

Egan-Jones

PROXY SERVICES

2024

Egan-Jones Proxy Services

Taft-Hartley Proxy Voting

Principles and Guidelines

Egan-Jones Taft-Hartley Proxy Voting Principles

Taft-Hartley client accounts are governed by the Employee Retirement Income Security Act (“ERISA”), which enumerates rules under which pension fund assets must be managed and invested. The U.S. Department of Labor has stated that proxy voting rights are valuable plan assets, which must be exercised in accordance with the fiduciary duties of loyalty and prudence. While the duty of loyalty requires that the voting fiduciary exercise proxy voting authority solely in the economic interest of participants and plan beneficiaries, the duty of prudence requires that proxy voting authority be exercised with care, skill, prudence and diligence that a similarly situated prudent person knowledgeable in such matters would exercise.

Egan-Jones Ratings Co.’s proxy services Taft-Hartley Voting Guidelines promote long-term shareholder value, while emphasizing the economic best interests of plan participants and beneficiaries. Thus, our guidelines, like those of the AFL-CIO upon which they are based, address issues that affect long-term shareholder value, while considering workplace issues that may have an impact on long-term economic best interests of participants and beneficiaries, including corporate policies that affect job security and wage levels of plan participants, corporate policies that affect local economic development and stability, corporate responsibility to employees and communities in which the Company operates, and workplace and environmental safety and health issues.

Introduction

Our Proxy Voting Principles serve as the background for our Proxy Voting Guidelines, which, in turn, act as general guidelines for the specific recommendations that we make with respect to proxy voting. It is important to recognize that such principles are not intended to dictate but guide. Certain of the principles may be inappropriate for a given Company, or in a given situation. Additionally, the principles are evolving and should be viewed in that light. Our principles are and will be influenced by current and forthcoming legislation, rules and regulations, and stock exchange rules. Examples include:

- the Sarbanes-Oxley Act of 2002 and implementing rules promulgated by the U.S. Securities & Exchange Commission
- revised corporate governance listing standards of the New York Stock Exchange and resulting SEC rules

- corporate governance reforms and subsequent proposed rule filings made with the SEC by The NASDAQ Stock Market, Inc. and resulting SEC rules

In general:

- Directors should be accountable to shareholders, and management should be accountable to directors.
- Information on the Company supplied to shareholders should be transparent.
- Shareholders should be treated fairly and equitably according to the principle of one share, one vote.

Principles

A. Director independence

It is our view that:

- A two-thirds majority of the Board should be comprised of independent directors.
- Independent directors should meet alone at regularly scheduled meetings, no less frequently than semi-annually, without the Chief Executive Officer or other non-independent directors present.
- The Chairman of the Board should be an independent director (i.e., he or she should not also be the Chief Executive Officer).
- When the Chairman of the Board also serves as the Company's Chief Executive Officer, the Board should designate one independent director to act as a leader to coordinate the activities of the other independent directors.
- Committees of the Board dealing with the following responsibilities should consist only of independent directors: audit, compensation, nomination of directors, corporate governance, and compliance.
- No director should serve as a consultant or service provider to the Company.
- Director compensation should be a combination of cash and stock in the Company, with stock constituting a significant component.

In our opinion, an independent director, by definition, has no material relationship with the Company other than his or her directorship. This avoids the potential for conflict of interest. Specifically such director:

- should not have been employed by the Company or an affiliate within the previous five years.
- should not be an immediate family member of an individual who is, or at any time during the past five years was, employed by the Company as an executive officer.
- should not be the founder of the Company.
- should not be a director of the Company serving in an ex officio capacity.
- should not be a member of the Company's Board of Directors for 10 years or more, however, a director who is a diverse nominee may be exempted from this rule on the case-by-case basis. Furthermore, a nominee whose tenure on the Board hasn't reached 10 years by the date of the meeting or up to 90 days after and provided the Company discloses exact appointment date, will be exempted from this rule.
- should have no services contract regarding such matters as aircraft rental contract, real property lease or similar contract with the Company or affiliate, or with a member of the

Company's senior management or provide legal or consulting services to the Company within the previous three years.

- should not be employed by a public company at which an executive officer of the Company serves as a director, and thereby be part of an interlocking relationship.
- should not be a member of the immediate family (spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone other than domestic employees who share such person's home) of any director described above.
- a director who receives, or whose immediate family member receives more than \$120,000 per year in *direct compensation* (base salary plus cash bonus) from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), is not independent until three years after he or she ceases to receive more than \$120,000 per year in such compensation.
- a director who is an executive officer or an employee, or whose immediate family member is an executive officer, of another company (other than a utility) or non-profit organization that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million, or 2% of the recipient company's consolidated gross revenues, is not "independent" until three years after falling below such threshold. However, the existence of a credit agreement between a bank and the Company shall not affect the independence of a director who is an executive of that bank within the previous three years.

Alternate members of key committees will be subject to the same independence criteria as regular members.

B. Board operating procedures

- The Board should adopt a written statement of its governance principles, and regularly re-evaluate them.
- Independent directors should establish performance criteria and compensation incentives for the Chief Executive Officer, and regularly review his or her performance against such criteria. Such criteria should align the interests of the CEO with those of shareholders, and evaluate the CEO against peer groups.
- The independent directors should be provided access to professional advisers of their own choice, independent of management.
- The Board should have a CEO succession plan, and receive periodic reports from management on the development of other members of senior management.
- Directors should have access to senior management through a designated liaison person.
- The Board should periodically review its own size, and determine a set number of directors between 5 and 15, instead of a range.

C. Requirements for individual directors

We recommend that:

- The Board should provide guidelines for directors serving on several Boards addressing competing commitments.

- The Board should establish performance criteria for itself and for individual directors regarding director attendance, preparedness, and participation at meetings of the Board and of committees of the Board, and directors should perform satisfactorily in accordance with such criteria in order to be re-nominated.

D. Shareholder rights

- A simple majority of shareholders should be able to amend the Company's bylaws, call special meetings, or act by written consent.
- "Greenmail" should be prohibited.
- Shareholder approval should be required to enact or amend a "poison pill" (i.e., "shareholder rights") plan
- Directors should be elected annually.
- The Board should ordinarily implement a shareholder proposal that is approved by a majority of proxy votes.
- Shareholders should have effective access to the director nomination process.

Egan-Jones Taft-Hartley Proxy Voting Guidelines

Consistent with the above-listed principles, the proxy voting guidelines outlined below are written to guide the specific recommendations that we make to our clients. Ordinarily, we do not recommend that clients ABSTAIN on votes; rather, we recommend that they vote FOR or AGAINST proposals (or, in the case of election of directors, that they vote FOR ALL nominees, AGAINST the nominees, or that they WITHHOLD votes for certain nominees). In the latter instance, the recommendation on our report takes the form ALL, EXCEPT FOR and lists the nominees from whom votes should be withheld.

Whether or not the guideline below indicates "case-by-case basis," every case is examined to ensure that the recommendation is appropriate.

Board of Directors

Election of Directors in Uncontested Elections

Case-by-case basis, examining composition of Board and key Board committees, attendance history, corporate governance provisions and takeover activity, long-term company financial performance relative to a market index, directors' investment in the Company, etc..

WITHHOLD votes from nominees who:

- are affiliated outside directors and sit on the Audit, Compensation, or Nominating committees.
- are inside directors and sit on the Audit, Compensation, or Nominating committees.
- are inside directors and the Company does not have Audit, Compensation, or Nominating committees.
- are identified as not independent by the Company and sit on the Audit, Compensation, or Nominating committees.

- attend less than 75 percent of the Board and committee meetings. Participation by phone is acceptable.
- ignore a shareholder proposal that is approved by a majority of the shares outstanding.
- ignore a shareholder proposal that is approved by a majority of the votes cast for two consecutive years.
- fail to act on takeover offers where the majority of the shareholders have tendered their shares.
- implement or renew a “dead-hand” or modified “dead-hand” poison pill.
- sit on more than five other public Boards.
- serve as both Chairmen and CEOs, or serve as Chairmen and were formerly CEOs.
- serve as Chairmen but are not independent.
- serve as CEOs and hold more than one outside public directorship^.
- serve as Chairmen of the Board and hold more than one outside public directorship^.
- sit on the existing Board, which has failed to respond adequately to a say-on-pay vote in which the majority of votes cast voted AGAINST.
- sit on the existing Board, which has implemented a less frequent say-on-pay vote than the frequency option which received a majority of votes cast in the previous frequency vote.

