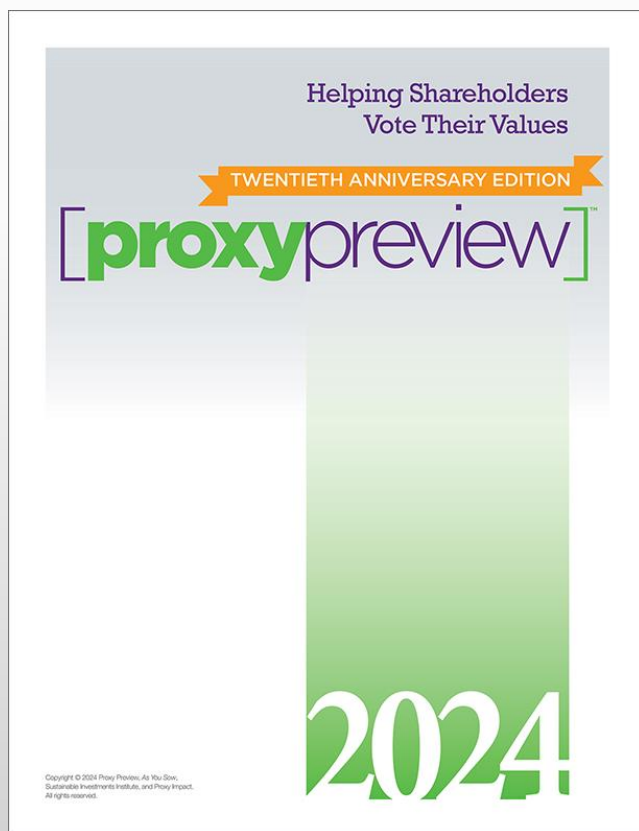




HELPING SHAREHOLDERS VOTE THEIR VALUES

Proxy Preview REVIEW 2024



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July 11, 2024

Featured Speakers



Heidi Welsh
Sustainable Investments
Institute (Si2)



