

Institutional Shareholder Services Inc.

**Best Practice Principles for
Providers of Shareholder
Voting Research and
Analysis:**

2025 Compliance Statement

**ISS
STOXX**

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Introduction

Institutional Shareholder Services Inc. (“ISS” or “the Company”), part of the ISS STOXX group of companies, is pleased to submit the following Compliance Statement to the Best Practices Principles for Providers of Shareholder Voting Research & Analysis 2019 (“the Principles” or “BPP”) for the 12 months ending 31 December 2025.¹

ISS was founded in 1985 in an era of aggressive corporate practices such as corporate raiding, greenmail, and poison pills, when investors were seeking to more effectively exercise their rights as shareholders and their voice in corporate governance in a meaningful and informed way. Today, ISS STOXX Governance, a business line within the ISS STOXX group, is a leading global provider of independent and objective shareholder meeting research and recommendations, providing multiple voting policy choices as well as end-to-end workflow solutions for institutional investors. This statement aims to describe in a meaningful way how ISS STOXX Governance complies with all three Principles and BPP Guidance in the provision of these services.

More than 1,400 clients worldwide use actionable expertise of ISS STOXX Governance to help them make informed investment stewardship decisions, and to help them manage their voting responsibilities. Covering over 50,000 meetings annually, ISS STOXX Governance leverages its extensive global footprint, deep experience, high quality data and analysis, unified client support, and technology infrastructure to continuously evolve and extend its innovative suite of solutions to meet clients’ evolving portfolio, fiduciary, and stewardship requirements.

Best Practice Principles

The BPP consist of a set of principles and accompanying guidance (“Guidance”) that describe a code of conduct for providers of shareholder voting research and analysis. The Principles are designed to facilitate transparency and guide BPP signatories’ conduct in discharging their responsibilities towards their clients. The Principles are the result of a thorough review process by the Best Practice Principles Group (“BPPG”) which referred to the latest updated stewardship codes globally, the requirements of the revised EU Shareholder Rights Directive II (“SRD II”) and the ESMA 2015 Follow-Up Report on the Development of the Best Practice Principles for Providers of Shareholder Voting Research and Analysis (“2015 ESMA Follow-Up Report”). They were developed with input from investors, issuers, and other stakeholders gathered during a public consultation by the BPPG (completed in December 2017) and follow a review by the BPP Review Committee chaired by an independent review chair. The 2019 Principles replaced the original 2014 Principles. As the BPP Oversight Committee’s (“OC”) 2025 annual report concluded, all signatories continue to be compliant with the BPP and have made material improvements to their reporting in addition to engaging with the BPP OC Chair.

¹ For more information on the BPP Principles, please visit <https://bppgrp.info/wp-content/uploads/2019/07/2019-Best-Practice-Principles-for-Shareholder-Voting-Research-Analysis.pdf>

Best Practice Principles for Providers of Shareholder Voting Research and Analysis

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As recognized by the Principles, irrespective of the services used by investors to support their ownership and voting activities, the ultimate responsibility to monitor their investments and make voting decisions lies with each investor. The use of third-party services such as those provided by ISS does not shift this responsibility. Accordingly, the services are designed to assist institutional investors in exercising their shareholder rights in accordance with their own proxy voting policies, and then in implementing those decisions from an operational standpoint.

Other Codes

ISS is also a signatory to the U.K. Stewardship Code overseen by the [U.K. Financial Reporting Council](#) and the Japan Stewardship Code overseen by the [Japan Financial Services Agency](#), both of which underwent a review in 2024 with a view to streamlining reporting obligations. The most recent ISS submissions with respect to those codes are available on the [ISS STOXX Due Diligence](#) webpage under Best-Practice Standards.

ISS also provides ESG rating and data products through its ISS Sustainability business unit and we are a signatory to various global codes of conduct covering ESG ratings and data providers. The ISS [Consolidated Response to Global Codes of Conduct](#) is available on our Due Diligence webpage and reflects our overall company commitment to transparency and upholding high-quality research standards and alignment with global best practices.

The signatories to this statement can be contacted for further information regarding its content.

Principle One: Service Quality

Principle One: Service Quality

BPP Signatories provide services that are delivered in accordance with agreed-upon client specifications.

Signatories should have and publicly disclose their research methodology and, if applicable, “house” voting policies.

Introduction

As an independent provider of governance research and vote recommendations with over 40 years of experience, ISS’ fundamental goal is to serve our clients with their full trust and confidence. We seek to earn and retain this trust by providing high quality services which are understood by our clients to rest upon high degrees of transparency, objectivity, and independence.

Institutional investors are not required to use shareholder voting research providers, but many do, and some use more than one such provider. Investors choose to hire shareholder voting research providers like ISS because our services provide substantial informational and operational efficiency and scale that help investors to carry out their stewardship and proxy voting activities in a responsible and cost-effective manner. As detailed below, ISS has robust internal systems in place designed to ensure the quality of our research and the data that underpins it. This often includes dialogue with the issuers that are subject of our research reports (see Principle Three for more detail).

ISS aims to help institutional investors understand the governance practices of the companies in which they are invested, which can be challenging for investors given differing proxy ballot items which are put forth each proxy season and evolving corporate governance practices and requirements in different markets worldwide. In 2025, ISS assisted approximately 1,400 clients to make and execute informed proxy voting decisions for approximately 52,000 shareholder meetings in approximately 100 developed and emerging markets worldwide. ISS’ global coverage includes all public company equity meetings for which our clients hold a ballot.²

2025 ISS Governance Research –

Key Coverage Statistics

Markets covered	100
Public companies covered	35,000
Meetings covered	52,000

² The statistics referenced in this Statement are approximate, updated on an annual basis and, unless otherwise noted, relate to the year ending December 31, 2025.

ISS serves a diverse range of sophisticated institutional investors. ISS' clients are primarily institutional investors, including investment managers as well as private-sector and public employee benefit plans; ISS does not serve retail investors directly. Some pursue short-term investment strategies, while others are long-term buy-and-hold investors. Some are focused on long-term risk management and business sustainability, while others seek to achieve reasonable financial returns in a way that aligns with their (or their clients') stated objectives, or religious or philosophical beliefs. Some ISS clients themselves pursue divergent internal investment and proxy voting strategies, depending on the needs of their own clientele.

ISS' job is to provide clients with tools, information, and policy options for them to make their own informed proxy voting decisions and vote their shares in accordance with their own respective investment and fiduciary views and responsibilities. To that end, while many clients utilize their own custom policies, ISS continues to regularly review its benchmark and specialty policies, and expand the array of available policy choices, in response to the demands of the market. Irrespective of the client's chosen proxy voting policy(ies), ISS supports all vote recommendations with extensive data and research based on publicly available corporate reporting and information.

Investors' Responsibility for Voting Decisions

ISS provides proxy research and vote recommendations, not voting decisions. The ultimate voting decision for each resolution at a company meeting remains the responsibility of the client. Our Governance Research & Voting service allows for client choice throughout the voting process.

Clients select their voting policy(ies) either by creating a custom policy or selecting from our proprietary benchmark and/or specialty voting policies; receive research reports that detail the vote recommendations based on the application of their selected voting policy(ies); and have access to ProxyExchange ("PX"), ISS' proprietary platform. ISS always strives to improve the accessibility and user experience of PX. Most recently, we have been working to deliver a more streamlined and intuitive workflow for stewardship and voting activities on our PX platform. These refinements will create a new, more customizable PX hub featuring integrated tools and AI capabilities to augment clients' ability to access and manage content and expertise. A core enhancement of the PX platform will be "Stu", an AI assistant embedded directly within PX, designed to operate as a guide and facilitate client workflow.³ For more on PX, please see the dedicated section below.

ISS' clients use our systems, research, and vote recommendations in a variety of ways. Oftentimes, we are one of many resources that an institutional investor may use in arriving at their voting decisions. For example, some institutional investors have internal research or stewardship teams that conduct proprietary research or engagement and use ISS research as an additional input to supplement their own work. Some ISS clients use ISS research as a screening tool to identify non-routine meetings or proposals or as a flag for engagement or further in-house research focus. As noted earlier, some

³ For more information, please see ISS STOXX Governance press release on planned AI-Enabled Solutions: <https://www.iss-stoxx.com/press-releases/iss-stoxx-governance-announces-planned-ai%E2%80%91enabled-solutions/>

investors use the services of two or more providers. Accordingly, subscribing clients may ultimately decide to vote differently from the vote recommendations provided by ISS in any particular situation.

Independent Research and Recommendations

We understand and take seriously the potential for actual or perceived conflicts of interest which may result from our business activities. ISS has developed and established a robust set of policies, procedures, and practices regarding the identification, avoidance, and management of conflicts of interest to ensure our research, analyses and voting recommendations are independent and free from inappropriate bias or undue influence (See *Principle Two* for a detailed analysis of our conflicts of interest procedures and practices).

As a disinterested service provider, ISS has no stake in the outcome of a particular vote and is similarly indifferent as to whether our clients choose to follow an ISS vote recommendation or not. ISS bases its recommendations on the policies that clients select and, in the case of custom clients, formulate. As a result, ISS may offer different recommendations about the same votable item to different clients or to the same client if that client has selected more than one policy in response to the varying investment objectives of its own clients. For example, ISS may advise clients using its benchmark voting policy to vote 'FOR' a certain proposal, while advising clients who subscribe to ISS sustainability-based or faith-based policies to vote 'AGAINST' the same proposal, as illustrated below in **Figures 5** and **6**.

Responsibilities to Clients

ISS' services are provided pursuant to a written contract with each client. This is typically structured as a master services agreement which contains core contractual terms, including the relevant governing law, how notices are provided, the methods of terminating the contract, and how disputes are resolved. The master services agreement will be incorporated into appendices that describe the specific services being purchased and the costs of such services. The contract provides the agreed basis as to the terms and conditions under which services are delivered. Most services are offered on an annual or multi-year subscription basis.

Timeliness

ISS strives to provide clients with high quality, consistent and timely services, subject, in the case of its research and voting services, to the availability of sources of information from issuers and shareholder resolution proponents, as well as intermediary constraints (for example, custodian and corporate vote deadlines and intermediary cut-offs).

ISS aims for a minimum 2-week target delivery date for governance research and vote recommendation prior to the meeting date (for markets where company disclosure practices permit) and often significantly exceeds this. In 2025, we delivered research reports on average 21.1 days prior to the meeting date for U.S. meetings and 17.5 days prior to the meeting date for ex-U.S. meetings (a slight improvement from 17 days in 2024).

Quality of Research

ISS' quality controls are designed to ensure high levels of accuracy, quality, and timeliness in the research and voting process. ISS has dedicated internal employees who provide periodic reviews and assessments on the process and procedures around the relevant research, data, and operations functions that contribute to research and associated voting-related services.

ISS has in place robust systems and controls designed to ensure the quality of our governance research and vote recommendations. These include:

- Comprehensive information procurement processes for company-published information and meeting documentation;
- Data consistency and quality checks;
- Research reports and recommendations are prepared by appropriately trained analysts;
- Research reports and recommendations are reviewed by at least one other person with relevant expertise;
- In instances where new material information becomes available after an ISS report has been published and before investor voting deadlines, or where any factual inaccuracies are brought to our attention, an updated report or alert may be issued to clients (see **Figure 16** under Principle Three for an example of a "Proxy Alert");
- A free-of-charge copy of the relevant ISS benchmark report is made available to each subject company immediately after the final report has been published to subscribing institutional investor clients;
- ISS maintains a Data Verification (DV) portal for issuers that allows for verification of more than 430 governance and compensation datapoints that are principally used and reflected in ISS' research on companies; and
- In some markets, ISS may, at its discretion, also provide companies with an opportunity to review a draft analysis to further check factual accuracy.

External Audit of Operations

ISS employs a third-party auditor to independently assess its controls under the SSAE 18 process and provide an opinion on the fairness of the presentation, and on the suitability of the design and operating effectiveness of, ISS' controls. The audit, conducted annually, includes a comprehensive accounting of control objectives and the activities that are executed to support each assertion. The processes of the ISS Research, Data, and Operations teams are subject to the SSAE 18 review. The SSAE-18 audit reports are made available to clients, often as part of their due diligence reviews of ISS services. For 2025, ISS received an unqualified or "clean" opinion from its external auditor.

Research Methodology

ISS has a robust research methodology designed to ensure the consistent and timely delivery of high quality and reliable research and recommendations in accordance with clients' chosen policies.

The research methodology covers the following essential features, all as more fully described below:

- The general approach that leads to the generation of research;
- The data and information sources used;
- The extent to which local conditions and customs are taken into account;
- How custom, specialty, or ISS benchmark voting policies and guidelines are applied; and
- The systems and control deployed to ensure the reliability of the use of information in the research process, and any limitations thereof.

In line with its role in the proxy voting process, ISS does not choose the ballots or agenda items on which we render advice. We provide services only to clients who have hired us to do so; analyze only the companies designated by our clients; and base proxy vote recommendations on voting criteria and policies selected, and in many cases, customized, by our clients. As environmental and social (E&S) shareholder proposals have proliferated in recent years, so have the number of proposals on which ISS has provided recommendations.⁴ The degree to and manner in which ISS incorporates certain factors into its analysis and vote recommendations – whether an E&S matter or a more traditionally core governance topic – depends on the nature of the proxy ballot issue and the client’s particular voting guidelines. In all cases, our research is grounded in the same objective, independent and analytical approach.

General Approach

ISS is committed to providing independent, timely, accurate, and insightful research and voting recommendations on every publicly traded company in our subscribing clients’ portfolios, based on publicly available information, and in accordance with the policies selected or instructed by each client. Increasingly, ISS prepares research and voting recommendations based on investor clients’ *custom voting policies*, which investors develop in-house and, many times, in consultation with their governance departments, board-of-trustees, and/or portfolio managers. ISS also offers its clients a variety of proprietary ISS voting policies which provide the choice of different options reflecting both regional differences, and the differing views and requirements of different institutional investors.

ISS benchmark and specialty policies consider local market regulations and practices, and accompanying research considers company-specific information where it is relevant. Both local and company-specific elements can inform custom policy research to the extent instructed by each client under their own policy.

Our company has continued our commitment to provide a wide range of high-quality services and products to our clients. We believe our global and local-market footprint and expertise allow us to provide the high-quality research and voting recommendations that our clients demand and to offer a wide range of options that can support clients' diverse and complex needs.