^ 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.

Underperforming Board Policy

WITHHOLD votes from Compensation Committee members in cases when the Company obtains a questionable result on the Egan-Jones Compensation Score.*

**Recommendation is based on available data and subject to the analysts' discretion to override in cases when a nominee has served as a member of the Compensation Committee for less than 6 months.*

WITHHOLD votes from Compensation Committee members in cases when the Company's Compensation Plans (Cash Bonus Plan or Stock Option Plan) receive an “AGAINST” recommendation from Egan-Jones.

WITHHOLD votes from Chairman of the Board in cases when the Company obtains the lowest score of *Needs Attention* on the Cyber Security Risk Score.**

***Recommendation is based on available data and subject to the analysts' discretion to override in cases when the Chairman has served in this capacity for less than 6 months.*

WITHHOLD votes from Compensation Committee members due to insufficient disclosure on executive compensation.***

****Including cases when the Company has no employees or none of the executive officers are compensated by the Company and no management fees have been provided.*

WITHHOLD votes from Chairman of the Nominating Committee when there are no women, ethnically or racially diverse directors on the Board.

WITHHOLD from the Board Chair if the company or its board adopted a classified board structure or supermajority vote requirements to amend the bylaws or charter.

Board Accountability

Case-by-case basis for the following:

- Evidence or belief of failure of the Board to properly account and prepare for risk (i.e. carbon or cyber issues)
- A low Board score, coupled with poor performance
- Legal or ethical problems in the Company or its management

In cases in which the Company has engaged in the practice commonly referred to as “options backdating,” Egan-Jones may recommend that votes be withheld from nominees serving on the Company’s compensation committee, the Company’s entire Board of directors, and/or its chief executive officer. Such recommendations will be made on a case-by-case basis, taking into consideration such matters as intent of the individuals involved, scope and timing of the practice, significance of financial restatement required, and corrective action taken.

Furthermore, we may recommend withholding votes from either members of the Company’s compensation committee, its entire Board of directors and/or its chief executive officer where the Company has engaged in what we judge to be other unsatisfactory compensation practices. Considerations may include such factors as “pay-for-failure” executive severance provisions, change-in-control payments which are either excessive or which are not tied to loss of job or significant reduction in duties, excessive executive perquisites, unjustified changes in the performance standards applied to performance-based compensation, and executive compensation out of proportion to performance of the Company.

FOR responsible shareholder proposals calling for the Company to name as directors only those who receive a majority of shareholder votes.

FOR proposals requesting that the Company seek more women, minority group members, and employee shareholders for service as directors.

Separating Chairman and CEO

FOR shareholder proposals requiring that positions of Chairman and CEO be held separately.

Independent Directors

FOR shareholder proposals asking that a two-thirds majority of directors be independent.

FOR shareholder proposals asking that Board’s Audit, Compensation, and/or Nominating committees be composed exclusively of independent directors.

FOR shareholder proposals asking that the Chairman be independent.

Stock Ownership Requirements

AGAINST shareholder proposals requiring directors to own a minimum amount of the Company stock in order to qualify as a director or to remain on the Board.

Term Limits

AGAINST shareholder proposals to limit tenure of outside directors.

Egan-Jones strongly encourages diversity and Board turnover without embracing the controversial and problematic approach of term limits or a retirement age. As long as a director nominee, whose tenure exceeds 10 years, is not a member of a key committee we will not recommend a vote to withhold from the nominee.

Retirement Age Limits

AGAINST shareholder proposals to impose a mandatory retirement age for outside directors.

FOR management proposals requesting the approval to remove the mandatory retirement age for directors and trustees.

AGAINST management and shareholder proposals that request placing age limit for a person to be elected or appointed as a director.

Director and Officer Indemnification and Liability

Case-by-case basis on management proposals regarding director and officer indemnification and liability, using Delaware law as the standard.

AGAINST management proposals to eliminate entirely directors and officers liability for monetary damages for violating the duty of care.

AGAINST management indemnification proposals that would expand coverage beyond legal expenses to acts, such as negligence, that are more serious violations of fiduciary obligation than mere carelessness.

FOR proposals authorizing exculpation of officers only in connection with direct claims brought by stockholders, including class actions, but without eliminating monetary liability of officers for breach of fiduciary duty arising out of claims brought by the corporation itself or for derivative claims brought by stockholders in the name of the corporation.

FOR management proposals providing such expanded coverage in cases when a director's or officer's legal defense was unsuccessful if (1) the director was found to have acted in good faith and in a manner that he or she reasonably believed was in the best interests of the Company, and (2) only if the director's legal expenses would be covered.

Charitable Contributions

AGAINST shareholder proposals regarding charitable contributions.

Political Contributions

FOR shareholder proposals regarding greater disclosure of political contributions.

FOR management proposals regarding approval of political contributions.

Lobbying Expenditures

FOR shareholder proposals for disclosure of lobbying expenditures.

FOR shareholder proposals requesting a report of climate lobbying.

FOR shareholder proposals requesting a third party review and report on lobbying activities alignment with position on universal health coverage.

Proxy Contests and Other Contested Elections

Election of Directors in Contested Elections

Case-by-case basis for voting for directors in contested elections, considering long-term financial performance of the target company relative to its industry, management's track record, background to the proxy contest, qualifications of director nominees on both slates, evaluation of what each side is offering shareholders as well as likelihood that proposed objectives and goals will be met, and stock ownership positions.

FOR plurality voting standard in contested elections.

Universal Proxy Card in a Contested Election

FOR proposals requesting that the Company require the use of a universal proxy card in contested elections.

Reimbursement of Shareholders for Expenses Incurred

FOR responsible shareholder proposals advocating establishment of procedures for reimbursement of solicitation expenses incurred by a dissident stockholder or group of stockholders in a contested elections of directors.

Auditors

Ratifying Auditors

FOR management proposals to ratify appointment of independent auditor unless:

- Auditor obtains a questionable score on the Egan-Jones Auditor Score which takes into account a number of factors including but not limited to:
 - Auditor rotation every seven years
 - Non-audit fees exceeding 50% of total fees
 - Significant and material disciplinary actions taken against the Company's Auditor

- Auditor has a financial interest in or association with the Company, and is therefore not independent; or there is reason to believe that the independent auditor has rendered an opinion which is neither accurate nor indicative of the Company's financial position.

Auditor Rotation

FOR shareholders proposals asking for auditor rotation.

FOR Shareholder proposal asking to limit the auditor from providing non-audit services.

Proxy Contest Defenses

Classified Board vs. Annual Election

AGAINST management proposals to classify the Board.

FOR shareholder proposals to repeal ("de-stagger") classified Boards and to elect all directors annually.

Removal of Directors

AGAINST management proposals that provide that directors may be removed only for cause.

FOR shareholder proposals to restore shareholder ability to remove directors with or without cause.

CASE-BY-CASE basis for shareholder proposal to remove a director, usually AGAINST unless there are compelling reasons to remove a director or a director does not fulfill Egan-Jones criteria examining independence, meetings attendance, other board memberships, then in such cases FOR.

AGAINST management proposals that provide that only continuing directors may elect replacements to fill board vacancies.

FOR shareholder proposals that permit shareholders to elect directors to fill board vacancies.

FOR shareholder proposals requesting multiple candidate elections.

Authorization of the Board to Fill (casual) Vacancies

FOR proposals requesting that vacancies in the number of directors be designated as casual vacancies and that the Board of Directors be authorized to fill such vacancies as and when it deems fit. On condition that director appointed to fill such a casual vacancy shall hold office until the next annual meeting following his or her election or until his or her election or until his or her successor is elected.

Cumulative Voting

AGAINST management proposals to eliminate cumulative voting.

FOR shareholder proposals to provide for cumulative voting.

Calling Special Meetings

AGAINST management proposals to restrict or prohibit shareholder ability to call special meetings.

FOR management proposals asking to permit shareholders of record who own at least 10% of the Company's shares, have the ability to call a special meeting.

FOR shareholder proposals that remove restrictions on the right of shareholders to act independently of management.

FOR shareholder proposals to allow shareholders holding at least 10% or more of the Company's shares, to call a special shareholder meeting regardless of length of stock ownership to the fullest extent possible, and proposals asking to give to give street name shares and non-street name shares an equal right to call for a special shareholder meeting.

