

CORPORATE GOVERNANCE

> Advice, outreach and solutions – fine-tuned to meet all your needs



Georgeson

A COMPUTERSHARE COMPANY

| CERTAINTY | INGENUITY | ADVANTAGE |

How are your corporate governance practices perceived in the marketplace?

Do you engage in governance dialogues with your constituencies?

Are your governance practices updated proactively?

INNOVATION, QUALITY, RESULTS

Widely regarded as the preeminent proxy solicitation firm, Georgeson combines broad, unparalleled experience with constant innovation to meet our clients' ever-changing needs for corporate governance advice and services.

At Georgeson, we offer a multifaceted, proactive approach to help our clients achieve their corporate governance and public outreach goals. We have refined and expanded our corporate governance advisory services to address the rise in shareholder activism and new regulations facing companies and shareholders.



Strategic solicitation services

STRATEGIC PLANNING

Our experienced consultants work closely with your management team to plan effective annual meetings.

- › If you will be seeking shareholder approval for a stock plan we can provide shareholder vote projections, as well as propose modifications to increase the likelihood of a favorable shareholder vote result and favorable recommendations from the proxy advisory firms.
- › If you had a high or majority withhold or against votes with respect to your directors or a shareholder proposal at previous annual meetings (or are anticipating a withhold campaign or proxy contest), we can advise you on what steps you and your board may want to consider in advance of upcoming meetings.
- › If changes are planned in executive or director compensation, corporate governance, board composition or business strategy, we can provide insight on the impact these changes may have and advise you on how to address any “hot button” issues for your constituencies.

As you begin drafting your proxy statement for the coming year’s proxy season, Georgeson can provide a critically important preliminary review. We rely on our considerable expertise, along with specific feedback we receive from you and your constituencies, to advise you on how to help make your proxy statement and related corporate governance web pages reader-friendly. We may also suggest the inclusion of items that may not be legally required but may help determine how shareholders will vote their shares and what proxy voting recommendations will be made about your company.

POST-MEETING EVALUATION

Following your annual meeting, we can also assist you with analyzing voting results and with evaluating the reports that the proxy advisory firms issued on your company. These are valuable tools for planning shareholder and third-party outreach and for identifying what governance changes your management and board may want to consider for the coming year.

SHAREHOLDER AND THIRD-PARTY OUTREACH PROGRAM DEVELOPMENT

When faced with a constant barrage of information from endless sources, it can be difficult to sort the important from the unimportant. It is critical that company management and, depending on the situation, boards reach out year-round to shareholders to understand and evaluate their concerns. It is also imperative to remain in contact with corporate governance rating and advisory firms that issue proxy advisory reports, such as RiskMetrics/ISS and Glass Lewis, and other third-party opinion-makers, such as the Council of Institutional Investors (CII). In addition to providing our strategic planning services, Georgeson governance consultants can assist your management team with implementing a cohesive, efficient and effective outreach program to these constituencies.

Our process begins with a thorough analysis of your company’s shareholder composition. We have unmatched experience in engaging with a variety of constituencies. This enables us to provide you with expert advice on:

- › When it is most productive to reach out
- › Whom, specifically, to contact
- › How best to engage your constituents’ representatives over the course of the year

To benefit your company over the short and long term, we also assist you with presenting a customized explanation of your business and governance practices.

Board and governance audit services

SHAREHOLDER PROPOSALS AND FOCUS LIST RESPONSE

The number of shareholder proposals has soared over the past few years, and the percentage of proposals that were ultimately withdrawn or omitted from a company's proxy statement has also increased. Georgeson can deliver what you need to know regarding:

- > Proponent backgrounds and their history with particular proposals
- > Which proposals the proxy advisory firms are likely to support and how their recommendations may impact shareholder voting
- > Whether compromises or agreements with the proponents should be considered
- > Potential PR and market impact of various company alternatives, in light of recent corporate governance trends and other variables

If your company is targeted to be placed on a "Focus List" by a particular shareholder group, such as CalPERS, or an institutional investor group, such as CII, Georgeson can advise you on how best to proceed. The consulting we provide can often lead to mutually agreeable compromises, avoiding the negative publicity and fallout of being placed on final Focus Lists.