ISS analysts provide in-depth knowledge of best practices, regulations and investor expectations, and this knowledge informs policy developments and analysis undertaken. In-house expertise includes

⁴ As further detailed under Principle Three, on the ISS Insights webpage, ISS regularly publishes analysis of previous proxy seasons: these insights include market- and topic-specific analysis of shareholder proposal trends, among other trends. See e.g., ISS’ analysis of [E&S proposal trends and topics in the 2025 US proxy season](#).

proficiency on a wide range of topics relevant to our work, including board independence and composition, executive remuneration practices, shareholder rights protections, mergers and acquisitions, environmental and social matters, a variety of local market practices, and the roles of government and industry associations in setting local governance standards.

The research process follows a six-step approach that is designed to ensure the efficient and consistent delivery of high-quality research and voting recommendations to clients:

- Client holdings and meeting feeds are received by ISS;
- Procurement of meeting materials (including proxy statements, meeting agendas, etc.);
- Meeting agenda coding – each agenda item tagged with a code to indicate issue type and facilitate application of voting policies and client reporting;
- Data collection – based on publicly disclosed information;
- Benchmark research preparation and delivery; and
- Specialty and custom research preparation and delivery.

Our research services also include:

- Access to research analysts and other specialists: Whether dealing with a complex voting decision or looking for clarity on a complex governance issue, clients have access to ISS research analysts and other specialists within ISS STOXX Governance business unit.
- Thought leadership: Clients have access to ISS webinars, topical insights, thought leadership output, educational and thematic research articles, and a range of publications to ensure that they can keep abreast of governance trends and related news in an everchanging landscape (previews and takeaways of thought leadership output are often made available on the ISS website on the [ISS STOXX Insights page](#))

Information Sources

ISS governance and voting research is based on publicly available information. ISS aims to consider all relevant information released by analyzed companies, such as annual reports, meeting agendas and resolutions, articles of association, and other public filings. All original company materials used by ISS are referenced or made directly available to clients. In addition, company issued information is supplemented by other publicly available information such as information on board changes, regulatory matters, news events, industry trends, etc.

ISS provides comprehensive data and information, including on board membership, executive remuneration, financial performance, and ownership, that offers context as our clients review agenda items.

As part of the research process, ISS may undertake dialogue with company representatives, institutional shareholders, shareholder proposal proponents, and other relevant parties to ensure a full understanding of, and deeper insights into, key issues. Such dialogue can help enrich the analyses for clients and ensure complex or unusual issues are well understood.

Where undertaken, the purpose of dialogue with companies is to help improve the quality of the research produced by ensuring ISS analysts, and therefore ISS clients, have full information and understanding of relevant facts and explanations provided by the company, especially where helpful

to supplement public disclosures. This type of dialogue can also serve to provide additional transparency regarding company disclosures that ISS may use to provide context for its clients around the application of its policies.

In undertaking such dialogue, ISS specifically requires that companies not share confidential or material non-public information.

ISS dialogue with issuers is transparent to clients. ISS benchmark research reports include a section detailing any relevant dialogue with the company, shareholder proposal proponents or other stakeholders, including the date(s) of dialogue, the topic(s) covered, the initiator of the dialogue, and the outcome (as demonstrated in **Figures 14** and **15** under Principle Three).

Local Conditions and Standards

ISS' research approach is based on structured voting policies and guidelines that incorporate established policy frameworks and internal expertise with investors and, where relevant, broader market feedback. ISS research teams have relevant expertise, including in local market practices, standards, regulations and languages, to enable the provision of informed research and voting recommendations.

Our benchmark policies are informed by the following main factors:

- ISS institutional investor clients' views and expectations;
- Relevant input from other market constituents;
- Local regulation and codes of best practices and stewardship codes;
- Global governance standards; and
- New and evolving topics and market trends.

ISS U.K. and Ireland Benchmark Voting Policy

To illustrate: ISS has operated a specific benchmark policy for the UK and Ireland since 2015. Previously, ISS used the [voting guidelines](#) of the Pensions and Lifetimes Savings Association (PLSA) (then known as the National Association of Pension Funds, or NAPF) as a standard reference. The UK and Ireland benchmark policy remains broadly consistent with the voting guidelines of the PLSA but also reflects other good practice standards relevant to the UK market. These good practice standards are clearly listed in the appendix of the [ISS UK and Ireland Benchmark Policy](#) and include, but are not limited to, the Association of Investment Companies (AIC) Code of Corporate Governance (2024), the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies (2023), and the Financial Reporting Council's UK Corporate Governance Code (2024).



Figure 1: Screenshot of an ISS Insights publication reviewing the [2025 U.K. proxy season](#), covering, among other topics, trends in remuneration.

ISS also takes account of local regulatory requirements and reflects recent regulatory developments. By way of example, for the 2026 proxy season in the UK and Ireland, ISS updated the Benchmark voting policy in accordance with its policy review and update process to reflect recent regulatory and industry developments. Notable changes to the UK and Ireland Benchmark Policy were driven by regulatory developments such as the revised [UK Listing Rules](#) and the Irish Corporate Governance Code.



For example, the previous requirement [in the UK Listing Rules] for a written and legally binding relationship agreement between companies and any controlling shareholder(s) was removed and so accordingly the wording of the related ISS policy was updated accordingly. Relatedly, amendments to the UK Listing Rules removed the requirement for companies to subject related-party transactions (RPTs) to a shareholder vote and ISS has updated its Benchmark policy to align with the new regulatory environment.

Related-Party Transactions

Current ISS Policy:	New ISS Policy:
<p>General Recommendation: In evaluating resolutions that seek shareholder approval on related-party transactions (RPT), vote on a case-by-case basis, considering factors including, but not limited to, the following:</p> <ul style="list-style-type: none"> • The parties on either side of the transaction; • The nature of the asset to be transferred/service to be provided; • The pricing of the transaction (and any associated professional valuation); • The views of independent directors, where provided; • The views of an independent financial adviser, where appointed; • Whether any entities party to the transaction, including advisers, are conflicted; and • The stated rationale for the transaction, including discussions of timing. <p>In the UK, under the Listing Rules the listed company must obtain the approval of its shareholders for certain transactions either beforehand or, if the transaction is conditional on that approval, before it is completed. The company must ensure that the related party does not vote on the relevant resolution and should take all reasonable steps to ensure that the related party's associates do not vote on the relevant resolution.</p> <p>The Pensions and Lifetime Savings Association notes that concerns may arise if the transaction does not seem to be subject to proper oversight, is not undertaken on fully commercial terms in the normal course of business, or the company has not clearly explained how the transaction is in the interests of the company and all shareholders.</p>	<p>General Recommendation: In evaluating resolutions that seek shareholder approval on related-party transactions (RPT), vote on a case-by-case basis, considering factors including, but not limited to, the following:</p> <ul style="list-style-type: none"> • The parties on either side of the transaction; • The nature of the asset to be transferred/service to be provided; • The pricing of the transaction (and any associated professional valuation); • The views of independent directors, where provided; • The views of an independent financial adviser, where appointed; • Whether any entities party to the transaction, including advisers, are conflicted; and • The stated rationale for the transaction, including discussions of timing. <p>In the UK, under the Listing Rules the listed company must obtain the approval of its shareholders for certain transactions either beforehand or, if the transaction is conditional on that approval, before it is completed. Under the 2024 update to the UK Listing Rules, the scope of related-party transactions for which shareholder approval is required was significantly reduced. However, in circumstances where a related-party transaction remains subject to shareholder approval, the company must ensure that the related party does not vote on the relevant resolution and should take all reasonable steps to ensure that the related party's associates do not vote on the relevant resolution.</p> <p>The Pensions and Lifetime Savings Association notes that concerns may arise if the transaction does not seem to be subject to proper oversight, is not undertaken on fully commercial terms in the normal course of business, or the company has not clearly explained how the transaction is in the interests of the company and all shareholders.</p>

Figure 2: Screenshots from an ISS 2026 Benchmark voting policy update document in which alterations to voting policies are clearly illustrated through a comparative table and use of red text and strikethrough to highlight additions and/or other edits. In this screenshot, the changes to the policy in relation to related-party transactions in the UK are clearly outlined.

In Ireland, Euronext Dublin published the first Irish Corporate Governance Code in 2024, applicable to companies with their primary listing on Euronext Dublin. As highlighted in last year's compliance statement, the UK Corporate Governance Code states that when 20% or more of votes have been cast against the board recommendation for a resolution, the company should explain, when announcing voting results, what actions it intends to take to consult shareholders to understand the reasons behind the result. A similar requirement was introduced by the Irish Corporate Governance Code (2024) albeit with a threshold of 25%. The UK and Ireland Benchmark Policy has been amended to reflect this addition.

Proxy Voting Policy Choices: Custom, Specialty, and Benchmark Voting Policies

ISS offers an extensive array of voting policy choices to meet the varied needs of institutional investors and their clients. Investors can choose from ISS global benchmark policies and from seven ISS specialty policies⁵ that evaluate voting issues from a variety of different perspectives – for example, those of public funds, socially-responsible investors, labor unions (Taft-Hartley), boards, faith-based

⁵ For more information on ISS STOXX Policies, please visit the ISS STOXX Policy Gateway at <https://www.iss-stoxx.com/stewardship/voting-policy-gateway/proxy-voting-policies/>

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investors, climate-focused investors, and sustainability issues outlined by signatories to the Principles for Responsible Investments (“PRI”). ISS also administers on behalf of clients more than 450 custom global client voting policies and provides customized voting recommendations for those institutional investors who want to vote their shares according to their own specific guidelines and philosophies, or those of their underlying clients (See below *Client Custom Voting Policies & Underlying Clients’ Direct Ownership of Votes*).

Flexible Delivery Options

ISS is committed to providing our clients with easy access to a variety of information and opinions from different sources. To that end, in 2013, ISS took the inclusive step of opening PX to research produced by a number of other services providers, and ISS continues to maintain this availability.

As a result, ISS clients who also subscribe to certain third-party research provider can benefit from more efficient workflows by utilizing the PX platform to access their varied research subscriptions in one place.

Furthermore, ISS governance research and vote recommendations are also currently available to clients via multiple third-party platforms as well as via various other electronic means (such as APIs) to assist subscribing clients who wish to utilize such access.

New Policy Offerings

ISS strives to enhance our service offerings and broaden the choices available to institutional investors with respect to managing their proxy research and voting. Further underlining our role in facilitating clients make their own voting decisions, in 2025 ISS introduced [Gov360](#) which provides research reports that incorporate our high-quality data and analysis on governance matters but notably, however, Gov360 research reports do not include any vote recommendations.

ISS also in 2025 introduced Custom Lens, a service that allows subscribing clients to tailor research reports in such a way as to reflect in one consolidated report their own proprietary vote recommendations alongside ISS research, analysis and background information. This customization extends to the format, nature and scope of the content, and meets the unique criteria requirements of individual client reports. ISS applies client-specific criteria to enable investors to showcase their own voting recommendations along with supporting data and analysis within a single document.

Also in 2025 in response to client demand, ISS began offering as a custom policy choice the proxy voting guidelines ([The Consortium of Catholic Investors Policy guidelines](#)) developed by the Catholic University of America and aligned with the U.S. Catholic bishops’ socially responsible investment guidelines.

Client Custom Voting Policies

Many institutional investors apply their own unique set of corporate governance and responsible investment guidelines in implementing their proxy voting activities. For these clients, ISS prepares

voting recommendations based on the client's custom policy(ies) and may also assist clients in developing such custom policies, if requested.

~91%

Proportion of ballot shares processed by ISS globally in 2024 on behalf of our institutional investor clients that are linked to clients' custom voting policies.

ISS administers approximately 450 unique custom voting policies on behalf of clients globally, and issues vote recommendations based on each individual custom voting policy. In fact, approximately 91% of the total voted shares processed by ISS globally on behalf of our clients are linked to clients' custom voting policies. In such cases, where our clients design their own proxy voting policies, the vote recommendations ISS makes to them are derived directly from investors' own proxy voting standards. Of

course, even in these cases, investors are not required to follow the recommendations derived from their own guidelines. These custom voting policies reflect clients' unique corporate governance and voting philosophies and may also reflect those of their underlying clients. As a result, the voting recommendations issued under custom policies may well differ from those issued under ISS benchmark or specialty policies.

ISS custom research analysts are available to provide guidance to clients to assist them in creating and refining their own voting policies and ensure that they accurately reflect their values and priorities, while also often considering local market standards, and codes of best practice in each market, to the extent clients wish.

Specialty & Benchmark Voting Policies

Specialty Policies

Some institutional investors may choose to evaluate governance and other issues from a specialized perspective. ISS offers a variety of thematic policy options that may reflect such perspectives. Today, ISS' seven specialty voting policies comprise the following choices, organized by different markets and [available](#) in full on the ISS website:

- Climate;
- Sustainability;
- Public Fund;
- Socially Responsible Investment ("SRI");
- Catholic Faith-Based;
- Taft-Harley; and
- Global Board-Aligned.

These specialty policies are reviewed annually, considering the annual review and update of ISS benchmark policies, as well as the evolving market perspectives, best practices, and related legal and market-specific developments.

Benchmark Policies

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ISS also provides research and voting recommendations based on ISS benchmark policies. These policies are market and/or region-specific; based on generally accepted principles of good corporate governance and stewardship; and consider investor views, as well as national and international corporate governance codes and practices, and corporate and other stakeholder views, where relevant. The policies are intended to serve as a tool to assist institutional investors in promoting long-term shareholder value, good governance, and risk mitigation. Full details of all ISS benchmark policies are disclosed publicly on our [website](#), including details of the policy updates that are made annually. Additional information such as [FAQs](#) on a selection of policy-related topics is also provided.

ISS benchmark policies currently comprise 23 market and regional proxy voting guidelines that together cover markets around the globe where our investor clients have public company equity investments. The policy guidelines and the research undertaken is not “one-size-fits-all.” The policy guidelines are often market-specific on topics where that is relevant and where different regulations, standards, or governance concerns apply (for instance, UK-specific pre-emption rights policy; US-specific poison pill policy), and even within markets, the policies and the analyses are often case-by-case and take into account the specific facts of the companies covered, with an effort to ensure that the relevant nuances of each company are understood and its corporate governance practices are viewed in the context of best practices, industry norms and its history. For example, issuer explanations on deviations from “comply-or-explain” corporate governance codes are taken into account and are often quoted directly in the research report.

Topics that shareholders vote on and that are covered under the policy guidelines are qualitative by their nature, and our research reports provide both quantitative and qualitative analysis for our clients, not only to explain and support the ISS voting recommendations, but also to provide information that is relevant for investors as they consider their voting decisions.

