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## Proxy-Voting Insights: Voting on Politics

Asset managers need to ensure corporate lobbying practices align with ESG statements.

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### Morningstar Manager Research

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#### Contents

- 3 Investors' Increasing Focus on Lobbying Alignment
- 3 Shareholder Resolutions on Lobbying and Political Activity
- 5 Asset Manager Votes on Lobbying and Political Activity
- 10 Appendix 1: Shareholder Resolutions on Lobbying and Political Activity
- 14 Appendix 2: Asset Manager Votes on Lobbying and Political Activity Resolutions

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### Executive Summary

Sustainable investing has become an increasingly political matter in the United States. In light of this, there is a much greater need for asset managers to scrutinize corporate lobbying practices and political spending as part of their role as stewards of investors' capital.

There is broad recognition of this need with regard to climate change and companies' net-zero strategy. As a recent study by the London School of Economics highlights: "There is growing scrutiny of the alignment of corporate lobbying practices with the statements companies make on how they will act on climate change." But there is a need for greater transparency on corporate political activity across a range of environmental and social issues, so that investors can make informed decisions on how to allocate their capital. This places a responsibility on asset managers to ensure that companies' lobbying practices align with their statements on sustainability.

A steady stream of shareholder resolutions at U.S. companies requesting greater transparency on lobbying and political activity over recent years illustrates the level of interest in this topic. In this paper, we take a closer look at all U.S. shareholder resolutions on lobbying and political activity over the last three proxy years, assessing how the top 10 U.S. asset managers are voting on this topic generally and with respect to climate matters.

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### Key Takeaways

- ▶ There were 48 shareholder resolutions in the 2022 proxy year requesting greater transparency on lobbying and political activity at U.S. companies. These resolutions gained a solid 35% average overall support from shareholders, but this represents a noticeable year-on-year decline as asset managers were less inclined to support what they saw as prescriptive or duplicative shareholder resolutions in 2022.
- ▶ Over the last three proxy years, 149 such resolutions were supported by 38% of shareholders on average, peaking at 41% in 2021. Overall, the top 10 U.S. managers showed lower support for lobbying resolutions (average 34%). Vanguard and BlackRock supported less than 20% of the resolutions, while Invesco showed the highest support at 75%.
- ▶ Twelve of the 149 resolutions in the last three proxy years focused specifically on climate-related lobbying. These enjoyed a higher level of shareholder support at 49% on average over the three

years, peaking at 61% in 2021. Support fell to 31% in 2022, reflecting the pullback in support for "prescriptive" resolutions.

- ▶ The top 10 U.S. asset managers also showed slightly lower average support (47%) than the overall average for climate-related lobbying resolutions over the last three proxy years. Dimensional (11%), BlackRock (27%), and Fidelity (30%) showed the lowest support for these resolutions among the top 10.
- ▶ JPMorgan and Invesco both cast more than 80% of their fund votes in favor of the 12 climate-related lobbying resolutions in the last three proxy years, while T. Rowe Price, Franklin Templeton, and State Street all showed greater than 50% overall support for these proposals.
- ▶ In comparison, eight selected European managers — Abrdn, Allianz Global Investors, AXA IM, BNP Paribas AM, Fidelity International, LGIM, Schroders, and UBS AM — showed over 90% support for these proposals, with five managers supporting all 12 such resolutions.

### Investors' Increasing Focus on Lobbying Alignment

Sustainable investing has become an increasingly political matter in the United States. In light of this, there is a much greater need for asset managers to scrutinize corporate lobbying practices and political spending as part of their role as stewards of investors' capital.

This is especially true regarding climate action, which remains high on the list of priorities for both governments and the finance sector, following the United Nations [COP27 conference](#) in November last year. As countries worldwide reaffirmed their commitment to limiting global temperature rise to 1.5 degrees Celsius above preindustrial levels, attention is increasing on how companies are ensuring their lobbying and political activity is well-aligned with their net-zero goals.

This was highlighted in a report by the U.N. High-Level Expert Group on net zero, [Integrity Matters](#), published just before COP27. In a section specifically focusing on Aligning Lobbying and Advocacy, it encouraged "non-state actors" (that is, businesses and local governments) to "align their external policy and engagement efforts, including membership in trade associations, to the goal of reducing global emissions," emphasizing that "this means lobbying for positive climate action and not lobbying against it."

A [recent analysis](#) by the London School of Economics' Grantham Research Institute on Climate Change and the Environment highlights growing investor interest in this topic. It states:

*"There is growing scrutiny of the alignment of corporate lobbying practices with the statements companies make on how they will act on climate change. Many large investors are increasingly concerned about the potential financial impacts on their investments of policy that fails to ensure a sufficiently rapid reduction in greenhouse gas emissions, and that exposes their investment portfolios to significant physical climate-related work."*

Looking at shareholder resolutions in the United States over the last three proxy years<sup>1</sup>, it is clear that lobbying and political activity, both generally and with respect to climate, have featured as a prominent recurring theme. Our [recent research paper](#) on key shareholder resolutions<sup>2</sup> in the U.S. indicates that, over the last three proxy years, 45% of key resolutions on social themes addressed the topic of political influence and activity (that is, 77 of 170 resolutions). In this paper, we take a closer look at all U.S. shareholder resolutions on lobbying and political activity over the last three proxy years, assessing how the top 10 U.S. asset managers are voting on this topic generally and with respect to climate matters.

### Shareholder Resolutions on Lobbying and Political Activity

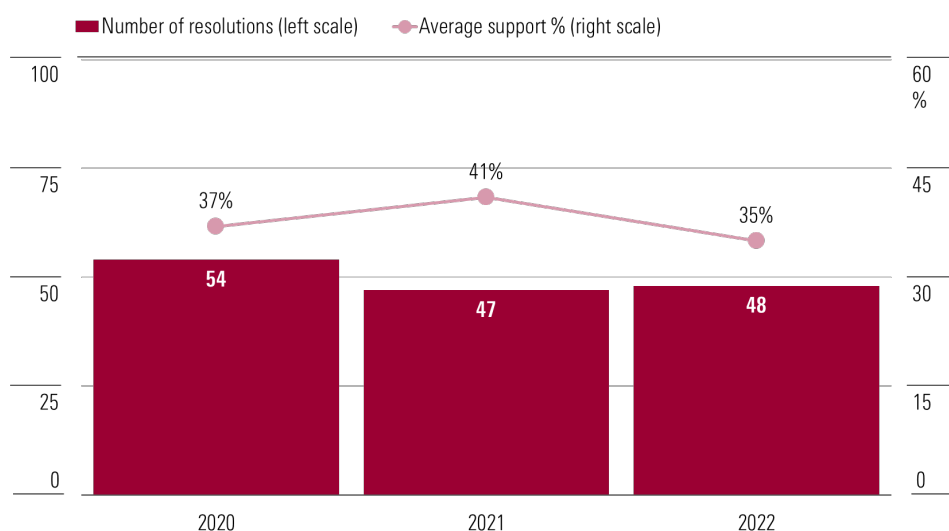
According to Morningstar's proxy-voting database, there were 149 shareholder resolutions addressing U.S. companies' lobbying and political activity in the last three proxy years—54 in 2020, 47 in 2021, and 48 in 2022 (see Exhibit 1). Resolutions on this topic generally request greater transparency on lobbying activities and political spending and are usually quite well-supported. Company management is

<sup>1</sup> A proxy year represents the 12 months to June 30, as most shareholder meetings take place in the first half of the calendar year.

<sup>2</sup> Morningstar defines key shareholder resolutions as those that are supported by at least 40% of a company's independent shareholders.

generally expected to respond to shareholder resolutions that gain 30% support, and average support for shareholder resolutions on lobbying and political activity tends to exceed this threshold. On average, these resolutions gained 38% of the shareholder vote, peaking at 41% in the 2021 proxy year. Average support fell slightly in 2022 to 35%, in line with a general trend of lower support for shareholder resolutions seen by some managers as highly prescriptive or duplicative of ongoing efforts by companies. Appendix 1 contains a full list of the 149 resolutions.

**Exhibit 1** Shareholder Resolutions on Lobbying and Political Activity, 2020 to 2022

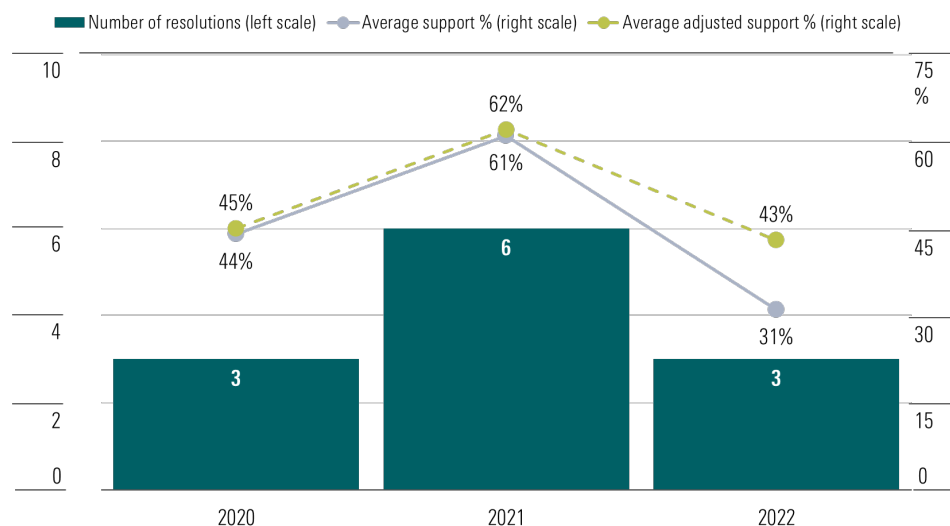


Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

The shareholder resolutions on lobbying and political activity are usually similarly worded from company to company, and they generally request disclosure on whether a company's lobbying is "consistent with its expressed goals and interests" across a range of social issues, with reporting on policies governing lobbying and political activity, payments made for this purpose, and how the board exercises its oversight in this matter.

Twelve of the 149 resolutions on lobbying and political activity focused specifically on climate-related lobbying (see Exhibit 2). These enjoyed a higher level of shareholder support at 49% on average over the three years, peaking at 61% in 2021. Support fell to 31% in 2022, reflecting the pullback in support for "prescriptive" resolutions, but this equates to 43% on an adjusted basis counting only the votes of independent shareholders.

These 12 resolutions request disclosure of how the company's lobbying activities (either directly or through trade associations) align with the Paris Agreement's goal of limiting global temperature rise and how the company is managing the risks of potential misalignment.

**Exhibit 2** Shareholder Resolutions on Climate-Related Lobbying, 2020 to 2022

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Asset Manager Votes on Lobbying and Political Activity

We reviewed the voting record of the top 10 U.S. asset managers (by value of fund assets in open-end and exchange-traded funds) on the 149 lobbying and political activity resolutions. As at Dec. 31, 2022, the top 10 managers are Vanguard, BlackRock, Fidelity Investments, Capital Group, State Street Global Advisors, T. Rowe Price, Invesco, JPMorgan Asset Management, Dimensional Fund Advisors, and Franklin Templeton Investments.<sup>3</sup> We examine each manager's record in detail in Appendix 2.

Overall, the top 10 U.S. managers cast 34% of their fund votes in support of resolutions on lobbying and political activity over the last three proxy years (see Exhibits 3 and 4). This is slightly lower than the 38% overall shareholder support for these resolutions mentioned earlier. The average for the top 10 is pulled downward by the lower level of support for these resolutions by the top two managers: Vanguard and BlackRock.

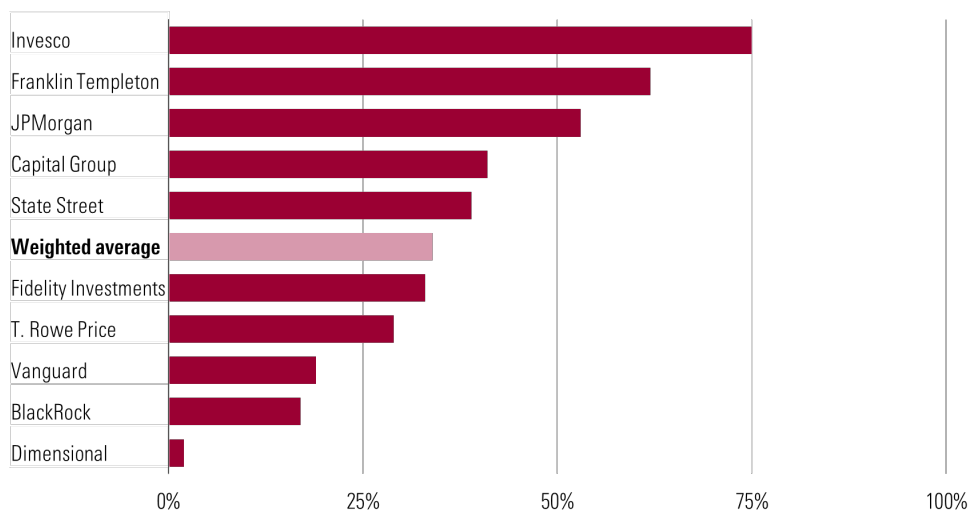
Vanguard and BlackRock accounted for more than one third of the 32,000 votes in Morningstar's database on lobbying and political activity over the last three proxy years. Both managers cast less than 20% of their votes in support of these resolutions over the period. According to Vanguard's public disclosures, proposals it supported address "material risk(s) and an oversight or disclosure gap, [are] not overly prescriptive, and [are] determined to be in the best long-term interest of shareholders." Where Vanguard voted against such proposals, the firm noted that the company in question "has already taken sufficient actions, made sufficient progress, and/or has related actions pending to address [the proponent's] request."<sup>4</sup>

<sup>3</sup> See our research paper [Proxy-Voting Insights, 2022 in Review](#) (P. 11-12) for a full analysis of the top 10 U.S. asset managers.

