

CATALYZING CORPORATE CHANGE

ICCR MEMBERS CELEBRATE A SUCCESSFUL 2019 PROXY SEASON

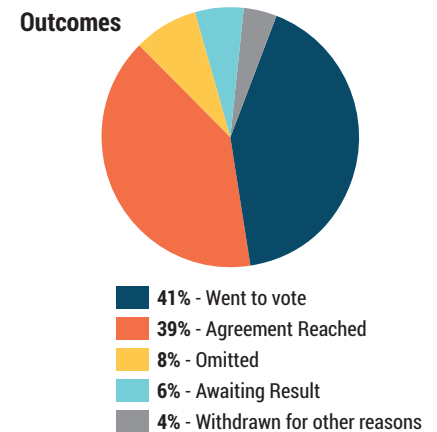
The annual filing of shareholder proposals at hundreds of companies across nearly every sector is an important tool ICCR members employ to help catalyze corporate change on environmental, social and governance concerns.

ICCR members will typically use proposals in conjunction with other engagement strategies such as investor letters to spur dialogue with companies.

During the 2019 proxy season ICCR members filed 277 resolutions at 184 publicly-traded companies. What follows is a brief recap of the outcome of our 2019 proposals and company dialogues.

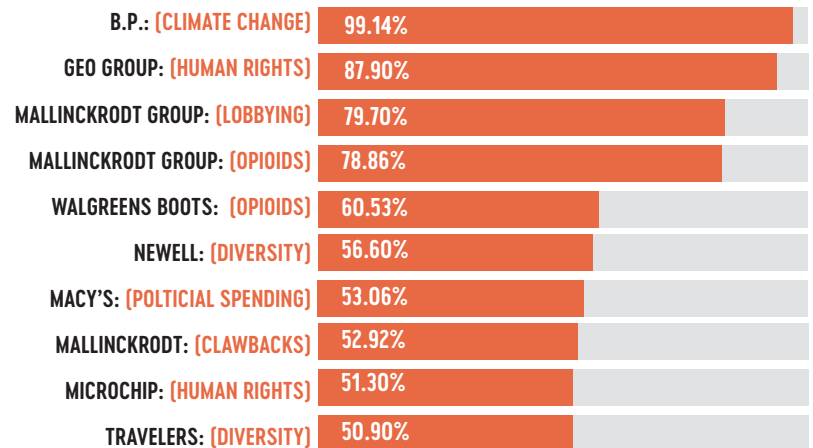
More than a third (108) of ICCR members' 2019 proposals resulted in changes in policies and practices. The majority of these corporate commitments secured by our members concerned issues of workplace diversity and inclusion (26), as well as climate change (16) and human rights (18).

Of the 114 proposals that went to a vote at 2019 annual general meetings, ten achieved majority votes, and 69 (61%) achieved votes of 25% or greater. By contrast 54.5% of member-sponsored resolutions achieved 25% or higher in 2018. This increasing support demonstrates the growing understanding among investors that ESG factors are critical to building long-term value.



2019 MAJORITY VOTES

Ten resolutions filed this season by ICCR members achieved majority votes – a clear sign that our members' concerns about ESG factors are shared by mainstream investors.



New Corporate Commitments

Our members' engagements prompted a large number of corporate commitments on a wide range of topics. Examples include:

- Amazon committed itself to carbon neutrality for half of its package deliveries by 2030 (Green Century).
- Bank of America, BNP, JPMorgan Chase (TRI-CRI), PNC (Trillium), Sun Trust (United Church Funds),

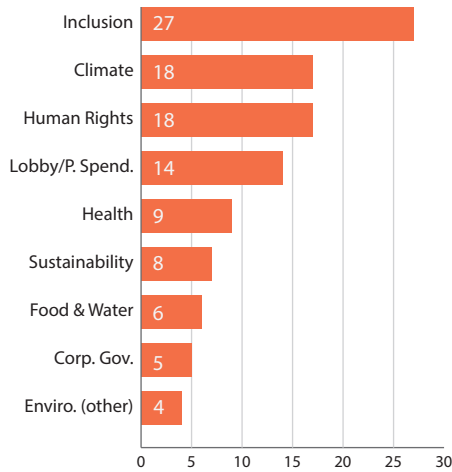
and Wells Fargo (Sisters of St. Francis and SEIU) announced they would stop financing private prisons.

