

ISS – Annual Global Benchmark Policy Survey

In this document, we have extracted all the climate-related questions from ISS' [Annual Global Benchmark Policy Survey](#). The responses set out here are prepared by IIGCC and do not necessarily reflect the views of our membership either individually or collectively.

26. Scope 3

As a stakeholder, does your organization believe that Scope 3 GHG emission reduction targets should be disclosed?

- Yes, companies should be setting targets for their Scope 3 emissions
- Yes, but only those companies for which Scope 3 emissions are significant in their carbon footprint
- Yes, but only high emitting companies should be setting targets for their scope 3 emissions
- No, companies should not be required to set targets for their Scope 3 emissions
- Other

27. Virtual Meetings – All Continental Europe

Based on your experience with virtual-only meetings since they have been allowed and implemented in Continental Europe, what is your organization's current view of virtual-only meetings?

- Positive, it should always be allowed
- Somewhat positive, the decision is best left to the board
- Mixed, it depends on company practice (e.g., frequency, rationale, conduct of previous meetings, etc.)
- Somewhat negative, only permissible in extraordinary circumstances, with authorization limited in time
- Negative, not supportive under any circumstance
- Other

28. If your answer to the previous question is one of the options that starts with "Yes", does your organization believe that those targets should be:

- Mid-term Scope 3 targets only
- Net zero Scope 3 targets only
- Both Mid-term AND Net Zero Scope 3 targets

29. Climate-related Shareholder Proposals

In evaluating climate-related shareholder resolutions asking companies to report on or establish targets or plans to reduce emissions, ISS analysis takes into consideration many factors, including adequacy of climate-related disclosure, existing and potential legal and regulatory risks, comparison between the company and its peers, and board and management oversight disclosure. There seemingly is a more diverse set of opinions on what criteria make a proposal more or less burdensome. ISS Benchmark Policy's current approach generally does not view such requests as overly burdensome and tends to recommend support if shortcomings are identified in the company's current approach to signal that actions lowering GHG-related risk are likely in shareholders' interest, even if they don't achieve full value chain net zero emissions. As a market participant, which - if any - of these factors would your organization consider most relevant when addressing proposals asking for a report on or to take climate-related actions? Please select the one(s) that most reflect your organization views.

- Less relevant (or less likely to support, if an investor) if the resolution explicitly asks to align with the Paris Agreement's 1.5 degree Celsius goal
- Less relevant (or less likely to support, if an investor) when the resolution includes target requirements for supply chain emissions (Scope 3)
- Less relevant (or less likely to support, if an investor) when the horizon term for targets includes short- or medium-term
- Less relevant (or less likely to support, if an investor) when the technology necessary to achieve full value chain net-zero goals is not yet cost-competitive
- Less relevant (or less likely to support, if an investor) if the resolution asks for the adoption of a target rather than reporting on the adoption of targets

- Generally, do not view such requests as overly burdensome and, if an investor, tend to support them if shortcomings are identified in the company's current approach
- Other

In addition, the ISS Survey covers short-term poison pills to defend against activist campaigns and the treatment of restricted share schemes with extended vesting periods. IIGCC has not responded to these questions in our response but encourages investors do so where relevant to them.