

# Proxy Season Preview

## Spring 2006

*Helping Foundations Align Mission And Investment*

*Included in this issue:*

### **SOCIAL PROPOSALS**

Preview of 2006, Review of 2005 Vote, Major Players, NGO Involvement

#### **HOT ISSUES**

Global Warming, Labor Standards, Political Contributions, Sexual Orientation

#### **TOP VOTE GETTERS**

Adopt Sexual Orientation Anti-Bias Policies, Equal Employment Opportunity, Prescription Drugs, Sustainability

#### **FAST GROWING ISSUES**

Charitable Giving, Natural Resources, Toxics

#### **ONGOING CAMPAIGNS**

Animal Welfare, Genetically Engineered Food, HIV/AIDS, Human Rights, Military Sales, Nuclear Waste, Predatory Lending, Recycling, Tobacco, Violent Video Sales

#### **NEW ISSUE**

Customer Privacy

### **GOVERNANCE PROPOSALS**

Board Diversity, Linking Executive Compensation to Social Responsibility, Pay Disparity

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# Proxy Season Preview — Spring 2006

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# INTRODUCTION

This 2006 Proxy Season Preview highlights social and environmental issues that are directly relevant to the missions of foundations. Our goal is to make foundations more aware of important upcoming proxy votes and to ensure that they vote in an informed manner.

## Why this is Important

Philanthropic influence is maintained by the ability to execute grants funded from a well-managed endowment fueled by equity holdings. With literally billions invested in the stock market, foundations are indeed major shareholders.

Companies communicate with shareholders by sending an annual proxy statement that provides details and asks for a vote about the company's structure as well as critical social issues raised by shareholders. Yet when it comes to using the proxy process to enhance both their mission and investments, most foundations have been passively following management recommendations even when they are not aligned with the foundation's own interests and values.

Foundations generally commit 5% of their endowment annually to support their mission but how many consider the potential embedded in the remaining 95% to promote this same mission?

From *Unlocking the Power of the Proxy*

## It's Proxy Season

The majority of companies hold their annual meetings in the spring and several hundred proxy proposals will be voted on in the next few months (a smaller proxy season follows in the fall). This is the time for foundations to identify and support those proxy issues that are most related to their mission.

## Types of Proposals

Shareholders file two types of proposals — governance and social.

**Governance Proposals** focus on traditional management issues such as executive pay and selection of directors and auditors. These issues are crucial to the basic financial health of a company and investor returns. There are numerous sources for this information, some of which are included in our Resource section (page 15). This preview focuses only on those governance proposals relating to social issues such as board diversity.

**Social Proposals** call for reports or policy changes on social or environmental issues. These are the proposals most directly related to foundations' programmatic goals.

Most foundations delegate proxy voting to investment managers, who often automatically vote in accordance with company management's recommendations that are almost uniformly against social proposals. These foundations are, quite simply, supporting company action that are often in opposition to their program mission.

Proposals listed here are up-to-date as of March 15, 2006. At the time more than 300 social proposals had already been filed and over 200 will be voted on this spring. Foundations will find many of these related to their grantmaking and mission. Some proposals described here may not be listed on your proxy statement. Changes occur constantly as proposals are withdrawn by the filers in exchange for company dialogues, or omitted by the company in accordance with Securities Exchange Commission (SEC).

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# SOCIAL PROPOSALS

In the past 30 years, thousands of social proposals filed with companies by shareholder activists have broken new ground in fostering more progressive corporate practices. These include nondiscrimination in employment, increased disclosure of environmental liabilities and health risks, stopping environmentally damaging projects, redesigning toxic products, persuading companies to leave countries with human rights abuses, and improving the wages, benefits and conditions of workers.

## Preview of 2006

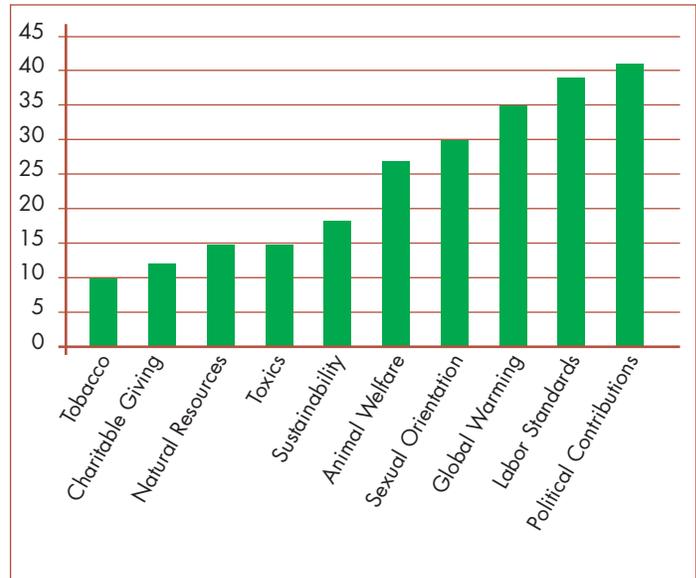
Environmental issues have dominated the number of social proposals filed over the last several years. This year they still comprise the largest number of proposals although other issues are gaining prominence. Environmental issues account for nearly 24% of the social proposals filed. These include global warming, genetically engineered food, nuclear waste, natural resource management, recycling, and sustainability (proxy analysts generally categorize sustainability as an environmental proposal although it encompasses human rights and labor issues as well).

Workers' rights, such as sexual bias, equal employment opportunity (EEO), glass ceiling, anti-union violence, working conditions and worker intimidation, and global labor standards comprise 22% of the pending proposals. Another widely represented category is health related proposals such as HIV/AIDS, toxics, tobacco and access to prescription drugs (11%).

If we break these larger categories into individual issues we find that the top proposals filed were political contributions 12.3% (41 proposals), labor standards 11.7% (39), global warming 10.5% (35), sexual bias (anti and pro) 9% (30) and animal welfare 8% (27). See graph 1.

This year, global warming becomes the second issue — sexual orientation policies being the first — where socially progressive and conservative investors are filing proposals on the same issue but from their different perspectives.

Graph 1: Top 2006 Social Issues by Filings



Two unexpected categories top our list of biggest increases in pending proposals. Natural resource issues had 4 proposals last year and increased by 9 (70%) to 13 this year. Charitable giving, which consisted of one proposal in 2005, increased 83% to 6 proposals this year (see table 1). Prescription drugs dropped from 7 proposals in 2005 to 2 in 2006. And last year's 19 proposals on job loss are completely absent in 2006.