- Sanderson Farms agreed to stop unnecessarily administering two medically important antibiotics in its chickens by March 1, 2019 (As You Sow).
- Biogen acknowledged that its high drug prices are a clear business risk (Mercy Investment Services).

Corporate Challenges

Despite last year's new rule-making by the Securities & Exchange Commission (SEC), which many observers predicted would further limit shareholders' access to the proxy process, the number of times corporations challenged our proposals at the SEC remained steady, at 54 challenges.

Agreements by Issue



Human-rights focused resolutions jumped significantly from 27 filings in 2018 to 49 in 2019, and raised a variety of human rights risks.

Investors Act on Immigration

Companies with government contracts to fulfill the administration's "zero-tolerance" immigration policy are at increased risk for human rights violations. In 2019, 28 companies, including private prisons and the banks that fund them as well as tech companies providing facial recognition and other surveillance software received resolutions highlighting human rights impacts.

A group of investors led by the Tri-State CRI, SEIU and Trillium Asset Management helped move Bank of America to enhance its due diligence around lending to private prisons and detention centers. SEIU and the Jesuits were successful in moving private prison company CoreCivic to modify its senior executive performance metrics to

include respect for inmate and detainee human rights. The Sisters of St. Francis, SEIU and other shareholders also successfully pressed Wells Fargo to update its business standards report with language acknowledging the reputational and financial risks of financing private prisons. United Church Funds won a commitment from SunTrust Bank to include human rights in its materiality assessment. Through dialogue, a team of investors led by the Tri-State CRI persuaded BNP Paribas and JPMorgan Chase to announce they would stop financing private prisons.

Shareholders overwhelmingly supported a detainee rights resolution filed by the Jesuit Conference at GEO Group, with a vote of 88%.

Preventing Forced Labor through Ethical Labor Recruitment

ICCR's "No Fees" campaign seeks to end exploitation of migrant workers by prohibiting worker-paid recruitment fees that can lead to debt bondage. A resolution filed by Friends Fiduciary persuaded Western Digital to commit to adopting and implementing a comprehensive global human rights policy applicable to all employees, contractors and suppliers, and to publish metrics on its human rights due diligence policies and practices. A resolution filed by the Priests of the Sacred Heart convinced Macy's to update and consolidate its human rights policies so that investors can better identify and analyze the company's human rights risks.

The Midwest Capuchins filed a resolution that led Kraft Heinz to commit to publish a global human rights policy and implement a human rights risk assessment.

Together with Amalgamated Bank, As You Sow persuaded Corning to publicly disclose its process for identifying human rights risks, including performance indicators based on the prohibition of worker-paid fees and confiscation of personal papers. They reached additional agreements with Hanes, Monster Beverage and Ralph Lauren.

Investor Alliance for Human Rights

The Investor Alliance for Human Rights, an initiative of ICCR, seeks to promote corporate respect for human rights in alignment with the UN Guiding Principles on Business and Human Rights (UNGPs). To achieve this, the Alliance has published several investor resources this year including Guidance on [Human Rights Due Diligence: Immigration Detention, Family Separation](#) as well as three salient issue briefings for the tech sector: [Privacy and Data Protection, Freedom of Opinion and Expression](#), and [Conflict and Security](#).

Following an investor letter organized by the Alliance, Amazon updated its supply chain policy to include the UNGPs and other human rights standards. An Alliance statement sent to the EU resulted in its adoption of a set of new rules requiring investor due diligence on people and planet. The Alliance also directly contributed to successful corporate engagements on human rights at Southwest Airlines, American Outdoor Brands and CoreCivic.

Helping Transportation Companies Identify and Address Human Trafficking

A resolution filed by Mercy Investment Services moved AMERCO to engage with representatives from Truckers Against Trafficking about best practices in helping to identify and prevent human trafficking.