<sup>4</sup> [Key votes](#), Vanguard Investment Stewardship Insights, June 2022.

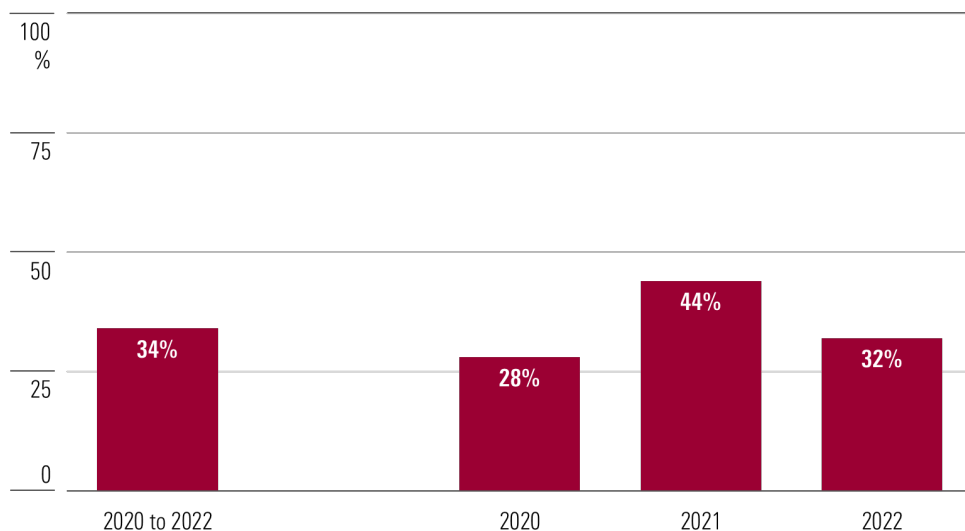
Similarly, where BlackRock has voted in support of these resolutions, the firm's rationale is often that the firm "believes it is in the best interests of shareholders to have access to greater disclosure on this issue." When the firm votes against such proposals, it often states that "the company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures," or that the "proposal is not in shareholders' best interests."

**Exhibit 3** Top 10 U.S. Asset Managers: Support for Lobbying and Political Activity Resolutions, 2020 to 2022



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

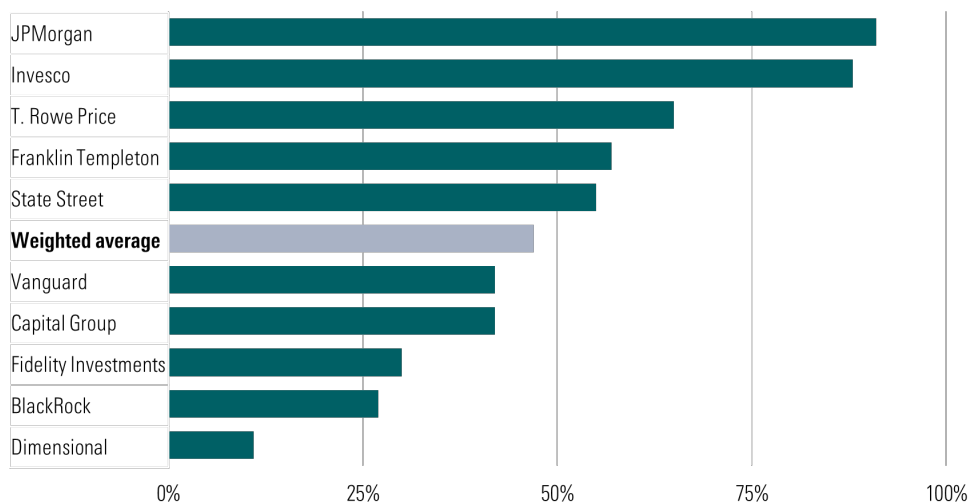
**Exhibit 4** Top 10 Asset Managers: Average Support for Lobbying and Political Activity Resolutions, 2020 to 2022



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

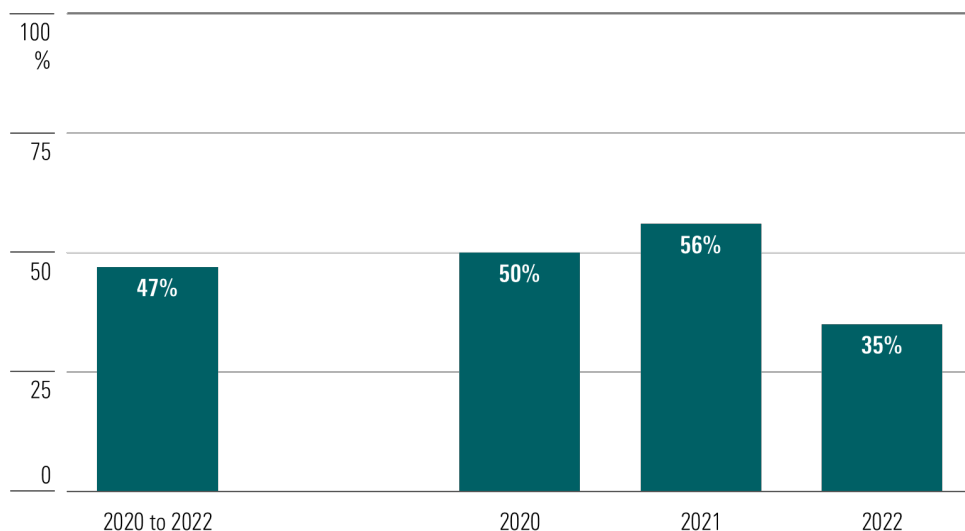
Other managers held different views on this, however. Fidelity, State Street, and Capital Group cast at least one third of their fund votes "For" lobbying and political activity resolutions. JPMorgan, Franklin Templeton, and Invesco did so for more than half their fund votes on these proposals. Invesco tops the ranking with 75% overall support. Dimensional's overall support for these resolutions stood at only 2%. Support by the top 10 U.S. asset managers for lobbying and political activity resolutions peaked at 44% in the 2021 proxy year before falling to 32% in 2022, reflecting the broader trend.

**Exhibit 5** Top 10 U.S. Asset Managers: Overall Support for Climate-Related Lobbying Resolutions, 2020 to 2022



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 6** Top 10 U.S. Asset Managers: Average Support for Climate-Related Lobbying Resolutions, 2020 to 2022

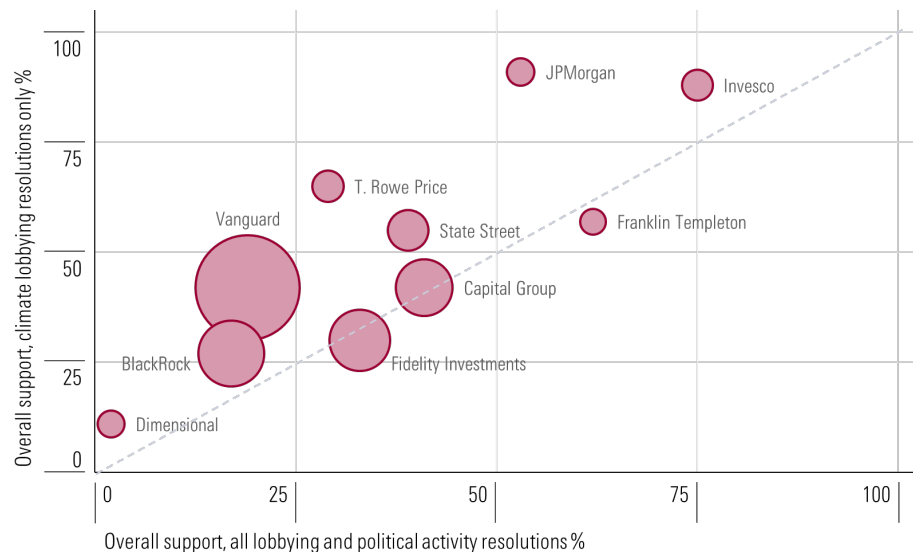


Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

The top 10 U.S. asset managers showed considerably stronger support for climate-related lobbying resolutions compared with those on lobbying and political activity more broadly. The 10 firms cast 47% of their fund votes in support of the 12 resolutions on climate-related lobbying in the last three proxy years (see Exhibits 5 and 6). JPMorgan and Invesco both cast more than 80% of their fund votes in favor of the 12 climate-related lobbying resolutions, while T. Rowe Price, Franklin Templeton, and State Street all showed greater than 50% overall support for these proposals.

The top 10 U.S. managers cast more than half of their votes "For" the nine climate-related lobbying resolutions in the 2020 and 2021 proxy-voting years. However, their support fell to 35% for the three such resolutions in the 2022 proxy year amid a pushback on highly prescriptive proposals. In particular, BlackRock—who supported none of those resolutions in 2022—called out proposals "directing climate lobbying activities, policy positions or political spending."<sup>5</sup>

**Exhibit 7** Top 10 U.S. Asset Managers: Support for Climate-Related Lobbying Resolutions vs. Support for All Lobbying and Political Activity Resolutions, 2020 to 2022



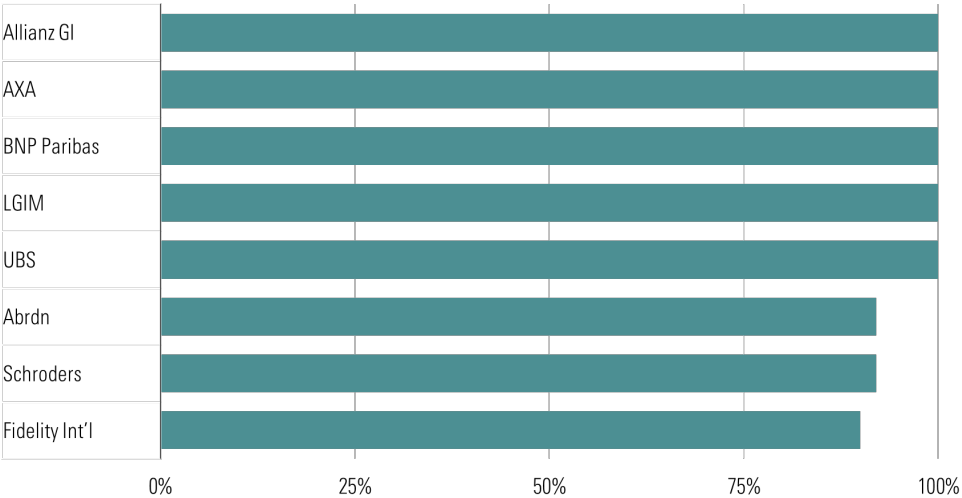
Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Exhibit 7 plots percentage overall support for climate-related resolutions for each asset manager against their support for lobbying and political activity resolutions over the last three years. All except two firms are above the dashed line, indicating that their support for climate-related lobbying proposals was higher than for lobbying and political activity proposals more generally. The two exceptions—Fidelity and Franklin Templeton—showed only slightly lower support for climate-lobbying proposals.

<sup>5</sup> 2022 Climate-Related Shareholder Proposals More Prescriptive Than 2021, BlackRock Investment Stewardship, May 2022.



**Exhibit 8** Selected European Managers: Support for Climate-Related Lobbying Resolutions, 2020 to 2022



Source: Asset managers' public disclosures. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Notably, the top 10 U.S. managers' support for the 12 resolutions on climate-related lobbying is considerably lower than that of their European peers. We selected eight large European asset managers who publicly disclose their voting decisions and analyzed their votes on these 12 resolutions: Abrdn, Allianz Global Investors, AXA Investment Managers, BNP Paribas Asset Management, Fidelity International, Legal & General Investment Management, Schrodgers, and UBS Asset Management.

On average, these eight managers showed over 90% support for climate-related lobbying proposals, with five managers supporting all 12 such resolutions (see Exhibit 8). Where votes against were cast (for example, Abrdn's vote against the proposal at Honeywell International in 2022, and Schrodgers' vote against the proposal at United Airlines in 2020), the managers' rationale was that the company had made sufficient progress on its climate-related lobbying disclosures. ■■

## Appendix 1: Shareholder Resolutions on Lobbying and Political Activity

In this paper, we have assessed shareholder resolutions on lobbying and political activity at U.S. companies in the 2020, 2021, and 2022 proxy years. According to Morningstar's proxy-voting database, there were 149 such resolutions, listed in Exhibit 9. Twelve of these resolutions focused on climate-related lobbying—these are marked in bold.

**Exhibit 9.1** Shareholder Resolutions on Lobbying and Political Activity, Abbott Laboratories to Boeing

Company Name	Proxy Year	Proposal	Support
Abbott Laboratories	2020	Lobbying Disclosure	20%
Abbott Laboratories	2021	Report on Lobbying Activities and Expenditures	34%
Abbott Laboratories	2022	Lobbying Disclosure	35%
AbbVie Inc	2020	Lobbying Report	30%
AbbVie Inc	2021	Report on Lobbying Activities and Expenditures	36%
AbbVie Inc	2022	Political Spending	40%
Activision Blizzard Inc	2020	Political Disclosures	59%
AECOM	2021	Report on Lobbying Activities and Expenditures	55%
Alaska Air Group Inc	2020	Political Spending Disclosure	42%
Alaska Air Group Inc	2020	Lobbying Activities	52%
Alphabet Inc	2022	Lobbying Report	19%
<b>Alphabet Inc</b>	<b>2022</b>	<b>Report on Climate-Related Lobbying</b>	<b>19%</b>
Altria Group Inc	2020	Disclosure of Lobbying Policies and Practices	31%
Altria Group Inc	2021	Disclose Lobbying Policies and Practices	33%
Amazon.com Inc	2020	Additional Reporting on Lobbying	30%
Amazon.com Inc	2021	Report on Lobbying Activities and Expenditures	35%
Amazon.com Inc	2022	Report on Lobbying	47%
American Airlines Group Inc	2020	Provide a Report on Political Contributions and Expenditures	35%
American Airlines Group Inc	2022	Transparency in Lobbying	22%
Biogen Inc	2021	Disclose Lobbying Expenditures	41%
Boeing Co	2020	Additional Report on Lobbying Activities	32%
Boeing Co	2021	Report on Lobbying Activities and Expenditures	37%
Boeing Co	2022	Additional Report on Lobbying Activities	41%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023.

