

First Affirmative's 2024 Shareholder Advocacy Webinar Replay: Making Your Investments Count



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While conversations around sustainable investing are shifting, shareholder advocacy represents one of the most powerful tools available for creating meaningful change. As Kaitlyn Mitchell, MBA, Shareholder Engagement Coordinator at First Affirmative Financial Network, reminded us during our recent annual proxy season webinar: "Your shares give you a vote and a voice. First Affirmative makes it easy for your vote to be counted and your voice to be heard."

Highlights of Our March Webinar

Our March webinar, "Engagement and Proxy Voting: 2024 Review," offered a comprehensive look at how First Affirmative has been leveraging shareholder advocacy to drive corporate behavior toward more sustainable and responsible practices. Kaitlyn Mitchell, who brings six years of experience at First Affirmative and serves on our investment team, presented our [annual review of the 2023-2024 proxy season](#) along with updates on current shareholder resolutions.

Key Achievements from the 2023-2024 Proxy Season

The numbers tell a compelling story of active engagement:

- ☐ **2,452 meetings** and **25,114 proposals** voted
- ☐ Supported **70.26%** of shareholder proposals and opposed **33.22%** of management proposals
- ☐ Over **150 direct contacts** with portfolio companies
- ☐ Participation in **direct letters to over 200 companies**
- ☐ Involvement in **4 campaigns** and **6 Ceres working groups**
- ☐ **4 co-filed shareholder resolutions** with a **100% success rate** in achieving withdrawal agreements

Perhaps most telling is how our voting record compares to industry averages. Our Proxy Voting Guidelines ensure we vote in alignment with values-aligned principles that matter to our clients. The results speak for themselves: while average industry support for climate-related proposals stood at just 17%, First Affirmative supported 89%. Similarly, we supported 98% of diversity, equity, and inclusion proposals compared to the industry average of 29%, and 94% of political spending disclosure proposals versus just 21% industry wide.

The Power of Withdrawal Agreements

One of the most important takeaways from the webinar was the strategic value of withdrawal agreements. As Kaitlyn explained, "Meaningful change happens when we can come to withdrawal agreements. This is a strategic approach that benefits all parties."

When companies agree to implement the requested changes before a proposal goes to vote, it represents a real commitment to action rather than merely a symbolic vote. Last season, all four of our co-filed proposals reached withdrawal agreements – a remarkable achievement that demonstrates the effectiveness of constructive dialogue with companies.

Shareholder Engagement Success Story: Kroger

A prime example of this approach was our engagement with Kroger. The shareholder proposal requested Kroger to report on increasing efforts to quantify and set targets for Scope 3 emissions, particularly from purchased goods and services. Despite challenges posed by Kroger's potential merger with Albertsons, which diverted focus and resources from addressing long-term climate risks, we successfully negotiated a withdrawal agreement. This secured Kroger's commitment to enhanced disclosure of their Scope 3 emissions with plans for continued dialogue to support ongoing progress and accountability.

Facing New Challenges in 2025

The webinar also addressed emerging challenges in the shareholder advocacy landscape. The current political environment has created headwinds for ESG-related engagements, as illustrated by our experience with Truist Financial Corporation this season.

Kaitlyn shared this recent example where the company planned to SEC-challenge a climate-related proposal for "micromanagement," believing they could succeed under the new administration's less favorable stance toward climate initiatives. This was unexpected, as this type of proposal had typically been accepted without challenges in previous years. The proposal was ultimately withdrawn without any agreement, but with the aim of maintaining open dialogue for future progress. Despite these new challenges, First Affirmative remains committed to finding innovative paths forward for progress on critical issues.

Looking Ahead: Our Engagement Priorities

For the 2024-2025 proxy season, our engagement priorities continue to focus on areas where we can make the most impact:

- **Climate Action:** Addressing greenhouse gas emissions, climate risk, and sustainable practices
- **Ethical AI:** A growing area of focus through our participation in the World Benchmarking Alliance's Collective Impact Coalition, where we're engaging with Adobe and Apple
- **Human Rights:** Advocating for responsible practices throughout global supply chains
- **Labor Rights:** Supporting fair labor practices and worker protections
- **Public Policy:** Engaging with policymakers on systemic sustainability issues

Expanding Our Advocacy Networks

Beyond our direct engagements, First Affirmative participates in several collaborative initiatives to magnify our impact:

- **Ceres Working Groups:** We're active in multiple Ceres initiatives, including the Valuing Water Financing Initiative, Banks Working Group, Food Emissions 50, and various climate change working groups. These provide valuable data and collaborative opportunities for our engagements.
- **CDP Non-Disclosure Campaign:** This initiative encourages companies to disclose environmental impacts and risks that are not typically reported, fostering transparency around climate change, water security, and deforestation.
- **Sign-On Letters:** We regularly participate in collaborative letters to companies addressing issues from financing for Cancer Alley to child labor laws and ethical AI practices.

Get Involved

Would you like to align your investments with your values and amplify your impact? There are several ways to get more involved:

1. **Watch the Full Webinar:** The complete recording of our "Engagement and Proxy Voting: 2024 Review" webinar is [Shareholder Advocacy Annual Review](#).
2. **Download the 2024 Engagement Report:** For a comprehensive overview of our advocacy work, download the full report [2024 Annual Engagement Overview](#).
3. **Join Our Engagement Priority List:** Contact Kaitlyn Mitchell at kaitlynmitchell@firstaffirmative.com to add specific companies or issues to our engagement priority list.
4. **Schedule a Consultation:** Speak with one of our [advisors](#) about how your investments can make a difference through our shareholder advocacy program.

At First Affirmative, we view [proxy voting](#) and [advocacy](#) as "the impact of ownership." Through our custom proxy voting guidelines, direct engagement, and strategic filing of shareholder resolutions, we ensure that your investments not only seek competitive returns but also contribute to creating a more just and sustainable world.