Appendix A

ISS, Glass Lewis and Institutional Investor Policies on Board Diversity

Institution	Policy	Definition of "Diverse"
Nasdaq	Nasdaq's Board Diversity Rule[1] requires listed companies to: (1) **Diversity Disclosure:** by August 8, 2022,[2] publicly disclose board-level diversity statistics using a standardized template. (2) **Diversity Objective:** Following a phase-in period, have or explain why they do not have at least two diverse directors. The phase begins with the first diverse director by August 7, 2023 and the second by August 6, 2025 (except for companies listed on the Nasdaq Capital Market, which have until August 6, 2026 for both directors).[3] Out of the two diverse directors, one must be female and the other must be racially/ethnically diverse or LGBTQ+ (except for smaller reporting companies, where one diverse director must be female and the other either female, ethnically/racially diverse or LGBTQ+).	• Female • Black or African American • Hispanic or Latinx • Asian • Native American or Alaska Native • Native Hawaiian or Pacific Islander • Two or More Races or Ethnicities • LGBTQ+
ISS	*Race/ethnicity:* For Russell 3000 or S&P 1500 companies, will generally recommend against the chair of the nominating committee (or other directors on a case-by-case basis) where the board has no apparent racially or ethnically diverse members. *Gender:* For Russell 3000 or S&P 1500 companies, will generally recommend voting against the chair of the nominating committee (or other directors on a case-by-case basis) where there are no women on the company's board. Effective for meetings on or after February 1, 2023, this policy will	• Female • Asian (excluding Indian / South Asian) • Black/African American • Hispanic/Latin American • Indian/South Asian • Middle-Eastern/North African • Native American/Alaskan Native • Native Hawaiian/ Other Pacific Islander

1 The following companies are exempt: special purpose acquisition companies, asset-backed issuers and other passive issuers, cooperatives, limited partnerships, management investment companies, issuers of non- voting preferred securities, debt securities and Derivative Securities (as defined in Rule 5615(a)(6)) that do not have equity securities listed on Nasdaq; and issuers of securities listed under the Nasdaq Rule 5700 Series.

2 Newly listed companies have one year from the date of listing to provide the required board diversity disclosure.

3 This explanation does not cover companies that are newly listing after the enactment of Nasdaq's rule in August 2021; these companies may be subject to a more accelerated timeline.

	also apply to companies outside the Russell 3000 or S&P 1500.	
Glass Lewis	*Race/ethnicity:* For S&P 500 companies with "particularly poor disclosure" on racial/ethnic diversity, may recommend voting against the chair of the nominating and/or governance committee. "Particularly poor disclosure" means a failure to provide *any* disclosure on, among other items, the board's current percentage of racial/ethnic diversity and whether the board defines diversity explicitly to include gender and/or race/ethnicity. Beginning in 2023, if an S&P 500 company has not provided *any* disclosure of individual or aggregate racial/ethnic minority board demographic information, will generally recommend voting against the chair of the nominating and/or governance committee. *Gender:* for Russell 3000 companies, will generally recommend voting against the chair of the nominating and/or governance committee of a board with fewer than two gender diverse directors, or the entire nominating committee of a board with no gender diverse directors. For companies outside the Russell 3000, and all boards with six or fewer total directors, will generally recommend voting against the chair of the nominating and/or governance committee of a board with no gender diverse directors. Beginning in 2023, for Russell 3000 companies, will generally recommend voting against the chair of the nominating and/or governance committee (or other members of the committee if the chair is not up for reelection) of a board that is less than 30% gender diverse. Same policy will continue to apply for companies outside the Russell 3000.	• Female • Racial/ethnic diversity • Will recommend in accordance with *mandatory* board composition requirements set forth in applicable state laws when they come into effect (e.g.,CA[4]).
BlackRock	Boards should aspire to 30% diversity of membership; companies are encouraged to have at least two directors on their board who identify as female and at least one who identifies as a member of an	• Female • Black or African American • Hispanic or Latinx • Asian • Native American or Alaska Native

4 The applicable California law defines a diverse individual as someone who self-identifies as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native, or who self-identifies as gay, lesbian, bisexual, or transgender.

