



# GLASS LEWIS

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Trends and Statistics

## 2020 Engagement Review

A review of Glass Lewis' global engagement with public companies  
from July 1, 2019 – June 30, 2020

[www.glasslewis.com](http://www.glasslewis.com)



# About Glass Lewis

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Glass Lewis is the world's choice for governance solutions. We enable institutional investors and publicly listed companies to make sustainable decisions based on research and data. We cover 30,000+ meetings each year, across approximately 100 global markets. Our team has been providing in-depth analysis of companies since 2003, relying solely on publicly available information to inform its policies, research, and voting recommendations.

Our customers include the majority of the world's largest pension plans, mutual funds, and asset managers, collectively managing over \$40 trillion in assets. We have teams located across the United States, Europe, and Asia-Pacific giving us global reach with a local perspective on the important governance issues.

Investors around the world depend on Glass Lewis' [Viewpoint](#) platform to manage their proxy voting, policy implementation, recordkeeping, and reporting. Our industry leading [Proxy Paper](#) product provides comprehensive environmental, social, and governance research and voting recommendations weeks ahead of voting deadlines. Public companies can also use our innovative [Report Feedback Statement](#) to deliver their opinion on our proxy research directly to the voting decision makers at every investor client in time for voting decisions to be made or changed.

The research team engages extensively with public companies, investors, regulators, and other industry stakeholders to gain relevant context into the realities surrounding companies, sectors, and the market in general. This enables us to provide the most comprehensive and pragmatic insights to our customers.

## Join the Conversation

**Glass Lewis is committed to ongoing engagement with all market participants.**

Investors and public companies can contact Glass Lewis at any time at [engage@glasslewis.com](mailto:engage@glasslewis.com).

You can also access a wealth of free resources and tools such as thought leadership, our policy guidelines, and our engagement policy at [www.glasslewis.com](http://www.glasslewis.com).

Public companies can request a meeting, report an error, or submit filings through the Glass Lewis website. To get an overview, you can also visit the [Public Company Overview Page](#).

# About the Review

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This review shines a spotlight on Glass Lewis' 2019-2020 public company engagement efforts to further increase transparency of our role within the investment ecosystem, and provides an overview of our public company engagement initiatives, highlighting statistics, impacts, and trends.

Connecting with public companies helps Glass Lewis research analysts understand the unique industry and regulatory matters affecting public companies and the shareholders who invest in them.

## Short on Time? Click Below & Skip Ahead



**Meetings &  
Engagement Policy**

Pg. 5



**Public Company  
Interviews**

Pg. 9



**Research Analyst  
Interviews**

Pg. 14



**Knowledge Sharing &  
Networking**

Pg. 20



**Issuer Data  
Report**

Pg. 26



**Report Feedback  
Statement**

Pg. 27

# The Glass Lewis Engagement Process



# Meeting with Our Research Experts

We believe discussions with public companies at the appropriate time fosters mutual understanding and promotes better disclosure for shareholder consideration.

Glass Lewis strives to facilitate as many meetings as possible each year. We encourage and welcome public companies and their representatives to request meetings via our engagement team or by visiting our [Meeting Request page](#).

Per our [engagement policy](#), Glass Lewis primarily engages with companies outside each market's respective proxy season. All requests are considered on a case-by-case basis.

Due to the unique nature of M&A transactions, contests and other special situations, engagements with our specialist M&A and ESG research teams are generally scheduled following the publication and review of meeting materials. To maintain fairness, we always offer both sides the same opportunity to engage on special resolutions.

## General Engagement Meetings

- Before a company discloses meeting materials
- Outside the research teams' busy proxy season\*
- First-come, first-served

## Contested and M&A Engagements

- Generally after publication of meeting materials
- Equal opportunity afforded to all sides
- Case-by-case basis, as appropriate

**1,500+**

Meetings Held

**1,300+**

Companies Met

**40+**

Countries Covered

**20+**

Languages Spoken

*\*Glass Lewis' research teams engage most often outside of their the busy writing seasons: March 1-July 1 for Asia (excluding India), EMEA, Latin America, North America; June 1-October 1 for India; August 1-January 1 for Australia.*