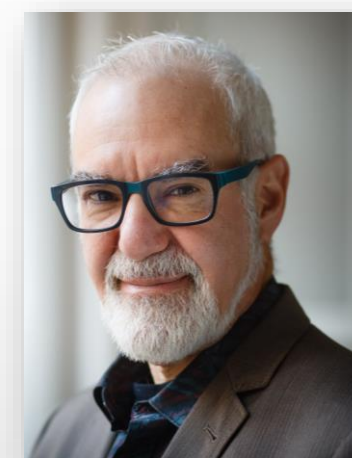
Michael Passoff
Proxy Impact



Cynthia Simon
Shareholder Rights Group

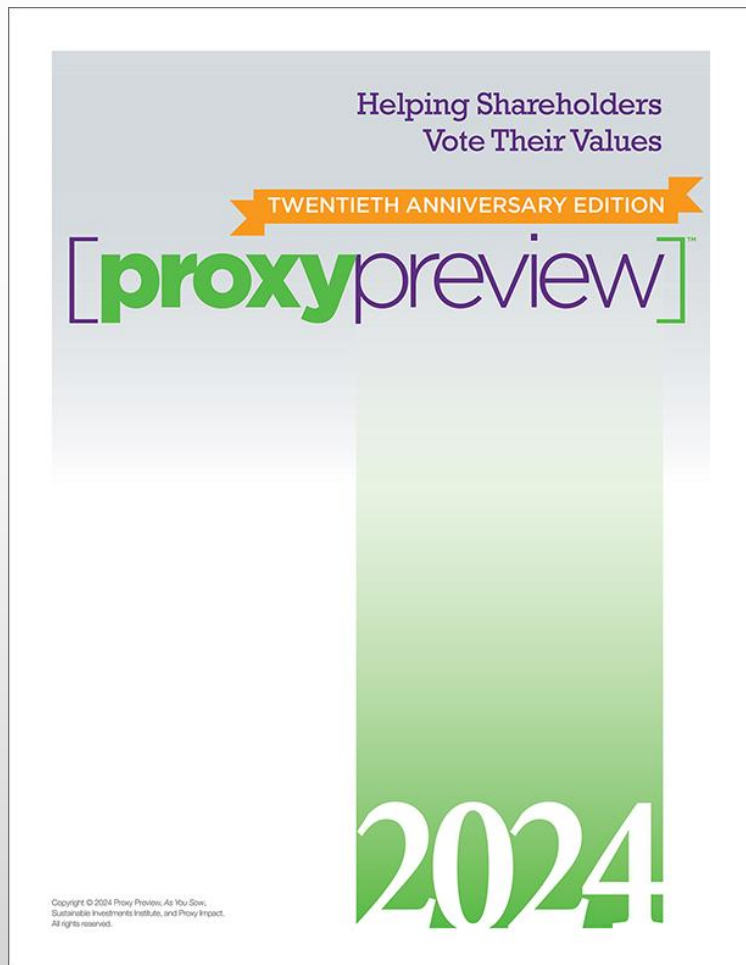


Luke Morgan
As You Sow



Andy Behar
As You Sow

Agenda



✓ **Introduction**

Andy Behar, As You Sow

✓ **2024 Proxy Season Overview**

Heidi Welsh, Si2

✓ **Top 10 Votes**

Michael Passoff, Proxy Impact

✓ **New “Breakthrough” Issues and Material Risk Concerns**

Cynthia Simon, Shareholder Rights Group

✓ **Legal Update**

Luke Morgan, As You Sow

✓ **Q&A**

moderated by Andrew Behar

✓ **Closing Remarks**

Heidi Welsh, Michael Passoff, Cynthia Simon, Andy Behar

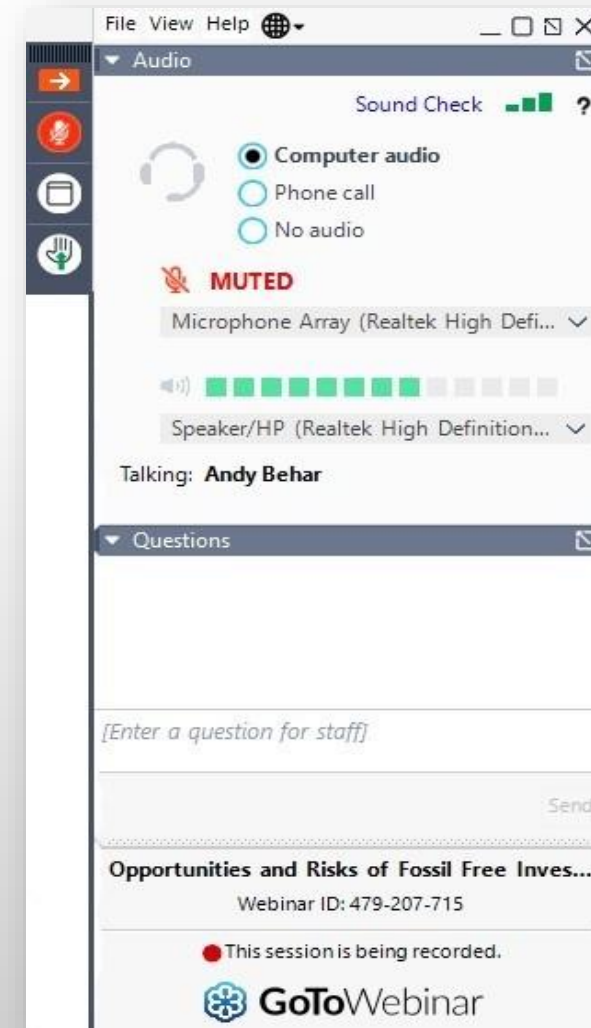
✓ **Conclusion**

Andy Behar

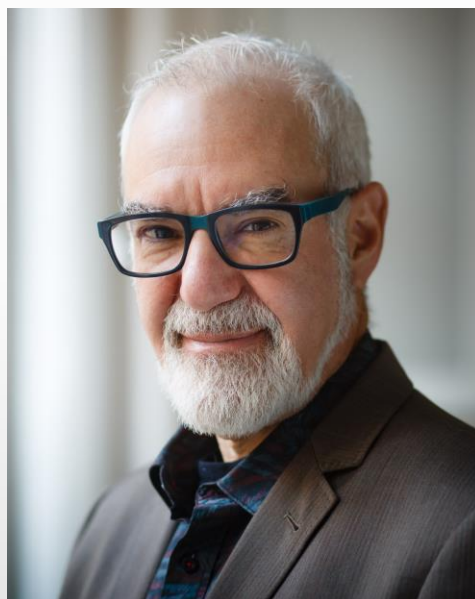
General Information

- Use the Q&A window to send us your questions

Q&A Window



Introduction



Andrew Behar

CEO

As You Sow



About As You Sow

Mission: *to promote environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies*

- **Founded in 1992** on the belief that corporations *must* be an active part of the solutions to society's environmental and human rights issues
- **30+ year track record** of promoting values-aligned investing and securing positive, lasting corporation change
- We communicate directly with corporate executives to collaboratively develop and implement business models that reduce risk, benefit brand reputation, and **protect long-term shareholder value** while simultaneously bringing about **positive change for the environment and human rights**

