



**OREGON
STATE
TREASURY**

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Proxy Voting Policy Change Modification CEO-To-Median Pay Ratio

The staff of the Oregon State Treasury has modified the proxy voting policy, to be executed through Glass Lewis, our proxy voting advisor and platform. The change is intended to utilize the CEO-to-Median Employee Pay Ratio ("Pay Ratio") and a quantum metric to enhance our voting standards, ensuring that our Say-on-Pay votes are aligned with Treasury's philosophy and compensation is equitable and warranted.

Treasury has implemented the following overlay to the Glass Lewis ESG voting policy:

- For proxies with a Pay Ratio higher than 300 (Approximately the 90th percentile) or total compensation valued at more than \$25 million, Treasury will vote FOR the Say-on-Pay proposal if the Glass Lewis ESG Policy used by Treasury recommends a FOR vote AND the company has an "A" in the Glass Lewis Pay for Performance model.
- For proxies with a Pay Ratio between 175 and 300 (Approximately the 75th to 90th percentiles), Treasury will vote FOR the Say-on-Pay proposal if the Glass Lewis ESG Policy used by Treasury recommends a FOR vote AND the company has an "A" or "B" in the Glass Lewis Pay for Performance model.
- For proxies with a Pay Ratio lower than 175, Treasury will continue to follow the Glass Lewis ESG Policy recommendation.

Treasury will support shareholders proposals requesting disclosure of CEO-to-Median Employee Pay Ratio but does not support proposals requesting companies utilize the metric in the compensation setting or awarding process.