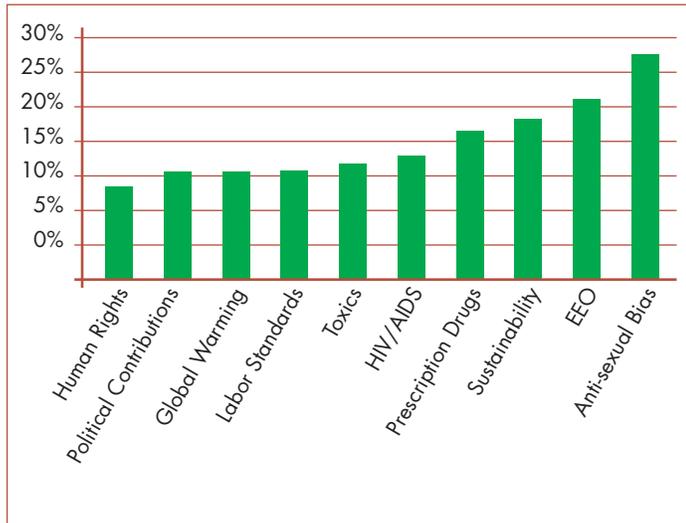
Table 1: Biggest Increase in Pending Proposals by Issue

Issue	2005	2006	Proposal Increase	Percentage Increase
Natural Resources	4	13	+9	70%
Sexual Bias	5	13	+8	61%
Toxics	7	13	+6	46%
Charitable Giving	1	6	+5	83%
Global Warming	11	14	+3	21%

## Results of the 2005 Vote

Although environmental issues dominated the number of proposals voted on in 2005, it was the issue of workers rights that most attracted shareholder votes. Adopting sexual orientation anti-bias policies and equal employment opportunity proposals were the only issues to average over 20% votes.

Graph 2: Top 2005 Social Votes by Company



Social proposals continued to gain significant votes, with several gaining votes comparable to or better than traditional governance proposals (see table 2). This is further evidence that social, environmental and reputational risks are being viewed as financial concerns in their own right.

Table 2: Top Ten 2005 Votes by Company

Company	Issue	2005 vote
Plum Creek Timber	Political Contributions	56.20%*
Yum! Brands	Sustainability	39.10%
Emerson	Sexual Bias	38.90%
Gilead	HIV / AIDS	31.70%
Home Depot	Equal Employment Opportunity	30.00%
Bard	Labor Standards	28.90%
Pfizer	Prescription Drugs	28.50%
Exxon Mobil	Global Warming	28.40%
General Electric	Toxics	27.50%

\* Management did not issue a recommendation for or against the proposal.

## Major Players

The Interfaith Center on Corporate Responsibility (ICCR) accounts for 2/3 of all 2006 social proposals filed. ICCR pioneered shareholder activism on social issues 30 years ago and continues to be the world’s leading practitioner. ICCR does not own stock itself, but its members and associates work together through ICCR to co-ordinate efforts on many proposals. ICCR is comprised of 275 religious institutional investors, along with two-dozen socially responsible investment (SRI) firms, pension funds and foundations.

Pension funds — led by New York City Employees Retirement System (NYCERS) and the State of Connecticut Treasurer’s Office; and labor unions — led by Service Employees International Union (SEIU) and the Teamsters, also continue to be major proposal filers. The California Public Employment Retirement System (the world’s largest pension fund) rarely files proposals anymore, but it still yields great influence through its proxy voting and investment policies.

Foundations continue to be disproportionately small players among institutional investors although some, such as As You Sow and the Nathan Cummings Foundations, are highly active in the shareholder advocacy community. Yet foundation involvement continues to grow and nearly two-dozen foundations are filing proposals this year (see Foundation Involvement, page 13).

## NGO Involvement

Environmental and human rights groups, who have filed dozens of proposals the last several years, have filed virtually no proposals this year with the major exception of People for the Ethical Treatment of Animals (PETA).

Meanwhile conservative groups (who have dabbled in shareholder advocacy for a few years, but really discovered social proxies last year with several proposals opposing sexual orientation anti-discrimination policies) have nearly 20 proposals filed in 2006. These proposals were filed by pro-life groups and others concerned about homosexuality and illegal immigration. Progressive and conservative groups combine for about 50 (25%) of the currently pending proposals.

# HOT ISSUES

## Global Warming, Labor Standards, Political Contributions, Sexual Orientation

### Global Warming

Environmental funders seeking to address global warming will find their concerns matched by shareholders as this issue continues to be a major concern for investors. While the first global warming proposal was filed 15 years ago with little support, today shareholders are actively involved in an astounding 57 global warming related dialogues with companies.

This effort is led by a large investor coalition comprised of ICCR and CERES. Other participants include state pension funds, SRIs and a few foundations. This coalition has strategically targeted the utility, auto and oil & gas sectors, and has recently expanded to the building and finance sectors. These efforts have been instrumental in bringing this issue directly into corporate boardrooms.

Thirty-four proposals were filed on this issue although only 14 remain pending as many companies agreed to dialogue with shareholders. Last year's votes averaged 11%. This year will see four different global warming proposals:

#### Greenhouse Gas Emissions Reduction

These proposals ask oil and gas and electric power companies to report on "how the company is responding to rising regulatory, competitive and public pressure to significantly reduce carbon dioxide and other greenhouse gas emissions."

*Proposals: Devon Energy, Dominion Resources, Exxon Mobil, Peabody Energy, and Ultra Petroleum.*

#### Climate Science

Last year environmental groups and SRIs were asking companies to justify their anti-global warming stance despite near universal scientific consensus that climate change is happening. In a curious twist, a similar request is being made this year by the conservative Free Enterprise Institute's Action Fund in order to address their contrary contention that greenhouse gas emissions from human activity have little or no impact on climate change. Companies are being asked to report on research data relevant to their stated positions

on the science of climate change.

*Proposals: Ford, General Electric, General Motors, JPMorgan, and Occidental Petroleum.*

#### Energy Efficiency

This year's new global warming proposal asks home-builders, real estate companies and big-box stores for a report on how the companies assess "response to rising regulatory, competitive, and public pressure to increase energy efficiency and report to shareholders."

*Proposals: Bed, Bath & Beyond, Liberty Property Trust, and Standard Pacific.*

#### Fuel Economy Lobbying

One resolution asks for a report on lobbying efforts against tighter fuel economy.

*Proposal: Ford*

### Labor Standards

NYCERS and ICCR are the lead filers for more than a dozen proposals asking companies to review, implement or monitor International Labor Organization standards or the MacBride principles (on religious employment bias). Two proposals ask companies to investigate anti-union violence in Columbia, and another looks at US employees' reliance on public assistance (as an indication of inadequate employee health benefits).

As You Sow Foundation and SRIs filed several proposals on vendor standards (sweatshops), union busting, child labor in Africa, and worker intimidation in China.