Acting by Written Consent

AGAINST management proposals to restrict or prohibit shareholder ability to take action by written consent.

FOR shareholder proposals to allow or make easier shareholder action by written consent.

Altering Size of the Board

Management proposals regarding any Board size changes must require shareholder approval.

FOR management proposals to fix the size of the board as long as the number of directors is between 5 and 15.

FOR management proposals to set range of directors as long as there are not less than 5 and more than 15 directors on the board.

AGAINST management proposals that give management the ability to alter size of the board without shareholder approval.

AGAINST management proposals to allow the Board to fix number of directors without shareholder approval.

AGAINST management proposals to allow the Board to set range of directors without shareholder approval.

Case-by-case management proposals to approve unusual board size.

Virtual-only Meeting

FOR management proposals to conduct virtual-only annual meeting, considering shareholders' rights to participate electronically as they would have during an in-person meeting.

FOR proposals asking to allow the Company to hold a virtual meeting of shareholders along with an in-person meeting at a designated location.

Quorum Requirements

FOR proposals seeking approval of a lower quorum requirement if the reduced quorum is at least one-third of shares entitled to vote, either in person or by proxy.

Tender Offer Defenses

Poison Pills

FOR shareholder proposals that ask the Company to submit its “poison pill” for shareholder ratification.

AGAINST shareholder proposal requesting the Board authorize a self-tender offer.

Case-by-case basis for shareholder proposals to redeem the Company's existing “poison pill.”

Case-by-case basis for management proposals to ratify a “poison pill.”

Fair Price Provisions

Case-by-case basis for management proposals favoring adopting fair price provisions, considering vote required to approve the proposed acquisition, vote required to repeal the fair price provision, and mechanism for determining the fair price.

AGAINST management proposals for adopting fair price provisions with shareholder vote requirements greater than a majority of disinterested shares.

Greenmail

FOR shareholder proposals to adopt anti-“greenmail” charter or bylaw amendments or otherwise restrict the Company's ability to make “greenmail” payments.

Case-by-case basis for shareholder anti-“greenmail” proposals which are bundled with other charter or bylaw amendments.

Pale Greenmail

Case-by-case basis for restructuring plans that involve the payment of pale greenmail.

Unequal Voting Rights

AGAINST dual-class exchange offers and dual-class recapitalizations.

Supermajority Requirement to Amend Charter or Bylaws

FOR management proposals requesting elimination of supermajority voting provisions for amendments to the certificate of incorporation and bylaws.

AGAINST management proposals to require a supermajority shareholder vote to approve charter and bylaw amendments.

FOR shareholder proposals to lower supermajority shareholder vote requirements for charter and bylaw amendments.

FOR shareholder proposals asking that each bylaw amendment adopted by the board of directors not become effective until approved by shareholders.

Supermajority Requirement to Approve Mergers

AGAINST management proposals to require a supermajority shareholder vote to approve mergers and other significant business combinations.

FOR shareholder proposals to lower supermajority shareholder vote requirements for mergers and other significant business combinations.

Other Governance Proposals

Exclusive Forum

AGAINST management proposals to restrict the venue for shareholder claims by adopting charter or bylaw provisions that seek to establish an exclusive judicial forum for internal corporate claims.

The Federal Forum Selection for the Securities Act Claims Amendment

AGAINST proposals asking to approve an amendment to the Certificate of Incorporation to add a new provision that, unless the Company selects or consents in writing to the selection of an alternative forum, the sole and exclusive forum for the resolution of any complainant, shall be the federal district courts of the United States of America.

Confidential Voting

FOR shareholder proposals that request that the Company adopt confidential voting, use independent tabulators, and use independent inspectors of election as long as the proposals include clauses for proxy contests as follows: In the case of a contested election, management should be permitted to request that the dissident group honor its confidential voting policy. If the dissidents agree, the policy remains in place. If the dissidents do not agree, the confidential voting policy is waived.

FOR management proposals to adopt confidential voting.

Equal Access

FOR shareholder proposals that would allow significant Company shareholders equal access to management's proxy material in order to evaluate and propose voting recommendations on proxy proposals and director nominees, and in order to nominate their own candidates to the board.

Proxy Access

FOR binding shareholder proxy access proposals considering the following criteria:

- 0.5% ownership threshold
- Number of board members that may be elected - cap of 1/3 of board or minimum 2 nominees, if the board size is being lowered the calculation is based upon the original

board size, if it is being increased the calculation would be based upon the original board size, with each new slot added to the total, so two plus six if six new board positions are being created

- We prefer no limit or caps on the number of shareowners in the nominations group
- Loaned securities will count towards total
- We prefer that all participants affirm that they intend to be “long term shareholders” of the Company with at least 6 month ownership duration requirement
- Proposals with no re-nominations restrictions are preferred.

FOR shareholder proposals to 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.

Bundled Proposals

Case-by-case basis for bundled or "conditioned" proxy proposals. Where items are conditioned upon each other, examine benefits and costs. AGAINST in instances when the joint effect of the conditioned items is not in shareholders' best interests. FOR if the combined effect is positive.

Shareholder Advisory Committees

Case-by-case basis shareholder proposals for establishing a shareholder advisory committee.

Capital Structure

Common Stock Authorization

AGAINST management proposals for increasing the number of authorized shares of the class of stock that has superior voting rights in companies that have dual-class capitalization structures.

AGAINST management proposals to increase the number of authorized shares of common stock, or equivalents, that exceeds 50 percent of share capital, without a specified legitimate purpose.

FOR management proposals to increase the number of authorized shares of common stock more than 50 percent of currently issued common share capital, if tied to a specific transaction or financing proposal or if the share pool was used up due to equity plans.

Case-by-case basis on other such management proposals considering the specified purposes of the proposed increase, any explanation of risks to shareholders of failing to approve the request, potential dilution, and recent track record for using authorized shares, in which case judgment is applied to weigh such factors. Factors which are normally weighed in making such judgments include prior performance of the issuer, changes within the industry, relative performance within the industry, client preferences and overall good corporate governance. In general, we view the authorization of additional common shares to be ordinary and necessary and in the best long-term interests of the issuer and its shareholders.

Stock Distributions: Splits and Dividends

FOR management proposals to increase common share authorization for a stock split, provided that the increase in authorized shares would not result in an excessive number of shares available for issuance, considering the industry and the Company's returns to shareholders.

Reverse Stock Splits

FOR management proposals to implement a reverse stock split when the number of shares will be proportionately reduced to avoid delisting.

Case-by-case basis on management proposals to implement a reverse stock split that do not proportionately reduce the number of shares authorized for issuance taking into consideration stock price at the record date.

Preferred Stock

AGAINST management proposals authorizing creation of new classes of "blank check preferred stock" (i.e., classes with unspecified voting, conversion, dividend distribution, and other rights)

Case-by-case basis on management proposals to increase the number of "blank check preferred shares" after analyzing the number of preferred shares available for issuance considering the industry and Company's returns to shareholders.

Blank Check Preferred Stock

FOR shareholder proposals to have placements of "blank check preferred stock" submitted for shareholder approval, except when those shares are issued for the purpose of raising capital or making acquisitions in the normal course.

Adjustments to Par Value of Common Stock

FOR management proposals to reduce the par value of common stock.

Preemptive Rights

Case-by-case basis on shareholder proposals that seek preemptive rights, considering size of the Company and shareholder characteristics.

Debt Restructurings

Case-by-case basis on management proposals to increase number of common and/or preferred shares and to issue shares as part of a debt restructuring plan, considering dilution, any resulting change in control

FOR management proposals that facilitate debt restructurings except where signs of self-dealing exist.

Tracking Stock

Case-by-case basis for management proposals for creation of tracking stock, considering the strategic value of the transaction vs. adverse governance changes, excessive increases in authorized stock, inequitable distribution method, diminution of voting rights, adverse

conversion features, negative impact on stock option plans, and other alternatives, such as spin-offs.

Stock buybacks

Case-by-case on management proposals requesting stock buybacks. AGAINST in cases when the Company receives one of the lowest two Compensation scores, FOR otherwise. When the Compensation Score is not available, Egan-Jones will recommendation FOR.

Compensation of Officers and Directors

Compensation and Stock Plans

FOR compensation plans that result in an amount of dilution (or the equivalent value in cash) that is less than the maximum dilution determined by the Compensation Score.

AGAINST compensation plans that result in an excess amount of dilution (or the equivalent value in cash) that is more than the maximum dilution determined by the Compensation Score.