ISS benchmark policies are designed to cover all resolutions put forward by listed companies and by shareholder proposal proponents. This includes all resolutions pertaining to shareholder rights, board elections, executive remuneration and external auditors, as well as resolutions pertaining to corporate transactions and/or E&S matters.

In developing and applying its benchmark policies, ISS refers to the [ISS Global Voting Principles](#). The principles provide four key tenets on accountability, stewardship, independence, and transparency, which underpin our approach to developing ISS voting policies and recommendations on management and shareholder proposals at publicly traded companies. We believe these principles guide our work to assist institutional investors in meeting their fiduciary requirements with respect to voting and by promoting long-term shareholder value creation and risk mitigation at their portfolio firms through the support of responsible global corporate governance practices.

These are designed to respect shareholder rights and provide appropriate transparency, taking into consideration relevant laws, customs, and best practice codes of each market and region, as well as the rights and responsibility of shareholders to make informed voting decisions.

Benchmark Policy Development and Update Process

Best Practice Principles for Providers of Shareholder Voting Research and Analysis

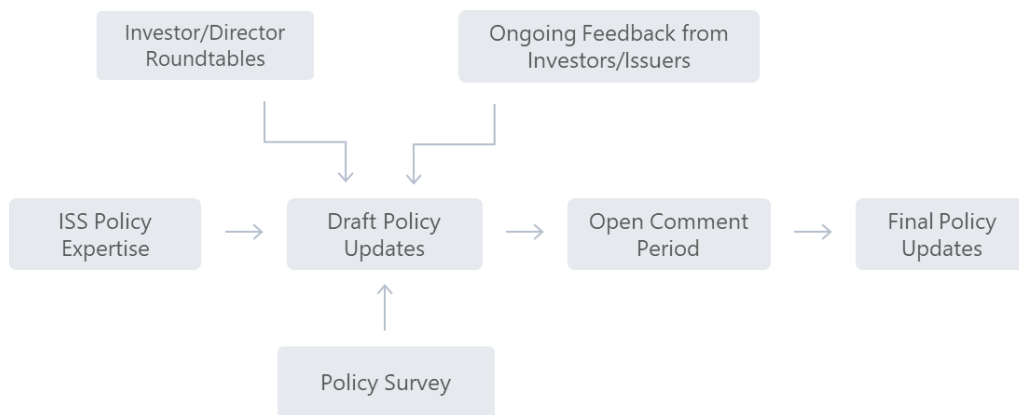
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The ISS benchmark policies are developed through a robust process that uses ISS analytics- and experience-driven expertise, as well as input from the broader governance and investor community. The ISS research team engages with institutional investor clients, corporate issuers, the academic community, and industry experts worldwide in gathering input on ISS policies and methodologies each year, including on new and emerging topics. We believe this allows us to evolve the benchmark policies to consistently provide expert and fact-based research through a shareholder value and risk mitigation lens.

Led by the ISS Global Policy Board, which consists of senior members within Governance Research and Voting, the annual policy development process collects feedback through multiple channels, as shown in **Figure 3**, including:

- An annual policy survey open to all interested parties, and designed to obtain a variety of input from institutional investors, their portfolio companies, and other stakeholder groups, to test policy development concepts and elicit feedback;
- Periodic roundtable sessions with clients and other relevant industry groups;
- Ongoing dialogue with, and feedback from, investor clients, and other participants in the capital markets, including issuers; and
- Public comment periods on proposed policy changes each year.

Figure 3: A flow chart illustrating ISS' annual process for updating the benchmark voting policy.



The ISS Global Policy Board and policy subcommittees use such input to develop annual draft policy updates and address emerging governance and other voting-related issues. As noted, proposed changes to the benchmark policy(ies) are subject to public comment. Comments received during the open comment period are posted to ISS' website to provide the highest level of transparency into the received feedback. Final policy guidelines are typically published in November or December of each year to apply to meetings held from February onwards of the following year. We believe this provides transparency not only to our clients, but also to companies and other interested parties.

In the annual benchmark voting policy updates document (**Figure 4**), ISS provides a table summarizing changes to the final policy guidelines, organized by market and topic. Once finalized, we publish all ISS policy guidelines on our public website each year for full transparency and availability.

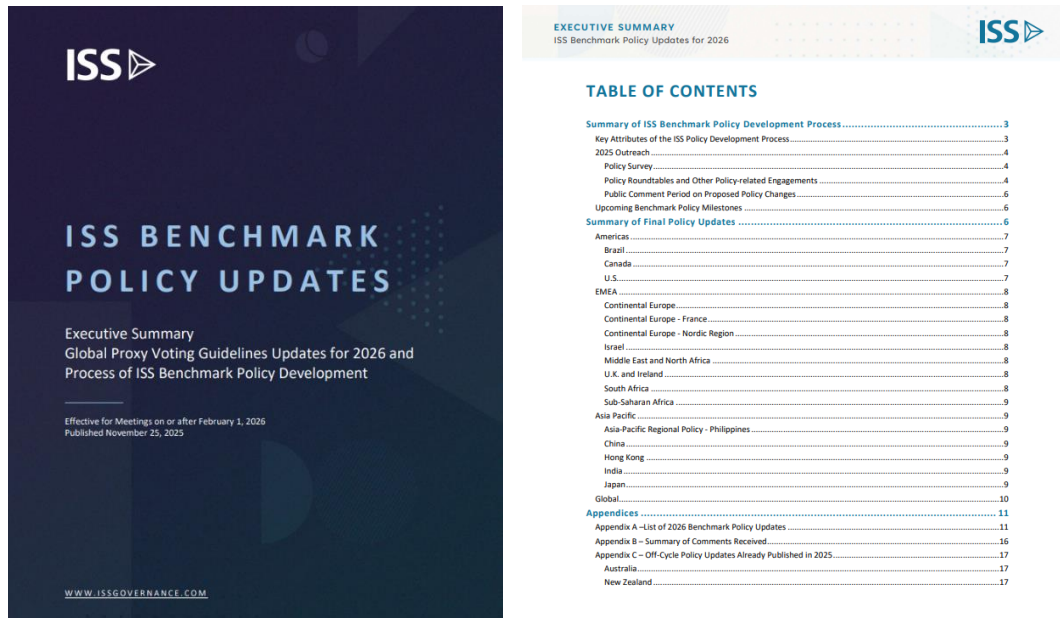


Figure 4: A screenshot of the level of public transparency provided in the [2026 ISS Benchmark Policy Updates](#).

Voting Recommendations under ISS Benchmark and Specialty Voting Policies

ISS offers a range of proprietary voting policies – market-specific benchmark and seven specialty voting policies – each reflecting distinct principles and priorities, leading to differing vote recommendations on the same management resolutions or shareholder proposals. To illustrate this variability in vote recommendations, ISS conducted an empirical analysis of vote recommendations under ISS benchmark policy and its specialty policies across common shareholder voting items. Two datasets, both based on 2025 data, were used: one focused on S&P 500 companies, which are among the most widely held in investment portfolios, and the other on Russell 3000 companies, which represent approximately 96% of the investible U.S. equity market. To help the reader more readily understand the findings of the analysis, we used color gradients as a visualization tool in **Figures 5 and 6** where darker purple shades indicate recommendations more supportive of management, and darker blue reflects recommendations less supportive of management.

The analysis demonstrates that proxy advisors’ vote recommendations are both policy- and proposal-specific, and that ISS does not provide one monolithic recommendation. Rather, the variability in recommendations evidences the range of perspectives embedded in different policies that ISS, as a service provider, implements based on our clients’ selected voting policies. For example, at S&P500 companies, the ISS benchmark policy recommended “AGAINST” in only 4% of director elections, while the 2025 Taft-Hartley specialty policy recommended “AGAINST” in 32% of director election ballots. Similarly, at Russell 3000 companies, the ISS benchmark policy recommended “AGAINST” say-on-pay

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ballot items at a rate of 12%, whereas on the same proposals, the ISS socially responsible investing (SRI) specialty policy showed a 36% opposition rate.

Figure 5: ISS Voting Policy Recommendation Rates on Common Ballot Items
 S&P 500; 2025 U.S. proxy season

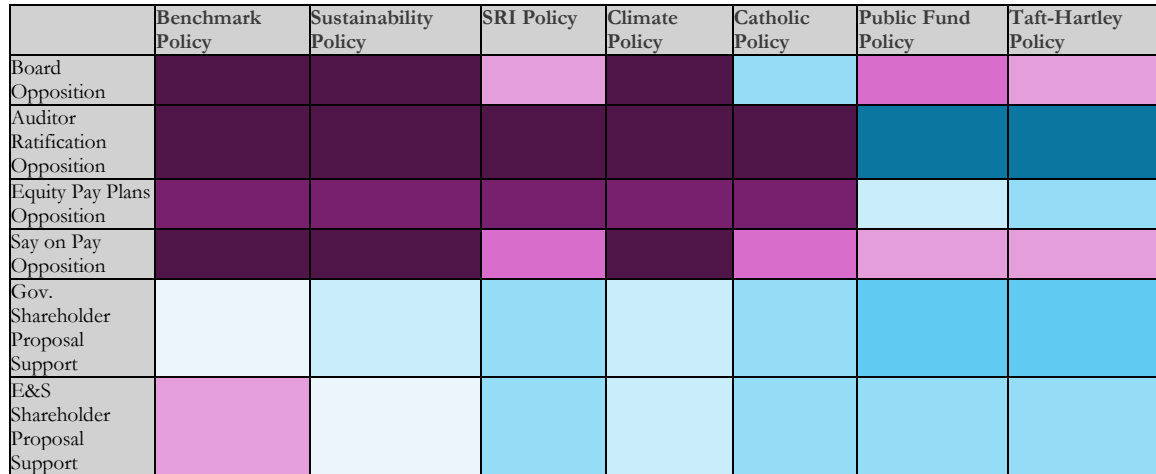
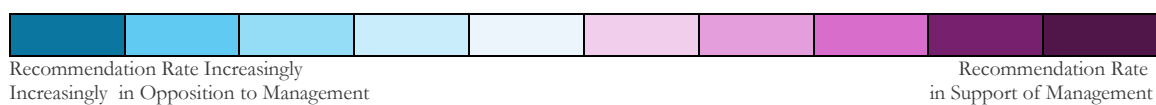
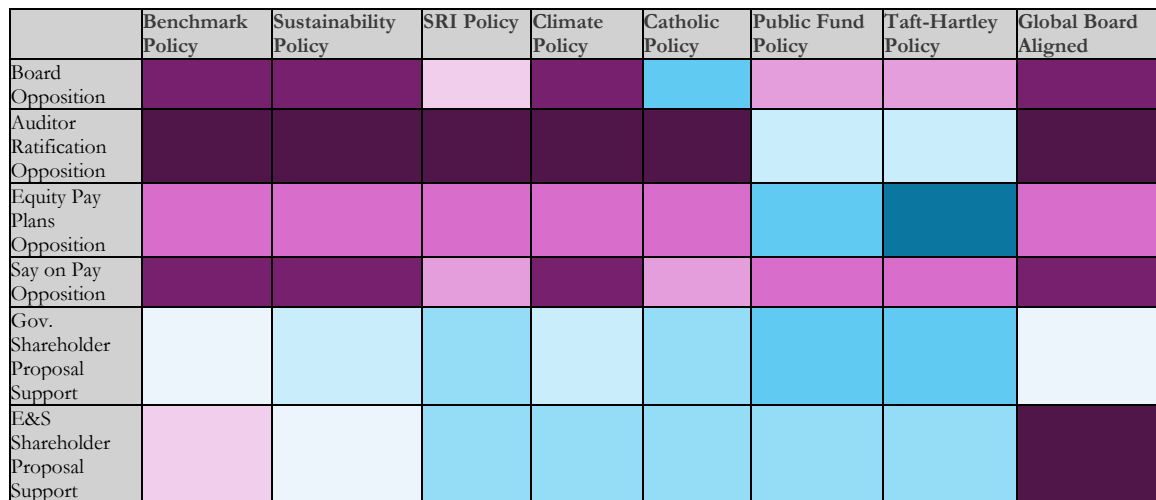


Figure 6: ISS Voting Policy Recommendation Rates on Common Ballot Items
 Russell 3000; 2025 U.S. proxy season



Underlying Clients’ Direct Ownership of Votes

ISS is also proud to enable a technological environment through [Vote Preference](#) that facilitates the ability of asset owners to more directly control their proxy voting decisions (i.e., in cases where their asset managers’ portfolios are sub-advised or are in a pooled vehicle). ISS Vote Preference is a market driven product that leverages PX and API technology to allow asset managers to capture and execute the vote intentions of their underlying clients via their client’ custom voting policies or use of one of ISS’ numerous off-the-shelf policy choices. We believe this use of technology can improve interaction between asset managers and their clients and help ensure that proxy votes are cast in line with the wishes of the underlying beneficiaries.

Global Research Team; Employee Qualification and Training

ISS STOXX Governance Research and Voting unit has a global research team of approximately 430 full-time professional research staff with wide expertise across the markets and topics they cover. Our research analysts are located in offices in Europe, North America, Asia, and Australia, as illustrated in **Figure 7**. In addition, ISS has a large team of over 400 professionals collecting data from company disclosures, shareholder meeting materials and other public sources, and ensuring data quality.

Furthermore, ISS research analysts are supplemented by seasonal hires to increase capacity during proxy season. In 2025, ISS engaged approximately 210 seasonal hires across our global locations during peak season.



Figure 7: A map showing the global employee footprint for the Governance Research and Voting business unit.

ISS STOXX Governance Global Research Team

The ISS STOXX Governance global research leadership team is headed by Gabriel Alsina, Global Head of Research, with 14 senior Heads of Research each responsible for proxy research for specific regional or country markets for ISS benchmark policy research or in the context of special situations, custom and specialty policies. The team also includes thought leadership and operational leaders.

The structure of our global research leadership team is organized on a geographic basis for ISS benchmark research, and on a thematic or functional basis in other areas, with Heads of Research for each major area of responsibility.

Experience and Qualifications of Research Analysts

Our personnel resources include research and data experts fluent in approximately 45 languages. Many research analysts have advanced degrees in finance, business, law, or other relevant subjects. Permanent employees are supplemented by seasonal resources in some places to help support workload peaks. Such seasonal resources are trained and supervised by appropriately experienced permanent analysts. ISS provides extensive training for incoming analysts and new hires (including for seasonal resources), as well as regular training updates for existing analysts, for example on new policies, regulatory changes, and new governance topics. Much like the structure in the financial institutions we serve, our research group includes market-based analysts (experts knowledgeable in a market or region, often with associated language skills where needed), and subject-matter experts that focus on, for example, financial analysis, executive remuneration, environmental and social topics, custom research, and custom policy development.