# Glass Lewis Around the World

## Engagements and Meetings

**1,500+**

Engagements

**650+**

EMEA

**550+**

Americas

**350+**

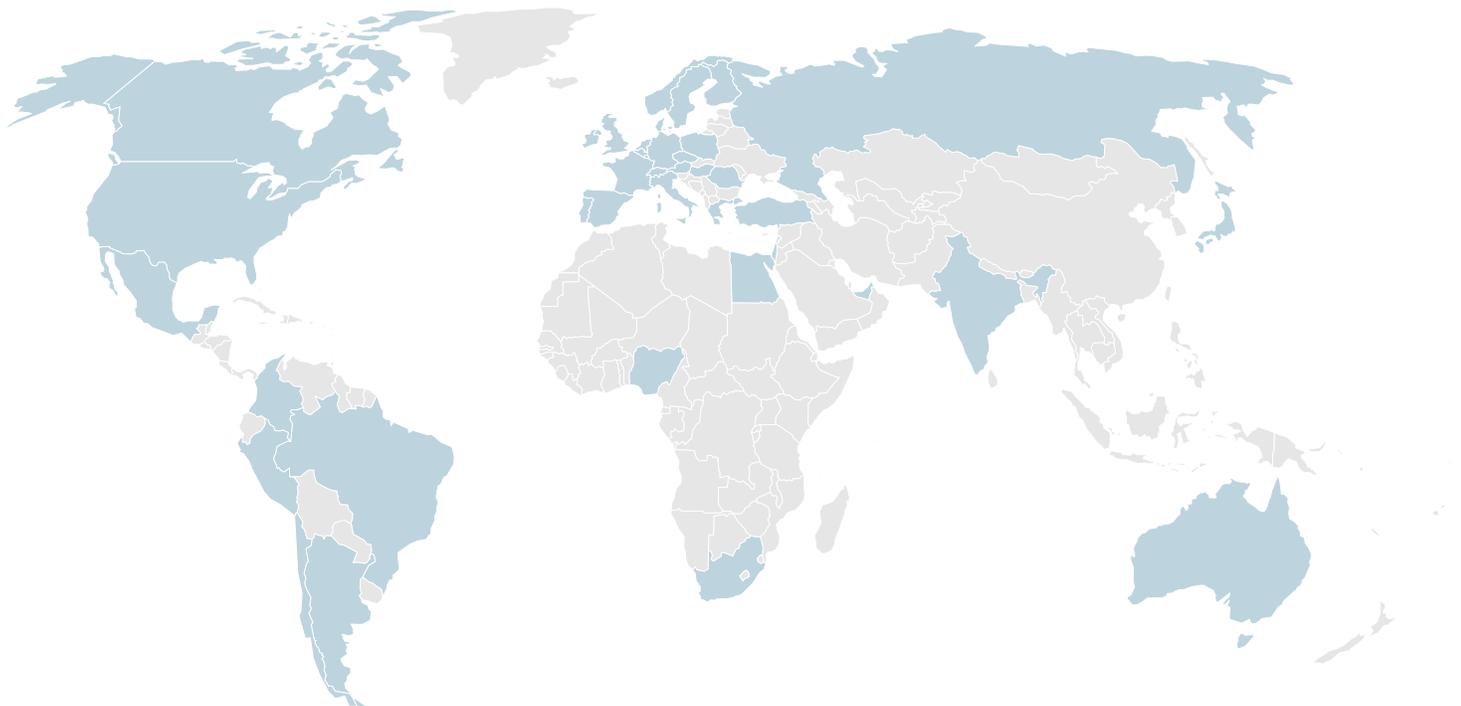
Asia Pacific

**400+**

In-person Meetings

**1,100+**

Teleconferences



## In-Person Meetings

Australia	England	Greece	Japan	Sweden
Austria	Finland	Ireland	Netherlands	Switzerland
Belgium	France	Israel	Norway	Turkey
Canada	Germany	Italy	Spain	United States
Denmark				

# What We're Talking About



**1,000+**

Executive Compensation



**900+**

Board Related Topics



**400+**

E&S Topics



**100+**

Contested/M&A Proposals

## Want to Know More?

Visit our blog [Click Here](#) | Visit our Special Reports Page [Click Here](#)

Access thought leadership pieces such as:

- **New Rules for ESG**
- **Under the Microscope *talking with biopharma***
- **E&S Metrics in Executive Compensation**

*Glass Lewis does not provide governance overlay services and we are not empowered by clients to negotiate on their behalf for specific changes to any company's practices or structures. Our research is based solely on publicly available information to ensure clients have access to all relevant information and are fully empowered to make informed voting decisions, while minimizing potential conflicts of interest. Glass Lewis does not guarantee the outcome of any pending analysis or recommendations and analysts do not provide any information about clients' voting patterns.*

# ESG Conversations



**Our conversations on ESG issues help us to stay ahead of evolving issues that are critical to shareholders.”**

**Courteney Keating**

Senior Director, Environmental, Social & Governance Research

## The Goal

When Glass Lewis reviews shareholder initiatives, our goal is to determine whether adoption of the resolution would, over the long term, benefit companies by helping them to mitigate financial risk or seize accretive opportunities.



## Human Capital Management

Companies, buoyed in their efforts by a significant investor focus on human capital management, have been working to provide meaningful disclosure about how they are considering and managing related issues. However, as there is currently no commonly-accepted standard for disclosure on this issue, many public companies have struggled with how to best communicate their efforts. Particularly in light of the COVID-19 pandemic and the recent attention on issues of systematic racism, our expectation is that this is an area that will continue to gain importance for both investors and companies.



## Climate Change

Climate change continues to be a prominent topic of engagement between public companies and investors, with many of these discussions focused around how companies are mitigating environmental impacts and managing attendant risks. In recent years, investors have grown increasingly sophisticated in their understanding of climate change, and, on a global basis, are often asking for more disclosure and action on this issue. During the 2020 season, we saw notable support for climate-related proposals at Ovintiv, JPMorgan, Mizuho Financial and Woodside Petroleum, among others.

# Dixons Carphone Warehouse plc



**The meeting [with Glass Lewis] provided helpful context on expectations for Environmental, Social and Governance reporting as well as practical suggestions....”**

## **Nigel Paterson**

General Counsel and Company Secretary



### **What is your company’s general approach to stakeholder engagement?**

The Board values opportunities to engage with our stakeholders to understand their views and respond to any questions they may have. Each year, Dixons Carphone contacts all of our major shareholders and offers a meeting with their choice of the Chair of the Board, Chair of the Audit Committee or Chair of the Remuneration Committee. In 2019/20 these meeting invitations were sent to shareholders representing 70% of the issued share capital. All shareholders are able to submit any questions throughout the year to the company secretariat or investor relations teams as appropriate. We also meet with proxy advisory firms and industry representatives.

Our customers, our colleagues, our suppliers and the wider community in which we operate are our other key stakeholder groups. Responsibility for how and when we engage with each of our stakeholder groups is assigned to the appropriate forums and colleagues within our business but in all cases, there is reporting back to the Dixons Carphone plc Board.

### **What prompted you to hold an engagement meeting with Glass Lewis this year?**

We were keen to understand the areas of focus for Glass Lewis in the current proxy season. If there is specific information that is of interest to our stakeholders, we will seek to include it in a prominent place in our annual report.

