

BRIEFING PAPER: WARREN WILSON COLLEGE

Impacting How Companies Do Business



**Intentional
Endowments
Network**

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Executive Summary

Racial justice, social equity, and a zero-carbon economy are only possible if corporations become part of the solution. Investor engagement with corporations can be highly effective in compelling real, positive change in corporate policies and practices, in turn enhancing company value and investment returns; but it is an underutilized process among higher education endowments.

Warren Wilson College (WWC) is a liberal arts college in North Carolina and a leader in environmental and social sustainability. In the past 5 years, WWC has focused on applying environmental and social equity lenses to the management of its endowment, including publicly committing to divest from fossil fuels and beginning to fully integrate environmental, social, and governance (ESG) factors into the investment process. In 2019, WWC began exploring active ownership as a way to expand the positive societal and environmental impact of its investments, while also reducing risks and maximizing returns in its endowment portfolio.

You can read a background on WWC's work implementing sustainable investing strategies, with a focus on shareholder engagement, in IEN's 2020 resource: *Active Ownership in the Endowment: Warren Wilson College Case Study*.¹

Through partnerships with *As You Sow* and the Intentional Endowments Network (IEN), WWC has made an impact by actively engaging the companies the endowment invests in, and as a result, can point to real change addressing the college's two mission-driven focus areas: climate change and racial justice.

During the 2021-2022 engagement season (fall of 2021 through end of June of 2022), Warren Wilson College signed 32 letters of authorization allowing *As You Sow* to enter into dialogue and submit shareholder resolutions to companies WWC invested in. Of those 32 signed letters of authorization to engage, *As You Sow* did not file 14 of the resolutions, as dialogue with each company prior to filing led to an agreement. *As You Sow* did file resolutions with 14 of the 32 authorized companies, and dialogue with 12 of the 14 companies where resolutions were filed led to impactful agreements that addressed the resolution request sufficiently (See Figure One) for all outcomes at companies where WWC authorized engagements). These agreements included:

1. setting next zero emissions targets and interim emissions targets,
2. performing net zero scenario analysis;
3. publicly reporting EEO-1 data;
4. publicly disclosing workforce retention, recruitment and promotion data, and
5. working with local communities to address environmental justice concerns.

