Appendix A

Board Diversity Policies

Gender and Racial/Ethnic Diversity Policies of Proxy Advisory Firms:

FPIs in US Tax Havens
ISS's updated policy for FPIs in US tax havens in the Russell 3000 or S&P 1500 indices requires at least one female director (see Americas policies here).

Israeli FPIs

- ☐ **ISS**: ISS does not have specific policies on gender and racial/ethnic diversity for Israeli companies. See here for its policies for Israeli companies.

- ☐ **Glass Lewis**:

    - *Gender Diversity*: Glass Lewis defaults to US requirements, and as such, will generally recommend voting against the nominating committee chair of a board that has fewer than two female directors, except for boards of six or fewer total directors. See here for Glass Lewis's policies on Israeli companies.
    - *Racial/Ethnic Diversity*: Glass Lewis encourages ethnic/racial diversity, and specifically notes the relatively low percentage of Israeli Arabs serving on boards, but will not make a voting recommendation on it except in a contested election. Glass Lewis states that it "believes that the composition of a board should be representative of a company's workforce, the jurisdictions in which it principally conducts its business activities, and its other key stakeholders" and that Israeli FPIs "should consider including diversity of ethnicity and/or national origin as attributes in their composition profiles, whether defined targets for diversity of ethnicity and national origin should be set, and the manner and extent to which the ethnic and national backgrounds of directors and board nominees is publicly disclosed."

FPIs in Other Countries

- ☐ ISS and Glass Lewis policies on board diversity are region and/or country specific. For the currently applicable policies, see ISS's current voting policies and Glass Lewis's current voting policies.

Diversity Policies of Institutional Investors and Nasdaq:

- ☐ **BlackRock**: BlackRock maintains region/country-specific market guidelines. BlackRock notes that, "to ensure there is appropriate diversity of perspectives, we look to boards to be representative of the company's key stakeholders, with an approach to diversity that is aligned with any market-level standards or initiatives designed to support diversity (particularly gender and ethnic diversity) among board members." BlackRock also notes its "general view" that, subject to market-specific standards, it is looking for "all boards to be taking steps towards at least 30 percent of their members being comprised of the under-represented gender (which should be read in conjunction with applicable country-specific guidelines)." BlackRock asks companies, consistent with local law, "to provide sufficient information on each director/candidate and in aggregate so that shareholders can understand how diversity (covering professional characteristics, such as a director's industry experience, specialist areas of expertise, and geographic location; as well as demographic characteristics such as gender, ethnicity, and age) has been accounted for within the proposed board composition. These disclosures should cover how diversity

has been accounted for in the appointment of members to key leadership roles, such as board chair, senior/lead independent director and committee chairs."[1] Below are the market standards for specific countries:

- *FPIs in Israel*: While BlackRock is looking for companies in this region to make progress towards having greater female representation at board level in line with its general guidelines, BlackRock is likely to take voting action if the board has failed to appoint at least directors from the underrepresented gender. See BlackRock's Israel-specific voting guidelines here.
- *FPIs in Other Countries*: See BlackRock's region-specific voting guidelines here.

☐ **State Street**: State Street expects boards of companies in all markets and indices to have at least one female board member. It may waive the policy if a company engages with State Street and provides a specific, timebound plan for adding at least one woman to the board. State Street also expects companies in the Russell 3000, TSX, FTSE 350, STOXX 600 and ASX 300 indices to have boards comprised of at least 30 percent women directors. State Street may waive the policy if a company engages with SSGA and provides a specific, time-bound plan for reaching 30 percent representation of women directors. If a company fails to meet any of these expectations outlined above, State Street may vote against the Chair of the Nominating Committee or the board leader in the absence of a Nominating Committee, if necessary. Additionally, if a company fails to meet this expectation for three consecutive years, State Street may vote against all incumbent members of the Nominating Committee or those persons deemed responsible for the nomination process. *See* State Street's Guidance on Expanding Board Gender Diversity.

☐ **Nasdaq's Diversity Disclosure Rule**: Starting December 31, 2023, Nasdaq's listing rule requires most Nasdaq-listed companies to have, or explain why they do not have, at least one diverse director, and in 2025, to have, or explain why they do not have, at least two diverse directors. For FPIs, this includes one director who self-identifies as female and one who self-identifies as one or more of the following: female; LGBTQ+; or an underrepresented individual based on national, racial, ethnic, indigenous, cultural, religious or linguistic identity in the country of the Company's principal executive offices. In addition, beginning last year in 2022, the listing rules required all Nasdaq-listed companies to publicly disclose board diversity data using a standardized disclosure matrix template. A company may include this in its annual meeting proxy statement furnished on Form 6-K, in its Form 20-F or on its website. The most logical place appears to be the annual proxy statement on Form 6-K, especially if relevant to investors; otherwise, the website. Specific requirements, including the posting of a Nasdaq notice, must be satisfied if the company places its matrix on the website.[2] Nasdaq rules specify that, starting in 2023, the matrix disclosure should include both the current and prior year statistics; however, Nasdaq has issued an FAQ that functionally removes this requirement by allowing only one year if the prior year remains publicly available (i.e., in a proxy statement, Form 20-F or on the company's website).