AGAINST compensation plans involving “pay for failure,” such as excessively long contracts, guaranteed compensation, excessive severance packages, or other problematic practice not accounted for in the Egan-Jones compensation Score.

Case-by-case (but generally FOR) plans that are completely “decoupled” from the CEOs compensation and thus have no impact on the CEO’s current or future total compensation.

Compensation Plan other than a Qualified ESPP at Special Purpose Acquisition Company

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.

Advisory Votes on Executive Compensation (“Say-on-Pay”)

Case-by-case basis on advisory votes on executive compensation (“Say-on-Pay”), based on the result obtained by the Company in Egan-Jones Compensation Score. AGAINST a non-binding compensation advisory vote when the Company obtains a questionable result on the Egan-Jones Compensation Score, FOR otherwise.*

**In cases when the Company doesn’t have a CEO or CEO is not the highest paid executive then Egan-Jones will use the Total Compensation and Salary paid to the highest paid NEO of the Company to calculate a Compensation Score.*

AGAINST say-on-pay proposal and compensation committee members when executive employment agreements include tax gross-ups.

Relative Compensation is based upon a number of quantitative and qualitative metrics which produce a final score that is both forward looking and based upon the prior performance metrics

of the Company's wealth creation and market capitalization as compared to the CEO's total compensation package. Higher wealth creation, market capitalization and lower CEO compensation all contribute to a higher compensation score. Additional qualitative measures such as 162m compliance, executive pension plan status and other relevant factors are then used to calculate the final score.

Advisory Votes Regarding Frequency of Advisory Votes on Executive Compensation

FOR management proposals that recommend that advisory votes on compensation take place annually.

FOR ANNUAL FREQUENCY regardless of whether management recommends annual, biennial or triennial frequency.

AGAINST management proposals that recommend that advisory votes on executive compensation take place every two years or triennially.

Advisory Votes on Executive Compensation Tied to a Merger, Acquisition or Other Change in Control

AGAINST “golden parachutes” which are abusive,

- such as those that exceed 3x of the cash severance or
- if the cash severance multiple is greater than 2.99x or
- contain tax gross-ups or
- provide for accelerated vesting of equity awards, (however, pro-rata vesting of awards based on past service is acceptable) or
- are triggered prior to completion of the transaction or
- if the payouts are not contingent on the executive’s termination.

Management Proposals Seeking Approval to Re-price Options

Case-by-case basis on management proposals seeking approval to re-price options.

Director Compensation

Case-by-case basis on stock-based plans for directors.

AGAINST shareholder proposals regarding advisory vote on directors’ compensation.

Employee Stock Purchase Plans

Case-by-case basis on employee stock purchase plans.

Amendments that Place a Maximum limit on Annual Grants or Amend Administrative Features

FOR plans that amend shareholder-approved plans to include administrative features or place maximum limit on annual grants that any participant may receive to comply with the provisions of Section 162(m) of the Omnibus Budget Reconciliation Act (OBRA).

Amendments to Added Performance-Based Goals

FOR amendments to add performance goals to existing compensation plans to comply with the provisions of Section 162(m) of OBRA.

Amendments to Increase Shares and Retain Tax Deductions Under OBRA

Case-by-case basis on amendments to existing plans to increase shares reserved and to qualify the plan for favorable tax treatment under the provisions of Section 162(m).

Approval of Cash or Cash & Stock Bonus Plans

Case-by-case basis on cash or cash & stock bonus plans to exempt compensation from taxes under the provisions of Section 162(m) of OBRA.

Limits on Director and Officer Compensation

FOR shareholder proposals requiring additional disclosure of officer and director compensation.

Case-by-case basis for all other shareholder proposals seeking limits on officer and director compensation.

Retirement Benefits

FOR shareholder proposals seeking shareholder approval of any future extraordinary retirement benefits for senior executives, so long as subjecting them to such approval does not violate an existing employment agreement or vested pension benefit.

Golden Parachutes and Tin Parachutes

FOR shareholder proposals requesting that the Board seek shareholder approval of any senior manager's new or renewed pay package that provides for severance or termination payments with an estimated value exceeding 2.99 times the sum of the executive's base salary plus target short-term bonus.

Case-by-case basis on proposals to ratify or cancel "golden or tin parachutes."

FOR shareholder proposals to limit severance pay in future employment agreements to no more than two times annual base salary plus bonus.

Employee Stock Ownership Plans (ESOPs)

FOR proposals that request shareholder approval in order to implement an ESOP or to increase authorized number of shares for existing ESOPs, except in cases when the number of shares allocated to the ESOP is "excessive" (i.e., greater than five percent of outstanding shares).

401(k) Employee Benefit Plans

FOR proposals to implement a 401(k) savings plan for employees.

State of Incorporation

State Takeover Statutes

Case-by-case basis on proposals to opt in or out of state takeover statutes (including control share acquisition statutes, control share cash-out statutes, freeze-out provisions, fair price provisions, stakeholder laws, poison pill endorsements, severance pay and labor contract provisions, anti-“greenmail” provisions, and disgorgement provisions).

Reincorporation Proposals

Case-by-case basis on proposals to change the Company's state of incorporation.

Business Combinations and Corporate Restructurings

Change of Domicile

Case-by-case basis for changes in state of domicile, considering state regulations of each state, required fundamental policies of each state; and the increased flexibility available.

Mergers and Acquisitions

Case-by-case basis on mergers and acquisitions, considering projected financial and operating benefits, offer price, prospects of the combined companies, negotiation process, and changes in corporate governance.

Corporate Restructuring

Case-by-case basis on corporate restructurings, including minority squeeze-outs, leveraged buyouts, spin-offs, liquidations, and asset sales.

Spin-offs

Case-by-case basis on spin-offs, considering tax and regulatory advantages, planned use of proceeds, market focus, and managerial incentives.

Asset Sales

Case-by-case basis on asset sales, considering impact on the balance sheet and working capital, and value received.

Liquidations

Case-by-case basis on liquidations considering management's efforts to pursue alternatives, appraisal value, and compensation for executives managing the liquidation.

Appraisal Rights

FOR providing shareholders with appraisal rights.

Mutual Fund Proxies

Election of Directors

Case-by-case basis for election of directors, considering board structure, director independence, director qualifications, compensation of directors within the fund and the family of funds, and attendance at board and committee meetings.

WITHHOLD votes for directors who:

- are interested directors and sit on key board committees (Audit or Nominating committees)
- are interested directors and the Company does not have one or more of the following committees: Audit or Nominating.
- attend less than 75 percent of the board and committee meetings. Participation by phone is acceptable.
- ignore a shareholder proposal that is approved by a majority of shares outstanding
- ignore a shareholder proposal that is approved by a majority of the votes cast for two consecutive years
- serve as Chairman but are not independent (e.g. serve as an officer of the fund's advisor)

Change from Diversified to Non-Diversified Fund

FOR approval of change from diversified to non-diversified fund.

Converting Closed-end Fund to Open-end Fund

Case-by-case basis for conversion of closed-end fund to open-end fund, considering past performance as a closed-end fund, market in which the fund invests, measures taken by the board to address the market discount, and past shareholder activism, board activity, and votes on related proposals.

Proxy Contests

Case-by-case basis on proxy contests, considering past performance, market in which fund invests, and measures taken by the board to address issues raised, past shareholder activism, board activity, and votes on related proposals.

Investment Advisory Agreements

Case-by-case basis on investment advisory agreements, considering proposed and current fee schedules, fund category and investment objective, performance benchmarks, share price performance relative to that of peers; and magnitude of any fee increase.

New Classes or Series of Shares

FOR creating new classes or series of shares.

Preferred Stock Authorization

Case-by-case basis for authorization for or increase in preferred shares, considering financing purpose and potential dilution for common shares.

1940 Act Policies

Case-by-case basis for 1940 Act policies, considering potential competitiveness, regulatory developments, current and potential returns, and current and potential risk.

Changing Fundamental Restriction to Non-fundamental

AGAINST proposals asking to change fundamental restriction to non-fundamental restriction.

Changing Fundamental Investment Objective to Non-fundamental

AGAINST proposals asking to change the fund's fundamental investment objective to non-fundamental.

Changing Fundamental Investment Policy to Non-Fundamental

AGAINST proposals asking to change the fund's fundamental investment policy to non-fundamental.