2024 Proxy Season Overview



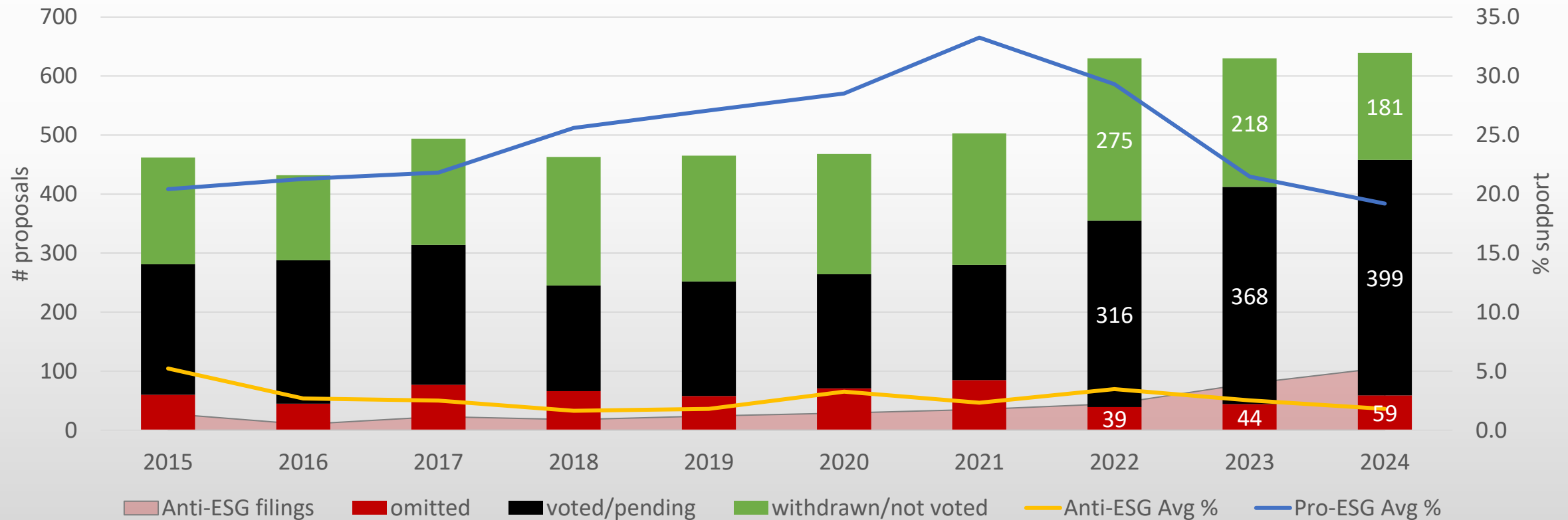
Heidi Welsh

Executive Director

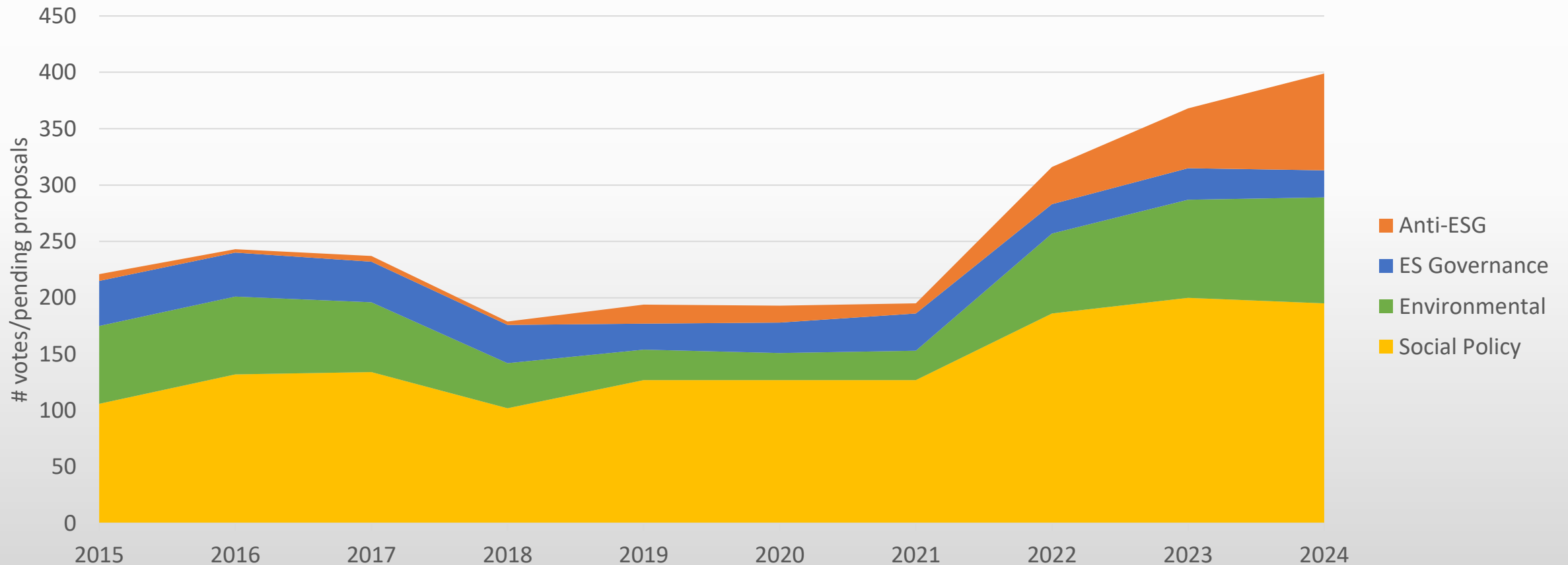
Sustainable Investments Institute (Si2)



