a “peer editing” program, whereby they are no longer in an assisting role with respect to the preparation of the research reports, but instead are able to prepare reports that are subject to review from a more experienced analyst before publishing.

Research Analysts also receive training on how to engage with public companies, which includes understanding Glass Lewis’ engagement policy and learning how to address common subject matter questions that may arise during an engagement meeting. Research Analysts are trained on company engagement via “mock” engagements where members of the research staff role-play common engagement scenarios with new analysts and provide detailed feedback of their responses and etiquette. Research Analysts then participate as observers in real engagement meetings, before eventually becoming full participants in the conversations.

Glass Lewis’ research department has several committees where senior staff can collaborate with junior- to medium-level staff on a range of subjects including policy, product, recruitment, and professional development. Members of each committee will meet on a bi-weekly basis to discuss the relevant topics, how to develop Glass Lewis’ focus in each area, and how to deliver training sessions to the rest of the research team on the relevant subject matter. The professional development committee in particular focuses on exploring new, and developing existing, opportunities to upskill employees on a wide range of research-related skills.

Finally, Glass Lewis’ thought leadership publications, including blog posts and white papers, offer our research team the opportunity to conduct deep dive research on governance voting trends and best practices. More senior research staff members also participate in customer meetings and engagements with companies, which offer the users and subjects of Glass Lewis’ research additional transparency into our thought processes and practices, while increasing our employees’ understanding of institutional investor and corporate perspectives.

**Hiring Process.** Our entry level positions require a minimum of a bachelor’s level degree equivalent or higher. All teams require successful candidates to have strong English writing and editing skills; should the hiring team require a non-English language candidate, the level of proficiency in that language must be business-level

standard at minimum, with a preference for native-level in reading, writing, and verbal. All successful candidates must also have proficiency in computer and typing skills.

**Compliance.** In order to ensure all employees, as well as all independent contractors, temporary workers, and agents that are subject to the supervision and control of Glass Lewis (“Supervised Persons”) understand and comply with all of Glass Lewis’ policies and procedures, all Supervised Persons receive formal trainings assigned or delivered by Glass Lewis’ Compliance Department on Glass Lewis’ policies and procedures. This includes, but is not limited to, Glass Lewis’ policies and procedures on workplace conduct, conflicts of interest, confidential information, data protection and privacy, material non-public information, and personal securities trading, etc.

In addition, certain documents require that Supervised Persons return an acknowledgment form that attests they have read and understand the policies and procedures included therein, and that they agree to abide by them while they are performing work on behalf of Glass Lewis. These include Glass Lewis’ Employee Handbook, Glass Lewis’ Third-Party Worker Policies and Procedures, and Glass Lewis’ Code of Ethics.

Supervised Persons are required to complete the trainings and acknowledgment forms as a condition of their employment/engagement with Glass Lewis and are further required to retake the trainings and re-sign the acknowledgment forms on an annual basis.

The Glass Lewis Compliance Department, comprising the Director of Compliance and the Senior Vice President and General Counsel of Glass Lewis, is responsible for overseeing and enforcing compliance of all Glass Lewis policies and procedures by all Supervised Persons, with the ongoing support of the Glass Lewis Compliance Committee.

## Commitment to Diversity, Equity, and Inclusion

Glass Lewis is a business that has always advocated the importance of good corporate governance, which includes focusing on diversity, equity, and inclusion (DE&I). Glass Lewis’ workforce, including its management and executive team, as more fully described under the Employee Qualifications and Training section above, is comprised of a diverse group of individuals. Glass Lewis is committed to promoting DE&I not only within the workplace – to ensure Glass Lewis maintains an inclusive environment that can attract and retain diverse talent – but also to ensure DE&I is present in the way we conduct our business and interact with the outside world.

Glass Lewis strongly believes that having a diverse and inclusive workforce helps provide a broader and more representative range of perspectives and insights. In addition, companies with a workforce that exemplifies their customer base are in a much better position to be able to understand, service, and support their customers. This has proved true at Glass Lewis, both as it relates to the

### Glass Lewis Diversity Report Card\*

#### Gender

- 45% Female
- 55% Male

#### Ethnicity

- 75% White
- 14% Asian
- 7% Hispanic or Latino
- 3% Black or African American
- 1% Two or more races

\* as of July 2021

development of our policies and the production of our research, as well as our ability to provide services to institutional investors across the globe and engage with companies and stakeholders in over 100 markets.

Glass Lewis treats all individuals, irrespective of their level at the organization, in a respectful way, including with regard to compensation and benefits, continuing education and training, as well as career advancement. All managers are encouraged to maintain open and constructive dialogue with their team members and colleagues. Glass Lewis also makes sure that working conditions for all of its employees are safe and healthy, which include providing access to wellness programs, opportunities for employees to maintain a work-life balance, and requiring all employees to undergo in-depth training on the topics of Diversity & Inclusion, Anti-Harassment, and Managing Bias, at the time of hire and on an annual basis. This also guarantees everyone at Glass Lewis is aware of Glass Lewis' commitment to DE&I, and the importance of DE&I in the workplace.

