

A man and a woman in professional business attire are standing in a modern office. The woman, on the left, has dark curly hair and is wearing a grey pinstriped blazer over a grey top and skirt. She is holding a black clipboard and smiling. The man, on the right, has short brown hair and a beard, wearing a dark blue suit, white shirt, and dark tie. He is holding a gold tablet and gesturing with his right hand while smiling. The background shows a blurred office environment with a white table, a chair, and a potted plant.

2022 INVESTOR VOTING REPORT

CERTAINTY | INGENUITY | ADVANTAGE

Georgeson



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EXECUTIVE SUMMARY AND ACKNOWLEDGEMENT

Following the October 2022 release of our report on the 2022 proxy season, our investor voting report offers an expanded analysis of investor voting decisions on key shareholder proposals, as well as management say-on-pay proposals and director elections.

We consider the 2022 proxy season to include company meetings occurring July 1, 2021 through June 30, 2022. Data presented in this report relates to companies in the Russell 3000, unless otherwise noted.

In partnership with Insightia, data was collected from public filings:

- > **Shareholder Proposals:** Investor voting decision data was collected from public filings, including N-PX filings released in August 2022 for companies in the Russell 3000. For certain proposals, we've reported on individual investor vote decisions using a color-coded system. In other instances, we detail historical institutional investor vote support by large investors by assets under management (AUM). Each shareholder proposal chart includes a unique mixture of institutional investors researched for that specific topic.
- > **Say-on-Pay:** Investor voting decision data was collected from public filings, including N-PX released in August 2022, for companies in the S&P 500 and Russell 3000 for the big three asset managers (a.k.a "Big 3"), BlackRock, Inc., Vanguard Group, State Street Global Advisors. The "For" (%) is based on the percentage of times an investor voted "For" the say-on-pay proposal.
- > **Director Elections:** Investor voting decision data was collected from public filings, including N-PX released in August 2022, for companies in the S&P500 and Russell 3000 for the "Big 3" (described above). The "For" (%) is based on the percentage of times an investor voted "For" a director.

Partnership with Insightia

Georgeson partnered with Insightia to coordinate investor voting data. Insightia Ltd., a Dilligent brand, was instrumental in sourcing the annual meeting and proxy voting data contained in this report.

About Georgeson

Established in 1935, Georgeson is the world's leading provider of strategic shareholder services to corporations and shareholder groups working to influence corporate strategy. We offer unsurpassed advice and representation for annual meetings, mergers and acquisitions, proxy contests and other extraordinary transactions. Our core proxy expertise is enhanced with and complemented by our strategic advisory services, including solicitation and engagement strategy, shareholder identification, corporate governance advice, vote projections and insight into investor ownership and voting profiles. Our local presence and global footprint allow us to provide a holistic perspective on shareholder matters, as well as to analyze and mitigate operational risk associated with various corporate actions worldwide. For more information, visit www.georgeson.com.

Data provided by Insightia, a Dilligent brand

ENVIRONMENTAL SHAREHOLDER PROPOSALS

In 2022, 15 environmentally-focused shareholder proposals received majority support at companies in the Russell 3000.

In 2022, 15 environmentally-focused shareholder proposals received majority support at companies in the Russell 3000. The overall passage rate (15 out of the 60 proposals passed that went to a vote) is, slightly lower when compared to 2021. Rather than fully attributing this decline to weakened support from institutional investors, the passage rate decrease can be more likely attributed to heightened ambitions of some proponents this year, which is indicative of the amount of proposals discussing scope 3 emissions.

Of the largest institutional holders we examined, Northern Trust and Wellington Asset Management were most likely to support the 60 environmentally-focused shareholder proposals, voting for or splitting their vote on the overwhelming majority of proposals, 93% (56 out of 60) and 88% (51 out of 58) respectively. Norges Bank supported just over half of the proposals voted (33 out of 53) while State Street Global Advisors support was shy of 50% (26 out of 60), abstaining from 1/6 of the remaining proposals. Notably, of the 15 proposals that passed, State Street Global Advisors voted for 12 of them and abstained from 2. BlackRock voted in support of just over 1/3 of the proposals that went to a vote (22 out of 60). Of those proposals receiving majority support, BlackRock supported 13 of the 15 that passed. Vanguard (14 out of 60) and Fidelity (17 out of 60) each roughly supported around 25% of the proposals that went to a vote.

We've further analyzed the investor decision outcomes for popular environmental proposal topics from 2022, including GHG, Financing Policy, and Resource Stewardship.

GHG: 22 out of 60 that went to a vote, eight passed

An important subset of environmental-related proposals in the 2022 proxy season addressed the topic of greenhouse gas (GHG) emissions reductions. This year GHG-related proposals were the most common environmental-related proposal that went to a vote (22 out of 60). They also represented a majority of the passing proposals. One development from previous year's is that proposals more often included requests for targets or strategies that specifically include or accounted for scope 3 emissions.

Proposals in this category accounted for roughly 63% (74 out of 117) of submitted proposals. The lower percentage of proposals that went to a vote (22 out of 60) indicates that issuers were more willing to negotiate with proponents on these proposals. The high passage rate of these type of proposals that went to a vote (eight out of 22) further strengthens the argument that investors have a high likelihood of siding with proponents on these proposals.

In reviewing voting decisions by the major investors researched for this report, Wellington Management voted in favor or split its vote on every GHG reduction proposal that went to a vote this year. Similarly, Northern Trust voted for 21 of the 22 proposals. Norges voted for 16 of the 18 it voted on.

BlackRock voted in favor of 11 of the 22 proposals and State Street voted for, or abstained from voting, on 17 of the 22 proposals. Collectively these two firms appeared to have the most influence on if a GHG reduction proposal passed. Excluding proposals with dual-class shares or large insider positions, BlackRock voted for all passing proposals but one and State Street either voted for or abstained on all but two.

Data provided by Insightia, a Dilligent brand

Financing Policy: 11 out of 60 that went to a vote, one passed

In 2022, we saw an increase in the number of environmental proposals submitted at companies in the financial services sector that focused on financing policies and requested these companies cease financing fossil fuel projects. We observed 11 such proposals going to a vote. Outside of Northern Trust and Wellington these proposals had minimal support. Only one of 11 proposals received support from BlackRock, State Street Global Advisors, and Norges, in addition to Northern Trust and Wellington (The Travelers Companies). Notably, Norges voted against 10 out of 11 financing proposals, which accounted for nearly 50% of the environmental proposals (nine of 20) the firm opposed. It stands in stark contrast to its level of support for non-finance GHG proposals for which the firm voted in-favor of 19 out of 21 proposals that went to a vote.

Resource Stewardship: 10 out of 60 that went to a vote, two passed

10 environmental proposals that went to a vote related to companies stewardship of resources. This included water usage, deforestation, and plastics. Two out of the 10 voted on passed. Aside from Vanguard and Neuberger Berman, the two passing proposals had unanimous support (either full or split vote) amongst the largest 10 institutions.

Of the investors we examined for this report, State Street supported seven of the 10 while Blackrock and Fidelity supported about half, six of 10 and four of 10 respectively. Vanguard's supported just one of these proposals.

