



Best Practice Principles for Providers of Shareholder Voting Research & Analysis

ISS 2022 Compliance Statement

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Introduction

Institutional Shareholder Services (“ISS”) is pleased to submit the following 2022 Compliance Statement to the Best Practice Principles for Providers of Shareholder Voting Research & Analysis 2019 (“the Principles” or “BPP”).

The Principles consist of a set of principles and accompanying guidance (“Guidance”) that describe a code of conduct for providers of shareholder voting research and analysis. They are designed to facilitate transparency and assist BPP signatories’ conduct in discharging their responsibilities toward 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 the input of investors, issuers and other stakeholders received through 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.

The three core Principles are: (i) **Principle One: Service Quality** - maintaining a high level of service quality, (ii) **Principle Two: Conflicts-of-Interest Avoidance or Management** - disclosure of policies that address potential or actual conflicts of interest, and (iii) **Principle Three: Communications Policy** - publication of policies for communication with issuers, shareholder proponents, other stakeholders, the media, and the public.

Founded in 1985, ISS is today a premier provider of independent corporate governance, sustainability, and fund intelligence research, specialized data and analytics, and actionable insights for the world’s leading capital market participants. Institutional investors turn to ISS in part for its objective governance research and vote recommendations to help them make informed investment decisions and implement their proxy voting policies, as well as for derived operational and cost efficiencies. Investors may also rely on ISS to help manage the proxy voting process and related recordkeeping and reporting.

These services are provided through ISS’ Governance Research and Voting unit, part of its Governance Solutions business unit. This Compliance Statement addresses these services provided by that business unit. It aims to describe in a meaningful way how ISS complies with all three Principles and the Guidance in the provision of those services.

As recognized by the Principles, irrespective of the type of 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, ISS’ services in this area are designed to assist institutional investors in exercising their shareholder rights in accordance with their proxy voting policies, and in implementing those decisions.

This Compliance Statement mirrors the structure of the Principles. It describes how ISS applies each of the three Principles and related Guidance. This Compliance Statement also seeks to address

feedback received from the BPP Oversight Committee (“OC”) on ISS’ previous Compliance Statement dated 17 February 2022. ISS’ signatories to this Compliance 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.

1. Introduction

As an independent provider of governance research and vote recommendations with more than 35 years of experience, ISS’ aspiration and goal are to serve our clients with their full trust and confidence. We seek to earn and retain this by providing high quality services which are understood by our clients to rest upon high degrees of transparency, objectivity, and independence.

ISS strives to help institutional investors understand the companies in which they are invested, given differing proxy ballot items each proxy season and evolving corporate governance practices and requirements in different markets worldwide. In 2022, ISS covered approximately 50,000 shareholder meetings in 110 markets worldwide. ISS’ global coverage includes all public company equity meetings for which our clients hold a ballot¹.

2022 ISS Governance Research – Key Coverage Statistics	
Markets covered	110
Public companies covered	35,500
Meetings covered	50,000

ISS views its job to be to understand our clients’ needs and provide them with the tools and policy options necessary for them to make their own informed proxy voting decisions and vote their shares in accordance with their respective investment and fiduciary responsibilities. To that end, while many ISS clients use their own custom policies, ISS continues to update its benchmark and specialty policies and expand the array of available policy choices in response to the market. In addition, in 2022, ISS launched Vote Preference, a suite of solutions that allow asset managers to offer voting policy choices to their own asset owner clients. Irrespective of the client’s proxy voting policy(ies), ISS supports all vote recommendations with extensive data and research based exclusively on publicly available corporate reporting and information.

Investors’ Responsibility for Voting Decisions

ISS provides 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; including the selection of the voting policy; delivery of a research report that details the vote

¹ The statistics referenced in this Statement are approximate, updated on an annual basis and, unless otherwise noted, relate to the year ending December 31, 2022.

recommendations based on the selected policy and access to our voting system, ProxyExchange (“PX”), to easily execute vote decisions.