Finally, because Glass Lewis is strongly committed to continuing to increase diversity throughout all levels of the organization, in 2020 we put in place diversity hiring goals, specifically with regards to the Research Associate program, our largest hiring pool, and launched several other DE&I initiatives, globally.

## Timeliness

Glass Lewis Proxy Paper research reports are typically available at least two (2) to three (3) weeks prior to the meeting date, which provides sufficient time for Glass Lewis to receive and respond to notifications of supplemental filings and potential factual errors. On a global basis, Glass Lewis' average publication date was at least 21 days prior to the meeting date for at least the past three years.

Nevertheless, for many emerging markets with less robust regulatory regimes, proxy materials may be released in a less timely fashion, which can directly impact publishing times. Furthermore, in the case of mergers or proxy contests, where the situation is more fluid due to potential negotiations and additional disclosure by the parties involved, Glass Lewis often publishes its reports closer to the meeting date as it attempts to balance the need to give customers sufficient time to review the analysis with the need to ensure that customers have the complete, up-to-date analysis to support their informed decision-making.

## Complaints & Feedback Management

When Glass Lewis is notified of a purported error or omission, it immediately reviews the Proxy Paper report and, if there is a reasonable likelihood the report will require revision, removes the report from its published status so no additional customers can access it. If a report is updated to reflect new disclosure or the correction of an error, Glass Lewis notifies all customers that have accessed the report or have corresponding ballots, whether or not the update affected any recommendations. Additionally, the exact nature of the report's updates and revisions are clearly described in the republished report.

Public companies or their representatives that notify Glass Lewis of a purported factual error or omission in a Proxy Paper report, that is relevant, will receive a response from the research team addressing their comments and/or questions. However, Glass Lewis does not debate matters of opinion or policy during the solicitation period.

Glass Lewis encourages public companies and shareholder proponents to contact Glass Lewis via our website [www.glasslewis.com/issuer-overview/](http://www.glasslewis.com/issuer-overview/), which is designed to facilitate and track communication with companies, including arranging calls and meetings or submitting complaints. The website also provides a means for public companies and shareholder proponents to comment on and provide feedback on Glass Lewis' Proxy Paper research reports and to notify Glass Lewis of subsequent proxy materials and press releases, as well as perceived errors or omissions in Glass Lewis Proxy Paper reports.

Glass Lewis also notes that the BPPG IOC has established a procedure for any stakeholder concerned about a signatory's response to its concerns to communicate their concerns or feedback directly to the Oversight Committee.

## Customer and Supplier Understanding

Glass Lewis employs a number of methods to foster continuous, proactive communications with our customers. Customers have access to Glass Lewis research staff members and regularly conduct on-site visits.

Moreover, each customer is assigned a client service manager who is responsible for maintaining the relationship with the customer and servicing the customer's proxy voting needs. Through their dedicated client service managers, and information included in various Glass Lewis publications, customers are continuously kept aware of impediments affecting the provision of services by Glass Lewis, such as incomplete or late disclosure by public companies or shareholder proponents, as well as inconsistencies of information provided by other intermediaries, among others.

Glass Lewis continuously solicits and acts on feedback from our institutional investor customers. In addition to soliciting customer input on proxy voting policies and methodologies, at least once a year, Glass Lewis formally surveys our customers to assess:

- Their general satisfaction with Glass Lewis services,
- Specific suggestions for improvement in Glass Lewis services, and
- Input on new features or functions that Glass Lewis might develop to further our institutional investor customers' stewardship activities.

The results of this survey, along with continuous feedback received throughout the year, inform Glass Lewis' priorities for development and improvement in the following year. Glass Lewis also conducts more formal due diligence engagements with customers, providing the opportunity to better understand evolving stewardship needs, and an opportunity to refine our processes.

Based on customer feedback we received on our customers' stewardship priorities in 2020, we launched several improvements to our [ESG solution set](#), including:

- A Climate Action 100+ watchlist function in Viewpoint,
- An ESG Controversy Alert service, and
- A Climate Policy aligned with the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) framework.

Glass Lewis endeavors to constantly innovate in order to provide the best possible support of our customers' stewardship activities.

## Customer Disclosure Facilitation

As each customer's proxy voting processes and procedures are different, the amount of information provided to any particular customer depends on its unique requirements. Glass Lewis client service managers work with each customer to determine the nature and amount of information the customer requires, as well as the schedule for delivery of this information.

Glass Lewis' Viewpoint voting platform features a unique regulatory reporting module that enables compliance with SEC Form N-PX, SEDAR National Instrument 81-106, and other regulatory reporting.