**BY THE
NUMBERS**

32

**AUTHORIZED
ENGAGEMENTS**

> 81%

**OF ENGAGEMENTS LED TO
AGREEMENT TO IMPROVE
CORPORATE BEHAVIOR**

13,000

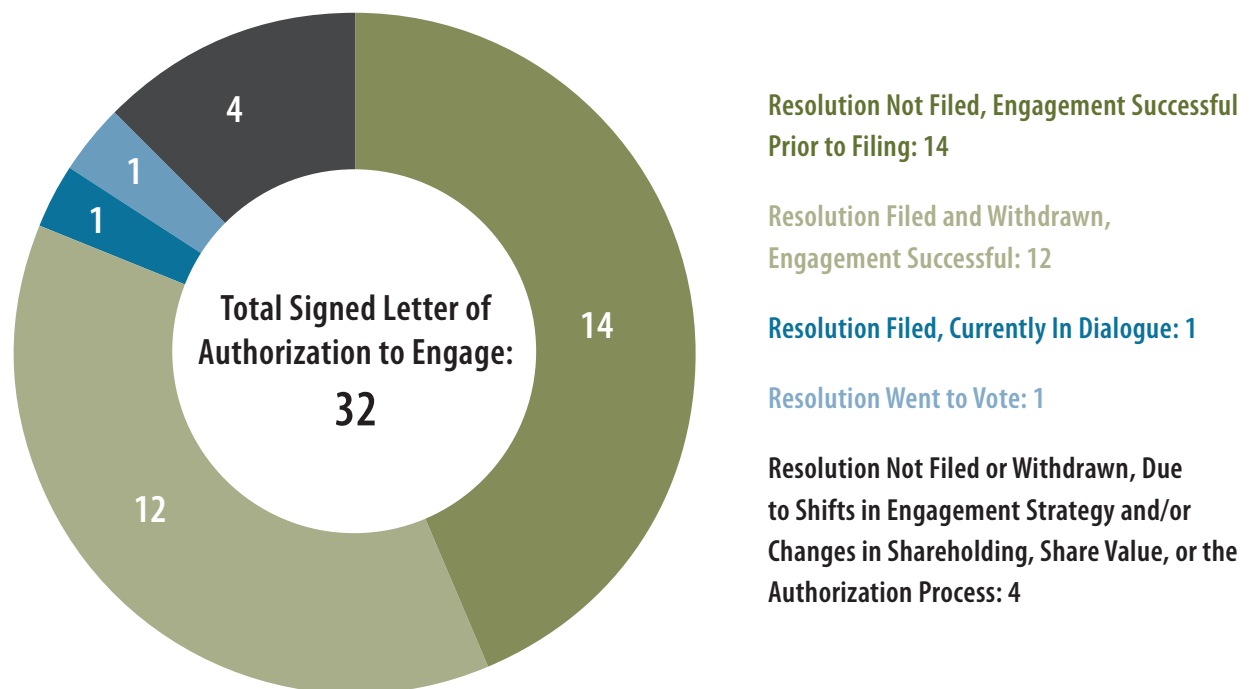
PROXY VOTES CAST

¹ *Active Ownership in the Endowment: Warren Wilson College Case Study* https://www.intentionalendowments.org/warren_wilson_case_study

WWC has also influenced the actions of companies through proxy voting. From March 2021 through January 2022, 13,000 proxy ballot line items were voted on WWC's behalf at approximately 1,200 companies, including 420 shareholder proposed ballot items. Among other successes, WWC's proxy votes contributed to a 98% vote on a shareholder proposal that urged General Electric to meet net zero emissions targets by 2050 (resulting in a commitment from GE to set more aggressive targets to meet that objective), and majority votes urging American Express and Union Pacific to assess the effectiveness of their diversity, equity, and inclusion efforts.

Colleges and universities across the country can learn valuable insights from the process WWC has developed and followed to engage with the companies in their endowment investment portfolio through proxy voting and shareholder resolutions.

FIGURE ONE: Outcomes at Companies Where WWC Signed Letters of Authorization



Impact Through Proxy Voting

Publicly-traded companies report their activities to shareholders through their annual meetings. Before those meetings, shareholders receive information on topics to be voted on at the meeting, and investors who own applicable voting shares in the company are eligible to vote on these issues. Rather than physically attending the shareholder meeting, investors may cast a proxy vote before the shareholder meeting. For issues involving topics other than electing directors, such as voting on shareholder proposals, a majority of the votes is what typically leads to approval of the issue.

Because of the complexity and size of the task, endowment professionals often leave proxy voting to their investment managers, many of which vote with company management. There are often topics up for a vote where endowments may want to vote against management, but if shareholders do not actively vote their proxies, or often when they outsource their votes to investment managers, it often automatically defaults to a vote for management.

An example of this can be found when reviewing the proxy voting records of investment managers in regards to executive compensation. In 2020, the five largest asset managers (BlackRock, Vanguard, SSgA Fund Management, Fidelity, and JP Morgan) voted to approve 76-92% of company-proposed pay packages for the 100 highest paid CEO's of the S&P 500.² Companies with approved excessive pay packages do not have stronger financial performance compared to their peers (see IEN blog [Paying Attention to CEO Pay](#)³), highlighting one example of an issue where a company-proposed vote may lead an endowment to ask whether or not a vote with company management is creating long-term value – and if they should vote their proxies differently.

In 2018, WWC took the first step to have a say in how its proxies were being voted: they set up a separately managed account (SMA) as the vehicle for the endowment's passive domestic equity investments. Consulting with the Intentional Endowments Network, WWC came to understand that voting its own proxies for the 1,000+ companies it owned in the separate account would demand more time and expertise than the endowment's small finance staff could afford. In 2020, WWC signed-up to use the Institutional Shareholder Services (ISS) thematic proxy voting guidelines. This allowed the college to align its proxy voting with the endowment's ESG investing mandates without putting undue burden on its finance office.

Proxy Voting Highlight: General Electric

In 2021, WWC contributed to an historic result at General Electric, helping to achieve a 98% vote requesting GE commit to meeting net zero emissions targets by 2050, and resulting in a commitment from GE to set more aggressive targets to meet that objective. This target not only encompasses GE's operations but importantly includes its Scope 3 emissions from customers' use of the products it sells.

