

The Episcopal Church Shareholder Engagement Plan 2020

D = dialogue R = potential resolutions L = letter

Shareholder Advocacy

All work is based on policies and resolutions adopted by the General Convention of TEC. Those resolutions apply broadly to TEC’s mission and guide our work in socially and environmentally responsible investing.

Engagement for 2021 includes four broad categories: Human Rights; Health & Health Care; Care of Creation; and Corporate Governance and Accountability. Each category includes a range of issues.

Category: Human Rights

Issue: Human Trafficking (both Sex Trafficking and Labor Trafficking)	
Sex Trafficking	2021 Company Engagements
❖ Engage travel companies such as hotel, airline and trucking companies on compliance with best practice standards to mitigate labor trafficking, and child and women sexual trafficking.	United (airline) (12/10/20) D, R Delta (airline) (1/7/21) D McDonalds (fast food) (12/10/20) D, R
Labor Trafficking in Workplace & Supply Chain	2021 Company Engagements
❖ Engage companies on efforts to ensure compliance with human rights standards in their own workforce, supply chains, including outsourced labor brokers, requirements in subcontractor contracts, compliance audits and performance/improvement measurement.	United (airline) (12/10/20) D Delta (airline) (1/7/21) D Kraft Heinz (food production) (11/27/20) D McDonalds (fast food) (12/10/20) D
Issue: Israel/Palestine	
Objectives	2021 Company Engagements
❖ Engage companies operating in areas of civil and/or labor strife or racial disparagement (e.g., Democratic Republic of Congo, Israel/Palestine, Peru, Indonesia, and U.S.) on due diligence processes <i>and/or enhancing their capacity to deal with potential human rights violations, in either case to help assure</i> they are not directly or indirectly financially benefiting armed groups or engaged in repressive practices impacting indigenous peoples. ❖ Develop Human Rights Screen for Israel/Palestine and conflict affected areas such as Burma/Myanmar, Xinjiang, Sudan etc.	ABB Group (electrical equipment) (Foreign) D Bookings (travel) (12/25/20) D Booz Allen Hamilton (management consulting) (3/1/21) D Chevron (Noble) (integrated oil & gas) (12/8/20) D, R Cisco Systems (technology) (6/24/20) D Expedia Group (travel) (12/30/20) D General Mills (food production) (4/12/21) D HeidelbergCement (cement) (Foreign) D Siemens (technology) (Foreign) D Trip Advisor (travel) (12/25/20) D, R

Issue: Immigration/Refugees/Migration	
Objectives	2021 Company Engagements
❖ Engage companies that employ migrant workers (documented and undocumented) or in their supply chain, based on issues such as fair treatment, adequate health care, wage theft, job training, child labor or other labor/human rights issues in companies and/or their supply chains.	Sign on letters as appropriate, company letters and dialogues with companies to be determined
❖ Divest from private prisons with immigrant facilities on human rights policies, implementation, and disclosure with implementation metrics.	Sign on letters as appropriate
❖ Engage companies on advocating for just immigration reform in the United States.	Sign on letters as appropriate

Issue: Rights of Indigenous Cultures and Communities

Objectives	2021 Company Engagements
<ul style="list-style-type: none"> ❖ Improve transparency and reporting on current practices, implementation of best practices and industry standards, human rights impact assessments and community development and impacts. ❖ Assess company risks related to conflict minerals, and the environmental and public health impacts. ❖ Ensure community impact of company operations on socio-economic-environmental concerns are assessed (especially in water-stressed areas), including impact on the most vulnerable such as: women, indigenous persons, and people who are impoverished. 	Sign on letters as appropriate
❖ Engage pipeline companies to ensure free prior informed consent (FPIC) is used in siting projects, and obtaining community consent during entire project with a special focus on indigenous communities.	Sign on letters as appropriate
❖ Engage financial institutions to ensure policies address socioeconomic and environmental concerns, particularly climate and fresh water resources, as well as pipeline financing in their lending practices. In addition, engage asset managers on their proxy voting practices.	Sign on letters as appropriate