## Audit and Assurance on Operations

Glass Lewis conducts periodic audits of our voting systems to ensure the accuracy and reliability of the voting information received and sent on behalf of customers. Additionally, Glass Lewis employs an external auditor, Grant Thornton, to evaluate the controls in place for our proxy research and voting services as part of our annual SSAE 18 System and Organization Controls (SOC) 1 Type II audit. This audit also measures the effectiveness of Glass Lewis' operating controls, and results from the audit are leveraged for continuous improvement.

# Principle 2: Conflicts of Interest Avoidance or Management

*Signatories should have and publicly disclose a conflicts-of-interest policy that details their procedures for avoiding or addressing potential or actual conflicts of interest that may arise in connection with the provision of services.*

## Introduction

Glass Lewis understands and takes seriously the potential for conflicts of interest to affect the independence and integrity of our research and analysis. Accordingly, Glass Lewis has always taken a rigorous approach to identifying and seeking to prevent conflicts. At the same time, possible conflicts can arise in all businesses and, where conflicts cannot be eliminated, they must be managed and mitigated. Glass Lewis believes that, in such circumstances, proxy advisors must proactively and explicitly disclose those conflicts in a manner that is transparent and readily accessible to customers.

## Conflicts of Interest Policy

Glass Lewis maintains strict policies and procedures governing personal, business, and organizational relationships that may present a conflict in independently evaluating companies. Glass Lewis' Policies and Procedures for Managing and Disclosing Conflicts of Interest, which also contain a Conflict of Interest Statement, are available on Glass Lewis' public website and are reviewed and revised annually by Glass Lewis' Compliance Committee. These policy documents describe in detail how Glass Lewis avoids, manages, and discloses potential conflicts of interest, such as those arising from the ownership of Glass Lewis, as well as other individual and firm conflicts. With the help of Glass Lewis' independent Research Advisory Council, Glass Lewis ensures our policies and guidelines reflect current and developing trends, including regulatory changes and market practices, and that our research meets the highest standards of quality, objectivity, and independence.

## Possible Conflicts for Consideration

Proxy research providers, like many companies, may face conflicts in conducting their business. In the case of proxy advisors, potential conflicts generally fall into three categories: (i) business, such as consulting for public companies or consulting for shareholder proponents and dissident shareholders on meeting-specific initiatives; (ii) personal, such as an employee, an employee's relative(s) or a director to the proxy advisor serving on a public company board; or (iii) organizational, such as being a public company itself or being owned by an institutional investor.

To manage and mitigate potential conflicts, Glass Lewis employs rigorous conflict avoidance safeguards. Glass Lewis maintains its independence from its owners by excluding them from any involvement in the making of Glass Lewis' proxy voting policies and voting recommendations. Glass Lewis also relies exclusively on publicly-

available information for the purpose of developing our proxy analysis and vote recommendations. Glass Lewis avoids off-the-record discussions with companies, directors, shareholder proponents, and dissident shareholders during the proxy solicitation period to ensure the independence of our research and advice and to avoid receiving information, including material non-public information, not otherwise available to shareholders.

As further discussed below, Glass Lewis also manages potential conflicts through mitigation measures and robust disclosures.

## Conflict Management & Mitigation

As noted above, Glass Lewis maintains a Conflict of Interest Policy and Policies and Procedures for Managing and Disclosing Conflicts of Interest (“Conflict Documents”) and a Code of Ethics.

The Glass Lewis Compliance Committee is the main body responsible for overseeing and implementing Glass Lewis’ Conflict Documents and the Code of Ethics. This includes drafting, analyzing, discussing, and monitoring these policy documents. The Compliance Committee meets quarterly and on an *ad hoc* basis as necessary. It is composed of Glass Lewis’ President; Chief Operating Officer; Senior Vice President of Research and Engagement; Senior Vice President and General Counsel; Vice President of Human Resources; and Director of Compliance.

If an unforeseen conflict requires treatment in a manner different than under the established Conflict Documents, the Compliance Committee will develop and implement appropriate alternate measures up to and including having Glass Lewis refrain from writing a Proxy Paper research report on a particular company (with the understanding, in such case, that Glass Lewis would procure a substitute research report for customers from an alternative, qualified provider). For instance, where any employee or relative of an employee is an executive or director of a public company, that employee plays no role in the development of analysis or voting recommendations for that company, and that fact and the nature of that relationship are prominently disclosed in the relevant report.

Moreover, as a condition of employment or engagement, all Supervised Persons (as defined under Section 6 “Employee Qualifications & Training” of *Principle 1: Service Quality*) receive the Code of Ethics within their first week at Glass Lewis, and are required to: (i) read its contents and acknowledge and agree to comply with the policies and procedures contained therein by signing an acknowledgment form; (ii) disclose any outside activities, as well as any ownership interests or personal relationships the Supervised Person may have with a public company that may be deemed a conflict of interest for Glass Lewis; and (iii) disclose all personal accounts in which any securities are held, regardless of whether or not the Supervised Person has direct or indirect influence or control (i.e. investment discretion) over the management of the account. All Supervised Persons are required to re-sign the acknowledgment form and fill out the disclosure forms annually.