Below are two alternatives for presenting the board diversity matrix. A company should not include additional categories within the matrix or include a different format other than

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1 *See* BlackRock Investment Stewardship Proxy voting guidelines for European, Middle Eastern, and African securities.

2 If posting the matrix on its website, a company must: (i) label the disclosure and decide where to post it on the company website. The disclosure should be clearly labeled as "Board Diversity Matrix" on the company's website. It can be posted anywhere on the website, but Nasdaq recommends posting it on the Investor Relations web page or other web page where governance documents are posted; and (ii) inform Nasdaq of posting. Within one business day after posting, companies must complete Section 10 (Board Diversity Disclosure) of the Company Event Form on the Nasdaq listing center, which requires the company to provide the disclosure date and URL location of its matrix. For additional information, see Nasdaq's Website Disclosure of Board Diversity Matrix Info Sheet.

one of these two alternatives. However, a company may supplement its disclosure by providing additional information related to its directors below the matrix (e.g., directors with disabilities, directors with veteran status, Middle Eastern directors[3], etc.), in a narrative that accompanies the matrix or in a separate graphic.

[3] Certain companies may want to include additional ethnic or racial categories below or otherwise outside of the matrix to display this diversity to proxy advisers. In cases where it applies US, rather than regional, voting standards to FPIs, ISS considers racial and ethnic diversity to be broader than Nasdaq.

Alternative 1

Board Diversity Matrix (As of [DATE])

Total Number of Directors			#	
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	#	#	#	#
Part II: Demographic Background				
African American or Black	#	#	#	#
Alaskan Native or Native American	#	#	#	#
Asian	#	#	#	#
Hispanic or Latinx	#	#	#	#
Native Hawaiian or Pacific Islander	#	#	#	#
White	#	#	#	#
Two or More Races or Ethnicities	#	#	#	#
LGBTQ+			#	
Did Not Disclose Demographic Background			#	

Alternative 2

Board Diversity Matrix (As of [DATE])

Country of Principal Executive Offices	**[Insert Country Name]**
Foreign Private Issuer	**Yes/No**
Disclosure Prohibited under Home Country Law	**Yes/No**
Total Number of Directors	**#**

	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	#	#	#	#
Part II: Demographic Background				
Underrepresented Individual in Home Country Jurisdiction			#	
LGBTQ+			#	
Did Not Disclose Demographic Background			#	

Appendix B

Director Overboarding Policies

While most stakeholders support limits on the number of outside directorships a director can hold, the overboarding policies of proxy advisory firms and institutional investors are generally country or region-specific and therefore companies are advised to carefully consider the specific policies of the relevant firms when considering whether their directors may be considered "overboarded." *See* the country-specific policies of ISS and Glass Lewis. In addition, the general policies of major institutional investors are discussed below:

- ***BlackRock***: "As the role of director is increasingly demanding, directors must be able to commit an appropriate amount of time to board and committee matters. Given the nature of the role, it is important a director has flexibility for unforeseen events, and therefore only takes on the maximum number of non-executive mandates that provides this flexibility. BlackRock is especially concerned that where a full-time executive has a non-executive director role or roles at unrelated companies, there may be a risk that the ability to contribute in either role could be compromised in the event of unforeseen circumstances. Companies should disclose board and committees' attendance to enable shareholders to monitor directors' availability. However, in BlackRock's experience, the test of an over-committed director is not just their attendance record but also includes an assessment of a director's ability to provide appropriate time to meet all responsibilities when one of the companies starts facing exceptional circumstances."