² 100 highest paid CEO's of the S&P 500 <https://www.asyousow.org/report-page/the-100-most-overpaid-ceos-2020>

The one shortfall of the ISS proxy voting guidelines was that the college could not alter the votes when it disagreed with ISS's guidelines. In the spring of 2021, WWC decided to change proxy voting services, and signed-up for a new ESG-aligned proxy voting service, As You Vote. As You Vote is a service offered in partnership by *As You Sow*, Broadridge, IEN, and Confluence Philanthropy. It simplifies proxy voting and empowers endowments and other institutional investors to vote their proxies in line with their ESG mandates, using a time and cost efficient platform with optional customization. As You Vote is a rules-based ESG proxy voting system hosted on Broadridge's ProxyEdge platform. After signing up, proxy statements are auto-filled by *As You Sow* and submitted via ProxyEdge. Nothing else is required, but subscribers can easily change any ballot item prior to auto-submission, and a voting report will indicate whether the ballot was customized.

What is a Separately Managed Account?

A separately managed account (also called a SMA, separate account, or individually managed account) is an investment portfolio managed on behalf of just one client - as opposed to 'pooled' or 'commingled' funds (such as mutual funds) where capital from multiple investors is invested in a common portfolio. SMAs allow for direct ownership of securities and more customization in investment strategy and management, including how proxy votes are cast.

Utilizing these proxy voting services, over 13,000 proxy votes were cast at approximately 1,200 companies on behalf of Warren Wilson College. Of these votes, there were 420 votes cast in favor of shareholder proposals on topics including climate change (27), racial justice and gender equity (38), executive compensation (21), political spending and lobbying disclosure (41) and human rights and supply chain issues (16).

Among other successes, WWC's proxy votes cast in favor of shareholder proposals contributed to majority votes at General Electric (see *Proxy Voting Highlight: General Electric*), at Costco, where 70% of shareholders voted for the company to reduce greenhouse gas emissions including Scope 3 emissions tied to their supply chain, and at American Express and Union Pacific where, respectively, 60% and 81% of shareholders voted in favor of assessing the effectiveness of each companies diversity, equity, and inclusion efforts. Additionally WWC's proxy votes contributed to meeting the thresholds of shareholder support needed to refile next year for many racial equity proposals.

Impact Through Filing Shareholder Proposals

After witnessing the impact of and realizing such success through proxy voting, WWC began to explore how to scale their active engagement work with the companies in their separate account. *As You Sow* has a well-refined engagement process informed from years of experience working with other investors. *As You Sow* partnered with WWC to increase the endowment's engagement work. This mutually beneficial partnership allowed for WWC to increase their active engagement work without demanding more time and expertise of the endowment's busy finance office, while providing *As You Sow* with the ability to engage a greater breadth of companies, including several companies they had not been able to engage with previously. This included several companies they had not been able to engage with previously, through WWC's passively managed separate account that contains over 1,000 individual public equity holdings.

Shareholder Resolution Highlight: Duke Energy

While many companies, including Duke Energy, report Scope 1 and 2 operational greenhouse gas (GHG) emissions, few disclose the entirety of their Scope 3 emissions, which include supply chain and products-related emissions. Utilities provide energy to some of the most GHG-intensive economic sectors, and have huge influence over regulators, policy makers, suppliers, and customers. By disclosing and setting targets that encompass the full scope of emissions, and reducing their own GHG emissions across all scopes, utilities can enable decarbonization across industries and mitigate disruptive physical, economic, and policy risks they face.

At Duke Energy, the largest power utility in the United States, over 25% of the company's disclosed GHG emissions are Scope 3 emissions. These disclosed Scope 3 emissions, and the Scope 3 emissions Duke does not currently measure and disclose (including upstream emissions from the production of fossil fuels that it procures), are not currently covered by net zero targets.

In 2022, Warren Wilson College (WWC) was the lead filer on a resolution requesting 'that Duke revise its net zero by 2050 target, and any relevant interim targets, to integrate Scope 3 value chain emissions consistent with guidelines such as the CA100+ and SBTi, or publish an explanation of why the Company does not view inclusion of those emissions as appropriate.'