All Supervised Persons are strictly prohibited from trading on the basis of material non-public inside information in violation of applicable securities laws.

Additionally, in order to limit the potential for conflicts of interest, Glass Lewis requires that all Supervised Persons request pre-approval from the Glass Lewis Compliance Department prior to buying or selling any publicly-traded security for a personal account, including taking advantage of an IPO or a limited trading opportunity. Once approved, all pre-approved trades must be executed by the end of the trading day on the date the approval is granted. If the trade is not executed by the end of such trading day, a new request must be

submitted, and a new authorization must be obtained prior to the trade being executed. Supervised Persons will only be authorized to buy or sell a publicly-traded security for a personal account and/or participate in an IPO or a limited trading opportunity if it does not create a conflict of interest. Moreover, as a general rule, Supervised Persons are prohibited from buying or selling any security of a company that is the subject of a Glass Lewis Proxy Paper research report, thirty (30) days before, and until one (1) day after, the date of such company's shareholder meeting.

Within thirty (30) days after the end of each quarter, Supervised Persons are required to submit a Quarterly Personal Trading Report, regardless of whether they have any personal accounts, with the purpose of reporting any trading activity during the preceding quarter. In addition, quarterly account statements for each personal account, as well as transaction confirmations for all personal trading activities that took place in each such personal account during the preceding quarter, must be attached to each Quarterly Personal Trading Report regardless of any trading activity.

To ensure compliance with the Code of Ethics, the Glass Lewis Compliance Department reviews each Quarterly Personal Trading Report submitted by a Supervised Person, in conjunction with the attachments, and compares the transactions reported therein against any pre-authorization(s) requested and approved during the quarter.

In addition, to further prevent Supervised Persons from trading on the basis of customer information, access to customer holdings files, custom policies, and/or voting activity is strictly limited to the client services and operations team members directly responsible for supporting each customer.

## Conflict Disclosure

When actual or potential conflicts cannot be avoided, Glass Lewis discloses, on a case-by-case basis, any potential conflict that could be perceived to affect the independence and integrity of our advice. Consistent with our commitment to transparency and conflict avoidance and mitigation, Glass Lewis takes an expansive approach to such disclosure in the interests of fully disclosing any such issues to our customers. Specifically, Glass Lewis will include a specific and prominent "Conflict Note" in our research product when:

- A Glass Lewis owner has a significant, reportable stake in a public company,
- A Glass Lewis owner is a dissident shareholder in a proxy contest or is a shareholder proposal proponent,
- A Glass Lewis employee, or relative of an employee of Glass Lewis, or any of its subsidiaries, a member of the Research Advisory Council, a member of Glass Lewis' board of directors, or a Glass Lewis owner, serves as an executive or director of a public company,
- Glass Lewis has a material customer relationship with a public company, or
- Glass Lewis has a material customer relationship with a shareholder proposal proponent, a dissident shareholder in a proxy contest, or party publicly soliciting shareholder support for or against a director or proposal; Glass Lewis has a material business relationship with a public company, such as a partner or vendor relationship.

In addition, when a Glass Lewis owner is one of the 20 largest shareholders of the subject company, the Proxy Paper research report will flag their status as a Glass Lewis owner in connection with reporting their interest in the company. As mentioned previously, if Glass Lewis is aware that there is a conflict, in addition to the conflicts

described above, Glass Lewis provides specific, prominent disclosure describing the nature of such conflict on the cover of the relevant Glass Lewis Proxy Paper research report. This allows customers to review potential conflicts at the same time as they review Glass Lewis' research, analysis and voting recommendations.

---

### Case Study on Conflict Mitigation and Disclosure

In late May 2020, Glass Lewis provided its clients research and voting recommendations in connection with the June 18 annual general meeting of the Macerich Company, a real estate investment trust that focuses on the acquisition, leasing, management, and development of regional malls throughout the United States. One of Glass Lewis' owners at the time, OTPP, owned 16.45% of the company's shares.

Consistent with Glass Lewis' Conflicts Policy, OTPP was excluded from any involvement in the making of Glass Lewis' voting recommendations for the meeting. Also, Glass Lewis' Proxy Paper research report disclosed OTPP's ownership interest, as well as that of the other Top 20 shareholders, and contained the following conflict of interest disclosure on its first page:

#### DISCLOSURE NOTES

**CONFLICT OF INTERESTS:** Please be advised that Ontario Teachers' Pension Plan Board, one of Glass Lewis' owners, holds a stake in this company significant enough to be publicly announced in accordance with such company's local market regulatory requirements.

# Principle 3: Communications Policy

*With regard to their delivery of services, Signatories should explain their approach to communication with public companies, shareholder proponents, other stakeholders, media, regulatory authorities and the public.*

## Introduction

Glass Lewis' primary duty is to develop high quality research and analysis regarding proposals subject to shareholder vote at public company meetings, in accordance with customer specifications, for timely delivery to institutional investors. As more fully described below, Glass Lewis has developed policies and procedures to guide its engagement with public companies, shareholder proponents, other stakeholders, media, and the public in furtherance of this primary mission.