ISS’ clients use our research and vote recommendations in a variety of ways. Oftentimes, they are one of many resources that an institutional investor uses in arriving at their voting decisions. For example, many institutional investors have internal research or stewardship teams that conduct proprietary research and use ISS research as an additional input to supplement their own work. Some clients use ISS research as a screening tool to identify non-routine meetings or proposals. A number of our clients use the services of two or more providers. Accordingly, subscribing clients may ultimately decide to vote differently from the recommendations provided by ISS and in line with their own investment and governance views and company engagement activities 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, in order to ensure our research, analyses and voting recommendations are independent and free from inappropriate bias or undue influence (see Principle Two for further details).

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 selected, and in many cases, formulated, by our clients. As a result, ISS may offer different recommendations about the same vote 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 that same proposal.

Timely Delivery of Research

ISS aims for a minimum 2-week target delivery date for its governance research and vote recommendations prior to the meeting date (for markets where company disclosure practices permit), and often significantly exceeds this. In 2022, we delivered research reports on average 18 days prior to the meeting date for U.S. meetings (a reduction on the 2021 average due principally to the growth in the number and extent of shareholder proposals on ballot at US companies in 2022), and 16 days prior to the meeting date for ex-U.S. meetings (similar to 2021).

2. Responsibilities to Clients

ISS’ services are provided pursuant to a written contract with each client. This typically is structured as a master services agreement, which contains 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 cost 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.

3. 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 processes and procedures across 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 inaccuracy that warrants correction is drawn to our attention, an updated report is promptly issued to clients, under an active "Proxy Alert" process that helps ensure clients who received the original report also receive the updated information including any changes in voting recommendations;
- A free-of-charge copy of the relevant ISS benchmark research report is made available to each subject company immediately after the final report has been published to subscribing institutional investor clients;
- Data Verification (DV) portal for issuers that allows for verification of more than 400 governance and compensation datapoints that are principally used and reflected in ISS' research on companies;
- 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 in order 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 2022, ISS received an unqualified opinion from its external auditor.

4. 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 controls deployed to ensure the reliability of the use of information in the research process, and any limitations thereof.

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 and implements on behalf of its clients a variety of proprietary ISS voting policies, providing choice and different options reflecting both regional and market differences, and the differing views and requirements of institutional investors.

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

Our firm has continued its commitment to providing 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 require, and with a wide range of options to fit different investor needs.

ISS analysts provide in-depth knowledge of best practices, regulations and investor expectations, and this knowledge informs policy development and analysis undertaken. In-house expertise includes proficiency on a wide range of topics relevant to our work, including board independence and composition, executive pay practices, shareholder rights protection, mergers and acquisitions, environmental and social matters, 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 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;
- 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 vote decision or looking for clarity on a complex governance issue, clients have access to ISS' research analysts and other specialists within ISS' Governance Solutions unit.
- **Thought leadership:** Clients have access to ISS webinars, topical insights, thought leadership output, industry events, educational and thematic research articles, and a range of publications to ensure they are kept abreast of governance trends and related news in a constantly changing landscape.

Information Sources

ISS' governance research is based on publicly available information. ISS aims to take into account 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 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.

As a result, ISS provides comprehensive data and information, including on board membership, executive compensation, financial performance, and ownership that provides context for investors for the review of agenda items.

As part of the research process, ISS may undertake dialogue with company representatives, institutional shareholders, shareholder proponents and other relevant parties to ensure a full understanding of and deeper insight 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 do 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 proponents or other stakeholders, including the date(s) of dialogue, the topic(s) covered, the initiator of the dialogue, and the outcome.

Local Conditions and Customs

ISS' research approach is based on structured voting policies and guidelines that incorporate established policy frameworks and internal expertise with investor and, where relevant, broader market feedback.

Our benchmark policies are informed by the following main factors:

- ISS institutional investor client views and expectations;
- relevant input from other market constituents;
- global governance standards;
- local regulation and soft regulation such as codes of best practices and stewardship codes;
- new and evolving topics and market trends.

Regarding how an ISS benchmark voting policy reflects local regulation and market practices, consider this illustrative example: where a UK company has received a significant level of dissent on a resolution at a general meeting and when assessing a company's explanation, the ISS benchmark voting policy follows the guidance provided by the Financial Reporting Council (FRC) in the UK Corporate Governance Code. The UK Corporate Governance Code states that when 20 percent 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 in order to understand the reasons behind the result. In addition, as listed in the appendix to the [ISS 2023 benchmark voting policy for the UK & Ireland markets](#), for purposes of this illustrative example ISS also considers other UK laws, regulation, and market practices, such as the Investor Group Directors' Remuneration Reporting Guidance; the Association of Investment Companies (AIC) Code of Corporate Governance; the Pensions and Lifetime Savings Association (PLSA) Stewardship and Voting Guidelines; and the Investment Association (IA) Principles of Remuneration and related IA guidance and publications.

