



# **Governance (formerly Blended) Policy: 2026 Updates**

January 2026

## I. Overview of Updates in 2026

Recommendations for the Governance (formerly Blended) Policy are designed to prioritize shareholder returns and implement market-standard governance practices. This policy emphasizes standard governance practices for both management and shareholder proposals. Shareholder proposals regarding environmental and social issues will generally be opposed. While this philosophy has not changed from 2025-2026, there have been changes in its implementation. This section summarizes those changes, and the next two sections outline these changes in detail.

Additionally, in 2026, regions were added to the methodology to provide additional granularity by market where needed. Some categories apply only to certain regions as the proposal is only seen in certain regions. For other categories, different tests are run in different regions based on market standards, regulatory differences, or data availability.

### **Director elections**

Recommendations for management proposals to elect a director to a board or committee now consider additional governance factors, including the presence of zombie directors on a board, the percentage of independent directors on the board, the implementation of previously approved shareholder proposals, and the presence of at least one diverse director on the board.

### **Executive compensation**

Recommendations for say-on-pay proposals continue to consider the performance of the company (as measured by TSR) compared to the total compensation of the highest paid NEO. The governance metrics considered have changed for this year to consider the presence of defined performance goals in the compensation plan and if the company responded to a prior year's low say-on-pay approval rate.

### **Corporate operations (including human resources, health, safety, and environment)**

Recommendations for these types of shareholder proposals are unchanged. New categories have been added including proposals to report on worker health and safety, to provide a human rights impact assessment, and to request the company cease or re-evaluate DEI activities.

### Procedural/Routine

No changes have been made to recommendations for procedural and/or routine proposals. A new category has been added (Approve administrative and/or procedural items) which combines many previous routine categories into one. The Policy continues to generally recommend FOR these types of proposals.

### Auditors

Recommendations for proposals to ratify an auditor's appointment use the same metrics as in 2025, with one exception: the metric that evaluates the percentile of total auditor fees relative to market capitalization is now calculated within market-cap categories to allow for more meaningful comparisons among companies of similar size. Additionally, the shareholder proposal to rotate an auditor now primarily considers the proposed rotation schedule.

### Shareholder rights

Recommendations for the elimination of preemptive rights for UK companies now includes a restriction that the disapplication of rights must be for 24% or less of shares. Additionally, proposals to establish the right to call a special meeting will generally receive an affirmative recommendation if the proposal will strengthen shareholder rights (a 10% threshold is no longer used). Additionally, management proposals categories were added with regards to adoption of an advanced notice requirement and adopting or increasing proxy access.

### Mergers, acquisitions, and restructuring

Recommendations for merger-related compensation now consider the severance package in relation to the previous year's CAP as well as the presence of excise tax gross-ups. The recommendation continues to consider if the payment is double-trigger. Proposals to redomicile will consider if the proposed domicile will provide the same or similar rights to shareholders as the existing domicile.

### Capitalization

Recommendations for management proposals to approve a share repurchase plan and to exchange debt for equity will now generally receive a recommendation FOR. Additional management proposal categories were created, including approving credit and/or debt financing and approval of capital utilization/cash management.

## II. Recommendation Changes

From the 2025 to 2026, the guiding principles of the Governance (formerly Blended) Policy have not changed. The Policy continues to emphasize market-standard governance principles, including on items with respect to director elections, executive compensation, auditor ratification, shareholder rights, and shareholder proposals.

The test or analysis that is run for certain proposal categories was updated as Egan-Jones seeks to make continuous improvements to its Policies. In the interest of transparency and clarity, every change that is made to the test run for a proposal category is documented, even if minor. The list below documents each change with an explanation of the factors considered in 2025 versus the factors considered in 2026.

### Proposals by Management | Auditor

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Ratify auditor appointment and remuneration	Emerging & Frontier Asia-Pacific, Western Europe		We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial proportion of all fees the auditor is charging the company; 2) auditor tenure < 20 years; 3) total auditor fees (universe percentile) <75th percentile; and 4) total auditor sanctions, last 10 years < 10. The purpose is to maintain some independence for the auditor.	We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial proportion of all fees the auditor is charging the company; 2) auditor tenure is less than 20 years and 3) total auditor fees (as a universe percentile according to market cap categories) <90th percentile. The purpose is to maintain some independence for the auditor.
Ratify the appointment of an auditor	World		We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial	We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			proportion of all fees the auditor is charging the company; 2) auditor tenure < 20 years; 3) total auditor fees (universe percentile) <75th percentile; and 4) total auditor sanctions, last 10 years < 10. The purpose is to maintain some independence for the auditor.	proportion of all fees the auditor is charging the company; 2) auditor tenure is less than 20 years and 3) total auditor fees (as a universe percentile according to market cap categories) <90th percentile. The purpose is to maintain some independence for the auditor.