Prison Labor

A resolution led by Nathan Cummings highlighting the reputational risks of prison labor persuaded Walmart to add an annual screen for prison labor to its existing monitoring process for its vast supplier network of U.S.-based goods.

Preventing Child Sexual Exploitation

The pervasiveness of mobile devices and encryption are contributing to a rise in child sexual abuse and trafficking. Christian Brothers Investment Services filed a resolution that persuaded Apple that action was needed to mitigate this risk, and the company committed to increasing its law enforcement training in 2019.



CLIMATE CHANGE

Achieving Reduction of Greenhouse Gases

Our members continued to address the escalating climate crisis by securing a string of corporate commitments on GHG reduction and renewable energy use. A resolution filed by Green Century Capital Management persuaded Amazon to commit to a target of carbon neutrality for half of its package deliveries by 2030. Green Century also reached an agreement with Verizon on increasing its use of renewable energy sources. Boston Common Asset Management worked with Home Depot as the company set a science-based reduction target for its Scope 1 and 2 GHG emissions.

Walden Asset Management persuaded Emerson, after several years of effort, to set a GHG reduction target. Resolutions filed by As You Sow produced agreements with Cooper on GHG reduction and persuaded Pinnacle West to begin linking its executive compensation to GHG reduction targets. Nathan Cummings persuaded Goodyear and Harley Davidson to establish goals for renewable energy use. Through engagements with Mercy Investment Services, AES issued a best in class climate risk report and set a mid-term GHG goal, and US Steel agreed to set a GHG reduction target.

A resolution filed by the Sisters of the Presentation convinced MGE Energy to set a goal of net-zero carbon electricity by 2050. The Sisters also helped convince CMS Energy to commit to reducing its carbon emissions by 80% by 2040 and to no longer use coal to generate electricity by that date. The School Sisters of Notre Dame secured a commitment from WEC Energy to reduce its GHG emissions 80% (relative to 2005 levels) by 2050.

Management at Royal Dutch Shell reached an agreement with a group of investors led by Robeco and the Church of England, and affirmed at its AGM that it would set full lifecycle emissions intensity targets, tie those targets to executive compensation, and undertake a review of the company's trade association memberships. Similarly, BP management joined shareholders in supporting a resolution filed by ICCR members working with the Climate Action 100+ coalition that called on the company to adopt a business strategy in line with the goals of the Paris Agreement. Given the recognized risks associated with climate change, BP's board backed the proposal, and issued a public statement in support of the EPA directly regulating methane emissions (Church of England).

Shareholders Call on Companies to Curb Methane Leaks

Methane emissions are a powerful driver of climate change with an impact on global temperatures 86 times that of CO₂. ICCR is leading a campaign that is driving progress at U.S. energy companies. A 2019 Trillium Asset Management resolution moved EOG Resources to set both qualitative and quantitative methane emissions reduction targets. Using a combination of resolutions and direct dialogues, As You Sow persuaded Atmos Energy, DTE Energy, Dominion Resources, Exelon, NiSource, Sempra Energy and UGI to enhance disclosures of their methane emissions. As You Sow also convinced Chevron to set methane targets, which importantly include emissions from non-operated assets. After dialoguing with Miller/Howard, ONEOK disclosed its GHG emissions and methane intensity data for 2014-17.

Deforestation

As the fires in the Amazon tragically illustrate, because forests are essential in capturing carbon, deforestation is a leading driver of climate change. Green Century persuaded Kroger to develop a 'no deforestation' commitment that will cover its branded products and will join the Roundtable on Sustainable Palm Oil. Green Century was also successful in convincing Aramark to

adopt a policy addressing deforestation and Aramark will complete its transition to 100% sustainably sourced soy and palm oil this year.

Proxy Voting Policies – Climate Change

This year investors continued to challenge large asset management firms' proxy voting policies on climate resolutions. Walden Asset Management filed a resolution that persuaded Artisan Partners to agree to update its proxy voting guidelines to address climate concerns.

Four Companies Commit to Sustainability Reporting

Trillium's resolutions moved Acuity Brands, Middleby and Quanta Services to release/commit to release new or improved sustainability reports tracking company performance on issues of environmental and social sustainability. As You Sow's resolution persuaded Essex Properties to develop metrics for ESG disclosure.



