

Press Release

Egan-Jones Proposed 2018 Guideline Changes

January 31, 2018

Haverford, PA - Egan Jones Proxy Services announced today a series of proposed changes to its guidelines for Proxy Season 2018.

Comments or questions to the proposed Guideline changes should be directed to Magda Pacheco, Manager, Client Relations at Egan-Jones Proxy Services (mpacheco@egan-jones.com) before February 16, 2018.

Public Firm Shareholder Proposals:

1. Board Diversity - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating, AGAINST otherwise.
2. Proposal Relating to Diversity Report - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
3. Gender Gap Pay - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
4. Establishment of Equal Employment Opportunity policy - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
5. Workplace Safety Reports - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
6. Report on Company Activities Affecting Indigenous People - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
7. Proposals requesting the Board institute transparent procedures to avoid holding investments in companies that, in management's judgment, substantially contribute to genocide or crimes against humanity, the most egregious violations of human rights – AGAINST.
8. Establishing a Human Rights Committee - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
9. Establishing a Climate Change Committee - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
10. Report on Climate Change - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
11. Report on Climate Change and Business Model - change from FOR to Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
12. Report on Stranded Assets Due to Climate Change - Case-by-case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.

13. Report on Renewable Energy Adoption - Case-by-case: FOR in cases when the Company receives (replaces: a poor Board score) one of the lowest two scores on the Governance Rating; AGAINST otherwise.
14. Report on Distributed - Scale Clean Electricity - Case-by-case: FOR in cases when the Company receives (replaces: a poor Board score) one of the lowest two scores on the Governance Rating; AGAINST otherwise
15. Request that the Board prepare, at reasonable expense and omitting proprietary information, sustainability report - change from AGAINST to Case-by-Case; FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
16. Request the Company prepare a report, on the social, health, and environmental effects of genetically modified organisms (GMOs) - change from AGAINST to Case-by-Case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
17. Request that a company adopt GHG emissions reductions goals and issue a report by at reasonable cost and omitting proprietary information, on its plans to achieve these goals - change from AGAINST to Case-by-Case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
18. Encourage energy conservation and the development of alternate renewable and clean energy resources and to reduce or eliminate toxic wastes and greenhouse gas emissions - change from AGAINST to Case-by-Case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
19. Report on Antibiotics in Livestock - change from FOR to Case-by-Case: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise.
20. Adopt a Policy to Phase Out the Routine Use of Antibiotics in the Meat and Poultry Supply Chain – AGAINST.
21. Adoption of a Policy Requiring Senior Executives to Retain a Significant Percentage of Shares – FOR.
22. Report on Sustainability Metrics and Executive Compensation - Case-by-case: FOR in cases when the Company fails the compensation rating model; AGAINST otherwise.
23. Adopt a Bylaw Provision Restricting Management's Access to Vote Tallies Prior to the Annual Meeting with respect to Certain Executive Pay Matters – FOR.
24. Shareholder Proposal on Separate Disclosure of Voting Results by Classes of Shares – FOR.
25. Forum for Internal Corporate Claims – FOR.

Management Proposals:

26. Underperforming Board Policy: Cyber Score - WITHHOLD votes from Chairman of the Board in cases when the Company obtains the lowest score of *Needs Attention* on the Cyber Security Risk Rating.
27. Conduct Virtual-only annual meeting – AGAINST.

Funds:

28. Approval of the Use of a “Manager of Managers” Structure (to appoint and replace sub-advisers that are affiliated with the Fund, and sub-advisers that are not affiliated with the Fund, without obtaining prior shareholder approval) - FOR (if proposal is asking to appoint and replace sub-advisers that are not affiliated with the Fund)
29. Changing Fundamental Investment Policy to Non-fundamental - AGAINST.
30. Approval of Change from Diversified to Non-Diversified Fund - FOR.
31. Changing a Fundamental Restriction to a Non-fundamental - change from Case-by-Case to AGAINST.

Egan-Jones Proxy Services will announce its final 2018 Guidelines by the end of February, 2018.

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