## Proposals by Management | Capitalization

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Allot securities	United Kingdom		We generally recommend FOR because according to our policy, the allotment of shares or securities will enable the Company to capitalize on future business opportunities. This flexibility provides the Company with the ability to act promptly and strategically to business decisions, ensuring it remains competitive and well-positioned for long-term success.	We generally recommend FOR if the proposed allotted securities are no more than 33% of currently issued share capital.
Approve a share repurchase plan	Emerging & Frontier Asia-Pacific, Western Europe		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance	We generally recommend a vote FOR because according to our policy, the proposed share repurchase plan would grant the Company greater flexibility in managing its capital structure. Furthermore,

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	share repurchases are widely regarded as an effective strategy for enhancing shareholder value and financial position of companies.
<b>Exchange debt for equity</b>	World		We generally recommend FOR if the transaction is the best available option for current equity holders.	We generally recommend a vote FOR because according to our policy, the proposed exchange of debt for equity would strengthen the Company's financial position by reducing its liabilities, improving its balance sheet and enhancing its creditworthiness.
<b>Increase authorized shares</b>	Brazil		We generally recommend FOR except when one of the following conditions is met: 1) The new proposed stock is >50% of total authorized shares of common stock; 2) The increase is NOT tied to a specific transaction or financing proposal; and 3) The Share pool was NOT used up due to equity plans.	We generally recommend FOR except when one of the following conditions is met: 1) The increase is NOT tied to a specific transaction or financing proposal; and 2) The Share pool was NOT used up due to equity plans.
<b>Issue shares</b>	World		We generally recommend FOR except when one of the following conditions is met: 1) The new proposed stock is >50% of total authorized shares of common stock; 2) The increase is NOT tied to a specific transaction or	We generally recommend FOR when there is a purpose for the share issuance and when the shareholder rights on the issued shares will not be superior to outstanding shares.

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			financing proposal; and 3) The Share pool was NOT used up due to equity plans.	
<b>Re-price options</b>	World		We generally recommend FOR when the company's current share price is below the original strike price and when the new option strike price divided by the current option strike price is less than 1.2.	We generally recommend FOR re-pricing options when external and uncontrollable market factors caused the stock price to decrease.
<b>Repurchase and/or cancel shares</b>	Emerging & Frontier Asia-Pacific, Western Europe		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We recommend FOR this Proposal because, according to our policy, share repurchase/cancellation can enhance shareholder value and provide the company with flexibility in managing its capital effectively.
<b>Repurchase bonds</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an	We recommend FOR this Proposal because, according to our policy, repurchase of bonds allows the company to manage its debt efficiently, reduce interest expenses, and optimize its capital structure, ultimately supporting financial

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	flexibility and long-term shareholder value.

## Proposals by Management | Climate / Resources

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Approve the sustainability auditor	Western Europe		We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial proportion of all fees the auditor is charging the company; 2) auditor tenure < 20 years; 3) total auditor fees (universe percentile) < 75th percentile; and 4) total auditor sanctions, last 10 years < 10. The purpose is to maintain some independence for the auditor.	We generally recommend FOR when the statutory auditor passed the auditor test or when the sustainability auditor is a different auditor than the statutory auditor.

## Proposals by Management | Compensation

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Advise on executive compensation (say-on-pay)</b>	United States, United Kingdom		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price and considering the following requirements: 1) the compensation plan includes specific and defined performance metrics and 2) the company made changes to the executive compensation plan if the company received less than 70% approval on the most recent say-on-pay/remuneration policy or remuneration report vote.
<b>Advise on executive compensation (say-on-pay)</b>	World	United States, United Kingdom	We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price.