## Dialogue with Public Companies, Shareholder Proponents and Other Stakeholders

Glass Lewis recognizes that dialogue with public companies, shareholder proponents, and other stakeholders can foster mutual understanding, transparency, and feedback with respect to Glass Lewis' policies, methodologies, and analysis. To that end, Glass Lewis has developed an Engagement Policy to guide its interactions with these parties and makes this policy available on its website at <https://www.glasslewis.com/engagement-policy/>. Through our engagement efforts, Glass Lewis advocates for transparency for all market participants.

## Engagement with Public Companies

Glass Lewis is open to engaging with public companies outside of the peak-season periods. The peak proxy season for North America, Asia, and Europe is March through June; the peak Australia season runs from September through November. In 2020, Glass Lewis conducted approximately 1,500 engagement meetings and calls with public companies, dissident shareholders, and shareholder proponents globally. For further information on Glass Lewis' engagement activities in 2020, please see our [2020 Engagement Review](#).

Glass Lewis recognizes that discussions with public companies can benefit both parties. In addition to providing an opportunity for Glass Lewis to better understand the company's governance practices, these engagement meetings often focus on Glass Lewis' research policies and methodologies and the public companies' views on governance practices. In addition to public companies, Glass Lewis engages with a broad group of relevant stakeholders, including shareholder proponents and governance, investor, and public company industry associations, as part of our policy development and review procedures.

Importantly, Glass Lewis is not a shareholder nor is the firm empowered by customers to negotiate on their behalf for specific changes to governance practices or structures at companies through meetings with company

representatives. Furthermore, although Glass Lewis is open to participating in constructive engagement, our research and recommendations are based only on publicly-available information.

Depending on the nature of the issues subject to discussion and to ensure a constructive discussion, Glass Lewis will ensure that the analysts who meet with company executives and directors have the requisite experience and responsibilities for the specific topics to be discussed, such as remuneration or ESG risks. Glass Lewis encourages companies to also include appropriate personnel in such engagements. Indeed, since non-executive directors are the elected shareholder representatives, Glass Lewis has found engagement is often more productive when independent directors play an active part in the discussion.

Glass Lewis believes in being transparent about such activities and makes prominent disclosure, on the cover page of our Proxy Paper research reports, of our relevant engagement activities as follows:

### Engagement-Related Disclosure Notes

Type of Engagement	Description
<b>Engagement Meeting</b>	A Glass Lewis Research Analyst had an engagement meeting with a public company.
<b>Issuer Data Report (IDR)</b>	A public company participated in the IDR program for one of its shareholder meetings.
<b>Report Feedback Statement (RFS)</b>	A public company, dissident shareholder, or shareholder proposal proponent participated in the RFS service for one of its shareholder meetings.

---

## Case Study on Engagement Transparency

In late October 2020, Glass Lewis provided its customers research and voting recommendations in connection with the November 18 annual general meeting of The Clorox Company, a global manufacturer and marketer of household products. Clorox subscribes to and participated in Glass Lewis' IDR program, through which companies have the opportunity to review key facts that will be used in Glass Lewis' Proxy Paper research report before that report is issued to Glass Lewis customers.

In the interests of transparency, Glass Lewis' Proxy Paper research report contained the following Disclosure Note on its first page:

### ■ DISCLOSURE NOTES

**COVID-19:** Due to public health concerns stemming from COVID-19, the Company is holding its shareholder meeting in a virtual-only format. For more information regarding Glass Lewis' policy on virtual meetings, including our policy for meetings held 1 March 2020 through 30 June 2020, please visit <https://www.glasslewis.com/immediate-glass-lewis-guidelines-update-on-virtual-only-meetings-due-to-covid-19-coronavirus/>

**ISSUER DATA REPORT:** The Clorox Company participated in Glass Lewis' Issuer Data Report program (IDR) for this meeting. The IDR program enables companies to preview the key data points used by Glass Lewis' research team, and address any factual errors with Glass Lewis prior to the publication of the Proxy Paper to Glass Lewis' clients. No voting recommendations or analyses are provided as part of the IDR. For more information on the IDR program, please visit <https://www.glasslewis.com/issuer-data-report/>

---

## Engagement During the Solicitation Period

Glass Lewis limits its engagement with "interested parties" during the proxy solicitation period. For these purposes, "interested parties" include:

- Public company representatives,
- Shareholder proposal proponents,
- Dissident shareholders engaged in a proxy contest or contested financial transaction,
- Shareholders engaged in a public solicitation of other shareholders to withhold votes during the solicitation period (AKA "vote-no campaigns"), and
- Institutional shareholders of a company with an upcoming meeting that may or may not be customers of Glass Lewis.