  For companies in EMEA, "BlackRock will ordinarily consider there to be a significant risk that a board candidate has insufficient capacity, and therefore consider voting against his/her (re)election, where the candidate would (if elected) be: (i) serving as a non-executive director (but not the board chair) on **more than four** public company boards; (ii) serving as a non-executive board chair and as a non-executive director (but not the board chair) on **more than two** other public company boards; (iii) serving as a non-executive board chair on **two** public company boards and as a non-executive director on **one or more** other public company boards; or (iv) serving as a non-executive director (but not the board chair) on more than one public company board while also serving as an executive officer at a public company. In case of an executive officer, we would vote against his/her (re)election only to boards where he/she serves as a non-executive director."[4]

- ***State Street***: State Street implements the following voting guidelines, in addition to its existing guidelines regarding director time commitment[5]: may take voting action against directors who hold excessive commitments according to either of the following conditions: (i) board chairs or lead independent directors who sit on **more than three** public company boards; or (ii) director nominees who sit on **more than four** public company boards.[6] State Street may consider waiving its policy and voting in support of a director if the company discloses its director commitment policy in a publicly available manner (e.g., corporate governance guidelines, proxy statement, company website).[7] This policy or associated disclosure must include: (i) a numerical limit on public company board seats a director can serve on (this limit cannot exceed State Street's policy by more than one

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4 *See* BlackRock Responsible Investment Guidelines EMEA.

5 For example, *see* State Street's proxy voting guidelines for European companies and its proxy voting guidelines for US and Canadian companies.

6 Service on mutual fund boards and UK investment trusts is not considered when evaluating directors for excessive commitments.

7 State Street's director commitment policy for NEOs of a public company board who sit on **more than two** public company boards remains unchanged, and is not subject to these disclosure waivers.

seat); (ii) consideration of public company board leadership positions (e.g., Committee Chair); (iii) affirmation that all directors are currently compliant with the company policy; and (iv) description of an annual policy review process undertaken by the Nominating Committee to evaluate outside director time commitments.[8]

- ***Vanguard***: "The role of public company directors is complex and time-consuming, and we believe that directors should maintain sufficient capacity to effectively carry out their responsibilities to shareholders. For this reason, directors should appropriately limit their board and other commitments to ensure that they are accessible and responsive to both routine and unexpected board matters (including their attending board and relevant committee meetings). Any exceptions to their participation/attendance should be appropriately disclosed."

Israeli FPIs

- ***ISS***: No Israel-specific policy on overboarding.
- ***Glass Lewis***: Generally recommend against a director who serves as an executive officer of any public company while serving on **more than two** public company boards and any other director who serves on **more than five** public company boards. However, Glass Lewis also takes the following into consideration:
    - When determining whether a director's service on an excessive number of boards may limit the ability of the director to devote sufficient time to board duties, may consider relevant factors, such as the size and location of the other companies where the director serves on the board, and the director's attendance record at all companies.
    - May not recommend that shareholders vote against overcommitted directors at the companies where they serve an executive function.
    - Will generally refrain from recommending against a director who serves on an excessive number of boards within a consolidated group of companies or a director that represents a firm whose sole purpose is to manage a portfolio of investments which include the company.
    - May refrain from recommending against the director if the company provides a sufficiently compelling explanation regarding his or her significant position on the board, specialized knowledge of the company's industry, strategic role (such as adding expertise in regional markets or other countries), etc.[9]

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8 *See* SSGA's Managing Through a Historic Transition: The Board's Oversight of Director Time Commitments.

9 *See* Glass Lewis's Israel Voting Guidelines.

Appendix C

New and Updated Non-GAAP/Non-IFRS C&DIs

Question 100.01

Question: Can certain adjustments, although not explicitly prohibited, result in a non-GAAP measure that is misleading?

Answer: Yes. Certain adjustments may violate Rule 100(b) of Regulation G because they cause the presentation of the non-GAAP measure to be misleading. ~~For example, presenting a~~ Whether or not an adjustment results in a misleading non-GAAP measure depends on a company's individual facts and circumstances.

Presenting a non-GAAP performance measure that excludes normal, recurring, cash operating expenses necessary to operate a registrant's business is one example of a measure that could be misleading. ~~[May 17, 2016]~~

When evaluating what is a normal, operating expense, the staff considers the nature and effect of the non-GAAP adjustment and how it relates to the company's operations, revenue generating activities, business strategy, industry and regulatory environment.

The staff would view an operating expense that occurs repeatedly or occasionally, including at irregular intervals, as recurring. [December 13, 2022]

Question 100.04

~~**Question:** A registrant presents a non-GAAP performance measure that is adjusted to accelerate revenue recognized ratably over time in accordance with GAAP as though it earned revenue when customers are billed. Can this measure be presented in documents filed or furnished with the Commission or provided elsewhere, such as on company websites?~~

Question: Can a non-GAAP measure violate Rule 100(b) of Regulation G if the recognition and measurement principles used to calculate the measure are inconsistent with GAAP?