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Approve a stock compensation plan (SPAC)</b>	World		We generally recommend FOR if the plan is for the newly formed entity arising from the business combination with a special purpose acquisition company (SPAC) and the authorized share pool doesn't exceed 3% of the new entity's authorized share capital.	We generally recommend FOR if the plan is for the newly formed entity arising from the business combination with a special purpose acquisition company (SPAC), when the authorized share pool doesn't exceed 3% of the new entity's authorized share capital, and when there is no evergreen provision.
<b>Approve an employee stock purchase plan</b>	World		We generally recommend FOR when the plan qualifies under section 423(c). This includes plan features such as the option exercise price being between 85 and 100% of the fair market value of the stock, and the award being limited to \$25,000 annually.	We generally recommend FOR when the plan is qualified under Section 423(c) or has dilution of 10% or less and when there is no evergreen provision.
<b>Approve bonuses</b>	United States, United Kingdom		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or	We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following requirements: 1) the compensation plan includes specific and defined performance metrics and 2) the company made changes to the executive compensation plan if the company received less than 70% approval on the most recent say-on-

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Approve bonuses</b>	World	United States, United Kingdom	single-trigger change-in-control provision.  We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	pay/remuneration policy or remuneration report vote.  We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price.
<b>Approve executive/director/related party transactions</b>	Western Europe		We generally recommend FOR because according to our policy, the related party transaction is advisable, substantively and procedurally fair to, and in the best interests of the Company and its shareholders.	We generally recommend FOR when the amount doesn't exceed 2% of the company's annual revenue or \$1,000,000.

## Proposals by Management | Directors

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Approve the spill resolution</b>	Australia		We generally recommend FOR when the total compensation is reasonable	We generally recommend FOR this resolution when the company has failed our

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	executive compensation test.
<b>Elect a director to board</b>	United States, United Kingdom		We generally recommend FOR when the change in adj stock price over the director's tenure is not poor (given that the director tenure is at least three years) and when the following governance requirements are met: 1) the candidate attended at least 75% of all board and committee meetings, 2) the candidate is not affiliated and a member of the audit, compensation, or nominating committees, 3) the candidate is not over-boarded, and 4) the Company did not earn a poor cybersecurity risk score while the candidate served as the chair of the board.	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, the presence of zombie directors on the board, overboarding, the percentage of independent directors on the board, the implementation of previously approved shareholder proposals, and the presence of at least one diverse director on the board.

<b>Proposal</b>	<b>Region(s) to Include</b>	<b>Region(s) to Exclude</b>	<b>2025 Vote Recommendation</b>	<b>2026 Vote Recommendation</b>
<b>Elect a director to board</b>	World	United States, United Kingdom	We generally recommend FOR when the change in adj stock price over the director's tenure is not poor (given that the director tenure is at least three years) and when the following governance requirements are met: 1) the candidate attended at least 75% of all board and committee meetings, 2) the candidate is not affiliated and a member of the audit, compensation, or nominating committees, 3) the candidate is not over-boarded, and 4) the Company did not earn a poor cybersecurity risk score while the candidate served as the chair of the board.	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, overboarding, the percentage of independent directors on the board, and the presence of at least one diverse director on the board.
<b>Elect a director to committee</b>	United States, United Kingdom		We generally recommend FOR when the change in adj stock price over the director's tenure is not poor (given that the director tenure is at least three years) and when the following governance requirements are met: 1) the candidate attended at least 75% of all board and committee meetings, 2) the candidate is not affiliated and a member of the audit, compensation, or nominating committees, 3) the candidate is not over-boarded, and 4) the	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, the presence of zombie directors on the board, overboarding, the percentage of independent directors on the board, the

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			Company did not earn a poor cybersecurity risk score while the candidate served as the chair of the board.	implementation of previously approved shareholder proposals, and the presence of at least one diverse director on the board.
<b>Elect a director to committee</b>	World	United States, United Kingdom	We generally recommend FOR when the change in adj stock price over the director's tenure is not poor (given that the director tenure is at least three years) and when the following governance requirements are met: 1) the candidate attended at least 75% of all board and committee meetings, 2) the candidate is not affiliated and a member of the audit, compensation, or nominating committees, 3) the candidate is not over-boarded, and 4) the Company did not earn a poor cybersecurity risk score while the candidate served as the chair of the board.	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, overboarding, the percentage of independent directors on the board, and the presence of at least one diverse director on the board.
<b>Elect directors and fix the number of directors</b>	United Kingdom		We generally recommend FOR when the change in adj stock price over the director's tenure is not poor (given that the director tenure is at least three years) and when the following governance requirements are met: 1) the candidate attended at least 75% of all board and committee meetings, 2) the	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			candidate is not affiliated and a member of the audit, compensation, or nominating committees, 3) the candidate is not over-boarded, and 4) the Company did not earn a poor cybersecurity risk score while the candidate served as the chair of the board.	cybersecurity score of the company, the presence of zombie directors on the board, overboarding, the percentage of independent directors on the board, the implementation of previously approved shareholder proposals, and the presence of at least one diverse director on the board.
<b>Elect directors and fix the number of directors</b>	Canada, Western Europe	United Kingdom	We generally recommend FOR when the change in adj stock price over the director's tenure is not poor (given that the director tenure is at least three years) and when the following governance requirements are met: 1) the candidate attended at least 75% of all board and committee meetings, 2) the candidate is not affiliated and a member of the audit, compensation, or nominating committees, 3) the candidate is not over-boarded, and 4) the Company did not earn a poor cybersecurity risk score while the candidate served as the chair of the board.	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, overboarding, the percentage of independent directors on the board, and the presence of at least one diverse director on the board.