	underrepresented group. BlackRock also asks that boards disclose: (i) the aspects of diversity that the company believes are relevant to its business and how the diversity characteristics of the board, in aggregate, are aligned with a company's long-term strategy and business model; (ii) the process by which candidates are identified and selected, including whether professional firms or other resources outside of incumbent directors' networks have been engaged to identify and/or assess candidates, and whether a diverse slate of nominees is considered for all available board nominations; and (iii) the process by which boards evaluate themselves and any significant outcomes of the evaluation process, without divulging inappropriate and/or sensitive details. To the extent that a company has not adequately accounted for diversity in its board composition within a reasonable timeframe, may vote against members of the nominating/governance committee for an apparent lack of commitment to board effectiveness. BlackRock looks to the largest companies (e.g., S&P 500) for continued leadership.	• Native Hawaiian or Pacific Islander • LGBTQ+ • Individuals who identify as underrepresented based on national, indigenous, religious, or cultural identity • Individuals with disabilities • Veterans

State Street	*Race/ethnicity: For* S&P 500 companies, will vote against the chair of the nominating committee if the company does not disclose the board's racial and ethnic composition or if there are no directors from an underrepresented racial or ethnic community. For S&P 500 companies, will also vote against the chair of the compensation committee if the company does not disclose its EEO-1 report.
	
	Gender: Expects boards of all companies to have at least one female director, and, if not, may vote against the chair of the nominating committee or board leader in the absence of a nominating committee.
	
	Beginning in 2023, will expect boards of Russell 3000 companies to have at least 30% percent women directors (may waive the policy if a company engages with State Street Global Advisors and provides a specific, time-bound plan for reaching 30% representation of women directors), and, if not, may vote against the chair of the
		• Female
		• Underrepresented community – based on:
		  ○ Race
		  ○ Ethnicity

	nominating committee or board leader in the absence of a nominating committee.	
Vanguard	Expects boards to reflect diversity of personal characteristics (such as gender, race, age, and ethnicity). Believes that boards should determine the composition best suited to their company while considering market best practices, expectations, and risks, and should publish their perspectives on diversity so that shareholders can better understand how a board considers diversity in its composition. As a best practice, expects to see board composition disclosure, at least in aggregate. Also expects companies to conduct a sufficiently broad search for director candidates. This search should go beyond traditional candidate pools and purposely consider candidates who will bring diverse perspectives into the boardroom.	• Gender • Race • Age • Ethnicity
Fidelity	*Gender:* Fidelity will vote against boards that do not have at least 30% female representation at companies in developed markets (UK, EU, U.S. and Australia) or at least 15% representation at companies in markets where standards on diversity are developing.	• Female

Appendix B

Example of Acceptable Nasdaq Board Diversity Matrix (Providing Additional Diversity Information)

Board Diversity Matrix (As of [DATE])

Total Number of Directors		#		
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	#	#	#	#
Part II: Demographic Background				
African American or Black	#	#	#	#
Alaskan Native or Native American	#	#	#	#
Asian	#	#	#	#
Hispanic or Latinx	#	#	#	#
Native Hawaiian or Pacific Islander	#	#	#	#
White	#	#	#	#
Two or More Races or Ethnicities	#	#	#	#
LGBTQ+		#		
Did Not Disclose Demographic Background		#		

Directors who are Military Veterans:	#
Directors with Disabilities:	#
Directors who identify as Middle Eastern:	#

Note: a company may also supplement its disclosure by providing a narrative that accompanies the matrix. For example, “In addition to gender and demographic diversity, we also recognize the value of other diverse attributes that directors may bring to our Board, including veterans of the U.S. military. We are proud to report that of our eight current directors, three are also military veterans.”

Appendix C

Sample Question: Director Self-Identified Diversity Characteristics

Institutional investors and proxy advisers are increasingly expecting that director diversity characteristics be disclosed, and The Nasdaq Stock Market LLC recently adopted rules requiring the disclosure of director diversity characteristics (subject to certain phase-in periods). At the Company, diversity and inclusion are also part of our values. To that end, the Company may determine that it needs to disclose director diversity information for various purposes, including for stock exchange rules or investor expectations. Answering this question is optional, but participation helps us to understand the breadth of diverse backgrounds that our directors bring to the Company. **If you agree to inclusion of the information, please answer the following questions**. Please note that if you choose to provide this information, you consent to our possible public disclosure of the information in other public media, including on our website and our corporate responsibility report and in response to inquiries from surveys, analysts, shareholders or journalists.