### **What insights did you take away from your meeting?**

The meeting provided helpful context on expectations for Environmental, Social and Governance reporting as well as practical suggestions. We also had an informative discussion on the emerging practice for companies to include ESG related measures within incentive plans.

### **Going forward, how does Glass Lewis fit into your stakeholder engagement plans?**

We hope to continue to have a regular dialogue with Glass Lewis. We are keen to maintain our understanding of the issues that are important to our stakeholders.

# F.N.B. Corporation



**...engagement is a year-long pursuit which entails an open and two-way dialogue with our various stakeholders for the purpose describing and receiving feedback on our long-term responsible growth & business strategies, compensation philosophy, governance processes and equitable employee practices.”**

## James Orié

Chief Legal Officer and  
Corporate Secretary



F.N.B. Corporation

### What is your company's general approach to stakeholder engagement?

F.N.B. Corporation's (F.N.B.) approach to stakeholder engagement is premised on our commitment to build and maintain the trust of our shareholders, employees and communities. Accordingly, F.N.B.'s stakeholder engagement is a year-long pursuit which entails an open and two-way dialogue with our various stakeholders for the purpose describing and receiving feedback on our long-term responsible growth and business strategies, compensation philosophy, governance processes and equitable employee practices.

### What prompted you to organise/accept an engagement meeting with Glass Lewis this year?

As a "proxy" for the various interests and perspectives of institutional investors and as a leader in promoting "best in class" governance, compensation and corporate responsibility practices, Glass Lewis offers valuable insight and understanding of the public company practices which are important to these investors.

### What insights did you take away from your meeting with our research team?

F.N.B.'s annual interactions with Glass Lewis offers our Board and executive management important institutional investor perspectives regarding governance, corporate responsibility, executive compensation and disclosures matters.

### Going forward, how does Glass Lewis fit into your stakeholder engagement plans?

F.N.B. will continue to engage with Glass Lewis representatives since we have found that these engagements offer us valuable insight into institutional shareholder perspectives, public company best practices and emerging trends regarding governance, executive compensation, corporate responsibility and disclosure transparency considerations.

# EROAD

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**Glass Lewis has a wealth of information on corporate governance and best practice which we love tapping into in order to continue to improve our engagement and processes.”**

## **Mark Heine**

EVP, General Counsel



**EROAD**

### **What is your company’s general approach to stakeholder engagement?**

EROAD really enjoys speaking to its stakeholders and each year we proactively reach out to various groups to obtain feedback on what is going well, what EROAD can improve and what are the key concerns of our stakeholders.

### **What prompted you to organise/accept an engagement meeting with Glass Lewis this year?**

We see Glass Lewis as a key partner who we engage with each year. Glass Lewis has a wealth of information on corporate governance and best practice which we love tapping into in order to continue to improve our engagement and processes.

### **What insights did you take away from your meeting with our research team?**

The heightened focus of stakeholders on risk and the importance of being proactive here. It was great to hear that EROAD was seen as taking a leading stance on its risk appetite.

### **Going forward, how does Glass Lewis fit into your stakeholder engagement plans?**

We will continue to speak at least annually with Glass Lewis.

## AJ Bell plc

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**Following our IPO in December 2018, the Board more formally identified the Company's key stakeholders ... establishing a structured programme of engagement with them ... designed to ensure that the Board is aware of their views and can take them into account as part of its decision-making processes."**

### Shaun Yates

Head of Investor  
Relations



#### What is your company's general approach to stakeholder engagement?

AJ Bell's Board recognises the importance and benefits of engaging with shareholders and other stakeholders, and has a strong history of doing so. Following our IPO in December 2018, the Board more formally identified the Company's key stakeholders with a view to the business establishing a structured programme of engagement with them. This programme comprises a variety of engagement types across the different stakeholders and is designed to ensure that the Board is aware of their views and can take them into account as part of its decision-making processes.

#### What prompted you to organise/accept an engagement meeting with Glass Lewis this year?

Ahead of our first AGM as a listed company, we engaged with Glass Lewis for two main reasons: to help build an understanding of Glass Lewis' approach to engagement with companies, how they form their voting recommendations and what areas they felt were particularly material for investors; and, to explain our new Directors' Remuneration Policy, in particular the reason for certain non-standard elements, as it was being voted on by shareholders for the first time.

#### What insights did you take away from your meeting with our research team?

The meeting gave us a much better understanding of Glass Lewis' approach to engaging with companies and who the key contacts are for us. It also helped us to understand areas of particular focus ahead of our first AGM. Following our first meeting, we had a much better sense of how certain resolutions would be received by shareholders—in particular with respect to our Directors' Remuneration policy—which provided useful insight for the AJ Bell Board.

#### Going forward, how does Glass Lewis fit into your stakeholder engagement plans?

We know that many of our shareholders use Glass Lewis' research and recommendations to support their voting decisions at the AGM. We therefore want to ensure that Glass Lewis are kept informed with the latest developments within our business, particularly with respect to material items voted on by shareholders, and will look to engage with them at least annually before our AGM notice is circulated.

# Barrick Gold Corporation



**As part of our stakeholder engagement program we have been meeting regularly with Glass Lewis since 2014.”**

## **Darian Rich**

Executive Vice-President, Talent Management



### **What is your company’s general approach to stakeholder engagement?**

We believe that a modern mining company must integrate environmental, social and economic considerations into all its business decisions and implement these in a responsible partnership with its stakeholders. Our partnership engagement methods have been tailored to the needs of our various stakeholder groups and range from presentations, mass meetings, townhalls with our CEO, site meetings with employees to one-on-one meetings with investors. Barrick’s board has adopted a formal shareholder engagement policy which facilitates an open dialogue between the board and the company’s stakeholders. It receives periodic updates on stakeholder communications and responds to or meets with them when appropriate. It is our policy that the Barrick board visits at least one of our operations annually and that the executive leadership team, including the CEO, visits each of our operations quarterly. Our CEO and the regional executives also meet with our workers, community leadership and local and national elected leaders at least twice a year in each country.