## Proposals by Management | M&A / Structure

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Advise on merger related compensation	World	United States	We generally recommend FOR when all of the following conditions are met: 1) The payout to the executive is reasonable (less than 3x severance package), 2) the payout is triggered after the transaction closes, 3) Payouts do not accelerate vesting of equity awards or 4) payouts only occur given the executive's termination.	We generally recommend FOR when 1) the total severance package doesn't exceed 3X the previous year's CAP for the highest paid NEO.
Advise on merger related compensation	United States		We generally recommend FOR when all of the following conditions are met: 1) The payout to the executive is reasonable (less than 3x severance package), 2) the payout is triggered after the transaction closes, 3) Payouts do not accelerate vesting of equity awards or 4) payouts only occur given the executive's termination.	We generally recommend FOR when 1) the total severance package doesn't exceed 3X the previous year's CAP for the highest paid NEO 2) there is no excise tax gross-up and 3) the payment is double-trigger.
Approve an anti-takeover measure(s)	Australia		We generally recommend FOR if the following conditions are met: it is a family controlled entity, there is a change in ownership, and if the meeting is not contested.	This proposal is considered on a case-by-case basis by the guidelines committee.
Change the domicile / jurisdiction of incorporation	World		We generally recommend FOR because according to our policy, changing the Company's legal domicile is necessary to align the legal structure of the Company in a manner that is more	We generally recommend FOR when the shareholders will maintain the same or similar rights.

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
			consistent with their business objectives.	
Remove an antitakeover provision(s)	World		We generally recommend FOR if the following conditions are met: it is a family controlled entity, there is a change in ownership, and if the meeting is not contested.	We recommend FOR this Proposal, because, according to our policy, the removal of the antitakeover provision can increase shareholder value by enhancing market responsiveness and facilitating potential takeovers that may lead to premium buyouts.

## Proposals by Management | Shareholder Rights

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Eliminate preemptive rights	United Kingdom		We generally recommend FOR because according to our policy, the elimination of pre-emptive rights would provide the Company with greater flexibility to finance business opportunities and conduct a rights issue without being restricted by the stringent requirements of statutory pre-emption provisions.	We generally recommend FOR when the disapplication of rights is for 24% or less of shares.
Establish the right to call a special meeting	World		We generally recommend FOR if at least 10% of voting shares are required to call a special meeting.	We generally recommend FOR if the proposal will strengthen shareholder rights (i.e. lower the threshold required to call a special meeting).

## Proposals by Management | Mutual Fund

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Approve the sub-investment advisory agreement	World		We generally recommend FOR if the following conditions are met: the investment fees are reasonable (3% or less) and the investment strategy is cogent.	We generally recommend FOR sub-investment advisory agreements when the sub-advisory fees are paid by the primary adviser and the investment strategy is cogent.

## Proposals by Management | Voting

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Approve cumulative voting	China		We generally recommend AGAINST because according to our policy cumulative voting could make it possible for an individual shareholder or group of shareholders with special interests to elect one or more directors to the Company's Board of directors to represent their particular interests. Such a shareholder or group of shareholders could have goals that are inconsistent, and could conflict with, the interests and goals of the majority of the Company's shareholders.	We generally recommend FOR because according to our policy, cumulative voting allows a significant group of shareholders to elect a director of its choice - safeguarding minority shareholder interests and bringing independent perspectives to Board decisions.

## Proposals by Management | Other

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Ratify decisions made in the prior fiscal year</b>	Western Europe, Eastern Europe & Central Asia		We generally recommend a vote FOR the approval of acts carried out as of the fiscal year that has ended because according to our policy, we believe that the decisions made by the directors on the Company's behalf are in the best interests of shareholders.	We generally recommend FOR when the act is related to routine matters such as the distribution of dividends, release from liability, or decisions made in the fiscal year that has ended.