**Exhibit 9.2** Shareholder Resolutions on Lobbying and Political Activity, Broadridge to Exxon Mobil

<b>Company Name</b>	<b>Proxy Year</b>	<b>Proposal</b>	<b>Support</b>
Broadridge Financial Solutions Inc	2021	Political Contributions Disclosure	13%
Caterpillar Inc	2020	Provide a Report of Lobbying Activities	34%
Caterpillar Inc	2022	Lobbying Disclosure	45%
Centene Corp	2020	Political Spending Disclosures	51%
Charles Schwab Corp	2020	Lobbying Disclosure	35%
Charles Schwab Corp	2021	Disclose Lobbying Policy, Procedures and Oversight	44%
Charles Schwab Corp	2022	Lobbying Payments	35%
Charter Communications Inc	2021	Report on Lobbying Activities and Expenditures	36%
Charter Communications Inc	2022	Lobbying Activities	39%
Charter Communications Inc	2022	Political and Electioneering Expenditure Congruency Report	30%
Chemed Corp	2021	Political Spending Disclosure	80%
<b>Chevron Corp</b>	<b>2020</b>	<b>Report on Climate-Related Lobbying</b>	<b>53%</b>
Chevron Corp	2021	Report on Lobbying	48%
Cigna Corp	2022	Political Contributions Report	46%
Cintas Corp	2020	Report on Political Contributions	32%
Cintas Corp	2021	Report on Political Contributions	42%
Citigroup Inc	2020	Report Disclosing Information Regarding Citi's Lobbying Policies and Activities	15%
Citigroup Inc	2021	Report on Lobbying Payments, Policies and Activities	23%
CMS Energy Corp	2020	Political Contributions Disclosure	35%
Coca-Cola Co	2022	Global Transparency Report	13%
Comcast Corp	2020	Prepare an Annual Report on Lobbying Activity	26%
ConocoPhillips	2022	Report on Lobbying Activities	20%
DaVita Inc	2020	Political Contributions Disclosure	33%
DaVita Inc	2021	Political Contributions Disclosure	34%
DaVita Inc	2022	Political Contributions Disclosure	24%
<b>Delta Air Lines Inc</b>	<b>2020</b>	<b>Report on Climate-Related Lobbying</b>	<b>46%</b>
Delta Air Lines Inc	2020	Political Contributions Report	46%
<b>Delta Air Lines Inc</b>	<b>2021</b>	<b>Report on Climate-Related Lobbying</b>	<b>63%</b>
Delta Air Lines Inc	2022	Transparency in Lobbying	28%
Dollar General Corp	2022	Political Spending Disclosure	57%
Dominion Energy Inc	2021	Report on Lobbying	16%
DTE Energy Co	2020	Disclosure of Political Contributions	36%
DTE Energy Co	2021	Disclose Political Contributions	22%
Duke Energy Corp	2020	Semiannual Report on Duke Energy's Political Contributions and Expenditures	39%
Duke Energy Corp	2020	Annual Report on Duke Energy's Lobbying Payments	42%
Duke Energy Corp	2021	Report on Political Expenditures	52%
Eli Lilly and Co	2020	Proposal To Disclose Direct and Indirect Lobbying Activities and Expenditures	30%
Eli Lilly and Co	2021	Report on Lobbying Activities and Expenditures	48%
Eli Lilly and Co	2022	Publish an Annual Report Disclosing Lobbying Activities	37%
Eli Lilly and Co	2022	Disclose Lobbying Activities and Alignment With Public Policy Positions and Statements	34%
Equinix Inc	2020	Political Contributions Disclosure and Oversight	32%
Expedia Group Inc	2020	Political Contributions and Expenditures	36%
Expedia Group Inc	2021	Political Contribution Disclosure	37%
Exxon Mobil Corp	2020	Report on Political Contributions	31%
Exxon Mobil Corp	2020	Report on Lobbying	38%
Exxon Mobil Corp	2021	Report on Political Contributions	30%
Exxon Mobil Corp	2021	Report on Lobbying	56%
<b>Exxon Mobil Corp</b>	<b>2021</b>	<b>Report on Climate-Related Lobbying</b>	<b>64%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023.

**Exhibit 9.3** Shareholder Resolutions on Lobbying and Political Activity, Exxon Mobil to Royal Caribbean

Company Name	Proxy Year	Proposal	Support
Exxon Mobil Corp	2022	Report on Political Contributions	27%
FedEx Corp	2020	Lobbying Activity and Expenditure Report	26%
FedEx Corp	2021	Report on Lobbying Activities and Expenditures	29%
FedEx Corp	2021	Political Contributions Disclosure	28%
FedEx Corp	2022	Lobbying Activity and Expenditure Report	62%
Fiserv Inc	2020	Political Spending Disclosure	45%
Flowers Foods Inc	2021	Political Contribution Disclosure	38%
Flowers Foods Inc	2022	Political Contribution Disclosure	48%
Ford Motor Co	2020	Disclosure of Company's Lobbying Activities and Expenditure	20%
Fox Corp	2022	Disclose Money Spent on Lobbying	43%
General Motors Co	2020	Lobbying Communications and Activities	33%
GEO Group Inc	2020	Annual Lobbying Report	43%
GEO Group Inc	2021	Annual Lobbying Report	66%
Gilead Sciences Inc	2022	Board Publish a Third-Party Review of Gilead's Lobbying Activities	50%
HCA Healthcare Inc	2022	Political Spending Disclosure	32%
HCA Healthcare Inc	2022	Lobbying Disclosure	23%
Honeywell International Inc	2020	Report on Lobbying Activities and Expenditures	46%
<b>Honeywell International Inc</b>	<b>2022</b>	<b>Report on Climate-Related Lobbying</b>	<b>40%</b>
Illumina Inc	2020	Political Disclosures	50%
JB Hunt Transport Services Inc	2020	Reporting Political Contributions	53%
Johnson & Johnson	2022	Third Party Review and Report on Lobbying Activities Alignment With Position on Universal Health Coverage	43%
Loews Corp	2020	Disclosures Regarding Political Contributions	32%
Loews Corp	2021	Political Contribution Disclosure	31%
Lyft Inc	2021	Report on Lobbying Expenditures and Activities	40%
Lyft Inc	2022	Lobbying Expenditures and Activities	24%
Maximus Inc	2020	Shareholder Proposal Regarding Lobbying Activities and Expenditures	43%
Maximus Inc	2021	Report on Lobbying Activities and Expenditures	38%
McDonald's Corp	2022	Advisory Vote on Report on Lobbying Activities and Expenditures	35%
McDonald's Corp	2022	Advisory Vote on Report on Global Public Policy and Political Influence	13%
McKesson Corp	2020	Disclosure of Lobbying Activities and Expenditures	46%
McKesson Corp	2021	Report on Lobbying Activities and Expenditures	52%
Merck & Co Inc	2022	Lobbying Expenditure Disclosure	16%
Meta Platforms Inc	2022	Report on Lobbying	21%
Microsoft Corp	2022	Report on How Lobbying Activities Align With Company Policies	38%
Motorola Solutions Inc	2020	Political Spending Disclosure	48%
Netflix Inc	2020	Political Disclosures	42%
Netflix Inc	2021	Political Contributions Disclosure	81%
Netflix Inc	2022	Lobbying Activity Report	60%
NextEra Energy Inc	2020	Political Contributions Disclosure	39%
Nike Inc	2021	Political Contributions Disclosure	34%
Nike Inc	2022	Political Contributions Disclosure	31%
<b>Norfolk Southern Corp</b>	<b>2021</b>	<b>Report on Alignment of Lobbying with Paris Agreement</b>	<b>76%</b>
NortonLifeLock Inc	2021	Political Spending Disclosure	9%
Omnicom Group Inc	2021	Political Spending Disclosure	51%
PepsiCo Inc	2022	Report on Global Public Policy and Political Influence Outside of The United States	18%
Pfizer Inc	2020	Report on Lobbying Activities	21%
<b>Phillips 66</b>	<b>2021</b>	<b>Report on Climate-Related Lobbying</b>	<b>62%</b>
Royal Caribbean Group	2020	Political Contributions Disclosure	32%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023.

**Exhibit 9.4** Shareholder Resolutions on Lobbying and Political Activity, Royal Caribbean to XPO Logistics

Company Name	Proxy Year	Proposal	Support
Royal Caribbean Group	2021	Political Contributions Disclosure	53%
<b>Sempra Energy</b>	<b>2021</b>	<b>Report on Alignment of Lobbying with Paris Agreement</b>	<b>37%</b>
Southern Co	2020	Report on Lobbying	28%
Southwest Airlines Co	2020	Annual Report on Lobbying Activities	26%
Travelers Companies Inc	2022	Lobbying Activities	53%
Twitter Inc	2022	Electoral Spending Report	53%
Twitter Inc	2022	Lobbying Activities and Expenditures	41%
Tyson Foods Inc	2020	Corporate Lobbying	15%
Tyson Foods Inc	2021	Corporate Lobbying	18%
Uber Technologies Inc	2021	Annual Report on Lobbying Activities	31%
Uber Technologies Inc	2022	Prepare an Annual Report on Lobbying Activities	45%
United Airlines Holdings Inc	2020	Report on Lobbying Spending	29%
<b>United Airlines Holdings Inc</b>	<b>2020</b>	<b>Report on Climate-Related Lobbying</b>	<b>31%</b>
<b>United Airlines Holdings Inc</b>	<b>2021</b>	<b>Report on Climate-Related Lobbying</b>	<b>65%</b>
United Airlines Holdings Inc	2022	Lobbying Policies and Activities	37%
United Parcel Service Inc	2020	Annual Report on Lobbying Activities	24%
United Parcel Service Inc	2021	Annual Report on Lobbying Activities	26%
United Parcel Service Inc	2022	Annual Report on Lobbying Activities	30%
<b>United Parcel Service Inc</b>	<b>2022</b>	<b>Report on Alignment of Lobbying with Paris Agreement</b>	<b>33%</b>
UnitedHealth Group Inc	2022	Political Contributions Misalignment	38%
Verizon Communications Inc	2020	Lobbying Activities Report	47%
Vertex Pharmaceuticals Inc	2020	Lobbying	49%
Walmart Inc	2021	Report on Lobbying	22%
Walmart Inc	2022	Report on Lobbying Disclosures	14%
Walt Disney Co	2020	Lobbying Disclosure	34%
Walt Disney Co	2021	Report on Lobbying Activities and Expenditures	33%
Walt Disney Co	2022	Lobbying Disclosure	34%
Western Union Co	2020	Political Spending Disclosure	53%
XPO Logistics Inc	2021	Additional Disclosure of The Company's Political Activities	46%
XPO Logistics Inc	2022	Additional Disclosure of The Company's Political Activities	42%


Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023.

## Appendix 2: Asset Manager Votes on Lobbying and Political Activity Resolutions

The following pages show detailed information on the U.S. top 10 asset managers' voting decisions on shareholder resolutions addressing general lobbying and political activity, and climate-related lobbying specifically, during the 2020, 2021, and 2022 proxy years.

We calculate an asset manager's overall support level for a category of resolutions at the individual-fund level. Overall support, expressed as a percentage, represents the number of fund votes a manager casts "For" the relevant resolutions, divided by the total number of fund voting decisions (including decisions to "Abstain") that the manager made on those resolutions. For example, if a manager makes 1,000 voting decisions at fund level on the resolutions within a category and 310 of those funds vote "For" the resolution, then the manager's overall support in this category is 31%. We also calculate the managers' support for each resolution based on the majority voting decision; that is, the decision made by the majority of a manager's funds on each resolution. For example, if a manager has 50 funds invested in a stock, and it votes 32 of those funds "For" a resolution at the company's shareholder meeting and 18 funds "Against," then we show the majority voting decision as "For, 64%." We call these "split decisions."

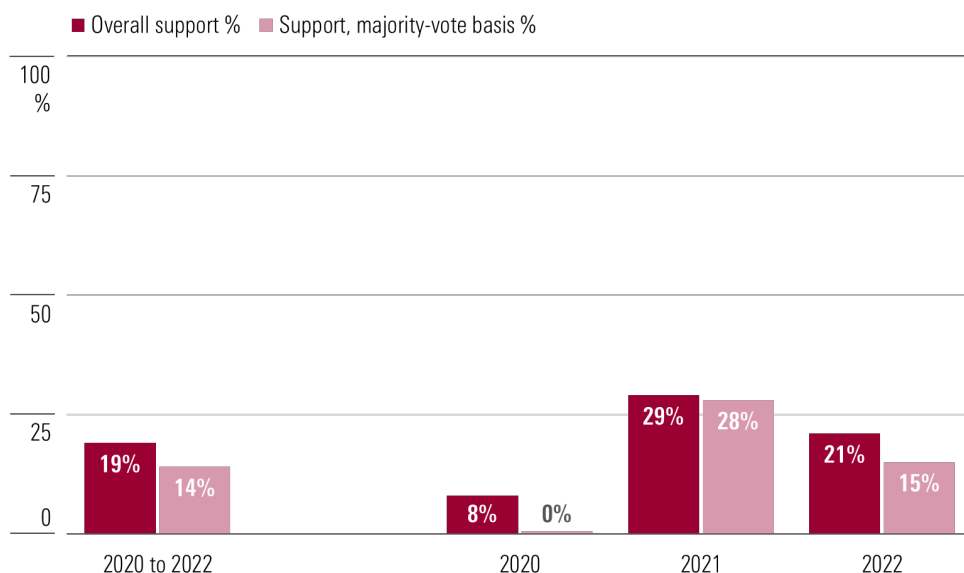
For managers who permit their funds to make divergent decisions on the same resolution in this way, support levels on a majority-vote basis can differ significantly from overall support. Of the U.S. top 10 asset managers, Vanguard, Fidelity Investments, and Franklin Templeton made split decisions on lobbying and political activity shareholder resolutions (respectively, on 88%, 78%, and 46% of their voting decisions on these resolutions). Capital Group, Invesco, and JPMorgan did so less often (between 10% and 25% of these resolutions). BlackRock, State Street, T. Rowe Price, and Dimensional rarely made split decisions (that is, on less than 10% of these resolutions).

