

ICCR'S 2023 PROXY RESOLUTIONS AND VOTING GUIDE



Welcome, our webinar will be getting underway shortly.



Welcome

- Welcome and some housekeeping
- Contact for further questions:
 - Susana McDermott (smcdermott@iccr.org)
 - Julie Wokaty (jwokaty@iccr.org)
- WWW.ICCR.ORG

AGENDA

Julie Wokaty, ICCR: Overview of ICCR's 2023 season trends

- **Josh Zinner, ICCR:** The campaign to discredit ESG
- **Hyewon Han, Trillium Asset Management:** Freedom of association
- **Lydia Kuykendal, Mercy Investment Services:** Impact of patents on drug pricing and access
- **Paul Rissman, Sierra Club Foundation:** Climate finance
- **Sarah Couturier-Tanoh, SHARE:** Human rights risks in the tech sector
- **Marvin Owens, Impact Shares:** Paid sick leave
- **Q & A**



2023 Proxy Resolutions and Voting Guide



Julie Wokaty, Associate
Communications Director

Proxy Guide Overview

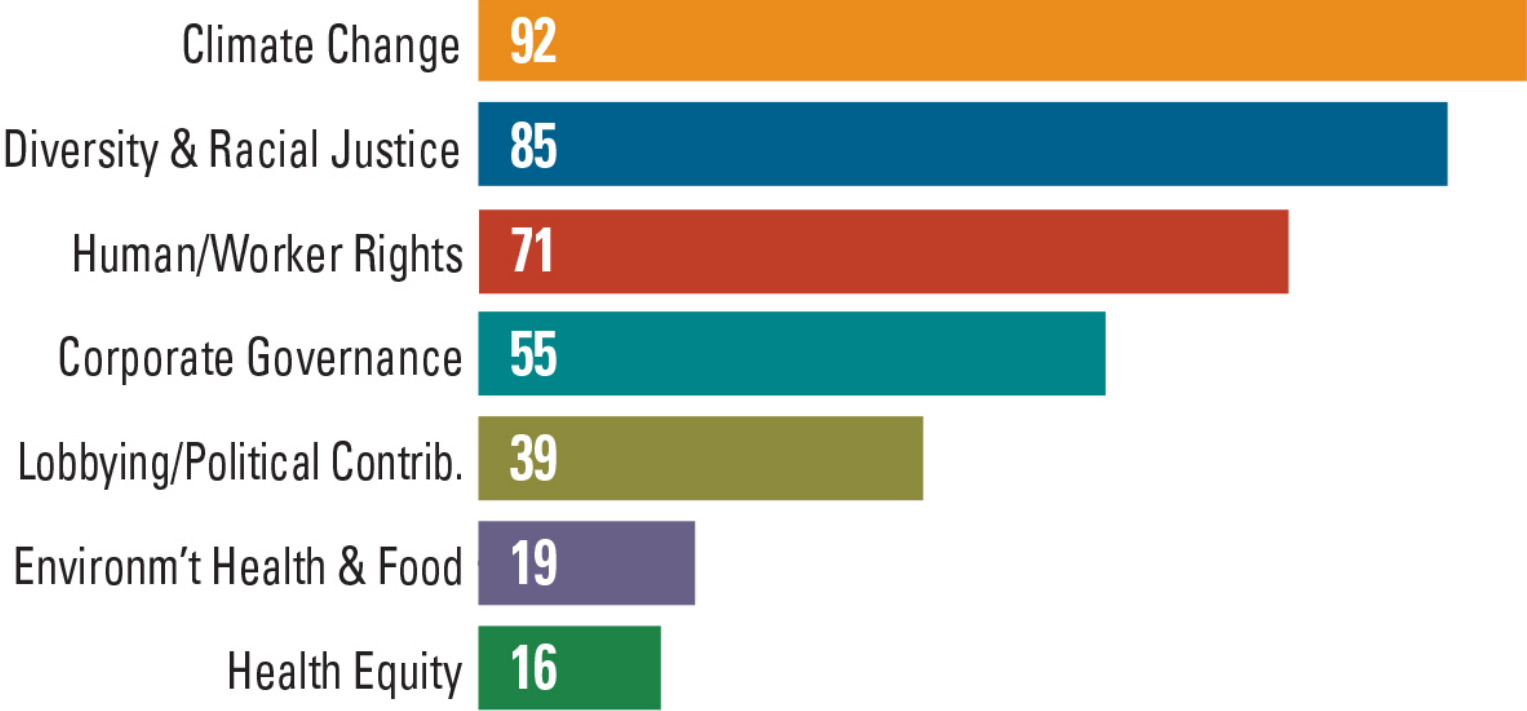
Background: Full texts of shareholder resolutions across seven areas (climate change, corporate governance, diversity and racial justice, environmental health/food, health equity, human rights/worker rights, lobbying and political contributions). Filing trends and context. Sponsors and contact details.

