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# BUCKLE UP: 2022 ANNUAL MEETING Q&A COULD BE WILD RIDE

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Now that we are knee deep in annual meeting season, companies should consider preparing for "what if" questions that may arise during Q&A based on current events. For example, shareholders (including employee shareholders) may ask for management/board insights on social issues and topics such as:

- Is the company planning to change its employee benefit package in response to the recently leaked Supreme Court opinion?
- What changes, if any, have management and the board made or do they intend to make to the company's political contributions policy in light of the January 6 U.S. Capitol attack?
- Is the company planning to speak out about proposed legislation in the state(s) (where it is headquartered or has significant operations) that targets members of its employee population, customers or other constituencies?
- What steps is the company taking to become ESG compliant?
- What is the impact on the Company's business of sanctions arising from the Russia-Ukraine crisis and what actions has the company taken to address the Russia-Ukraine crisis?
- What efforts are being made to counter the impact of sanctions arising from the Russia-Ukraine crisis?
- What is the company currently doing to strengthen inclusion and diversity within the organization?

Companies may be able to assert that a question is "out of order" and say that social impact questions are not related to the business at hand and/or note that the topics are not currently of significant relevance to the business of the company. But for geographically diverse companies with a large employee base, social issues and questions may need to be addressed sooner, rather than later, as we saw in the case of the recent Black Lives Matter movement. Moreover, we anticipate many companies will carefully weigh whether to answer a question that is technically

"out of order" on the basis that ruling it out of bounds and not answering it might make the board and management appear somewhat defensive, especially where the company has a thoughtful answer on the subject at hand.

Whether and how to address these questions will of course vary greatly among companies based on the nature of their business, where they do business, their shareholder base, employee base, and other unique considerations. The important point is to avoid surprises by planning for the variety of questions that may arise.

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