Institutional Investor Voting Decisions, Environmental Proposals, 2022

For ● Against ▼ Abstain ◆ Split ■ Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	Fidelity Management & Research	State Street Corporation	Capital Group	Northern Trust Investments	Wellington Management Company	Norges Bank Investment Management	T. Rowe Price Associates	Geode Capital Management	Invesco Advisers	Dimensional Fund Advisors	Alliance Bernstein LP	Neuberger Berman LLC
Alphabet Inc	F	Report on Climate Lobbying	▼	▼	▼	◆	▼	●	▼	●	▼	●	●	■	●	●
Alphabet Inc	F	Report on Physical Risks of Climate Change	▼	▼	▼	●	▼	●	■	●	▼	●	●	■	●	●
Alphabet Inc	F	Report on Metrics and Efforts to Reduce Water Related Risk	●	▼	▼	●	▼	●	■	●	▼	●	●	■	●	▼
Amazon.com Inc.	F	Report on Efforts to Reduce Plastic Use	●	▼	●	●	■	●	●	●	▼	●	●	■	▼	▼
Archer-Daniels-Midland Company	F	Report on Pesticide Use in the Company's Supply Chain	▼	▼	●	◆	▼	●	■	●	●	●	●	■	●	▼
AutoZone Inc.	P	Report on Annual Climate Transition	●	●	●	●	●	●	●	●	●	▼	●	●	▼	
Bank of America Corporation	F	Adopt Fossil Fuel Lending Policy Consistent with IEA's Net Zero 2050 Scenario	▼	▼	▼	▼	▼	●	■	▼	▼	▼	▼	▼	▼	▼
Berkshire Hathaway Inc.	F	Report on Climate-Related Risks and Opportunities	●	●	●	●	●	●	●	●	▼	●	●	▼	●	●
Berkshire Hathaway Inc.	F	Report on GHG Emissions Reduction Targets	●	●	●	●	●	●	●	●	▼	●	●	▼	●	●
Boeing Company (The)	P	Report on Net Zero Indicator	●	●	●	●	●	●	●		●	●	●	▼	●	●
Builders FirstSource Inc.	P	Report on GHG Emissions Reduction Targets	●	●	●	●	●	●	●	●	●	●	●	■	●	●
Caterpillar Inc.	P	Report on Long-Term Greenhouse Gas Targets Aligned with Paris Agreement	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Charter Communications Inc.	F	Disclose Climate Action Plan and GHG Emissions Reduction Targets	▼	▼	▼	◆	●	●	●	●	●	●	●	■	●	
Chevron Corporation	P	Adopt Medium and Long-Term GHG Emissions Reduction Targets	▼	▼	▼	▼	▼	●	●	●	▼	▼	■	▼	▼	●
Chevron Corporation	F	Issue Audited Net-Zero Scenario Analysis Report	▼	▼	▼	▼	■	●	●	▼	▼	●	■	▼	●	●
Chevron Corporation	F	Oversee and Report on Reliability of Methane Emission Disclosures	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Chubb Ltd	P	Adopt and Disclose Policies to Ensure Underwriting Does Not Support New Fossil Fuel Supplies	▼	▼	▼	▼	▼	■	■	▼	▼		■	▼	▼	■
Chubb Ltd	F	Report on Efforts to Reduce GHG Emissions Associated with Underwriting, Insuring, and Investing	●	▼	▼	●	▼	●	■	●	▼	▼	▼	■	▼	●
Citigroup Inc.	F	Shareholder Proposal Regarding Fossil Fuel Financing Policy	▼	▼	▼	▼	▼	●	●	▼	▼	▼	▼	▼	▼	▼
ConocoPhillips	F	Report on GHG Emissions Reduction Targets	▼	▼	▼	◆	■	●	■		▼	▼	■	▼	●	●
Costco Wholesale Corporation	P	Shareholder Proposal Regarding Adoption of Targets to Achieve Net-zero Emissions by 2050	▼	●	▼	◆	●	●	●	●	▼	▼	●	●	▼	●
Dollar Tree Inc.	P	Report on GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	●	▼	▼	●	■	●	●	●	▼	●	●	■	▼	●
Dominion Energy Inc	F	Adopt Medium Term Scope 3 GHG Emissions Reduction Target	▼	▼	▼	▼	■	▼	●	▼	▼	▼	■	▼	▼	▼
Dominion Energy Inc	P	Report on the Risk of Natural Gas Stranded Assets	●	●	▼	▼	■	●	●	●	●	●	■	●	●	●
DTE Energy Company	F	Revise Net Zero by 2050 Goal to Include Full Scope 3 Value Chain Emissions	▼	▼	▼	▼	▼	●	●		▼	▼	●	▼	▼	
Exxon Mobil Corporation	P	Issue Audited Net-Zero Scenario Analysis Report	▼	▼	▼	◆	▼	■	●	●	▼	▼	■	▼	▼	●
Exxon Mobil Corporation	F	Report on Low Carbon Business Planning	▼	▼	▼	▼	▼	●	▼	▼	▼	▼	■	▼	▼	▼
Exxon Mobil Corporation	F	Report on Reducing Plastic Pollution	▼	▼	▼	●	▼	●	●	●	●	▼	●	▼	▼	▼
Exxon Mobil Corporation	F	Report on Scenario Analysis Consistent with International Energy Agency's Net Zero by 2050	●	▼	▼	◆	■	●	●	▼	●	●	■	▼	●	●
Goldman Sachs Group Inc. (The)	F	Adopt a Financing Policy Consistent with IEA's Net Zero Emissions by 2050 Scenario	▼	▼	▼	▼	●	●	■	▼	▼	▼	▼	▼	▼	▼
Hartford Financial Services Group Inc. (The)	F	Adopt Policies to Ensure Underwriting Practices Do Not Support New Fossil Fuel Supplies	▼	▼	▼	▼		■	●	▼	▼	▼	▼	▼	▼	▼
Home Depot Inc. (The)	P	Report on Efforts to Eliminate Deforestation in Supply Chain	●	▼	●	●	●	●	●	●	●	●	●	■	●	▼

Data provided by Insightia, a Dilligent brand

Institutional Investor Voting Decisions, Environmental Proposals, 2022

For ● Against ▼ Abstain ◆ Split ■ Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	Fidelity Management & Research	State Street Corporation	Capital Group	Northern Trust Investments	Wellington Management Company	Norges Bank Investment Management	T. Rowe Price Associates	Geode Capital Management	Invesco Advisers	Dimensional Fund Advisors	Alliance Bernstein LP	Neuberger Berman LLC
Honeywell International Inc.	F	Report on Climate Lobbying	▼	▼	▼	▼	■	●	▼		▼	▼	●	■	●	▼
Honeywell International Inc.	F	Report on Environmental and Social Due Diligence	▼	▼	▼	▼	■	▼	●		▼	▼	■	▼	●	▼
International Paper Company	F	Report on Costs and Benefits of Environmental Related Expenditures*	▼	▼	▼	▼		▼	▼	▼	▼	▼	▼	▼	▼	▼
Jack In The Box Inc.	P	Report on Sustainable Packaging	●	●	●	●		●		●	●	●		●	●	
JP Morgan Chase & Co	F	Adopt Fossil Fuel Financing Policy Consistent with IEA's Net Zero 2050 Scenario	▼	▼	▼	▼	▼	■	■	▼	▼	▼	▼	▼	▼	▼
JP Morgan Chase & Co	F	Report on Absolute Targets for Financed GHG Emissions in Line with Net Zero Commitments	▼	▼	▼	●	▼	●	▼	▼	▼	▼	▼	▼	▼	▼
Kraft Heinz Co	F	Report on Metrics and Efforts to Reduce Water Related Risk	▼	▼	●	▼	▼	●	▼	▼	▼	▼	▼	▼	▼	▼
Kroger Company (The)	F	Report on Efforts to Reduce Plastic Use	▼	▼	▼	▼	●	●	●	▼	●	▼	●	■	▼	▼
Kroger Company (The)	F	Report on Efforts to Eliminate HFCs in Refrigeration and Reduce GHG Emissions	▼	▼	▼	◆	▼	●	●	▼	▼	▼	●	■	●	▼
McDonald's Corporation	F	Report on Efforts to Reduce Plastic Use	▼	▼	▼	▼	●	●	■	●	▼	▼	●	■	▼	▼
MGE Energy Inc.	F	Commission an Independent Study on the Value of Distributed Solar in the Company's Electric Service Territory	▼	▼		▼		▼			▼	▼		▼	▼	
Monster Beverage Corporation	F	Report on GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	●	▼	▼	●	●	●	●	●	●	●	●	■	●	
Morgan Stanley	F	Adopt Fossil Fuel Lending and Underwriting Policy Consistent with IEA's Net Zero 2050 Scenario	▼	▼	▼	▼	▼	●	■	▼	▼	▼	▼	▼	▼	▼
Occidental Petroleum Corporation	F	Report on Quantitative Short, Medium and Long-Term GHG Emissions Reduction Targets	▼	▼	▼	▼		●	●		▼	▼	▼	■	▼	
Phillips 66	F	Adopt GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	▼	▼	▼	▼		●	●	●	▼	▼	■	■	▼	●
Phillips 66	F	Report on Reducing Plastic Pollution	●	▼	▼	●		●	●	▼	●	▼	■	■	▼	▼
Skechers U.S.A. Inc.	F	Report on GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal	●	▼	●	●	●	●	●	●	■	●		■	●	
Sysco Corporation	P	Report on GHG Emissions Reduction Targets	●	●	●	●		●	●	●	●	●	●	■	●	
Travelers Companies Inc/The	F	Adopt Underwriting Policies in Alignment with IEA's Net Zero 2050 Scenario	▼	▼	▼	▼	▼	■	●	▼	▼	▼	▼	▼	▼	
Travelers Companies Inc/The	P	Report on Efforts to Measure, Disclose and Reduce GHG Emissions Associated with Underwriting	●	▼	▼	●	▼	●	●	●	▼	●	■	■	▼	
Tyson Foods Inc.	F	Report on Sustainable Packaging Efforts	●	▼	●	●		●	●	●	●	▼	●	■	●	
United Parcel Service Inc.	F	Report on Corporate Climate Lobbying Aligned with Paris Agreement	▼	●	▼	●	■	●	●	●	●	●	●	■	●	●
United Parcel Service Inc.	F	Adopt Independently Verified Science-Based GHG Reduction Targets	▼	▼	●	●	●	●	●	●	▼	●	●	■	▼	●
United Parcel Service Inc.	F	Report on Balancing Climate Measures and Financial Returns	▼	▼	▼	▼	▼	●	▼	▼	▼	▼	■	▼	▼	▼
US Foods Holding Corp	P	Adopt Short, Medium, and Long-Term GHG Emissions Reduction Targets	●	●	●	●		●	●	●	●	●	●	■	●	●
Valero Energy Corporation	F	Shareholder Proposal Regarding Report on GHG Targets and Alignment with Paris Agreement	▼	▼	▼	◆	■	●	●	●	▼	●	●	■	▼	●
Wells Fargo & Company	F	Adopt Climate Change Policy	▼	▼	▼	◆	▼	●	●	▼	▼	▼	▼	▼	▼	
Worthington Industries Inc.	F	Report on Climate Policy	▼	●		●		●	●	●	●	●		■	●	

