

M O R R O W S O D A L I

CHAIRMAN'S LETTER

To Our Clients and Members of the Corporate and Financial Communities:

The merger of Sodali and Morrow & Co. in May 2016 created a new type of business consultancy that is directly responsive to the accelerating governance and shareholder demands faced by companies in today's global marketplace. At Morrow Sodali we bring together in one firm all the skills, expertise and resources that corporate managers and directors need to deal effectively with their corporate governance and ownership challenges.

Morrow Sodali's structure, business philosophy and global reach are unique.

Our work as a highly respected proxy solicitation firm informs and adds value to all our services. Whereas some providers treat proxy solicitation as no more than a commoditized system of document distribution and vote collection, at Morrow Sodali we take a different approach. Our disciplined and meticulous procedures provide a number of important benefits: a path for direct communication with intermediaries and beneficial owners; a valuable source of data about ownership and voting policies; a basis for engaging and building relationships with institutional decision-makers who are outside traditional Investor Relations channels. Working closely with clients, we make the annual shareholder meeting a central governance event, a showcase for directors and an opportunity to manage shareholder expectations, maximize support for business initiatives and avoid activist and dissident attacks.

We are a leading advisor on corporate governance. From the start we have been an advocate for a customized approach that gives primacy to business goals over one-size-fits-all governance standards. In promoting the integration of ESG policies, business strategy and financial performance, we recognize that in order to serve companies effectively we must establish a relationship of credibility and trust with institutional investors. Accordingly, we have positioned Morrow Sodali both as a listener, bringing investor views unfiltered to our clients, and as an advocate, helping companies explain how their governance and business decisions serve shareholder interests. This interface role between corporations and their shareholders is unique to Morrow Sodali and it strengthens our effectiveness in mergers, acquisitions and contested situations as well as annual meetings and other interactions with owners.

Morrow Sodali has long recognized that corporate governance is ultimately a responsibility of the board of directors. We work closely with boards on issues such as ESG policy, director nomination, executive compensation, board evaluation, strategic communication and boardroom transparency that are key shareholder concerns. Our growing list of research, analytical and advisory services meet the demand for boards to understand, engage and communicate with the constituents they represent.

Morrow Sodali is unique in our combination of local expertise and global perspective. We operate through an expanding network of branch offices around the world that provide expertise in local languages, legal regulations and business practices. At the same time, our headquarters in New York and London and our operations centers in major financial markets give a broad perspective on the international policies and practices of institutional investors.

We encourage our clients not to view their relations with owners episodically but as a continuous annual cycle. While the annual shareholder meeting is a peak governance event, the process of preparing for it – research, data collection, ownership analysis, issue development, outreach, engagement, solicitation – and the post-meeting review of lessons learned are the basis on which companies can build and maintain strong and lasting relationships with their owners and investors.

Sincerely,

John C. Wilcox
Chairman