CORPORATE GOVERNANCE AUDITING

Audits help management and boards understand how they are positioned among industry peers and among US companies in general. They identify areas where your practices are vulnerable to criticism and attack from shareholders, proxy advisory firms and corporate governance ratings firms (such as The Corporate Library and Governance Metrics International) to whose reports your shareholders may subscribe.

To conduct a corporate governance audit, Georgeson works with your management team to thoroughly review:

- > Governance practices, including any anti-takeover defenses, contained in your certificate of incorporation, by-laws, corporate governance principles, and committee charters
- > Executive and director compensation packages and policies
- > Board composition (size, independence, skill mix and tenure)
- > Officer and director shareholdings

Additionally, we will work with you annually (or, in some cases, more frequently) to review proxy advisory and governance rating firm reports about your company for factual errors or misrepresentations. If errors are found, we help ensure that they are promptly corrected so that shareholders, potential investors, the press and other opinion-makers have current and accurate information.

INDEPENDENT BOARD AND COMMITTEE SELF-ASSESSMENTS

To satisfy the New York Stock Exchange listing requirements or to ensure proper board functioning, almost all boards and primary board committees of public companies now conduct annual self-assessments.

At Georgeson, we believe that self-assessments should not be check-the-box actions to satisfy a regulator. There is not a "one size that fits all" assessment. When carefully and effectively crafted for a company, self-assessments can and should be proactively used to help both management and the board identify very concrete improvements, such as ways in which the board can operate more successfully as a group and can work more effectively with management. Specific needs of new board members and future topics for board presentations and for board and committee continuing education programs can also be identified.

Depending on board preference, we engage closely with nominating and governance committees, the full board, and members of management – often the corporate secretary and general counsel – when designing a self-assessment. These assessments may be written or oral and may be confidential, if desired. We can provide additional value by analyzing the aggregated results in the context of current governance trends and by acting as a facilitator when discussing the results at board and committee meetings.

Additional governance advisory services

CONTINUING EDUCATION

Boards and their committees are demanding – and proactive management teams are providing – continuing education for directors, to ensure that the directors are fulfilling their responsibilities, avoiding the increasing potential for personal liability and complying with stock exchange listing requirements.

Georgeson can assist boards and their committees with understanding the changing landscape of shareholder activism, emerging trends in corporate governance and the impact these trends have on your company. Programs can be incorporated into your regular or special board/management meetings or retreats.

BOARD TRANSITIONS

Companies are frequently faced with transitional situations where, for example:

- › Their directors are reaching retirement age
- › Their directors find themselves unable to make the necessary time commitments and resign
- › Activist or proxy fight settlements involve board changes

Board transitions, whether voluntary or involuntary, can be a very sensitive topic and can have a tremendous

impact on a company, its perception in the marketplace and the functioning of the remaining board members. We can walk your nominating and governance committee, lead or presiding director, and senior management team through a variety of issues that may arise in this context, such as:

- › Identifying the backgrounds and skills desired in new directors
- › Deciding whether to involve significant shareholders in the process of identifying criteria for new directors
- › Selecting and effectively using an independent director search firm (if desired)
- › Advising on how a potential new director may be perceived by your constituencies, and best positioning a nominee for public announcement
- › Evaluating how to respond effectively when a director receives a majority withhold vote

- › Encouraging “problem” directors to leave a board
- › Interviewing dissident nominees, and integrating new directors nominated by dissident shareholders onto your board

RESTRUCTURING, SPIN-OFF AND IPO ADVICE ON CORPORATE GOVERNANCE STRUCTURES AND POLICIES

Companies contemplating a restructuring, spin-off or initial public offering (IPO) need to implement structures and policies that will ensure a smooth transition. Georgeson can work with investors and management to help identify potential costly surprises from new public shareholders and the proxy advisory firms.