After filing the resolution, an agreement was reached through dialogue with the company to withdraw the resolution when Duke committed to expand their net zero targets to cover the reduction of their Scope 1, 2 and 3 GHG emissions. This has set a new standard for net zero targets in the utility sector, creating positive change within the company's operations, supply chain, and across their customer base. Additionally, this expanded net zero target can motivate change and further climate ambition with other companies in the sector, potentially shifting the overall industry to set and meet stronger net zero targets.

"This [agreement] has a huge outsized impact on climate," said Daniel Stewart, Energy Program Manager at *As You Sow*. "This [expanded net zero] commitment was made possible because of this collaboration with WWC. It will accelerate Duke's climate progress by years and shift a huge amount of capital in the direction of cleaner technologies. We're looking forward to this next year and further collaboration."



³ <https://www.asyousow.org/resolutions/2021/11/22-duke-climate-disclosures-or-other-measures-to-reduce-ghg-emissions>

During the 2021-2022 engagement season (fall of 2021 through end of June of 2022), the WWC ESG Committee and administration agreed to engage with more than 30 companies, which resulted in WWC's CFO Belinda Burke signing 32 letters of authorization on behalf of WWC. These letters allowed *As You Sow* to enter into dialogue and submit shareholder resolutions to companies WWC invested in through their SMA on issues related to climate change, racial justice and diversity, equity and inclusion.

Of those 32 signed letters of authorization to engage, *As You Sow* did not file 14 of the resolutions, as dialogue with each company prior to filing led to an agreement *As You Sow* found to sufficiently address the request within each resolution.⁴ *As You Sow* did file resolutions with 14 of the 32 authorized companies.⁵ Following the filing of the resolutions, *As You Sow* engaged in dialogue with each company. Dialogue with 12 of the 14 companies where resolutions were filed led to impactful agreements that addressed the resolution request sufficiently, leading to *As You Sow* withdrawing the resolution before each company's Annual General Meeting (AGM), where the resolution would go to a vote.

Dialogue with one company, Berkshire Hathaway, was not successful before the AGM, and the resolution went to a vote in May. Jaylen Spann, Head of Research and Development at Whistle Stop Capital, on behalf of *As You Sow* presented the proposal for greater disclosure of material corporate diversity, equity and inclusion data, stating: "The board has released insufficient information to assure investors that it is attentive to diversity, equity and inclusion at Berkshire Hathaway Companies. We encourage transparency even in the face of imperfection in order to show that the company's leaders are truly committed to change and to attracting, retaining, and promoting the best possible employees."

While the resolution failed, earning 25.9% of the overall vote, 45.7% of independent shareholders (based on 47.3% of total stock ownership by Berkshire Hathaway Board members) voted in favor of the resolution. This signals strong support by independent shareholders for Berkshire Hathaway to report on the outcomes of their diversity, equity and inclusion efforts by publishing quantitative data on their workforce composition and recruitment, retention, and promotion rates of employees by gender, race and ethnicity. The resolution also met the resubmission threshold, meaning WWC or other shareholders can continue to advocate for change in the coming engagement season.

Dialogue with AutoZone regarding the resolution recently filed requesting a net zero climate transition plan is just getting underway, with AutoZone's AGM being held in December 2022.

See Figure Two for a full list of companies where WWC filed or co-filed a shareholder resolution, resolution topic, & resolution status.⁶



Active engagement tools can be utilized by endowments to influence corporate policy on issues including climate change and racial injustice. Influencing these corporations has immense impact, as corporate decisions influence policy, supply chains, livelihoods, cultures, and markets on a global scale."

⁴ Companies where Letters of Authorization were signed, but resolutions were not filed due to successful dialogue were Automatic Data Processing Inc, Cardinal Health Inc, Clorox Co, General Dynamics, General Motors, JM Smucker, Paychex Inc, Quest Diagnostics Inc, Republic Services Inc, Sempra Energy, Steel Dynamics Inc, Sysco Corp, Vulcan Materials Co, and Western Digital Corp.

⁵ Due to shifts in engagement strategy and/or changes in shareholding, share value, or the authorization process, 4 of the 32 authorized engagements were not filed or withdrawn.

