

To Whom It May Concern:

We've provided comments on select questions posed in the recent ISS benchmark policy consultation:

1. **(U.S. Market) What factors does your organization consider most important when determining whether an independent chair shareholder proposal warrants support?** We recently added a performance criteria in our decision process, and favor the proposed inclusion of a 5 year time frame for examining TSR, etc.
2. **(Japanese Market) What board independence percentage or number of independent directors/outside would your organization consider acceptable when voting on the election of directors at Japanese companies?** Over the next few years, we view a minimum of one-third level of independence of the board to be a good benchmark.
3. **(Japanese Market) Does your organization consider it appropriate to set a higher board independence threshold for only a selected group of Japanese companies? If yes, what criteria should be used (e.g., specific equity indices, such as Nikkei 225 or JPX-Nikkei 400; financial metrics; market capitalization).** Although a higher board independence threshold may be warranted for specific indices like the Nikkei 400, we would prefer a conditional voting recommendation to be tied more to every firm's capital allocation track record (i.e. return on capital performance, relative cash holdings, etc.), without regard to index classification.
4. **(Japanese Market) Does your organization consider the proposed threshold of ROE of 5 percent and measurement period of five years appropriate? If not, please specify.** It's certainly a good level to begin with, but would prefer a nuanced approach where ROE levels would be analyzed on an industry/sector/peer basis.
5. **(U.S. Market) Do you see any unintended consequences from shifting to a scorecard approach? No. If yes, please specify.**

We're happy to clarify our feedback on any of these issues. Thanks for the opportunity to provide additional commentary.

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