## Proposals by Shareholders | Auditor

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Rotate the auditor</b>	World		We generally recommend AGAINST because according to our policy, we believe that it is in the best interests of shareholders for the board to maintain flexibility to choose and rotate auditors.	We generally recommend FOR when the auditor is proposed to be rotated no more frequently than every 20 years.

## Proposals by Shareholders | Climate/Resources

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Approve an annual advisory vote on climate change</b>	World		We generally recommend FOR unless one of the following is true: 1) the report is clearly and fully redundant with other reporting required of the Company or 2) the disclosure is an audit.	We generally recommend a vote AGAINST because according to our policy, adopting this proposal is unnecessary and unwarranted in light of the Company's existing approach to climate change and sustainability. The Company already implements effective strategies in these areas, making the proposal redundant. Furthermore, approval would result in significant administrative costs and financial burdens, diverting resources from other critical initiatives.
<b>Report on costs and risks associated with a climate (or similar) plan</b>	World		We generally recommend FOR unless one of the following is true: 1) the report is clearly and fully	We generally recommend AGAINST when the report is clearly and fully redundant

			redundant with other reporting required of the Company or 2) the disclosure is an audit.	with other reporting required of the Company.
<b>Report on the company's climate plan / emissions / resource use</b>	World		We generally recommend FOR unless one of the following is true: 1) the report is clearly and fully redundant with other reporting required of the Company or 2) the disclosure is an audit.	We generally recommend AGAINST when the report is clearly and fully redundant with other reporting required of the Company.

## Proposals by Shareholders | Compensation

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Amend the clawback provision</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR when the proposal is only asking to expand the clawback provision to include fraud and misconduct.
<b>Deduct stock buybacks from pay</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's	We generally recommend AGAINST because according to our policy, adoption of the proposal will not

			performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	enhance the Company's compensation decision-making process.
<b>Discontinue stock option and bonus programs</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR this resolution when the company has failed our executive compensation test.
<b>Implement an advisory vote on executive compensation</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance	We recommend FOR this Proposal, because according to our policy, an advisory vote on executive compensation helps ensure that pay practices remain fair, transparent, and

			requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	aligned with shareholder interests.
<b>Include legal/compliance costs in adjustments</b>	World		This proposal is considered on a case-by-case basis by the guidelines committee.	We recommend FOR this Proposal, because according to our policy, including legal and compliance costs in performance adjustments ensures that the financial impact of executive decisions is fully reflected, thereby promoting accountability and aligning compensation with effective risk management.
<b>Include performance metrics in compensation</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR this resolution when the company has failed our executive compensation test.

<b>Report on executive compensation</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR when the requested report is not asking for environmental and/or social metrics.
<b>Use a deferral period for compensation</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	We generally recommend FOR this resolution when the company has failed our executive compensation test.
<b>Use GAAP metrics for compensation</b>	World		We generally recommend FOR when the total compensation is reasonable considering the company's	We generally recommend FOR this resolution when the company has failed our

			performance as measured by change in adjusted stock price, and considering the following governance requirements: 1) the company did not have an unjustified performance metric change without shareholder approval, 2) the company does not have a 'pay-for-failure' severance provisions and 3) the company has a no-trigger or single-trigger change-in-control provision.	executive compensation test.
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## Proposals by Shareholders | Health, Safety & Operations

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Report on data privacy</b>	World		We generally recommend FOR unless one of the following is true: 1) the report is clearly and fully redundant with other reporting required of the Company; or 2) The proposal relates to abortion or reproductive rights.	We generally recommend AGAINST when the report is clearly and fully redundant with other reporting required of the Company.
<b>Report on high-risk country operations</b>	World		We generally recommend FOR unless one of the following is true: 1) the report is clearly and fully redundant with other reporting required of the Company or 2) the disclosure is an audit.	We generally recommend AGAINST when the report is clearly and fully redundant with other reporting required of the Company.
<b>Modify business operations with a</b>	World		We generally recommend AGAINST if the country has a score of 4 from the U.S.	We generally recommend FOR if the country has a score of 4 from the U.S.

high-risk country, entity, region, etc.			Department of State travel advisories.	Department of State travel advisories.
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## Proposals by Shareholders | M&A / Structure

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Request an M&A / restructure	World		We generally recommend AGAINST because given the current circumstances of the Company, we believe that the requested restructuring is unwarranted and unnecessary.	This proposal is considered on a case-by-case basis by the guidelines committee.