The research team includes members with experience in investor stewardship, investment banking, mergers and acquisitions, remuneration consulting, corporate actions, corporate responsibility, and regulatory compliance. Many market analysts are nationals and fluent in the language(s) of the country or region they cover, with relevant local expertise. In larger markets and regions, research teams also often include sector and topic experts to provide the best possible coverage of complex meeting items.

ISS analysts and other research and data specialists also provide in-depth knowledge of country codes of best practice, relevant legal and regulatory structures, remuneration practices, and the role of government and industry associations in setting global governance standards. ISS benchmark research teams are organized by market and region according to where covered public companies are based; custom research teams are organized by region, depending on where custom clients are based and from where support is provided.

ISS does not outsource any part of its research process.

Staff Diversity and Qualifications

ISS is committed to respecting diversity of thought throughout our working environment and encouraging a culture of equal opportunities that values collaboration, integrity, and flexibility. ISS is also committed to a work environment in which all individuals are treated with dignity and respect.

Across its global locations, approximately 48% of the company-wide workforce is female, including approximately 50% of ISS' business unit heads and 27% of ISS' Leadership Team. In terms of other characteristics, among ISS US-based staff, 35% belonged to a minority background in 2025.⁶

The minimum education standard for research staff is a bachelor's degree from an accredited college or university, but many also possess graduate degrees (MBA, MA, JD) and/or professional certifications (such as CFA, CPA, CEP). The average tenure of ISS full-time research analysts is 5.8 years, and many senior personnel have ten years or more of experience at ISS as analysts and experts and/or experience in relevant fields outside of ISS.

Research team members participate as needed in structured training and development programs, which may include on- and off-site development courses and in-house and external professional training. Many research analysts extend beyond their core research related duties to provide in depth, thematic research pieces covering the latest trends and developments for their market, region, sector, or topic of specialty. These projects are done under the tutelage of team leaders and often involve collaboration across regions, disciplines, and areas of focus.

In addition, ISS has an internal training platform called ISS University. This knowledge-sharing platform is open to all employees and provides learning and development experiences that expand on the expertise of the employees, allowing them to develop strategic skills and thrive in their chosen paths. Amongst other things, the materials provide employees an overview of the different ISS businesses and product suites and many courses are accompanied by an advanced course on each subject.

Training for a new research analyst depends on the individual's experience and specialty but generally includes formal training in corporate governance concepts, ISS policies and processes, and extensive mentoring with one or more senior members of the team. During this period, new analysts may build a foundation in many relevant areas, including board, compensation, environmental and social, and economic issues.

Moreover, research analysts may attend debriefings with senior staff following speaking presentations to clients and others in the industry at which issues are discussed and debated. Collectively, this helps to ensure analysts are abreast of those issues of importance to clients.

Functionalities of ProxyExchange (PX)

As described above, clients select their voting policy(ies) either by creating a custom policy or selecting from our proprietary benchmark and/or specialty voting policies. They will then receive

⁶ For more information on our workforce, please consult our ISS STOXX 2025 Sustainability Report, available here: <https://www.iss-stoxx.com/insights/reports/iss-stoxx-2025-sustainability-report/>

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research reports that detail the vote recommendations derived from the application of the selected voting policy(ies); and have access to PX, ISS' proprietary platform through which investor clients access, review, and vote their proxies. Clients using PX can flag meetings or votes for further review, including based on their own screening criteria; execute votes contrary to vote recommendations flowing from their selected voting policy(ies); and, notably, change any vote already cast, up to the ballot distributors vote cut-off deadline. In short, if a client determines it is warranted, they can cancel and change their proxy vote at any time before the voting cut-off date.

In addition, there are several functionalities of PX that support clients in remaining informed of forthcoming general meetings and offering multiple options for workflow management and vote execution. PX allows clients to easily access key issuer details, including historical research documents and vote history on one platform. PX also offers functionalities that enable filtering of information most relevant to the client. Additionally, PX proactively alerts clients of important forthcoming steps in the proxy voting process and flags topics of interest based on the client's preferences. In addition, PX has a suite of customizable reporting templates that clients can use for internal or external reporting. Accordingly, PX is designed to provide clients discretion as to how they manage their workflow and enables them to filter information, manually execute proxy votes and even change their vote up until the day before company meetings, where applicable regulatory frameworks and market practice allows.

Figures 8, 9, and 10 below provide screenshots of the PX platform and the manner in which information and the voting process can be managed by clients. (See *Appendix* for full page screenshots.)

Figure 8 provides a screenshot of issuer profile pages available on the PX platform and designed to provide key issuer details, current and historic research reports and voting history in one place.

The screenshot displays the PX platform interface for a New York Stock Exchange issuer. Key sections include:

- Governance Quality Score:** A score of 7, with a 'View Governance Quality Score' button and a 'Score As Of' date of 30 Aug 2024.
- Norm-Based Research (NBR) Company Report:** A score of 10, with a 'View Norm-Based Research (NBR) Company Report' button.
- Overview:** A section containing general information such as Country of Association (USA), ISS Country of Coverage (USA), Primary Security ID, Sector, Industry Group/Industry, Market Cap (USD), Shares Outstanding (Mn), 52-Week High (USD), 52-Week Low (USD), Annual Dividend (USD), Next Meeting Date, ISS Recommended Against Mgmt at Most Recent Meeting, Company in Holdings/Balances, Special Research Company, Issuer Type, and Issuer Sub Type.
- Research Documents:** A table listing various research documents with columns for Meeting Date, Meeting Type, Meeting ID, Policy Name, and Meeting Results.
- Voting History:** A table showing historical voting records with columns for Meeting Date, Meeting Type, Meeting ID, WAM, VWP, and Meeting Results.
- Special Situations Research:** A section providing detailed analysis of high-profile and contentious situations, including a table with columns for Research Type, Publication Date, and Download Link.

Figure 9 provides an example of one of the vote management functionalities on the PX platform.

More precisely, the screenshot displays a PX page in which ballot items are displayed and listed to the left-hand side in the center of the screen. In the upper left-hand corner, a dropdown menu allows clients to apply vote recommendations under different policies to the displayed ballot items and conduct comparisons between them, as well as to vote with or against management on all issues, and similarly on shareholder proposals. To the right-hand side of each of the ballot items listed, there are 4 boxes which correspond to one of four possible voting choices 'FOR', 'AGAINST', and 'ABSTAIN.' The client makes their vote choice by selecting one of these boxes. Just

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underneath, alongside each other are the recommendations of management and, in this example, the ISS Benchmark and SRI Specialty policies.



Figure 10 provides an example of the dynamic alert functionality available in the PX platform, whereby clients will receive email notifications concerning unvoted ballots, specifying the number of ballots and the related cut-off date for voting.

Please visit ProxyExchange to view this alert in further detail or update your alert settings.										
Alert details for: 8 Ballots - Unvoted Ballots with Cut-Off in Next 2 Days(358301776)										
Location Name	Issuer Name	Ticker	ISINs	ADR	Meeting Date	Record Date	Earliest Client Cutoff Date	Meeting ID	Ballot Count	Set Parameters
					10-SEP-24	06-SEP-24	05-SEP-24	1884729	1	Unvoted Ballots
					20-SEP-24	16-AUG-24	05-SEP-24	1886408	6	Unvoted Ballots
					12-SEP-24	10-SEP-24	05-SEP-24	1882024	1	Unvoted Ballots

Client Feedback & Complaints Management

ISS aims to facilitate and be responsive to questions, comments, feedback or complaints from clients. To facilitate this goal, ISS makes analysts available to clients to discuss the content of research reports and recommendations. In addition, in many cases, client needs are addressed through the designation by ISS of a relationship manager (client managers) to assess client needs, to act as an on-going source of information, and to receive client feedback on an on-going basis. Moreover, clients subscribing to a custom research service are assigned dedicated custom research analysts that can assist them with many aspects of their custom policy, ranging from assistance in its drafting, regular updates, application in particular circumstances or geographies and its individual custom recommendations.

Feedback and complaints from issuers, shareholder proposal proponents, and other stakeholders are discussed below within the section on *Principle Three*.

Client & Supplier Understanding

In establishing a client relationship, ISS seeks to understand how a client will use the services that are being purchased. In general, ISS will initially propose to provide services pursuant to the terms of a standard form of contract, i.e., a master services agreement. However, ISS may modify its form of contract to address special circumstances that may exist in a specific situation, which may include the availability, completeness, reliability, and timeliness of data to be used by ISS in performing the services.

ISS also provides clients with a framework that enables them to fulfill their due diligence requirements. We do this by making our external operational audits available for review and inviting clients to perform their own due-diligence visits/reviews of our service. During such visits and reviews, clients have the opportunity to interact with ISS research and operational teams, as well as other teams from ISS. No part of the research process is outsourced to external suppliers.

Client Disclosure Facilitation

ISS recognizes that many institutional investors may be subject to disclosure requirements regarding their use, if any, of research services. These mandates may be required by stewardship codes, such as the UK Stewardship Code for institutional investors; these requirements are also sometimes mandates which are dictated internally by a client.

ISS works with its clients to assist them in these disclosure requirements. ISS' assistance typically includes allowing the identification of ISS as a service provider, a detailed explanation of the type and scope of the services provided, and the voting policies applied on behalf of the client.

Disclosure of Client Voting Decisions

We do not disclose any voting decisions of our clients, unless specifically instructed by the client to do so.

Voting Disclosure Service for Institutional Investors

Increasingly, institutional investors are under a legal, fiduciary and/or contractual obligation to publicly disclose their voting records. In this regard, ISS offers a Vote Disclosure Service to help institutional investors disclose their voting policy and voting records to appropriate stakeholders. Stakeholders can easily search and view the voting records disclosed for each security in each portfolio. In response to the U.S. Securities and Exchange Commission's ("SEC") adoption of amendments to its vote disclosure rules and the related Form N-PX, requiring enhanced proxy voting disclosure by registered investment funds and disclosure of "say-on-pay" votes for institutional investment managers, ISS expanded our own service offerings with the Form N-PX Vote Disclosure Solution to support investors' data management and reporting needs.

Engagement Disclosure Solution

In 2025, ISS launched a new [Engagement Disclosure Solution](#), designed to enable institutional investors to showcase their engagement activities and meet global regulatory and best practice standards for disclosure.

This new engagement solution streamlines regulatory reporting, supporting structured reporting under the Sustainable Finance Disclosure Regulation (SFDR), the Shareholder Rights Directive II (SRD II), Stewardship Codes, and other national and global standards. In tandem with supporting investors' compliance with global standards, the solution enables investors to enhance transparency to a variety of constituents, by clearly communicating engagement activities to clients, regulators, and beneficiaries.



Principle Two: Conflicts-of-Interest Avoidance or Management

Principle Two: Conflicts-of-Interest Avoidance or Management

BPP Signatories should have, and publicly disclose, a conflicts-of-interest policy that details their procedures for avoiding or addressing potential or actual conflicts of interest that may arise in connection with the provision of services.

BPP Signatories should also have a process in place to identify and disclose without delay to their clients, on a case-by-case basis, actual or potential conflicts of interest or business relationships that may influence the preparation of their research, advice and voting recommendations and the actions they have undertaken to eliminate, mitigate and manage actual or potential conflicts of interest.

Introduction

ISS is committed to conducting business with the highest degree of ethics, integrity, and transparency. As a service provider to institutional investors, ISS understands and takes extremely seriously the potential for actual or perceived conflict of interest which might impact the integrity of research and services we provide to our clients. Such potential conflicts of interest need to be effectively managed and mitigated by appropriate measures. To that end, we have adopted and publicly disclose our conflict of interest policies, which detail our procedures for addressing potential or actual conflicts of interest that may arise in connection with the provision of services. ISS is a registered investment adviser ("RIA") with the SEC and is subject to the extensive regulatory regime of the Investment Advisers Act of 1940 ("Advisers Act"). The relevant measures undertaken by the company are described in this section.

ISS' Business Practices and Principles

ISS' goal is to serve our clients with their full trust and confidence. We earn and retain this by providing high quality services which rest upon high degrees of transparency, objectivity and independence. Because of the breadth of our client base, we understand and address the potential for actual or perceived conflicts of interest which may result from our many business activities.

Accordingly, we proudly live by these fundamental tenets:

- We place our clients' interests first and above our own.
- We never use, leverage, or favor a relationship with one client to the deliberate disadvantage of another.
- All aspects of our research, and all voting policies and vote recommendations, are based on fair, thorough, independent, and objective analysis, without regard to any economic or other inappropriate influence.
- We disclose and explain information about our internal processes and methodologies used in the development of our services, voting policies, and our voting recommendations.
- We take strong measures to fully safeguard client information.
- We believe transparency is a keystone of trust, and so, subject to the higher need for client confidentiality, we appropriately disclose any actual or apparent potential conflict of interest relationships or situations as they arise.
- Ultimately, we are guided by this most basic tenet: Do the right thing.

These principles are embedded deeply in our culture and in the policies we develop, the procedures we follow, the decisions we make, and the actions we take every day. We do not and will not tolerate their breach,

Conflicts of Interest Policies

ISS has a dedicated Compliance Department, headed by a Global Chief Compliance Officer, that routinely reviews the business and updates policies and procedures as necessary to reflect business changes or other developments. Over the years, ISS has implemented specific compliance and disclosure practices described in more detail below.

In general, ISS has identified three primary potential conflicts of interest. These are:

- i) A client relationship between a corporate issuer and ISS Corporate Solutions, Inc. ("ISS-Corporate"), a wholly owned subsidiary of ISS. ISS-Corporate helps companies design and manage their corporate governance, executive compensation, sustainability, and financial programs to align with company goals, reduce risk, and manage the needs of a diverse shareholder base by delivering data, tools, and advisory services;
- ii) A client relationship between ISS and a client that is (or is affiliated with) a corporate issuer or acts as the primary shareholder proposal proponent seeking to have a specific proposal acted on by shareholders; and
- iii) The relationship between ISS and our sole shareholder, Deutsche Börse AG ("DB"), a public company whose shares are traded on the Frankfurt Stock Exchange.

This subsection should be read and understood in the context of the overall response in this statement regarding *Principle Two*, with particular regard to subsections on *Codes & Related*

Policies and Conflicts Disclosure, as complemented by illustrative examples (**Figures 11, 12, 13**; See *Appendix* for full page screenshots) of the detailed disclosure ISS provides to its clients.