Category: Health and Health Care

Issue: Opioid Epidemic	
Objectives	2021 Company Engagements
<ul style="list-style-type: none"> ❖ Engage opioid manufacturers and distributors about their corporate policies on the marketing or promotion of drugs that lead to addiction and how the company takes responsibility for these practices. ❖ Engage pharmaceutical companies that manufacture antidotes to opioids about their pricing practices. 	<p>Johnson & Johnson (pharma) (11/11/20) D, R</p> <p>Walgreens-(retailer) (8/12/20) D, R</p> <p>AbbVie, (pharma) (11/25/20) D</p> <p>Viatrix (f/k/a Mylan) (pharma) (2/8/21) D</p>

Issue: Gun Safety	
Objectives	2021 Company Engagements
<ul style="list-style-type: none"> ❖ As a public health issue, engage gun manufacturers to adopt more smart technologies for weapons and retailers to restrict which weapons they sell and under what conditions; engage both to adopt the Sandy Hook Principles, which protect the rights of gun ownership and the rights of citizens to be safe and secure; and to report on their lobbying activities and expenses for gun rights. ❖ Determine when to invest in gun manufacturers to change corporate behavior ❖ Engage industries such as credit card companies, shipping companies, and financial institutions on their impact on the epidemic of gun violence in the U.S. 	<p>Olin (ammunition) (11/27/20) D</p> <p>Sturm Ruger (firearms) (12/4/20) D, R</p> <p>Smith & Wesson (AOBC) (firearms) (TBD) D</p> <p>UPS (shipping) (11/20/20) D</p> <p>Visa (credit cards) (8/7/20) D</p> <p>Mastercard (credit cards) (12/30/20) D</p>

Category: Care of Creation

Issue: Climate Change/Sustainability (Place Holder for C021)	
Objectives – Water and healthy communities	2021 Company Engagements
<ul style="list-style-type: none"> ❖ Engage companies on science-based water stewardship targets and the human right to water, in their operations and their supply chains. 	Campbells (food) (6/6/20) D Constellation.(alcohol) (2/5/21) D Coca-Cola (food & bev) (12/23/20) D
Objectives – Climate Change and a Healthy Environment	2021 Company Engagements
<ul style="list-style-type: none"> ❖ Engage companies to adopt science-based targets for reducing greenhouse gas emissions, adopt technologies to monitor and reduce methane emissions, adopt new and cleaner energy technologies, promote efficiency, promote transparency in reporting, and protect consumers, particularly low-income consumers. 	Delta (airline) (1/7/21) D Phillips 66 (oil & gas) (11/22/20) D, R Chevron (oil & gas) (12/8/20) D Ameren (utility) (11/27/20) D Valero (utility) (11/2/20) D, R
<ul style="list-style-type: none"> ❖ Engage companies, particularly in the energy and utility sector, to improve public disclosure and transparency in reporting presented by current and future company operations and products including company plans to manage carbon asset risk and comply with a regulatory scenario that holds global temperature rise below a 1.5/2-degree Celsius threshold. 	NextEra (energy) (12/4/20) D
<ul style="list-style-type: none"> ❖ Engage financial institutions to ensure commercial lending and investment policies address socioeconomic and environmental concerns, particularly climate change, water stewardship, pipelines, financing in their lending practices. 	AIG (insurance) (12/1/20) D
<ul style="list-style-type: none"> ❖ With the Church Pension Fund, add as sustainability expert on the board to advocate for positively impacting the environment CO21 	FLIR (thermal imaging) (11/11/20) D, R Chewy (pet supplies) (3/16/21) D, R General Dynamics (aerospace & defense) (11/26/20) D, R
<ul style="list-style-type: none"> ❖ Engage companies to ensure positive community impact of company operations on society, local economy and environmental concerns are appropriately assessed and transparently reported (sustainability reports) including environmental justice concerns and the impacts on the most vulnerable such as: women, indigenous persons, and people who are impoverished. 	FLIR (thermal imaging) (11/11/20) D Chewy (pet supplies) (3/16/21) D

Category: Corporate Governance and Accountability

Issue: Diversity on Corporate Boards of Directors	
Objectives –	2021 Company Engagements
❖ Engage companies to address board diversity to include women and people of color	Sketchers (footwear) (12/10/20) D,R