Where we analyze voting results on individual climate-related resolutions, we show overall support for the resolution (that is, the number of votes "For" the resolution divided by the number of votes cast) and adjusted support, which indicates the level of support for a resolution by a company's independent shareholders. The calculation excludes votes controlled by management, founders, strategic investors, or other company insiders with significant shareholdings, who we assume opposed the resolution in line with the board's recommendation. For companies where insiders control a large number of votes via multiple  share structures, this adjustment can be very large — Alphabet is the most prominent example for these purposes.

## Vanguard

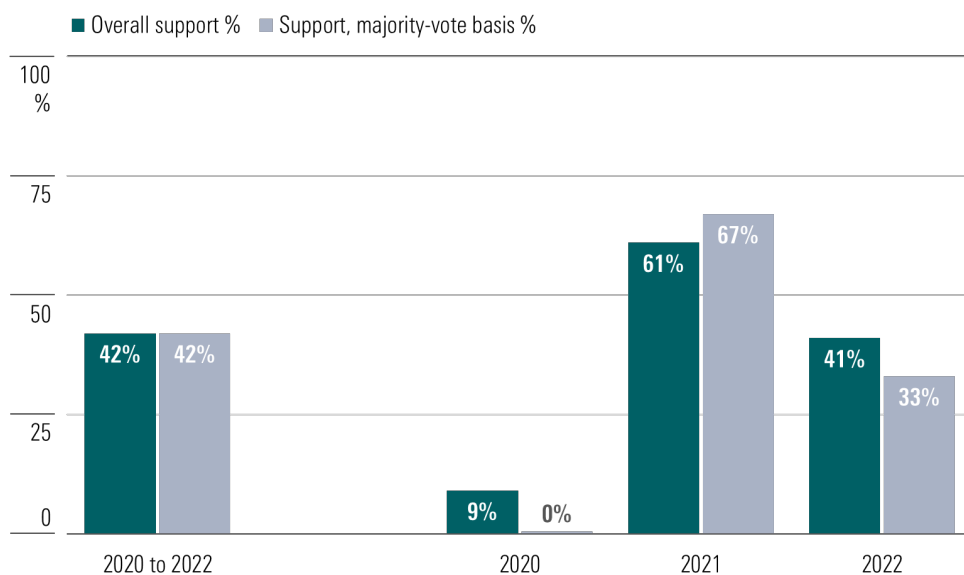
Over the last three proxy years, Vanguard's support for shareholder resolutions on lobbying and political activity has been low at 19% overall, peaking at 29% in 2021. Its support for these resolutions where they relate to climate change is moderate at 45%, peaking at 75% in the 2021 proxy year and falling back to 41% in 2022.

**Exhibit 10** Vanguard: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 11** Vanguard: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

Vanguard's support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been low but has risen from a near-zero level in 2020.

The firm made voting decisions on almost all of the 149 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 19% over the period according to individual fund votes. On a majority-vote basis, Vanguard supported 14% of the 148 resolutions.

The firm's level of support for these resolutions stood at a very low 8% in the 2020 proxy year; in fact, on a majority-vote basis, Vanguard supported none of the 54 such resolutions that year. Overall support rose to 29% in the 2021 proxy year (28% on a majority-vote basis), falling back to 21% (15%) in 2022.

#### Exhibit 12 Vanguard: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	849	132	401	316
Against	3,738	1,534	979	1,225
Abstain	0	0	0	0
<b>Total</b>	<b>4,587</b>	<b>1,666</b>	<b>1,380</b>	<b>1,541</b>
<b>For % (overall support)</b>	<b>19%</b>	<b>8%</b>	<b>29%</b>	<b>21%</b>
Against %	81%	92%	71%	79%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	20	0	13	7
Against	128	54	34	40
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>148</b>	<b>54</b>	<b>47</b>	<b>47</b>
% of total number of resolutions	99%	100%	100%	98%
For %	14%	0%	28%	15%
Against %	86%	100%	72%	85%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.



### Shareholder Resolutions on Climate-Related Lobbying

Vanguard's support for shareholder resolutions on climate-related lobbying has been considerably higher than its support for similar resolutions that don't focus on climate.

The firm made voting decisions on all 12 such resolutions over the last three proxy years. The firm's support for these proposals stood at 42% both on an individual fund basis and by majority decision.

Similar to the pattern seen for general lobbying and political activity resolutions, Vanguard's support for climate-related lobbying resolutions peaked in the 2021 proxy year at 61% overall (67% on a majority-vote basis), falling back to just 41% in 2022 (33% on a majority-vote basis).

#### Exhibit 13 Vanguard: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	159	9	101	49
Against	223	88	65	70
Abstain	0	0	0	0
<b>Total</b>	<b>382</b>	<b>97</b>	<b>166</b>	<b>119</b>
<b>For % (overall support)</b>				
For %	42%	9%	61%	41%
Against %	58%	91%	39%	59%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	5	0	4	1
Against	7	3	2	2
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
<b>For %</b>				
For %	42%	0%	67%	33%
Against %	58%	100%	33%	67%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Vanguard's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution.

**Exhibit 14** Vanguard: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	Vanguard: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	Against, 97%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	Against, 79%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	Against, 97%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	Against, 87%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	For, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 97%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 84%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	For, 85%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 91%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	For, 93%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Against, 82%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Vanguard published rationales<sup>6</sup> for several climate-related resolutions it voted on in the first half of 2021. The firm supported most of the climate-related lobbying proposals it voted on during that six-month period, usually concluding that such proposals were "in the best long-term interest of shareholders."

However, Vanguard objected to two of the proposals on the list above. In the firm's opinion, the proposal at Phillips 66 requesting a report on climate-related lobbying was "determined to be misdirected" as the company "has not voiced a public commitment aligned with the Paris Agreement." Vanguard cast 87% of its fund votes on this resolution "Against." On the proposal at Sempra Energy, the firm concluded that "sufficient action or change has been implemented" and voted 97% of its fund votes "Against."

In the 2022 proxy year, Vanguard voiced support<sup>7</sup> for the proposal at United Parcel Service requesting a report on the alignment of lobbying with Paris Agreement, as it believed the resolution "addresses material risk(s) and an oversight or disclosure gap, is not overly prescriptive, and is determined to be in the best long-term interest of shareholders." The firm cast 93% of its fund votes "For" this resolution.

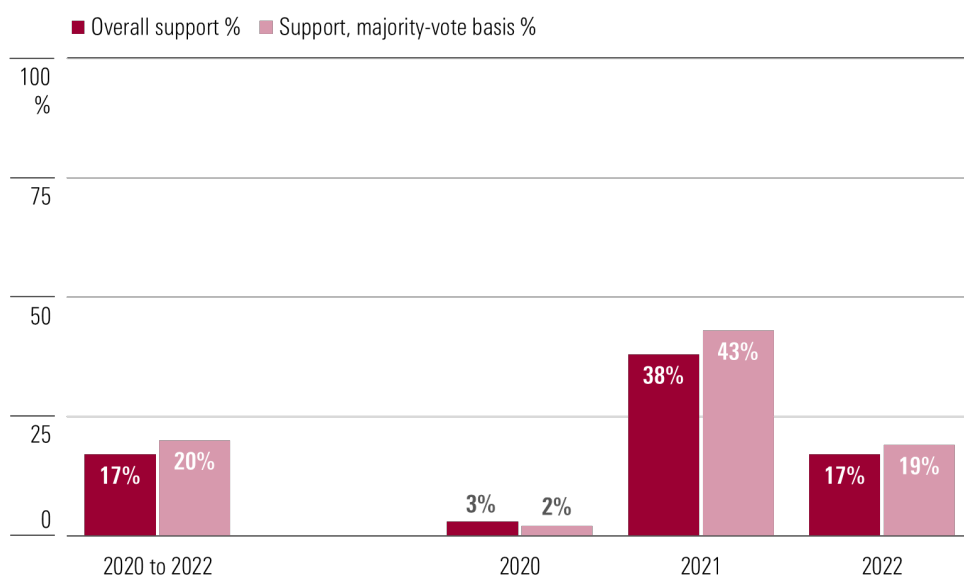
<sup>6</sup> Voting insights: Climate-related proposals, January–June 2021, Vanguard Investment Stewardship Insights, September 2021.

<sup>7</sup> Key votes, Vanguard Investment Stewardship Insights, June 2022.

### BlackRock

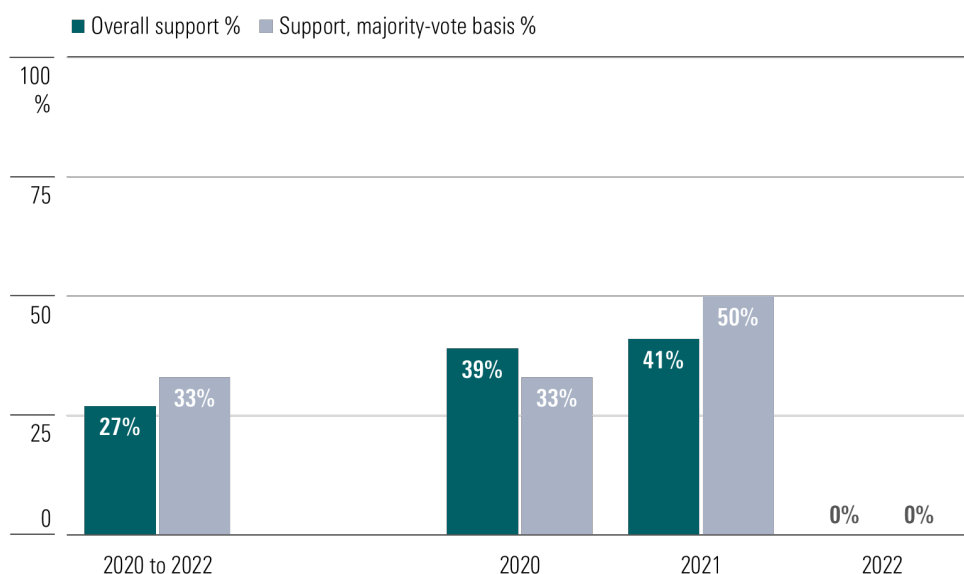
BlackRock's support for shareholder resolutions on lobbying and political activity over the last three proxy years has been low at 17% overall, a similar level to Vanguard's. BlackRock's support also peaked in 2021 at 38%. The firm's support for the 12 such resolutions related to climate over the last three years stood at 27%, with a high of 41% in the 2021 proxy year. Amid its pushback on prescriptive and repetitive resolutions, BlackRock voted against all three such resolutions in the 2022 proxy year.

**Exhibit 15** BlackRock: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 16** BlackRock: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

BlackRock's overall support for shareholder resolutions on lobbying and political activity exhibits a similar profile to Vanguard over the last three proxy years, rising from a very low base of 3% in 2020, to a more moderate level of 38% in 2021 before halving in 2022 to 17%.

BlackRock cast voting decisions on all but one of the 149 shareholder resolutions in this category. Overall support for these resolutions was 17% over the three proxy years according to individual fund votes. The firm supported 20% of the 148 resolutions on a majority-vote basis. (BlackRock rarely makes split voting decisions in this category—its funds made split decisions on only two resolutions.)

#### Exhibit 17 BlackRock: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	1,097	69	659	369
Against	5,399	2,476	1,095	1,828
Abstain	0	0	0	0
<b>Total</b>	<b>6,496</b>	<b>2,545</b>	<b>1,754</b>	<b>2,197</b>
<b>For % (overall support)</b>				
Against %	83%	97%	62%	83%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	30	1	20	9
Against	118	53	27	38
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>148</b>	<b>54</b>	<b>47</b>	<b>47</b>
% of total number of resolutions	99%	100%	100%	98%
For %	20%	2%	43%	19%
Against %	80%	98%	57%	81%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

BlackRock's support for shareholder resolutions on climate-related lobbying over the last three proxy years was higher than for resolutions addressing the issue more generally. BlackRock made voting decisions on all 12 such resolutions over the last three proxy years, with a support level of 27% according to individual fund decisions. On a majority-vote basis, the firm supported four (33%) of the 12 such resolutions — none in the 2022 proxy year, three in 2021, and one in 2020.

BlackRock's support for climate-related lobbying resolutions peaked in the 2021 proxy year at 41% overall (or 50% of the five such resolutions, by majority decision). This fell to zero in 2022, a period when the firm publicly stated its intention not to support "unduly prescriptive" climate resolutions<sup>8</sup>, noting the following:

*"Having supported 47% of environmental and social shareholder proposals in 2021, BIS notes that many of the climate-related shareholder proposals coming to a vote in 2022 are more prescriptive or constraining on companies and may not promote long-term shareholder value."*

#### Exhibit 18 BlackRock: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	140	61	79	0
Against	374	96	114	164
Abstain	0	0	0	0
<b>Total</b>	<b>514</b>	<b>157</b>	<b>193</b>	<b>164</b>
<b>For % (overall support)</b>	<b>27%</b>	<b>39%</b>	<b>41%</b>	<b>0%</b>
Against %	73%	61%	59%	100%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	4	1	3	0
Against	8	2	3	3
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
For %	33%	33%	50%	0%
Against %	67%	67%	50%	100%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

<sup>8</sup> 2022 Climate-Related Shareholder Proposals More Prescriptive Than 2021, BlackRock Investment Stewardship, May 2022

BlackRock has published voting rationales for most of these votes and explained its thinking in detail for several significant votes at Exxon Mobil, Delta Air Lines, and Chevron. Where the firm has voted "Against" shareholder resolutions on climate-related lobbying, it is usually because the firm believes that existing company policies and ongoing efforts to address the issue are sufficient.