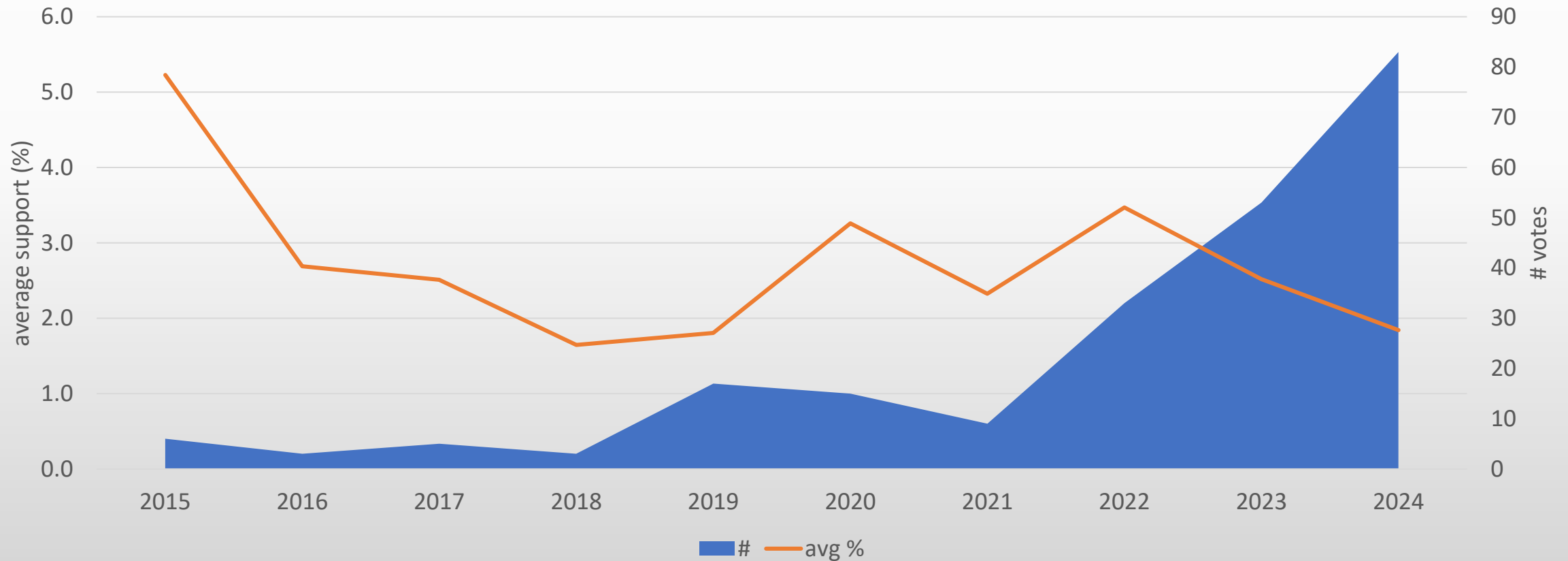
The Big Picture



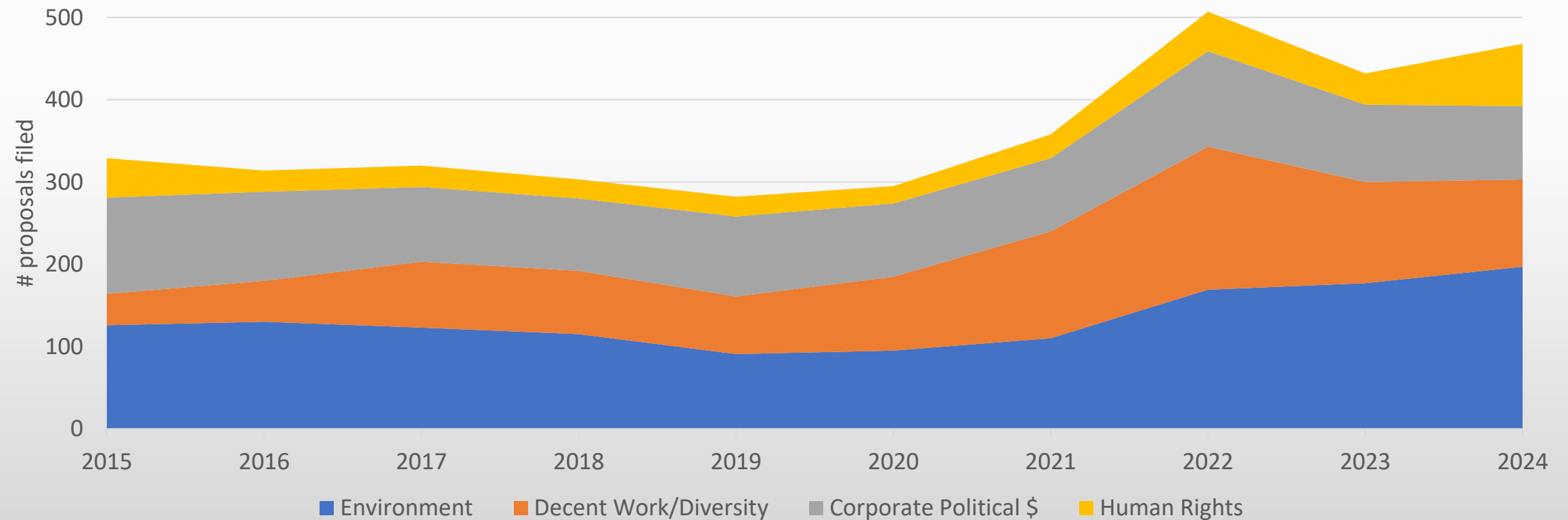
Topic Themes – Voted Proposals



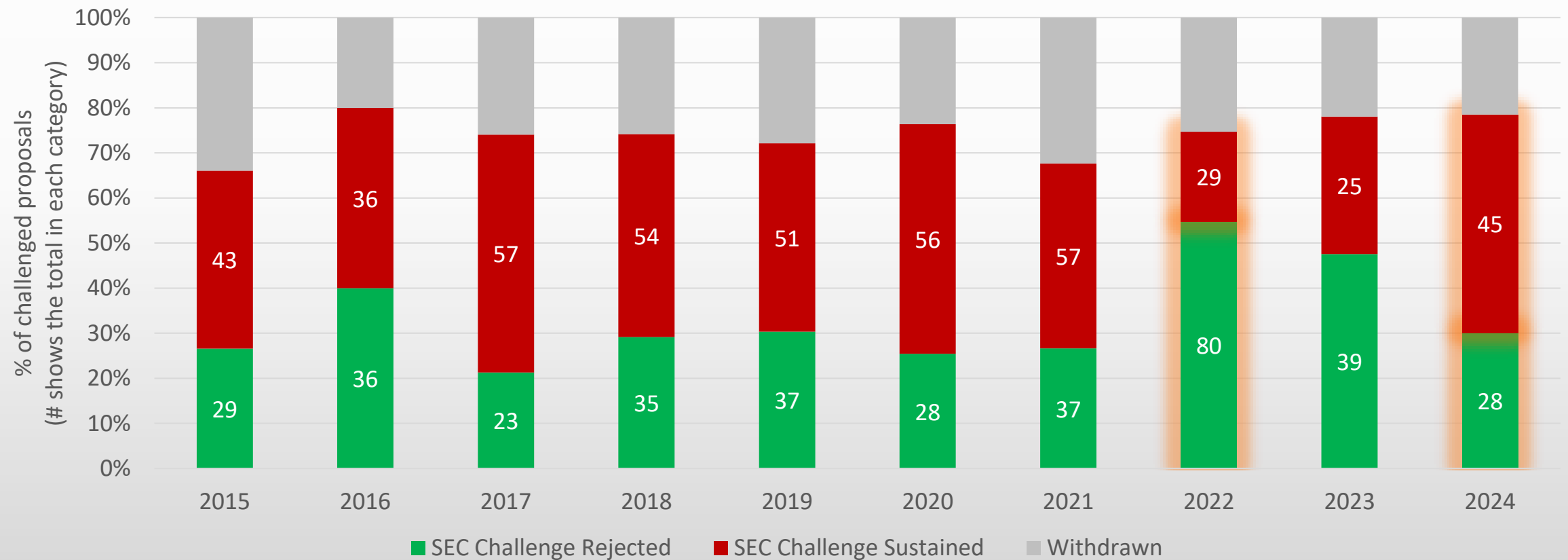