Voting Policy Choices – Custom, Specialty, and Benchmark Voting Policies

ISS offers an extensive array of voting policies and choices to meet the varied needs of institutional investors and their clients. Investors can choose from ISS' global benchmark policies and/or ISS specialty policies that evaluate voting issues from a variety of different perspectives – for example, those of socially-responsible investors, public funds, labor unions (Taft-Hartley), boards, faith-based investors, climate-focused investors, and sustainability issues outlined by signatories to the Principles for Responsible Investments (“PRI”). ISS also manages over 500 custom voting policies and provides customized voting recommendations for institutional investors who want to vote

their shares according to their own specific guidelines and philosophies, or those of their underlying clients (see “Client Custom Voting Policies” below).

Systems and Controls

ISS has robust policies and procedures designed to ensure the integrity and quality of the research process. ISS also has a comprehensive global compliance program which is intended to set forth and enforce standards of appropriate business conduct and require compliance with applicable law. ISS also undertakes and is subject to periodic SSAE 18 audits (see “Quality of Research” section above for further details).

Flexible Delivery Options

ISS is committed to providing our clients easy access to a variety of information and opinions from different sources. To that end, as long ago as 2013, ISS took the inclusive step of opening PX, its online voting platform, to research produced by a number of other service providers, and has maintained this service since then.

As a result, ISS clients who also subscribe to certain third-party research can benefit from more efficient workflow 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 third-party platforms as well as via various other electronic means (such as APIs) to assist subscribing clients who wish to utilize such access.

5. 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.

ISS manages more than 500 custom voting policies on behalf of clients, and issues vote recommendations based on each individual custom voting policy. 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 vote 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 unique values and priorities, while also often taking into account local market standards and codes of best practice in each market to the extent clients wish. For example, clients can easily calibrate and backtest their own policies by market to ensure consistency of application to their own governance philosophies. A regular review of clients’ custom policies also seeks to ensure that any new or

emerging issues that have garnered increased interest in the investment community are appropriately taken into account.

6. ISS Specialty & Benchmark Voting Policies

Specialty Policies

Some institutional investors may choose to evaluate governance and other issues from the perspective of sustainability, socially responsible investing, public funds, labor unions (Taft-Hartley), climate, board-aligned, or faith-based investing. ISS offers a variety of thematic policy options that reflect such perspectives. These specialty policies are [available](#) in full on the ISS website.

These specialty policies are reviewed annually, taking into account 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

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, taking into account investor views, 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 the globe wherever an investor client has public company portfolio holdings. 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 many factors, including company-specific information. ISS' policy application approach takes into account the specific facts of the companies covered, with an effort to ensure 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 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 data and qualitative analysis for our clients, not only to explain and support the ISS voting recommendations, but to also 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 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 ESG matters.

In developing and applying its benchmark policies, ISS refers to the [ISS Global Voting Principles](#). Those principles provide four key tenets on accountability, stewardship, independence, and transparency, which underlie 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 account 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

The ISS benchmark policies are developed through a robust process that uses ISS' 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 enables us to evolve the benchmark policies in order 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, 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.

The ISS Global Policy Board and policy subcommittees use such input to first 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 in order 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 year². We believe this provides transparency not only to our clients, but also to companies and other interested parties.

Once finalized, we publish all ISS policy guidelines on our public website each year for full transparency and availability. Additional information is available on the ISS website.

7. Underlying Clients' Direct Ownership of Votes

With the launch of [Vote Preference](#) in November 2022, ISS is also proud to enable a technological environment where more asset owners can directly control their proxy voting choices (i.e., in cases where their asset managers' portfolios are sub-advised or are in a pooled vehicle). ISS Vote Preference leverages PX and API technology to allow asset managers to capture and execute the vote intentions of their underlying clients via their clients' custom voting policies or using one of ISS' multiple policy choices. We believe this use of technology improves interactions between asset managers and their clients and helps ensure that proxy votes are cast in the best interest of the underlying beneficiaries.