BlackRock's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution. BlackRock has published voting rationales for all of these votes and is the only U.S. top 10 asset manager to do so.

Where the firm has voted "Against" these shareholder resolutions on climate-related lobbying, it is usually because BlackRock's investment stewardship team believes the company already has policies and reporting in place to address the issue or is in the process of implementing them. The firm's stated rationale for voting "For" these resolutions is usually a belief that "it is in the best interests of shareholders to have access to greater disclosure on this issue."

#### Exhibit 19 BlackRock: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	BlackRock: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	Against, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	For, 100%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	Against, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	For, 100%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	Against, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 100%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	Against, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 100%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	Against, 100%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Against, 100%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

BlackRock has explained its thinking in detail for several significant votes at Delta Air Lines, Exxon Mobil, and Chevron. Extracts from these publications can be found below.

#### Voting Rationale: Delta Air Lines, Report on Climate-Related Lobbying, June 2021

BlackRock voted "Against" this resolution.

Rationale from [Vote Bulletin: Delta Air Lines, Inc.](#), June 2021:

*"BIS [BlackRock Investment Stewardship] voted against this shareholder proposal because Delta already meets our expectations of companies regarding their activities and disclosures related to political spending and lobbying, and the company has clearly articulated climate goals and action plans."*

*"Currently, Delta meets our expectations through its publicly stated policies and political contribution disclosures, including a clear disclosure of lobbying activities and trade association memberships. For example, the company reports the contributions made to trade associations with membership dues of \$50,000 or greater in 2020. Based on the provided disclosures and review of trade association representation, we do not have any reason to believe that there are material misalignments between key climate policy positions and advocacy conducted by the organizations and Delta's climate priorities."*

*"Importantly, the industry association to which Delta contributed the largest amount, Airlines for America (A4A), has been instrumental in helping to move US airlines forward in their energy transition efforts with an industrywide commitment to net zero by 2050 made in March 2021. These recent announcements and the focus from the industry's core trade associations, as well as GHG emissions reduction commitments from the major US airlines themselves, indicate that the issue is now a top priority within the sector."*

*"Given Delta's existing disclosure and well-articulated climate risk goals, ongoing efforts, and action plans to reduce GHG emissions, BIS voted against this shareholder proposal."*

#### **Voting Rationale: Exxon Mobil, Report on Climate-Related Lobbying, May 2021**

BlackRock voted "For" this resolution.

Rationale from [Vote Bulletin: ExxonMobil Corporation](#), May 2021:

*"Exxon discloses its principles regarding climate lobbying. However, its lobbying positions and those of its trade association partners are not transparently in line with the Paris Agreement goals, and the company is increasingly falling behind its peers in the production of a climate lobbying alignment report. As a result, shareholders would benefit from more transparency about Exxon's lobbying positions on environmental rules and regulations as it would allow for the ability to better assess how the company is approaching and mitigating climate-related risks."*

#### **Voting Rationale: Chevron, Report on Climate-Related Lobbying, May 2020**

BlackRock voted "For" this resolution.

Rationale from [Voting Bulletin: Chevron Corporation](#), May 2020:

*"In our view, the company could provide investors with a more detailed explanation of the alignment between Chevron's political activities and the goal of the Paris Agreement to limit global warming to no more than two degrees Celsius, which the company supports."*

*"While we recognize and applaud Chevron's current TCFD and SASB-aligned reporting, BIS believes that greater transparency into the company's approach to political spending as aligned with its stated support for the Paris Agreement will help articulate consistency between private and public messaging for managing climate risk and transition to a lower-carbon economy. Based on recent engagements with the company leading up to the annual meeting, we believe Chevron is aligned with the spirit of this proposal, as it has articulated a desire to provide more clarity for investors on its internal climate considerations and*

*associated political spending and lobbying contributions. We appreciate the company's willingness to consider investor feedback and look forward to forthcoming reporting."*

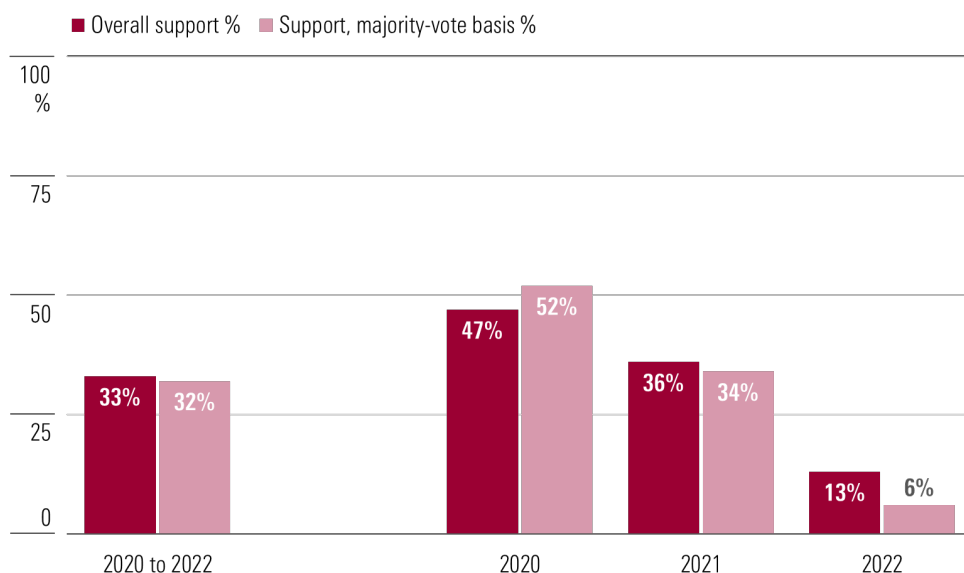
*"We believe enhanced disclosure will help investors better understand the company's political activities in the context of policy that supports the transition to a lower carbon economy. As such, support for this proposal is not meant to be punitive or suggest that we feel the board has failed to appropriately consider climate risk in the context of strategy. Rather, we believe this is a further point of refinement to solidify best in class reporting amongst US oil and gas peers. The proposal does not suggest or require Chevron to alter its current actions; instead, it affords an opportunity to provide greater context for investors. This is in line with our view that the risks of climate change and the transition to a lower carbon economy present material regulatory, reputational, and legal risks to companies. As a fiduciary for our clients, we see it as material to better understand how these risks are being adequately disclosed and overseen."*



### Fidelity Investments

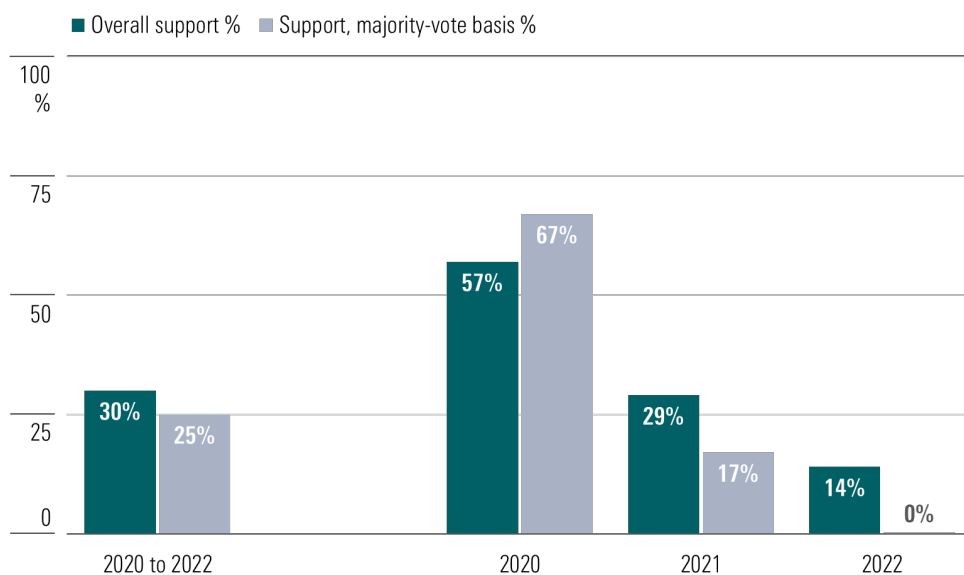
Fidelity Investments' overall support for shareholder resolutions on lobbying and political activity was 33% over the last three proxy years, falling each year from a peak of 47% in 2020. Its support for these resolutions where they relate to climate-related lobbying was 30%, peaking at 57% in the 2020 proxy year and falling sharply back to 14% in 2022.

**Exhibit 20** Fidelity Investments: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 21** Fidelity Investments: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

Fidelity Investments' support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been moderate in 2020 and 2021 but decreased sharply in 2022.

The firm made voting decisions on 148 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 33% over the period according to individual fund votes and 32% on a majority-vote basis.

The firm's level of support of these resolutions stood at 47% in the 2020 proxy year. Overall support dropped to 36% in 2021 (34% on a majority-vote basis) and to 13% (6%) in 2022.

#### Exhibit 22 Fidelity Investments: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	2,028	1,112	654	262
Against	4,147	1,233	1,153	1,761
Abstain	0	0	0	0
<b>Total</b>	<b>6,175</b>	<b>2,345</b>	<b>1,807</b>	<b>2,023</b>
<b>For % (overall support)</b>				
Against %	67%	53%	64%	87%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	47	28	16	3
Against	100	26	30	44
Even split	1	0	1	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>148</b>	<b>54</b>	<b>47</b>	<b>47</b>
% of total number of resolutions	99%	100%	100%	98%
For %	32%	52%	34%	6%
Against %	68%	48%	64%	94%
Even split %	1%	0%	2%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

Fidelity's support for shareholder resolutions on climate-related lobbying has been similar to its support for lobbying and political activity resolutions generally.

The firm made voting decisions on all 12 such resolutions over the last three proxy years. The firm's support for these proposals stood at 30% on an individual fund basis. On a majority-vote basis, support stood at 25%.

Fidelity's support for climate-related lobbying resolutions peaked in 2020 at 57% overall (67% on a majority-vote basis), falling to 14% (zero on a majority-vote basis), its lowest point over the last three proxy years.

#### Exhibit 23 Fidelity Investments: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	151	68	57	26
Against	346	51	137	158
Abstain	0	0	0	0
<b>Total</b>	<b>497</b>	<b>119</b>	<b>194</b>	<b>184</b>
<b>For % (overall support)</b>	<b>30%</b>	<b>57%</b>	<b>29%</b>	<b>14%</b>
Against %	70%	43%	71%	86%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	3	2	1	0
Against	9	1	5	3
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
For %	25%	67%	17%	0%
Against %	75%	33%	83%	100%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Fidelity Investment's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution. The firm supported three of the 12 resolutions on a majority-vote basis, none of which were in the 2022 proxy year.

**Exhibit 24** Fidelity Investments: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

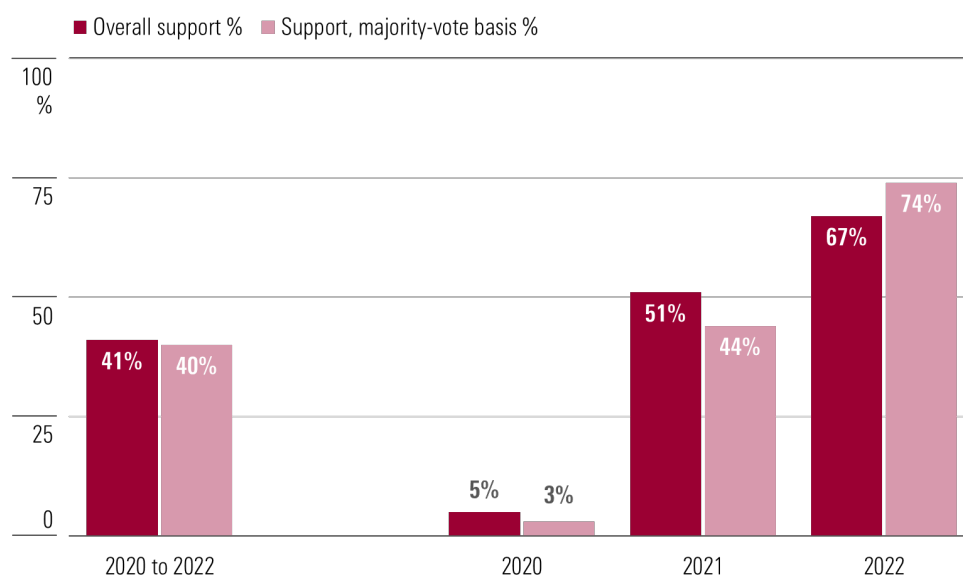
Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	Fidelity Investments: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	For, 77%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	Against, 60%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	For, 74%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	Against, 69%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	Against, 55%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 100%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 62%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	Against, 85%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	Against, 58%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 93%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	Against, 81%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Against, 86%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Capital Group

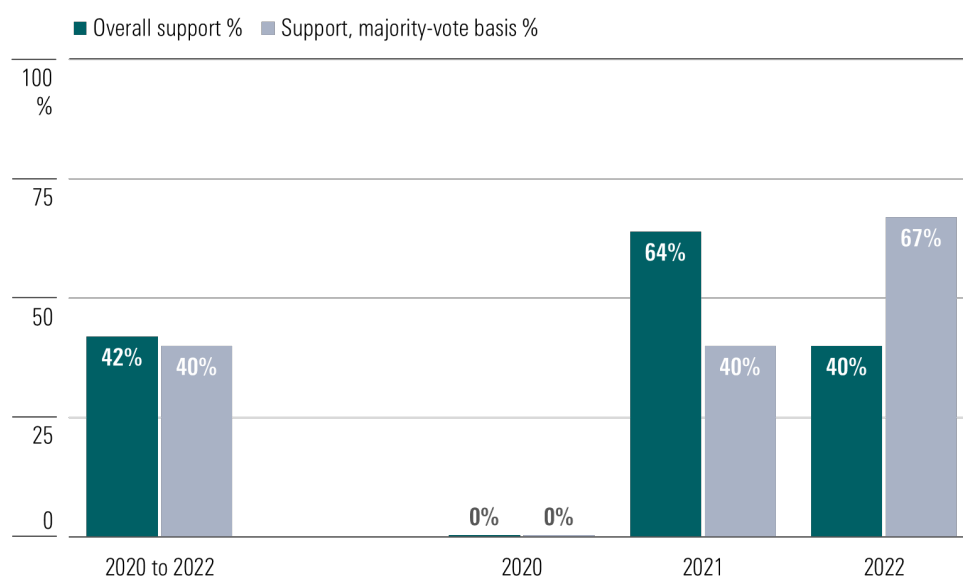
Capital Group's support for shareholder resolutions on lobbying and political activity has increased over the last three years, standing at 67% in 2022. Over those three years, it has cast 41% of its fund votes in support of these resolutions. The firm's support for climate-related lobbying resolutions is similar at 42% over the last three years.