### **What prompted you to hold an engagement meeting with Glass Lewis this year?**

As part of our stakeholder engagement program we have been meeting regularly with Glass Lewis, since 2014. These meetings provide a forum in which we can explain changes and answer questions. Since the merger of Barrick with Randgold Resources in 2019, it has also given us the opportunity to be clear about Barrick’s new sustainability and governance principles and goals.

### **What insights did you take away from your meeting?**

It gave us a valuable insight into Glass Lewis’s expectations.

### **Going forward, how does Glass Lewis fit into your stakeholder engagement plans?**

Based on our partnership philosophy, we intend to maintain a constructive dialogue with Glass Lewis on ESG and other issues as we do with other proxy advisory agents.

# Australia



## Philip Foo

Director of Research, CGI Glass Lewis

*Based in Sydney, Australia*

*Market coverage includes:*



*Australia*



*New Zealand*

## 240+

Meetings in Australia

## 80%

ASX100 Engaged



**We have a primary focus on digging into bespoke company issues; complaints we have raised in our previous coverage and controversies playing out in the public arena.”**

Boards in our region have some of the highest rates of stakeholder engagement in the world and CGI Glass Lewis runs one of the most comprehensive listed company engagement programs in our market. Due to the high rates of engagement, our team of analysts work off a dedicated coverage list and have really benefited from becoming familiar with the company directors they cover.

During engagements, we have a primary focus on digging into bespoke company issues, complaints we have raised in our previous coverage, and controversies playing out in the public arena. We also solicit feedback on our policy guidelines and seek viewpoints from across the marketplace.

Understanding board dynamics, what the board is trying to achieve, and what role individual directors play brings immense value and insight, allowing our analysts to write more informed proxy papers.

Companies have told us that they get real value in hearing our perspectives, which give them a sense of the market sentiment towards issues. Companies get a sense of our voting policies and guidelines and where they might run afoul of best practice. They also appreciate the opportunity to explain practices or structures that are less conventional.

# Germany



## Anke Sanger-Zschorn

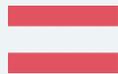
Director of Research, IVOX Glass Lewis  
Languages spoken: German, English (fluent);  
Spanish, French (basic)

*Based in Karlsruhe, Germany*

*Market coverage includes:*



*Germany*



*Austria*



*Switzerland*

## 70+

BVI-Related Meetings

## 80%+

Engaged in German



**Our Spring 2020 engagements provided a lot of insight about how issuers approached the options available to them as a result of COVID-19 emergency legislation.”**

The level of engagement we have with companies in Germany is a result of many years of continuous networking. Whilst some issuers are reluctant to speak, we’ve found those who have done so turn into “regulars”—proactively seeking engagement with us year after year. Oftentimes, we will combine issuer engagements with the Glass Lewis research team. Taking this collaborative approach provides companies with the opportunity to speak to us at the same time, especially when there is a need to explain complex issues. Separate engagement on the other hand allows for increased awareness of the difference between IVOX Glass Lewis’ [BVI guidelines](#) and Glass Lewis policy guidelines, and helps companies better understand our individual approaches to research.

Our markets saw an increase in remuneration reviews this year as a result of SRD II and the new

German Corporate Governance Code, which was fully applicable from March 20, 2020. As a result of the new Code and SRD II being released rather late, in view of the upcoming season, a considerable number of German issuers decided to undergo a final review and postponed a consultative vote on remuneration from 2020 to 2021.

Our Spring 2020 engagements provided a lot of insight about how issuers approached the options available to them as a result of [COVID-19 emergency legislation](#). We found most companies availed of the option to postpone the meeting to a later date and to hold a virtual meeting. Convocation times varied between 21 and 30+ days, with a majority of companies asking for questions to be submitted by shareholders up to two days prior to the meeting.

# Japan



## Naoko Ueno

VP, Asian Research

Languages spoken: Japanese, English

*Based in Tokyo, Japan*

*Market coverage includes:*



*Japan*



*China*



*Taiwan*

## 70+

Meetings in JPN

## 130+

IDR Participants



**...companies setting gender diversity policies appoint more female directors; however, there is still a gender issues deeply rooted in society, beyond governance policies.”**

We've seen an increased level of interest in engagement from the issuer community since opening our new office in Tokyo. We hope this continues to grow as we strive to ensure Japanese companies better understand our approach to research and the meaning of our policies.

There are no say on pay related proposals in the Japanese markets; therefore, agendas and discussions often focus on the board composition and general corporate governance issues. Our meetings happen most often with executive directors or investor relations teams; companies will rarely bring independent directors to engagements.

Over the past number of years, we've seen companies make year-on-year efforts to improve their corporate governance practices i.e. increased number of independent directors, appointing female directors, etc. From an international standard, practices are not yet sufficient, and we often highlight non-Japanese investor trends to encourage increased alignment with global best practice. Notably, we've observed that companies setting gender diversity policies appoint more female directors; however, there is still a gender issue deeply rooted in society, beyond governance policies.

# France



## Patrick Fiorani

Research & Engagement Specialist  
Languages spoken: English, French, Italian

*Based in Paris, France*

*Market coverage includes:*



*France*



*Belgium*



*Italy*

## 70+

Meetings in FRA

## 50%

In-Person Meetings



**Keeping our finger on the pulse of market updates, and engaging with issuers regarding their understanding of these, allows us to better clarify our approach to the ever-changing regulatory landscape....”**

Although there is no substitute for direct engagement with one’s own shareholders, our engagement with public companies enables them to better understand the kind of investor expectations that drive Glass Lewis’ policy and recommendations.

