

CGLytics Remuneration Analysis FAQs

What is the CGLytics Remuneration Analysis and how is it used?

Glass Lewis has partnered with CGLytics to deliver market-leading analysis of CEO pay and company performance over three years for key European indices. The charts displayed in the Glass Lewis Proxy Paper provide an additional point of reference for understanding the alignment between realised company pay and corporate performance over several years relative to peers. The analysis does not produce a score and does not determine Glass Lewis' voting recommendations, although it is an additional input into our analysis of pay for performance.

Glass Lewis and CGLytics welcome your feedback on the Remuneration Analysis. We will continually fine-tune the analysis and plan an update in the second half of 2018 based on your feedback. Please submit feedback to info@glasslewis.com and support@cglytics.com.

Which companies are included?

For 2018, the Remuneration Analysis page will be added for the following indices, with additional indices to be added in future.

ATX (Austria)
BEL 20 (Belgium)
CAC 40 (France)
CAC Next 20 (France)
CAC Mid 60 (France)
DAX (Germany)
TecDAX (Germany)
MDAX (Germany)
FTSE MIB (Italy)
AEX (Netherlands)
AMX (Netherlands)
OBX (Norway)
PSI-20 (Portugal)
IBEX 35 (Spain)
OMX Stockholm 30 (Sweden)
SMI (Switzerland)
FTSE 100 (United Kingdom)
FTSE 250 (United Kingdom)

The CGLytics Remuneration Analysis has been included for companies in these indices with meeting dates after 20 April, 2018. Companies that do not provide adequate, timely disclosure to determine remuneration amounts are not included.

How are the peer groups constructed?

CGLytics peer groups have been constructed in collaboration with Glass Lewis for European listed companies to benchmark remuneration levels and review pay for performance alignment. For each company, two peer groups have been composed, Country and Sector, with each containing 10 appropriate peer companies. The metrics for determining best fit peer companies are: GICS, market capitalization, revenues, employees and asset base. Managed assets are favoured over revenue for companies operating in the financial services sector. To refine the peers from the industry, those that are within a reasonable size range of the company market capitalization is included. A range of .5x to 3x of the company's market size have been included. Companies with less than 2 years trading are excluded even when they are perceived as strong fit. CGLytics peers are updated in February and August. Financial data to determine peer companies is based on public information, as well as information provided by third parties. For more information about CGLytics peer groups, please send an email to support@cglytics.com with your enquiry.

What does the Relative Position chart show?

The Relative Position chart show the company's relative degree of alignment for CEO pay and company performance over a three-year period, against peer companies. The companies in the shaded grey area represent an alignment between CEO pay and company performance relative to the peer group. Companies above the grey area demonstrate a misalignment between CEO pay and company TSR performance over a three period.

Do you display grant date or realised pay?

The charts displayed on Glass Lewis' Remuneration Analysis page analyse total realised pay each year for the past three years compared to performance. Base salary, short-term incentives, and other payments and benefits are recorded in respect to the fiscal year for which they were earned. Deferred and long-term incentives are recorded at vesting or exercise date to ensure a complete analysis of the actual performance outcomes relevant to the rewards. CGLytics's platform provides access to more data for outstanding and grant date value awards. For more information, please send an email to support@cglytics.com with your enquiry.

What are the key differences from Glass Lewis' Remuneration Details page for European companies?

The CGLytics Remuneration Analysis page replaces the previous Glass Lewis Remuneration Details page. The CGLytics Remuneration Analysis significantly expands the universe of companies with a quantitative analysis compared to peers in the Glass Lewis Proxy Paper. The Remuneration Analysis page also displays realised pay data over three years, providing a more meaningful long-term view of

pay and performance. It also measures Return on Invested Capital as a key performance metric.

Disclaimer

The Remuneration Analysis performed is based on CGLytics's proprietary pay for performance model. The intellectual property rights to the pay for performance model are vested exclusively in CGLytics, the brand under which AMA Partners B.V. operates and provides services. Remuneration figures are standardized and calculated by CGLytics based on information disclosed by the Company and its peers in their disclosures and proxy materials. Equity awards are normalized using the grant date share price or when not disclosed by the Company using the year end share price. The fair value for equity options are calculated based on Black-Scholes. Financial data deployed within the CGLytics pay for performance model is normalized and based on information provided by third parties. AMA Partners B.V. and/or its suppliers do not make any representation or warranty, express or implied, of any nature nor accepts any responsibility or liability of any kind with respect to the accuracy or completeness of the information contained herein arising from the use of its pay for performance model in this Proxy Paper in any manner whatsoever. CGLytics is a specialist provider for governance research and data analytics. It provides real time data and powerful analytical tools, for independent analysis of corporate governance practices of leading listed companies across the globe, in a single convenient solution. CGLytics provides a comprehensive solution for analysing company's governance risks, pay for performance alignment, board effectiveness and associated corporate governance decision making. CGLytics provides greater transparency for informed decision making, effective engagement and does not provide any type of advice or recommendation whatsoever.