Name Rule Proposals

Case-by-case basis for name rule proposals, considering the following factors: political/economic changes in target market; bundling with quorum requirements or with changes in asset allocation, and consolidation in the fund's target market.

Disposition of Assets, Termination, Liquidation

Case-by-case basis for disposition of assets, termination or liquidation, considering strategies employed, Company's past performance, and terms of liquidation.

Change in Sub-classification

Case-by-case basis for change in sub-classification, considering potential competitiveness, current and potential returns, risk of concentration, and industry consolidation in the target industry.

Authorizing Board to Hire and Terminate Sub-advisors without Shareholder Approval - "Manager of Managers" Structure

FOR approval of the use of a "Manager of Managers" structure that would permit the Fund's manager to appoint and replace sub-advisors and enter into, and materially amend, sub-advisory agreements for the Fund without obtaining prior shareholder approval, regardless of the level of sub-adviser's affiliation.

Distribution Agreements

Case-by-case basis for approving distribution agreements, considering fees charged to comparably sized funds with similar objectives, proposed distributor's reputation and past performance, and competitiveness of fund in industry.

Master-Feeder Structure

FOR establishment of a master-feeder structure.

Mergers

Case-by-case basis for proposed merger, considering resulting fee structure, performance of each fund, and continuity of management.

Advisory Vote on Merger Related Compensation

AGAINST “golden parachutes” which are abusive,

- such as those that exceed 3x of the cash severance **or**
- if the cash severance multiple is greater than 2.99x or
- contain tax gross-ups or
- provide for accelerated vesting of equity awards, (however, pro-rata vesting of awards based on past service is acceptable) or
- are triggered prior to completion of the transaction or
- if the payouts are not contingent on the executive’s termination.

Extension Amendment Proposal for SPAC companies

Proposal asking to give the Company the right to extend the date by which the Company must consummate a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination. Case-by-case recommendation, if the pre-existing extension terms have been modified to reduce the amount required to be deposited in trust account, then Egan-Jones will recommend AGAINST.

Miscellaneous Shareholder Proposals

Governance

Independent Directors

FOR proposals asking that a three-quarters majority of directors be independent.

FOR proposals asking that the board’s Audit, Compensation, and/or Nominating committees be composed exclusively of independent directors.

FOR shareholder proposals asking that the Chairman be independent.

Statement of the Purpose of a Corporation Review

FOR shareholder proposals requesting a review of the statement of the purpose of a corporation and make recommendations to shareholders on how the purpose of a corporation signed by the Chairman and Chief Executive Officer can be fully implemented.

Majority Voting in the Election of Directors

FOR shareholder proposals regarding simple majority voting in the election of Directors in uncontested meetings.

Election of Non-executive Directors

AGAINST shareholder proposals requesting election of non-executive directors.

Fair Elections/Advance Notice Bylaw

FOR shareholder proposals requesting that shareholder approval is required for any advance notice bylaw amendments that:

1. require the nomination of candidates more than 90 days before the annual meeting,
2. impose new disclosure requirements for director nominees, including disclosures related to past and future plans, or
3. require nominating shareholders to disclose limited partners or business associates, except to the extent such investors own more than 5% of the Company's shares.

CEO succession policy

FOR shareholder proposals requesting a CEO succession planning policy.

Report on Key-Person Risk

FOR shareholder proposals requesting a report on the Company's key-person risk, including identification of key persons and actions to ameliorate the impacts of their potential loss.

Employee Representation on the Board of Directors

FOR shareholder proposals on employee representation on the Board of Directors.

The Board's Nominee Disclosure Policy/ True Diversity Board Policy

FOR shareholder proposals requesting a policy to disclose to shareholders the following: a description of the specific minimum qualifications that the Board's nominating committee believes must be met by a nominee to be on the board of directors; and each nominee's skills, ideological perspectives, and experience presented in a chart or matrix form.

FOR shareholder proposals requesting the Board review the mandate of the Corporate Governance Committee in order to include an ethical component concerning the use of artificial intelligence.

FOR shareholder proposals requesting that the Board of Directors review the Human Resources Committee's mandate in order for it to play a role in overseeing key strategies regarding organizational culture, human resources, engagement, health, well-being, equity, diversity and inclusion of employees and that it can ensure that such strategies and organizational culture include environmental, social and governance (ESG) principles.

Risk Oversight Committee/Public Policy Committee

FOR shareholder proposals requesting a report, at reasonable cost, omitting proprietary or legally privileged information, discussing the merits of establishing a risk oversight board committee to oversee the Company's policies including human rights, environment, domestic governmental regulations, foreign affairs and international relations affecting the Company's business.

Creation of a New Technology Committee

Shareholder proposals that request that the Company create a new technology committee. Based on the Cybersecurity Risk Score, FOR in cases when the Company receives one of the lowest two scores; AGAINST otherwise.

Decarbonization Committee

AGAINST shareholder proposals that request the board of directors establish a new committee to evaluate the risks and drawbacks of attempting to meet demands for the Company decarbonization

Reimbursement of Shareholder for Expenses Incurred

FOR responsible shareholder proposals advocating establishment of procedures for reimbursement of solicitation expenses incurred by a dissident stockholder or group of stockholders in a contested elections of directors.

Terminate the Investment Advisor

Case-by-case basis for terminating the investment advisor, considering fund's performance and history of shareholder relations.

Vote Tabulation

FOR shareholder proposals that request all matters presented to shareholders, other than the election of directors, shall be decided by a simple majority of the shares voted 'For' and 'Against' an item and abstentions from the vote count be excluded.

Proxy Voting Review

FOR shareholder proposal regarding proxy voting review report.

Disclosure of Voting Results

FOR shareholder proposals requesting separate disclosure of voting results by classes of shares.

Right to Convert a Limited Amount of Class B Common Stock into Class A Common Stock

FOR shareholder proposals on annual right to convert a limited amount of class B Common Stock (10 votes per share) into Class A Common Stock (1 vote per share).

Maryland's Unsolicited Takeover Act

FOR shareholder proposals requesting that the Board opt out of MUTA, which allows the board of directors to make changes by board resolution only, without shareholder approval, to the

Company's capital structure and charter/bylaws. These include, but are not limited to:

- › the ability to re-classify a board;
- › the exclusive right to set the number of directors;
- › limiting shareholders' ability to call special meetings to a threshold of at least a majority of shares.

Report on Whistleblower Policies and Practices

FOR shareholder proposals requesting a report (within a reasonable time, at reasonable cost, and excluding confidential information) evaluating the Company's whistleblower policies and practices.

Mandatory Arbitration Bylaw

AGAINST shareholder proposals requesting that the Company adopt to a mandatory arbitration bylaw.

FOR shareholder proposals regarding a report on the impact of the use of mandatory arbitration on employees and workplace culture.

Concealment Clauses

FOR shareholder proposals requesting additional reporting on risks associated with the use of certain concealment clauses.

FOR 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: "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".

Executive Compensation

Tax Payments on Restricted Awards

AGAINST shareholder proposals to adopt a policy that the Company will pay the personal taxes owed on restricted stock awards on behalf of named executive officers.

Recovery of Unearned Management Bonuses

FOR shareholder proposals to adopt an executive compensation recoupment policy.

Senior Executive Stock Retention

FOR shareholder proposals that request adoption of a policy requiring senior executives to retain a significant percentage of shares.

Deferral Period for Certain Compensation of Senior Executives

FOR shareholder proposals that request that the Compensation committee make the following changes to any annual cash incentive program ("Bonus Program"), as applicable to senior executives, in order to promote a longer-term perspective: an award to a senior executive under a Bonus Program that is based on one or more financial measurements whose performance

measurement period is one year or shorter shall not be paid in full for a period following the award; and, the Committee shall develop a methodology for (a) determining the length of the Deferral Period and what proportion of a Bonus should be paid immediately; (b) adjusting the remainder of the Bonus over the Deferral Period in a manner that (i) allows accurate assessment of risks taken during the PMP that could have affected performance on the Financial Metric(s) and (ii) allows the Company to recoup Bonus compensation pursuant to its clawback policy; and (c) paying out the remainder of the Bonus at the end of the Deferral Period.

Deduct Impact of Stock Buybacks from Executive Pay

FOR shareholder proposals that request the board of directors adopt a policy that the board will not utilize “earnings per share” (“EPS”) or its variations (e.g., diluted or operating EPS) or financial ratios (return on assets or net assets or equity) in determining a senior executive’s incentive compensation or eligibility for such compensation, unless the Board utilizes the number of outstanding shares on the beginning date of the performance period and excludes the effect of stock buybacks that may have occurred between that date and the end of the performance period.