We discuss past or future changes to a company’s corporate governance and executive remuneration practices with companies. They often seek input regarding the level and type of disclosure required to provide shareholders with a full understanding of the changes they wish to implement. Additionally, our previous reports on the company are often on the agenda. This kind of conversation helps to highlight our key concerns and demonstrate the practical application of our guidelines to the issuer’s specific situations.

Each significant legislative change means the following proxy seasons presents novelties, as issuer interpretations of new requirements vary. Keeping our finger on the pulse of market updates, and engaging with issuers regarding their understanding of these, allows us to better clarify our approach to the ever changing regulatory landscape, before each season begins. For example, our continuous engagement with French issuers, throughout 2019, meant our research team was primed to understand and evaluate each issuer’s application of governance changes made possible or required following full implementation of the PACTE and Soilihi laws, and SRD II.

# United Kingdom



## Bernadette O'Donoghue

Lead Research Analyst

*Based in Limerick, Ireland*

*Market coverage includes:*



*United Kingdom*



*Ireland*

## 150+

Meetings in UK & IRL

## 86%

Focused of remuneration



**...our meetings helped contextualise companies' decision-making and allowed us to encourage robust disclosure for shareholder consideration."**

The UK is our most established market for engagement in Europe and was particularly important in the past fiscal year, which saw significant changes in the UK governance landscape.

In July 2018, the FRC published a revised Corporate Governance Code for companies with fiscal years starting on or after January 1, 2019; several companies were required to comply or explain against the code in respect of FY2019. Further, as part of their triennial review, over 60% of FTSE 350 companies submitted their remuneration policies for shareholder approval at the 2020 AGM.

As we base our research solely on publicly available information, our meetings helped contextualise companies' decision-making and allowed us to encourage robust disclosure for shareholder consideration.

Major changes to the Code focused on corporate culture, stakeholder engagement and board composition, and we often discussed wider workforce considerations, including methods companies intended to adopt to ensure workforce engagement—a new focus for many UK companies.

A large portion (86%) of our engagements focused on executive remuneration updates. Engaging with companies during their stakeholder outreach allowed us to outline our policies and we focused discussions on the adoption of best-practice structural features, like post-cessation holding requirements and aligning pension contributions with the wider workforce.

## USA

**Crystal Milo**

Director of U.S. Research

*Based in California, USA**Market coverage includes:*

USA

**430+**

Meetings in USA

**690+**

IDR Participants



**...companies are increasingly expanding beyond the traditional practice of only considering people within their networks and are instead engaging with search firms to provide them with diverse director candidates.”**

The sheer size of the U.S. market is one of its most distinctive characteristics and issuer engagements are a very helpful tool to ensure our research and recommendations contain nuance and a deep understanding of the critical issues facing companies.

The insight gained through our engagements is particularly valuable when we are evaluating the impact of our policies on different companies and industries. For example, prior to the 2020 proxy season, we initiated targeted engagements with pre-revenue stage biopharmaceutical companies. The knowledge we gained in these meetings has resulted in enhanced analysis and a more considered approach to our recommendations on the board of directors and on executive compensation matters at these firms.

One of the more pressing issues facing the U.S. market is board diversity. Driven perhaps by a growing focus from investors, many of which have voting policies that encourage the appointment of diverse directors, companies have made significant strides to ensure broad diversity amongst directors. On the whole, companies are increasingly expanding beyond the traditional practice of only considering people within their networks and are instead engaging with search firms to provide them with diverse director candidates. Given this focus from both companies and their investors, we anticipate continued growth in the diversity on boards in the coming years.

# Knowledge Sharing & Networking

Glass Lewis' research team actively engages throughout the year by joining conferences and webinars held across the world. Our teams attend and participate at conferences annually to develop their expertise, share their perspectives with audiences, and increase their understanding of emerging trends.



Glass Lewis' research team presented at

**73%** of the conferences attended.

## Events by Market



**31**

North America



**43**

EMEA



**9**

APAC

## Topics Covered by Glass Lewis Presenters



POLICY



SHAREHOLDER  
ENGAGEMENT



ESG



GOVERNANCE



REMUNERATION

# Knowledge Sharing & Networking

CGI Glass Lewis & Guerdon  
Associates Annual  
Governance & Remuneration  
Forum 2020

## Sydney, Australia

CGI Glass Lewis co-hosts a forum on governance and executive remuneration with Guerdon Associates in Australia each year. This year in Sydney, panel topics included the use of board discretion over executive pay outcomes, the identification and management of non-financial risks and the standards of conduct expected of corporate Australia by the broader community. A presentation was also given over the ASX300 AGM voting outcomes for 2019. Panellists and audience members included company regulators, institutional investors, non-executive directors and executives.

Responsible Investment  
Association Australasia 2019  
Annual Conference

## Auckland, New Zealand

Daniel Smith, General Manager APAC for CGI Glass Lewis, was a panellist at the Responsible Investment Association Australasia's annual conference in Auckland in September 2019. The panel was on active ownership and involved a discussion on how to use the full responsible investment toolkit, including voting, engagement and shareholder resolutions, to influence corporate behaviour and improve responsible investment outcomes. There were approximately 200 attendees, with some investor relations professionals representing NZ-listed issuers.