History: Published annually by ICCR since 1974 (49 years).

Scope: Resolutions, led and co-filed, by ICCR member organizations as of February 16.

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Resolutions by Issue



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Key Trends this 2023 Proxy Season

- **377 proposals** filed at **227 companies**
- **The climate crisis** and **racial justice** continue to dominate investor concerns
- A continuing focus on **worker rights**
- Shareholders underscore intersecting **human rights risks in the tech sector**
- An emerging focus on **conflict-affected high-risk areas (CAHRA)**, including Uyghur forced labor and the Russian invasion of Ukraine
- **Corporate political activities** remain under heightened scrutiny
- A focus on **patent protection strategies**

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New Topics in 2023 Proposals

- Adopt Coal Phase-Out Policy
- Allow Time to Vote at Annual Meetings
- Assessing Allegations of Biased Operations in India
- Asset Management Policies and Diversified Investors
- Company Policy Compared to Indigenous-Led Standards of Practice
- Eliminating Discrimination through Inclusive Hiring
- Ensuring People in Conflict Zones Do Not Suffer Discriminatory Exclusion
- Fair Director Elections
- Human Rights and Material Risks Related to the Russian Invasion of Ukraine
- Impact of Asset Transfers on Disclosed GHG Emissions
- Patents and Access
- Pilot Fair Food Program
- Privatization of Polluting Assets
- Report on Driver Health and Safety
- Report on Guyana Oil Spill
- Transition Plan to Address Abuse of Uyghurs
- Workplace Safety Policy Assessment - Gun Violence

Voluntary Withdrawals (For Agreements)



A sampling of the early withdrawals our members have negotiated thus far includes:

- **Apple:** Freedom of Expression Transparency (*Lead: Azzad Asset Mgt.*)
- **Apple:** Transition Plan to Address Abuse of Uyghurs (*Lead: SumOfUs*)
- **Deere:** Climate Transition Plan and GHG Reduction Goals (*Lead: As You Sow*)
- **United Natural Foods:** Civil Rights Audit (*The Teamsters*)
- **UPS:** Paris-Aligned Lobbying (*Lead: Mercy Investment Services*)

Overview of SEC Challenges (No Action Requests)

- ICCR-member resolutions have received 43 SEC challenges to date, compared with 82 at this time last year.

Issue areas seeing the most challenges:

- Climate Change: **10**
- Diversity and Racial Justice: **8**
- Health: **8**
- Lobbying and Political Spending: **7**
- Human/Worker Rights: **7**





Josh Zinner
ICCR CEO

ESG Investing Becomes a Political Tool in the Ongoing Culture Wars

The risks posed by ESG challenges such as the climate crisis and racial, gender, and economic inequities are systemic in nature with the potential to significantly impact society, pensioners, and more broadly, global markets. Yet, ESG investing is being demonized by conservative legislators – many of whom are funded by fossil fuel interests – seeking to discredit ESG as a form of “woke” capitalism. Legislation banning state and local governments and their asset managers from integrating ESG metrics into their investment decision-making is being introduced in a number of states.



Hyewon Han

Director of Shareholder Advocacy
Trillium Asset Management

Freedom of Association

Business Case:

- Sustainable economic growth cannot be built on the exploitation of workers. For a society and an economy to flourish, there must be a more equitable balance of power between workers and management. Enabling freedom of association and collective bargaining through labor unions is an important first step toward achieving that balance.

Company:

- Amazon, Delta Air Lines, Rivian Automotive, Starbucks, and Wells Fargo





Lydia Kuykendal

Director of Shareholder Advocacy
Mercy Investment Services

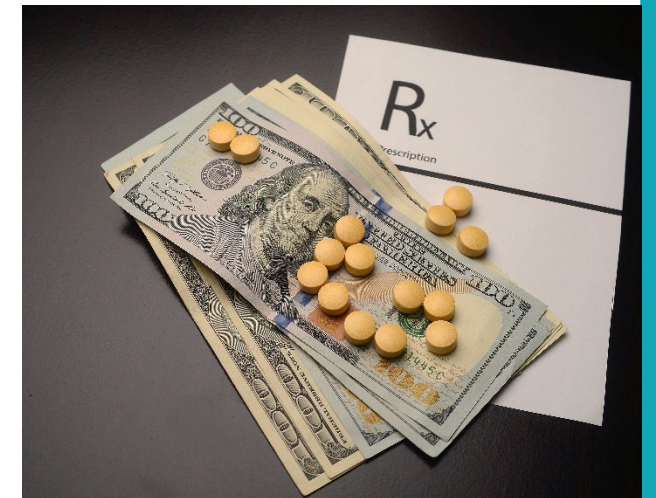
Impact of Patents on Pricing/Access

Business Case:

- Pharma companies frequently use ‘patent thickets’ to prolong exclusivity and boost profits. These patent thickets include applications for the formulations, dosing, or methods of using, administering, or manufacturing a drug, which together conspire to reduce access by preventing lower-cost generics from coming on the market.