## Proposals by Shareholders | Mutual Fund

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
Convert the closed-end fund to an open-end fund	World		We generally recommend FOR because according to our policy, the conversion to an open-end fund would provide for portfolio diversification hence reducing the Company's risk exposure, and at the same time providing greater liquidity to its shareholders.	We generally recommend a vote AGAINST this proposal because, according to our policy, a closed-end fund structure tends to provide higher returns to shareholders, as the value of shares is influenced by market dynamics, which can result in trading at a premium or discount to NAV. Additionally, closed-end funds often generate higher income by utilizing leverage, making them particularly attractive to income-focused investors.

## Proposals by Shareholders | Shareholder Rights

Proposal	Region(s) to Include	Region(s) to Exclude	2025 Vote Recommendation	2026 Vote Recommendation
<b>Establish the right to call a special meeting</b>	World		We generally recommend FOR if at least 10% of voting shares are required to call a special meeting.	We generally recommend FOR if the proposal will strengthen shareholder rights (i.e. lower the threshold required to call a special meeting).

### III. New Categories

Every proposal on every ballot is sorted into one of hundreds of categories. The following categories were added in 2026 to add additional granularity and clarity to the Policy and methodology.

#### Proposals by Management | Accounting

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Approve a special transactions financial report	China, Western Europe, Latin America		We recommend FOR this Proposal, because according to our policy, approving the special transactions financial report ensures transparency and gives shareholders a clear overview of significant transactions, supporting informed decision-making.

#### Proposals by Management | Auditor

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Ratify auditor AND director remuneration	World	United States	We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial proportion of all fees the auditor is charging the company; 2) auditor tenure is less than 20 years and 3) total auditor fees (as a universe percentile according to market cap categories) <90th percentile. The purpose is to maintain some independence for the auditor.
Ratify the appointment of a non-statutory auditor	World		We recommend FOR this Proposal, because according to our policy, ratifying the appointment of a non-statutory auditor strengthens oversight and reinforces the integrity of reporting.
Ratify the appointment of a special transactions auditor	China, Western Europe, Latin America		We recommend FOR this Proposal, because according to our policy, ratifying the appointment of a special transactions auditor ensures independent review of significant transactions and strengthens disclosure and transparency.
Ratify the appointment of statutory AND sustainability auditors	Western Europe		We generally recommend FOR the auditor when the following conditions are met: 1) non-audit fees do not make up a substantial proportion of all fees the auditor is

			charging the company; 2) auditor tenure is less than 20 years and 3) total auditor fees (as a universe percentile according to market cap categories) <90th percentile. The purpose is to maintain some independence for the auditor.
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## Proposals by Management | Capitalization

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
<b>Approve adjustment in the share repurchase price</b>	Emerging & Frontier Asia-Pacific		We recommend FOR this Proposal, because according to our policy, allocating corporate earnings through appropriate distribution of profits, surplus, or retained earnings supports shareholder interests and long-term value creation.
<b>Approve capital utilization/cash management</b>	Emerging & Frontier Asia-Pacific		We recommend FOR this Proposal, because according to our policy, the proposed capital or cash utilization enables the company to support its strategic initiatives and efficiently finance its operations.
<b>Approve credit and/or debt financing</b>	Emerging & Frontier Asia-Pacific		We recommend FOR this Proposal, because according to our policy, approving credit or debt financing provides the company with the necessary capital to support strategic initiatives, maintain liquidity, and ensure financial flexibility.
<b>Create a new class of shares</b>	World		We generally recommend FOR these proposals when the new class of shares to be created will not have blank-check authority and will not have superior voting rights to the existing class of shares.
<b>Reclassify/convert shares</b>	World		We generally recommend FOR if the conversion would provide equal rights to shareholders.

## Proposals by Management | Compensation

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
<b>Approve a stock compensation plan (non-SPAC)</b>	United States		We generally recommend FOR when the plan results in dilution of 10% or less and when the average burn rate over the last three years is 3% or less (or the company has been public for five years or less).

<b>Approve a stock compensation plan (non-SPAC)</b>	World	United States	We generally recommend FOR when the plan results in dilution of 10% or less.
<b>Approve future executive remuneration</b>	Western Europe, Eastern Europe & Central Asia, Middle East & North Africa		We generally recommend FOR when the proposed compensation includes performance-based metrics.
<b>Approve the executive compensation policy</b>	United States, United Kingdom		We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price, and considering the following requirements: 1) the compensation plan includes specific and defined performance metrics and 2) the company made changes to the executive compensation plan if the company received less than 70% approval on the most recent say-on-pay/remuneration policy or remuneration report vote.
<b>Approve the executive compensation policy</b>	World	United States, United Kingdom	We generally recommend FOR when the total compensation is reasonable considering the company's performance as measured by change in adjusted stock price.
<b>Approve the non-executive directors' compensation</b>	Emerging & Frontier Asia-Pacific, Western Europe, Eastern Europe & Central Asia		We recommend FOR this Proposal, because according to our policy, the proposed non-executive directors' compensation is commensurate with their contributions and supports the company in remaining competitive in attracting and retaining skilled board members.