I. Corporate Issuers That are Clients of ISS-Corporate

ISS-Corporate provides corporate issuers with analytical tools, data, and advisory services to enable them to improve shareholder value and reduce risk through the adoption of improved corporate governance and E&S practices. Some of the products and services offered by ISS-Corporate are closely related to some of the proxy voting matters which will ultimately be analyzed by ISS during its review of an issuer's proxy statement. For example, subscribers to certain ExecComp services offered by ISS-Corporate receive web-based tools and, in some cases, advisory services that rely upon the analytical framework developed by ISS to assess and make vote recommendations with respect to equity compensation plans that are put to a shareholder vote.

As described below under [*ISS Policy Regarding Disclosure of Significant Relationships*](#), ISS takes the view that in light of the products and services provided by ISS-Corporate, any paying-client relationship between ISS-Corporate and a corporate issuer, where ISS separately provides vote recommendations and research regarding that issuer, is deemed to be significant. Disclosure of these types of relationships is proactively made available to ISS' clients.

ISS' Internal Firewall

Beyond disclosure, a critical component of ISS' approach to managing this potential conflict of interest is the firewall we maintain between our business for institutional investors and the ISS-Corporate business focused on corporations. This firewall includes the physical, functional, and technological separation between ISS-Corporate and ISS, with a particular focus on the separation of ISS-Corporate from the ISS business units which provide investment advisory services (which includes the Governance Research and Voting team). A key goal of the firewall is to keep the research team from learning the identity of ISS-Corporate's clients, thereby helping to ensure the objectivity and independence of ISS' governance research and vote recommendations. The firewall manages this potential conflict via several layers of separation:

- ISS-Corporate is a separate legal entity from ISS.
- ISS-Corporate is physically separated from ISS and its day-to-day operations are separately managed.
- ISS' research team works independently from ISS-Corporate.
- ISS-Corporate and ISS staff members are prohibited from discussing a range of matters, including the identity of ISS-Corporate clients.
- ISS employees' salaries, bonuses and other forms of compensation are not linked to any specific ISS-Corporate activity or sale.

ISS-Corporate explicitly informs its corporate clients that ISS will not give preferential treatment to, and is under no obligation to, support any proxy proposal of a corporate issuer and/or any other favorable result to a corporate issuer, whether or not that corporate issuer has purchased products or services from ISS-Corporate.

Because of the policies and procedures that we have implemented, we believe the existence of, or potential for, a business relationship between ISS-Corporate and a corporate issuer, or the non-existence thereof, does not affect the impartiality of ISS' research and provides preferential treatment to none.

II. Corporate Issuers That are Clients of ISS

Within ISS' institutional client base, there is a subset of institutional investor clients who are themselves corporate issuers (or have a parent or affiliated company that is a corporate issuer) or who may act as the primary shareholder proposal proponent seeking to have a specific proposal acted on by shareholders. These clients, in their capacity as institutional investors, may buy any number of ISS' research offerings. The products and services offered to these clients are the same as the products and services available to all of ISS' clients, and the nature of ISS' relationships with these clients is not directly related to the topics covered in ISS' research offerings.

ISS has a broad base of institutional clients with a broad range of portfolio holdings on which ISS provides coverage through our research offerings. Thus, in the ordinary course of its business, ISS will inevitably provide research coverage on:

- This subset of clients who are themselves corporate issuers (or have a parent or affiliated company that is a corporate issuer); or
- Issuers at which an ISS client may have put forth a shareholder proposal.

In these circumstances, these clients could have a particular interest in the research and recommendations provided by ISS. In assessing this scenario, ISS views the potential significance of the relationships with these types of clients as a function of the dollar value of the client relationship and the potential that a client might use its client relationship with ISS as a lever to exert influence on ISS' offerings (whether in their capacity as a corporate issuer, shareholder proposal proponent, or otherwise). After considering ISS' business operations and other benchmarks for significance/materiality, including measures used in different contexts under SEC laws and rules, ISS has determined it appropriate to adopt a 5% threshold, so that ISS will view a relationship with an institutional client as significant if the annual revenues received from that client across all of the businesses within the ISS STOXX group of companies are in excess of 5% of the total, consolidated revenues for the ISS STOXX group of companies for the most recently completed fiscal year. If any of these relationships meet this significance threshold, those relationships are proactively disclosed to ISS' client base.

III. Ownership Structure

DB is the sole shareholder of the holding company which owns ISS. ISS operates on an arm's length basis from DB which, in turn has adopted policies designed to protect the independence and integrity of ISS' research offerings. ISS has formally adopted a [Policy on Non-Interference and Potential Conflicts of Interest Related to Deutsche Börse](#), [Deutsche Börse Affiliated Companies](#) and the [ISS STOXX Shareholders' Committee](#). Among other things, these policies establish appropriate standards and procedures to protect the integrity and independence of the offerings produced by ISS and to safeguard the reputations of ISS and its owners.

The policies also identify situations that exist or give rise to actual or potential conflicts of interest, or to the appearance of conflicts of interest, in connection with the offerings of ISS relating to certain

publicly traded companies with which its owner, DB might have a connection, as well as the steps taken to mitigate any actual or potential conflicts.

ISS' Policy Regarding Disclosure of Significant Relationships

ISS has also adopted a [“Policy Regarding Disclosure of Significant Relationships.”](#)

As outlined above –

- ISS takes the view that in light of the products and services provided by ISS-Corporate, any client relationship between ISS-Corporate and a corporate issuer, where ISS provides research offerings regarding that issuer, is significant for purposes of this policy.
- The policy also makes provision for disclosure of relationships with clients, subject to the 5% threshold, who are themselves corporate issuers (or have a parent or affiliated company that is a corporate issuer) or act as the primary shareholder proposal proponent seeking to have a specific proposal acted on by shareholders.
- This policy considers ISS' ownership structure and notes the relationship with DB as "significant" as a corporate issuer itself and due to its majority stake in the holding company that owns ISS.

Codes & Related Policies

In addition to the conflict mitigation policies described above, ISS maintains policies and procedures within its [Code of Ethics](#) and [General Code of Conduct](#) related to potential conflicts of interest at the employee level (e.g., limitations on personal securities trading, outside business activities, and the giving and receipt of gifts and entertainment). These policies and procedures apply to all employees within the Governance Solutions business unit.

To help ensure the integrity of our product offerings and to ensure conflicts are appropriately managed, ISS maintains a dedicated Compliance team, which carries out regular reviews to help ensure compliance with applicable policies and procedures.

Code of Ethics

As a RIA, ISS has adopted a Code of Ethics to address requirements under the Advisers Act. The Code of Ethics affirms ISS' relationship of trust with its clients and obligates ISS to carry out its duties solely in the best interest of clients and free from all compromising influences and loyalties.

The Code of Ethics devotes special attention to preventing and disclosing conflicts of interest. In this regard, the Code of Ethics addresses the potential conflicts between the company's research teams and other services provided by subsidiaries or affiliates, conflicts within the institutional advisory business, conflicts arising from an analyst's stock ownership, conflicts in connection with an issuer's review of a draft ISS report, and conflicts generally. In each case, the goal of the Code of Ethics is to prevent conflicts wherever possible, and more generally to manage and disclose potential or actual conflicts.

The Code of Ethics also contains ISS' personal trading policy which is designed to comply with regulatory requirements and to prevent personal trading practices that could violate applicable securities laws. This policy includes the prohibition of trading on material non-public information, outlines pre-clearance requirements for securities trading, as well as other reporting and disclosure requirements.

Code of Conduct

In addition to its Code of Ethics, ISS has developed a General Code of Conduct. The General Code of Conduct is a broad-based "best practices" code that provides a framework to address general corporate policies and practices that apply to ISS as a global business. The areas covered in the General Code of Conduct include:

- Doing the Right Thing;
- Protecting the Company's Interests;
- Safeguarding and Maintaining Information;
- Treating Others with Dignity and Respect;
- Promoting a Safe and Healthy Working Environment;
- Violations of the General Code of Conduct;
- Reporting Concerns; and
- Compliance Requirements.

Employee Training

Employees within ISS are required to complete training related to these documents as well as certify their adherence upon hire and on an annual basis thereafter. Moreover, ISS employees are required to (i) read the above referenced codes and acknowledge and agree to comply within the requirements set within the documents via training platforms; (ii) disclose certain information (e.g., securities and holding accounts, outside business activities, material personal relationships, disciplinary history, etc.) to ISS' Compliance Department. All employees are prohibited from acting on material non-public information.

Conflicts Disclosure

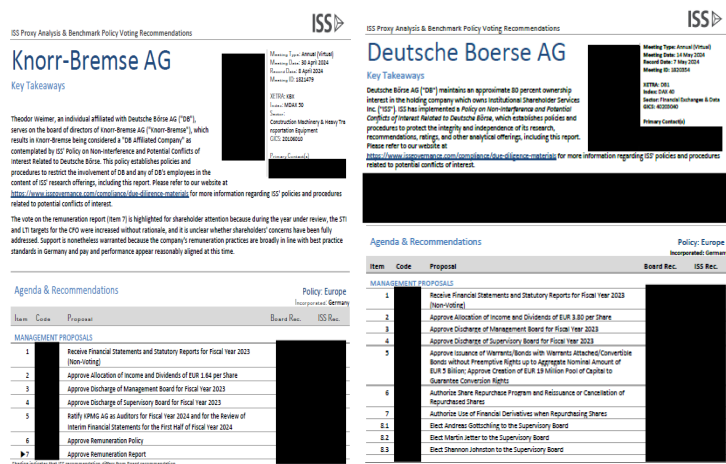
ISS provides its clients with an extensive array of information to help ensure that they are fully informed of potential conflicts, as well as steps ISS has taken to address them. Among other things, ISS makes publicly available our [due diligence materials](#) to assist clients and prospective clients in fulfilling their own obligations regarding the use of independent, third-party providers of research and voting services. These due diligence materials include a section dedicated to ISS' conflicts mitigation policies.

ISS is transparent about our potential conflicts of interest. For example, ISS' standard client contract contains disclosures regarding ISS-Corporate and its work with corporate issuers, and each research report issued by ISS contains a legend indicating that the subject of the analysis or report may be a client of ICS and reminds ISS' institutional clients of how they can inquire about any issuer's use of

ISS-Corporate products and services. As illustrated directly below in **Figure 11**, ISS is also transparent in our research reports regarding disclosure of conflicts of interest related to its ownership structure.

ISS' Disclosure of Conflicts of Interest Related to its Ownership Structure (See Appendix for full page snapshots.)

Figure 11 provides screenshots of the first pages of ISS' proxy analysis and benchmark voting policy recommendations on the 2024 annual shareholder meetings at DB and its affiliate Knorr-Bremse AG, respectively. The examples illustrate the proactive and prominent disclosure ISS provides (top of the first page) to our clients with respect to conflicts of interest generated by its ownership structure. The text states explicitly ISS' ownership structure and highlights ISS' Policy on Non-Interference and Potential Conflicts of Interest related to DB and its affiliates.



In addition, ISS provides certain conflicts disclosures in a manner that is seamlessly integrated into clients' workflow through PX. For example, PX includes:

- A column indicating in Yes/No fashion whether there is a significant relationship associated with that meeting/research report within both the "Meetings" and "Research" views in PX.
- Where such a relationship exists, users will be able to click-through on a link to get more information about that relationship.
- On screen and/or email alerts for notification of the publication of new research with a column on those notifications indicating whether there is a significant relationship associated with the report.
- An additional tab labeled "Disclosure of Significant Relationships" within which a user can use a look-up box to search for entities with which a significant relationship exists.

Figures 12 and 13 below provide a snapshot of some of these PX features.

ISS' Disclosure to Clients on ISS' PX Voting Platform of Significant Relationships

Figures 12 and 13 are screenshots illustrating ISS' disclosure to clients of significant relationships transparently integrated throughout PX. (See Appendix for full page snapshots.)

Figure 12 is a snapshot of disclosure of ISS' significant relationships available through PX. This table is accompanied by a statement referring our clients to the full policy available on the ISS due diligence website and ISS' Code of Ethics, in addition to reminding clients they can direct their inquiries to ISS' Compliance department via the disclosure@issgovernance.com email address. The statement also makes clear that, to maintain the integrity of ISS' firewall, information regarding the identify of ISS-Corporate clients may not be shared with ISS employees.

Issuer	Disclosure of Significant ISS Relationships	Ticker	Country	Type	Meeting Date	Industry Sector	Market Cap (USD)
Company 1	No	C1	USA	Annual		Electric Utilities	
Company 2	No	C2	Denmark	Annual		Banks	
Company 3	Yes	C3	USA	Annual/Special		Technology Hardware, Storage & Peripherals	
Company 4	No	C4	Panama	Special		Hotels, Restaurants & Leisure	
Company 5	No	C5	USA	Annual		Communications Equipment	
Company 6	No	C6	USA	Annual		Oil, Gas & Consumable Fuels	
Company 7	No	C7	USA	Annual		Health Care Technology	
Company 8	No	C8	USA	Annual		Specialty Retail	
Company 9	No	C9	USA	Annual		Oil, Gas & Consumable Fuels	
Company 10	No	C10	France	Annual/Special		Oil, Gas & Consumable Fuels	
Company 11	No	C11	USA	Annual		Electric Utilities	
Company 12	No	C12	USA	Annual		Real Estate Investment Trusts (REITs)	
Company 13	Yes	C13	USA	Special		Technology Hardware, Storage & Peripherals	
Company 14	No	C14	United Kingdom	Annual		Banks	
Company 15	Yes	C15	USA	Annual		Internet Software & Services	
Company 16	No	C16	USA	Annual		Multi-Utilities	
Company 17	No	C17	USA	Annual		Metals & Mining	
Company 18	No	C18	USA	Annual		Multi-Utilities	
Company 19	Yes	C19	USA	Special		Media	

Figure 13 shows that investor

Company Name	Ticker	Subscribed Products*	Contract Value (USD)
Company 1	C1	ExecComp Analytics (US), ExecComp Analytics - Consultant Access	27,500.00

clients can use PX to identify ISS-Corporate's contractual relationships with corporate issuers, as well as to obtain information on the products the issuers subscribe to and the amount of compensation that ISS-Corporate has received or will receive from the issuer. As described earlier under *Internal Firewall*, ISS does not disclose the name of ISS-Corporate clients on research reports or public facing documents. We believe that these processes ensure transparent and easily accessible conflicts disclosure to clients while also upholding the key confidentiality tenets of the firewall.