**Exhibit 25** Capital Group: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 26** Capital Group: Support for Shareholder Resolutions on Climate-Related Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

Capital Group's support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has risen substantially from a near-zero level in 2020.

The firm made voting decisions on 110 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 41% over the period according to individual fund votes and 40% on a majority-vote basis.

The firm's level of support for these resolutions stood at an extremely low 5% in the 2020 proxy year; only one resolution out of 54 was supported by the firm on a majority-vote basis in that proxy year. Overall support rose to 67% in 2022 (74% on a majority-vote basis), which was the highest amount of support over the last three proxy years.

#### Exhibit 27 Capital Group: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	497	19	160	318
Against	701	390	152	159
Abstain	0	0	0	0
<b>Total</b>	<b>1,198</b>	<b>409</b>	<b>312</b>	<b>477</b>
<b>For % (overall support)</b>	<b>41%</b>	<b>5%</b>	<b>51%</b>	<b>67%</b>
Against %	59%	95%	49%	33%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	44	1	15	28
Against	66	37	19	10
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>110</b>	<b>38</b>	<b>34</b>	<b>38</b>
% of total number of resolutions	74%	70%	72%	79%
For %	40%	3%	44%	74%
Against %	60%	97%	56%	26%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

Capital Group's support for shareholder resolutions on climate-related lobbying has risen significantly since the 2020 proxy year, when the firm supported none of these proposals.

The firm made voting decisions on 10 of the 12 such resolutions over the last three proxy years. The firm's support for these proposals stood at around 40% both on an individual fund basis and on a majority-vote basis.

Similar to the pattern seen for general lobbying and political activity resolutions, Capital Group's support for climate-related lobbying resolutions peaked in the 2021 proxy year at 64% overall (40% on a majority-vote basis), falling back to 40% in 2022 (67% on a majority-vote basis).

#### Exhibit 28 Capital Group: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	46	0	25	21
Against	63	18	14	31
Abstain	0	0	0	0
<b>Total</b>	<b>109</b>	<b>18</b>	<b>39</b>	<b>52</b>
<b>For % (overall support)</b>	<b>42%</b>	<b>0%</b>	<b>64%</b>	<b>40%</b>
Against %	58%	100%	36%	60%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	4	0	2	2
Against	6	2	3	1
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>10</b>	<b>2</b>	<b>5</b>	<b>3</b>
% of total number of resolutions	83%	67%	83%	100%
For %	40%	0%	40%	67%
Against %	60%	100%	60%	33%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Capital Group's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution. The firm voted on 10 of the 12 resolutions, supporting four of them on a majority-vote basis.

**Exhibit 29** Capital Group: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	Capital Group: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	n/a
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	Against, 100%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	Against, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	n/a
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	For, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 83%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	Against, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	Against, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	For, 71%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	For, 56%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Against, 100%

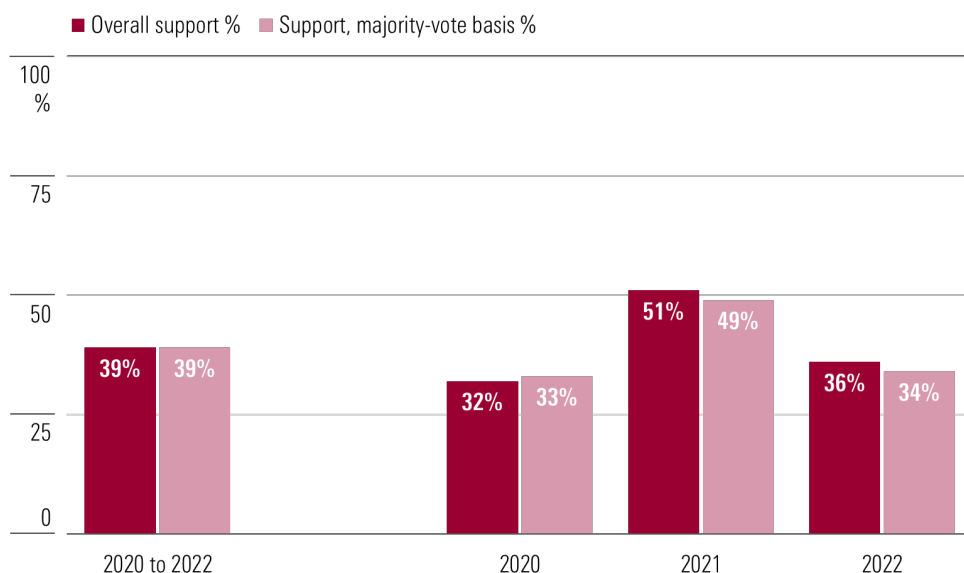
Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.



### State Street

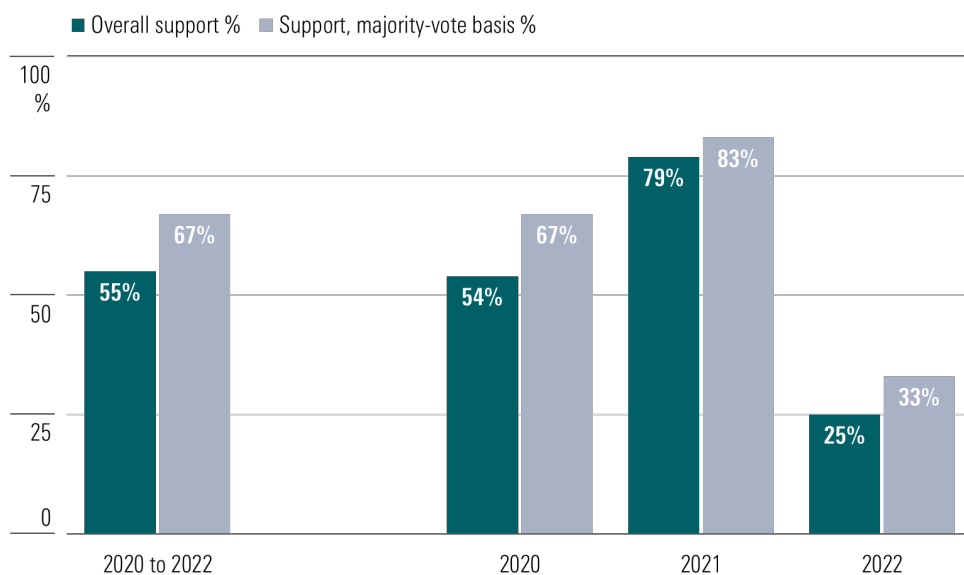
Over the last three proxy years, State Street's support for shareholder resolutions on lobbying and political activity has been moderate at 39% overall, peaking at 51% in 2021. Its support for these resolutions where they relate to climate change has varied, turning in an exceptional 2021 with 100% support but dropping significantly in 2022 to 25%.

**Exhibit 30** State Street: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 31** State Street: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

State Street's support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been moderate, reaching a high in 2021.

The firm made voting decisions on 148 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 39% over the period both according to individual fund votes and on a majority-vote basis.

The firm's level of support for these resolutions stood at a very low 32% in the 2020 proxy year, or 33% on a majority-vote basis. Overall support rose to 51% in 2021 (49% on a majority-vote basis), falling back to 36% (34%) in 2022.

#### Exhibit 32 State Street: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	1,459	417	572	470
Against	1,733	535	484	714
Abstain	540	352	63	125
<b>Total</b>	<b>3,732</b>	<b>1,304</b>	<b>1,119</b>	<b>1,309</b>
<b>For % (overall support)</b>				
Against %	46%	41%	43%	55%
Abstain %	14%	27%	6%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	57	18	23	16
Against	69	21	21	27
Even split	0	0	0	0
Abstain	22	15	3	4
<b>Number of resolutions voted</b>	<b>148</b>	<b>54</b>	<b>47</b>	<b>47</b>
% of total number of resolutions	99%	100%	100%	98%
For %	39%	33%	49%	34%
Against %	47%	39%	45%	57%
Even split %	0%	0%	0%	0%
Abstain %	15%	28%	6%	9%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

State Street's support for shareholder resolutions on climate-related lobbying has been relatively higher than its support for similar resolutions that aren't climate-centric.

The firm made voting decisions on all 12 such resolutions over the last three proxy years. The firm's support for these proposals stood at 55% on an individual fund basis and garnered greater support on a majority-vote basis at 67%.

Matching the pattern seen for general lobbying and political activity resolutions, State Street's support for climate-related lobbying resolutions peaked in the 2021 proxy year. This support reached 79% on both an individual fund basis and 83% on a majority-vote basis. This is in stark comparison to the following proxy year, when support fell to 25% (33% on a majority-vote basis).

#### Exhibit 33 State Street: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	172	39	107	26
Against	68	0	29	39
Abstain	72	33	0	39
<b>Total</b>	<b>312</b>	<b>72</b>	<b>136</b>	<b>104</b>
<b>For % (overall support)</b>	<b>55%</b>	<b>54%</b>	<b>79%</b>	<b>25%</b>
Against %	22%	0%	21%	38%
Abstain %	23%	46%	0%	38%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	8	2	5	1
Against	2	0	1	1
Even split	0	0	0	0
Abstain	2	1	0	1
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
For %	67%	67%	83%	33%
Against %	17%	0%	17%	33%
Even split %	0%	0%	0%	0%
Abstain %	17%	33%	0%	33%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

State Street's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution. The firm supported eight of these resolutions with 100% of its fund votes.

**Exhibit 34** State Street: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

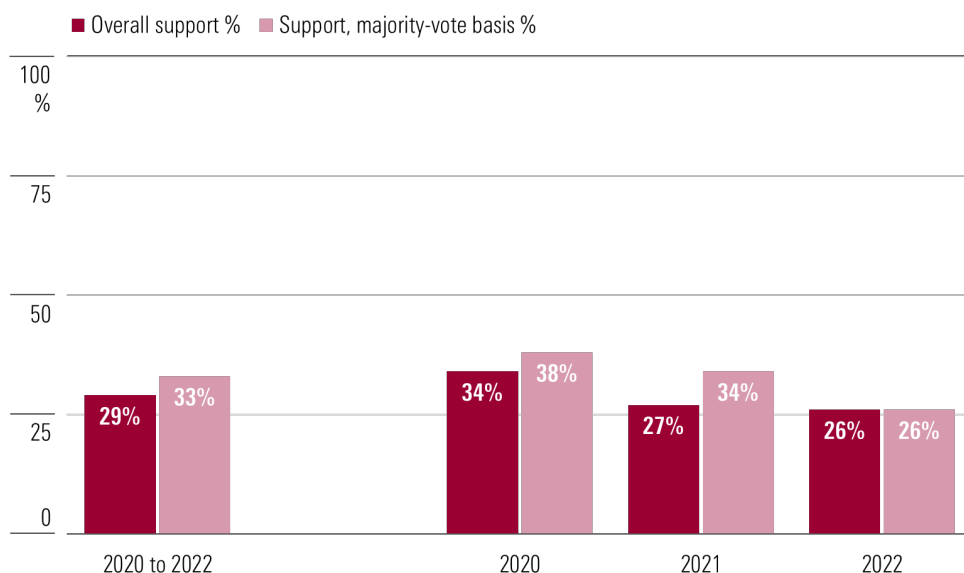
Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	State Street: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	For, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	Abstain, 100%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	For, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	For, 100%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	For, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 100%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	For, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 100%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	For, 100%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Abstain, 100%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### T. Rowe Price

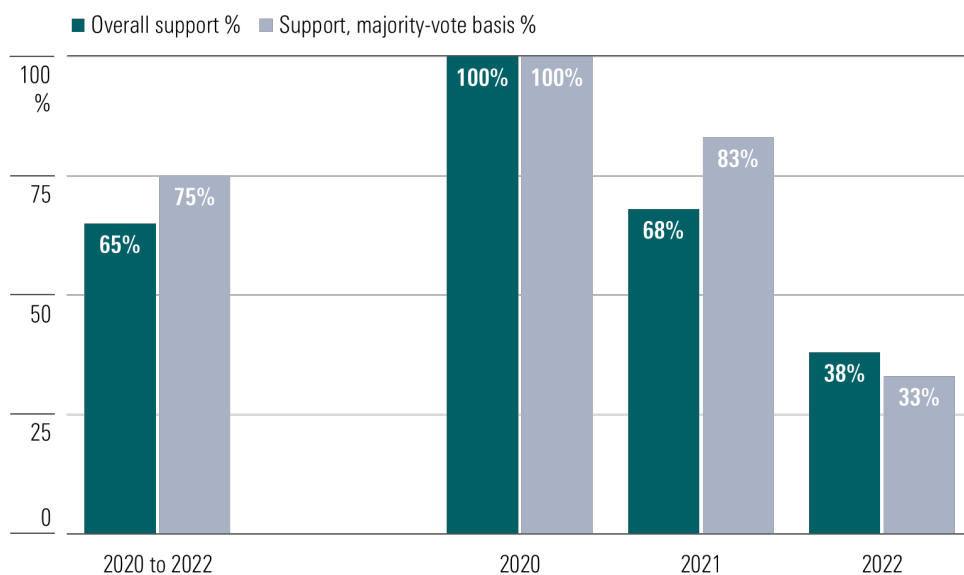
Over the last three proxy years, T. Rowe Price's overall support for shareholder resolutions on lobbying and political activity stood at 29% overall, with a high of 34% reached in 2020 rather than in 2021 when most of its peers' support peaked. Its support for these resolutions where they relate to climate change is much higher at 65% overall across the last three proxy years.