Japan Institute of Business  
Law 2019 Conference

## Tokyo, Japan

The Japan Institute of Business Law organized an event in December 2019 to discuss institutional investors' voting guideline trends, international corporate governance practices, and current regulatory updates in Japan. Naoko Ueno, Vice President of Glass Lewis' Asian Research, participated in a panel discussion with representatives of Goldman Sachs Asset Management and Sumitomo Mitsui Trust Asset Management, as well as one of the big four law firms in Japan, Mori Hamada & Matsumoto, providing cross-industry perspectives on emerging trends and regulatory requirements.

# Knowledge Sharing & Networking

IVOX Glass Lewis & IHS  
Markit Symposium 2020

SWIPRA Corporate  
Governance Dialog

Swedish Corporate  
Governance Board  
Conference

## Frankfurt, Germany

IVOX Glass Lewis has hosted annual governance conferences for many years. In January 2020, the conference was held in collaboration with IHS Markit, focusing on the core topics anticipated for the 2020 season. Speeches and panel discussions dealt with shareholder activism & active ownership, ESG integration, SRD II and the new German Corporate Governance Code. Glass Lewis and IVOX Glass Lewis BVI (German investors' association) policy guidelines for the German market were presented to highlight the different approaches to policy by investors. Participants were well-known industry members including investors, activist shareholders and members of the German Code Commission as well as issuers and various ESG experts.

## Zurich, Switzerland

Glass Lewis was an official supporter of this annual event in 2019, bringing together board members and executives of listed companies and corporate governance specialists of institutional investors. Andrew Gebelin, Glass Lewis' VP of Research, Engagement & Stewardship, moderated a panel that explored the changing nature of engagement in Switzerland and Europe, with a particular focus on shareholder activism, ESG, and compensation. The panellists, including the chair of Sunrise Communications and representatives of Norges Bank Investment Management (NBIM) and State Street Global Advisors, provided fascinating examples of how engagement had impacted critical decisions at their respective firms.

## Stockholm, Sweden

The Swedish Corporate Governance Board organised a conference around the 2019 revision of the Swedish Corporate Governance Code following the implementation of the EU Shareholder Rights Directive. Glass Lewis' Lead Analyst for the Nordic Markets, Matti Jaakkola, participated in a panel discussion with the representatives of institutional investors Blackrock, NBIM and GIC to provide the audience of Nordic issuers and governance professionals an international perspective on Swedish corporate governance and where the focus of issuers and regulators will be in the future. Matti offered his views particularly on challenges in relation to the limited public disclosure in Nordic markets.

# Knowledge Sharing & Networking

## Equiniti Share Registration Conference

### London, UK

In October 2019, Glass Lewis' Lead Analyst for UK & Ireland, Bernadette O'Donoghue, participated in a panel discussion, hosted by Equiniti and focused on the expectations of companies ahead of the 2020 AGM season. The panel also included representatives of Barclays Corporate Broking, RD:IR, Boudicca, and the London Stock Exchange, who provided an overview of the anticipated trends for the 2020 proxy season to an audience of UK plc company secretaries. Bernadette discussed trends relating to executive remuneration, gender diversity, and Glass Lewis' engagement policies, outlining the importance of early engagement with shareholders and robust public disclosure.

## Executive Compensation and Benefits Conference

### Amsterdam, Netherlands

In September 2019, Glass Lewis' Research and Engagement Specialist for Continental Europe, Patrick Fiorani, presented to the Annual Executive compensation & benefits Summit in Amsterdam. Patrick presented the Glass Lewis approach to executive compensation analysis to the leading industry professionals in Europe and answered questions about Glass Lewis' methodologies. Other speakers included senior Compensation and Benefits figures from a number of blue-chip European issuers, including AstraZeneca, Unilever and Vodafone.

## IHS Markit and Glass Lewis Governance Briefing

### Paris, France

Glass Lewis and IHS Market hosted a briefing dedicated to ESG and shareholder activism in Paris in the fall of 2019. The morning was kicked off by Glass Lewis' senior French analyst Irene Bucelli, who went through the key takeaways from the 2019 proxy season and highlighted a number of French governance trends. The first panel, which explored shareholder activism in the French context, brought together investors, issuers, and one of France's foremost lawyers to activists, and was moderated by Glass Lewis' European Engagement Specialist Patrick Fiorani. The lively exchange highlighted key issues of focus, and activists engaged with one another through discussion of recent French examples. A follow-up discussion examined the state of play of ESG analysis and ratings in Europe.

# Knowledge Sharing & Networking

Preparing for 2020 Proxy Season, hosted by CIRI and the TSX Trust

Silicon Valley CFO Roundtable, hosted by CCI, Inc.

SASB Symposium

## Toronto, Canada

Held in November, this was the fifth iteration of an annual pre-season lunch held to prepare issuers and their advisors for the 2020 proxy season. The panel participants were representatives from Glass Lewis, ISS, and an investor perspective—RBC GAM.

Julian Hamud provided the Glass Lewis policy guideline updates and fielded questions on these and new Glass Lewis compensation methodologies. Other discussion topics were: the growing importance of environmental disclosure, institutional investors' processes for proxy voting, and best practices for engaging shareholders.

## San Jose, USA

CCI, Inc. brings together senior executives and board members of companies into roundtable discussions of relevant challenges and issues. At the Silicon Valley CFO Roundtable, hosted by CCI in July 2020, Kern McPherson presented to the group on emerging trends in U.S. corporate governance and engagement, observations from the 2020 proxy season, and the changing landscape of ESG investing. Participants were especially eager to hear how Glass Lewis considers the unique governance challenges facing the technology sector. The roundtable participants included two dozen CFOs from Silicon Valley-based companies of all sizes.

