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# Advocacy and Impact



By Kaitlyn Mitchell

## Coming Soon: Proxy Season 2024

In March, As You Sow published their highly anticipated [2024 Proxy Preview](#), offering an extensive overview of what lies ahead in the upcoming proxy season. This comprehensive report delves into the latest trends and developments in shareholder activism and corporate governance, providing invaluable insights for investors, advocates, and corporate leaders alike. As we navigate the complexities of the modern business landscape, understanding the key themes and emerging issues outlined in the Proxy Preview becomes essential for informed decision-making and effective engagement.

- **Shareholder Resolutions:** Proponents have filed 527 resolutions on ESG issues, nearly matching last year's numbers. Despite declining support levels in recent years, proposals favoring corporate responsibility still outnumber anti-ESG efforts significantly.
- **SEC Policy Shift:** The SEC's policy shift in late 2021 led to fewer omitted proposals, but challenges to exclude proposals have surged back to previous levels in 2024.
- **2024 Trends:** Key shifts include increased inquiries into AI usage and biodiversity protection. Environmental issues remain prominent, while reproductive rights proposals have decreased.
- **Regulatory Update:** The SEC's climate disclosure rule disappointed shareholders, and further amendments to shareholder proposal rules are stalled. Litigation, including cases challenging the legitimacy of shareholder proposals, continues.

## Update on 2024 Shareholder Resolutions

We're thrilled to announce a significant achievement in our ongoing efforts to ensure fair treatment for workers. After negotiations with Union Pacific, we've successfully reached a withdrawal agreement regarding our cofile addressing sick leave policies. As part of the agreement, Union Pacific has committed to publicly disclosing their sick leave policy, ensuring transparency for all employees. Importantly, there will be no penalties for employees taking sick time, promoting a healthy work-life balance.

## First Quarter Engagement Updates

### Sign-on Letters

In addition to our recent success with Union Pacific, we're excited to share that our commitment to positive change continues to grow. Most notably, we've recently joined forces in signing three impactful letters aimed at addressing critical issues.

Firstly, we partnered with RISE St. James, Friends of the Earth, Investor Advocates for Social Justice, and Trillium Asset Management in urging seven major banks, including Bank of America, Citigroup, Goldman Sachs, JPMorgan Chase, Morgan Stanley, SMBC, and Wells Fargo to end financing for cancer alley. Specifically, we called for the cessation of all financial ties with Formosa Plastics Group and its subsidiaries. This collaborative effort seeks to combat environmental injustices and protect communities affected by harmful industrial practices.

Additionally, we collaborated with SOC Investments in sending sign-on letters to McDonald's and Wendy's concerning child labor laws. These letters advocate for strengthening oversight of human rights risks throughout their systems. Our requests include conducting third-party human rights risk



assessments with results publicly released by year-end and scheduling a meeting to discuss the concerns outlined in the letters. By addressing these critical issues, we aim to ensure the protection of vulnerable individuals in the global supply chain.

## Campaigns

We're thrilled to announce our involvement in two impactful campaigns aimed at promoting transparency, accountability, and ethical practices within the corporate world. We're proud to reaffirm our commitment to the [Non-Disclosure Campaign \(NDC\) led by the CDP](#). For several years, we've been actively participating in this campaign, which involves collaborating with capital markets signatories to engage with companies that have failed to disclose crucial information through climate change, forests, and/or water security questionnaires. The NDC serves as a vital initiative alongside the main CDP disclosure request, enhancing transparency and driving up rates of corporate disclosure.

This year marks our exciting partnership with [The Collective Impact Coalition for Ethical Artificial Intelligence](#), in collaboration with the World Benchmarking Alliance (WBA) and Boston Common Asset Management. This coalition targets over 200 companies, and we're particularly thrilled to be directly engaging with Apple in the coming months. Known as the CIC for Ethical AI, this campaign builds upon the insights from WBA's Digital Inclusion Benchmark, highlighting significant transparency gaps in companies' disclosures on ethical AI practices.

As we dive deeper into these engagements, we'll provide further updates on our progress and impact. These campaigns exemplify our ongoing commitment to driving positive change and holding corporations accountable for their actions.

## Reminder

I wanted to give you a heads-up about an upcoming change in my availability. Beginning at some point in July through October, I'll be on maternity leave, welcoming another addition to our family. Thank you for your understanding and ongoing support. If you have any questions or need assistance during my absence, please feel free to reach out.



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