Glass Lewis generally refrains from engaging with these interested parties during the proxy solicitation period, except in specific supervised circumstances that are approved by senior management of Glass Lewis. For example, in the case of a dissident campaign, shareholder proposal, or M&A transaction, Glass Lewis may meet with the dissident, the shareholder proponent, or the other party to the M&A transaction, only if the public company is afforded the same opportunity.

In addition, interactions and communications with interested parties may occur during the solicitation period in the following instances: (i) when a research analyst seeks clarification regarding publicly disclosed documents or information or the availability of additional public disclosures; (ii) when attending a corporate governance forum, conference, event, or panel involving participants in the corporate governance industry; or (iii) when addressing a factual error or omission in a Proxy Paper research report brought to the attention of Glass Lewis.

All Glass Lewis employees engaging with interested parties are required to comply with Glass Lewis' engagement policies and procedures. Given variations in local law and proxy season timing, Glass Lewis' engagement policies and procedures vary by jurisdiction. All of Glass Lewis' engagement policies and procedures, however, focus on balancing the goal of obtaining relevant information from covered companies (and other interested parties), as well as fostering mutual understanding and promoting better disclosure, with maintaining the independence of Glass Lewis' advice. As noted above, the relevant engagement guidelines for different jurisdictions are all made available on Glass Lewis' public website at <https://www.glasslewis.com/engagement-policy/>. Any meetings, interactions or communications with interested parties that fall outside the scope of Glass Lewis' engagement policy are prohibited without the approval of a senior manager of the Glass Lewis research team.

All engagement meetings, interactions, and communications must be documented, in accordance with Glass Lewis' engagement policy and, if applicable, disclosed, as specified in Glass Lewis' Conflict Documents.

Moreover, given that Glass Lewis' analysis and recommendations are based solely on publicly-available information, the use and disclosure of any material non-public information inadvertently disclosed to Glass Lewis by an interested person, either during an engagement meeting or during any other interaction or communication with such interested person, is strictly prohibited.

## Issuer Data Report (IDR)

Glass Lewis provides the subjects of our research with our Issuer Data Report (IDR), which details the key facts underlying the relevant Proxy Paper research report for public companies to review before the report is finalized. This practice is deliberately limited to data. Glass Lewis finds that by providing the facts underlying the report, it can gain any benefit of company review without: (i) inviting time consuming and unproductive debates about Glass Lewis' methodology, including what result that methodology should lead to in the context of a particular recommendation; or (ii) creating additional conflicts of interest.

This free service has been available for several years and more than 1,600 companies in 29 markets participated in 2020.

For more information on the IDR program, please see Appendix A on page 28.

## Errors or Omissions

Glass Lewis also has policies and procedures in place for public companies and others who believe there is an error or omission in Glass Lewis research to flag the issue for Glass Lewis' review. Glass Lewis maintains an Issuer Portal on its public website through which companies and proponents wishing to bring purported errors or omissions, as well as subsequent or amended filings, to Glass Lewis' attention can do so.

All electronic inquiries are recorded and tracked to ensure timely and appropriate response.

If a Glass Lewis Proxy Paper research report is revised, Glass Lewis will explain the nature of all revisions, including changes to recommendations, as a note in the report and will notify customers via email of all material changes to the revised report. Glass Lewis will also notify customers voting according to custom policies, even if the revision to the Glass Lewis Proxy Paper research report would not appear to affect a customer's vote recommendations.

## Report Feedback Statement (RFS)

In 2019, Glass Lewis introduced the Report Feedback Statement (RFS), through which companies, shareholder proponents, dissident shareholders and parties to an M&A transaction that purchase our research reports can opt to have a statement responding to Glass Lewis' research transmitted to Glass Lewis customers through our customer and voting platforms. In 2020, the RFS was expanded to all eligible participants globally.

The RFS provides a unique opportunity for public companies and shareholder proposal proponents – the subjects of Glass Lewis' Proxy Paper research reports – to submit feedback about the analysis of their proposals, and have comments delivered directly to Glass Lewis' institutional investor customers. Public companies and shareholder proponents alike are eligible to participate in this service and provide their statements directly to Glass Lewis' research and engagement team, which in turn distribute them to customers within the firm's research and voting platforms. Glass Lewis' institutional investor customers benefit by conveniently receiving unfiltered commentary on the firm's analysis from subject companies and shareholder proponents. The real-time perspective provides an additional dimension for their consideration and is easily accessible, with reasonable time to review, even within the peak of proxy season.

For more information on the RFS service, please see Appendix B on page 29.

