Appendix B – Shareholder Proposal

The following proposal has been submitted by the B.C. Government and Service Employees' Union General Fund and the B.C. Government and Service Employees’ Union Defence Fund of 4911 Canada Way, Burnaby, British Columbia V5G 3W3, Canada, for consideration at the annual meeting of shareholders. The Board of Directors opposes this proposal for the reasons set out below.

Shareholder Proposal

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.”

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 stated:

[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 it obligations under the first two 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 customers.

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.

2 https://www.shiftproject.org/un-guiding-principles/
3 https://www.unglobalcompact.org/what-is-gc/mission/principles
4 https://ir.thomsonreuters.com/static-files/b32e0aad-b992-46da-890d-2a28f21b6aec
The Board of Directors recommends voting **AGAINST** the proposal for the following reasons:

For the reasons discussed below, the Board believes that producing a human rights risk report in the form contemplated by the proposal is not in the best interests of Thomson Reuters or its shareholders. The Board believes that our company's current policies and practices appropriately and adequately reflect Thomson Reuters' commitment to respecting human rights.

Trust is at the heart of all we do. The foundation of that trust is built upon Thomson Reuters’ long-standing Trust Principles of integrity, independence and freedom from bias, which also underpin our business decisions and our commercial principles. As part of our commitment in the Trust Principles to integrity, independence and freedom from bias, we endeavor to be impartial and not to take sides and we seek to provide news, information, software, services and solutions upon which individuals, businesses and governments can rely.

We rely on an extensive network of customers, partners and suppliers, all of whom impact the communities in which we live and work. In every business decision and transaction, we endeavor to do the right thing—for our people, our suppliers and our communities.

Law enforcement agencies are tasked with the immense duty of keeping our communities safe. As the type of threats that communities face become more complex, law enforcement personnel need solutions that help them investigate threats to public safety. Thomson Reuters provides products and services to federal, state and local government agencies in the United States and other countries that are utilized in support of the rule of law.

CLEAR is one of our investigative platforms and we sell it primarily to government agencies. CLEAR combines public and proprietary databases with technology to deliver insight for investigative, legal compliance and fraud prevention purposes. CLEAR is used by the U.S. government to help protect human rights in a wide range of areas, including identifying counterfeit and substandard products that pose health and safety issues (such as fake COVID-19 testing kits); combating human trafficking, international money laundering by criminal organizations, smuggling and international drug trafficking, and illegal arms trafficking; and investigating criminal organizations.

- CLEAR is only available to authorized professional and government subscribers that have a certified permissible use under a number of U.S. federal and state laws.
- All customers are vetted and trained prior to being granted access to these products, and **end users must certify their specific legally permissible uses prior to each time they seek access to any data.**
- The services that Thomson Reuters provides to the U.S. Department of Homeland Security's Immigration and Customs Enforcement (ICE) agency (under a contract signed in 2015) are **in support of its work on active criminal investigations and priority cases involving threats to national security and/or public safety.**

As a recent example of how our data and the technical expertise of our company’s analysts can help support efforts to improve public safety, our products helped law enforcement rescue 22 human trafficking victims during Super Bowl weekend in Miami in February 2020. A concerted law enforcement effort—which also resulted in 47 arrests of traffickers and their accomplices — involved the Miami-Dade State Attorney’s Human Trafficking Task Force, the United States Attorney’s Office, the U.S. Federal Bureau of Investigation, the U.S. Department of Homeland Security and the Miami-Dade, Miami Beach and City of Miami Police Departments, as well as other local law enforcement agencies, the local Super Bowl Host Committee and the Women’s Fund Miami-Dade. Our strong partnership with law enforcement at the 2020 Super Bowl afforded us an opportunity to use our expertise, information and technologies to support an extremely critical mission, and our data and technology were used to benefit local communities.

Our commitment to respecting human rights is also demonstrated in several other ways:

- **Code of Business Conduct and Ethics** – The Thomson Reuters Code of Business Conduct and Ethics is grounded in our purpose and values and sets out Thomson Reuters' standards and expectations for employees’ behavior and our business practices. The Code is currently available in English and 19 other languages. The Code includes a statement on our approach to human rights. The Code provides that as a responsible global corporate citizen, we are trusted to respect human rights and to hold our business partners to the same high standard we demand of ourselves.
• **Supplier Onboarding Program** – Thomson Reuters maintains a process known as the global Supplier Onboarding Program to screen, onboard and monitor the third parties with which we choose to do business. The Supplier Onboarding Program includes a risk assessment of whether a business partner may have engaged or might engage in unethical and/or unlawful acts. Under our internal policies, business partners are to be approved through the Supplier Onboarding Program before Thomson Reuters enters into an agreement for goods or services. If a screening shows potential problems, we work with business partners on a case-by-case basis to identify underlying issues and to remedy them to our satisfaction. We have also identified certain service categories as presenting a higher ethics risk and we have provided targeted training to business partners in these categories to reinforce the Supply Chain Ethical Code obligations. Thomson Reuters also re-screens business partners at regular intervals. These processes have enabled us to better monitor business partners for potential issues on an ongoing basis and have given us even greater confidence that our business partners continue to meet our ethical standards.

• **Supply Chain Ethical Code** – Thomson Reuters has a Supply Chain Ethical Code that is designed to ensure that our suppliers meet standards that are consistent with Thomson Reuters’ ways of doing business. Our Supply Chain Ethical Code applies to our suppliers worldwide and seeks to drive commitment to high ethical standards through our supply chain. Our master services agreement forms require suppliers to comply with our Supply Chain Ethical Code. In certain instances, we have alternatively permitted some suppliers to agree to comply with their own ethics codes and we ask those suppliers to represent to us that their analogous codes conform in material respects with ours.

• **Thomson Reuters Foundation** – Thomson Reuters’ corporate charity, the Thomson Reuters Foundation, works to advance media freedom, raise awareness of human rights issues, and foster more inclusive economies. Leveraging the skills, values and expertise of Thomson Reuters, the Foundation exposes corruption worldwide and has undertaken a number of programs and initiatives intended to trigger change and empower people globally.

• **UN Global Compact** – As part of our commitment to being global role models for ethical business conduct, Thomson Reuters is a member of the United Nations Global Compact, and we align our business to the Compact’s 10 universal principles on human rights, labor, environment and anti-corruption. In addition, Thomson Reuters works actively towards the 17 U.N. Global Compact Sustainable Development Goals (SDGs), with a strong focus on SDG 16: promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. To this end, Thomson Reuters is a participant of the UNGC SDG 16 Action Platform and is committed to implementing various innovative programs for our employees, the Thomson Reuters Foundation and partners in service of this goal. In 2019, we examined the legal sector’s capacities and duties in promoting peace, justice and strong institutions while bringing our customers and partners to the table with the United Nations Global Compact and the Thomson Reuters Foundation’s TrustLaw group.

We take our role as a good corporate citizen extremely seriously, and we believe our data, software and solutions make a positive impact to society. As stated above, as part of our commitment in the Trust Principles to integrity, independence and freedom from bias, we endeavor to be impartial and not to take sides. The Trust Principles have guided our company for almost 80 years and they continue to help us operate fairly.

The Board does not believe that it is in the best interests of Thomson Reuters or its shareholders to spend significant time, resources and energy to develop a separate report which it believes would lack a tangible return for shareholders. The Board prefers that Thomson Reuters management should instead focus on further increasing shareholder value and improving upon our company’s existing efforts to respect human rights.

For the foregoing reasons, the Board of Directors recommends that shareholders vote **AGAINST** this proposal.