



Climate Transition Planning

WHEREAS: The increasing rate and number of climate related disasters is raising alarms globally, making the corporate sector's contribution to climate mitigation a significant policy issue. Beyond environmental and social harms, climate change is creating systemic risks to the economy. The Commodity Futures Trading Commission last year underscored that climate change could [impair the productive capacity](#) of the U.S. economy.

Shareholders are increasingly concerned about material climate risk to their companies and their portfolios and seek clear and consistent disclosures, including credible climate transition plans. [BlackRock's CEO writes](#) that, *"there is no company whose business model won't be profoundly affected by the transition to a net zero economy"* and that investors *"are asking companies to disclose a plan for how their business model will be compatible with a net zero economy"*.

In response to material climate risk, the Climate Action 100+ initiative (CA100+), a coalition of 615 investors with \$60 trillion in assets, issued a Net Zero Benchmark (Benchmark) outlining metrics that create climate accountability for companies and transparency for shareholders. Indicators [1 through 5 of the Benchmark](#) seek reporting on companies' net zero emissions ambitions; short, medium and long term greenhouse gas (GHG) reductions goals covering enterprise-wide emissions; and strategic action plans to achieve decarbonization targets.

Helios Technologies Inc. develops and manufactures solutions for the hydraulics and electronics markets. Our company has failed to publicly disclose its GHG emissions; set GHG reduction targets; or disclose a transition plan to achieve net zero emissions by 2050 or sooner. Helios has developed at least one heat pump product designed to increase efficiency for its customers, but otherwise fails to disclose climate related actions.

By setting 1.5 degree-aligned GHG reduction targets, reporting a clear climate transition plan, and demonstrating progress toward achieving net zero emissions by 2050 or sooner, Helios Technologies can assure investors that management is reducing its climate contribution and addressing the growing risks associated with climate change.

BE IT RESOLVED: Shareholders request Helios Technologies issue a report, at reasonable cost and omitting proprietary information, disclosing interim and long term GHG gas reduction targets aligned with the Paris Agreement's goal of maintaining global temperature rise at 1.5 degrees Celsius, a plan to achieve these goals, and progress



made in achieving them. Reporting should cover the company's full range of operational and product related emissions.

SUPPORTING STATEMENT: Proponents suggest, at Board and Company discretion, that the report include:

- Disclosure of the Company's annual Scope 1 through 3 (where relevant) GHG emissions;
- A timeline for setting a net zero GHG reduction target and aligned interim goals;
- An enterprise-wide climate transition plan to achieve 1.5 degree aligned, net zero emissions;
- A rationale for any decision not to set targets aligned with the Paris Agreement's 1.5 degree goal;
- Other information the Board deems appropriate.