*Proposals: 3M, Altria, Bard, Chico's FAS, Claire's Stores, Coca-Cola, Cooper Industries, Crane, Delphi, Hasbro, Hershey, Illinois Tool Works, IBM (2), Kimberly-Clark, Lear, Manpower, Mattel, Peabody, Schein, Time Warner, Wal-Mart (2), and Yum Brands.*

### Political Contributions

The change in campaign finance laws and record breaking donations to political action groups, followed by the Abramoff scandal, has led to a continuing flood of political disclosure proposals in the last few years. The 38 proposals filed so far (with 30 still pending) are the most of any social issue in 2006 and this number will climb with additional filings for fall annual meetings (42 proposals were filed in 2005, 51 in 2004 and only 5 in 2003). The Center for Political Accountability runs this well organized campaign (see Case Study 1 on page 10) and has coordinated a large cross section of investors including unions, religious institutions,

NGOs, foundations, state pension funds, SRIs and individuals.

Two similar proposals address soft money contributions (one of which also addresses trade association dues) and ask for reports explaining the business purpose of the contributions, disclosing the company's policies and procedures for political contributions, the monetary value of soft money and in-kind contributions, and public disclosure of the recipients and those making the decision.

One shareholder filed proposals at two companies asking them to publicly disclose their political contributions in a newspaper ad, and at two others asking to affirm political nonpartisanship.

*Proposals: Abbott, AmSouth, Amgen, AT&T, Bank of America, BellSouth, Caremark Rx, Citigroup, Clear Channel, Continental Airlines, Exxon Mobil, General Dynamics, Home Depot (2), IBM, JPMorgan, Marsh & McLennan, Pepsi, Pfizer, Southern, Schwab, St. Paul Travelers, Union Pacific, Verizon, Wachovia, Wal-Mart, Washington Mutual, and Wyeth.*

Already Voted: Monsanto

## Sexual Orientation

For the second year in a row, shareholders will file a number of proposals that represent opposing views about sexual orientation policies. Proposals that called for adoption of sexual orientation anti-bias policies had the highest average vote of any social proposal in 2005 (see Top Vote Getters on this page). By comparison the one contrary proposal that went to a vote last year had a low 4% vote.

This year four proposals call to drop sexual orientation from EEO policies claiming that sexual orientation is a matter of personal and not corporate choice. Yet the proposals cite religious positions and state laws against homosexuality to support their argument thus indicating that they are primarily proposals opposing gay rights.

*Proposals: American Express, Bank of America, Ford, and JPMorgan.*

# TOP VOTE GETTERS

## Adopt Sexual Policy, Equal Employment Opportunity, Prescription Drugs, Sustainability

### Adopt Sexual Orientation Anti-Bias Policies

SRIs, NYCERS and foundations led the effort to get companies to adopt policies that prohibit discrimination based on sexual orientation. Many companies appear particularly eager to avoid having proxy fights over those proposals. Of the 30 proposals filed, 19 have already been withdrawn in exchange for company dialogues. Of the 21 companies that faced this issue in 2005, most have or are adopting this policy and only four will face proposals again in 2006. Last year's votes averaged 27% with a high vote of 39% (see table 2, page 3).

*Proposals: Advance Auto Parts, American Express, AmSouth, Aquila, Bank of America, Expeditors Intl., Exxon Mobil, Ford, JPMorgan, Leggett & Platt, and Robert Half Intl.*

### Equal Employment Opportunity

The basic values inherent to equal employment opportunities still need to be raised at many companies. These proposals always gain strong support and recent proposals averaged a 21% vote in 2005 and a 25% vote in 2004. This spring there are four proposals calling for an EEO report regarding race and gender diversity, with one also asking specifically about policies for the disabled and another asking about race related violence. These proposals have dozens of co-filers including ICCR, SRIs, state pension funds, and foundations.

*Proposals: Home Depot, Lockheed Martin, Wal-Mart, and Yum Brands.*

### Prescription Drugs

ICCR members' proposal seeking a policy of responsible price increases tied to the rate of inflation is addressing a major area of concern for health funders - affordable prescription drugs for seniors, the poor and in developing countries. A proposal from the Minnesota State Board of Investment asks for a policy that does not constrain the re-importation of prescription drugs into the US from foreign markets. Last year's seven proposals averaged vote totals of 17%, a strong show of support for this issue.

*Proposals: Pfizer and Wyeth.*

## Sustainability

Sustainability proposals were the third highest social issue vote getter in 2005 averaging 18%, and the top vote getter in 2004 averaging a 25% vote. It also continues to be an expanding issue with about 20 proposals filed each of the last three years. The proposals ask for the company's definition of sustainability and for a report on economic, social and environmental impacts based on the Global Reporting Initiative (GRI). The GRI is a multi-stakeholder process that has developed globally applicable sustainability reporting guidelines. Guidelines have been developed for voluntary use by companies for reporting on the economic, environmental, and social dimensions of their activities, products, and services. Approximately 900 companies worldwide publish such reports.

This year's effort is led by NYCERS and ICCR with the State of Connecticut and a handful of foundations and SRIs filing proposals as well.

*Proposals: AIG, Dean Foods, General Dynamics, Kellogg, Kinder Morgan, Kroger, Marsh & McLennan, Safeway, Wal-Mart, and Wendy's.*

# FAST GROWING ISSUES

## Charitable Giving, Natural Resources, Toxics

### Charitable Giving

Interestingly, conservative and progressive agendas will overlap again as both sides will support proposals asking for a listing of all charitable contributions on the company web site, and another proposal asking for reports on all charitable giving, their business rationale and decision makers. Groups opposing abortion and gay rights or concerned about illegal immigration filed a dozen of these proposals, although the information is also useful for investors of any political stance who want to track the company's charitable donations.

The one charitable giving proposal not filed by these groups calls for accountability and transparency at Avon. The company is the largest corporate fundraiser for breast cancer research, yet basic information about their research grants is unavailable, such as the scientific question they address, their purpose and duration,

and the scientists to whom they are awarded.  
*Proposals: Avon, Boeing, Citigroup, Coca-Cola, Johnson & Johnson, Northern Trust, and PepsiCo.*

## Natural Resource Management

SRIs have taken the lead in a wide range of natural resource issues that jumped from four proposals last year to 15 so far in 2006.

Sustainable forestry is once again a top proposal. This issue was prominent several years ago and culminated in Home Depot adopting a wood purchasing policy that included phasing out wood from selected species, conducting a supply chain survey, and offering more products made from Forest Stewardship Council (FSC) certified wood that is based on international standards for responsible forest management. This year several proposals ask companies to phase out non-FSC products or to obtain FSC products. Another proposal asks for a report on forest protection policy.

Several proposals ask for reports on environmental and health impacts. Two focus on impacts to local communities from the company's world-wide operation sites. Three ask about impacts from specific cases including the Bhopal chemical disaster, Onondaga Lake water pollution, and from increasing water scarcity in India. Two more ask about impacts of oil drilling in Alaska's national petroleum reserve, the Arctic National Wildlife Reserve and other designated natural and cultural sites.