ISS has implemented permission restrictions that prevent ISS personnel from accessing the disclosure information which those employees are restricted from viewing under the firewall procedures discussed above.

Policy-Based Approach Provides Consistency of Application

At its core, ISS is a policy-based organization, and we believe the use of a series of published voting policies provides a very practical and transparent check on the integrity and independence of ISS' research and vote recommendations. Our policy-based approach also provides for a transparent and consistent methodology with which to evaluate shareholder proposals.

Principle Three: Communications Policy

Principle Three: Communications Policy

BPP Signatories should provide high-quality research that enables investor clients to review the research and/or analysis sufficiently in advance of the vote deadline ahead of a general meeting.

Signatories should explain their approach to communication with issuers, shareholder proponents, other stakeholders, media and the public.

BPP Signatories should disclose a policy (or policies) for dialogue with issuers, shareholder proponents and other stakeholders.

BPP Signatories should inform clients about the nature of any dialogue with relevant parties in their research reports, which may also include informing clients of the outcome of that dialogue.

Introduction

When applying Principle Three, the primary objective of BPP Signatories remains to serve investor clients by enabling them to review the research and/or analysis prior to the vote deadline ahead of a company meeting. Accordingly, Principle Three appropriately leaves it up to BPP Signatories to choose whether or not to engage in dialogue with issuers, shareholder proposal proponents, and other stakeholders and to determine the objectives, timing, frequency, and format of any dialogue.

We believe that we at ISS have established open and transparent communication policies consistent with these goals. This section focuses on ISS' communication channels available to market participants, as well as the media, to communicate and engage with ISS, as to be distinguished from those channels exclusively available to ISS STOXX' institutional investor clients.

As a transparent, policy-based organization, ISS chooses to publish the analytical frameworks underlying our benchmark and series of specialty voting policies. Specifically, ISS makes available to market participants and the public both the most [current proprietary benchmark and voting policies](#) and an [archive of policies](#). In addition, ISS publishes the [ISS STOXX global voting principles](#) and responses to [frequently asked questions](#) regarding ISS' research, such as those related to compensation, peer groups, or pay for performance, under the ISS benchmark voting policies.

Investor, Issuer & Public Input

Gathering investor and market input is core to ISS' day-to-day operations. As more fully detailed under *Principle One*, every year, ISS invites engagement with all market participants and the public during the update and formulation of its benchmark policies and guidelines. ISS' policy development process includes a survey to identify issues that merit attention, as well as a notice-and-comment period designed to elicit feedback on the proposed policies and practicality of their implementation. This feedback guides the development of the ISS benchmark policies and informs updates to the ISS specialty voting policies.

Proxy Season Insights

To reflect ongoing developments and market trends in corporate governance, ISS publishes reports throughout the year previewing and/or summarizing proxy season developments regionally via [ISS Insights](#). By way of example, in November 2025, ISS published the [2025 Singapore Proxy Season Review](#) outlining the issues that attracted the greatest interest from shareholders in Singaporean companies, including how companies in Singapore were responding to regulatory developments around board diversity and corporate governance reforms, such as greater transparency around executive remuneration.



The reports capturing key takeaways are available to the public free of charge; the full reports are available to ISS' institutional investor clients.

The reports capturing key takeaways are available to the public free of charge; the full reports are available to ISS' institutional investor clients.

Dialogue with Issuers, Shareholder Proposal Proponents & Other Stakeholders

ISS' market outreach is not confined to the policy-setting process. ISS' governance research team interacts regularly with company representatives, institutional shareholders, shareholder proposal proponents, and other parties to gain deeper insights and to verify material facts relevant to our research. Topics discussed can range from general policy perspectives to specific voting items. As a research organization, we welcome constructive dialogue on critical issues that helps to ensure a full understanding of the facts and circumstances, which will in turn inform our research and vote recommendations.

ISS' policies regarding communication and engagement with issuers and other stakeholders are designed to gain the greatest possible insight for clients while safeguarding the independence of ISS' research process and our analysts, as well as prioritizing the delivery of timely and high-quality research for the benefit of our institutional investor clients. [Additional information](#) including a set of Frequently Asked Questions on our engagement process is available on ISS' website (**Figure 14** as a preview).

Frequently Asked Questions: Proxy Research

- + How can a company contact ISS STOXX regarding our proxy research?
- + How can a company obtain a copy of the ISS STOXX proxy research report?
- + Is distribution of the ISS STOXX proxy research report permitted?
- + What happens if we believe that a published proxy research report contains a factual error or if new information is provided?

Participants in the dialogue can expect an informed dialogue with experienced ISS representatives on matters of relevance to our research and recommendations, which may also include information about ISS' policies and procedures. Further, participants can expect that ISS wishes to have the most complete and accurate publicly available information upon which to base our research and recommendations to clients.

To ensure consistency, transparency, and quality in our interactions with issuers, industry groups, shareholder proposal proponents and other financial market stakeholders, ISS has established and communicates the following principles to all participants that guide our engagement broadly: (1) all information must be publicly disclosed; all discussions are on-the-record, and material non-public information should not be disclosed to ISS and will not be used; (2) companies should not mention during any engagement with ISS' proxy research team any past, present or expected contact with ISS-Corporate or its personnel; disclose or discuss any information obtained from the purchase of ISS-Corporate services or products; or identify their company, either directly or indirectly, as an ISS-Corporate client (or prospective client); (3) ISS cannot provide consulting advice, and there is no guarantee of a particular ISS vote recommendation outcome; and (4) the company participants must be appropriate for the topics to be discussed. These guidelines are explained further in the referenced FAQ document (See also **Figure 14**). Our goals with engagement are to facilitate productive and informative dialogue, and to help all stakeholders understand what they may expect from engaging with us.

Communication During the Voting Period and Proxy Seasons

During proxy season in particular, at its discretion, ISS engages with corporate executives, board members, institutional investors, shareholder proposal proponents, and other constituents via meetings, conference calls and participation in industry events. The purpose of such engagement is for ISS to obtain, or communicate, perspectives about governance and voting issues to ensure that its research and policy-driven recommendations are based on the most comprehensive and accurate information available. ISS does not aim to influence companies' corporate governance arrangements.

After the meeting agenda has been released and during busy times such as proxy seasons, analysts will generally engage with companies only to clarify points on which there are questions. For ISS

STOXX, the sole purpose of such dialogue is to improve the quality and substance of ISS STOXX' research and vote recommendations.

Transparency of Engagement for Institutional Clients

ISS STOXX considers its dialogue with issuers, shareholder proposal proponents, and other stakeholders to be part of the core service provided to clients and recognizes the value to our clients of transparency into such engagements. ISS STOXX' benchmark research includes a summary of any engagement or other dialogue that took place as part of the analysis. Key information released on ISS STOXX' dialogue with companies, shareholder proposal proponents, or other stakeholders include the date(s) of dialogue, the topic(s) covered, the initiator of the dialogue, some accompanying notes and the outcome of the dialogue. In some instances, ISS STOXX may consider including direct quotes from statements made by participants in the meeting (see **Figures 14 and 15**).

Examples of ISS dialogue with companies

Figures 14 (to the right) is a screenshot from a Continental Europe Benchmark research report indicating that dialogue with the company concerned, Deutsche Bank AG, was undertaken and including details thereof. In this instance, ISS research analysts met with the company on seven separate occasions with both the company and ISS initiating dialogue at various points.

See also the "Note" below "ISS-Company Dialogue," explaining some of the safeguards that ISS has established for these types of engagements. (See *Appendix* for full page screenshots.)

Deutsche Bank AG (DBK) Meeting Date: 22 May 2025
POLICY: Europe Meeting ID: 1925782

ISS-Company Dialogue

Dates	Topic(s)	Initiated By	Notes	Outcome
16 December 2024	Non-Meeting Specific	Issuer	ISS participated in a call with Deutsche Bank representatives to discuss governance practices, particularly virtual meetings, and ISS policies.	Establish Dialogue
31 January 2025	Article Amendments, Non-Meeting Specific	Issuer	ISS participated in a call with Deutsche Bank representatives to discuss virtual meetings and ISS policies, as well as a brief discussion on the Postbank matter.	Establish Dialogue
22 April 2025	Remuneration Report	ISS (with Issuer/ Representative)	ISS reached out to Deutsche Bank to clarify compensation-related disclosures.	Explanation of Company Practice/ Rationale
28 April 2025	Remuneration Report	ISS (with Issuer/ Representative)	ISS reached out to Deutsche Bank regarding an additional clarification on remuneration disclosures.	Explanation of Company Practice/ Rationale
2 May 2025	Board – Composition/ Independence	ISS (with Issuer/ Representative)	ISS reached out to Deutsche Bank to clarify independence-related disclosures.	Filing (Clarification/Additional Disclosure)
5 May 2025 - 6 May 2025	Draft Review	ISS (with Issuer/ Representative)	The company was given the opportunity to review a draft of this analysis for fact-checking purposes.	Explanation of Company Practice/ Rationale

Note: ISS engages in ongoing dialogue with issuers in order to ask for additional information or clarification, but not to engage on behalf of its clients. Any draft review which may occur as part of this process is done for purposes of data verification only. All ISS recommendations are based solely upon publicly disclosed information.

Figure 15 (below) provides an excerpt from an ISS Benchmark research report illustrating additional context provided by ISS that investor clients may find relevant. In this instance, the company was InterContinental Hotels Group (IHG) Plc with which dialogue was undertaken in relation to executive remuneration. In this example, IHG initiated dialogue with ISS in advance of the 2024 UK proxy season. Note that IHG also undertook engagement with its major shareholders in addition to dialogue with ISS. (See *Appendix* for full page screenshots.)

Analysis

PAY-FOR-PERFORMANCE CONCERN LEVEL IS LOW

All remuneration-related vote recommendations are based on a holistic review considering any relevant qualitative and quantitative factors.

ISS' quantitative pay-for-performance model ("P4P") suggests that pay outcomes have been generally aligned to performance and/or peers (see Remuneration Profile earlier in this report).

Shareholder dissent at the 2023 AGM, the ED salary increases, the CEO's joining arrangements, the annual bonus outcomes, the 2023 LTIP targets, the 2024 LTIP grant and comparator group, the discretion applied in relation to the vesting LTIP, and leaving and joining arrangements are all discussed in more detail below.

1 Shareholder dissent at 2023 AGM

At the 2023 AGM, the Company received c.25% and c.23% of votes cast against its remuneration policy and remuneration report resolutions, respectively.

In 2023 AGM voting results, it stated the following in relation to the dissent:

"In late 2022 and early 2023, the Remuneration Committee consulted extensively with shareholders and the major proxy agencies on the key features of the DRP and the decisions in relation to 2022 pay outcomes. The consultation included engaging with around 60% of the ownership of the Company. All

of IHG's 10 largest shareholders voted in support of the DRP; of IHG's 25 largest holders, there were only 3 who voted against.

The Board will engage further with ISS and shareholders who voted against these resolutions in the coming months in accordance with the UK Corporate Governance Code. As part of this process, the Board will seek to understand more about the reasons behind the ISS recommendation and shareholder votes against the DRP and DRR."

The [update statement](#), which was published in November 2023, notes that, since the 2023 AGM, the Company has had follow-up conversations with seven major shareholders, as well as ISS and the Investment Association. It highlighted the provision for increased LTIP awards and the use of positive discretion in relation to the cash flow measure for the 2020 LTIP award as topics for discussion in these conversations.

The Company's explanation is acknowledged.

Pre-Publication Review and Data Verification Mechanisms

ISS' highest priority is the timely delivery of independent, quality research to our investor clients. ISS has invested considerable resources over the years in our data collection processes, checks and quality controls, and we believe the result is data with a high degree of factual accuracy. As a client-focused company, we balance interactions with subject companies to confirm factual accuracy with the recognition that some clients object to ISS providing subject companies with access to draft reports on philosophical grounds. For these reasons, ISS' pre-publication issuer review policy differs market to market, consistent with prioritizing our obligations to our clients and meeting local regulatory requirements. ISS responds to frequently asked questions related to draft report reviews in the earlier referenced document ([FAQs: Engagement on Proxy Research](#)).

Benchmark Report Access to Issuers

All corporate issuers can access – without charge – ISS' final, published benchmark report on their own company. The report is made available once it has been published to ISS clients.

Pre-Publication Review by Subject Issuers

In certain markets and situations, and consistent with local market regulation, ISS may provide a draft report to the subject corporate issuer. Where provided, the purpose of the draft review is for the subject company to check for factual accuracy the information included in our report and is not an opportunity for the issuer to “lobby” for a particular voting recommendation.

Just as ISS sets clear guidelines for engagement between issuers and ISS research analysts, ISS also makes clear to companies and the public its pre-publication policy. There is no automatic entitlement to review research reports prior to publication, and no drafts are provided in markets or situations where there is insufficient time to do so while still respecting our clients’ voting deadlines.

Further, for all markets, ISS does not normally allow pre-publication reviews of pending reports relating to any special meeting or any meeting where the agenda includes a merger or acquisition proposal, proxy fight, or another agenda item that ISS may consider to be of a contentious or controversial nature.

Data Verification Portal

Since 2022, U.S. issuers subject to ISS research and vote recommendations can verify more than 430 governance and compensation datapoints via the ISS data verification portal. This mechanism allows companies to review, verify, and provide feedback on core data used by ISS in preparing governance research reports and recommendations.

Datapoints available for verification are principally those used and reflected in ISS research reports on companies, including:

- Individual director details such as name, gender, ethnicity, etc. (as disclosed);
- Board and committee characteristics, including committee names, memberships, etc.; and
- Individual executive pay figures, including salary and bonus from the summary compensation table and grant details, equity plan details, gross-ups, etc.

Factual Errors & Complaints, Feedback Management

ISS strives to be as accurate as possible in our research and publications. Our governance research and recommendations are based on public information, so any significant fact which an issuer, a shareholder proposal proponent, or any other stakeholder would like to see reflected in our report must be publicly disclosed to all shareholders in a timely fashion, including in markets where such disclosure may not ordinarily be required. In proxy contests, we expect both management and dissident shareholders to publicly file any materials presented to ISS.

ISS makes clear that it does not invite or consider any material non-public information, but to the extent such information is provided to us, whether intentionally or not, it will not be considered or included in our research report.

New, Significant Information and Factual Errors

As detailed under Principle One, ISS also strives to deliver our research reports sufficiently in advance of shareholder meetings to enable clients to familiarize themselves with the information, analyses and recommendations contained therein.