Government Service Golden Parachute

FOR shareholder proposals on policy prohibiting the vesting of equity-based awards (including stock options, restricted stock and other stock awards granted under an equity incentive plan), for senior executives due to a voluntary resignation to enter government service.

Nonqualified Savings Plan Earnings

FOR shareholder proposals to adopt a policy that prohibits the practice of paying above-market earnings on the non-tax-qualified retirement saving or deferred income account balances of senior executive officers.

GAAP Financial Metrics for Purposes of Determining Executive Compensation.

FOR shareholder proposals asking to adopt a policy that when using performance metrics to calculate senior executive compensation, the Company shall not adjust performance metrics that are calculated in accordance with generally accepted accounting principles (GAAP).

FOR stockholder proposals on non-GAAP measures disclosure.

Legal and Compliance Costs in Executive Compensation metrics

FOR shareholder proposals requesting that financial performance metrics should not be adjusted to exclude legal or compliance costs in evaluating performance for incentive payouts to senior executives.

FOR shareholder proposal requesting inclusion of legal and compliance costs in incentive compensation metrics.

Tax Transparency

FOR shareholder proposals on tax transparency requesting that the Company issue a tax transparency report to shareholders, at reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative’s (GRI) Tax Standard.

ESG Metrics and Executive Compensation

FOR shareholder proposals asking that the Company prepare a report, at reasonable cost and omitting proprietary information, describing if, and how, it plans to integrate ESG metrics into the performance measures of named executive officers under the Company's compensation incentive plans.

Community Impacts and Company's Executive Compensation Program

FOR shareholder proposals asking that the Board of directors publish a report, at reasonable expense, within a reasonable time, and omitting confidential or propriety information, assessing the feasibility of integrating community stakeholder concerns and impacts into the Company's executive compensation program.

Target Amounts for CEO Compensation – Pay Disparity

FOR shareholder proposals requesting that the Company take into consideration the pay grades and/or salary ranges of all classifications of the Company employees when setting target amounts for CEO compensation.

Equity Ratio Disclosure in Executive Compensation

FOR shareholder proposals requesting that the Company disclose equity ratio disclosure used by the compensation committee to set executive compensation.

FOR shareholder proposal on reform of executive compensation policy with social responsibility.

FOR shareholder proposals asking to ensure greater independence of compensation advisors.

FOR shareholder proposals to discontinue professional services allowance for NEOs.

Shareholder proposals on cessation of Stock Option and Bonus Programs. Based on the Compensation Score: FOR when the Company receives one of the lowest two scores on the Governance Rating; AGAINST otherwise

Executive Perquisites

FOR shareholder proposals requesting that payments and/or reimbursements to current and former Named Executive Officers (NEOs) for personal expenses be discontinued.

Incentive Compensation and Risks of Material Losses

FOR shareholder proposals asking that the Company prepare a report, at reasonable cost, disclosing whether and how the Company has identified employees or positions, individually or as part of a group, who are eligible to receive incentive-based compensation that is tied to metrics that could have the ability to expose the Company to possible material losses, as determined in accordance with generally accepted accounting principles.

Advisory Vote on Executive Compensation

FOR shareholder proposals on adoption of advisory vote on executive compensation.

FOR shareholder proposals on pay for superior performance.

Drug Pricing Strategies in Incentive Compensation Plans

FOR shareholder proposals requesting report on the extent to which risks related to public concern over drug pricing strategies are integrated into incentive compensation arrangements. The report should include, but need not be limited to, discussion of whether incentive compensation arrangements reward, or not penalize, senior executives for (i) adopting pricing

strategies, or making and honoring commitments about pricing, that incorporate public concern regarding the level or rate of increase in prescription drug prices; and (ii) considering risks related to drug pricing when allocating capital.

Executive Pay Confidential Voting

FOR shareholder proposals to adopt a bylaw provision restricting management's access to vote tallies prior to the annual Meeting with respect to certain executive pay matters.

Clawback Provision Amendment

FOR shareholder proposals that request the board of directors amend the Company's clawback policy for executive compensation.

Quantifiable Performance Metrics

CASE-BY-CASE on shareholder proposals that request the board adopt the policy regarding quantifiable performance metrics. FOR this proposal in cases when the Egan-Jones compensation score results in an 'Against' recommendation on the 'Say-on-Pay' proposal. AGAINST this proposal in cases of when the Egan-Jones compensation score results in a 'For' recommendation on the 'Say-on-Pay' proposal.

Accelerated Vesting

FOR shareholder proposals to implement double triggered with pro-rata vesting of awards.

Dividends

CASE-BY-CASE basis for shareholder proposals to increase dividends, but generally AGAINST in the absence of a compelling reason FOR.

Shareholder Proposals on Social and Environmental Issues

Energy and Environment

FOR shareholder proposals asking the Company to issue a report in support of circular economy.

FOR shareholder proposals that request that the Company follow the CERES Principles to encourage protection of the environment and the safety and health of employees.

FOR shareholder proposals to encourage energy conservation and the development of alternate renewable and clean energy resources and to reduce or eliminate toxic wastes and greenhouse gas emissions.

FOR shareholder proposals requesting that the Company adopt GHG emissions reductions goals and issue a report at reasonable cost and omitting proprietary information, on its plans to achieve these goals.

AGAINST shareholder proposals for improving wetlands protection efforts.

AGAINST shareholder proposals requesting a report on environmentally sensitive, protected areas.

AGAINST shareholder proposals for reporting on environmental hazards to the community.

AGAINST shareholder proposals requesting disclosure of environmental liabilities.

AGAINST reasonable shareholder proposals seeking more energy-efficient manufacturing processes and development of products and processes that rely on alternative energy sources.

AGAINST shareholder proposals requesting reporting on nuclear energy production.

AGAINST proposals calling for cessation of nuclear power production.

AGAINST shareholder proposals at energy companies seeking increased investment in alternative, environmentally-friendly energy sources.

FOR shareholder proposals requesting that the Company issue an annual report to shareholders, at reasonable cost and omitting proprietary information, on plastic pollution.

FOR shareholder proposals requesting a report on reduction of water pollution.

FOR shareholder proposals promoting recycling.

FOR shareholder proposals requesting a report on recyclable packaging.

AGAINST shareholder proposals requesting a report on electronic waste.

FOR shareholder proposals requesting a report on nanomaterials.

FOR shareholder proposals on proper disposal of pharmaceuticals.

FOR reports that seek additional information, particularly when it appears Company has not adequately addressed shareholders' environmental concerns.

FOR shareholder proposal that requests that Company develop and implement a comprehensive sustainable palm oil sourcing policy.

FOR shareholder proposals requesting a report on renewable energy adoption.

FOR shareholder proposals requesting a report on distributed - scale clean electricity.

FOR proposals that request that the board prepare, at reasonable expense and omitting proprietary information, a sustainability report.

FOR shareholder proposals requesting that the Company nominate environmental expert to the Board of Directors.

FOR shareholder proposals on establishing a climate change committee.

FOR shareholder proposals requesting a report on climate change.

FOR shareholder proposals requesting that the Company establish an annual advisory vote policy with respect to its environmental and climate change action plan and objectives.

FOR shareholder proposals requesting environmental and social due diligence.

Shareholder proposals requesting a report a report on 2-degree or 1.5-degree scenarios, IEA or IPCC reports, scenarios or assumptions, or any other climate- or net-zero transition-related models.

Fiduciary Carbon-Emission Relevance Report

AGAINST shareholder proposals requesting a report evaluating the material factors relevant to decisions about whether a 2050 net-zero carbon goal is appropriate; factors such as economic consequences of adopting a 2050 net-zero carbon goal, technological feasibility for the company, the possibility that the climate models that underlie such goals are incorrect etc.

FOR shareholder proposals requesting that the Company suspend memberships of industry associations that are involved in lobbying inconsistent with the goals of the Paris agreement.

FOR shareholder proposals requesting a report on supply chain deforestation impacts.

FOR shareholder proposal requesting a report on limiting supply chain flaring.

FOR shareholder proposals requesting a report on climate change and business model.

AGAINST shareholder proposals requesting a report on investment of retirement funds in companies contributing to climate change.

FOR shareholder proposals requesting a report on public advocacy on climate change and energy by relevant industry associations.