The Sierra Club is the only environmental group to file proposals this year. One proposal asks about building in hurricane zones and the benefits of wetland protection. Another proposal calls for a report on reducing groundwater withdrawals and water pollution.  
*Proposals: Chevron, Coca-Cola, Conoco Phillips (2), Dow, Exxon Mobil (2), Honeywell, International Paper, Kimberly-Clark, Limited Brands, Lowes, Peabody, St. Joe Co., and Weyerhaeuser.*

### Toxics

Grantmakers concerned about environmental health issues will find numerous proposals to support this spring. SRIs, ICCR, and foundations have filed 14 proposals (10 still pending) asking for clean up of toxic waste sites, reports on toxics phase out plans, cost of PCB cleanup delay, and PFOA related expenses; and for reviews or reduction of asthma triggers in pesticides, toxic emissions, and toxicity of product formulation.

The issue of product formulation is a new effort by the

Investor Environmental Health Network. This coalition's first effort is targeting the cosmetics industry. Coalition members have developed benchmarks for product detoxification, and case studies will be produced that pinpoint health risks of products and the accompanying financial risks to the company and its investors. Economic alternatives such as green chemistry will also be highlighted.

*Proposals: Avon, Becton Dickinson, Chevron, Dow (2), DuPont (2), ServiceMaster and Synagro.*

## ONGOING CAMPAIGNS

**Animal Welfare, Genetically Engineered Food, HIV/AIDS, Human Rights, Military Sales, Nuclear Waste, Predatory Lending, Recycling, Tobacco, Violent Video Sales**

### Animal Welfare

For the third year in a row the animal rights group PETA is the most active grassroots group involved in shareholder activism. PETA or its members filed 26 proposals this year compared to 24 proposals in 2005, 10 in 2004 and three in 2003.

Nearly half of these proposals were withdrawn as PETA and food retailers are entering into dialogues regarding more humane slaughter methods. Three of the 15 pending proposals address this issue, another focuses on bird sales at pet stores, while the others focus on alternatives to animal testing at pharmaceutical and manufacturing companies.

*Proposals: 3M Co, Altria, Amgen, Applebee's, Bristol Myers, Lilly (Eli), Merck, Outback Steakhouse, PetSmart, Pfizer (2), Wal-Mart, Wyeth, and Yum Brands.*

### Genetically Engineered (GE) Food

After last year's Whole Foods proposal successfully persuaded the company to agree to label its GE products, shareholders decided to file labeling proposals at four other food companies this year. Another proposal filed with seed producers asks them to report on the scope of their GE products, environmental impacts, evidence of

long term safety testing and contingency plans for removing GE products if necessary. This effort is led by ICCR and As You Sow and enters its sixth year with more than 40 companies engaged over that time. This effort has been successful in convincing companies to remove or reduce the amount of GE ingredients in their food and continues to be one of the best sources of educating corporate management and shareholders about the economic, ecological and social implications of GE food.

*Proposals: Dow, Dupont, McDonald's, Safeway, Wendy's and Yum Brands.*

### HIV/AIDS Pandemic

AIDS is a staggering pandemic that is at the top of many health funder's agendas. Proposals are asking for reports on the impact of the HIV/AIDS, tuberculosis and malaria pandemics on business strategy. Shareholders cite facts showing that the pandemic creates poverty among millions of people, erodes human capital, weakens government institutions and threatens business activities and investment. Health care providers and ICCR filed seven proposals, most of which were withdrawn for dialogues. The one that will be voted on is at a company that received a 32% vote last year but has since refused to provide shareholders with written information.

*Proposal: Gilead Sciences.*

### Human Rights

ICCR members continue their multi-decade leadership on the issue of human rights. In 2006 ICCR filed several proposals calling for the adoption, development and/or review of human rights policies. NYCERS filed a similar proposal that was specific to Indonesian army abuse in protecting oil and mining operations.

*Proposals: Boeing, Chevron, Freeport McMoRan, Halliburton, and Visteon.*

### Military Sales

ICCR leads this effort to make military contractors report on processes and criteria used to determine and promote foreign sales, choosing business partners as well as codes of conduct for international operators.

*Proposals: Boeing and United Technologies.*

### Nuclear Waste

One AFL-CIO and three ICCR proposals address health and safety issues regarding depleted uranium, continuing nuclear operations and improving security and contractors.

*Proposals: Ameren, Lockheed Martin, Progress Energy, and Textron.*

## Predatory Lending

SRI, NGOs, ICCR and foundations have called for a report explaining racial and ethnic disparities in the cost of loans provided by the company.

*Proposal: Wells Fargo.*

## Recycling

As You Sow and SRI lead this successful effort. The last few years have seen several recycling proposals voted on in the areas of electronic waste, beverage container recycling and recycled content paper. Many of these turned into dialogues and company action such as computer take-back goals pledged by HP and Dell. This spring a similar proposal targets Apple as the computer industry laggard. Two proposals target the soft drink industry calling for a plastic bottle recycling strategy and plastic bottle recycled content goals.

*Proposals: Apple, Coca-Cola and PepsiCo.*

## Tobacco

ICCR members have coordinated the filing of anti-smoking proposals for many years. Current proposals address risks to African Americans from menthol cigarettes, ensure against marketing to youth and via internet ads, call for "fire safe" cigarettes, explain "light, ultra light" cigarette risks, support smoking bans in public places, and to stop challenging environmental tobacco smoke data.

*Proposals: Altria (3), Lowes (2), Reynolds American (2), and UST.*

## Violent Video Sales

Citing parental and health community concerns over the higher tendency for aggressive behavior by children exposed to violent videos at a young age, ICCR is asking for a report on company policies regarding the sale of mature rated video games to children and teens.

*Proposal: Gamestop.*

# NEW ISSUE

## Customer Privacy

### Privacy

An SRI has filed a new resolution asking for a report on the harm that the continued sale and use of radio frequency identification chips could have to the public's privacy, personal safety, and financial security.

*Proposal: Applied Digital Solutions.*

# GOVERNANCE PROPOSALS

## Board Diversity, Executive Compensation, Pay Disparity

Several hundred corporate governance proposals are filed every year and thus deserve a separate preview for themselves. This section only focuses on those governance proposals most directly addressing to social issues that are likely related to a foundation's mission.

### Board Diversity

SRI and ICCR lead this year's effort to ensure that women and minority candidates are recruited for corporate boards. Several of these proposals are directed at the relatively small number of S&P 500 companies whose boards are still comprised of all white males.

*Proposals: American Greetings, Bed Bath & Beyond, Cheesecake Factory, Monster Worldwide, Overseas Shipbuilding, Panera Bread, Renal Care, and Torchmark.*

### Link Executive Compensation to Social Criteria

These proposals are similar to traditional governance proposals that seek to set criteria or to limit excessive compensation packages. Yet ICCR and SRI proposals ask for the additional step of linking executive compensation plans to include social responsibility as well as financial criteria. Shareholders point to cases in which compensation is awarded for meeting financial goals even as the companies continue to perpetuate unlawful discrimination or where environmental damage has resulted in costly fines, protracted litigation, and reputational damage.