* Anti-ESG

Data provided by Insightia, a Dilligent brand

DIVERSITY, EQUITY AND INCLUSION SHAREHOLDER PROPOSALS

Consistent with the 2021 proxy season, diversity equity and inclusion (DEI) remained a major theme for shareholder proposals in 2022.

The variety within DEI-related shareholder proposals is illustrative of the evolving ways that investors believe DEI matters continue to be material to a company. This year, shareholder proposals seeking DEI-related data requests included disclosure of recruitment, retention, and promotion information specifically addressing diverse employee populations, or reporting on steps by the company to implement their stated diversity and inclusion initiatives. In addition, in our research we looked at the civil rights audit and racial equity audit proposals, which gained momentum in 2022.

Investor support varied significantly across the 44 DEI-related proposals we examined:

- > **Highest support:** The investors that were most likely to support DEI-related proposals included Northern Trust (32 of 44, including split votes), Capital Group (26 of 40, including split votes), and Invesco (22 of 43, including split votes).
- > **Medium Support:** BlackRock and State Street Global Advisors each voted in support of 17 proposals and State Street Global Advisors abstained from voting on two additional proposals.
- > **Lowest Support:** Fidelity supported eight of the 44 and Vanguard supported just five of the 44 voted on. Dimensional sided with management nearly every time, supporting only one of the 44 voted on, and electing to split their vote on two others.



Data provided by Morningstar, a S&P 500 brand

How the largest investors responded to proposals that related to disclosing diversity level data or the effectiveness of diversity programs was consistent. Of the nine proposals voted on four received support from these 10 investors, aside from Dimensional. Notwithstanding the significant support, only one of such proposals passed, largely due to dual-class share structures or large inside positions of the various companies with shareholder proposals.

Northern Trust and Capital Group were most likely to vote in support of these proposals. Similarly, Fidelity supported seven of the nine DEI related proposals, which is in sharp contrast to its lack of support for racial or civil rights audits where it supported just one of 24. Similarly, Vanguard was more likely to support such DEI-related proposals, whereas State Street Global Advisors and Blackrock did not support any of the nine proposals beyond the core group of four that most top investors supported.

Racial Equity Audit Shareholder Proposals

Following the overall novel in 2021 were racial equity audit proposals, a few of which passed. Consistent with that trend was an expansion to include both civil equity audit proposals. Both such proposals focus on how internal and external procedures at a company may negatively impact minority or protected groups. These proposals represented all but one (eight of nine) of passing diversity related proposals.

Following the overall trend Northern Trust supported all 24 proposals and Capital Group and Invesco supported or split its vote on a majority of the proposals (18 out of 24 and 17 out of 24 respectively). Geode Asset Management supported 14 out of 24 while BlackRock and State Street Global Advisors each supported 13 out of 24. While multiple firms supported a majority of audit-related proposals there was a somewhat weak correlation between which proposals they supported, outside of a core group of seven proposals. Of the eight that passed seven were supported by both BlackRock and State Street Global Advisors, which may be an indication of these firms influence over such proposals.

Unlike prior proxy seasons, the 2022 proxy season can be characterized by increased scrutiny towards ESG matters. While this scrutiny has been evident in recent seasons through anti-ESG shareholder proposals it appeared to have expanded in 2022. There were 11 proposals that focused on how DEI efforts by corporations may be discriminatory towards certain populations. None of the top ten institutions voted for these various proposals, which on average received 2% support. As ESG has increasingly become politicized it's likely that more such proposals will be filed; however like other politically motivated proposals it's unlikely that much support will be garnered for them.

Institutional Investor Voting Decisions, DEI-Related Topics, 2022

For ● Against ▼ Abstain ◆ Split ■ Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	Fidelity Management & Research	State Street Corporation	Capital Group	Goldman Sachs Asset Management LP	Northern Trust Investments	Geode Capital Management	Invesco Advisers	Dimensional Fund Advisors
Alphabet Inc	F	Oversee and Report a Third-Party Racial Equity Audit	●	▼	▼	▼	●	▼	●	●	●	▼
Altria Group	P	Report on Third-Party Civil Rights Audit	●	▼	▼	●	●	▼	●	●	▼	▼
American Water Works	F	Report on Third-Party Racial Equity Audit	▼	▼	▼	▼	■	■	●	▼	●	▼
Apple Inc.	P	Report on Civil Rights Audit	●	▼	▼	●	●	■	●	●	●	▼
AT&T Inc.	F	Report on Civil Rights and Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Bank of America Corporation	F	Report on Civil Rights and Nondiscrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Berkshire Hathaway Inc.	F	Report on Board Diversity and Inclusions Efforts	●	●	●	●	●	●	●	●	●	▼
Charter Communications Inc.	F	Report on Effectiveness of Diversity, Equity and Inclusion Efforts and Metrics	●	●	●	●	●	●	●	●	●	■
Chevron Corporation	F	Oversee and Report a Racial Equity Audit	▼	▼	▼	●	●	▼	●	●	■	▼
Chipotle Mexican Grill Inc.	F	Oversee and Report a Racial Equity Audit	▼	▼	▼	▼	■	▼	●	●	●	▼
Chipotle Mexican Grill Inc.	F	Report on Effectiveness of Diversity Equity and Inclusion Efforts and Metrics	▼	▼	●	▼	●	▼	●	▼	▼	▼
Citigroup Inc.	F	Shareholder Proposal Regarding Non-discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Comcast Corporation	F	Oversee and Report a Racial Equity Audit	▼	▼	▼	▼	■	▼	●	▼	■	▼
Comcast Corporation	F	Report on Omitting Viewpoint and Ideology from EEO Policy*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Costco Wholesale Corporation	F	Shareholder Proposal Regarding Report on Racial Justice and Food Equity	▼	▼	▼	◆	▼	▼	●	▼	▼	▼
CVS Health Corp	F	Commission a Workplace Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Elevance Health, Inc.	F	Oversee and Report a Racial Equity Audit	●	▼	▼	▼	●	▼	●	▼	▼	▼
FedEx Corporation	F	Report on Diversity and Inclusion Efforts	▼	▼	▼	▼	●	▼	▼	▼	▼	▼
Home Depot Inc. (The)	P	Oversee and Report a Racial Equity Audit	●	▼	●	▼	●	▼	●	●	●	▼
Intel Corporation	F	Report on Third-Party Civil Rights Audit	▼	▼	▼	▼	■	▼	●	▼	▼	▼
Johnson & Johnson	F	Report on a Civil Rights, Equity, Diversity and Inclusion Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Johnson & Johnson	P	Oversee and Report a Racial Equity Audit	●	▼	▼	●	●	▼	●	●	■	▼
Lowe's Companies Inc.	F	Commission a Civil Rights and Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Maximus Inc.	P	Report on Third-Party Racial Equity Audit	●	▼	▼	●	■	■	●	●	●	▼
McDonald's Corporation	P	Report on Third-Party Civil Rights Audit	▼	▼	▼	●	●	▼	●	●	●	▼
Meta Platforms, Inc.	F	Commission a Workplace Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Mondelez International Inc.	F	Oversee and Report on a Racial Equity Audit	▼	▼	▼	▼	●	▼	●	●	●	▼