Anti-ESG Vote Outcomes



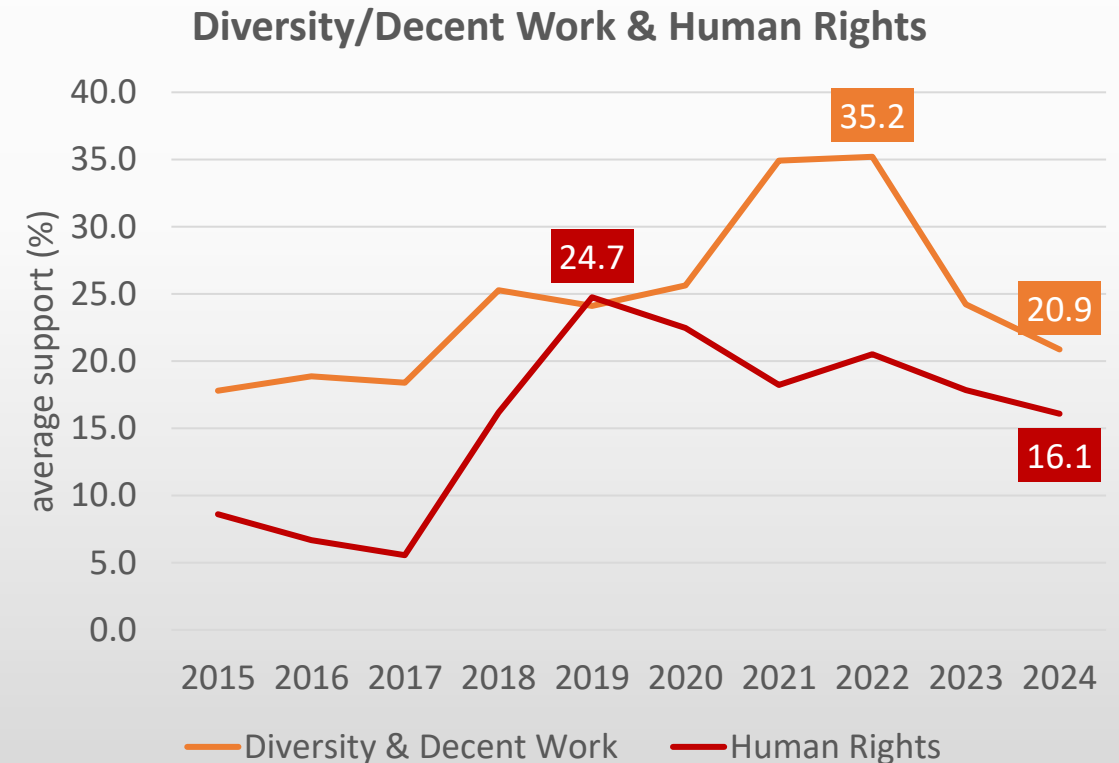
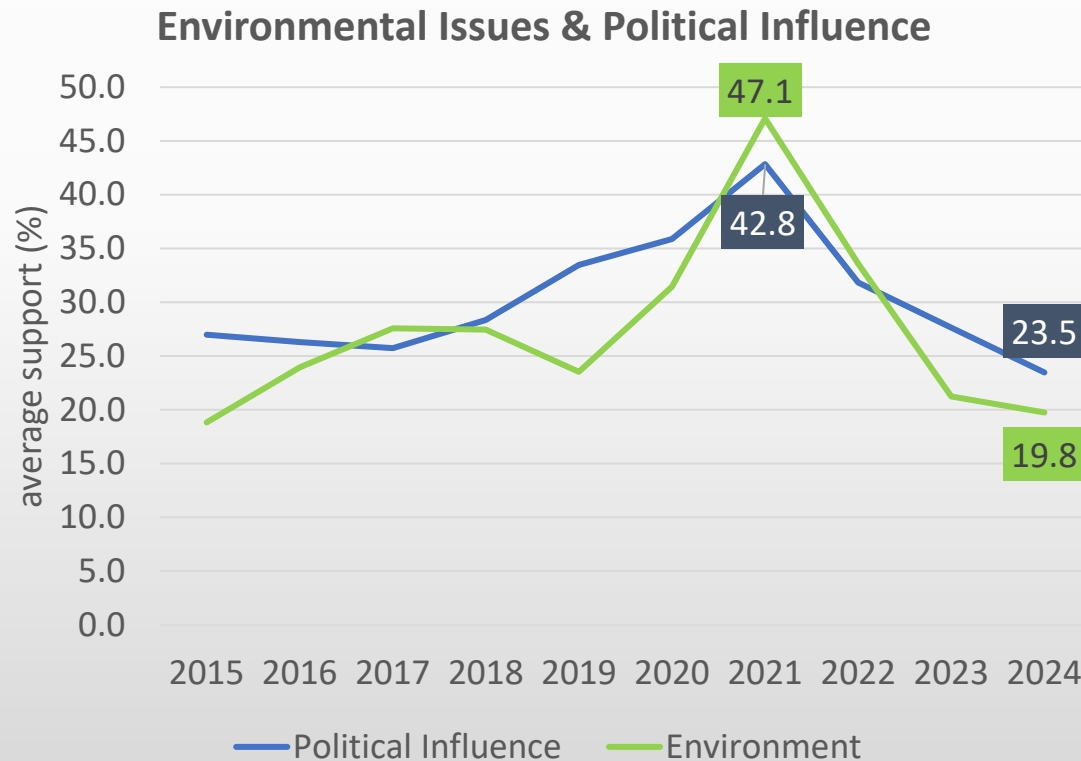
Top ESG Themes – Filed Proposals