⁶ See Appendix 1 for greater detail on all 32 companies that WWC signed letters of authorization for and the status of each agreement.

FIGURE TWO: Companies Where WWC Filed or Co-Filed a Shareholder Resolution, Resolution Topic, & Resolution Status

COMPANY	RESOLUTION TOPIC	RESOLUTION STATUS
AUTOZONE INC	Net Zero Climate Transition Plan	Filed, the annual meeting will be held in December 2022.
BERKSHIRE HATHAWAY INC	Greater Disclosure of Material Corporate Diversity, Equity and Inclusion Data	Filed, Voted, Earned 25.9% Overall Vote (45.7% vote of independent shareholders, based on 47.3% ownership by Board)
DOLLAR GENERAL CORP	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached
DOMINION ENERGY INC	Building Electrification and Natural Gas Risk	Filed, Resolution Withdrawn, Agreement Reached
DUKE ENERGY CORP	Climate disclosures or other measures to reduce GHG emissions	Filed, Resolution Withdrawn, Agreement Reached
ENTERGY CORP	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached
EVERSOURCE ENERGY	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached
HARTFORD FINANCIAL SERVICES GROUP INC	Net Zero goals or no insuring new oil & gas projects	Filed, Resolution Withdrawn, Agreement Reached
HCA HEALTHCARE INC	Net Zero Climate Transition Plan	Filed, Resolution Withdrawn, Agreement Reached
KINDER MORGAN INC	Report on material impact to shareholders resulting from Company environmental violations and fines that have had negative impacts on facility adjacent communities of color	Filed, Resolution Withdrawn, Agreement Reached
MARTIN MARIETTA MATERIAL INC	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached
NISOURCE INC	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached
O'REILLY AUTOMOTIVE INC	Net Zero Climate Transition Plan	Filed, Resolution Withdrawn, Agreement Reached
VALERO ENERGY CORP	Net Zero Scenario analysis or disclose critical climate financial assumptions	Filed, Resolution Withdrawn, Agreement Reached

Looking Forward

Active ownership is an impactful aspect of portfolio management, and Warren Wilson College plans to continue voting their proxies and directly engaging with companies through the shareholder resolution process in partnership with *As You Sow* and the Intentional Endowments Network.

In addition to their leading work as an individual institutional investor, Warren Wilson College is also looking to work with other IEN Member endowments and investor groups to co-file additional resolutions, collaborate on investor sign-on statements, and build stronger bridges between how the endowment invests and how WWC students are educated on topics related to business and finance by participating in IEN's Student Corporate Engagement Competition.

Active engagement tools, including proxy voting and resolution filing, can be utilized by endowments to make an impact, influencing corporate policy on issues like climate change, racial justice, political spending, gender equality, and toxins in the food system. Influencing these corporations has immense impact, as corporate decisions influence policy, supply chains, livelihoods, cultures, and markets on a global scale.

Colleges and universities across the country can learn valuable insights from the process Warren Wilson College has developed and followed to engage with the companies in their endowment investment portfolio through proxy voting and shareholder resolutions.

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Ben Linthicum, ESG Advisory Committee Chair, Warren Wilson College

Rachel Lowy, Shareholder Relations Coordinator, *As You Sow*

Anthony Rust, Investment Committee Chair, Warren Wilson College

Nicole Torrico, Program Director, Intentional Endowments Network

Appendix 1: Companies Where WWC Signed Letters of Authorization

TABLE 1.A: Companies Where WWC Signed Letters of Authorization, Leading to Filing or Co-Filing a Shareholder Resolution