8. Employee Qualifications & Training

Organization

ISS' Governance Research and Voting unit, part of the Governance Solutions business unit, has a global research team of approximately 340 full-time professional research analysts, located in Europe, North America, Asia, and Australia, with wide expertise across the markets and topics they cover. In 2022, the research analyst team expanded by more than 10 percent from 2021. In addition, ISS has a large team of data professionals collecting data from company disclosures, shareholder meeting materials and other public sources, and ensuring data quality.

Experience and Qualifications of Research Analysts

Our personnel resources include research and data experts fluent in approximately 40 languages. Many research analysts have advanced degrees in finance, business, law or other relevant subjects. Permanent employees are supplemented by seasonal temporary resources in some places, to help support workload peaks. Such seasonal temporary resources are trained and supervised by appropriately experienced permanent analysts. ISS provides extensive training for incoming analysts and new hires (including for temporary 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.

² Different timeframes may apply for select markets (such as Australia and New Zealand).

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 often possess 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, and custom research teams are organized by region depending where custom clients are based and support is provided from.

ISS does not outsource any part of its research process.

9. Staff Diversity and Qualifications

ISS is committed to respecting diversity, equity and inclusion and developing a culture of equal opportunities and inclusion 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 45% of the company-wide workforce is female.

Biographies of select ISS Governance Research and Voting team leaders are available on the [Global Research Leadership](#) page of the ISS website.

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 five 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, 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.

10. 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).

As discussed above, ISS aims for a minimum 2-week target delivery date for governance research and vote recommendations prior to the meeting date (for markets where company disclosure practices permit), and often significantly exceeds this. In 2022, we delivered research reports on average 18 days prior to the meeting date for U.S. meetings (a slight reduction on the 2021 average due principally to the growth in the number and extent of shareholder proposals on ballot at US companies in 2022), and 16 days prior to the meeting date for ex-U.S. meetings (similar to 2021).

11. Client Feedback & Complaint Management

ISS aims to facilitate and be responsive to questions, comments, feedback or complaints from clients. This is accomplished by, for example, making analysts available to discuss the content of research reports and recommendations with clients. In addition, in many cases, client needs are addressed through the designation by ISS of a relationship manager (client consultants and 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 aspects of their custom policy, ranging from its drafting, regular updates, application in particular circumstances or geographies and on individual custom recommendations.

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

12. 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 services. 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.

13. Client Disclosure Facilitation

Helping Clients Disclose the Use of Services

ISS recognizes that many institutional investors may be subject to disclosure requirements regarding their use, if any, of research services. This may be required by stewardship codes such as the UK Stewardship Code for institutional investors, and sometimes these are 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.

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.

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.

1. Introduction

ISS has adopted and publicly discloses its conflict of interest policies, which detail ISS' procedures for addressing potential or actual conflicts of interest that may arise in connection with the provision of services.

As a service provider to institutional investors, ISS understands and takes extremely seriously the potential for actual or perceived conflicts of interest which might impact the integrity of the research and services we provide to our clients. Such potential conflicts of interest need to be effectively managed and mitigated by appropriate measures. The measures undertaken by ISS are described below.

2. Conflict of Interest Policies

ISS provides its clients with an extensive array of information to help ensure that they are fully informed of potential conflicts and the steps ISS has taken to address them. Among other things, ISS makes publicly available its [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' conflict mitigation policies.

In addition, ISS has implemented specific disclosure practices described in more detail below. ISS believes that these extensive measures provide clients with a high degree of comfort that ISS has eliminated or is effectively managing potential conflicts of interest.

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 are understood by our clients to 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 client's 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, whether due to conscious action, complacency, indifference, or lapse of ethical judgment.

3. Potential Conflicts for Consideration

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

- 1) a client relationship between a corporate issuer and ISS Corporate Solutions, Inc. ("ICS"), a subsidiary of ISS;
- 2) a client relationship between ISS and a client that is (or is affiliated with) a corporate issuer or acts as the primary shareholder proponent seeking to have a specific proposal acted on by shareholders; and
- 3) the relationship between ISS and its majority owner, Deutsche Börse AG, a public company whose shares are traded on the Frankfurt Stock Exchange

4. Conflict Management & Mitigation

ISS routinely reviews its business lines and model to identify and reasonably address potential conflicts of interest. The below provides further information on ISS' potential conflicts of interest and how these are either managed or mitigated.