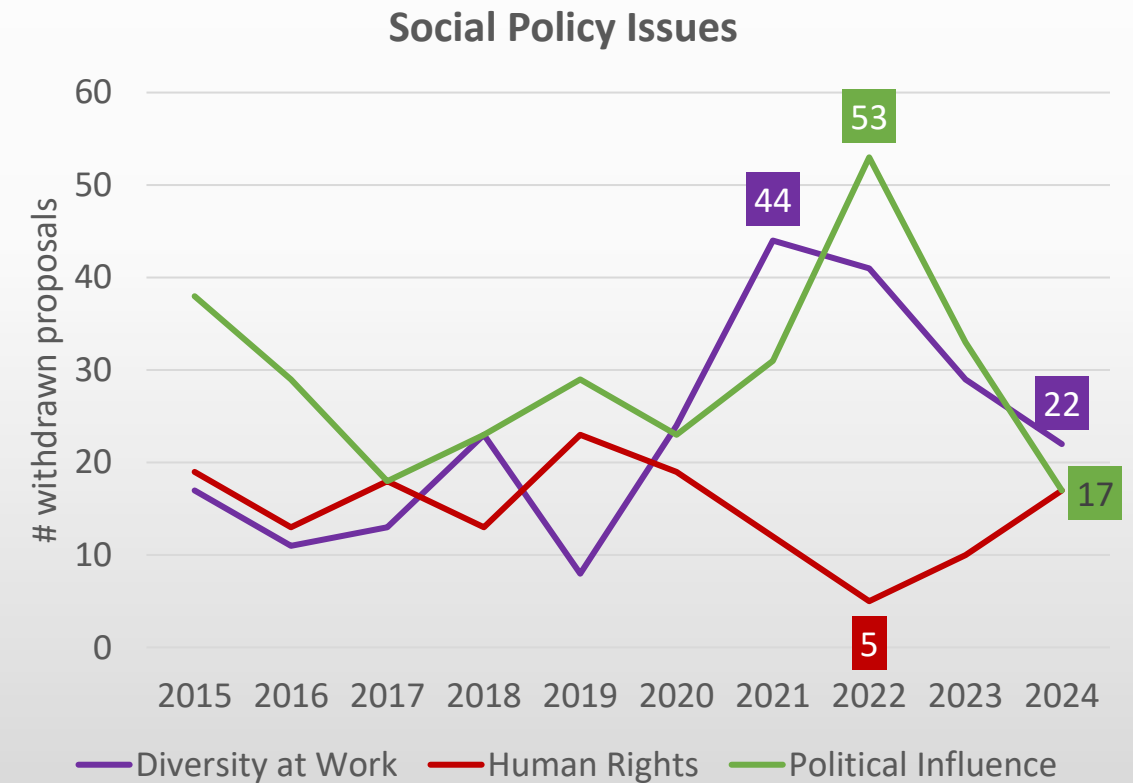
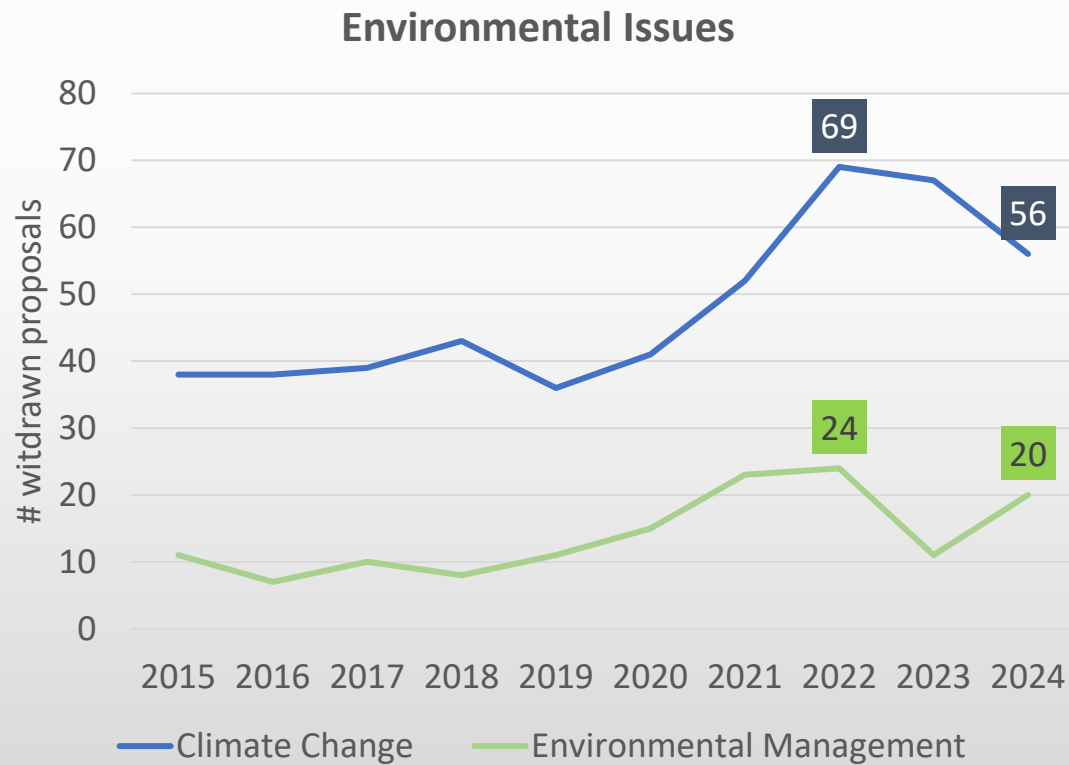
SEC Trends: What Gets Blocked?



Most Popular Topics – But Falling Votes



Withdrawals: Where Have They Gone?



Other Notable Outcomes

- ✓ Climate change *votes lower* with a few exceptions at food companies (4 over 40%). New idea on Clean Energy Supply Financing Ratio--**JPMorgan & Citi** to report, votes in mid-20s at **Goldman, BAC, MS**. Six “Just transition” votes and highest of 40.4% at **Ryder Systems**.
- ✓ Surge on animal welfare but *modest votes*—highest at **McDonald’s** (36%), **Papa John’s** (30.4%).
- ✓ 14 gender/racial pay disparity proposal votes all above 20%, average of 30%--*less erosion* than other issues.
- ✓ Worker health & safety audit earned *strongest support with specifics* at **Amazon.com** (31.2%) and **Chipotle** (30%).
- ✓ **AI biggest new issue**, votes at **Netflix** (43%), **Apple** (37.5%), **Warner Bros. Discovery** (24%): IP concerns, unsettled and disruptive tech/regulation: tech questions going to new industry (entertainment) where 2023 strikes occurred.
- ✓ Several <10% votes lowered political spending average for Center for Political Accountability despite 3 majorities (26% avg), but continued support on lobbying (29% avg) and a few points lower for climate lobbying.

About Si2

- ✓ Funded by colleges, universities, pension funds, asset owners with AUM > \$5 trillion
- ✓ Careful, impartial tracking and analysis of corporate reform campaigns and issues

Briefing Papers

In-depth topic analyses

Action Reports

Company-specific analysis 3-4 weeks
before annual meetings

Engagement Monitor

Interactive online database
Prospectively identifies issues
Tracks outcomes

Proxy Season Analysis

Pre- and post-season assessments
Weekly email updates in season

Special Projects

Reports for the public on Si2 website
on corporate political activity,
climate change, integrated reporting
and more.