**Exhibit 35** T. Rowe Price: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 36** T. Rowe Price: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

T. Rowe Price's overall support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been steady, but declining, at around 30%.

The firm made voting decisions on 147 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 29% over the period according to individual fund votes and 33% on a majority-vote basis.

The firm's level of support for these resolutions peaked in 2020 at 34% (38% on a majority-vote basis). Overall support declined slightly in the following two proxy years, with 27% support in 2021 (34% on a majority-vote basis) and 26% support in 2022 (26% on a majority-vote basis).

#### Exhibit 37 T. Rowe Price: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	595	228	152	215
Against	1,475	438	421	616
Abstain	0	0	0	0
<b>Total</b>	<b>2,070</b>	<b>666</b>	<b>573</b>	<b>831</b>
<b>For % (overall support)</b>				
<b>For %</b>	<b>29%</b>	<b>34%</b>	<b>27%</b>	<b>26%</b>
Against %	71%	66%	73%	74%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	48	20	16	12
Against	99	33	31	35
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>147</b>	<b>53</b>	<b>47</b>	<b>47</b>
% of total number of resolutions	99%	98%	100%	98%
<b>For %</b>				
<b>For %</b>	<b>33%</b>	<b>38%</b>	<b>34%</b>	<b>26%</b>
Against %	67%	62%	66%	74%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

T. Rowe Price's support for shareholder resolutions on climate-related lobbying was considerably higher than its support for similar resolutions that don't focus on climate.

The firm made voting decisions on all 12 such resolutions over the last three proxy years. The firm's overall support for these proposals stood at 100% in the 2020 proxy year, falling to 68% in 2021 and 38% in 2022.

#### Exhibit 38 T. Rowe Price: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	121	44	53	24
Against	65	0	25	40
Abstain	0	0	0	0
<b>Total</b>	<b>186</b>	<b>44</b>	<b>78</b>	<b>64</b>
<b>For % (overall support)</b>				
For %	65%	100%	68%	38%
Against %	35%	0%	32%	63%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	9	3	5	1
Against	3	0	1	2
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
For %	75%	100%	83%	33%
Against %	25%	0%	17%	67%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

T. Rowe Price's majority-voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution. The firm supported nine of these resolutions in total, rarely splitting its votes.

**Exhibit 39** T. Rowe Price: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	T. Rowe Price: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	For, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	For, 100%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	For, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	For, 100%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	For, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 89%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	For, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 100%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	For, 100%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Against, 100%

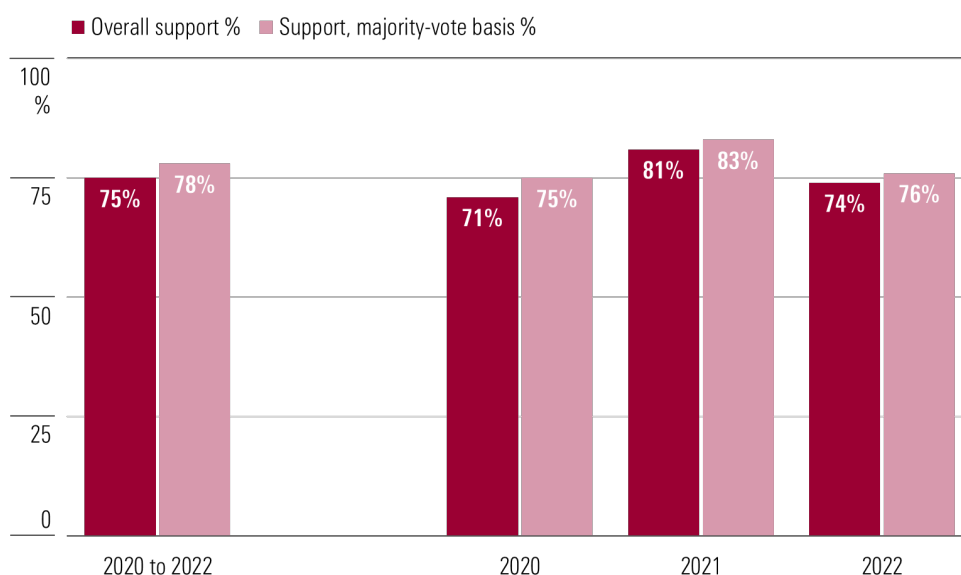
Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.



### Invesco

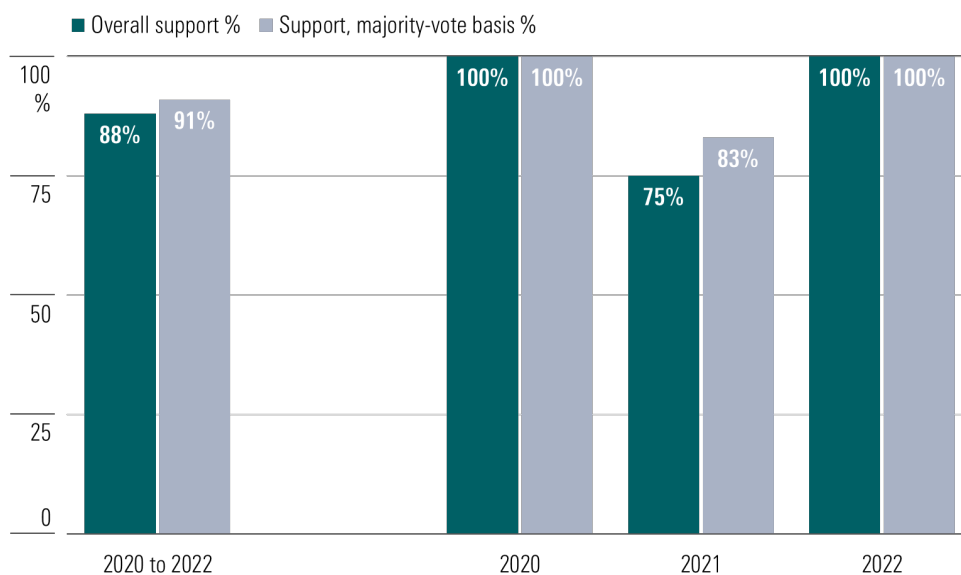
Over the last three proxy years, Invesco's support for shareholder resolutions on lobbying and political activity has been relatively high at 75% overall. Support has been relatively stable, peaking in 2021 at 81%. Its support for these resolutions where they relate to climate change is very high at 88% over three years, with 100% support in 2020 and 2022.

**Exhibit 40** Invesco: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 41** Invesco: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

Invesco's support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been consistently high.

The firm made voting decisions on 143 out of 149 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 75% over the period according to individual fund votes and 78% on a majority-vote basis.

The firm's level of support for these resolutions stood at 71% in the 2020 proxy year, or 75% by majority vote. Overall, support peaked in 2021 at 81% (83% on a majority-vote basis) but declined in the most recent proxy year to 74% (76% on a majority-vote basis).

#### Exhibit 42 Invesco: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	2,385	685	903	797
Against	753	286	184	283
Abstain	23	0	23	0
<b>Total</b>	<b>3,161</b>	<b>971</b>	<b>1,110</b>	<b>1,080</b>
<b>For % (overall support)</b>				
For %	75%	71%	81%	74%
Against %	24%	29%	17%	26%
Abstain %	1%	0%	2%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	111	38	39	34
Against	31	13	7	11
Even split	0	0	0	0
Abstain	1	0	1	0
<b>Number of resolutions voted</b>	<b>143</b>	<b>51</b>	<b>47</b>	<b>45</b>
% of total number of resolutions	96%	94%	100%	94%
<b>For % (majority support)</b>				
For %	78%	75%	83%	76%
Against %	22%	25%	15%	24%
Even split %	0%	0%	0%	0%
Abstain %	1%	0%	2%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

Invesco's support for shareholder resolutions on climate-related lobbying has been considerably stronger than its already high support for similar resolutions that don't focus on climate.

The firm made voting decisions on 11 out of the 12 such resolutions over the last three proxy years. The firm's support for these proposals stood at 88% on an individual fund basis and 91% on a majority-vote basis.

Dissimilar to the pattern seen for general lobbying and political activity resolutions, Invesco's support for climate-related lobbying resolutions fell in the 2021 proxy year to 75% overall (83% on a majority-vote basis). This returned to unanimous support in 2022.

#### Exhibit 43 Invesco: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	220	42	85	93
Against	6	0	6	0
Abstain	23	0	23	0
<b>Total</b>	<b>249</b>	<b>42</b>	<b>114</b>	<b>93</b>
<b>For % (overall support)</b>	<b>88%</b>	<b>100%</b>	<b>75%</b>	<b>100%</b>
Against %	2%	0%	5%	0%
Abstain %	9%	0%	20%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	10	2	5	3
Against	0	0	0	0
Even split	0	0	0	0
Abstain	1	0	1	0
<b>Number of resolutions voted</b>	<b>11</b>	<b>2</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	92%	67%	100%	100%
For %	91%	100%	83%	100%
Against %	0%	0%	0%	0%
Even split %	0%	0%	0%	0%
Abstain %	9%	0%	17%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Invesco's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution.

**Exhibit 44** Invesco: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

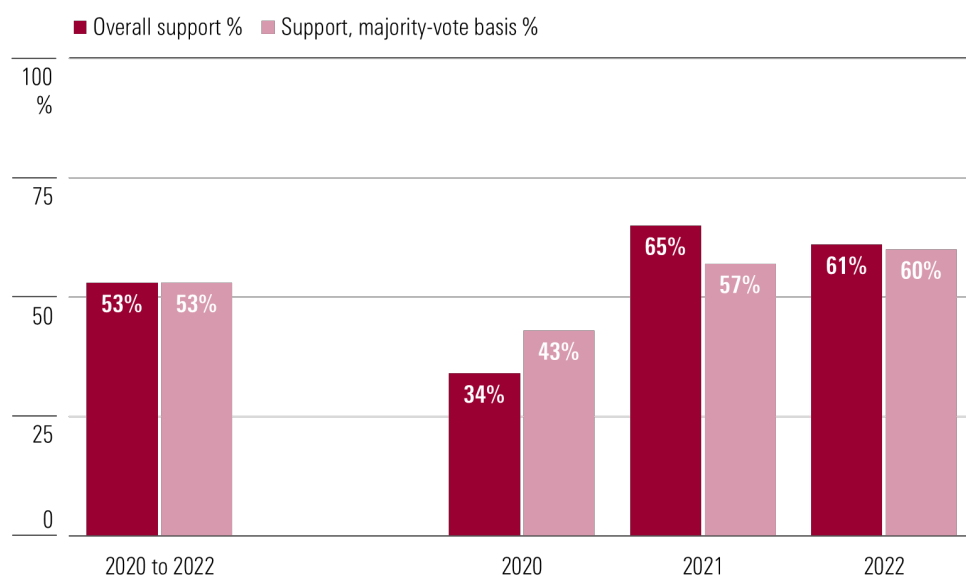
Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	Invesco: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	For, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	n/a
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	For, 91%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	For, 100%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	For, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Abstain, 92%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 80%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	For, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	For, 100%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	For, 100%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	For, 100%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### JPMorgan

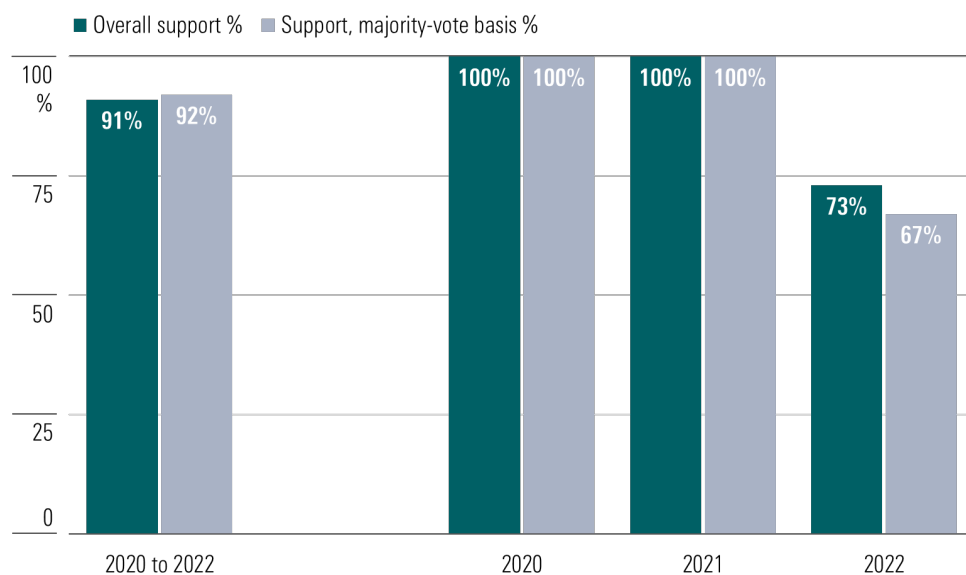
Over the last three proxy years, JPMorgan's support for shareholder resolutions on lobbying and political activity has been 53% overall, peaking in 2021 at 65%. Its support for these resolutions where they relate to climate change is more consentient at 90%, with full concordant support in 2020 and 2021.