COMPANY	SUBJECT LINE	RESOLUTION STATUS	RESOLUTION STATUS DETAILS
AUTOZONE INC	Net Zero Climate Transition Plan	Filed	CO-FILER – Resolution has been filed. The annual meeting will be held in December 2022.
BERKSHIRE HATHAWAY INC	Greater Disclosure of Material Corporate Diversity, Equity and Inclusion Data	Filed, Voted, Earned 25.9% Overall Vote	CO-FILER – Earned a 25.9% overall vote = 45.7% vote of independent shareholders (based on 47.3% ownership by Berkshire Hathaway Board members).
DOLLAR GENERAL CORP	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Dollar General has agreed to publish their Consolidated EEO-1 report for 2021 on their website) soon after it is submitted with the EEOC. They have also agreed to publish this report annually thereafter and also to continue good-faith dialogues with <i>As You Sow</i> going forward.
DOMINION ENERGY INC	Building Electrification and Natural Gas Risk	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Dominion announced the incorporation of: emissions from upstream fuel consumed by the Company for its power business and gas distribution business, and carbon dioxide emissions associated with the production of power purchased for resale; and the downstream use of sold products from its local natural gas distribution business.
DUKE ENERGY CORP	Climate disclosures or other measures to reduce GHG emissions	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Duke Energy agreed to increase the greenhouse emissions it will bring within its net-zero-by-2050 greenhouse gas (GHG) reduction target by including upstream methane leakage during production of natural gas, customer use emissions, and purchased power emissions.

COMPANY	SUBJECT LINE	RESOLUTION STATUS	RESOLUTION STATUS DETAILS
ENTERGY CORP	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Entergy has agreed to: release their EEO-1; disclose information and reports related to their Board/Personnel Committee & DEI efforts; enhance disclosure on community engagement and outreach programs; enhance disclosure on donations and grants related to racial justice; enhance disclosure, and provide metrics, on the DEI program’s efforts and outcomes related to recruitment and retention.
EVERSOURCE ENERGY	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Eversource will publicly release their EEO-1 form, workforce comp. data, promotion, recruitment & retention rates cut by race/ethnicity, explicit diversity data and supply chain diversification data. They have also agreed to co-author a press release about their efforts on DEI & RJI in early Feb.
HARTFORD FINANCIAL SERVICES GROUP INC	Net Zero goals or no insuring new oil & gas projects	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. The company agreed to substantive actions that align with our proposal requests. The specifics are to be announced by the company at their AGM in May.
HCA HEALTHCARE INC	Net Zero Climate Transition Plan	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. <i>As You Sow</i> is withdrawing the climate resolution at HCA Healthcare because the company has committed to set an ambition for net zero emissions by 2050 or sooner and interim greenhouse gas reduction targets.
KINDER MORGAN INC	Report on material impact to shareholders resulting from Company environmental violations and fines that have had negative impacts on facility adjacent communities of color	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Working with <i>As You Sow</i> , Kinder Morgan has developed a relationship with the community and has agreed to conduct ongoing meetings with the Dutchtown, St. Louis, MO community representatives to address environmental justice concerns. Additionally the company has agreed to create a corporate webpage devoted to promoting community engagement and contact in similar situations.

COMPANY	SUBJECT LINE	RESOLUTION STATUS	RESOLUTION STATUS DETAILS
MARTIN MARIETTA MATERIAL INC	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Martin Marietta worked closely with Warren Wilson College to enhance DEI disclosure and will be publicly releasing their EEO-1.
NISOURCE INC	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement Reached. NiSource has agreed to: create a DEI page on their corporate website; disclose data on their Diversity Workforce Performance Metrics; disclose; retention & promotion rates for POC & females; disclose recruitment strategies, efforts and employee satisfaction surveys; and disclose supply chain efforts & community engagement efforts.
O'REILLY AUTOMOTIVE INC	Net Zero Climate Transition Plan	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. <i>As You Sow</i> has withdrawn the O'Reilly Automotive shareholder proposal because the company has committed to announce an ambition to achieve net zero emissions and to set interim greenhouse gas reduction targets aligned to maintaining global warming to 1.5 degrees.
VALERO ENERGY CORP	Net Zero Scenario analysis or disclose critical climate financial assumptions	Filed, Resolution Withdrawn, Agreement Reached	LEAD FILER – Resolution withdrawn, agreement reached. Valero has agreed to issue a report in 4th quarter 2022 disclosing the results of the analysis of the resilience of Valero's business under the assumptions of the International Energy Agency's New Zero by 2050 scenario. They have also agreed to continue dialogue with <i>As You Sow</i> on the issue of undertaking accounting that reflects climate risk.