Contact

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Top 10 Votes



Michael Passoff

CEO

Proxy Impact

PROXY  **IMPACT**

Top 10 ESG Votes: 2024

Proposal	Company	Proponent	Vote (%)
Adopt GHG reduction targets	Jack in the Box	The Accountability Board	56.6
Report on GHG emissions targets	Wingstop	The Accountability Board	52.2
Review/report on election spending	DexCom	John Chevedden	51.9
Report on GHG emissions targets	Denny's	The Accountability Board	49.9
Report on gender/racial pay disparity	American Tower	Arjuna Capital	49.2
Review/report on election spending	Crown Holdings	John Chevedden	48.9
Conduct collective bargaining audit	Warrior Met Coal	AFL-CIO	46.1
Review/report on election spending	Spirit AeroSystems	John Chevedden	45.3
Report on AI ethical guidelines	Netflix	AFL-CIO	43.3
Adopt Paris-compliant strategy to cut emissions	Quest Diagnostics	John Chevedden	42.1



*A proxy voting and shareholder engagement service for
sustainable and impact investors*

- ✓ ESG vote guidelines
- ✓ Proxy voting and reporting
- ✓ Shareholder engagement on social & environmental issues

Contact Michael Passoff, michael@proxyimpact.com www.proxyimpact.com

“Breakthrough” Issues and Material Risk Concerns



Cynthia Simon

Policy Director

Shareholder Rights Group

Shareholder Rights Group

NEW “BREAKTHROUGH” ISSUES SIGNAL MATERIAL RISK CONCERNS

Issue	Risks	Proposal types	2024 vote
Artificial Intelligence	<ul style="list-style-type: none">+ data privacy lawsuits+ loss of public trust+ content appropriation lawsuits+ mis- and dis-information during elections+ human rights violations	<ul style="list-style-type: none">+ greater transparency & ethical guidelines+ limits on use of generative AI+ HR assessment of targeted advertising	<p>Warner Discovery 24%</p> <p>Netflix 43%</p> <p>Apple 37.5%</p> <p>Alphabet (Item 13) 18.6%</p> <p>Meta (Item 6) 16.7%</p>
Energy Transition	<ul style="list-style-type: none">+ Net Zero commitments+ development of renewable energy industry / IRA implementation+ climate risks from fossil fuel expansion+ E.U. mandatory disclosure regulation	<ul style="list-style-type: none">+ green financing ratio	<p>Bank of America 26%</p> <p>Morgan Stanley 22.9%</p> <p>(Agreements w/ JPM, Citi)</p>

Shareholder Rights Group

The Shareholder Rights Group is an association of investors formed to defend the shareowner's right to engage with public companies on governance, corporate accountability, and long-term value creation.

Contact Cynthia Simon, *Policy Director* Cynthia@shareholderrightsgroup.com
[\(917\) 254-1776](tel:(917)254-1776)

Legal Update



Luke Morgan

Staff Attorney

As You Sow



Questions and Answers



Michael Passoff
Proxy Impact



Heidi Welsh
Sustainable Investments
Institute (Si2)



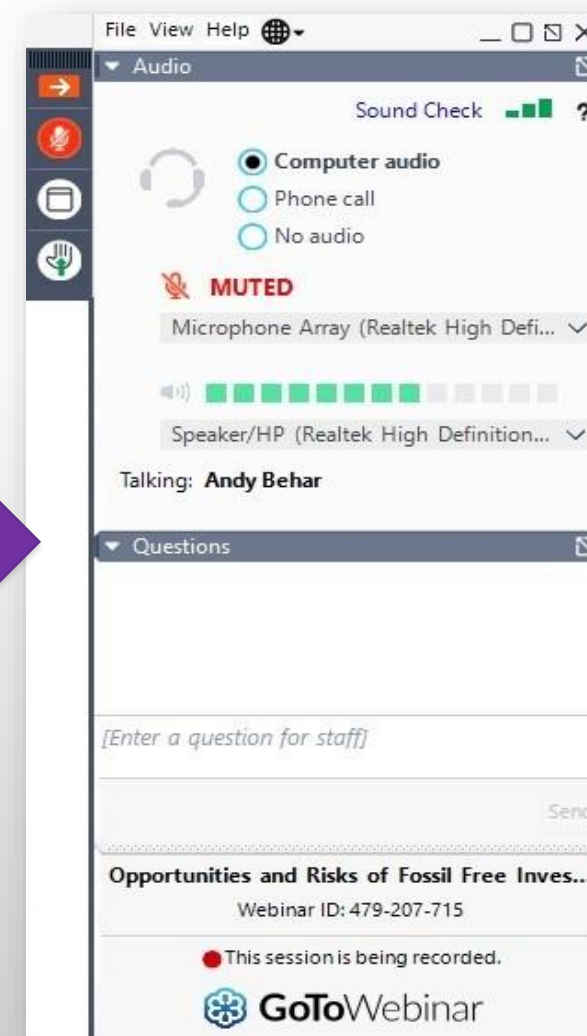
Cynthia Simon
Shareholder
Rights Group



Luke Morgan
As You Sow

Use the Q&A window
to send us your
questions

Q&A Window



Closing Remarks



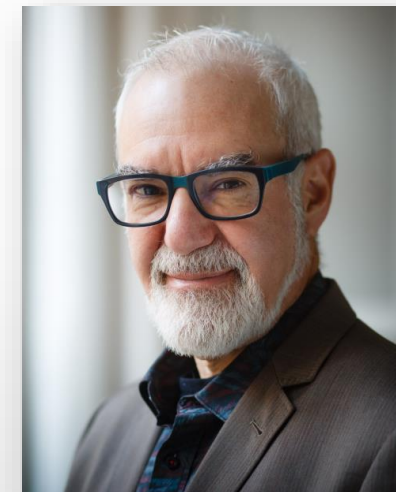
Heidi Welsh
Sustainable Investments
Institute (Si2)