*Proposals: Amgen, AT&T, Corrections Corp., Exxon Mobil (3), and Take Two Interactive Software.*

### Pay Disparity

A "glass ceiling" proposal asks for a report documenting the distribution of stock options by race and gender. Another proposal asks for a comparison of the salary, benefits, bonuses and all other forms of compensation of top executives and the company's lowest paid workers as well as an analysis of the gap between the two groups and the rationale justifying this trend.

*Proposal: Wal-Mart (2).*

# PROXY VOTING NEWS

## Majority-Vote Director Election Dominate Governance Proposals

Shareowner proposals seeking a majority vote in director elections already exceed 120 this year — making it by far the biggest governance issue of the year.

Most companies currently require a plurality vote where in directors are elected based on the highest number of for votes. The number of nominated directors does not commonly exceed the number of positions to be filled. Consequently, a director could be elected based on one single “for” vote even if a majority of the shares withhold their vote. In fact, most proxy cards don’t even offer a “withheld” vote for individual candidates or any option for “against” votes.

A majority-vote allows votes for all these categories and requires that a director receive more “for” votes than the combination of “against” and “withheld” votes. This is the second year in a row that this issue will be the dominant governance proposal. In 2005 nearly 80 proposals were filed, with 55 going to a vote (averaging 43%). In less than two years at least 90 companies have adopted majority votes rules. Some analysts are predicting that this issue has so much traction that majority votes will eventually become universal.

This effort is led by unions and pension funds, which in 2002 pushed for SEC rule changes to let shareholders nominate board candidates. Implementation of those rule changes has stalled at the SEC so investors are now trying to change company by-laws directly through the proxy process.

## Mutual Funds Decreasing Support For Social Proposals

In an attempt to improve shareholders right to know, the Sarbanes-Oxley Act required mutual funds to annually report on their proxy voting beginning in 2004. The Corporate Library completed the first comprehensive “Analysis of Fund Voting 2004 – 2005”. It looked at over one million decisions for 45 funds and broke them down into numerous categories such as votes by mainstream and SRI funds.

The report shows decreasing mainstream mutual fund support for social proposals. Eleven funds including American, Dodge & Cox, Federated, Fidelity, Income Fund of America, Investment Co. of America, Oppenheimer, SAFCO, and Vanguard — did not support a single social proposal in 2005 [www.boardanalyst.com/tcl-research/FundVotesReport\\_20060110.pdf](http://www.boardanalyst.com/tcl-research/FundVotesReport_20060110.pdf)

## Special Investor Focus on Wal-Mart

ICCR, SRIs, unions and foundations have been engaging Wal-Mart management in dialogue and filing resolutions for nearly 15 years.

The cumulative interaction has had an impact as Wal-Mart has rolled out a number of new social and environmental policies and allowed shareholders increased access to senior management. CEO Lee Scott met with ICCR members for two hours in February 2005, in which a range of controversial issues relating to Wal-Mart’s business model were discussed.

Investors are looking to significantly build on this momentum with a new coordinated effort addressing six broad areas: product sourcing, community engagement, diversity, environment, benefits and wages.

As You Sow will educate shareholders on the sustainability and pay disparity proposals by contacting the top 100 Wal-Mart institutional investors and mailing information to another 5000 top investors.

In the sustainability proposal, ICCR members are asking the company to discuss previously raised social issues including land procurement policies and practices (e.g. sacred sites); merchandise offensive to Native Americans (negative images); gun and tobacco sales; and sale of violent video games.

# CASE STUDIES

Initiating a dialogue with a company generally precedes filing a shareholder proposal. It is common for a proposal to be withdrawn if a dialogue is perceived to be conducted in good faith. Once management and shareholders sit down together, they often build trust and can combine information to identify a solution.

Yet more often than not, the filing of social proposals is needed to get recalcitrant companies to come to the table or to facilitate addressing many companies at once. Proposals are often part of a coordinated effort or multi-year campaign to change industry wide practices (such as the use of toxic ingredients) or general business policies (such as lack of transparency or gender pay disparity).

To help those foundations new to proxy voting better understand these different tactics, as well as how to identify which proxy votes to support — we offer case studies of this year's shareholder campaign based on the largest number of proxy filings; a successful dialogue resulting from multi-year proxy votes; and a look at the criteria one foundation used for developing their proxy voting policy.

## Shareholder Campaign: Political Contributions

Starting from scratch three years ago, the Center for Political Accountability, a non-partisan, non-profit advocacy group, today is getting America's leading companies to start adopting political disclosure and accountability. It has done that by harnessing the power of the proxy with the help of the SRI community.

The proxy is the lever that has allowed the Center and an expanding number of institutional investor partners to engage companies about the secrecy surrounding their political spending with corporate funds. Current law does not require companies to report or account for their soft money political contributions (donations made with corporate funds) or their payments to trade associations and other tax-exempt organizations that are used for political purposes. Moreover, trade associations are not required to report funds they receive for or spend on political activity. Many do not disclose their membership.

To press companies to change, the Center drafted a shareholder resolution in late 2003 calling on them to disclose and require board oversight of their soft money

political contributions. Filed by three institutional investors, the resolution came up for a vote at 23 companies in the 2004 proxy season. A year later, the number of filers quadrupled and the resolution was voted on by 25 companies. Overall, average support for the resolution rose to 10.4% in 2005 from 9.1% in its initial year. Moreover, the disclosure resolution was the top vote getter by far of all of the socially responsible resolutions in the 2005 proxy season, receiving 56% at Plum Creek Timber. That marked the first time it received a majority.

As the 2006 proxy season approaches, the Center is working closely with 19 partners, a 50% increase over last year. The partners include leading SRI mutual funds, public employee pension funds, union pension funds, smaller asset management firms and foundations. Two variants of the resolution have been filed this year at more than 50 companies, more than twice the number in 2005. One resolution calls for disclosure and broader oversight of soft money contributions; the other expands disclosure and oversight to company payments to trade associations and related entities that are used for political purposes.

The proxy initiative has pushed companies to start changing. Since December 2004, Morgan Stanley, Johnson & Johnson, Schering-Plough, Eli Lilly, PepsiCo and Coca-Cola have agreed to disclosure and board oversight for their soft money spending. Discussions are ongoing with several other major companies.

All of this is the result of the creative use of proxy power. It shows what socially responsible investors can achieve when that power is exercised collaboratively and strategically.

