

Statement by Sr. Judy Byron for the AOBC Annual General Meeting

Tuesday, Sept 24th, 2019

Good morning my name is Sr. Judy Byron and I am here representing the Sisters of the Holy Names of Jesus and Mary and 8 fellow religious shareholder proponents who are all members of the Interfaith Center on Corporate Responsibility. We ask for your support for proposal number #4 requesting that our company develop a human rights policy to help it mitigate human rights violations throughout its operations, supply chain and through its sales of firearms to civilians.

Some of you may recall that I presented a proposal at last year's meeting just a few months after the school shooting in Parkland, Florida requesting the development of a gun safety report. That proposal passed thanks to your support. We had hoped in developing its report to shareholders, AOBC's management would undertake a thoughtful consideration of changes it might make to its business to help reduce the risks that its products would be misused. What we instead received was a strongly worded defense of the status quo, along with elaborate argumentation as to why – in spite of mounting pressure from the public, legislators, the business community and its own stakeholders – AOBC would not meaningfully change its policies and practices to promote gun safety.

Mr. Debney and members of the board, since I last addressed you there have been 455 mass shootings in our country – 31 of which occurred in K-12 schools. That averages out to a school shooting every 12 days. I ask you, in light of these continuing horrors, whether you still believe maintaining a business as usual approach is the wisest course of action for our company?

Proponents of these resolutions have never suggested that AOBC and other firearms manufacturers are directly liable for the misuse of guns, nor have we argued in any way against 2nd amendment protections of civilians' right to bear arms in spite of management's strenuous attempts to convince you otherwise. What we have argued however, is that rather than stubbornly resisting change, gun makers should be leading the charge to help curb the misuse of firearms because they are best-positioned to do so. Clearly, ongoing gun violence poses an enormous threat, not just to our society, but to AOBC's ongoing social license to operate.

In presenting last year's proposal I said: *While shareholders will always seek a good return, this can never be our only concern. The investment community has been more closely scrutinizing the societal impacts of corporations and choosing to align their portfolios with those whose policies and practices demonstrate a respect for the license to operate granted them by society.*

A human rights policy aligned with the UN Guiding Principles on Business and Human Rights would help AOBC demonstrate this respect to all stakeholders and show that it is neither tone deaf or callous to the cries for change and solutions to gun violence. Hundreds of companies large and small and without anywhere near the risk profile of AOBC have these policies in place and, as a result, are better prepared to mitigate these risks. Once again we ask our fellow shareholders to vote YES for proposal #4. It will be a vote in favor of positive and much needed change.