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Dear Board Member and SPAC Director,

As responsible stewards of our client's capital and active participants in discussions with the boards of our portfolio companies, we value the critical role that effective boards play in keeping companies focused on their long-term goals and holding management accountable for progress towards achieving them. This is especially true as companies across industries set transformational climate-related targets, redefine their approach to human capital management and are held accountable for successfully transitioning to net-zero or carbon neutral business models.

Central to this discussion, director commitment levels are a governance tenet we have long considered material to a board's ability to provide effective oversight for shareholders, expressed through our current [voting policy guidelines](#). The global COVID-19 pandemic, related economic volatility and varying impact across industries has magnified the ever-increasing time commitment associated with serving as a director on a public company board. S&P 500 boards formally met an average of 9.4 times on average<sup>1</sup>, a 25% year-over-year increase which does not capture the many more informal meetings directors participate in.

Additionally, a more robust engagement culture with both internal and external shareholders has placed more demands on their time. We recognize that directors have a challenging role, and the topics they are expected to oversee have increased in scope and complexity. Many directors are navigating these challenges for the first time, with more than one-third (35%)<sup>2</sup> of S&P 500 directors appointed in the 2021 proxy year serving on their first public company board.

Among the several new market developments that continue to shape our governance discussions with boards is the rise of Special Purpose Acquisition Companies ("SPACs"). The rapid pace of SPAC activity has continued to challenge traditional models of corporate governance, and driven demand for qualified SPAC directors, many of whom also serve as directors at public companies.

In our effort to fully understand the SPAC director experience contrasted with public company board service, we are hoping to speak with you to hear your valued perspective on the following topics regarding your SPAC board service:

- Director capacity and required time commitments
- Board composition, recruitment and lifecycle
- Governance structure and practices
- Director responsibilities, skills and experience

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<sup>1</sup> Spencer Stuart Board Index 2021. Page 7 <https://www.spencerstuart.com/-/media/2021/october/ssbi2021/us-spencer-stuart-board-index-2021.pdf>

<sup>2</sup> Spencer Stuart Board Index 2021. Page 13. <https://www.spencerstuart.com/-/media/2021/october/ssbi2021/us-spencer-stuart-board-index-2021.pdf>

We look forward to a productive dialogue with you on this subject, and would appreciate the opportunity for this engagement. If you are open to having this conversation, please contact us at [governance\\_team@ssga.com](mailto:governance_team@ssga.com) to facilitate this conversation.

Respectfully,



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