



WHEREAS: Eli Lilly and Company's ("Lilly's") political expenditures appear to be misaligned with the company's values and vision.

- After January 6, 2020, [Lilly stated](#) "[W]e expect any candidate we support to demonstrate respect for people and respect for our democratic process and institutions" and "[t]his certainly covers anyone who promoted violence or sedition that contributed to the appalling events on January 6th or who continues to support violence to disrupt the peaceful transfer of power our democracy is founded upon." After these statements, however, [Lilly donated to eight members of Congress](#) who had objected to the election's certification.
- [Lilly has stated](#) that it is "committed to finding solutions – both legislative and non-legislative – that will help people with chronic diseases have affordable access to their medicine." However, Lilly contributes to PhRMA, which supports numerous organizations opposing efforts to reform drug pricing.
- Lilly works to support gender equality in the workplace, and almost half of its workforce is female. Yet in the 2016-2020 election cycles, Lilly and its employee PACs donated at least \$1.6 million to politicians and political organizations working to weaken women's access to reproductive health care.
- [Lilly's website reads](#) "Lilly's commitment to diversity, equity and inclusion inside our company is not enough. We are taking action to influence meaningful, lasting change." However, the company donated \$4,000 to Georgia Governor Brian Kemp, who championed into law a bill [restricting access to voting](#).
- [Lilly has made commitments](#) to address its carbon emissions and reduce its environmental impact, yet it is a member of the U.S. Chamber of Commerce, which has consistently lobbied to roll back specific U.S. climate regulations and promote regulatory frameworks that would slow the transition towards a low greenhouse gas emissions energy mix.

Given contradictions between its stated values and objectives, Lilly should establish policies and reporting systems that minimize growing risk to the firm's reputation and brand by addressing possible missteps in corporate electioneering and political spending.

RESOLVED: Shareholders request that Lilly publish an annual report, at reasonable expense, analyzing the congruence of political, lobbying, and electioneering expenditures during the preceding year against publicly stated company values and policies, listing and explaining any instances of incongruent expenditures, and stating



whether the identified incongruencies are likely to lead to a change in future expenditures or contributions.

SUPPORTING STATEMENT: Proponents recommend that the report also contain management's analysis of risks to our company's brand, reputation, or shareholder value, of expenditures in conflict with publicly stated company values. "Expenditures for electioneering communications" means spending, from the corporate treasury and from the PACs, directly or through a third party, at any time during the year, on printed, internet, or broadcast communications, which are reasonably susceptible to interpretation as being in support of or opposition to a specific candidate.