Corporate Issuers that are Clients of ICS

ICS 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 ESG practices. Some of the products and services offered by ICS 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 ICS 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.

ISS takes the view that in light of the products and services provided by ICS, any paying-client relationship between ICS and a corporate issuer, where ISS 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' client base.

Beyond disclosure, a critical component of ISS' approach to managing this potential conflict of interest is the firewall it maintains between its business for institutional investors and the ICS business focused on corporations. This firewall includes the physical, functional, and technological separation between ICS and ISS, with a particular focus on the separation of ICS 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 ICS' 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:

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

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

Corporate Issuers that are Clients of ISS

Within ISS' client base, there are a subset of institutional investor clients who are themselves corporate issuers (or have a parent or affiliated company that is a corporate issuer) or act as the primary shareholder 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' 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 its 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 its 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 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 from that client are in excess of five percent of ISS' total, consolidated revenues 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.

Ownership Structure

ISS has formally adopted [policies on non-interference and potential conflicts of interest](#) related to Deutsche Boerse AG, Genstar Capital, and the board of directors ISS HoldCo Inc., the holding company that owns ISS. Among other things, these policies are intended to 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 owners might have a connection and the steps taken to mitigate any actual or potential conflicts.

Policy-Based Approach Provides Consistency of Application

As previously noted, 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. ISS does not provide any consultative or advisory service to our clients or other shareholders in the development of, or solicitation of support for, shareholder proposals.

Codes, Policies and Oversight

In addition to the particular conflicts mitigation policies describe above, ISS maintains policies and procedures within its Code of Ethics and 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

Institutional Shareholder Services Inc., headquartered in the United States, is registered with the U.S. Securities and Exchange Commission (SEC) as an Investment Adviser under the Investment Advisers Act of 1940 (the "Act"). ISS has adopted a Code of Ethics to address requirements under the 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.

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 Governance Solutions 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 with the requirements set within the documents via training platforms.
- ii) Disclose certain information (e.g. securities holdings and 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.

5. Conflicts Disclosure

ISS provides clients with extensive information to ensure that they are fully informed of potential conflicts and the steps that ISS has taken to address them. In addition, many of ISS' clients conduct their own due diligence regarding the way ISS implements the procedures governing conflicts and perform diligence calls and visits to satisfy themselves that ISS' rules governing conflicts are robust and effectively adhered to.

ISS is transparent about its potential conflicts of interest. For example, ISS' standard client contract contains disclosures regarding ICS 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 ICS products and services. Thus, ISS provides institutional clients the ability to obtain information regarding ICS' dealings with corporate issuers, including the amount of compensation that the firm has received or will receive from the issuer.

In supplement of the foregoing, in 2014 ISS adopted a ["Policy Regarding Disclosure of Significant Relationships."](#) In brief, this policy includes as "significant" the relationships ISS has with issuers that are clients of ICS and information about those issuers is made available to institutional clients as noted in the prior paragraph.

In addition and as described above, the Policy also makes provision for disclosure of relationships with clients who are themselves corporate issuers (or have a parent or affiliated company that is a corporate issuer) or act as the primary shareholder proponent seeking to have a specific proposal acted on by shareholders.

Also as outlined above, this Policy considers ISS' ownership structure and notes the relationship with Deutsche Börse AG as "significant" as a corporate issuer itself and due to its majority stake in the holding company that owns ISS.

Since November 2014, ISS has provided these disclosures in a manner that is seamlessly integrated into clients' workflow through ISS' proprietary PX platform.

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.
- Onscreen 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.

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

Historically, disclosure regarding the client relationships between ICS and corporate issuers has been provided to institutional clients through the Compliance department via the disclosure@issgovernance.com email address. That disclosure vehicle remains in place, including for ISS clients not using PX.

We believe that these processes ensure transparent and easily accessible conflicts disclosure to clients while also upholding the key confidentiality tenets of the firewall.

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.

1. Introduction

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' institutional investor clients. We believe we have established, open, and transparent communication policies consistent with these goals, which are described further below.