~~**Answer**: No. Non-GAAP measures that substitute individually tailored revenue recognition and measurement methods for those of GAAP could violate Rule 100(b) of Regulation G. Other measures that use individually tailored recognition and measurement methods for financial statement line items other than revenue may also violate Rule 100(b) of Regulation G. [May 17, 2016]~~

Answer: Yes. By definition, a non-GAAP measure excludes or includes amounts from the most directly comparable GAAP measure. However, non-GAAP adjustments that have the effect of changing the recognition and measurement principles required to be applied in accordance with GAAP would be considered individually tailored and may cause the presentation of a non-GAAP measure to be misleading. Examples the staff may consider to be misleading include, but are not limited to:

- changing the pattern of recognition, such as including an adjustment in a non-GAAP performance measure to accelerate revenue recognized ratably over time in accordance with GAAP as though revenue was earned when customers were billed;
- presenting a non-GAAP measure of revenue that deducts transaction costs as if the company acted as an agent in the transaction, when gross presentation as a

principal is required by GAAP, or the inverse, presenting a measure of revenue on a gross basis when net presentation is required by GAAP; and

- changing the basis of accounting for revenue or expenses in a non-GAAP performance measure from an accrual basis in accordance with GAAP to a cash basis. [December 13, 2022]

Question 100.05

Question: Can a non-GAAP measure be misleading if it, and/or any adjustment made to the GAAP measure, is not appropriately labeled and clearly described?

Answer: Yes. Non-GAAP measures are not always consistent across, or comparable with, non-GAAP measures disclosed by other companies. Without an appropriate label and clear description, a non-GAAP measure and/or any adjustment made to arrive at that measure could be misleading to investors. The following examples would violate Rule 100(b) of Regulation G:

- Failure to identify and describe a measure as non-GAAP.
- Presenting a non-GAAP measure with a label that does not reflect the nature of the non-GAAP measure, such as:
  - a contribution margin that is calculated as GAAP revenue less certain expenses, labeled "net revenue";
  - non-GAAP measure labeled the same as a GAAP line item or subtotal even though it is calculated differently than the similarly labeled GAAP measure, such as "Gross Profit" or "Sales"; and
  - a non-GAAP measure labeled "pro forma" that is not calculated in a manner consistent with the pro forma requirements in Article 11 of Regulation S-X. [December 13, 2022]

Question 100.06

Question: Can a non-GAAP measure be misleading, and violate Rule 100(b) of Regulation G, even if it is accompanied by disclosure about the nature and effect of each adjustment made to the most directly comparable GAAP measure?

Answer: Yes. It is the staff's view that a non-GAAP measure could mislead investors to such a degree that even extensive, detailed disclosure about the nature and effect of each adjustment would not prevent the non-GAAP measure from being materially misleading. [December 13, 2022]

Question 102.10

Question 102.10(a): Item 10(e)(1)(i)(A) of Regulation S-K requires that when a registrant presents a non-GAAP measure it must present the most directly comparable GAAP measure with equal or greater prominence. This requirement applies to non-GAAP measures presented in documents filed with the Commission and also earnings releases furnished under Item 2.02 of Form 8-K. Are there examples of disclosures that would cause a non-GAAP measure to be more prominent?

Answer: Yes. ~~Although whether~~This requirement applies to the presentation of, and any related discussion and analysis of, a non-GAAP measure. Whether a non-GAAP measure is more prominent than the comparable GAAP measure generally depends on the facts and circumstances in which the disclosure is made~~, the~~. The staff would consider the following to be

examples of ~~disclosure of~~ non-GAAP measures ~~as~~that are more prominent than the comparable GAAP measures:

- Presenting ~~a full~~an income statement of non-GAAP measures ~~or presenting~~ . See Question 102.10(c).
- ~~a full~~Presenting a non-GAAP ~~income statement when reconciling non-GAAP measures to~~measure before the most directly comparable GAAP ~~measures;~~
- measure or omitting the ~~O~~omitting comparable GAAP ~~measures from~~measure altogether, including in an earnings release headline or caption that includes a non-GAAP ~~measures;~~ measure.
- Presenting a ratio where a non-GAAP financial measure is the numerator and/or denominator without also presenting the ratio calculated using the most directly comparable GAAP measure(s) with equal or greater prominence.
- Presenting a non-GAAP measure using a style of presentation (e.g., bold, larger font, etc.) that emphasizes the non-GAAP measure over the comparable GAAP measure~~;~~.
- ~~A non-GAAP measure that precedes the most directly comparable GAAP measure (including in an earnings release headline or caption);~~
- Describing a non-GAAP measure as, for example, “record performance” or “exceptional” without at least an equally prominent descriptive characterization of the comparable GAAP measure~~;~~.
- Presenting charts, tables or graphs of a non-GAAP financial measures without presenting charts, tables or graphs of the comparable GAAP measures with equal or greater prominence, or omitting the comparable GAAP measures altogether.
- ~~Providing tabular disclosure of non-GAAP financial measures without preceding it with an equally prominent tabular disclosure of the comparable GAAP measures or including the comparable GAAP measures in the same table;~~
- ~~Excluding a quantitative reconciliation with respect to a forward-looking non-GAAP measure in reliance on the “unreasonable efforts” exception in Item 10(e)(1)(i)(B) without disclosing that fact and identifying the information that is unavailable and its probable significance in a location of equal or greater prominence; and~~
- Providing discussion and analysis of a non-GAAP measure without a similar discussion and analysis of the comparable GAAP measure in a location with equal or greater prominence. [~~May 17~~ December 13, ~~2016~~2022]

Question 102.10(b): Are there examples of disclosures that would cause the non-GAAP reconciliation required by Item 10(e)(1)(i)(B) of Regulation S-K to give undue prominence to a non-GAAP measure?

Answer: Yes. The staff would consider the following examples of disclosure of non-GAAP measures as more prominent than the comparable GAAP measures:

- Starting the reconciliation with a non-GAAP measure.

- Presenting a non-GAAP income statement when reconciling non-GAAP measures to the most directly comparable GAAP measures. See Question 102.10(c).

- When presenting a forward-looking non-GAAP measure, a registrant may exclude the quantitative reconciliation if it is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K. A measure would be considered more prominent than the comparable GAAP measure if it is presented without disclosing reliance upon the exception, identifying the information that is unavailable, and its probable significance in a location of equal or greater prominence. [December 13, 2022]

Question 102.10(c): The staff considers the presentation of a non-GAAP income statement, alone or as part of the required non-GAAP reconciliation, as giving undue prominence to non-GAAP measures. What is considered to be a non-GAAP income statement?

Answer: The staff considers a non-GAAP income statement to be one that is comprised of non-GAAP measures and includes all or most of the line items and subtotals found in a GAAP income statement. [December 13, 2022]

Appendix D

POWER OF ATTORNEY

Signing Form ID – Uniform Application

For Access Codes to file on EDGAR

The undersigned does hereby constitute and appoint [*NAME(S) OF ATTORNEY(S)-IN-FACT*] the attorney[s]-in-fact for and in the name of the undersigned, to execute the Form ID Application for Access Codes to file on EDGAR (including the defining of a Passphrase security code) which may be filed by or on behalf of the undersigned, with the U.S. Securities and Exchange Commission, and all other documents relating to such Form ID (including construction of any additional SEC mandated security codes). Such attorney[s]-in-fact shall have full power to appoint a substitute to act in [his/her] place.

Dated: _____, 20[●]

_____

[*NAME OF SIGNATORY*]

Appendix E

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint [*NAME(S) OF ATTORNEY(S)-IN-FACT*] as the undersigned's true and lawful attorney[s]-in-fact to, as applicable:

(1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer or director of [*COMPANY NAME*] (the "Company"), Form 144 in accordance with Rule 144 of the Securities Act of 1933 (the "Securities Act") and the rules thereunder and any amendments to the foregoing;

(2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form 144, complete and execute any amendment or amendments thereto, and timely file such form with the U.S. Securities and Exchange Commission and any stock exchange or similar authority; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve to such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorney[s]-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Rule 144 of the Securities Act.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Form 144 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorney[s]-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of the [●]th day of [●], 20[●].

By: _____
[*SIGNATORY*]

Appendix F

Sample Attestation

[Company Name]

ELECTRONIC SIGNATURE ATTESTATION FOR SEC FILINGS

For purposes of authenticating my typed signature on filings made by [Company Name] (the "Company") with the Securities and Exchange Commission through its Electronic Data Gathering, Analysis, and Retrieval system (EDGAR) (each such authentication, an "Authentication Document"), I hereby attest that my electronic signature on any Authentication Document constitutes the legal equivalent of my manual signature.

I understand that I may revoke this attestation by delivering a revocation to the Company in writing. I understand that this attestation is effective when signed and delivered to the Company.

Signature:
Name:
Date:

[Company Use Only:]

Date Received:

To be retained by the Company for so long as signatory uses an electronic signature to sign Authentication Documents, and for a minimum period of seven years following the date of the most recent electronically signed Authentication Document

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