

INVESTOR STATEMENT ON GUN VIOLENCE

In light of continuing gun violence and mass shootings in the U.S. involving semi-automatic assault weapons, the undersigned investors representing US\$634BN in assets are calling on gun manufacturers, retailers and distributors, as well as companies with financial ties to these industries, to review their operations, supply chains and policies and take meaningful action on this public safety concern.

As we reel from the latest mass shooting in Parkland, Florida where 17 students and teachers lost their lives at Marjorie Stoneman Douglas High School, we are mindful of the sobering statistics detailing the gun violence epidemic in the U.S. According to the Centers for Disease Control, more than 33,000 people die each year in firearm-related deaths in the U.S. On an average day, 96 Americans are killed by guns, including seven children and teens. Meanwhile, the racial justice implications of gun violence are especially pronounced as black men are 13 times more likely than white men to be shot and killed with guns.

Gun violence in the U.S. is both a public health and human rights crisis with extraordinary and escalating human and economic costs. A [Johns Hopkins University study](#) revealed the annual cost of care for victims of gun violence is an average of \$2.8 billion in emergency-room and inpatient charges alone; when lost wages are factored in, the financial burden rises to \$45 billion annually.

While we believe that sensible gun control legislation and enforcement is needed to help halt the wave of senseless gun tragedies, progress has been stalled at the federal level in large part due to an aggressive NRA lobby. Corporations, therefore, have an important role to play both to ensure that they are not indirectly complicit in these lethal events, and in advancing the solutions that may help prevent them. While the business case for companies to reduce their exposure to this issue is clear, the moral case for action grows more urgent each day. We therefore ask companies to carefully reflect on how their operations, business relationships, supply chain policies, marketing practices and public voices might be used to counter gun violence and foster safer communities.

As a first step, we have identified a few immediate measures companies can adopt, many of them taken/adapted from the [Sandy Hook Principles](#), designed to reduce the risk of gun violence.

Gun manufacturers

- Publicly endorse the Sandy Hook Principles;
- Stop the sale, production, design or conversion of military style semi-automatic assault weapons and associated accessories and components, including high capacity magazines, for use by civilians;
- Develop and bring to market technology-enhanced safety measures for all other guns and accessories; and
- Support a federal universal background check system for all gun and ammunition transactions and ensure compliance with background checks by all business clients, including gun dealers and gun show operators.

All of the above measures should be enshrined in company policies and supplier codes and overseen by the board of directors.

Distributors and Retailers

- Stop the sale, production, design or conversion of military style semi-automatic assault weapons and associated accessories and components, including high capacity magazines, for use by civilians;
- Limit gun and ammunition sales to purchasers 21 and over (Walmart, Kroger and Dick's Sporting Goods have already adopted this policy);
- Reinforce background checks as referenced above;
- End the sale of realistic toy guns and air rifles marketed to children; and
- Implement comprehensive gun safety education at point of sale and in communities.

Financial Institutions including Banks and Insurance Companies

As providers of credit, payment platforms and insurance products, financial institutions can adopt safety measures to ensure they are not facilitating illegal or unauthorized gun sales or otherwise contributing to gun violence:

- Prohibit lending or the use of credit cards/payment systems to gun manufacturers that sell, produce or design the aforementioned weapons or ammunition (Pay Pal, Square, Stripe and Apple Pay already prohibit the use of their platforms for the sale of firearms);
- Prohibit lending to gun manufacturers and sellers that don't support federal universal background checks and/or endorse the Sandy Hook Principles;
- Insurance companies should cease any liability coverage for owners of assault weapons; and,
- Cease the financing or underwriting of gun shows and/or NRA-sponsored events.

All Companies

First and foremost, we believe companies should thoroughly investigate their direct operations, trade relationships and supply chains, and assess where potential risks may exist so they can take the necessary steps to mitigate them. These risks extend far beyond gun makers and retailers. All companies can adopt sensible policies to protect their employees, consumers and communities, and take steps to address the dangerous culture of gun violence including:

- Revisit political spending and lobbying activities to ensure they are aligned with the defense of human rights, public health and safety;
- End commercial relationships and promotional ties with the NRA;
- Join other companies that are prohibiting open carry of weapons in their places of business; and,

- Consider publicly moving the location of corporate events to states with responsible gun legislation and that promote public safety.

We have seen several high profile brands like MetLife, Delta, Dick's Sporting Goods, Kroger and Walmart make commitments in favor of improved gun safety in recent weeks and want to commend them for these public demonstrations of corporate citizenship.

As shareholders concerned about the social impacts of our investments we believe it is incumbent on all corporate actors to use their power and influence to contribute to the well-being of the communities where they operate and, more broadly, to society as a whole. The dangers presented by gun violence threaten the lives of our children, our communities and the very fabric of our society. In the coming months we will be engaging with companies we own to urge immediate and positive action that addresses gun violence.