## Proposals by Management | Directors

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
<b>Approve election and remuneration for the executive director(s)</b>	Developed Asia-Pacific,		We generally recommend FOR when the director(s) passes our election of director test and the executive compensation passes our test. If any director or the

	Western Europe		executive compensation does not pass our tests, we will recommend against the proposal.
<b>Approve election and remuneration for the non-executive director(s)</b>	United Kingdom		We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, the presence of zombie directors on the board, overboarding, the percentage of independent directors on the board, the implementation of previously approved shareholder proposals, and the presence of at least one diverse director on the board.
<b>Approve election and remuneration for the non-executive director(s)</b>	Developed Asia-Pacific, Western Europe	United Kingdom	We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director attendance, independence on key committees, the cybersecurity score of the company, overboarding, the percentage of independent directors on the board, and the presence of at least one diverse director on the board.
<b>Elect directors and appoint the auditor</b>	Western Europe		We generally recommend FOR when the director(s) passes our election of director test and the auditor passes our auditor ratification test. If any director or the auditor does not pass our tests, we will recommend against the proposal.
<b>Elect multiple directors to the board</b>	World	United States, United Kingdom	We generally recommend FOR when each director passes our election of director test. If any director does not pass this test, we will recommend against the proposal.

## Proposals by Management | M&A / Structure

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
<b>Adopt an anti-greenmail provision</b>	World		We generally recommend FOR because according to our policy, the adoption of an anti-greenmail provision will prevent the likelihood of potential hostile takeover which could be detrimental to the shareholders' interests.
<b>Approve an extension amendment proposal (for SPACs)</b>	World		We generally recommend FOR when the trust deposit payment is not less than the previous trust deposit payment.

## Proposals by Management | Meeting and Proxy Statement

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Approve administrative and/or procedural items	World		We recommend FOR this Proposal, because according to our policy, approving administrative and procedural items related to the convening of shareholder meetings ensures proper organization, compliance with governance requirements, and smooth conduct of proceedings.
Indicate if you are a controlling shareholder or have a personal interest in the proposal	Canada, Israel, Latin America		This test will indicate NO if the shareholder is not a controlling shareholder and does not have a personal interest in the approval of this proposal.

## Proposals by Management | Mutual Fund

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Approve the reorganization	World		This proposal is considered on a case-by-case basis by the guidelines committee.
Convert the closed-end fund to an open-end fund	World		We generally recommend FOR because according to our policy, the conversion to an open-end fund would provide for portfolio diversification hence reducing the Company's risk exposure, and at the same time providing greater liquidity to its shareholders.

## Proposals by Management | Shareholder Rights

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Adopt an advanced notice requirement	United States, Australia		We generally recommend FOR when the policy stipulates that nominations must be submitted no later than 60-90 days prior to the annual meeting and that nominations must be submitted no earlier than 120-150 days prior to the annual meeting.
Adopt an advanced notice requirement	Canada		We generally recommend FOR when the policy stipulates that nominations must be submitted no later than 30-65

			days before the annual meeting and that nominations must be submitted no earlier than 30-65 days prior to the annual meeting.
<b>Adopt/increase proxy access</b>	World		We generally recommend a vote FOR because according to our policy, shareholders should have the right to nominate their own representatives to the board. Proxy access would enhance the Company's governance by empowering shareholders with greater influence over the direction of the company, fostering more accountability and alignment with shareholder interests.

## Proposals by Management | Voting

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
<b>Approve plurality voting</b>	World		We generally recommend FOR plurality voting when plurality voting will only be used in contested situations. In uncontested situations, we do not prefer for plurality voting to be used.