CASE-BY-CASE on shareholder proposals requesting a report on stranded assets due to climate change: FOR when the Company receives one of the lowest two scores on the overall Governance Score; AGAINST otherwise.

FOR shareholder proposals requesting a report on risks of petrochemical investments.

AGAINST shareholder proposals on new fossil fuel financing requesting adoption of a policy in which the Company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies.

FOR shareholder proposals requesting that the Company commit to continuing to invest in and finance the oil and gas sector and conduct a review of any and all of its policies to ensure that there are none that have the effect of encouraging divestment from the sector.

FOR shareholder proposal requesting a report on quantitative metrics identified by the Sustainability Accounting Standards Board (SASB) as providing material information on water resource risks for the meat, poultry and dairy sector at reasonable expense and excluding confidential information.

FOR shareholder proposals requesting a report on environmental expenditures (voluntary climate-related activities) including incurred costs and associated significant and actual benefits that have accrued to shareholders, the public health and the environment, including the global climate, from the Company's environment-related activities that are voluntary and that exceed U.S. and foreign compliance and regulatory requirements.

FOR shareholder proposals requesting a report on electrification of the transportation sector.

Health

AGAINST shareholder proposals requesting a report on sugar and public health.

AGAINST shareholder proposals regarding cage free egg progress disclosure.

FOR shareholder proposals requesting a report on antibiotics in livestock.

FOR shareholder proposals to adopt a policy to phase out the routine use of antibiotics in the meat and poultry supply chain.

AGAINST shareholder proposals on protein diversification.

AGAINST shareholder proposal on disclosure of pesticide management data, requesting that the Company disclose, at reasonable expense and omitting proprietary information, quantitative metrics demonstrating measurable progress toward the reduction of synthetic chemical pesticide use in the Company's supply chain.

Shareholder proposals that request the Company prepare a report disclosing the governance measures the Company has implemented to more effectively monitor and manage financial and reputational risks related to the opioid crisis in the U.S. Based on the overall Governance Score: FOR when the Company receives one of the lowest two scores; AGAINST otherwise.

FOR shareholder proposals that request the Compensation committee prepare a report on drug pricing.

AGAINST 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.

FOR shareholder proposal requesting a report on transfer of intellectual property to potential COVID-19 manufacturers.

FOR shareholder proposal requesting report on government financial support and access to COVID-19 vaccines and therapeutics.

AGAINST shareholder proposal requesting a report on public health costs of protecting vaccine technology.

AGAINST shareholder proposals requesting a report on health risks of continued in-store tobacco sales.

AGAINST shareholder proposals seeking support for the descheduling of Cannabis.

FOR shareholder proposals requesting that the Company prepare an independent third-party audit on driver health and safety.

FOR shareholders proposal requesting that the Company create a committee to prepare a report regarding the impact of plant closure on communities and alternatives to help mitigate the effects.

AGAINST shareholder proposals requesting a report on the Company's efforts, to identify and reduce environmental and health hazards associated with past, present and future handling of coal combustion residuals and how those efforts may reduce legal, reputational and financial risks to the Company.

AGAINST shareholder proposals on transition to a public benefit corporation.

FOR shareholder proposals on financial initiatives that promote and strengthen communities, focusing on not only their economic effect but their social impact as well.

Northern Ireland

FOR proposals related to the MacBride Principles.

Military Business

FOR shareholder proposals on defense issues.

FOR proposals requesting reports that seek additional information on military related operations, particularly when the Company has been unresponsive to shareholder requests.

FOR shareholder proposals requesting a report on policies regarding military and militarized policing agencies.

FOR shareholder proposals requesting a report on development of products for military.

Human Rights, Labor Issues and International Operations Policies

FOR shareholder proposals on establishing a human rights committee.

FOR shareholder proposals directed towards protecting and promoting human rights.

FOR shareholder proposals requesting that the Company nominate for election at least one director with human rights expertise.

FOR shareholder proposals seeking a human rights report or human rights due diligence process to assess, identify, prevent and mitigate actual and potential adverse human rights impacts.

FOR shareholder proposals requesting a report evaluating the efficacy of the Company's existing policies and practices to address the human rights impacts of its content management policies to address misinformation and disinformation across its platforms.

FOR shareholder proposals requesting a report on data privacy.

FOR shareholder proposals on policies of freedom of expression - to report annually to shareholders, at reasonable expense and excluding confidential and proprietary information, regarding the Company's policies on freedom of expression and access to information, including whether it has publicly committed to respect freedom of expression as a human right; the oversight mechanisms for formulating and administering policies on freedom of expression and access to information.

Non-Partisanship/ Political Speech

AGAINST shareholder proposals requesting that the Board of Directors encourage a senior management commitment to avoid supporting or taking a public position on any controversial social or political issues (collectively "political speech"), without having previously, comprehensively and without bias justified by action on the basis of underlying business strategy, exigencies, and priorities.

FOR shareholder proposal regarding adoption of a policy on the Company's commitment to respect the rights to freedom of association and collective bargaining in its operations.

FOR shareholder proposals requesting a third-party audit on workers' freedom of association and collective bargaining rights.

FOR shareholder proposals requesting workplace safety reports.

FOR shareholder proposals requesting that the Company issue a report, at reasonable cost and omitting proprietary information, to include key performance indicators on human capital management related to the Company's portfolio, including reporting on the number and types of complaints received from employees, including contractors and temporary workers, the remedies offered under its grievance mechanism and the percentage of complaints resolved.

FOR shareholder proposals to report to shareholders on the Company's minimum requirements and standards related to workforce practices.

FOR shareholder proposals seeking workplace codes of conduct and human rights standards, for foreign operations of the issuer or for foreign suppliers.

FOR proposals relating to the Maquiladora Standards and international operating policies.

AGAINST shareholder proposals directed towards making life-sustaining drugs more available and affordable to low-income communities and nations.

CASE-BY-CASE on shareholder proposals seeking reports on the Company's activities affecting indigenous peoples. FOR when the Company receives one of the lowest two scores on the overall Governance Score; AGAINST otherwise.

FOR shareholder proposal regarding human and indigenous peoples' rights and asking the Company to modify its committee charters, bylaws and/or articles of incorporation, to articulate the fiduciary duties of Board and management to ensure due diligence on human and Indigenous peoples' rights.

FOR shareholder 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.

FOR shareholder proposals regarding a slavery and human trafficking report.

FOR shareholder proposals requesting a report assessing the risk of increased sexual exploitation of children as the Company develops and offers additional privacy tools.

FOR shareholder proposals requesting that the Company prepare an annual report regarding sexual harassment complaints.

FOR shareholder proposals requesting that the Company issue a report on prison labor in supply chain.

FOR shareholder proposals requesting a disclosure whether the Company's business operations involve, rely or depend on child labor.

AGAINST shareholder proposals requesting a report, omitting confidential and privileged information and at reasonable expense, detailing any known or potential risks and costs to the company caused by enacted or proposed state policies severely restricting reproductive rights, and detailing any strategies beyond litigation and legal compliance that the company may deploy to minimize or mitigate these risks.

AGAINST shareholder proposal relating to reproductive rights and consumer data privacy.

AGAINST shareholder proposals supporting activities that include abortion, euthanasia or assisted suicide.

AGAINST shareholder proposals promoting in vitro fertilization for either assisting conception or for research.

World Debt Crisis

FOR proposals requesting reports on Third World debt issues, particularly when it appears Company has not adequately addressed shareholder concerns.

Diversity, Equity and Inclusion

FOR shareholder proposals asking the Company to set a diversity target (of min of 40%) for the composition of its Board.

Report on Diversity and Inclusion

FOR shareholder proposal requesting a report on the effectiveness of the Company's diversity, equity, and inclusion efforts. The report should be done at reasonable expense, exclude proprietary information, and provide transparency on outcomes, using quantitative metrics for hiring, retention, and promotion of employees, including data by gender, race, and ethnicity.

DE&I Policies Third Party - Audit Racial Equity/Civil Rights Audit

AGAINST shareholder proposals that request the Board of Directors commission an audit analyzing the impacts of the Company's Equity, Diversity & Inclusion policies on civil rights, non-discrimination and returns to merit, and the impacts of those issues on the Company's business. The audit may, in the Board's discretion, be conducted by an independent and unbiased third party with input from civil rights organizations, public-interest litigation groups, employees and shareholders of a wide spectrum of viewpoints and perspectives. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on the Company's website.