In the event new material public information regarding the company concerned becomes available or if ISS finds that a report contains a material error, ISS promptly issues a Proxy Alert (see **Figure 16**) to inform clients of any corrections or updates and, if necessary, any resulting changes in the vote recommendations. Proxy Alerts are the mechanism ISS uses to update a previously issued report. Accordingly, if a corporate issuer believes our research report contains an error, we encourage them to immediately notify us via the [ISS STOXX Help Center](#). If we determine that there is a material error that should be brought to our clients' attention, we will promptly issue a Proxy Alert. Similarly, if new, significant information relating to a voting issue is publicly disclosed in a timely manner and ISS is informed of its availability, a Proxy Alert may be issued if sufficient time is available before the voting deadlines in that market for our clients to review any changes in the Proxy Alert (which could, if warranted, include a change to a previously issued vote recommendation) and to act upon this information if they so choose. The clients who received the original report will automatically receive any Proxy Alerts issued for that company.

ISS Proxy Analysis & Benchmark Policy Voting Recommendations



Aegon NV

Meeting Type: Extraordinary Shareholders
Meeting Date: 29 September 2023
Record Date: 1 September 2023
Meeting ID: 1783022

Euronext Amsterdam: AGN
Index: AEX25
Sector: Life & Health Insurance
GICS: 40301020

Proxy Alert

Alert Date: 15 September 2023
Original Publication Date: 12 September 2023

This alert updates the vote recommendation for the analysis dated Sep. 12, 2023, with respect to Item 2.1: Approve Cross-Border Conversion and Amend Articles of Association. On Sep. 15, 2023, the company issued an [update](#) on the proposed change of Aegon's domicile to Bermuda following further stakeholder engagement. The company proposes that following the redomiciliation to Bermuda a number of existing shareholders' rights are repaired in an attempt to enhance the governance and reflect shareholder feedback. At the next AGM, the company will propose (i) the introduction of preemptive rights as a protection of existing shareholders, (ii) shareholder approval right for share buybacks, and (iii) shareholder approval rights for the annual final dividends. The company furthermore publicly clarifies that the issuance authority above 10 percent without shareholder approval will only be used in 'exceptional circumstances of severe financial distress'. The changes to the proposal were reflected in an updated analysis of Item 2.1. Given the company's demonstrated responsiveness to shareholder concerns and important concessions made that would enhance the governance, the proposed update mitigates concerns we have raised on the proposed governance. Although a number of concerns remain with the proposed governance, given the detailed rationale and more balanced governance structure, the vote recommendation for Item 2.1 is changed from AGAINST to FOR. All other vote recommendations remain unchanged.

Example of a Proxy Alert being issued in relation to additional information related to domiciliation of Aegon NV from the Netherlands to Bermuda

Figure 16 is a screenshot of a Proxy Alert issued in relation to the relocation of Aegon NV's head office from the Netherlands to Bermuda in a research report issued under the Continental Europe Benchmark Policy during the 2023 proxy season. ISS detailed the board of directors' rationale for relocating to Bermuda and recommended under the [Continental Europe Benchmark Policy](#) that subscribing investors vote 'AGAINST' the proposed move, reflecting concern over the future governance of the company. Aegon NV management disclosed additional material information in the company's proxy materials, offering assurances to existing shareholders, such as the introduction of preemptive rights as a protection for existing shareholders, shareholder approval right for share buybacks, and shareholder approval rights for the annual final dividends. Once published, this material

information was promptly incorporated into ISS Benchmark research report and clients were notified of the changes, which included changing the vote recommendation from 'AGAINST' to 'FOR' in light of the new information. (See *Appendix* for full page screenshot.)

Feedback Review Board

In addition, ISS has instituted a [Feedback Review Board](#) (“FRB”) to provide a mechanism to all stakeholders, including corporate issuers, to communicate with ISS. The FRB is an ISS body, comprising senior ISS leadership, that serves as a channel to communicate with ISS any unresolved concerns regarding accuracy of research, accuracy of data, policy application, and general fairness of ISS policies, research, and recommendations.

BPPG Complaints Procedure

With respect to allegations of a material failure to comply with The Principles, we refer complainants to the [BPPG Complaints Procedure](#) for relevant information. As the document explains, complainants should ensure that they have first submitted their complaint directly to the BPPG signatory within 6 months of the signatory’s alleged material non-compliance with The Principles and allowed the procedure to complete before raising the matter with the BPPG committee. All escalated complaints, including the investigation and final decision made by the BPPG committee, regardless of outcome, are shared with the BPP Oversight Committee. The Oversight Committee may recommend additional actions or sanctions.

Engagement with Media

ISS has set up policies and procedures to respond to media enquiries and speaking engagement requests. All inquiries are routed through [ISS STOXX Press Center](#), and ISS maintains a list of authorized speakers who are subject matter experts that have undergone media training. The ISS Communications team works with the authorized persons as needed to prepare them for media interaction. Media training covers handling of contentious topics, reputational and confidentiality considerations.

ISS governance research and vote recommendations are proprietary information for the benefit of our clients. Accordingly, ISS will only make available research reports under the benchmark voting policy to the media on a limited, case-by-case basis. When provided, research reports will never be made available to the media prior to their dissemination to clients, and ISS will generally not comment on company specific situations prior to a shareholder meeting. Further, ISS does not issue press releases with respect to vote recommendations made under our benchmark and specialty voting policies.

Any redistribution of ISS research or data is expressly prohibited without the prior written consent of ISS. Permission to copy and reproduce content may be granted by ISS, at its discretion, and by written request and permission only.

Best Practice Principles for Providers of Shareholder Voting Research and Analysis
2025 Compliance Statement

ISS trusts that this 2024 Compliance Statement complies with both the letter and spirit of the Best Practice Principles. Please contact Lorraine Kelly via Lorraine.Kelly@iss-stoxx.com for further information regarding its content.



Gary Retelny

President & CEO

ISS STOXX



Lorraine Kelly

Global Head of Investment Stewardship

ISS STOXX

Appendix

Principle One, Service Quality

Figure 2: Screenshots from an ISS STOXX' 2026 Europe, Middle East, and Africa (EMEA) benchmark voting policy update document in which alterations to voting policies are clearly illustrated through a comparative table and use of red text and strikethrough to highlight additions and/or other edits. In this screenshot, the changes to the policy in relation to related-party transactions in the UK are clearly outlined.

Related-Party Transactions

Current ISS Policy:	New ISS Policy:
<p>General Recommendation: In evaluating resolutions that seek shareholder approval on related-party transactions (RPT), vote on a case-by-case basis, considering factors including, but not limited to, the following:</p> <ul style="list-style-type: none"> ▪ The parties on either side of the transaction; ▪ The nature of the asset to be transferred/service to be provided; ▪ The pricing of the transaction (and any associated professional valuation); ▪ The views of independent directors, where provided; ▪ The views of an independent financial adviser, where appointed; ▪ Whether any entities party to the transaction, including advisers, are conflicted; and ▪ The stated rationale for the transaction, including discussions of timing. <p>In the UK, under the Listing Rules the listed company must obtain the approval of its shareholders for certain transactions either beforehand or, if the transaction is conditional on that approval, before it is completed. The company must ensure that the related party does not vote on the relevant resolution and should take all reasonable steps to ensure that the related party's associates do not vote on the relevant resolution.</p> <p>The Pensions and Lifetime Savings Association notes that concerns may arise if the transaction does not seem to be subject to proper oversight, is not undertaken on fully commercial terms in the normal course of business, or the company has not clearly explained how the transaction is in the interests of the company and all shareholders.</p>	<p>General Recommendation: In evaluating resolutions that seek shareholder approval on related-party transactions (RPT), vote on a case-by-case basis, considering factors including, but not limited to, the following:</p> <ul style="list-style-type: none"> ▪ The parties on either side of the transaction; ▪ The nature of the asset to be transferred/service to be provided; ▪ The pricing of the transaction (and any associated professional valuation); ▪ The views of independent directors, where provided; ▪ The views of an independent financial adviser, where appointed; ▪ Whether any entities party to the transaction, including advisers, are conflicted; and ▪ The stated rationale for the transaction, including discussions of timing. <p>In the UK, under the Listing Rules the listed company must obtain the approval of its shareholders for certain transactions either beforehand or, if the transaction is conditional on that approval, before it is completed. Under the 2024 update to the UK Listing Rules, the scope of related-party transactions for which shareholder approval is required was significantly reduced. However, in circumstances where a related-party transaction remains subject to shareholder approval, the company must ensure that the related party does not vote on the relevant resolution and should take all reasonable steps to ensure that the related party's associates do not vote on the relevant resolution.</p> <p>The Pensions and Lifetime Savings Association notes that concerns may arise if the transaction does not seem to be subject to proper oversight, is not undertaken on fully commercial terms in the normal course of business, or the company has not clearly explained how the transaction is in the interests of the company and all shareholders.</p>

Figure 8 provides a screenshot of issuer profile pages available on the PX platform and designed to provide key issuer details, current and historic research reports and voting history in one place.

New York Stock Exchange: [REDACTED]

Ad hoc Letter Request Special Research

Governance Quality Score

7 View Governance Quality Score

Score As Of: 30 Aug 2024
Last Profile Update: 04 Jun 2024

Scores indicate decile rank relative to index or region. A decile score of 1 indicates lower governance risk; 10 indicates higher governance risk.

Norm-Based Research (NBR) Company Report

10 View Norm-Based Research (NBR) Company Report

Norm-Based Research helps investors to make decisions regarding companies' adherence to global norms on environmental protection, human rights, labour standards and anti-corruption. The research evaluates allegations concerning companies' failure to abide by global norms as set out in the relevant international initiatives and guidelines. The score you are viewing on screen is based on our most current assessment of the company.

Overview

General Information

- Country of Incorporation: USA
- ISS Country of Coverage: USA
- Primary Security ID: [REDACTED]
- Sector: [REDACTED]
- Industry Group/Industry: [REDACTED]
- Market Cap (USD): [REDACTED]
- Shares Outstanding (M): [REDACTED]
- 52-Week High (USD): [REDACTED]
- 52-Week Low (USD): [REDACTED]
- Annual Dividend (USD): [REDACTED]
- Next Meeting Date: [REDACTED]
- ISS Recommended Against Mgmt at Most Recent Meeting: [REDACTED]
- Company in Holdings/Balances: No
- Special Requested Company: No
- Issuer Type: Publicly-held (PUO)
- Issuer Sub Type: [REDACTED]

Company Financials (FY)

Research Documents

All Policies

Meeting Date	Meeting Type	Meeting ID	Policy Name	Meeting Results
[REDACTED]	Annual	[REDACTED]	ISS-111	Full
[REDACTED]	Annual	[REDACTED]	Catholic-162	Full
[REDACTED]	Annual	[REDACTED]	Climate-1411	Full
[REDACTED]	Annual	[REDACTED]	Global Board/Exec-111	Full
[REDACTED]	Annual	[REDACTED]	ISS-111	Full
[REDACTED]	Annual	[REDACTED]	Public Enfr-822	Full
[REDACTED]	Annual	[REDACTED]	SR-156	Full
[REDACTED]	Annual	[REDACTED]	Stakeholder-102	Full
[REDACTED]	Annual	[REDACTED]	Tax-100	Full
[REDACTED]	Annual	[REDACTED]	Catholic-162	Full

Voting History

Meeting Date	Meeting Type	Meeting ID	VAM	VAP	Meeting Results
29 May 2024	Annual	[REDACTED]	Yes	No	Full
31 May 2023	Annual	[REDACTED]	Yes	No	Full
23 May 2022	Annual	[REDACTED]	Yes	No	Full
26 May 2021	Proxy Contest	[REDACTED]	Yes	No	Full
27 May 2020	Annual	[REDACTED]	Yes	No	Full
29 May 2019	Annual	[REDACTED]	Yes	No	Full
30 May 2018	Annual	[REDACTED]	Yes	No	Full

Special Situations Research

ISS Special Situations Research delivers comprehensive, independent analysis of high profile and contentious situations from announcement through denouement, enabling users to fully understand the implications to their investments and inform situation assessments and voting decisions.

Research Type	Publish Date	Download Link
Contentious Pipeline	02 Aug 2024	Download
Meeting Analysis	14 May 2021	Download
Research Note	02 Mar 2021	Download

Figure 9 provides an example of one of the vote management functionalities on the PX platform. More precisely, the screenshot displays a PX page in which ballot items are displayed and listed to the left-hand side in the center of the screen. In the upper left-hand corner, a dropdown menu allows clients to apply vote recommendations under different policies to the displayed ballot items and conduct comparisons between them, as well as to vote with or against management on all issues, and similarly on shareholder proposals. To the right-hand side of each of the ballot items listed, there are 4 boxes which correspond to one of four possible voting choices 'FOR', 'AGAINST', and 'ABSTAIN.' The client makes their vote choice by selecting one of these boxes. Just underneath, alongside each other are the recommendations of management and, in this example, the ISS Benchmark and SRI Specialty policies.

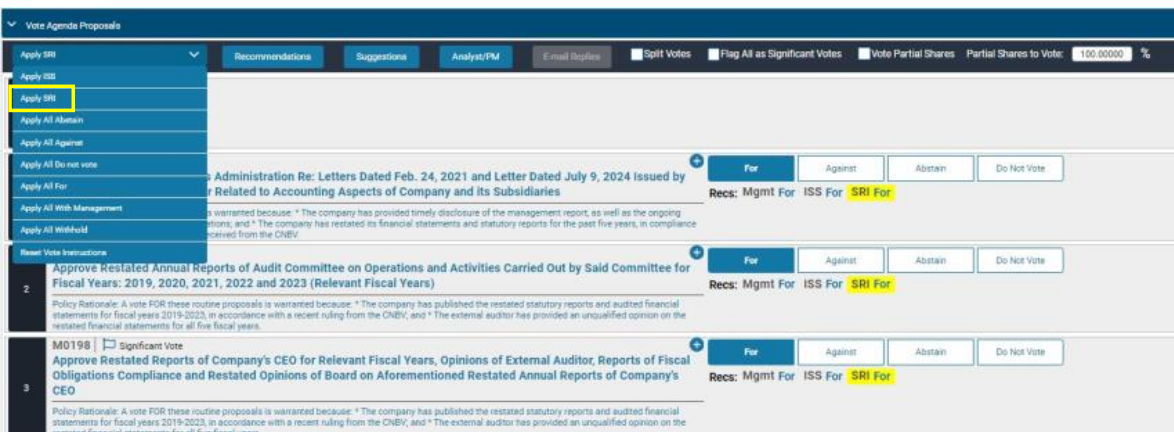


Figure 10 provides an example of the dynamic alert functionality available in the PX platform, whereby clients will receive email notifications concerning unvoted ballots, specifying the number of ballots and the related cutoff date for voting.