## Stakeholder Communications

Glass Lewis engages with relevant stakeholders on a regular basis to improve the effectiveness of our customers' stewardship programs. Glass Lewis also advocates for transparency in financial markets, where appropriate. Selected examples of these activities in 2020 include:

- Collaboration with custodian banks, vote tabulators, and institutional investor customers to ensure that data transmission met the standards of the EU Shareholder Rights Directive II (SRD II),
- Engagement with Brazilian regulators, custodian banks, and vote tabulators to clarify how our customers' electronic votes could be counted in light of complex voting procedures that are premised on physical attendance at meetings,
- Hosting breakfast briefings in London and Amsterdam with institutional investors and relevant stakeholders to review and discuss emerging governance practices and ESG issues in Europe,
- Engaging with the U.S. Securities and Exchange Commission and Department of Labor on regulatory initiatives related to proxy voting and the provision of shareholder research and advice, and
- Hosting a series of informative and free webinars throughout the year to inform interested stakeholders on our global policy developments, including our approach to ESG issues such as executive remuneration in light of the COVID-19 pandemic and climate change, among other topics.

# Dialogue with Media, Regulatory Authorities, and the Public

Glass Lewis also engages in dialogue with the media and the public, consistent with its primary mission of providing high-quality research and analysis to its institutional investor customers.

## Media

At its discretion, Glass Lewis will provide its Proxy Paper research reports to the media, subject to Glass Lewis' terms of use. Furthermore, Glass Lewis may respond to media requests for comment regarding published reports or general governance issues. Glass Lewis will not, however, discuss a particular meeting during the solicitation period prior to publishing that meeting's Proxy Paper research report, or make copies of its Proxy Paper research reports available to the media in advance of those reports being issued to its customers. Glass Lewis also does not issue press releases on its research recommendations.

## Regulatory Authorities

Glass Lewis maintains regular contact with relevant regulatory authorities. These contacts consist of both monitoring regulatory developments in the context of updating Glass Lewis house policy guidelines and keeping aware of proposed and new regulations that might affect the work of proxy advisory firms and the obligations of their clients. Glass Lewis does not actively engage regulators on behalf of institutional investors. Glass Lewis responds to relevant regulatory consultations on corporate governance and stewardship matters insofar as it can provide relevant perspective or insight. Such submissions can be found on our website at <https://www.glasslewis.com/regulatory-matters/>.

## The Public

From time to time, Glass Lewis makes special reports on key issues such as executive compensation, Say on Pay, or shareholder proposals available to the public. In addition, substantial information about Glass Lewis, including its policies and methodologies, is available to the public for free via the Glass Lewis public website. Glass Lewis representatives are frequent speakers at industry conferences and events. The firm refrains from engaging with individual retail shareholders, unless they have a shareholder proposal on the ballot or notify the firm of a purported error or omission in a Proxy Paper research report.

## Feedback

Engagement and feedback are integral to understanding the role and work of proxy advisors.

Feedback regarding Glass Lewis' Statement of Compliance can be provided via Glass Lewis Feedback and Complaint Center (<https://www.glasslewis.com/contact-us/>).

Glass Lewis' Statement of Compliance and those of other signatories are available on the BPPG website at <https://bppgrp.info/signatory-statements>.



Carrie Busch  
President  
[cbusch@glasslewis.com](mailto:cbusch@glasslewis.com)



Nichol Garzon  
SVP, General Counsel  
[ngarzon@glasslewis.com](mailto:ngarzon@glasslewis.com)

# Appendix A: Issuer Data Report (IDR) Program Pre-Publication Data Review Service

The Issuer Data Report (IDR) program is Glass Lewis' free service enabling registered companies to review key data points used by Glass Lewis in our analysis, in advance of our research analysts publishing the Proxy Paper.



The IDR is deliberately limited to data and relies on facts to avoid:

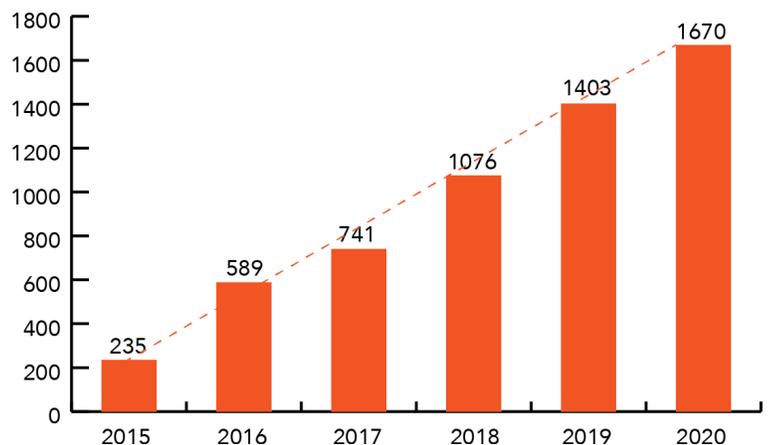


time-consuming and unproductive debate about methodologies or resulting recommendations; and



conflict of interest

## IDR Registration Growth



Offered to companies in over 25 countries with Hungary, Czech Republic, Cyprus and Malaysia added in 2019-2020.

