



February 12, 2020

Mr. Thomas S. Kim
Chief Legal Officer and Company Secretary
Thomson Reuters Corporation
333 Bay Street, Suite 400
Toronto, ON M5H 2R2

Re Shareholder proposal for the 2020 Annual General Meeting of Shareholders (the “2020 AGM”)

I submit the enclosed shareholder proposal and supporting statement (the “**Proposal**”), attached hereto at Schedule A, on behalf of the B.C. Government and Service Employees’ Union General Fund and the B.C. Government and Service Employees’ Union Strike Fund (together, the “**Shareholder**”) for inclusion in Thomson Reuters Corporation’s (“**Thomson Reuters**” or the “**Corporation**”) management proxy circular to be delivered to shareholders in connection with the 2020 AGM. The Proposal relates to ensuring business risks are being adequately addressed at the board level.

Failure to Assess, Prevent and Mitigate Human Rights Risk

Companies with existing or potential contracts with the U.S. federal government’s department of Immigration and Customs Enforcement (“**ICE**”) associated with the enforcement of immigration policies are exposed to the risk of contributing to, or being directly linked to, violations of human rights, including children’s rights, due process, equal protection, freedom from persecution and torture, and the rights of asylum seekers. This exposes companies to significant legal and reputational risks, including brand risk and workplace unrest by employees who are strongly opposed to these practices.

We note that Thomson Reuters’s Supply Chain Ethical Code discusses the Corporation’s commitment to respect human rights and to hold business partners to the same standard. In addition, the Corporation’s Risk Committee is responsible for confirming that a system is in place to identify the principal risks facing Thomson Reuters and that appropriate procedures and systems are in place to monitor, mitigate and manage those risks. The Corporation’s enterprise risk management (ERM) process identifies, assesses and develops plans around risk to the Corporation.



It is not clear what, if any, assessment of business risks has been carried out relating to Thomson Reuters's contracts with ICE and other agencies, and this may be indicia of the board's failure to manage the Corporation's salient human rights risks.

The failure to manage business risks related to human rights issues could have significant negative consequences for shareholders and stakeholders alike.

UN Global Compact

As you will note, the Proposal calls on Thomson Reuters to assess its ongoing compliance with the Ten Principles of the UN Global Compact. We note that Thomson Reuters's next Communication on Progress is due on May 5, 2020, and we submit that the requested human rights risk assessment should be conducted prior to the filing of the next Communication on Progress.

Precedent Proposal

We note that Proposal has similarities with the proposal presented at TJX Companies, Inc. at its 2019 annual general meeting of shareholders. That proposal received the approval of 38.8% of shareholders, including RBC Global Asset Management (~3.2% shareholder in Thomson Reuters), Jarislowsky Fraser (~1.9% shareholder in Thomson Reuters), BMO Global Asset Management (~1% shareholder in Thomson Reuters) and TD Bank / Asset Management (~1% shareholder in Thomson Reuters), among others.

Proposal Eligibility

In accordance with the eligibility requirements pursuant to the *Business Corporations Act* (Ontario), I represent the following:

1. The Shareholder is located at the address set out in Schedule B, attached hereto.
2. The Shareholder beneficially owns the number of voting shares in the capital of the Corporation as set out in Schedule B.

Please note additional forms of proof of ownership, if requested, will be provided under separate cover.



Questions and Engagement

Please direct all questions with respect this shareholder proposal to Emma Pullman, who is BCGEU's Capital Markets advisor. Ms. Pullman would be pleased to discuss the proposal with you, and she can be reached via email at emma.pullman@bcgeu.ca or via phone at (604) 473-5479.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Paul Finch".

Paul Finch
Treasurer

EP/



Schedule A

Companies are facing scrutiny for contracting with government agencies carrying out the Trump administration's inhumane family separation and indefinite family detention policies at the US-Mexico border.

The UN considers such separation and detention illegal under international law and has stated the practice constitutes "arbitrary and unlawful interference in family life, and is a serious violation of the rights of the child."¹

Immigration and Customs Enforcement (ICE) has over \$60 million in contracts with Thomson Reuters. ICE relies on data and technology provided by Thomson Reuters products such as CLEAR[®] to track and arrest immigrants on a massive scale.

CLEAR[®] is a powerful software tool that enables background checks by consolidating records across multiple databases, including utilities, DMV records, property, criminal/arrest and court records, business data, healthcare provider information, live cell phone records and license plate recognition.

Historically a media company, Thomson Reuters's success is increasingly determined by software offerings. Its practices should now be compared against software-as-a-service (SaaS) companies. The most prominent SaaS companies, Microsoft, Amazon, Google, Oracle, Cisco and Salesforce.com, have indicated their approaches to human rights are informed or guided by the UN Guiding Principles on Business and Human Rights (UNGPs).

An organization chaired by the author of the UNGPs stated²:

[T]hose businesses that operate or have parts of their value chain in countries where governments fail to fulfill their own duties to protect human rights will need to make additional efforts to respect human rights in light of the risky environment.

While Thomson Reuters has not invoked the UNGPs, it is a signatory to the UN Global Compact and its Ten Principles. Facilitation of ICE's questionable activities calls into question whether Thomson Reuters is satisfying its obligations under the first two Principles³:

¹ <https://www.nytimes.com/2018/06/05/world/americas/us-un-migrant-children-families.html>

² <https://www.shiftproject.org/un-guiding-principles/>

³ <https://www.unglobalcompact.org/what-is-gc/mission/principles>



Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Thomson Reuters has stated that its reputation is key and negative publicity could harm relationships with customers⁴.

Thomson Reuters has no formal commitment to remedy adverse impacts of human rights abuses by its customers, there is no clear evidence that it conducts human rights risks assessments, and its compliance with the UN Global Compact is questionable. Given the lack of risk mitigation and disclosure, investors have insufficient information to gauge whether Thomson Reuters is addressing this serious risk.

RESOLVED: Shareholders request the Board produce a human rights risk report, at reasonable cost and omitting proprietary information, addressing

- how Thomson Reuters assesses its role in contributing to and being directly linked to human rights impacts by end users,
- how Thomson Reuters mitigates its role in contributing to adverse human rights impacts from end users,
- whether Thomson Reuters remains in compliance with the Ten Principles of the UN Global Compact, and
- whether Thomson Reuters's failure to invoke the UNGPs is out-of-step with market practice, particularly where reputational damage may have a material adverse effect on a company's business.

⁴ <https://ir.thomsonreuters.com/static-files/b32e0ad2-b992-46da-890d-2a28f21b6aec>



SCHEDULE B

SHAREHOLDERS

<u>BENEFICIAL OWNER AND ADDRESS</u>	<u>REGISTERED HOLDER AND ADDRESS (if applicable)</u>	<u>NO. OF VOTING SHARES</u>
B.C. Government and Service Employees' Union General Fund 4911 Canada Way Burnaby, BC V5G 3W3	RBC Investor & Treasury Services Park Place – 21st floor 666 Burrard Street Vancouver, BC V6C 3B1	<u>1,798</u>
B.C. Government and Service Employees' Union Defence Fund 4911 Canada Way Burnaby, BC V5G 3W3	RBC Investor & Treasury Services Park Place – 21st floor 666 Burrard Street Vancouver, BC V6C 3B1	<u>11,583</u>