* Anti-ESG

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Institutional Investor Voting Decisions, DEI-Related Topics, 2022

For ● Against ▼ Abstain ◆ Split — Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	Fidelity Management & Research	State Street Corporation	Capital Group	Goldman Sachs Asset Management LP	Northern Trust Investments	Geode Capital Management	Invesco Advisers	Dimensional Fund Advisors
Nike Inc.	F	Report on Diversity and Inclusion Efforts	▼	●	●	▼	—	▼	●	▼	▼	▼
Oracle Corporation	F	Report on Racial Equity Audit	●	▼	▼	●		▼	●	●	●	▼
Republic Services Inc.	F	Shareholder Proposal Regarding Civil Rights Audit	●	▼	▼	●	●	▼	●	▼	—	▼
Salesforce, Inc.	F	Oversee and Report a Racial Equity Audit	●	▼	▼	▼	●	▼	●	▼	▼	▼
Stericycle Inc.	P	Report on Third-Party Civil Rights Audit	●	▼	▼	●	●	▼	●	●		▼
SVB Financial Group	F	Report on Third-Party Racial Justice Audit	▼	▼	▼	●	●	▼	●	▼	▼	▼
Tesla Inc	P	Report on Diversity and Inclusion Efforts	●	●	●	●	●	●	●	●	●	●
Travelers Companies Inc/The	F	Oversee and Report a Racial Equity Audit	▼	▼	▼	●	▼	▼	●	●	●	▼
Travelers Companies Inc/The	F	Ensure Policies Do No Support Police Violations of Civil Rights	▼	▼	▼	▼	▼	▼	—	▼	▼	▼
Twitter, Inc.	F	Commission a Workplace Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
United Parcel Service Inc.	F	Report on Effectiveness of Diversity Equity and Inclusion Efforts and Metrics	●	●	●	●	●	●	●	●	●	—
Walmart Inc	F	Report on Alignment of Racial Justice Goals and Starting Wages	▼	▼	●	◆	●	▼	●	▼	—	▼
Walmart Inc	F	Report on a Civil Rights and Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Walt Disney Company	F	Report on Workplace Non-Discrimination Audit*	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Waste Management Inc.	F	Report on Civil Rights Audit	●	▼	▼	●	●	—	●	▼	●	▼
Wells Fargo & Company	F	Report on Racial Equity Audit	▼	▼	▼	▼	●	▼	●	▼	●	▼
XPO Logistics Inc.	F	Shareholder Proposal Regarding Civil Rights Audit	●	▼	▼	●		▼	●	●	●	▼

* Anti-ESG

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POLITICAL LOBBYING AND CONTRIBUTIONS SHAREHOLDER PROPOSALS

Proposals seeking reporting on political contributions and lobbying payments were prevalent in the 2022 proxy season.

Related proposals accounted for 25% of all submitted proposals within the social category this year, with 55 going to a vote. Fewer political-related shareholder proposals passed this year compared to 2021 (five in 2022 vs. eight in 2021), and as discussed on page 19 of our report, “**A Look Back at the 2022 Proxy Season**,” there was also a decrease in the average support of these proposals. While investor interest in transparency, at the same time scrutiny of companies’ political contributions and lobbying activities is not new, the 2020 presidential election and subsequent events of January 2021 in Washington, D.C. both likely catalyzed submission of and support for these proposals in the 2021 proxy season; we might not see the same 2021 levels again for a few years.

FedEx Corporation’s political lobbying proposal received the highest level of support across all related proposals in this category in 2022 – 62.2% of shareholders voted in favor. In reviewing investor voting decisions on this proposal, eight out of the 10 investors surveyed voted in favor, including the Big 3, with one choosing to split their vote (Wellington). Interestingly, the Report on Lobbying Payments proposal at Charter Communications also received support from eight out of the 10 major investors surveyed in this report, however that proposal failed to receive majority support, receiving 38.9% support overall. A closer examination of Charter’s large insider position (est. 36%) likely impacted the overall support.



Data provided by Insightia, a Dilligent brand

Political Lobbying and Contributions Shareholder Proposals

Institutional Investor Voting Decisions, Political Lobbying and Contributions Proposals, 2022

For ● Against ▼ Abstain ◆ Split ■ Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	State Street Corporation	Capital Group	Northern Trust Investments	Wellington Management Company	Geode Capital Management	Invesco Advisers	Dimensional Fund Advisors	BNP Paribas Asset Management
Abbott Laboratories	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	▼	▼	▼	▼	●
AbbVie Inc.	F	Report on Congruency of Political Spending with Company Values and Priorities	▼	▼	▼	●	●	▼	▼	▼	▼	●
Alphabet Inc.	F	Report on Lobbying Payments and Policy	▼	▼	▼	■	●	■	●	●	▼	●
Amazon.com Inc.	F	Report on Lobbying Payments and Policy	●	▼	●	●	●	■	▼	●	▼	●
American Airlines Group Inc.	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	●	●	●	▼	●
AT&T Inc.	F	Report on Congruency of Political Spending with Company Values and Priorities	▼	▼	▼	●	●	●	●	●	▼	●
Boeing Company (The)	F	Report on Lobbying Payments and Policy	▼	▼	▼	▼	●	●	●	●	▼	●
Caterpillar Inc.	F	Report on Lobbying Payments and Policy	▼	▼	▼	■	●	●	●	●	▼	●
Charles Schwab Corp/The	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	▼	●	●	▼	●
Charter Communications Inc.	F	Report on Lobbying Payments and Policy	●	●	●	●	●	●	●	■	▼	●
Charter Communications Inc.	F	Report on Congruency of Political Spending with Company Values and Priorities	▼	▼	▼	●	●	▼	●	●	●	●
Cigna Corp	F	Shareholder Proposal Regarding Report on Political Expenditures and Values Congruency	▼	▼	▼	●	●	●	▼	●	▼	●
Coca-Cola Company (The)	F	Report on Global Public Policy and Political Influence	▼	▼	▼	▼	■	▼	▼	▼	▼	●
ConocoPhillips	F	Report on Lobbying Payments and Policy*	▼	▼	▼	■	■	●	▼	▼	▼	●
DaVita Inc	F	Report on Political Contributions and Expenditures	▼	▼	▼	●	●	●	●	●	▼	●
Delta Air Lines Inc.	F	Report on Lobbying Payments and Policy	▼	▼	▼	▼	●	●	▼	●	▼	●
DISH Network Corporation	F	Report on Political Contributions	●	▼	●	●	●	●	●	●	▼	●
Dollar General Corporation	P	Report on Political Contributions and Expenditures	▼	▼	●	●	●	●	●	●	▼	●
Elevance Health, Inc.	F	Adopt a Policy Prohibiting Direct and Indirect Political Contributions to Candidates	▼	▼	▼	▼	▼	▼	▼	▼	▼	●
Eli Lilly and Company	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	▼	●	●	▼	●
Eli Lilly and Company	F	Publish Third-Party Review of Alignment of Company's Lobbying Activities with its Public Statements	▼	▼	▼	●	●	■	●	■	▼	●
Expeditors International of Washington Inc.	F	Report on Political Contributions and Expenditures	▼	▼	▼	●	●	■	▼	▼	▼	●
Exxon Mobil Corporation	F	Report on Political Contributions and Expenditures	▼	▼	▼	●	●	●	▼	■	▼	●
FedEx Corporation	F	Report on Alignment Between Company Values and Electioneering Contributions	▼	▼	◆	●	●	■	▼	●	▼	●
FedEx Corporation	P	Report on Lobbying Payments and Policy	●	●	●	●	●	■	●	●	▼	●
Flowers Foods Inc.	F	Report on Political Contributions and Expenditures	●	●	●	●	●	●	●	●	▼	●
Fox Corp	F	Report on Lobbying Payments and Policy	●	●	●	●	●	●	●	●	▼	●
Gilead Sciences Inc.	F	Publish Third-Party Review of Alignment of Company's Lobbying Activities with its Public Statements	▼	▼	▼	●	●	▼	▼	●	▼	●
HCA Healthcare, Inc.	F	Report on Political Contributions	▼	▼	▼	●	●	▼	●	■	▼	●
HCA Healthcare, Inc.	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	▼	▼	■	▼	●
Home Depot Inc. (The)	F	Report on Congruency of Political Spending with Company Values and Priorities	▼	▼	▼	●	●	▼	▼	●	▼	●

