

Egan-Jones Proposed 2022 Guideline Changes

February 1, 2022

Proposal Title	STANDARD	Taft-Hartley	SRI	Catholic	Conservative
Governance					
Underperforming Board Policy Recommend voting AGAINST a chair of the Nominating Committee when: • There are no women, ethnically or racially diverse directors on the Board					N/A
Proposals that request placing age limit for a person to be elected or appointed as a director.	AGAINST	AGAINST	AGAINST	AGAINST	FOR
Shareholder proposals requesting multiple candidate elections.	FOR	FOR	FOR	FOR	AGAINST
Social, Human Resources, Health, Environmental					
Shareholder proposals requesting a racial equity audit or a report on progress toward eliminating racial discrimination at the Company.	Based on the Governance Score: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise	FOR	FOR	FOR	AGAINST

Shareholder proposals regarding assessing inclusion in the workplace - a report to shareholders on whether written policies or unwritten norms at the Company reinforce racism in company culture.	Based on the Governance Score: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise	FOR	FOR	FOR	AGAINST
Shareholder proposals on transition to a public benefit corporation.	AGAINST	AGAINST	FOR	FOR	AGAINST
Shareholder proposals asking the Company to issue a report in support of Circular Economy.	AGAINST	FOR	FOR	FOR	AGAINST
Shareholder proposals requesting that the Company issue an annual report to shareholders, at reasonable cost and omitting proprietary information, on plastic pollution.	AGAINST	AGAINST	FOR	FOR	AGAINST
Improve Catch-22 Proxy Access to remove the shareholder group limit - to enable as many shareholders as may be needed to combine their shares to equal 3% of the stock owned continuously for 3-years in order to enable shareholder proxy access.	FOR	FOR	FOR	FOR	AGAINST
Shareholder proposals on prohibition on sales of facial recognition technology to all government entities.	AGAINST	FOR	FOR	FOR	AGAINST

<p>Shareholder proposals requesting that shareholders be allowed the opportunity at shareholder meetings to alert board members that the shareholders seek more information or favor a particular approach to corporate policy and that the Company constitution should include the clause:</p> <p>“The Company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the Company partially or exclusively vested in the Directors has been or should be exercised. Such a resolution must relate to a material risk identified by the Directors or the Company and cannot advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the Directors or the Company”.</p>	<p>Based on the Governance Score: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise</p>	FOR	FOR	FOR	AGAINST
<p>Shareholder proposals supporting activities that include abortion, euthanasia or assisted suicide.</p>	FOR	FOR	AGAINST	AGAINST	FOR
<p>Shareholder proposals promoting in vitro fertilization for either assisting conception or for research.</p>	FOR	FOR	AGAINST	AGAINST	FOR
<p>Shareholder resolutions to move away from the production, marketing, or distribution of addictive or other harmful materials like opioids and tobacco.</p>	AGAINST	AGAINST	FOR	FOR	AGAINST
<p>Shareholders proposals that request fair distribution and access to life-sustaining drugs and vaccines in affordable prices in both the United States and in low-income countries.</p>	AGAINST	AGAINST	FOR	FOR	AGAINST
<p>Shareholder proposals on financial initiatives that promote and strengthen communities, focusing on not only their economic effect but their social impact as well.</p>	AGAINST	FOR	FOR	FOR	AGAINST
Executive Compensation Related					

Stockholder proposal on Non-GAAP measures disclosure.	based on the Governance Score, FOR in cases when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise	FOR	FOR	FOR	AGAINST
Shareholder proposals regarding professional services allowance.	FOR	FOR	FOR	FOR	AGAINST
CLARIFICATIONS, CHANGES					
Shareholder proposals on disclosure of charitable contributions.	no change	no change	FOR, change from case-by-case	FOR, change from case-by-case	no change
Proposals that requesting that shareholders with minimum ownership of 10%, have the ability to call special meetings.	Change from 25%				
Stock buybacks AGAINST in cases when the Company receives a poor Board or Compensation score and when there is insufficient data to generate these scores. FOR otherwise.	ADD and when there is insufficient data to generate these scores.				
CEO/CHAIRMAN over-boarding exemption If CEO or Chairman of the Company holds more than one other public company directorship, but one of these companies is a SPAC, he/she will be exempted from the Egan-Jones over-boarding rule.					N/A
Compensation Plan other than a Qualified ESPP FOR compensation plans of the newly formed company arising from a business combination with a special purpose acquisition company (SPAC), unless the authorized share pool exceeds 3% of the newly formed company's authorized shares.					N/A

In rare cases, Egan-Jones may choose to override the documented guideline recommendation when we believe it is in the best long-term financial interest of shareholders.

Comments or questions about the Egan-Jones Proxy Guideline should be directed to Kevin McManus (kmcm anus@ejproxy.com) or Magda Pacheco, (mpacheco@egan-jones.com).