HEALTH EQUITY

Making Medicines More Affordable

Our multi-year campaign to rein in excessive drug prices has shed light on the relationship between executive incentive structures and drug price hikes. A resolution filed by Trinity Health persuaded Bristol-Myers Squibb to make additional disclosures regarding executive performance metrics in its 2019 proxy. A resolution led by Mercy Investment Services convinced Biogen to acknowledge that its high drug prices are a clear business risk in the context of executive performance goals.

Progress on Opioid Oversight

As members of the Investors for Opioid Accountability coalition, ICCR

members have successfully leveraged resolutions to improve governance and oversight structures at opioid manufacturers and distributors. Since the campaign began, over half of the group's resolutions have produced agreements with companies and 2019 proposals saw multiple majority votes. This year, Mercy persuaded Mylan Labs to release a report which will discuss actions the company is taking in the fight against opioid addiction. Mercy also convinced Teva to report on how it is monitoring its opioid risks. A Mallinckrodt resolution requesting board oversight of risks related to the opioid crisis won 78% of the vote (Mercy) and a Walgreens Boots Alliance resolution garnered 60% support (Mercy).



DIVERSITY & INCLUSION

Making Progress on the Gender Pay Gap

Pressure is rising for corporations to address the gender pay gap whereby women working full time in the US earn just 80 percent of the salaries of their male counterparts. A resolution filed by Proxy Impact moved Pfizer to assess to what extent the gender pay gap exists in its U.S. and global operations.

Committing to Workplace and Board Diversity

Trillium secured commitments from Carter's, Xilinx and F5 Networks to expand their workforce diversity reporting, while Walden reached a similar agreement with SEI Investments.

Walden secured a commitment from Atrion that its next board seat would be filled by a woman. Trillium convinced Cambrex to adopt 'Rooney Rule' language (i.e., at least one candidate rep-

resenting a diversity of gender/race/orientation must be included in each new pool of Board candidates) and persuaded IQVIA, Ligand Pharmaceuticals and Wisdom Tree to strengthen diversity commitments in its governance documents and proxy statement. IQVIA and Wisdom Tree expanded gender diversity on their boards one month after the proposals were withdrawn.

Additional board diversity agreements were reached at Discovery (Nathan Cummings), Mohawk (Boston Common), and Digital Reality (Proxy Impact), at Assertio Therapeutics and Gardner Denver by the UAW, at Entegris by Wespath, and at Beacon by Impax. Trillium reached additional agreements on executive leadership team diversity at Bank of New York Mellon and Marathon Petroleum.



SUSTAINABLE FOOD

Antibiotics in Meat Production

ICCR has led a multi-year campaign to curb the overuse of antibiotics in meat production. A long-term engagement led by As You Sow led poultry producer Sanderson Farms to agree to stop unnecessarily administering two medically important antibiotics in its chickens. As You Sow also persuaded Brinker to adopt a policy requesting its suppliers to reduce use of medically important antibiotics in chicken. A Green Century resolution helped convince Darden to commit to stop buying chicken raised with antibiotics by 2023. A multi-year engagement by the Benedictine Sisters led McDonald's to announce a new policy reducing the amount of antibiotics administered to its beef supply.

Food Waste

Green Century reached an agreement with Royal Caribbean that it would report on its approach to handling food waste and provide an assessment of

the causes & quantities of food waste in its next sustainability report.



LOBBYING/POLIT. SPENDING

Disclosing Lobbying to Enhance Accountability

This year, resolutions challenging companies to be more transparent about how they exert their influence over our legislative and regulatory processes via lobbying won a number of strong votes, including 79% at Mallinckrodt (United Church Funds). Boston Common persuaded Verizon to increase its disclosure of its lobbying policies & procedures, and make comprehensive disclosure of its PAC and direct corporate political contributions. Boston Common also reached an agreement with Oracle.

