

# Shareholder Engagement

INVESTMENT AND PORTFOLIO MANAGEMENT



## Shareholder Engagement

Reynders, McVeigh has a history of initiating change through shareholder engagement. By leveraging our clients' assets, we move money to innovative solutions and services that we believe will lead the world towards economic empowerment and global financial growth.

We have successfully co-filed shareholder proposals resulting in companies' first sustainability and corporate social responsibility reports; we have amplified our voice and participated in global coalitions that promote human rights and environmental efforts; and we have and will continue to communicate with corporate executives to understand and manage potential risks.

We believe that being an active investor is in our clients' best interests. It is our responsibility to encourage the companies in which we invest to demonstrate exemplary corporate behavior. Through engagement, we seek out and work with companies that are providing solutions to the benefit of all stakeholders – investors, management, employees, end consumers, and their communities. We take our responsibility seriously and believe strongly that when companies take a long-term approach to identifying innovations and managing risks, financial returns follow.

## Our Approach

We use a variety of methods to encourage corporate leaders to be at the forefront of industry change. Our methods include proxy voting, submitting shareholder proposals, participating in industry peer groups and networks, hosting roundtables to foster dialogue within our community, and engaging corporations directly. We then apply the information we gather through these various methods to our proprietary data analytics tool, integrating our findings into our research and investment process.



TRANSPARENCY



CLIMATE CHANGE



COMMUNITY IMPACT



GOVERNANCE



HUMAN RIGHTS



SUSTAINABILITY REPORTING



DIVERSITY



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## Ways We Engage

### PROXY VOTING

We vote our clients' proxies in line with our proxy voting guidelines, which we believe are progressive and call companies to action. We vote for diversity on boards and board independence from company operations. We vote for transparency across all operations from political giving, to environmental footprint, to internal policies around human rights and employee safety, and much more. We utilize Glass Lewis's online proxy voting platform to facilitate our voting.

### SHAREHOLDER PROPOSALS

We partner with investment firms and nonprofit organizations to submit shareholder proposals. These are reviewed by the SEC and added to companies' annual meeting agendas for voting by all shareholders. We follow up directly with the companies in the interim by engaging management to create a dialogue regarding the proposal. This helps us better understand corporations' points of view and resistance or adoption of suggested practices. We believe the topics in the proposals have material impact on a company's financial and social bottom line in one way or another.

### INDUSTRY NETWORKING AND CAMPAIGN PARTICIPATION

The socially responsible investing (SRI) and environmental, social, and governance (ESG) screening community is a welcome space for collaboration to share ideas and best practices. We partner with other firms and nonprofits to leverage our collective voice. We analyze and participate in ad hoc campaigns sent to the SEC and other government and corporate organizations for increased financial disclosure, transparency, and much more.

### ROUNDTABLE DISCUSSIONS

We periodically host roundtable discussions on topics we think are pressing in our city, the country, and the world. Topics have ranged from affordable housing and foreclosure prevention to impact investing. We believe this type of open dialogue helps identify stakeholders and fosters a spirit of collaboration and community.

### ENGAGE COMPANIES DIRECTLY

As part of our research process, we call companies directly to obtain additional information regarding different aspects of their business. We ask how corporations manage different stakeholders and bottom line profits, all while thinking about their social footprint. These calls could be simple, five-minute conversations or a series of interactions through which we learn more about a line of business or practice and why it is important.

### OWLshares

OWLshares is our data analytics tool, which combines multiple sources of ESG metrics that add value to our proprietary research process. OWLshares provides comparable analysis on the company, region, sector, industry, and more. This allows us to track how companies fit into the global landscape to further determine where they can improve and where we should focus our engagement.

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