# Appendix B: Report Feedback Statement (RFS)

Launched as a pilot program in 2019, the Report Feedback Statement (RFS) is an innovative offering giving subject companies and proponents the opportunity to express their opinions in response to Glass Lewis analysis and voting recommendations. In April 2020, the program was expanded globally and has seen significant uptake in the United States, Canada, Europe, Australia and Japan.

## 10 Key Areas of Value



### GLOBAL

Available for all meetings (AGMs & EGMs)



### TIMING

Up to 7 days to respond without delaying research timeliness



### UNCONTESTED

We don't edit feedback or include competing statements



### ACCURACY

Errors corrected, even if company is unable to pre-screen data



### INTEGRATED

Included with the report allowing investor to compare opinions



### COST

No extra cost; included with the purchase of our Proxy Paper



### DELIVERY

Clients notified by email; access on voting & research platforms



### ENGAGEMENT

All parties equally informed, saving time and resources



### VOTING

Allows sufficient time and ability to make or change voting decisions



### CONSISTENCY

Research without feedback removed from view

# Appendix B: RFS (continued)

**“The RFS provided the opportunity for us to directly send out our important message.”**

**Kentaro Amikura**

General Manager,  
Toshiba Corporation

July 20, 2020

**Dear Shareholders,**

At Toshiba’s upcoming Ordinary General Meeting of Shareholders for the 181<sup>st</sup> Fiscal Period, to be held on July 31, you will be asked to make an important decision about our Board of Directors. To protect the value of your investment, we urge all shareholders to support exclusively our slate of Board nominees and vote against shareholders’ slates. We are confident that our nominees are best suited to provide independent oversight of the continued execution of the Toshiba Next Plan, the company’s five-year transformation plan, and return our great company to sustainable long-term growth and success.

 **3D INVESTMENT PARTNERS**

20 July, 2020

Dear Toshiba shareholders,

Please visit our website [www.CompoundToshiba.com](http://www.CompoundToshiba.com).

At the 181st General Shareholders’ Meeting of Toshiba Corporation (“Toshiba” or the “Company”) to be held on 31<sup>st</sup> July, 2020, we are making a shareholder proposal seeking the election of two independent directors, Allen Chu and Yuya Shimizu. We have been engaging constructively with Toshiba over the past 3.5 years, and our proposal is intended to elicit the views of all shareholders with respect to creating better corporate governance that focuses on value. As a shareholder that has

**3D Investment Partners Pte. Ltd.**  
250 North Bridge Road  
#13-01 Raffles City Tower  
Singapore 179101

 **EFFISSIMO**  
CAPITAL MANAGEMENT

**TAKASHI KOUSAKA**  
CEO, PARTNER & PORTFOLIO MANAGER  
KOUSAKA@EFFISSIMO.COM

July 21<sup>st</sup> 2020

**Effissimo Capital Management Pte Ltd (“We”, “Us”, “Our”) Responds to Certain Recommendations Made by Glass Lewis Regarding the Election of Directors.**

Glass Lewis has recommended that shareholders vote against directors Akira Takeuchi, Tadaaki Sugiyama, and Yoichiro Imai as external directors. Within the confines of the disclaimer attached to the end of this letter, We believe shareholders are better served by “For” votes for these nominees.



**We appreciated the opportunity to respond to Glass Lewis’ proxy research in the 2020 proxy season. While we ultimately disagreed with some of Glass Lewis’ conclusions, the RFS allowed us to share our views with shareholders on important governance and executive compensation issues. In the event that our opinions differ from those of Glass Lewis’ analysts in the future, we would use the RFS service again.”**

**- S&P 500 Participant**

# Connect with Glass Lewis

Corporate Website | [www.glasslewis.com](http://www.glasslewis.com)

Email | [info@glasslewis.com](mailto:info@glasslewis.com)

 [@glasslewis](https://twitter.com/glasslewis)  [Glass, Lewis & Co.](https://www.linkedin.com/company/glass-lewis-&-co)

## Global Locations

### North America

#### United States

*Headquarters*  
255 California Street  
Suite 1100  
San Francisco, CA 94111  
+1 415 678 4110  
+1 888 800 7001

44 Wall Street  
Suite 503  
New York, NY 10005  
+1 646 606 2345

2323 Grand Boulevard  
Suite 1125  
Kansas City, MO 64108  
+1 816 945 4525

### Europe

#### Ireland

15 Henry Street  
Limerick V94 V9T4  
+353 61 292 800

#### United Kingdom

80 Coleman Street  
Suite 4.02  
London EC2R 5BJ  
+44 20 7653 8800

#### Germany

*IVOX Glass Lewis*  
Kaiserallee 23a  
76133 Karlsruhe  
+49 721 35 49 622

### Asia Pacific

#### Australia

*CGI Glass Lewis*  
Suite 5.03, Level 5  
255 George Street  
Sydney NSW 2000  
+61 2 9299 9266

#### Japan

Shinjuku Mitsui Building  
11th floor  
2-1-1, Nishi-Shinjuku,  
Shinjuku-ku,  
Tokyo 163-0411, Japan