

September 2023

Research Tender



Stewart Investors

Governance of SM Investments Group

Purpose: To identify signs of improving governance by examining any changes of stewardship and concomitant change sustainability positioning within the SM Investments Group and its listed and unlisted subsidiaries.

Requirements:

- > Detail any changes in ownership, control structure, key personnel or corporate governance culture at the listed and unlisted subsidiaries of the conglomerate.
- > Identify and detail any concomitant changes in attitude to broader ESG/sustainability issues.

Detours to be avoided:

- > Repetition or regurgitation of the corporate's public statements (e.g. in their integrated or standalone sustainability/ESG reports) without evidence of action.
- > UN SDG mapping.
- > Carbon emission targets that are not scientifically evidenced.
- > A background on companies and their business

Scope:

- > Analyse the historic standards of corporate governance in the group, as defined by attitude to minority shareholders and broader stakeholders, reliance on political connections for business advantage, and willingness to compromise on best practice governance standards.
- > Identify the direction of travel for the group's corporate governance over the last few years; we would like to know whether this is improving, deteriorating or static.
 - o What have been the last three governance issues with the group, when did these occur, and how egregious were they?
 - o Has the approach of the controlling shareholders changed since then? Evidence of this evolution is important.
 - o Has there been personnel changes within the controlling group that might have precipitated a change in governance standards?
 - o Have there been any concomitant changes in attitude to sustainability and ESG issues more broadly.
- > Study 'Rep Risk criticism' of each group and evidence positive change resulting from these criticisms. (We can provide RRR).
- > Identify any areas of sustainability/ESG performance in which the group and its subsidiaries are either leaders or laggards. Relevant topics may include but not be limited to labour practices, plastic packaging, emission standards, etc.

Tender specifics:

Please submit a proposal by email (maximum of two pages) to GSIResearchManagement@stewartinvestors.com on how you would conduct this research, over what timeframe and for what price. In principle we support making your research report more widely available. However, we reserve the right to prohibit, or place restrictions, on such circulation if we believe that is appropriate.

Closing date for application: September 30th 2023.