*The Center for Political Accountability has released "The Green Canary", a groundbreaking report that finds that corporate secrecy on political contributions harms shareholders by denying them information critical for evaluating management performance and company behavior.*

For more information contact:  
Bruce Freed, Co-Director  
Center for Political Accountability  
Tel: 202-464-1570  
[www.politicalaccountability.net](http://www.politicalaccountability.net)

## Shareholder Dialogue: Project Kaleidoscope

A shareholder dialogue can lead to substantive change just as, or even more effectively as a shareholder proposal. Often a shareholder proposal is the catalyst for the development of such a dialogue. But companies are usually reticent to engage seriously with proponents until they know more about the background and goals of the group. Patience and a willingness to commit to long-term dialogue is key to this approach.

For example, As You Sow's work with Walt Disney Co. began in the late 1990s by filing shareholder proposals along with religious and SRI investors for three years asking the company to enforce vendor standards in its supply chain. The proposals received votes of 7–10%. The filing of proposals forced the company to evaluate its supply chain for the first time. During one of the early meetings the shareholder group asked the company how many suppliers they had and it became apparent that they were not sure because they had not been monitoring them closely. This led Disney to develop an International Labor Standards program to audit the policies and practices of its suppliers. It now has records on 40,000 factories, 6,000 licensees and vendors operating around the world.

By 2001 the shareholder group had been talking with Disney for several years and had developed a strong working relationship. It asked the company to develop a pilot project for independent monitoring to improve compliance with vendor standards in its supply chain. A key element was substantial factory monitoring experience by two members of the shareholder group.

We believe that "what gets measured gets managed." Despite its imperfections, monitoring data is an important tool to help us assess our performance, understand factory conditions and improve our efforts over time.

*Project Kaleidoscope Report*

After more research it was decided to do a project in China where the company intended to make major future investments, and also to bring in McDonald's as a partner. The companies were involved in a joint marketing agreement and a combined dialogue allowed the shareholder group to more effectively engage both companies on key issues. McDonald's brought additional energy and resources to the table.

This led to development of Project Kaleidoscope, a collaborative effort to improve compliance with codes of conduct at 10 Disney and McDonald's supplier factories. The goal is to strengthen compliance through a factory-based process in which workers "own" the compliance process. This project includes the participation of civil society organizations in China whose roles include worker training on labor rights under Chinese laws as well as working with managers to help them develop internal compliance systems.

It is hoped that this approach to monitoring will be more effective than the traditional approach of external audits, which is frequently considered unwelcome and subverted by factory management.

Key elements to the success of this collaboration model were a willingness by both shareholders and the companies to take a long-term view, to spend more energy on working towards a new compliance model than criticizing the existing one, and to commit time and resources to many meetings over a three-year period. A report on the success of the project will be released later this year.

For more information contact:  
Conrad MacKerron, Director  
Corporate Social Responsibility Program  
As You Sow Foundation  
Tel: 415-391-3212  
[www.asyousow.org](http://www.asyousow.org)

## Proxy Voting Policy: Establishing Criteria That Support Foundation Programs

The Jenifer Altman Foundation believes that voting proxies of shares it holds in its portfolio is an important tool for promoting its mission and objectives and fulfilling its fiduciary responsibilities.

Recognizing that corporations play a dominant part in shaping society and the quality of individual lives, the foundation considers it important to assert the proprietary interests of shareholders by communicating the values implicit in its mission to the management of companies in its portfolios.

The foundation developed proxy-voting guidelines with this in mind. A large part of the purpose of the proxy process is to create dialogue about issues. The foundation undertook this project specifically to support and encourage such dialogue. In accordance with its fiduciary responsibility, it takes the financial well being of the corporation very seriously and is deeply committed to its mission and wants its investments to be consistent with its objectives. The foundation believes that these two sets of values are consistent with each other and with the good of society, and that good corporate citizenship promotes good financial performance.

Therefore, in voting our proxies the Jenifer Altman Foundation uses the following guiding principles:

**Mission Critical:** There are a number of shareholder proposals that reflect directly on the primary concerns of the foundation. For instance, most of its programs fall into the categories of environmental health as it relates to human health. Consequently it would support proposals such as those calling for reports on the costs of PCB cleanup. It would also support proposals calling for policy changes such as reformulating toxic products or those that follow the precautionary principle such as the labeling of genetically engineered food.

**Mission Supportive:** The difference between mission critical and mission supportive issues is not one of relative importance but rather one of centrality in terms of the foundations program areas. A mission critical issue speaks positively or negatively to the core of what the foundation does as an institution. It takes the positions it does out of a sense of programmatic necessity. Mission supportive issues are more a matter of consistency with

the overarching values of the foundation. Such issues may include workplace diversity and human rights issues.

**General Social Values:** There are a number of issues not directly related to the foundation's mission that nevertheless merit its support. Given the wide range of social proposals every year there are many that it has no formal position on and must be reviewed on a case-by-case basis.

The Jenifer Altman Foundation has found proxy voting to be relatively simple way of using existing financial investments to support our mission, programs, and values.

For more information contact:

Marni Rosen  
Executive Director  
Jenifer Altman Foundation  
Tel: 415-561-2182  
[www.jaf.org](http://www.jaf.org)

It has long been our belief that when foundations do not consider the implications of their proxy votes, they are overlooking powerful opportunities to advance their missions and often acting against their own best interests.

*Doug Bauer, Senior Vice President,  
Rockefeller Philanthropy Advisors*

# FOUNDATION INVOLVEMENT

Foundation interest in proxy voting and shareholder activism continues to grow. This issue is finally being addressed at major annual conferences such as the Environmental Grantmakers Association, Council on Foundations, and Grantmakers for Effective Organizations. The book *Unlocking the Power of the Proxy* (see Resources, page 15) is now in its second printing and was a finalist for the Virginia Hodgkinson Research Prize awarded annually to published research that furthers the understanding of philanthropy.

A list of several foundation proxy voting guidelines are currently available online and the Foundation Partnership for Corporate Responsibility web site provides information and technical assistance for foundations exploring these issues (see Resources, page 15).