i. Please specify your gender:

(A) Male ☐

(B) Female ☐

(C) Non-Binary ☐

(D) Prefer Not to Answer ☐

ii. Please specify your ethnicity or race (you may check one or more):

(A) African American or Black ☐

(B) Alaskan Native or Native American ☐

(C) Asian ☐

(D) Hispanic or Latinx ☐

(E) Native Hawaiian or Pacific Islander ☐

(F) White ☐

(G) Indian or Other South Asian ☐

(H) Middle Eastern or North African ☐

(I) Two or More Races or Ethnicities ☐

(J) Prefer Not to Answer ☐

iii. Please specify any other relevant diversity characteristics that you wish to identify not covered by questions (i) and (ii) above:

(A) Disability ☐

(B) Military Service/Veteran ☐

(C) Other (religion, nationality, sexual orientation, gender expression, socio-economic or demographic characteristics)? If so, please specify:

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Appendix D

Director Overboarding Policies

- ***ISS:*** Generally recommend against/withhold from directors who (i) sit on more than **five** boards; or (ii) are CEOs of public companies who sit on the boards of more than **two** *other* companies (total of **three**, withhold only at their outside boards).[5]

- ***Glass Lewis:*** Generally recommend against (i) a director who serves as an executive officer of any public company while serving on more than **two** public company boards; and **(ii)** any other director who serves on more than **five** boards.[6]

- ***BlackRock:*** Public company executives can sit on **one** outside board (total of **two**); other directors can sit on **three** outside boards (total of **four**).

- ***Vanguard:*** A named executive officer ("NEO") can sit on **two** boards (either **one** outside board or **two** outside boards if does not serve on its "home" board); other directors can sit on **four** boards.[7]

  For 2022, will also look for portfolio companies to "adopt good governance practices regarding director commitments, including the adoption of an overboarding policy and disclosure of how the board oversees policy implementation."

- ***State Street*:** An NEO can sit on **two** boards; board chairs or lead independent directors can sit on **three** boards; other directors can sit on **four** boards.

  Starting in March 2022, for non-NEO directors who are overboarded, may consider waiving the policy to vote "against" such director <u>if</u> the company publicly discloses its overboarding policy (in its corporate governance guidelines, proxy statement, or on the company website) and the policy includes: (i) a numerical limit on public company board seats a director can serve on (which cannot exceed State Street's policy by more than one seat); (ii) consideration of public company board leadership positions (e.g., Committee Chair); (iii) affirmation that all directors are currently compliant with the company policy; and (iv) a description of an annual policy review process undertaken by the Nominating Committee to evaluate outside director time commitments.

- ***Fidelity:*** A CEO can sit on **two** outside unaffiliated boards (**three** total).

- ***CalPERS*:** An executive officer can sit on **one** outside board (**two** total); other directors can sit on **four** boards.

- ***NYC Comptroller:*** A CEO can sit on **two** outside boards (**three** total, vote against only at outside boards); other directors can sit on **four** boards.

- ***NYSE:*** If an audit committee member serves on more than **three** public company audit committees (including the Company's), Company must disclose this on its website or in proxy statement.

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5 ISS will also generally vote against the bundled election of directors if one or more nominees, if elected, would be overboarded.

6 Glass Lewis may consider relevant factors such as (i) the size and location of the other companies where the director serves on the board, (ii) the director's board roles at the companies in question, (iii) whether the director serves on the board of any large privately-held companies, (iv) the director's tenure on the boards in question, and (v) the director's attendance record at all companies. For directors who serve in executive roles other than CEO (e.g., executive chair), it will evaluate the specific duties and responsibilities of that role in determining whether an exception is warranted. Glass Lewis may also refrain from recommending against certain directors if the company provides sufficient rationale for their continued board service. The rationale should allow shareholders to evaluate the scope of the directors' other commitments, as well as their contributions to the board including specialized knowledge of the company's industry, strategy or key markets, the diversity of skills, perspective and background they provide, and other relevant factors.

7 In certain instances, Vanguard will consider voting for a director who would otherwise be considered overboarded because of company-specific facts and circumstances that indicate the director will have sufficient capacity to fulfill his/her responsibilities or if the director has publicly committed to stepping down from the other directorship(s) as necessary to fall within the listed thresholds.

