

March 2020

Summary of Material Changes to State Street Global Advisors' 2020 Proxy Voting and Engagement Guidelines¹

State Street Global Advisors updated its proxy voting guidelines in March 2020 as part of its annual update to voting guidelines. The significant voting and engagement guideline changes for 2020 are summarized below.

Integrating R-Factor™ Scoring System into Voting and Engagement

Markets: Australia, Europe, Japan, UK and US

R-Factor™ is a scoring system created by State Street Global Advisors that measures the performance of a company's business operations and governance as it relates to financially material ESG factors facing the company's industry. State Street Global Advisors may take voting action against the independent board leaders at companies in the S&P 500, FTSE 350, ASX 100, TOPIX 100, DAX 30 and CAC 40 indices that are laggards based on their R-Factor™ scores and cannot articulate how they plan to improve their score.

Number of Allowable Board Mandates

Markets: Australia, Canada, Europe, UK and US

We have revised our voting guideline on the number of allowable board mandates. State Street Global Advisors may take voting action against a director that exceeds the number of board mandates listed below:

- Named Executive Officers (NEOs) of a public company who sit on more than two public company boards
- Non-executive board chairs or lead independent directors who sit on more than three public company boards
- Director nominees who sit on more than four public company boards

Independent Board Leadership

Markets: Europe and US

We believe effective independent board leadership is a key component of good corporate governance and long-term value creation. State Street Global Advisors may take voting action against the chair of the nominating committee or its members at S&P 500 and STOXX Europe 600 listed companies that have combined the roles of chair and CEO and have not appointed a lead independent director or independent deputy chair.

Board Gender Diversity

Markets: Hong Kong and Singapore

State Street Global Advisors expects boards of Hang Seng and Straits Times listed companies to have at least one female director. State Street Global Advisors may vote against the chair of the board's nominating and/or governance committee or the independent board leader in the absence of a nominating and/or governance committee at companies that fail to meet this expectation.

Expanded Board Gender Diversity Voting Guideline

Markets: Australia, Canada, Europe, Japan, UK and US

We have enhanced our board gender diversity voting guideline designed to further encourage companies to diversify their boards. Starting in the US, UK and Australian markets in 2020, followed by Japan, Canada and continental Europe in 2021, we will vote against the entire slate of incumbent board members on the nominating committee if a company does not have at least one woman on its board, and has not engaged in successful dialogue on State Street Global Advisors' board gender diversity program for four consecutive years.

These voting guidelines are available on State Street Global Advisors' website at <https://ssga.com/global/en/about-us/asset-stewardship.html>.

Endnote

- 1 This Summary of Material Changes to State Street Global Advisors' 2020 Proxy Voting and Engagement Guidelines is also applicable to SSGA Funds Management, Inc. SSGA Funds Management, Inc. is an SEC-registered investment adviser. SSGA Funds Management, Inc., State Street Global Advisors Trust Company, and other advisory affiliates of State Street make up State Street Global Advisors, the investment management arm of State Street Corporation.

About State Street Global Advisors

Our clients are the world's governments, institutions and financial advisors. To help them achieve their financial goals we live our guiding principles each and every day:

- Start with rigor
- Build from breadth
- Invest as stewards
- Invent the future

For four decades, these principles have helped us be the quiet power in a tumultuous investing world. Helping millions of people secure their financial futures. This takes each of our employees in 27 offices around the world, and a firm-wide conviction that we can always do it better. As a result, we are the world's third-largest asset manager with US \$3.12 trillion* under our care.

* AUM reflects approximately \$43.72 billion USD (as of December 31, 2019), with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.

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State Street Global Advisors Worldwide Entities

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