Climate Lobbying

In 2019 our members continued to shine a light on corporations' climate-related lobbying spending. Walden succeeded in persuading AT&T, JPMorgan Chase and IBM to significantly enhance their lobbying disclosures, while Dana Investment Advisors convinced Bank of America to increase its disclosure.

Corporate Political Spending

Alexion agreed to fully disclose its election-related spending (Friends Fiduciary). Chubb agreed to make significant and dramatic improvements to its political spending disclosures and policies (Trillium). GE agreed to significantly expand disclosure of its spending by plugging "dark money" holes (Newground). Devon agreed to enhance disclosure and oversight of its political spending (Nathan Cummings). Ameriprise updated its Statement of Principles Governing Political Spending to include oversight of its memberships in trade associations (Newground).

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TOP 2019 VOTES

COMPANY	RESOLUTION NAME	LEAD FILER	VOTE
BP p.l.c.	Paris-Compliant Business Plan	Church Commissioners for England	99.14%
GEO Group Inc.	Immigrant Detainees - Human Rights Policy Implementation	Jesuit Conference	87.90%
Mallinckrodt Group Inc.	Lobbying Expenditures Disclosure	United Church Funds	79.70%
Mallinckrodt Group Inc.	Board Oversight - Risks Related to the Opioid Crisis	Mercy Investment Services	78.86%
Walgreens Boots Alliance	Board Oversight - Risks Related to the Opioid Crisis	Mercy Investment Services	60.53%
Newell Brands, Inc.	Executive Leadership Team Diversity	Trillium Asset Management	56.60%
Macy's, Inc.	Political Contributions	Mercy Investment Services	53.06%
Mallinckrodt Group Inc.	Executive Incentive Pay Clawback	UAW Retiree Medical Trust	52.92%
Microchip Technology	Identifying Human Rights Risks in Operations and Supply Chain	Friends Fiduciary	51.30%
Travelers Companies, Inc.	Workplace Diversity	Trillium Asset Management	50.90%
NextEra Energy	Political Contributions	New York State Comptroller*	48.70%
Analog Devices, Inc.	Workplace Diversity	Trillium Asset Management	47.96%
Starbucks Corp.	Environmental Impacts of Non-Recyclable Packaging	As You Sow	44.49%
Amphenol Corporation	Identifying Human Rights Risks in Operations and Supply Chain	Amalgamated Bank*	43.92%
Duke Energy Corp.	Report on Mitigating Health and Climate Impacts of Coal Use	As You Sow	41.71%
Centene Corporation	Political Contributions	Friends Fiduciary	41.60%
Fastenal Co.	Workplace Diversity	As You Sow	41.43%
Exxon Mobil Corporation	Independent Board Chair	Kestrel Foundation*	40.80%
Honeywell International Inc.	Lobbying Expenditures Disclosure - Climate	Azzad Asset Management	40.70%
Macy's, Inc.	Human Rights Due Diligence	Priests of the Sacred Heart, US Prov.	40.65%
American Water Works Com	Lobbying Expenditures Disclosure	Boston Common Asset Management	39.60%
Disney (Walt) Company / ABC	Lobbying Expenditures Disclosure - Climate	Zevin Asset Management	39.27%
AbbVie	Independent Board Chair	State of RI Treasurer's Office*	38.95%
TJX Companies, Inc.	Human Rights Due Diligence	Priests of the Sacred Heart	38.81%
Motorola Solutions Inc	Lobbying Expenditures Disclosure - Climate	Mercy Investment Services	37.60%
TJX Companies, Inc.	Supply Chain Policy on Prison Labor	NorthStar Asset Management	37.59%
CorVel Corporation	Sexual Orientation and Gender Identity/Expression Non-Discr.	Walden Asset Management	37.40%
Exxon Mobil Corporation	Lobbying Expenditures Disclosure - Climate	United Steelworkers	37.30%
American Water Works	Political Contributions	Trillium Asset Management	37.00%
Duke Energy Corp.	Lobbying Expenditures Disclosure	Mercy Investment Services	36.60%
American Outdoor Brands	Adopt a Human Rights Policy	Sisters of the Holy Names of Jesus and Mary	36.22%
Nucor Corporation	Lobbying Expenditures Disclosure	Domini Impact Investments	36.20%
CenturyLink, Inc.	Lobbying Expenditures Disclosure	AFL-CIO	36.19%
CIGNA Corporation	Gender and Racial Pay Gap	Proxy Impact	35.64%
Wyndham Worldwide Corp.	Political Contributions	Mercy Investment Services	35.60%
Chevron Corp.	Shareowners Right to Call Special Meeting	Investor Voice	35.30%