Report on effects of DE&I /Report on Discrimination Risk Oversight and Impact

AGAINST shareholder proposals requesting that the Board of Directors conduct an evaluation and issue a report within the next year, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating how it oversees risks related to discrimination against individuals based on their race, color, religion (including religious views), sex, national origin, or political views, and whether such discrimination may impact individuals' exercise of their constitutionally protected civil rights.

Report on a cost/benefit analysis of its Diversity, Equity & Inclusion programs

AGAINST shareholder proposals requesting a report, omitting proprietary or confidential information and considering all relevant costs and benefits, including the reputational costs arising from discriminating on the basis of race, sex and orientation; the financial costs of selecting employees on bases other than merit; the costs associated with relying on incomplete or biased evidence, and related costs.

AGAINST shareholder proposals asking that the Company rescind the Racial Equity Audit.

FOR shareholder proposals on gender pay gap.

FOR shareholder proposal requesting paid sick leave for all employees.

FOR shareholder proposals requesting a report on worker misclassification.

FOR proposals regarding equal employment opportunity policy.

FOR shareholder proposals requesting a racial equity audit or a report on progress toward eliminating racial discrimination at the Company.

FOR shareholder proposals regarding assessing inclusion in the workplace and requesting a report to shareholders on whether written policies or unwritten norms at the Company reinforce racism in the Company culture.

Inclusive Hiring or Fair Chance Employment

FOR shareholder proposals requesting a report on hiring practices related to people with arrest or incarceration records.

FOR shareholder proposals requesting that the Company issue a report on ethical recruitment in global supply chains.

FOR proposals requesting reports that seek additional information about affirmative action efforts, particularly when it appears the Company has a past history of issues.

FOR shareholder proposals against discrimination in compensation and employment opportunities for women and minorities.

FOR shareholder proposals to increase the number of members of the Board of Directors who are women and members of minorities.

AGAINST shareholder proposal requesting disclosure of languages in which the directors are fluent in the skills and expertise matrix of the circular.

FOR shareholder proposals requesting a policy prohibiting discrimination based on sexual orientation.

AGAINST shareholder proposals to encourage the financial institutions where it deposits its resources to undertake programs and implement policies to secure an "outstanding" rating under the Community Reinvestment Act so as to insure fair and equal access to available credit.

FOR shareholder proposals to prevent predatory lending practices.

Holy Land Principles

FOR shareholder proposals to approve the implementation of the Holy Land Principles.

Animal Rights

AGAINST on proposals that deal with animal rights.

AGAINST shareholder proposal requesting supply chain practices report focusing on animal welfare.

Nonhuman primates report

AGAINST shareholder proposals requesting that the Board report to shareholders annually on the species, country of origin (including wild-caught or captive-bred, omitting proprietary information), and numbers of nonhuman primates imported by the company into the U.S.; the species and numbers of nonhuman primates transported within the country; and measures the company is taking to mitigate its impact on dwindling populations in nature.

Product Integrity and Sales, Marketing and Advertising

FOR proposals requesting reports that seek additional information regarding product integrity and marketing issues, particularly when it appears the Company has been unresponsive to shareholder requests.

FOR shareholder proposals requesting a policy to pause sourcing of cotton and other raw materials from China.

FOR shareholder proposals asking for responsible sourcing details of product.

AGAINST shareholder proposals regarding a report on plant-based milk pricing.

AGAINST shareholder proposal requesting that the Company make nicotine level information available to customers and begin reducing nicotine levels in the brands to a less addictive level.

AGAINST shareholder proposals on reducing sales and marketing of socially questionable products, including but not limited to alcohol, drugs, tobacco, weapons.

FOR shareholder proposals requesting that the Company discontinue global sales of baby powder containing talc.

AGAINST shareholder proposals requesting that the Company voluntarily label genetically engineered (GE) ingredients in its products.

AGAINST shareholder proposals that requests the Company prepare a report, at reasonable expense and omitting proprietary information, assessing actual and potential material financial risks or operational impacts on the Company related to these genetically modified organisms (GMO issues).

CASE-BY-CASE on shareholder proposals that request the Company prepare a report, on the social, health, and environmental effects of genetically modified organisms (GMOs). FOR when the Company receives one of the lowest two scores on the overall Governance Score; AGAINST otherwise.

AGAINST shareholder proposals to eliminate GE ingredients from the Company's products, or proposals asking for reports outlining the steps necessary to eliminate GE ingredients from the Company's products.

AGAINST shareholder proposals regarding genetically engineered food products which request disclosure of programs for research and testing, policies for withholding or removing such products that still need further testing for safety, and feasibility of phasing out such products.

FOR shareholder proposals requesting a report on external costs of disinformation in digital advertising.

Impact of Extended Patent Exclusivities on Product Access

FOR shareholder proposals requesting a report on a process by which the impact of extended patent exclusivities on product access would be considered in deciding whether to apply for secondary and tertiary patents.

Assessment of the Company's advertising and marketing practices

FOR shareholder proposal requesting a report, at reasonable expense and excluding proprietary information, assessing whether the Company's advertising and marketing practices may pose financial and/or reputational risks sufficient to have material impacts on the company's finances and operations due to levels of gun violence.

FOR shareholder proposals asking for certification of sound commercial practices related to the selling of financial products and services.

Political Advertising and Posts

FOR shareholder proposals asking that the Board of Directors prepare, at a reasonable cost and excluding proprietary information, a report on the controversy surrounding political advertising and posts. Such report should evaluate the implications of the Company's policies that may exempt politicians' posts and political advertisements from elements of platform rules such as the Company's Community Standards and its fact-checking process.

Algorithm Disclosure

FOR shareholder proposals requesting that the Company provide more quantitative and qualitative information on how algorithm systems are used to target and deliver ads, error rates, and the impact these systems had on user speech and experiences.

Anticompetitive Practices

FOR shareholder proposals regarding a report on board oversight of risks related to anticompetitive practices.

Report on Takedown Requests

FOR shareholder proposals regarding a report (within a reasonable time frame, at reasonable cost, and excluding confidential information) assessing the feasibility of public disclosing on an annual basis, by jurisdiction, the list of delisted, censored, downgraded, proactively penalized, or blacklisted terms, queries or sites that the Company implements in response to government requests.

Competitiveness and Protection of Personal Information

FOR shareholder proposals requesting that the Board of directors inform the shareholders of the investments the bank/company intends to make to update its computer systems so as to increase its competitiveness while enhancing privacy protection.

Facial Recognition Technology

FOR shareholder proposals on prohibition on sales of facial recognition technology to all government entities.

Business Operations and Ethics, Fair Practice

Provision of Services in Conflict Zones policy

FOR shareholder proposals requesting a policy on access to services in conflict zones. i.e. that the people in those regions do not suffer discriminatory exclusion from the Company's financial services, or alternatively, if the Company chooses not to establish this policy, provide an evaluation of the economic impact the policy of exclusion has on the affected populations as well as the company's finances, operations and reputation.

AGAINST shareholder proposals requesting a report on politicized de-banking evaluating the Company's policies or practices to make sure there are sufficient safeguards to prevent political or religious discrimination.

AGAINST shareholder proposals requesting a congruency report on partnerships with globalist organizations that facilitate collaboration between businesses, governments and NGOs for social and political ends against the Company's fiduciary duty to shareholders.

FOR shareholder proposals seeking disclosure of business operations in high risk countries or conflict complicit governments.

FOR shareholder proposals seeking disclosure of Company activities in countries with repressive regimes.

FOR shareholder proposals requesting a report on the Company's activities related to safety measures and mitigation of harm associated with Company products.

Content Management Report/Content Enforcement Policies

FOR shareholder proposals requesting a report reviewing the efficacy of its enforcement of its terms of service related to content policies and assessing the risks posed by content management controversies.

Human Resources Issues

Case-by-case basis on proposals regarding human resources issues.

FOR reports that seek additional information regarding human resources issues, particularly when it appears the Company has been unresponsive to shareholder requests.

FOR proposals supporting adoption or enforcement of principles or codes related to global labor and human rights standards.

FOR proposals that address workplace issues that may have an impact on corporate performance, such as:

- Corporate policies that affect job security and wage levels of plan participants
- Corporate policies that affect local economic development and stability
- Corporate responsibility to employees and communities
- Workplace safety and health issues

Cybersecurity

FOR shareholder proposals requesting a report on cybersecurity risk.

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