2. Market and Public Engagement; Transparency into ISS' Processes

Gathering investor and market input is core to ISS' day-to-day operations. Every year, ISS invites engagement with all market participants and the public during the update and formulation of its benchmark policies and guidelines. As more fully detailed under Principle One, 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.

Regarding ISS' voting policies, 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 to the ISS [global voting principles](#) and responses to [frequently asked questions](#) regarding ISS research. ISS also makes publicly available documents addressing frequently asked questions and providing general guidance regarding analysis of specific issues, such as those related to compensation, peer groups, or pay for performance, under the ISS benchmark voting policies.

In addition, to further public understanding of corporate governance developments and trends, ISS publishes reports throughout the year previewing and/or summarizing proxy season developments

regionally via [ISS Insights](#). The reports capturing key takeaways are available to the public free of charge; the full reports are available to ISS' institutional investor clients.

ISS' market outreach, however, is not confined to the policy-setting process, as detailed below.

3. Dialogue with Issuers, Shareholder Proponents & Other Stakeholders

ISS' governance research teams interact regularly with company representatives, institutional shareholders, shareholder proponents and other parties to gain deeper insight into many issues 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.

Participants in the dialogue can expect an informed dialogue with experienced ISS representatives on matters of relevance to our research and recommendations, and 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 proponents and other financial market stakeholders, ISS has established and communicates a set of principles that guide our engagement. Our goals are to facilitate productive and informative dialogue, and to help all stakeholders understand what they may expect from engaging with us. [Additional information](#) including a set of Frequently Asked Questions on our engagement process is available on ISS' website.

Communication During the Voting Period and Proxy Seasons

Each proxy season, at its discretion, ISS engages with corporate executives, board members, institutional investors, shareholder 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 (other than through improved understanding of good corporate governance practices).

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

Transparency of Engagement for Institutional Clients

ISS considers its dialogue with issuers, shareholder 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' research includes a summary of any engagement or other dialogue that took place as part of the analysis. Key information released on the ISS' dialogue with companies, shareholder 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 may consider including direct quotes from statements made by participants in the meeting.

4. 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 [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

As of 2022, U.S. issuers subject to ISS' research and vote recommendations can verify more than 400 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 to include 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.

5. Factual Errors & Complaints, Feedback Management

ISS governance research and recommendations are based exclusively on public information, so any significant fact which an issuer, a shareholder 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

ISS strives to be as accurate as possible in our research and publications. If a corporate issuer believes our governance research contains an error, we encourage them to immediately notify us via the [ISS 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" which is the mechanism we use to update a previously issued report.

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 include a change to a previously issued vote recommendation) and to act upon this information if they so choose.

Proxy Alerts are also used to communicate updates, adjournments, corrections, and any vote recommendation changes to our clients. These alerts are structured as an overlay on the original

report; the first few pages show the updated information and any related vote recommendation change (if any), and the original report lies underneath, and will continue to reflect the original report and information. This allows our clients to see the original report and the changes in one document. Any subsequent alerts will be layered on top of the previous alert.

Proxy Alerts are distributed to our institutional investor clients in the same way our original reports are distributed – generally through our ProxyExchange platform. The clients who received the original report will automatically receive any Proxy Alerts issued for that company.

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.

6. Dialogue with Media

ISS has set up policies and procedures to respond to media enquiries and speaking engagement requests. All inquiries are routed through [ISS’ Press Center](#), and ISS maintains a list of authorized speakers, subject matter experts who 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.

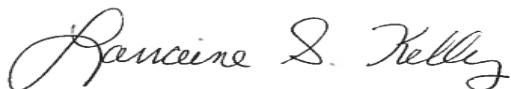
ISS’ governance research and vote recommendations are proprietary information for the benefit of our clients. Accordingly, ISS will only make available research reports to the media on a limited case-by-case basis, only upon request and only where we believe the public may benefit from the information. 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 its 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.

ISS trusts that the above 2022 Compliance Statement complies with both the letter and spirit of the Best Practice Principles. Please contact Lorraine Kelly via lorraine.kelly@issgovernance.com for further information regarding its content.

A handwritten signature in black ink, appearing to read "Gary Retelny". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Gary Retelny
President & CEO

A handwritten signature in black ink, appearing to read "Lorraine S. Kelly". The signature is cursive and elegant.

Lorraine Kelly
Global Head of Investment Stewardship