

Appendix B – Withdrawn Proposal

B.C. General Employees' Union General Fund and B.C. General Employees' Union Defence Fund of 4911 Canada Way, Burnaby, British Columbia V5G 3W3, Canada (BCGEU) submitted a proposal to our company for consideration at the annual meeting of shareholders. Following a constructive discussion with our company and based on our progress, ongoing work and commitments in this area, BCGEU agreed not to submit its proposal to a shareholder vote at the meeting. We agreed to include BCGEU's proposal in this circular for informational purposes only. The proposal and related supporting statement are reproduced below in full in italics, along with our company's response. This proposal is not a part of the formal business or agenda of the meeting.

Shareholder Proposal and Supporting Statement

Thomson Reuters (TRI) has faced controversy surrounding the use of its technology products, including the U.S. Department of Homeland Security's Immigration and Customs Enforcement (ICE) agency's use of CLEAR®. CLEAR® enables background checks by consolidating millions of personal records across multiple databases. Previous controversies involved ICE's use of CLEAR® to track and arrest immigrants, and family separation and detention, which is considered illegal under international law.

In December 2021, U.S. Senator Ron Wyden stated that the data-broker industry has spun out of control, as data on private citizens was "ending up in the hands of law enforcement without approval or oversight."¹ The U.S. National Consumer Telecom & Utilities Exchange ended the sale of private utility data to commercial data brokers such as TRI, which incorporated such data into CLEAR®.

TRI has at least three active contracts with ICE, including one providing license plate readers to ICE through 2026.² Such license plate readers have been found to facilitate data sharing between local police departments and ICE seemingly without regard for state laws.³ Two other contracts leave questions about the technology products provided to ICE by TRI and the role they play in facilitating ICE's actions.⁴⁵

In August 2021 a U.S. federal court ruled that a lawsuit against TRI alleging that CLEAR® violates privacy laws could proceed.⁶

Mitigating Human Rights Risk

BCGEU's recent shareholder proposals at TRI have questioned its human rights risk mitigation practices and identified the company's shift from a media to a technology company.

In response to BCGEU's 2020 proposal, TRI pointed to its Trust Principles as underpinning its business decisions and commercial principles. In 2021 TRI stated that (i) it was actively reviewing best practices for mitigating human rights risks, (ii) there is no uniform approach to ESG matters, and (iii) that it has gained insight about human rights through its corporate charity. Notably, TRI's 2021 response to questions about its human rights risks practices made no mention of its Trust Principles.

In recommending that shareholders vote in favor of BCGEU's 2021 proposal, Institutional Shareholder Services (ISS) noted that the Trust Principles may be outdated and no longer applicable to the company in its current form as a technology company. ISS stated that the UN Guiding Principles on Business and Human Rights (UNGPs) are the most widely accepted set of governing principles on human rights risks, and that it appears TRI's strategy should be informed by the UNGPs.

TRI continues to state that its approach to ESG matters is guided by the Trust Principles and that such principles are fundamental to its entire business.

RESOLVED: Shareholders request the Board

- (i) conduct a review of
 - (A) the appropriateness of the Trust Principles as a means to identify and mitigate human rights risk, and
 - (B) whether an alternate set of governing principles on human rights risks, such as the UNGPs, would be more appropriate for TRI, and
- (ii) publish the results of such review in its Annual Report for 2022.

¹ <https://www.washingtonpost.com/technology/2021/12/08/utility-data-government-tracking/>

² https://www.usaspending.gov/award/CONT_AWD_70CMSD21C00000002_7012_-NONE_-NONE-

³ <https://www.wired.com/story/ice-license-plate-surveillance-vigilant-solutions/>

⁴ https://www.usaspending.gov/award/CONT_AWD_70CMSD18P000000145_7012_-NONE_-NONE-

⁵ https://www.usaspending.gov/award/CONT_AWD_70CDCR18P000000048_7012_-NONE_-NONE-

⁶ <https://www.courthousenews.com/judge-advances-privacy-claims-over-reuters-database/>

Thomson Reuters' Response

We were pleased to inform BCGEU that Thomson Reuters has aligned with the UNGPs, which augments our longstanding commitment to the U.N. Global Compact, the U.N. Declaration on Human Rights and other international standards. We highlighted that this work had commenced several months before our receipt of their proposal. We are already implementing requirements outlined by the UNGPs and will continue to enhance our approach as our salience / impact assessment is completed and the year progresses. Alignment to the UNGPs applies to our entire company, including our Reuters News business.