Appendix E

ESG Disclosure Policies of Institutional Investors

BlackRock:[8]

- **ESG Risk Oversight**: "Companies should have an established process for identifying, monitoring, and managing business and material ESG risks. Independent directors should have access to relevant management information and outside advice, as appropriate, to ensure they can properly oversee risk. We encourage companies to provide transparency around risk management, mitigation, and reporting to the board. We are particularly interested in understanding how risk oversight processes evolve in response to changes in corporate strategy and/or shifts in the business and related risk environment. Comprehensive disclosure provides investors with a sense of the company's long-term risk management practices and, more broadly, the quality of the board's oversight. In the absence of robust disclosures, we may reasonably conclude that companies are not adequately managing risk."

- **Environmental and Social Issues**: "BIS encourages companies to disclose their approach to maintaining a sustainable business model. We believe that reporting aligned with the framework developed by the Task Force on Climate-related Financial Disclosures ('TCFD'), supported by industry-specific metrics such as those identified by the Sustainability Accounting Standards Board ('SASB'), can provide a comprehensive picture of a company's sustainability approach and performance…Accordingly, we ask companies to:

    - Disclose the identification, assessment, management, and oversight of sustainability-related risks in accordance with the four pillars of TCFD

    - Publish investor-relevant, industry-specific, material metrics and rigorous targets, aligned with SASB or comparable sustainability reporting standards

  Companies should also disclose any supranational standards adopted, the industry initiatives in which they participate, any peer group benchmarking undertaken, and any assurance processes to help investors understand their approach to sustainable and responsible business conduct."

- **Climate Risk**: "We ask every company to help its investors understand how it may be impacted by climate-related risk and opportunities, and how these factors are considered within strategy in a manner consistent with the company's business model and sector. Specifically, we ask companies to articulate how their business model is aligned to a scenario in which global warming is limited to well below 2°C, moving towards global net zero emissions by 2050…In determining how to vote, we will continue to assess whether a company's disclosures are aligned with the TCFD and provide short-, medium-, and long-term reduction targets for Scope 1 and 2 emissions."

State Street:[9] Expects companies to address the following categories when developing their climate transition plans: Ambition (long-term climate-related ambition); Targets (interim GHG emissions reduction targets; alignment with temperature goals); TCFD Disclosure (TCFD-aligned disclosure; scenario analysis; emissions reporting and assurance); Decarbonization Strategy (transition plan integration into long-term strategy; decarbonization actions; carbon offsets utilization; decarbonization across the value chain); Capital Allocation Alignment (integration of climate considerations into capital allocation decisions; capital expenditure on low carbon strategies; carbon pricing; investments in decarbonization); Climate Policy Engagement (disclosure of climate change policies and positions; trade association review); Climate Governance (board oversight; management oversight); Physical Risk (physical risk assessment; physical risk management); Stakeholder Engagement (industry collaboration; investor engagement; climate expert engagement; internal engagement).

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[8] *See* BlackRock Responsible Investment Guidelines - US.

[9] *See* State Street's Disclosure Expectations for Effective Climate Transition Plans. Note that State Street is in the process of developing its disclosure expectations with respect to a "Just Transition."

Vanguard:

- **Climate-related risk**: "As a fiduciary, Vanguard views climate risk through the lens of materiality, seeking to determine whether climate-related factors pose a meaningful threat to long-term shareholder value. We support comprehensive and effective emissions disclosures and climate-related metrics and mitigation targets, such as those aligned with the goals of the Paris Agreement. Boards should be fully aware of climate risks and opportunities as part of a foundation for making the most sustainable long-term decisions. We look for companies to exhibit sound climate change risk management, including:
  - **Effective disclosure:** "Our interest is in transparency; when the market has relevant information, a company's stock price will more accurately reflect climate-related risk and opportunity. Climate-related disclosures should be aligned with investor-oriented frameworks such as those set forth by the TCFD, so that they may be compared over time and across peers.
  - **Risk mitigation**. Since 2015, the goals set forth in the Paris Agreement have become a widely accepted standard for countries and companies aiming to address climate change. Where climate change is a material risk, Vanguard encourages companies to set targets that align with these goals and to disclose them clearly."