* Anti-ESG

Data provided by Insightia, a Dilligent brand

Institutional Investor Voting Decisions, Political Lobbying and Contributions Proposals, 2022

For ● Against ▼ Abstain ◆ Split ■ Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	State Street Corporation	Capital Group	Northern Trust Investments	Wellington Management Company	Geode Capital Management	Invesco Advisers	Dimensional Fund Advisors	BNP Paribas Asset Management
Johnson & Johnson	F	Publish Third-Party Review of Alignment of Company's Lobbying Activities with its Public Statements	▼	▼	●	■	●	▼	●	■	▼	●
Lyft Inc.	F	Shareholder Proposal Regarding Lobbying Report	●	▼	●		●		●	▼	▼	
Mastercard Incorporated	F	Report on Political Contributions	▼	▼	▼	▼	●	■	▼	▼	▼	●
McDonald's Corporation	F	Report on Lobbying Payments and Policy*	▼	▼	▼	▼	●	▼	●	▼	▼	●
McDonald's Corporation	F	Issue Transparency Report on Global Public Policy and Political Influence	▼	▼	▼	▼	●	▼	▼	▼	▼	●
Merck & Company Inc.	F	Report on Lobbying Payments and Policy*	▼	▼	▼	●	■	▼	▼	▼	▼	●
Meta Platforms, Inc.	F	Report on Lobbying Payments and Policy	▼	●	●	●	●	■	●	●	▼	●
Microsoft Corporation	F	Report on Lobbying Activities Alignment with Company Policies	▼	▼	●	▼	●	■	▼	■	▼	●
Netflix Inc.	P	Report on Lobbying Payments and Policy	●	▼	●	■	●	●	●	●	▼	●
Nike Inc.	F	Report on Political Contributions Disclosure	▼	▼	▼	●	●	■	▼	●	▼	●
Omnicom Group Inc.	F	Report on Political Contributions and Expenditures	▼	▼	▼	●	●	●	▼	▼	▼	●
Oracle Corporation	F	Report on Political Contributions	▼	▼	▼		●	▼	▼	▼	▼	●
PepsiCo Inc.	F	Report on Global Public Policy and Political Influence Outside of the United States	▼	▼	▼	▼	●	▼	▼	■	▼	●
Pfizer Inc.	F	Report on Congruency of Political Electioneering Expenditures with Company Values and Policies*	▼	▼	▼	●	▼	▼	▼	▼	▼	■
Travelers Companies Inc/The	P	Report on Lobbying Payments and Policy	▼	▼	●	●	●	●	●	●	▼	●
Twitter, Inc.	F	Report on Lobbying Payments and Policy*	▼	▼	●	●	●	◆	●	●	▼	●
Twitter, Inc.	P	Report on Political Contributions	▼	▼	●	●	●	●	●	●	▼	●
Uber Technologies, Inc	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	■	●	●	▼	●
United Airlines Holdings, Inc.	F	Report on Lobbying Payments and Policy	▼	▼	▼	●	●	●	●	●	▼	
United Parcel Service Inc.	F	Report on Lobbying Payments and Policy	▼	●	▼	▼	●	▼	▼	■	▼	●
UnitedHealth Group Incorporated	F	Report on Congruency of Political Spending with Company Values and Priorities	▼	▼	◆	▼	●	▼	●	■	▼	●
Walmart Inc	F	Report on Lobbying Payments and Policy	●	▼	▼	●	●	●	▼	■	▼	●
Walt Disney Company	F	Report on Lobbying Payments and Policy	▼	▼	◆	●	●	▼	▼	■	▼	●
XPO Logistics Inc.	F	Shareholder Proposal Regarding Lobbying Report	●	▼	◆		●		●	●	▼	

* Anti-ESG

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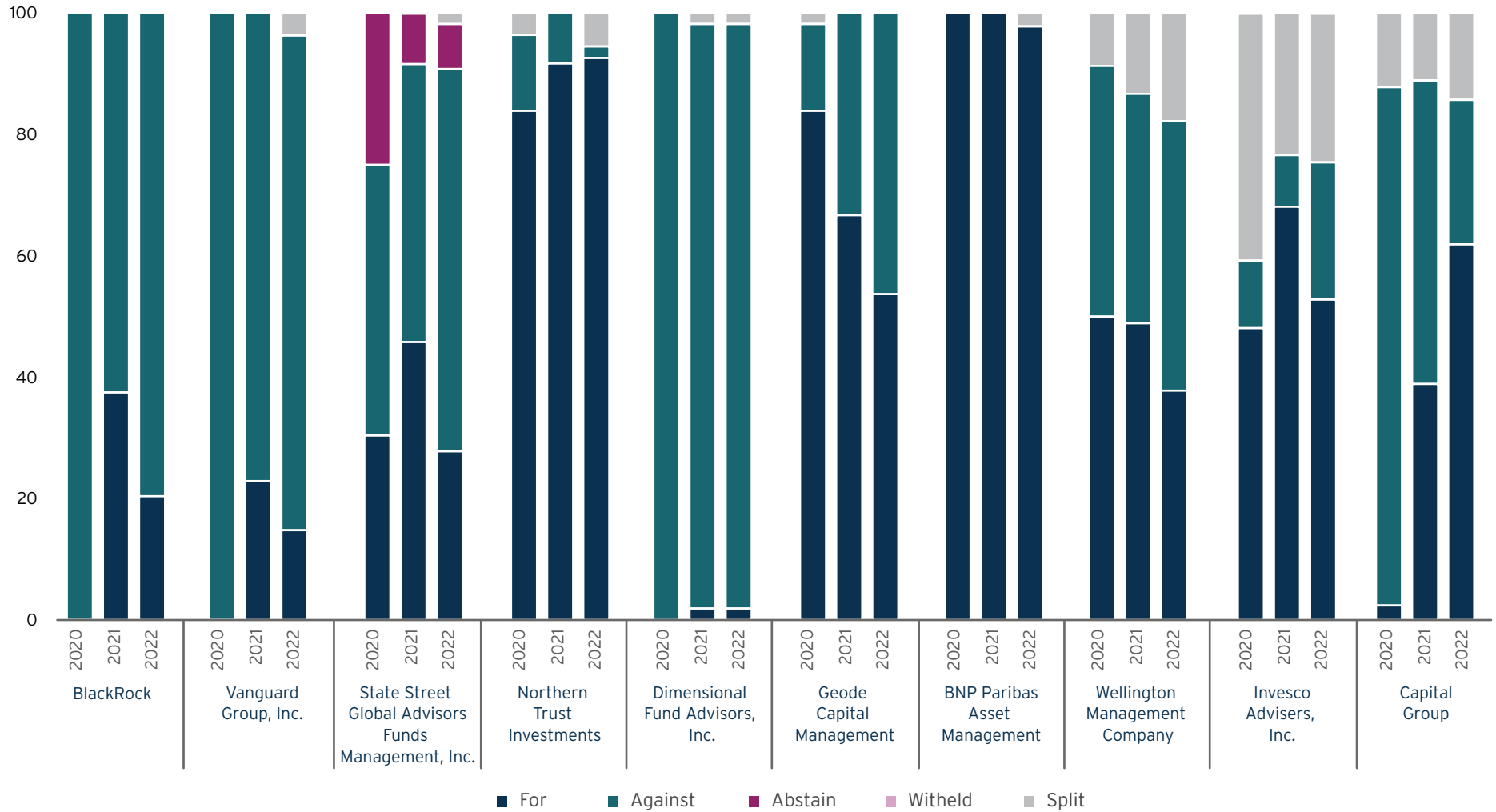
Examining the individual voting decisions across the major investors researched, support for political lobbying and contributions proposals ranged from a large investor supporting just one related proposal (Dimensional Funds) to one that supported 50 related proposals (Northern Trust) this year. The expansive range of voting support, warrants a closer look at changing voting behaviors across these major investors over the last three years. When taken as a group, a review of the ten major investors demonstrates a consistent decrease in support for these shareholder proposals on lobbying or political contributions. Collectively the group voted in favor 52% of political

