

ANNEX B

Independent Board Chair

Current ISS Policy, incorporating changes:	New ISS Policy:
<p>General Recommendation: Generally vote for shareholder proposals requiring that the board chairman's position be filled by an independent director, taking into consideration the following:</p> <ul style="list-style-type: none"> ▪ The scope and rationale of the proposal; ▪ The company's current board leadership structure; ▪ The company's governance structure and practices; ▪ Company performance; and ▪ Any other relevant factors that may be applicable. <p>The following factors will increase the likelihood of a "for" recommendation:</p> <ul style="list-style-type: none"> ▪ A majority non-independent board and/or the presence of non-independent directors on key board committees; ▪ A weak or poorly-defined lead independent director role that fails to serve as an appropriate counterbalance to a combined CEO/chair role; ▪ The presence of an executive or non-independent chair in addition to the CEO; a recent recombination of the role of CEO and chair; and/or departure from a structure with an independent chair. ▪ Evidence that the board has failed to oversee and address material risks facing the company; ▪ A material governance failure, particularly if the board has failed to adequately respond to shareholder concerns or if the board has materially diminished shareholder rights; or ▪ Evidence that the board has failed to intervene when management's interests are contrary to shareholders' interests. <p>Regarding the scope of the proposal, consider whether the proposal is precatory or binding and whether the proposal is seeking an immediate change in the chairman role or the policy can be implemented at the next CEO transition.</p> <p>Under the review of the company's board leadership structure, ISS may support the proposal under the following scenarios absent a compelling rationale: the presence of an executive or non-independent chair in addition to the CEO; a recent recombination of the role of CEO and chair; and/or departure from a structure with an independent chair. ISS will also consider any recent transitions in board leadership and the effect such transitions may have on independent board leadership as well as the designation of a lead director role.</p> <p>When considering the governance structure, ISS will consider the overall independence of the board, the independence of key committees, the establishment of governance guidelines, board tenure and its relationship to CEO tenure, and any other factors that may be relevant. Any concerns about a company's governance structure will weigh in favor of support for the proposal.</p> <p>The review of the company's governance practices may include, but is not limited to, poor compensation practices, material failures of governance and risk oversight, related party transactions or other issues putting director independence at risk, corporate or management scandals, and actions by management or the board with potential or realized negative impact on shareholders. Any such practices may suggest a need for more independent oversight at the company thus warranting support of the proposal.</p> <p>ISS' performance assessment will generally consider one-, three-, and five-year TSR compared to the company's peers and the market as a whole. While poor performance will weigh in favor of the adoption of an independent chair policy, strong performance over the long term will be considered a mitigating factor when determining whether the proposed leadership change warrants support.</p>	<p>General Recommendation: Generally vote for shareholder proposals requiring that the board chair position be filled by an independent director, taking into consideration the following:</p> <ul style="list-style-type: none"> ▪ The scope and rationale of the proposal; ▪ The company's current board leadership structure; ▪ The company's governance structure and practices; ▪ Company performance; and ▪ Any other relevant factors that may be applicable. <p>The following factors will increase the likelihood of a "for" recommendation:</p> <ul style="list-style-type: none"> ▪ A majority non-independent board and/or the presence of non-independent directors on key board committees; ▪ A weak or poorly-defined lead independent director role that fails to serve as an appropriate counterbalance to a combined CEO/chair role; ▪ The presence of an executive or non-independent chair in addition to the CEO, a recent recombination of the role of CEO and chair, and/or departure from a structure with an independent chair; ▪ Evidence that the board has failed to oversee and address material risks facing the company; ▪ A material governance failure, particularly if the board has failed to adequately respond to shareholder concerns or if the board has materially diminished shareholder rights; or ▪ Evidence that the board has failed to intervene when management's interests are contrary to shareholders' interests.

Redlined = deleted; green = added

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