## New York, USA

In December 2019, Glass Lewis' COO, John Wieck participated in a panel on building an infrastructure for scalable ESG integration. The discussion looked at how organizations in the capital markets can play a structural role in supporting the growth of ESG integration at scale. Glass Lewis provided insights on how clients were integrating ESG considerations into voting decisions. We also discussed how we use SASB to evaluate materiality and to allow Glass Lewis clients to gain additional insight into financially relevant factors when they are making voting decisions.

# Knowledge Sharing & Networking

Berkeley Sustainable  
Business and  
Investment Forum

SRI Conference

Harvard Law School  
Corporate Governance  
Virtual Roundtable Series

## San Francisco, CA

In October 2019, Glass Lewis' Senior Director of ESG Research, Courteney Keatinge, moderated a panel on how shareholders are responding to the #MeToo movement and incorporating other human capital management issues into their investments and engagements. With representatives from asset managers and pension funds, the panel touched on why it is important for investors to be considering human capital management and how they can operationalize their focus on corporate culture.

## Colorado Springs, USA

In November 2019, Glass Lewis participated in a panel focused on investor engagement on climate change. The panelists discussed specifics of what and how investors are engaging on climate risk and provided insight into emerging issues that would likely play out in the 2020 proxy season. Courteney Keatinge discussed trends in environmental shareholder proposals as well as insight into how investors were incorporating climate-related issues into their proxy voting decisions.

## Online (Cambridge, USA)

In July 2020, Glass Lewis participated in a virtual discussion regarding the COVID-19 crisis and how it has impacted hedge fund activism. The discussion, moderated by Professor Lucian Bebchuk, posed the question of whether activists should take a break from targeting companies during these uncertain times, and considered the adoption of poison pills by issuers in response to the pandemic and dramatic stock price declines. Jason McCandless, Senior Director, M&A and Contested Meetings, spoke to Glass Lewis' perspective and how activists don't all have to stand down in periods of disruption, emphasizing how activism can help a company in uncertain times when boards and investors have common goals.

# Issuer Data Report (IDR) Program: Pre-Publication Data Review Service

The Issuer Data Report (IDR) program is Glass Lewis' free service enabling registered companies to review key data points used by Glass Lewis in our analysis, in advance of our research analysts publishing the Proxy Paper.



The IDR is deliberately limited to data and relies on facts to avoid:

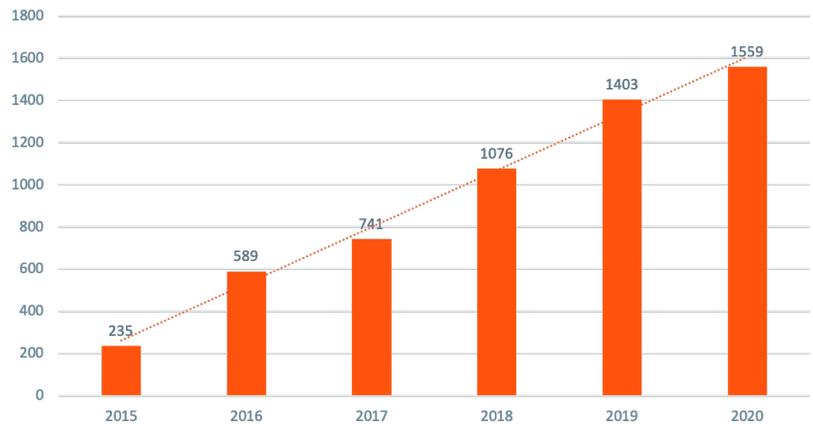


time-consuming and unproductive debate about methodologies or resulting recommendations; and,



conflict of interest

## IDR Registration Growth



Offered to companies in over 25 countries with Hungary, Czech Republic, Cyprus and Malaysia added in 2019-2020.

# Report Feedback Statement (RFS)

Launched as a pilot program in 2019, the Report Feedback Statement (RFS) is an innovative offering giving subject companies and proponents the opportunity to express their opinions in response to Glass Lewis analysis and voting recommendations. In April 2020, the program was expanded globally and has seen significant uptake in the United States, Canada, Europe, Australia and Japan.

## 10 Key Areas of Value



### GLOBAL

Available for all meetings (AGMs & EGMs).



### TIMING

Up to 7 days to respond without delaying research timeliness.



### UNCONTESTED

We don't edit feedback or include competing statements.



### ACCURACY

Errors corrected, even if company is unable to pre-screen data.



### INTEGRATED

Included with the report allowing investor to compare opinions.



### COST

No extra cost; included with the purchase of our Proxy Paper.



### DELIVERY

Clients notified by email; access on voting & research platforms.



### ENGAGEMENT

All parties equally informed, saving time and resources.



### VOTING

Allows sufficient time and ability to make or change voting decisions.



### CONSISTENCY

Research without feedback removed from view.

# Report Feedback Statement (RFS)

**“The RFS provided the opportunity for us to directly send out our important message.”**

**Kentaro Amikura**

General Manager,  
Toshiba Corporation

July 20, 2020

**Dear Shareholders,**

At Toshiba’s upcoming Ordinary General Meeting of Shareholders for the 181<sup>st</sup> Fiscal Period, to be held on July 31, you will be asked to make an important decision about our Board of Directors. To protect the value of your investment, we urge all shareholders to support exclusively our slate of Board nominees and vote against shareholders’ slates. We are confident that our nominees are best suited to provide independent oversight of the continued execution of the Toshiba Next Plan, the company’s five-year transformation plan, and return our great company to sustainable long-term growth and success.



**3D Investment Partners Pte. Ltd.**  
250 North Bridge Road  
#13-01 Raffles City Tower  
Singapore 179101

20 July, 2020

Dear Toshiba shareholders,

Please visit our website [www.CompoundToshiba.com](http://www.CompoundToshiba.com).