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TOP 2019 VOTES, CONTINUED

COMPANY	RESOLUTION NAME	LEAD FILER	VOTE
Atmos Energy Corporation	Methane Emissions - Monitor and Minimize	As You Sow	34.81%
CMS Energy Corp.	Political Contributions	Investor Voice	34.33%
Verizon Communications Inc.	Child Sexual Exploitation	Christian Brothers Investment Services	33.90%
Yum! Brands, Inc.	Environmental Impacts of Non-Recyclable Packaging	As You Sow	33.58%
DTE Energy	Political Contributions	Mercy Investment Services	33.56%
Kroger Co.	Independent Board Chair	SumOfUs	33.23%
Chevron Corp.	Greenhouse Gas Reduction - In Line with Paris Goals	As You Sow	33.20%
Home Depot, Inc.	Workplace Diversity	Congregation of Benedictine Sisters, Boerne TX	33.08%
Vertex Pharmaceuticals	Lobbying Expenditures Disclosure	Friends Fiduciary	32.35%
Chevron Corp.	Human Right to Water	Sisters of St. Francis of Philadelphia	32.20%
Yum! Brands, Inc.	Sustainable Forests	SumOfUs	32.05%
Northrop Grumman Corp.	Report on Implementation of Human Rights Policy	Sisters of St. Dominic	31.13%
Home Depot, Inc.	Supply Chain Policy on Prison Labor	NorthStar Asset Management	30.29%
Alphabet, Inc.	One Vote Per Share	NorthStar Asset Management	30.05%
General Motors Corp.	Lobbying Expenditures Disclosure - Climate	New York City Employees Retirement System*	29.50%
Johnson & Johnson	Senior Executive Incentives - Integrate Drug Pricing Risk	Oxfam America	29.23%
Merck & Co., Inc.	Senior Executive Incentives - Integrate Drug Pricing Risk	Midwest Capuchins	29.07%
Pfizer, Inc.	Senior Executive Incentives - Integrate Drug Pricing Risk	Trinity Health	28.69%
Costco Wholesale Corp.	Supply Chain Policy on Prison Labor	NorthStar Asset Management	28.69%
Charter Communications, Inc	Sustainability Reporting - GHG Emphasis	Illinois State Treasurer's Office*	28.00%
Altria Group, Inc.	Lobbying Expenditures Disclosure	Trinity Health	27.90%
Loews Corporation	Political Contributions	Clean Yield Group	27.80%
Amazon.com, Inc	Report on Efforts to Address Hate Speech	Nathan Cummings	27.16%
Pfizer, Inc.	Independent Board Chair	Sisters of St. Francis of Philadelphia	26.84%
Skechers U.S.A.	Board Diversity	Amalgamated Bank*	26.63%
C.H. Robinson Worldwide	Greenhouse Gas Reduction - Science-Based Targets	Sisters of the Presentation of the Blessed Virgin	26.60%
Exxon Mobil Corporation	Political Contributions	Unitarian Universalist Association	26.10%
Chevron Corp.	Independent Board Chair	Investor Voice	26.00%
Amazon.com, Inc	Reduce Food Waste	JLens Network	25.90%
Northern Trust Corporation	Political Contributions	Unitarian Universalist Association	25.51%
United Continental Holdings	Lobbying Expenditures Disclosure	Nathan Cummings	25.20%
Exxon Mobil Corporation	Report on Petrochemical Resiliency Risks	As You Sow	25.00%
PepsiCo, Inc.	Independent Board Chair	SumOfUs	25.00%
AbbVie	Lobbying Expenditures Disclosure	Zevin Asset Management	25.00%

* CO-FILED BY ICCR MEMBERS