lobbying and contributions proposals in 2021 compared to 46% this year. A further analysis of the ten major investors examined in this section of our report illustrates how the support for these such proposals is shifting, albeit unevenly. For example, the Big 3 major institutional investors supported less proposals in 2022, most notably State Street voted in support of 46% proposals in 2021, while only supporting 28% this year. Other investors' support has shifted notably in recent years. For example, Capital Group supported less than 3% for these proposals in 2020 and supported over 60% in 2022.



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Historical Institutional Investor Voting Decisions, Political Lobbying and Contributions Proposals, 2020-2022



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INDEPENDENT CHAIR SHAREHOLDER PROPOSALS

The number of proposals submitted relating to the separation of the roles of board chair and CEO increased in 2022 – 52 such proposals were submitted to companies in the Russell 3000, compared to 43 submitted in the 2021 season.

Further, more independent proposals went to a vote this year, compared to 2021 (41 vs. 33). However, average support has decreased from 35% in 2020 to 30% in 2022. One independent chair proposal received majority support this season – NortonLifeLock Inc., now Gen Digital. Interestingly, when examining the investor support in the table, notably this company’s proposal only received support from one of the 10 investors surveyed (State Street Global Advisors), suggesting that support for this proposal was driven by other institutional investors.

The independent chair proposal that attracted the most support from the investors reviewed in the table was at Oracle Corporation, where six of the investors reviewed voted in favor. This is up from five of the 10 investors voting in support of the same proposal in 2021. Although the roles of chair and CEO at Oracle’s board are currently filled by separate individuals, Mr. Ellison, the Company’s founder and current Chief Technology Officer, serves as the chairman. The ongoing concerns regarding the Company’s compensation practices may have contributed to investors’ growing support for this proposal year over year.



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Institutional Investor Voting Decisions, Independent Chair Proposals, 2022

For ● Against ▼ Abstain ◆ Split — Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME	BlackRock	Vanguard Group	Fidelity Management & Research Co. (FMR)	State Street Corporation	Goldman Sachs Asset Management LP	Northern Trust Investments	Wellington Management Company	T. Rowe Price Associates	Geode Capital Management	Dimensional Fund Advisors
Abbott Laboratories	F	▼	▼	▼	▼	▼	—	●	—	▼	▼
AbbVie Inc.	F	▼	▼	▼	▼	▼	—	●	●	▼	▼
American Express Company	F	▼	▼	▼	▼	▼	—	●	▼	▼	▼
AT&T Inc.	F	▼	▼	▼	▼	▼	—	▼	▼	▼	▼
Baxter International Inc.	F	▼	▼	▼	▼	▼	—	—	▼	▼	▼
Berkshire Hathaway Inc.	F	▼	▼	▼	●	●	—	●	▼	▼	▼
Bristol-Myers Squibb Company	F	▼	▼	▼	▼	▼	—	●	●	▼	▼
Cardinal Health Inc.	F	▼	▼	▼	▼	▼	▼	●	●	▼	▼
Charter Communications Inc.	F	▼	▼	▼	●	▼	▼	●	—	▼	▼
Citigroup Inc.	F	▼	▼	▼	▼	▼	—	▼	▼	▼	▼
Coca-Cola Company (The)	F	▼	▼	▼	▼	▼	—	▼	—	▼	▼
Cummins Inc.	F	▼	▼	▼	▼	▼	—	●	—	●	▼
CVS Health Corp	F	▼	▼	▼	▼	▼	—	▼	▼	▼	▼
Dow Inc.	F	▼	▼	▼	▼	▼	▼	●	▼	▼	▼
DuPont de Nemours, Inc.	F	▼	▼	▼	▼	▼	▼	●	▼	▼	▼
Eli Lilly and Company	F	▼	▼	▼	▼	▼	—	●	—	▼	▼
FedEx Corporation	F	▼	▼	▼	●	▼	▼	●	●	▼	▼
General Dynamics Corporation	F	▼	▼	▼	▼	▼	▼	●	●	▼	▼
General Motors Company	F	▼	▼	▼	▼	▼	—	●	▼	▼	▼
Gilead Sciences Inc.	F	▼	▼	▼	▼	▼	▼	●	▼	▼	▼
Goldman Sachs Group Inc. (The)	F	▼	▼	▼	▼	—	—	●	▼	▼	▼
Hain Celestial Group Inc. (The)	F	▼	▼		▼	▼	▼		●	▼	▼
Home Depot Inc. (The)	F	▼	▼	▼	▼	▼	—	▼	—	▼	▼
Howmet Aerospace Inc.	F	▼	▼	▼	▼	▼	▼	●	▼	▼	▼
International Business Machines Corporation (IBM)	F	▼	▼	▼	▼	▼	—	●	●	▼	▼
International Paper Company	F	▼	▼		▼	▼	▼	●	▼	▼	▼
Interpublic Group of Companies Inc. (The)	F	▼	▼	▼	▼	▼	—	●	▼	▼	▼

Data provided by Insightia, a Dilligent brand

Institutional Investor Voting Decisions, Independent Chair Proposals, 2022

For ● Against ▼ Abstain ◆ Split ■ Did Not Vote □ Vote Outcome Failed (F) Passed (P)

ISSUER	OUTCOME		BlackRock	Vanguard Group	Fidelity Management & Research Co. (FMR)	State Street Corporation	Goldman Sachs Asset Management LP	Northern Trust Investments	Wellington Management Company	T. Rowe Price Associates	Geode Capital Management	Dimensional Fund Advisors
JP Morgan Chase & Co	F	Require Independent Board Chair	▼	▼	▼	▼	▼	■	▼	▼	▼	▼
Kaman Corporation	F	Require Independent Board Chair	▼	▼		▼	▼	▼		●	▼	▼
Lincoln National Corporation	F	Require Independent Board Chair	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Marriott International	F	Require Independent Board Chair	▼	▼	▼	▼	▼	▼	●	▼	▼	▼
Merck & Company Inc.	F	Require Independent Board Chair	▼	▼	▼	▼	▼	■	●	■	▼	▼
Meta Platforms, Inc.	F	Require Independent Board Chair	▼	▼	■	●	▼	■	●	■	●	●
Mondelez International Inc.	F	Require Independent Board Chair	▼	▼	▼	▼	▼	■	▼	▼	▼	▼
NortonLifeLock Inc.	P	Require Independent Board Chair	▼	▼	▼	●	▼	▼	▼	▼	▼	▼
Oracle Corporation	F	Require Independent Board Chair	●	●	▼	●	●	▼	●	●	▼	▼
PepsiCo Inc.	F	Require Independent Board Chair	▼	▼	▼	▼	▼	■	▼	■	▼	▼
Salesforce, Inc.	F	Require Independent Board Chair	▼	▼	▼	▼	▼	■	■	■	▼	▼
Sempra Energy	F	Require Independent Board Chair	▼	▼	▼	▼	▼	■	●	■	▼	▼
Southern Copper Corporation	F	Require Independent Board Chair	●	●		▼	●	▼	●	●	▼	▼
Truist Financial Corporation	F	Require Independent Board Chair	▼	▼	▼	▼	▼	▼	●	●	▼	▼
Vector Group Ltd.	F	Require Independent Board Chair	●	▼		▼	▼	▼		●	▼	▼