Foundations involved in filing proposals or related activities this year include:

**As You Sow Foundation** is the lead filer at Apple Computers (Electronic Waste), Caterpillar (Separate CEO and Chair), Clear Channel and Exxon Mobil (Political Contributions), Time Warner (Vendor Standards) and Wal-Mart (Union Busting), and co-filed proposals at Avon and Johnson & Johnson (Product Safety), DuPont (Genetically Engineered Crops), Coca-Cola (Recycling of Bottles), Monsanto (Political Contributions) and Wal-Mart (Sustainability). As You Sow is also engaged in nearly two-dozen shareholder dialogues on the above issues as well as on smoking in movies, food safety, and human rights at such companies as Disney, McDonald's, Viacom and Starbucks. As You Sow provides shareholder proposal, dialogue, and solicitation management services to the non-profit, socially responsible investor and foundation communities. [www.asyousow.org](http://www.asyousow.org), [www.proxyinformation.com](http://www.proxyinformation.com)

**Boston Foundation** was the first community foundation to undertake proxy voting and has developed the most extensive proxy voting policy among foundations. [www.bostonfoundation.org](http://www.bostonfoundation.org)

**Christopher Reynolds Foundation** co-filed a proposal at Exxon Mobil (Disclose Climate Change Data). [www.creynolds.org](http://www.creynolds.org)

**Conservation Land Trust (Foundation for Deep Ecology)** co-filed at Home Depot (Equal Employment Opportunities), Bard C.R., Inc. (Sexual Orientation Discrimination) and Pepsi (Recycling of Bottles). [www.theconservationlandtrust.org](http://www.theconservationlandtrust.org)

**Educational Foundation of America** has consciously voted its proxies for more than 20 years and is a pioneer in screened investing and supporting shareholder advocacy. It continues to be a leader in groundbreaking dialogues and proposals — working in partnership with As You Sow for eight years to support recycled beverage container content initiatives (Coca-Cola, Pepsi), recycled paper (Office Depot, Staples, Time Inc.) and electronic waste (Apple, Dell, Hewlett Packard, IBM). EFA has also co-filed numerous resolutions with ICCR members over the past 10 years. [www.efaw.org](http://www.efaw.org)

**Edward W. Hazen Foundation**, co-filed proposals at Bard C.R., Inc. (Sexual Orientation Discrimination), Donaldson Company, Inc. and Home Depot (Equal Employment Opportunities). [www.hazenfoundation.org](http://www.hazenfoundation.org)

**Funding Exchange** co-filed at Amsouth Bancorporation and Bard C.R., Inc. (Sexual Orientation Discrimination), Chubb Corporation (Global Warming), Donaldson Company Inc. (Equal Employment Opportunity), Exxon Mobil Corporation (Sexual Orientation Discrimination), Home Depot (Equal Employment Opportunity), and PepsiCo (Recycled Content of Bottles). [www.fex.org](http://www.fex.org)

**Haymarket People's Fund** co-filed proposals at Amsouth Bancorporation and Bard C.R., Inc. (Sexual Orientation Discrimination), Chubb Corporation (Global Warming), Donaldson Company Inc. (Equal Employment Opportunity), and PepsiCo (Recycled Content of Bottles). [www.haymarket.org](http://www.haymarket.org)

**Jessie Smith Noyes Foundation** is another pioneer in harmonizing investments and mission. Noyes incorporates the full range of shareholder activity including setting social screens, filing resolutions, dialoging with companies, and establishing proxy voting guidelines (currently applied to over 200 holdings). Noyes is a founding member of the Foundation Partnership for Corporate Responsibility (see Resources, page 15). [www.noyes.org](http://www.noyes.org)

**Lemmon Foundation** co-filed at Chubb Corporation (Global Warming) and PepsiCo (Recycled Content of Bottles).

**Max and Anna Levinson Foundation**, co-filed proposals at Bard C.R., Inc., (Sexual Orientation Discrimination), Donaldson Company, Inc. and Home Depot (Equal Employment Opportunities). [www.levinsonfoundation.org](http://www.levinsonfoundation.org)

**Nathan Cummings Foundation** is leading a dialogue at Centex (Energy Efficiency); is the lead filer for proposals at Centex, D. R. Horton, Inc., Home Depot, Lowes, Ryland Group Inc., Standard Pacific Corp. (Energy Efficiency); Ultra Petroleum Corp., and Vintage Petroleum, Inc. (Emissions Reduction). [www.nathancummings.org](http://www.nathancummings.org)

**Needmor Fund** co-filed proposals at Dean Foods Company (Organic Dairy Production), Donaldson Company, Inc. and Home Depot (Equal Employment Opportunities), Exxon Mobil (Sexual Orientation Discrimination), Wells Fargo & Company (Racial Disparities in Mortgage Lending) and Yum Brands (Diversity). [www.fdncenter.org/grantmaker/needmor/](http://www.fdncenter.org/grantmaker/needmor/)

**Pride Foundation** co-filed proposals at Donaldson Company Inc. and Exxon Mobil (Sexual Orientation Discrimination). [www.pridefoundation.org/](http://www.pridefoundation.org/)

**Rockefeller Philanthropy Advisors** is a nonprofit philanthropy service dedicated to helping donors create thoughtful, effective philanthropy throughout the world. RPA is a leader in promoting awareness of how active foundation proxy voting can protect endowments and boost philanthropic mission. Among other projects, it serves as the home for The Carbon Disclosure Project, an innovative effort that is the world's largest institutional investor collaborative on the business implications of climate change. [www.rockpa.org](http://www.rockpa.org), [www.cdproject.net](http://www.cdproject.net)

**The Rose Foundation for Communities and the Environment** advocates for the prudent inclusion of environmental and social factors into investment portfolio management and is spearheading a broadly supported citizen petition to the SEC seeking increased corporate environmental liability disclosure. Rose has released a series of publications related to fiduciary responsibility, corporate environmental performance and liability disclosure, and is active in the foundation community as a shareholder advocate on social and environmental issues. [www.rosefdn.org](http://www.rosefdn.org)

**Shefa Fund** launched the Jewish Shareholder Engagement Network in 2003. This network represents more than \$1.3 billion in assets and distributes annual proxy voting recommendations. This is the first-ever organized Jewish effort to use stock ownership to promote corporate responsibility. [www.shefafund.org](http://www.shefafund.org)

**Tides Foundation** co-filed proposals at Amsouth Bancorporation and Bard C.R., Inc. (Sexual Orientation Discrimination), Chubb Corporation (Global Warming) and Donaldson Company, Inc. and Home Depot (Equal Employment Opportunities). [www.tides.org](http://www.tides.org)

### We Want to Hear From You:

More and more foundations are aligning their mission and investments, yet few of us know of each other's activities. Please let us know if your foundation is involved with developing proxy voting policies, filing shareholder proposals, engaged in shareholder-company dialogues, supporting shareholder activism, or otherwise engaged in related activities. We would especially like to know what information is most useful to you or what you would like to see in future issues. For questions or comments please contact: Michael Passoff, As You Sow Foundation. [michael@asyousow.org](mailto:michael@asyousow.org), (415) 391-3212.