Michael Passoff
Proxy Impact

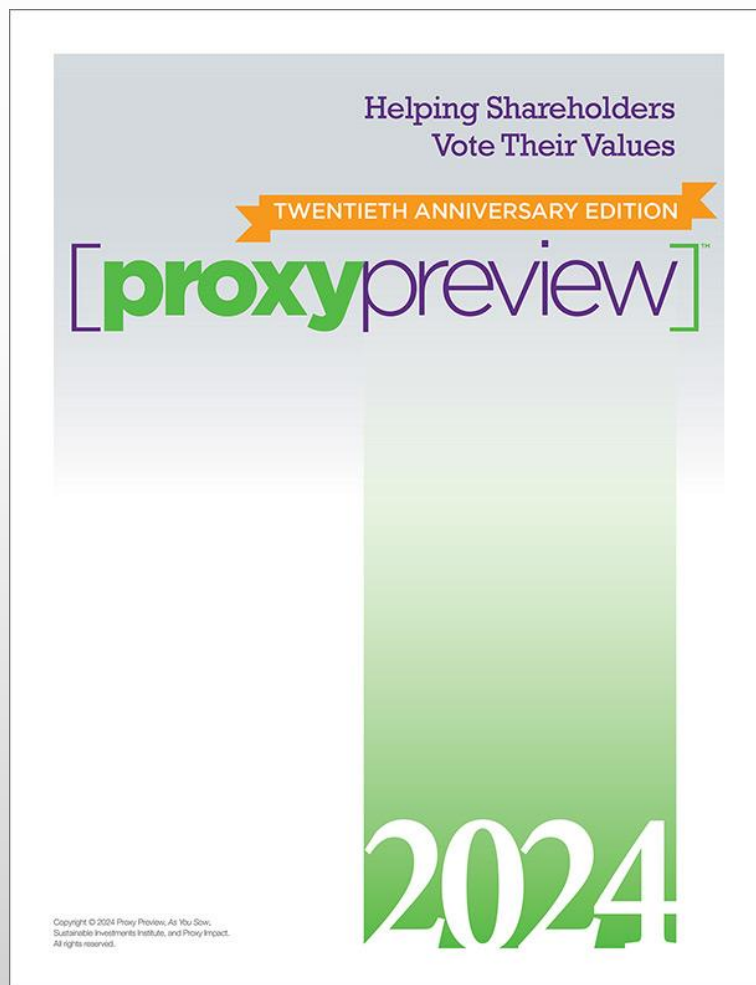


Cynthia Simon
Shareholder Rights Group



Andy Behar
As You Sow

More on www.proxypreview.org

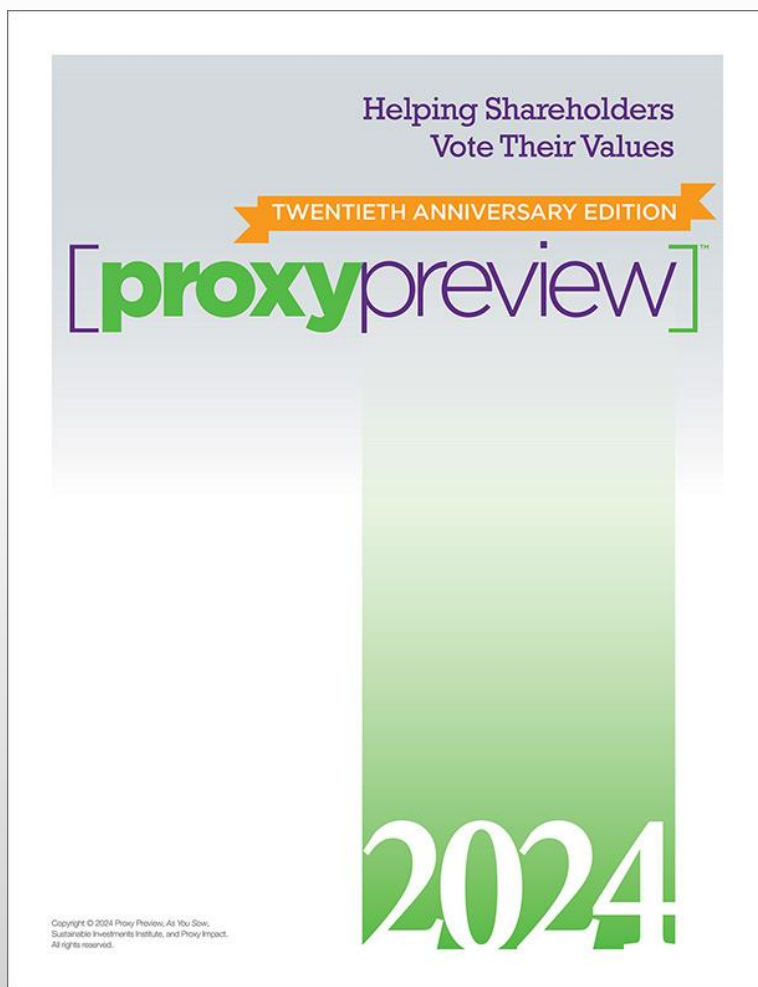


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Contact Us



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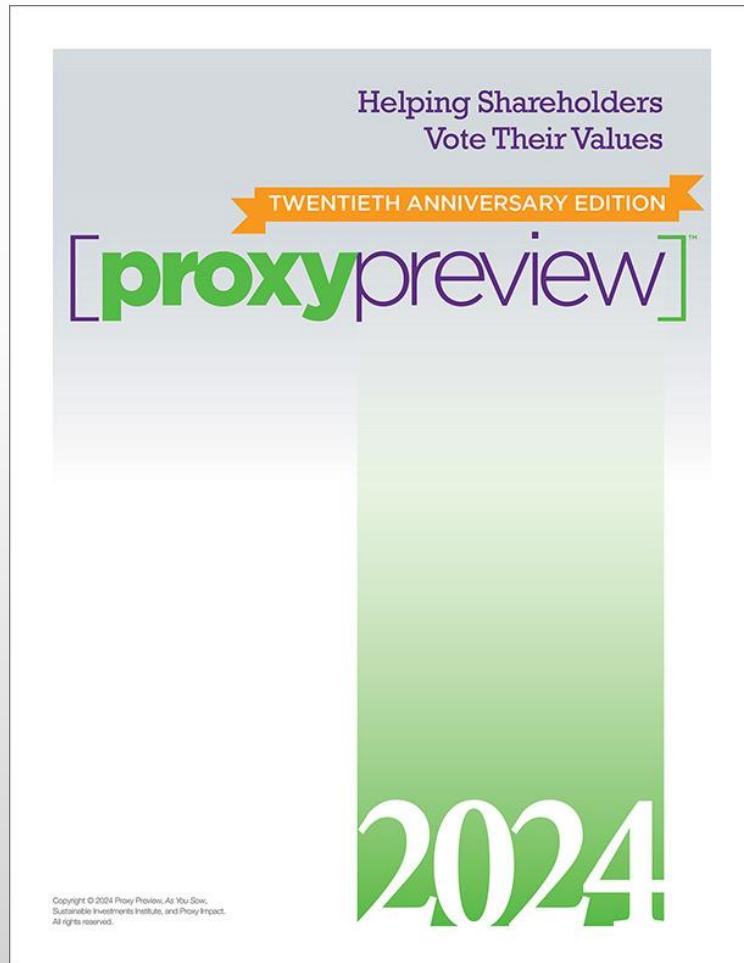
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