Please visit [ProxyExchange](#) to view this alert in further detail or update your alert settings.

Alert details for: **8 Ballots - Unvoted Ballots with Cut-Off in Next 2 Days(358301776)**

Location Name	Issuer Name	Ticker	ISINs	ADR	Meeting Date	Record Date	Earliest Client Cutoff Date	Meeting ID	Ballot Count	Set Parameters
					10-SEP-24	06-SEP-24	05-SEP-24	1884729	1	Unvoted Ballots
					20-SEP-24	16-AUG-24	05-SEP-24	1886408	6	Unvoted Ballots
					12-SEP-24	10-SEP-24	05-SEP-24	1882024	1	Unvoted Ballots

Principle Two, Conflicts of Interest

Figure 11 provides two snapshots of the first pages of ISS' proxy analysis and benchmark voting policy recommendations on the 2024 annual shareholder meetings at DB and its affiliate Knorr-Bremse AG, respectively. The examples illustrate the proactive and prominent disclosure ISS provides (top of the first pages of the reports) to its clients with respect to conflicts of interest generated by its ownership structure. The text states explicitly ISS' ownership structure and highlights ISS' Policy on Non-Interference and Potential Conflicts of Interest related to DB and its subsidiaries.

ISS Proxy Analysis & Benchmark Policy Voting Recommendations

Deutsche Boerse AG

Key Takeaways

Deutsche Börse AG ("DB") maintains an approximate 80 percent ownership interest in the holding company which owns Institutional Shareholder Services Inc. ("ISS"). ISS has implemented a Policy on Non-Interference and Potential Conflicts of Interest Related to Deutsche Börse, which establishes policies and procedures to protect the integrity and independence of its research, recommendations, ratings, and other analytical offerings, including this report. Please refer to our website at <https://www.issgovernance.com/compliance/due-diligence-materials> for more information regarding ISS' policies and procedures related to potential conflicts of interest.

Agenda & Recommendations

Item	Code	Proposal	Board Rec.	ISS Rec.
MANAGEMENT PROPOSALS				
1		Receive Financial Statements and Statutory Reports for Fiscal Year 2023 (Non-Voting)		
2		Approve Allocation of Income and Dividends of EUR 3.80 per Share		
3		Approve Discharge of Management Board for Fiscal Year 2023		
4		Approve Discharge of Supervisory Board for Fiscal Year 2023		
5		Approve Issuance of Warrants/Bonds with Warrants Attached/Convertible Bonds without Preemptive Rights up to Aggregate Nominal Amount of EUR 5 Billion; Approve Creation of EUR 19 Million Pool of Capital to Guarantee Conversion Rights		
6		Authorize Share Repurchase Program and Reissuance or Cancellation of Repurchased Shares		
7		Authorize Use of Financial Derivatives when Repurchasing Shares		
8.1		Elect Andreas Gottschling to the Supervisory Board		
8.2		Elect Martin Jetter to the Supervisory Board		
8.3		Elect Shannon Johnston to the Supervisory Board		

ISS

Knorr-Bremse AG

Key Takeaways

Theodor Weimer, an individual affiliated with Deutsche Börse AG ("DB"), serves on the board of directors of Knorr-Bremse AG ("Knorr-Bremse"), which results in Knorr-Bremse being considered a "DB Affiliated Company" as contemplated by ISS' Policy on Non-Interference and Potential Conflicts of Interest Related to Deutsche Börse. This policy establishes policies and procedures to restrict the involvement of DB and any of DB's employees in the content of ISS' research offerings, including this report. Please refer to our website at <https://www.issgovernance.com/compliance/due-diligence-materials> for more information regarding ISS' policies and procedures related to potential conflicts of interest.

The vote on the remuneration report (Item 7) is highlighted for shareholder attention because during the year under review, the STI and LTI targets for the CFO were increased without rationale, and it is unclear whether shareholders' concerns have been fully addressed. Support is nonetheless warranted because the company's remuneration practices are broadly in line with best practice standards in Germany and pay and performance appear reasonably aligned at this time.

Agenda & Recommendations

Item	Code	Proposal	Board Rec.	ISS Rec.
MANAGEMENT PROPOSALS				
1		Receive Financial Statements and Statutory Reports for Fiscal Year 2023 (Non-Voting)		
2		Approve Allocation of Income and Dividends of EUR 1.64 per Share		
3		Approve Discharge of Management Board for Fiscal Year 2023		
4		Approve Discharge of Supervisory Board for Fiscal Year 2023		
5		Ratify KPMG AG as Auditors for Fiscal Year 2024 and for the Review of Interim Financial Statements for the First Half of Fiscal Year 2024		
6		Approve Remuneration Policy		
7		Approve Remuneration Report		

Shading indicates that ISS recommendation differs from Board recommendation

Figures 12 and 13 are screenshots illustrating ISS' disclosure to clients of significant relationships transparently integrated throughout PX. (See Appendix for full page snapshots.)

Figure 12 is a snapshot of disclosure of ISS' significant relationships available through PX. This table is accompanied by a statement referring our clients to the full policy available on the ISS due diligence website and ISS' Code of Ethics, in addition to reminding clients they can direct their inquiries to ISS' Compliance department via the disclosure@issgovernance.com email address. The statement also makes clear that, to maintain the integrity of ISS' firewall, information regarding the identify of ISS-Corporate clients may not be shared with ISS employees.

Issuer	Disclosure of Significant ISS Relationships	Ticker	Country	Type	Meeting Date	Industry Sector	Market Cap (USD)
Company 1	No	C1	USA	Annual		Electric Utilities	
Company 2	No	C2	Denmark	Annual		Banks	
Company 3	Yes	C3	USA	Annual/Special		Technology Hardware, Storage & Peripherals	
Company 4	No	C4	Panama	Special		Hotels, Restaurants & Leisure	
Company 5	No	C5	USA	Annual		Communications Equipment	
Company 6	No	C6	USA	Annual		Oil, Gas & Consumable Fuels	
Company 7	No	C7	USA	Annual		Health Care Technology	
Company 8	No	C8	USA	Annual		Specialty Retail	
Company 9	No	C9	USA	Annual		Oil, Gas & Consumable Fuels	
Company 10	No	C10	France	Annual/Special		Oil, Gas & Consumable Fuels	
Company 11	No	C11	USA	Annual		Electric Utilities	
Company 12	No	C12	USA	Annual		Real Estate Investment Trusts (REITs)	
Company 13	Yes	C13	USA	Special		Technology Hardware, Storage & Peripherals	
Company 14	No	C14	United Kingdom	Annual		Banks	
Company 15	Yes	C15	USA	Annual		Internet Software & Services	
Company 16	No	C16	USA	Annual		Multi-Utilities	
Company 17	No	C17	USA	Annual		Metals & Mining	
Company 18	No	C18	USA	Annual		Multi-Utilities	
Company 19	Yes	C19	USA	Special		Media	

Figure 13 shows that investor clients can use PX to identify ISS-Corporate's contractual relationships with corporate issuers, as well as to obtain information on the products the issuers subscribe to and the amount of compensation that ISS-Corporate has received or will receive from the issuer. As described earlier under *Internal Firewall*, ISS does not disclose the name of ISS-Corporate clients on research reports or public facing documents. We believe that these processes ensure transparent and easily accessible conflicts disclosure to clients while also upholding the key confidentiality tenets of the firewall.

Company Name	Ticker	Subscribed Products*	Contract Value (USD)
Company 1	C1	ExecComp Analytics (US), ExecComp Analytics - Consultant Access	27,500.00

Principle Three, Communications Policy

Figures 14 (to the right) is a screenshot from a Continental Europe Benchmark research report indicating that dialogue with the company concerned, Deutsche Bank AG, was undertaken and including details thereof. In this instance, ISS research analysts met with the company on 7 separate occasions with both the company and ISS initiating dialogue at various points.

See also the “Note” below “ISS-Company Dialogue,” explaining some of the safeguards that ISS has established for these types of engagements.

Deutsche Bank AG (DBK)
POLICY: Europe

Meeting Date: 22 May 2025
Meeting ID: 1925782

ISS-Company Dialogue

Dates	Topic(s)	Initiated By	Notes	Outcome
16 December 2024	Non-Meeting Specific	Issuer	ISS participated in a call with Deutsche Bank representatives to discuss governance practices, particularly virtual meetings, and ISS policies.	Establish Dialogue
31 January 2025	Article Amendments, Non-Meeting Specific	Issuer	ISS participated in a call with Deutsche Bank representatives to discuss virtual meetings and ISS policies, as well as a brief discussion on the Postbank matter.	Establish Dialogue
22 April 2025	Remuneration Report	ISS (with Issuer/ Representative)	ISS reached out to Deutsche Bank to clarify compensation-related disclosures.	Explanation of Company Practice/ Rationale
28 April 2025	Remuneration Report	ISS (with Issuer/ Representative)	ISS reached out to Deutsche Bank regarding an additional clarification on remuneration disclosures.	Explanation of Company Practice/ Rationale
2 May 2025	Board – Composition/ Independence	ISS (with Issuer/ Representative)	ISS reached out to Deutsche Bank to clarify independence-related disclosures.	Filing (Clarification/Additional Disclosure)
5 May 2025 - 6 May 2025	Draft Review	ISS (with Issuer/ Representative)	The company was given the opportunity to review a draft of this analysis for fact-checking purposes.	Explanation of Company Practice/ Rationale

Note: ISS engages in ongoing dialogue with issuers in order to ask for additional information or clarification, but not to engage on behalf of its clients. Any draft review which may occur as part of this process is done for purposes of data verification only. All ISS recommendations are based solely upon publicly disclosed information.

Figure 15 (below) provides an excerpt from an ISS Benchmark research report illustrating additional context provided by ISS that investor clients may find relevant. In this instance, the company was InterContinental Hotels Group (IHG) Plc with which dialogue was undertaken in relation to executive remuneration. In this example, IHG initiated dialogue with ISS in advance of the 2024 UK proxy season. Note that IHG also undertook engagement with its major shareholders in addition to dialogue with ISS.

Analysis

PAY-FOR-PERFORMANCE CONCERN LEVEL IS LOW

All remuneration-related vote recommendations are based on a holistic review considering any relevant qualitative and quantitative factors.

ISS' quantitative pay-for-performance model ("P4P") suggests that pay outcomes have been generally aligned to performance and/or peers (see Remuneration Profile earlier in this report).

Shareholder dissent at the 2023 AGM, the ED salary increases, the CEO's joining arrangements, the annual bonus outcomes, the 2023 LTIP targets, the 2024 LTIP grant and comparator group, the discretion applied in relation to the vesting LTIP, and leaving and joining arrangements are all discussed in more detail below.

1 Shareholder dissent at 2023 AGM

At the 2023 AGM, the Company received c.25% and c.23% of votes cast against its remuneration policy and remuneration report resolutions, respectively.

In 2023 AGM voting results, it stated the following in relation to the dissent:

"In late 2022 and early 2023, the Remuneration Committee consulted extensively with shareholders and the major proxy agencies on the key features of the DRP and the decisions in relation to 2022 pay outcomes. The consultation included engaging with around 60% of the ownership of the Company. All

of IHG's 10 largest shareholders voted in support of the DRP; of IHG's 25 largest holders, there were only 3 who voted against.

The Board will engage further with ISS and shareholders who voted against these resolutions in the coming months in accordance with the UK Corporate Governance Code. As part of this process, the Board will seek to understand more about the reasons behind the ISS recommendation and shareholder votes against the DRP and DRR."

The [update statement](#), which was published in November 2023, notes that, since the 2023 AGM, the Company has had follow-up conversations with seven major shareholders, as well as ISS and the Investment Association. It highlighted the provision for increased LTIP awards and the use of positive discretion in relation to the cash flow measure for the 2020 LTIP award as topics for discussion in these conversations.

The Company's explanation is acknowledged.

Figure 16 is a screenshot of a Proxy Alert issued in relation to the relocation of Aegon NV's head office from the Netherlands to Bermuda in a research report issued under the Continental Europe Benchmark Policy during the 2023 proxy season. ISS detailed the board of directors' rationale for relocating to Bermuda and recommended under the [Continental Europe Benchmark Policy](#) that subscribing investors vote 'AGAINST' the proposed move, reflecting concern over the future governance of the company. Aegon NV management disclosed additional material information in the company's proxy materials, offering assurances to existing shareholders, such as the introduction of preemptive rights as a protection for existing shareholders, shareholder approval right for share buybacks, and shareholder approval rights for the annual final dividends. Once published, this material information was promptly incorporated into ISS' Benchmark research report and clients were notified of the changes, which included changing the vote recommendation from 'AGAINST' to 'FOR' in light of the new information



ISS Proxy Analysis & Benchmark Policy Voting Recommendations

Aegon NV

Meeting Type: Extraordinary Shareholders
Meeting Date: 29 September 2023
Record Date: 1 September 2023
Meeting ID: 1783022

Euronext Amsterdam: AGN
Index: AEX25
Sector: Life & Health Insurance
GICS: 40301020

Proxy Alert

Alert Date: 15 September 2023

Original Publication Date: 12 September 2023

This alert updates the vote recommendation for the analysis dated Sep. 12, 2023, with respect to Item 2.1: Approve Cross-Border Conversion and Amend Articles of Association. On Sep. 15, 2023, the company issued an [update](#) on the proposed change of Aegon's domicile to Bermuda following further stakeholder engagement. The company proposes that following the redomiciliation to Bermuda a number of existing shareholders' rights are repaired in an attempt to enhance the governance and reflect shareholder feedback. At the next AGM, the company will propose (i) the introduction of preemptive rights as a protection of existing shareholders, (ii) shareholder approval right for share buybacks, and (iii) shareholder approval rights for the annual final dividends. The company furthermore publicly clarifies that the issuance authority above 10 percent without shareholder approval will only be used in 'exceptional circumstances of severe financial distress'. The changes to the proposal were reflected in an updated analysis of Item 2.1. Given the company's demonstrated responsiveness to shareholder concerns and important concessions made that would enhance the governance, the proposed update mitigates concerns we have raised on the proposed governance. Although a number of concerns remain with the proposed governance, given the detailed rationale and more balanced governance structure, the vote recommendation for Item 2.1 is changed from AGAINST to FOR. All other vote recommendations remain unchanged.



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