TABLE 1.B: Companies Where WWC Signed Letters of Authorization, and Dialogue with each Company Prior to Filing led to an Agreement, Resolution Not Filed

COMPANY	SUBJECT LINE	RESOLUTION STATUS	RESOLUTION STATUS DETAILS
AUTOMATIC DATA PROCESSING INC	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. Automatic Data Processing has committed to achieve net zero emissions by 2050 and to set short-, medium-, and long-term greenhouse gas reduction goals.
CARDINAL HEALTH INC	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. Cardinal Health has set a Scope 1 and Scope 2 emissions reduction goal and has committed to set a Scope 3 emissions reduction goal verified by the Science Based Targets initiative.
CLOROX CO	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. Clorox has set a net zero ambition and has near term emissions reduction goals verified by the Science Based Targets initiative.
GENERAL DYNAMICS CORP	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. <i>As You Sow</i> will not be filing with General Dynamic's because the company has established a science-based greenhouse gas reduction goal.
GENERAL MOTORS CO	Climate Transition Plan Reporting	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. The company has indicated that it intends to take action to more specifically link executive compensation to climate reduction goals.
JM SMUCKER CO	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. The company has committed to us to achieve net zero emissions across its value chain by 2040. We will continue to meet with them to monitor their progress towards meeting this goal.
PAYCHEX INC	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. Paychex committed to achieve net zero emissions by 2050 or sooner and has set interim reduction targets aligned with climate-science.

COMPANY	SUBJECT LINE	RESOLUTION STATUS	RESOLUTION STATUS DETAILS
QUEST DIAGNOSTICS INC	Disclosure on Plans and Policies Aligned with Achieving Racial Equality as Informed by <i>As You Sow</i> Scorecard.	Engagement was successful; resolution not filed.	Engagement was successful; resolution not filed. Quest will release a DEI report which will survey their actions since summer of 2020 and incorporated 3 pillar DEI modules for all employees which focuses on racial equity trainings to counter and eliminate internal bias. They are working on a 3 year DEI plan which includes more detailed disclosure on their RJ journey, and are willing to work with AYS to figure out what/ how and where to disclose based on our Workplace Equity & RJ Scorecards. Based on additional info discussed on the call we will be able to update their scorecard results in early 2022.
REPUBLIC SERVICES INC	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. <i>As You Sow</i> will not be filing with Republic Services because the company has established a goal to reduce its operational greenhouse gas emissions that has been approved by the Science-Based Targets Initiative
SEMPRA ENERGY	Building Electrification and Natural Gas Risk	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. The company has recently set a net zero by 2050 goal that covers its Scope 1-3 emissions, one the strongest in the utility industry.
STEEL DYNAMICS INC	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. <i>As You Sow</i> will not be filing with Steel Dynamics because the company has established a goal to reduce its greenhouse gas intensity and achieve carbon neutrality by 2050 for its electric arc furnaces
SYSCO CORP	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. Sysco has committed to science-based greenhouse gas reduction targets and renewable energy targets in line with the Paris Agreement.
VULCAN MATERIALS CO	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. <i>As You Sow</i> will not be filing with Vulcan Materials because the company is expecting to establish a greenhouse gas reduction goal in 2022
WESTERN DIGITAL CORP	Net Zero Climate Transition Plan	Engagement was successful; resolution not filed	Engagement was successful; resolution not filed. Western Digital has set emissions reduction targets aligned with climate-science.

TABLE 1.C: Companies Where WWC Signed Letters of Authorization & Resolution Not Filed or Withdrawn Due to Shifts in Engagement Strategy and/or Changes in Shareholding, Share Value, or the Authorization Process

COMPANY	SUBJECT LINE	RESOLUTION STATUS
ALLEGHENY TECHNOLOGIES INC	Net Zero Climate Transition Plan	Withdrawn – Shares Sold
AMERICAN INTERNATIONAL GROUP INC	Net Zero goals or no insuring new oil & gas projects	Not Filed – Authorization Delay
BOEING CO	Net Zero Climate Transition Plan	Not Filed – Authorization Delay
LAMB WESTON HOLDINGS INC	Report on material impact to shareholders resulting from Company environmental violations and fines that have had negative impacts on farm adjacent communities of color	Not Filed – Postponed, Shift in Engagement Strategy