Data provided by Insightia, a Dilligent brand

SAY-ON-PAY

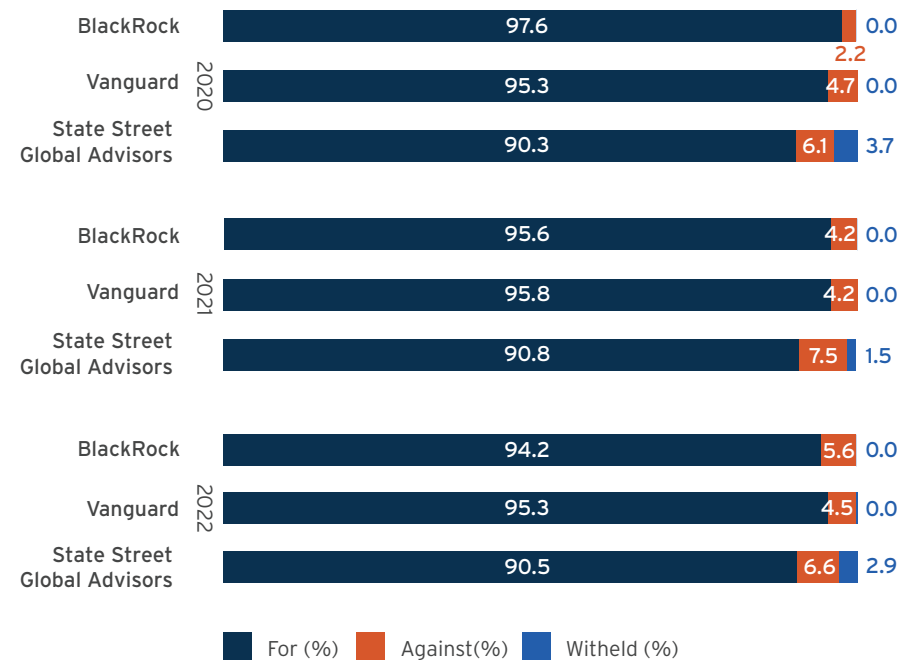
The decline in average support for the say-on-pay proposals seen in 2022 was also reflected in the reduced support by the Big 3 investors (BlackRock, Vanguard Group and State Street), although by a lesser amount.

On average, they supported 92.4% and 93.3% of such proposals in 2022 at Russell 3000 and S&P 500 companies, respectively, approximately 0.8 percentage points lower compared to 2021 for each of the two indices. This decline in Big 3's average support has been largely due to BlackRock's increased opposition to say-on-pay proposals. At Russell 3000 companies, the firm voted against 7.1% of the proposals in 2022 compared to 4.7% last year, while at S&P 500 companies, it opposed 5.6% proposals this year compared to 4.2% in 2021.

State Street has been the least supportive, voting in favor of just above 90% of the proposals at both the Russell 3000 and S&P 500 companies. However, State Street did not vote against all the unsupported proposals, issuing an "abstain" vote at 1.9% and 2.9% of the proposals at Russell 3000 and S&P 500 companies, respectively. State Street "abstain" vote reflects situations where it couldn't provide unqualified support or where companies had responded to some, but not all, of State Street's concerns on pay.

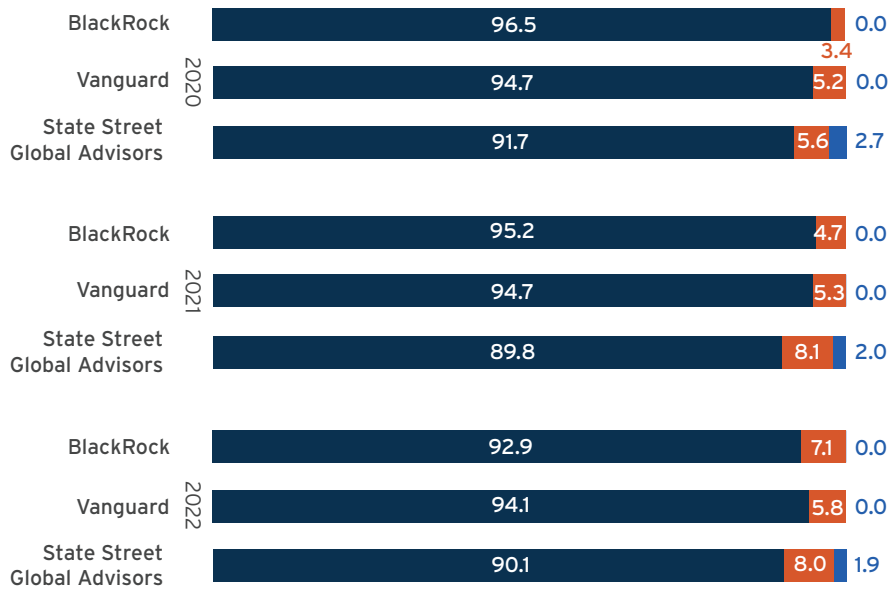
Vanguard was the most supportive voting in favor of 94% and 95% of the say-on-pay proposals at Russell 3000 and S&P 500 companies, respectively.

S&P 500 – BLACKROCK, VANGUARD, STATE STREET SAY-ON-PAY VOTING, 2020-2022

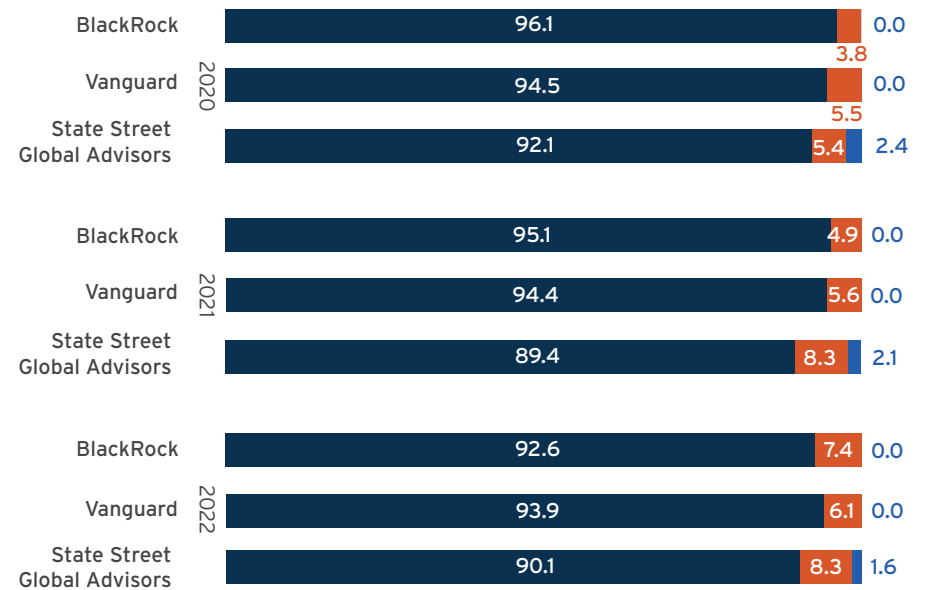


Data provided by Insightia, a Dilligent brand

RUSSELL 3000 – BLACKROCK, VANGUARD, STATE STREET SAY-ON-PAY VOTING, 2020-2022



RUSSELL 3000, ex. SP500 – BLACKROCK, VANGUARD, STATE STREET SAY-ON-PAY VOTING, 2020-2022



■ For (%) ■ Against(%) ■ Withheld (%)