Companies:

- AbbVie, Amgen, Bristol-Myers Squibb, Eli Lilly, Gilead Sciences, Johnson & Johnson, Merck, Pfizer, and Regeneron



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Paul Rissman
Board Member
Sierra Club Foundation
Climate Finance

Business Case:

- All major U.S. banks continue to finance billions of dollars for new coal, oil, and gas projects every year. This financing undermines the banks' net zero commitments and exposes investors to material risks. These shareholder resolutions ask banks to align their promises with their actions and to adopt policies to phase out the financing of new fossil fuel development.

Companies:

- Bank of America, Goldman Sachs, JPMorgan Chase, Morgan Stanley, and Wells Fargo



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Sarah Couturier-Tanoh

Associate Director, Corporate Engagement & Advocacy
Shareholder Association for Research & Education

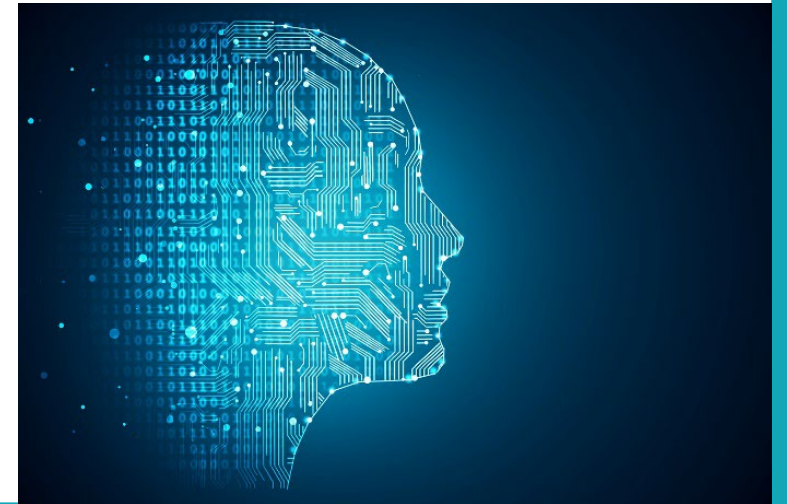
Tech Sector Risks

Business Case:

- The ICT sector has a vital role to play in realizing human rights including facilitating greater citizen participation, freedom of expression, and coordination of democratic movements. Yet, without the proper safeguards in place, these companies can also unwittingly be linked to serious human rights harms including violations of data privacy, discriminatory surveillance, and the proliferation of online child sexual abuse materials.

Companies:

- Alphabet, Amazon, Apple, and Meta





Marvin Owens
Chief Engagement Officer
Impact Shares
Paid Sick Leave

Business Case:

- Paid sick leave (PSL) is essential to protecting and supporting one of a company's – and the economy's – most important stakeholders: its workers. In their proposals, ICCR members argue that PSL should not be seen by companies as an expense, but as a prudent investment – an insurance policy that will promote a strong workforce and, by extension, a healthy economy.

Companies:

- 9 companies: CVS Health, Denny's, FedEx, Hilton Worldwide, Macy's, Norfolk Southern, TJX, and Union Pacific




```
mirror_mod.use_x = False
elif_operation == "MIRROR_Z":
    mirror_mod.use_x = False
    mirror_mod.use_y = False
    mirror_mod.use_z = True

#selection at the end - add back the deselected mirror modifier object
mirror_ob.select= 1
modifier_ob.select=1
bpy.context.scene.objects.active = modifier_ob
print("Selected" + str(modifier_ob)) # modifier ob is the active ob
mirror_ob.select = 0
one = bpy.context.selected_objects[0]
two = bpy.context.objects[one.name].select = 1
except:
```

one gets the modifier unless its not a mesh")

Q & A



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Thank you for joining us today...

Questions for panelists not addressed during this webinar can be directed to Susana McDermott at smcdermott@iccr.org or Julie Wokaty at jwokaty@iccr.org.

A link to the 2023 Proxy Resolutions and Voting Guide and the recording will be emailed to all participants after the webinar.

The Guide will also be available on our website, www.iccr.org

To learn more about how your organization can become an ICCR member, contact kcheseborough@iccr.org.

...and please vote your proxies!

Twitter #VoteYourProxies