## Proposals by Management | Other

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
<b>Approve appointment of a (non-director) executive</b>	Middle East & North Africa, Western Europe, Eastern Europe & Central Asia		We recommend FOR this Proposal, because according to our policy, approving the appointment of the executive ensures the company has the necessary management in place to support operational continuity.
<b>Approve other company policies</b>	World		This proposal is considered on a case-by-case basis by the guidelines committee.
<b>Approve the appointment of a (director) executive</b>	World		We generally recommend FOR when the change in adjusted stock price over the director's tenure is not poor (given that the director tenure is at least three years). Additionally, the following governance factors are considered: director

			attendance, independence on key committees, the cybersecurity score of the company, overboarding, the percentage of independent directors on the board, and the presence of at least one diverse director on the board.
<b>Approve the convening of the corporate assembly</b>	Western Europe		We generally recommend FOR because approval of the convening of the corporate assembly or shareholders' meeting is in the best interests of the Company and its shareholders.
<b>Approve the staking consideration</b>	World		We recommend FOR the Proposal, because according to our policy, approving staking consideration in blockchain networks enhances yield by supporting network security and transaction validation. This complies with regulatory standards, reflecting responsible digital asset management and industry best practices.
<b>Approve the staking fee</b>	World		We recommend FOR approval of the staking fee, because according to our policy, the fee helps cover the Company's operational costs associated with staking activities. The fee aligns with industry standards and ensures transparency and fairness to clients in digital asset staking services.
<b>Reimburse proxy contest expenses</b>	World		This proposal is considered on a case-by-case basis by the guidelines committee.

## Proposals by Shareholders | Capitalization

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Create a new class of shares	World		We generally recommend FOR these proposals when the new class of shares to be created will not have blank-check authority and will not have superior voting rights to the existing class of shares.
Reclassify/convert shares	World		We generally recommend FOR if the conversion would provide equal rights to shareholders.

## Proposals by Shareholders | Compensation

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Change the use of ESG metrics in compensation	World		We generally recommend FOR this resolution when the company has failed our executive compensation test.

## Proposals by Shareholders | Health, Safety & Operations

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Report on worker health and safety	World		We generally recommend AGAINST when the report is clearly and fully redundant with other reporting required of the Company.

## Proposals by Shareholders | Human Resources & Rights

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Provide a human rights impact assessment	World		We generally recommend a vote AGAINST because, while human rights impact assessments (HRIAs) are valuable for identifying and mitigating risks, mandating rigid reporting can undermine their effectiveness. Such reporting requirements may encourage superficial compliance without meaningful human rights improvements.

<b>Request the company cease or re-evaluate DEI activities</b>	World		We generally recommend AGAINST this Proposal because, according to our policy, requests to cease or re-evaluate DEI activities risk undermining the significant benefits that diversity, equity, and inclusion bring to the company. Scaling back these efforts could also negatively affect talent attraction, retention, and overall company performance.
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## Proposals by Shareholders | Shareholder Rights

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Adopt a fair elections/advance notice bylaw	Canada		We generally recommend FOR when the policy stipulates that nominations must be submitted no later than 30-65 days before the annual meeting and that nominations must be submitted no earlier than 30-65 days prior to the annual meeting.
Adopt a fair elections/advance notice bylaw	United States		We generally recommend FOR when the policy stipulates that nominations must be submitted no later than 60-90 days prior to the annual meeting and that nominations must be submitted no earlier than 120-150 days prior to the annual meeting.
Adopt/increase proxy access	World		We generally recommend FOR when the proposed ownership requirement is at least 3%.
Allow virtual-only shareholder meetings	World		We recommend AGAINST this Proposal, because according to our policy, virtual meetings should complement, not replace, in-person shareholder meetings, as relying solely on them may undermine transparency and shareholder participation.

## Proposals by Shareholders | Voting

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Adopt confidential voting	World		We generally recommend FOR because according to our policy, approval of the proposal will preserve the confidentiality and integrity of vote outcomes.
Approve cumulative voting	World		We generally recommend AGAINST because according to our policy cumulative voting could make it possible for an

			individual shareholder or group of shareholders with special interests to elect one or more directors to the Company's Board of directors to represent their particular interests. Such a shareholder or group of shareholders could have goals that are inconsistent, and could conflict with, the interests and goals of the majority of the Company's shareholders.
<b>Eliminate cumulative voting</b>	World		We generally recommend FOR because according to our policy cumulative voting could make it possible for an individual shareholder or group of shareholders with special interests to elect one or more directors to the Company's Board of directors to represent their particular interests. Such a shareholder or group of shareholders could have goals that are inconsistent, and could conflict with, the interests and goals of the majority of the Company's shareholders.

## Proposals by Shareholders | Other

Proposal Category	Region(s) to Include	Region(s) to Exclude	Vote Recommendation
Reimburse proxy contest expenses	World		This proposal is considered on a case-by-case basis by the guidelines committee.

## IV. Legal Disclaimer

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