Data provided by Insightia, a Dilligent brand

DIRECTOR ELECTIONS

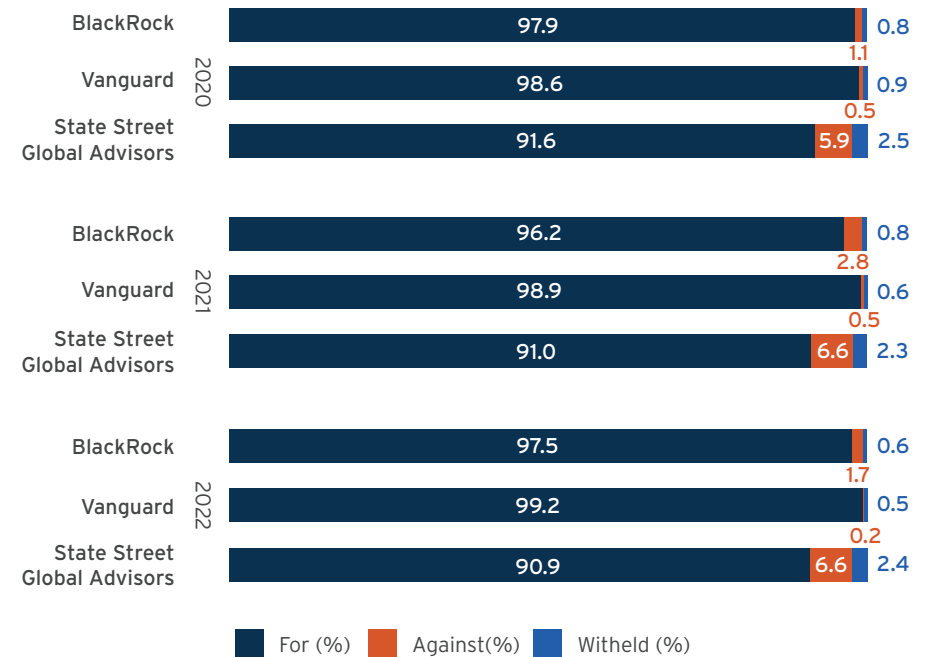
Although there was a marginal decline in average support for directors of both S&P 500 and Russell 3000 companies in 2022 compared to 2021, there was an uptick in support by the big three investors (BlackRock, Inc., Vanguard Group and State Street Global Advisors).

On average, they supported the (re)election of 93.0% of the Russell 3000 directors in 2022 compared to 92.7% in 2021. Similarly, at the S&P 500 companies, their average support increased to 95.9% in 2022 from 95.4% in 2021. This was largely due to an increased level of support by BlackRock, whose favorable vote was 1.3 percentage points higher compared to last year at both S&P 500 and Russell 3000 companies. After its increased opposition to S&P 500 directors last year holding them accountable for poor risk oversight of environmental and social issues, BlackRock was more supportive of management in 2022 as companies made significant progress on the governance and sustainability matters. As noted in its “2022 voting spotlight” report, BlackRock found companies to have made substantial improvements in board diversity, and their climate action plans and disclosures.¹

State Street continued to oppose the greatest percentage of directors, voting against or to withhold at 9% and 12% of the directors at S&P 500 and Russell 3000 companies, respectively. In 2022, State Street continued to use its proprietary ESG scoring system, Responsibility Factor (R-Factor), to vote against companies that scored poorly and failed to take any action to improve their score. Additionally, it also voted against companies that showed a downward trend in their R-Factor scoring as well as those that consistently underperformed their peers in the same market sector.

Vanguard, similar to last year, voted against the fewest number of directors opposing less than 1% of the nominees at S&P 500 companies, and 4% at Russell 3000 companies.

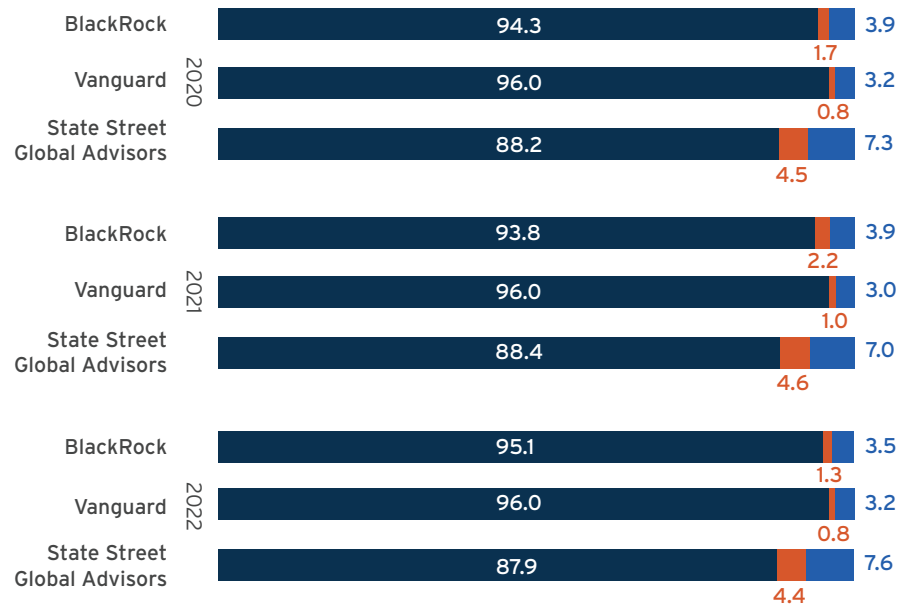
S&P 500 – BLACKROCK, VANGUARD, STATE STREET DIRECTOR ELECTION VOTING, 2020-2022



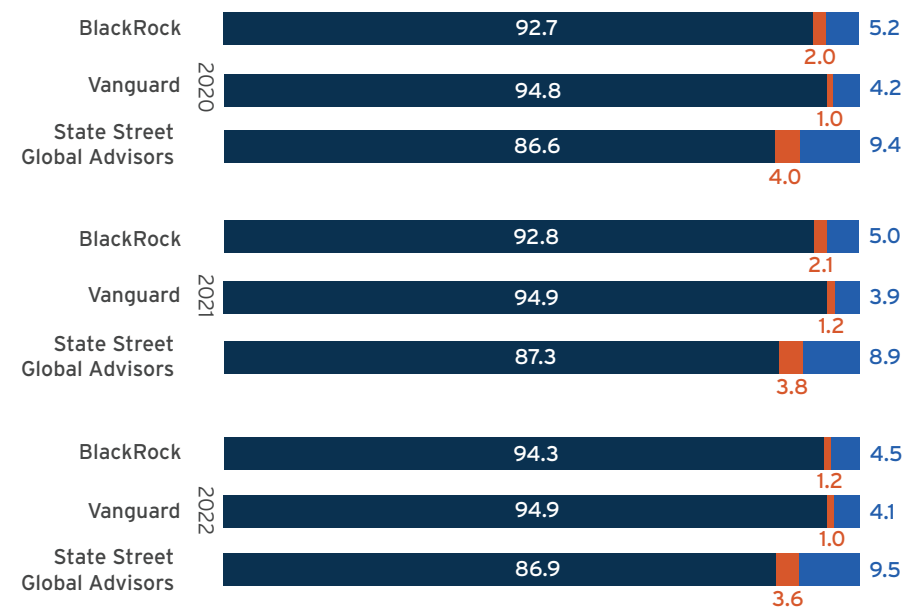
¹ <https://www.blackrock.com/corporate/literature/publication/2022-investment-stewardship-voting-spotlight.pdf>

Data provided by Insightia, a Dilligent brand

RUSSELL 3000 – BLACKROCK, VANGUARD, STATE STREET DIRECTOR ELECTION VOTING, 2020-2022



RUSSELL 3000, ex. SP500 – BLACKROCK, VANGUARD, STATE STREET DIRECTOR ELECTION VOTING, 2020-2022



■ For (%) ■ Against(%) ■ Withheld (%)

Data provided by Insightia, a Dilligent brand

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