At the 181st General Shareholders’ Meeting of Toshiba Corporation (“Toshiba” or the “Company”) to be held on 31<sup>st</sup> July, 2020, we are making a shareholder proposal seeking the election of two independent directors, Allen Chu and Yuya Shimizu. We have been engaging constructively with Toshiba over the past 3.5 years, and our proposal is intended to elicit the views of all shareholders with respect to creating better corporate governance that focuses on value. As a shareholder that has



**EFFISSIMO**  
CAPITAL MANAGEMENT

**TAKASHI KOUSAKA**  
CEO, PARTNER & PORTFOLIO MANAGER  
KOUSAKA@EFFISSIMO.COM

July 21<sup>st</sup> 2020

**Effissimo Capital Management Pte Ltd (“We”, “Us”, “Our”) Responds to Certain Recommendations Made by Glass Lewis Regarding the Election of Directors.**

Glass Lewis has recommended that shareholders vote against directors Akira Takeuchi, Tadaaki Sugiyama, and Yoichiro Imai as external directors. Within the confines of the disclaimer attached to the end of this letter, We believe shareholders are better served by “For” votes for these nominees.



**We appreciated the opportunity to respond to Glass Lewis’ proxy research in the 2020 proxy season. While we ultimately disagreed with some of Glass Lewis’ conclusions, the RFS allowed us to share our views with shareholders on important governance and executive compensation issues. In the event that our opinions differ from those of Glass Lewis’ analysts in the future, we would use the RFS service again.”**

**- S&P 500 Participant**

## GIMV



**The report itself is already a useful instrument in the context of the dialogue between a listed company and its shareholders and the RFS approach further fosters this dialogue.”**

### Edmond Bastijns

Chief Legal Officer & Secretary General



Gimv

The service of the Report Feedback Statement (RFS) allows us, a listed company, to provide additional feedback after publication of the Glass Lewis Report. The report itself is already a useful instrument in the context of the dialogue between a listed company and its shareholders and the RFS approach further fosters this dialogue. As we all know, 2020 is a challenging year for everyone due to the COVID-19 pandemic, so every tool that is provided to maintain a high quality shareholder dialogue—certainly within the current circumstances—is interesting to explore.

During the 2020 AGM season, Gimv had both an annual general meeting and an extraordinary general meeting, among others to update our articles of association to the new Belgian Companies Code. In this context, the Glass Lewis report contained some technical attention points that merited further nuance and clarification. This is where the RFS came in quite handy. It allowed us to provide that extra clarification and, as such, completed the report.

The [report feedback statement] approach is very logical and simple. Glass Lewis provides their report. Factual elements can be corrected in the report itself, but feedback on more qualitative findings made by Glass Lewis can be given by the company in a separate document. The possibility for a listed company to reply on those findings brings a lot of added value for all stakeholders involved: the listed company has the opportunity to provide further clarification, the shareholders obtain a full view on what is at stake and Glass Lewis as a proxy advisor strengthens its role as a bridge between the listed company and its shareholders.

We experienced the approach of the RFS as an interesting and useful tool to provide additional clarification and nuance on top of the Glass Lewis report. As such, as of this year we have included it in our shareholder dialogue toolbox.

# Engagement efforts are managed by the following teams, based across our global offices



## North America

San Francisco, CA, USA

**Lili Mehta**, SVP, Global Head of Corporate Business  
**Emile Desjardins**, National Account Director  
**Kayla Missaggia**, Engagement Manager  
**Chris Missaggia**, Engagement Associate



## Asia-Pacific\*\*

Sydney, Australia

**Joanne Antman**, Senior Office Manager  
**Kerry Turner**, Senior Office Manager  
**Jeff Jackson**, Director of Asian Research



## EMEA, Latin America

Limerick, Ireland

**Gillian Kelly**, Engagement Associate  
**Charlotte Zhou**, Engagement Associate



## Japan, South Korea

Tokyo, Japan

**Naoko Ueno**,  
VP of Asian Research



## IVOX Glass Lewis\*

Karlsruhe, Germany

**Anke Sanger-Zschorn**,  
Director of Research

Arrange a meeting  
with the Glass Lewis  
research team

[engage@glasslewis.com](mailto:engage@glasslewis.com)

\*engagement with German and Austrian-listed companies, based on the BVI guidelines

\*\*except Japan, South Korea



# GLASS LEWIS

Corporate Website | [www.glasslewis.com](http://www.glasslewis.com)

Email | [info@glasslewis.com](mailto:info@glasslewis.com)

Social | [@glasslewis](https://twitter.com/glasslewis) [in Glass, Lewis & Co.](https://www.linkedin.com/company/glass-lewis-&-co)

## North America

### UNITED STATES

*Headquarters*

255 California Street  
Suite 1100  
San Francisco, CA 94111  
+1 415 678 4110  
+1 888 800 7001

44 Wall Street  
Suite 2001  
New York, NY 10005  
+1 646 606 2345

2323 Grand Boulevard  
Suite 1125  
Kansas City, MO 64108  
+1 816 945 4525

## Asia Pacific

### AUSTRALIA

*CGI Glass Lewis*  
Suite 5.03, Level 5  
255 George St  
Sydney NSW 2000  
+61 2 9299 9266

### JAPAN

Shinjuku Mitsui Building  
11th floor  
2-1-1, Nishi-Shinjuku,  
Shinjuku-ku,  
Tokyo 163-0411, Japan

## Europe

### IRELAND

15 Henry Street  
Limerick  
+353 61 292 800

### UNITED KINGDOM

80 Coleman Street  
Suite 4.02  
London, EC2R 5BJ  
+44 207 653 8800

### GERMANY

*IVOX Glass Lewis*  
Kaiserallee 23a  
76133 Karlsruhe  
+49 721 3549622



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