# RESOURCES

## A How-To Guide Book

### “Unlocking the Power of the Proxy: How Active Foundation Proxy Voting Can Protect Endowments and Boost Philanthropic Mission”

This book makes the case for proxy voting and shows how developing and implementing a proxy voting policy can be done simply and efficiently. With more than 10,000 copies distributed, *Unlocking the Power of the Proxy* has helped move foundations to consider the impacts of their investments and to vote their proxies. Please contact us for free copies or view online at [www.asyousow.org](http://www.asyousow.org) or [www.rockpa.org](http://www.rockpa.org)

## Foundations With Proxy Voting Policies Online

### Boston Foundation

[www.bostonfoundation.org/uploadedFiles/ProxyVoteGuidelines2003.pdf](http://www.bostonfoundation.org/uploadedFiles/ProxyVoteGuidelines2003.pdf)

### Jessie Smith Noyes Foundation

[www.noyes.org/investpol.html](http://www.noyes.org/investpol.html)

**Nathan Cummings Foundation** [www.foundationpartnership.org/nathancummings.html](http://www.foundationpartnership.org/nathancummings.html)

**Needmor Fund** [www.needmorfund.org/InvPol.pdf](http://www.needmorfund.org/InvPol.pdf)

**Shefa Fund** [www.shefafund.org](http://www.shefafund.org)

## General Web Resources

### The Corporate Library

[www.thecorporatelibrary.com](http://www.thecorporatelibrary.com)

Provides a comprehensive web site with a focus on governance issues. Good corporate responsibility news section and financial analysis.

### Friends of the Earth’s Green Investments Program

[www.foe.org](http://www.foe.org)

Features online guide to shareholder activism: “*Confronting Companies using Shareholder Power*” describes the basics of filing and writing proposals.

### Foundation Partnership for Corporate Responsibility

[www.foundationpartnership.org](http://www.foundationpartnership.org)

Provides information and technical assistance to foundations that want to become more active as shareholders on social and environmental issues. The list of foundations is private and there is no obligation to participate in any action.

### Interfaith Center on Corporate Responsibility

[www.iccr.org](http://www.iccr.org)

The country’s leading shareholder advocacy organization lists its shareholder resolutions and posts articles by religious institutional investors and associate members.

### Proxy Information

[www.proxyinformation.com/](http://www.proxyinformation.com/)

Web site developed by As You Sow to provide detailed information for investors and analysts on selected shareholder proposals and issues.

### SocialFunds.com

[www.socialfunds.com](http://www.socialfunds.com)

Has a database of shareholder resolutions and news on SRI activities.

### Social Investment Forum

[www.sriadvocacy.org](http://www.sriadvocacy.org)

SRI association — reports on industry initiatives, community investing, shareholder advocacy, divestment and screening, trends and performance. Features shareholder news and resolutions, web resources, action alerts and extensive links section.

## Proxy Voting Services

### Institutional Shareholder Services

[www.issproxy.com/](http://www.issproxy.com/)

ISS’ Social Issues Service and Governance Research Service help develop proxy voting policies, and generate proxy research reports that impartially provide background on each proposal and its pros and cons. ISS has several divisions but these two subscription services were developed by the not-for-profit Investor Responsibility Research Center (IRRC), founded in 1972 by a consortium of foundations and universities; IRRC sold its business to ISS in 2005.

# SPRING PROXY LIST

(as of March 15, 2006)

Information provided by the Interfaith Center on Corporate Responsibility (ICCR), the Investor Responsibility Research Center (IRRC), and numerous institutional filers.

COMPANIES:	RESOLUTION:
3M Co	Animal Welfare – standards Labor Standards – China
Abbott Laboratories	Political Donations
Advance Auto Parts	Sexual Orientation (anti-bias)
Altria Group, Inc.	Animal Welfare – standards Labor Standards – global Tobacco – light cigarette risks Tobacco – fire safe cigarettes Tobacco – environmental data Tobacco – public spaces ban
Ameren Corporation	Nuclear Waste
American Express	Sexual Orientation – no benefits
American Greetings	Board Diversity
AIG	Sustainability Report
Amgen, Inc.	Animal Welfare – standards Executive Pay Political Donations
AmSouth	Political Donations Sexual Orientation (anti-bias)
Apple Computer, Inc.	Recycling – product responsibility
Applebee's	Animal Welfare – slaughter methods
Applied Digital	Privacy
Aquila	Labor Standards – EEO
AT&T	Executive Pay Political Donations
Avon	Charitable Contributions Toxics – fundraising
Bank of America	Political Donations Sexual Orientation – no benefits
Bard	Labor Standards – global
Bed Bath & Beyond	Board Diversity Global Warming – energy efficiency
BellSouth	Political Donations
Boeing	Charitable Contributions Human Rights – policy Military Sales
Bristol-Myers Squibb	Animal Welfare – standards
Caremark Rx	Political Donations
Charles Schwab	Political Donations
Cheesecake Factory	Board Diversity
Chevron	Animal Welfare – standards Human Rights – policy Natural Resources – community impacts Political Donations Toxics – liabilities

Chico's FAS	Labor Standards – global
Chubb Corp.	Political Donations
Cinergy	Political Donations
Citigroup	Charitable Contributions Political Donations
Claire's Stores	Labor Standards – global
Clear Channel	Political Donations
Coca-Cola	Charitable Contributions Labor Standards – Columbia Natural Resources – water use Recycling – increase content Natural Resources – Alaska Natural Resources – community impacts
Conoco Phillips	Political Policy Labor Standards – global
Continental Airlines	Executive Pay
Cooper Industries	Labor Standards – global
Corrections Corp.	Executive Pay
Crane	Labor Standards – global
CVS Corporation	Toxics – product formulation
Dean Foods	Sustainability Report
Delphi Corp	Labor Standards – global
Devon Energy	Global Warming – emissions
Dominion Resources	Global Warming – emissions
Dow Chemical	Genetic Engineering – impacts Natural Resources – Bhopal Toxics – asthma triggers
DuPont	Toxics – community hazards Executive Pay Genetic Engineering – impacts Toxics – PFOA Toxics – community hazards
Eli Lilly	Animal Welfare – standards
Expeditors Int.	Sexual Orientation (anti-bias)
Exxon Mobil	Executive Pay – link to social criteria Executive Pay – compensation approval Executive Pay – pay disparity Global Warming – emissions Natural Resources – community impacts Natural Resources – natural/cultural sites Political Donations Sexual Orientation (anti-bias)
Ford Motor	Global Warming – lobbying Global Warming – climate science Sexual Orientation – no benefits
Freeport-McMoRan	Human Rights – Indonesia
GameStop	Violent Video Sales
General Dynamics	Political Donations Sustainability Report
General Electric	Global Warming – climate science
General Motors	Global Warming – climate science
Gilead Sciences	HIV/AIDS Pandemic
Halliburton	Human Rights – policy
Hasbro	Labor Standards – global
Hershey	Labor Standards – child labor
Home Depot	Labor Standards – EEO Political Nonpartisanship Political Donations



There is no such thing to my mind...  
as an innocent stockholder. He may  
be innocent in fact, but socially he  
cannot be held innocent. He accepts  
the benefits of the system. It is his  
business and his obligation to see  
that those who represent him carry  
out a policy which is consistent with  
the public welfare.

*Louis Brandeis*