We also shared the following with BCGEU:

- We are in the process of completing a comprehensive global ESG materiality assessment and integrating the results with our enterprise risk frameworks. We are using “double materiality” as our lens – that means we’re looking at how material ESG topics affect our business and create or erode enterprise value as well as how material ESG risks and opportunities in our business could positively or negatively impact people, economies and the environment. This process is helping us identify and prioritize the ESG topics and issues that are most important and could affect our business and stakeholders, informing our strategy, targets, risk management and reporting. We have considered more than 280 possible material ESG topics, drawing from several frameworks, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the Sustainable Development Goals (SDGs) and others. We have engaged a leading consulting firm to help perform the ESG material assessment. We are taking a thorough approach, engaging internal and external experts and stakeholders as well as benchmarking ourselves against our peers and leading companies.
- In addition, last year we initiated a company-wide human rights impact assessment of our global operations, products and services. This ongoing assessment work is examining potential impacts across stakeholder groups. The recommendations will help us evaluate how to address salient human rights issues. Our commitment to respecting human rights throughout our operations will continue to guide our work. Thomson Reuters has partnered with Article One, a specialized strategy consultancy with expertise in human rights and responsible innovation, to carry out this ongoing human rights impact assessment. We have also engaged outside legal counsel to assist us with part of our human rights impact assessment process. The methodology for this assessment work includes desk-based research, internal and external stakeholder interviews, and detailed analysis and discussions of the findings. This process also includes benchmarking ourselves against our peers and leading companies. As we are committed to the responsible use of our products, the assessment work includes, but is not limited to, a review of the human rights impacts of our investigative and research solutions. These solutions are used by authorized customers in the law enforcement, government, corporate and legal markets in the prevention of fraud and to help catch bad actors, keep communities safe and investigate crimes, such as money laundering, human trafficking, and drug and weapons smuggling.
- Our view is that aligning to the UNGPs is compatible with the Thomson Reuters Trust Principles and they can coexist. This view is also shared by the Thomson Reuters Founders Share Company, which has a duty to ensure, to the extent possible, that the Thomson Reuters Trust Principles are complied with. The Thomson Reuters Founders Share Company has also informed us that they believe the Thomson Reuters Trust Principles remain applicable and relevant to our company. In the event of any future conflict between the UNGPs and the Thomson Reuters Trust Principles (which is unforeseen at this time), we would consult with Thomson Reuters Founders Share Company.

Our ESG materiality and human rights impact assessment work is ongoing. Members of our executive leadership team plan to discuss the approach, our progress and results with the Thomson Reuters Board and certain of its committees in June 2022. We subsequently plan to disclose publicly key findings of the results and our work starting in the second half of 2022. For additional information, please see the “ESG” section of this circular.

As material ESG topics and human rights issues will evolve, we plan to monitor these areas so they remain relevant to our business and stakeholders. We will also continue to look for opportunities to enhance our practices. We plan to be transparent by publishing relevant updates on our work and progress in our future social impact & ESG reports (which are posted annually on the Thomson Reuters website), annual reports and through other public disclosures. We also plan to continue good faith dialogues and engagements with BCGEU and other interested stakeholders on human rights.

We take our role as a good corporate citizen very seriously. We believe that these initiatives, efforts and commitments will provide our stakeholders with enhanced clarity and understanding about our approaches and processes to mitigate current and future human rights risks. We will continue to engage.