**Exhibit 45** JPMorgan: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 46** JPMorgan: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

JPMorgan's support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been less consistent than its support of resolutions that regard climate change.

The firm made voting decisions on 147 out of 149 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 53% over the period according to individual fund votes, as well as on a majority-vote basis.

The firm's level of support for these resolutions stood at 34% in the 2020 proxy year; support was slightly larger on a majority-vote basis at 43%. Overall support rose to 65% in 2021 (57% on a majority-vote basis) with a slight downturn in 2022 to 61% (60% on a majority-vote basis).

#### Exhibit 47 JPMorgan: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	988	209	320	459
Against	869	405	172	292
Abstain	0	0	0	0
<b>Total</b>	<b>1,857</b>	<b>614</b>	<b>492</b>	<b>751</b>
<b>For % (overall support)</b>	<b>53%</b>	<b>34%</b>	<b>65%</b>	<b>61%</b>
Against %	47%	66%	35%	39%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	78	23	27	28
Against	69	30	20	19
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>147</b>	<b>53</b>	<b>47</b>	<b>47</b>
% of total number of resolutions	99%	98%	100%	98%
For %	53%	43%	57%	60%
Against %	47%	57%	43%	40%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

JPMorgan's support for shareholder resolutions on climate-related lobbying stayed remarkably high, before falling back somewhat in the most recent proxy year.

The firm made voting decisions on all 12 such resolutions over the last three proxy years. The firm's support for these proposals stood at 91% on an individual fund basis (92% on a majority-vote basis).

JPMorgan fully supported all climate-related lobbying resolutions in 2020 and 2021. This support fell in the 2022 proxy year to 73% (67% on a majority-vote basis).

#### Exhibit 48 JPMorgan: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	163	45	74	44
Against	16	0	0	16
Abstain	0	0	0	0
<b>Total</b>	<b>179</b>	<b>45</b>	<b>74</b>	<b>60</b>
<b>For % (overall support)</b>				
	<b>91%</b>	<b>100%</b>	<b>100%</b>	<b>73%</b>
Against %	9%	0%	0%	27%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	11	3	6	2
Against	1	0	0	1
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
<b>For %</b>				
	<b>92%</b>	<b>100%</b>	<b>100%</b>	<b>67%</b>
Against %	8%	0%	0%	33%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

JPMorgan's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution.

**Exhibit 49** JPMorgan: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	JPMorgan: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	For, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	For, 100%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	For, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	For, 100%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	For, 100%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	For, 100%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	For, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	For, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 100%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	For, 100%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	For, 100%

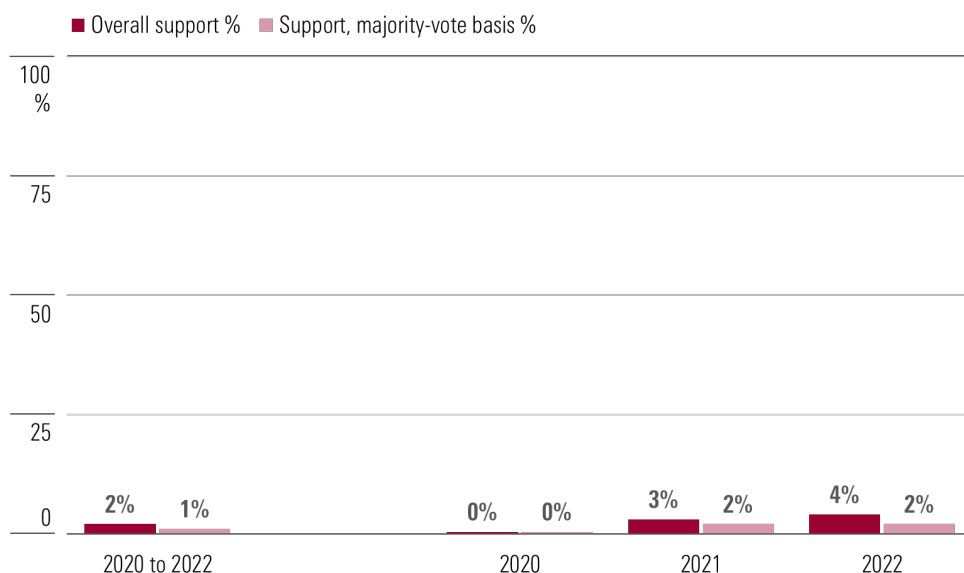
Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.



### Dimensional

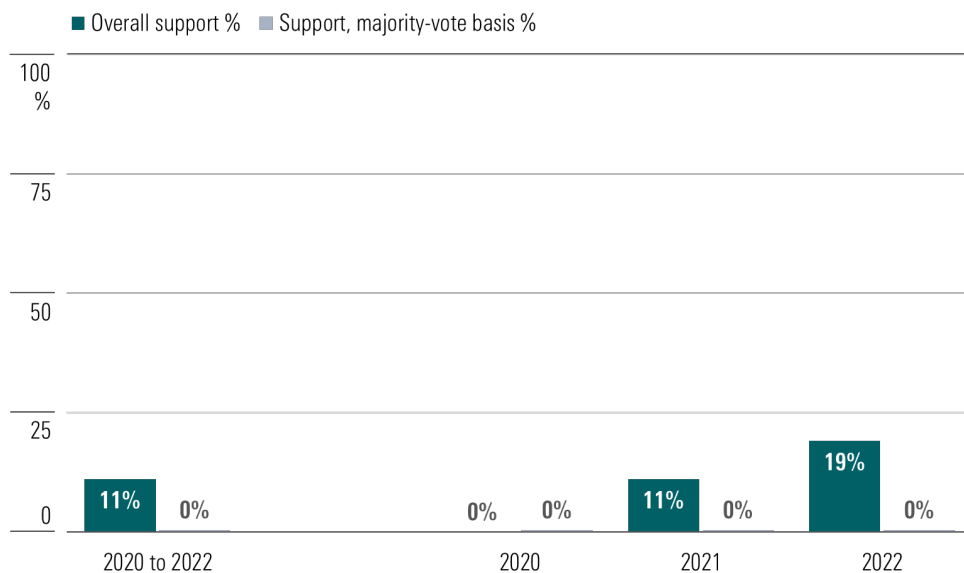
Over the last three proxy years, Dimensional's support for shareholder resolutions on lobbying and political activity has been at near-zero levels, registering at 2% overall. The support has marginally increased in the most recent proxy year to 4%. Its support for these resolutions where they relate to climate change is slightly higher but still very low at 11%, peaking at 19% in the 2022 proxy year.

**Exhibit 50** Dimensional: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 51** Dimensional: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

Dimensional's support for shareholder resolutions on lobbying and political activity in general over the last three proxy years has been very low but has risen from a zero level in 2020.

The firm made voting decisions on 144 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 2% over the period according to individual fund votes and 1% on a majority-vote basis.

#### Exhibit 52 Dimensional: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	30	0	11	19
Against	1,213	365	365	483
Abstain	0	0	0	0
<b>Total</b>	<b>1,243</b>	<b>365</b>	<b>376</b>	<b>502</b>
<b>For % (overall support)</b>				
	<b>2%</b>	<b>0%</b>	<b>3%</b>	<b>4%</b>
Against %	98%	100%	97%	96%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	2	0	1	1
Against	142	51	45	46
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>144</b>	<b>51</b>	<b>46</b>	<b>47</b>
% of total number of resolutions	97%	94%	98%	98%
For %	1%	0%	2%	2%
Against %	99%	100%	98%	98%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

Dimensional made voting decisions on all 12 climate-related lobbying resolutions over the last three proxy years. The firm's support for these proposals stood at 11% overall.

The firm's support for these proposals increased from zero in 2020 to 11% and 19% in the following two proxy years.

#### Exhibit 53 Dimensional: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	11	0	5	6
Against	89	24	39	26
Abstain	0	0	0	0
<b>Total</b>	<b>100</b>	<b>24</b>	<b>44</b>	<b>32</b>
<b>For % (overall support)</b>				
For %	11%	0%	11%	19%
Against %	89%	100%	89%	81%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	0	0	0	0
Against	12	3	6	3
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
For %	0%	0%	0%	0%
Against %	100%	100%	100%	100%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Dimensional's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution.

**Exhibit 54** Dimensional: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

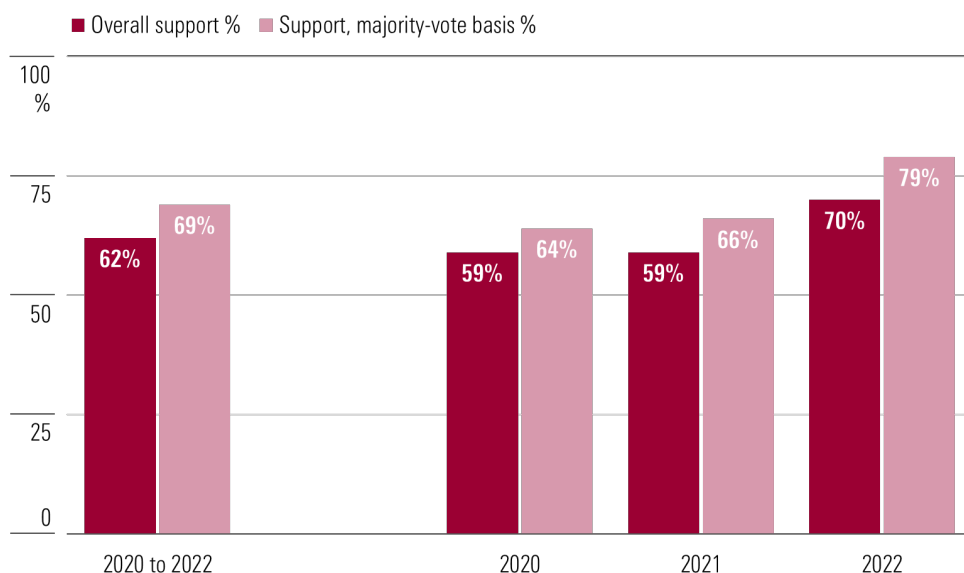
Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	Dimensional: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	Against, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	Against, 100%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	Against, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	Against, 78%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	Against, 88%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	Against, 83%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	Against, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	Against, 100%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	Against, 90%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	Against, 82%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	Against, 82%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	Against, 80%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Franklin Templeton

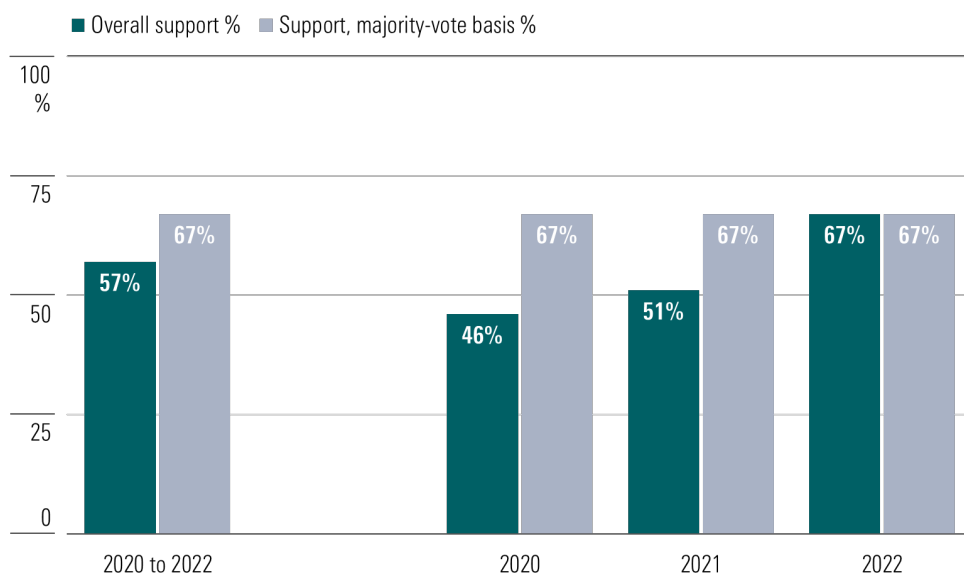
Over the last three proxy years, Franklin Templeton's support for shareholder resolutions on lobbying and political activity has increased, averaging 62% overall and peaking at 70% in 2022. Its support for these resolutions where they relate to climate change is lower in comparison at 57%, peaking at 67% also in 2022.

**Exhibit 55** Franklin Templeton: Support for Shareholder Resolutions on Lobbying and Political Activity



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

**Exhibit 56** Franklin Templeton: Support for Shareholder Resolutions on Climate-Related Lobbying



Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Lobbying and Political Activity

Franklin Templeton's overall support for shareholder resolutions on lobbying and political activity in general increased in 2022 to 70% from 59% in each of the last two years.

The firm made voting decisions on 143 shareholder resolutions on lobbying and political activity over the last three proxy years, with overall support for these resolutions standing at 62% over the period according to individual fund votes and 69% on a majority-vote basis.

Franklin Templeton supported 99 resolutions over the past three proxy years. Overall support was steady from 2020 to 2021, standing at 59% overall through both years (64% and 66% on a majority-vote basis, respectively) and increasing in 2022 to 70% (79% on a majority-vote basis).

#### Exhibit 57 Franklin Templeton: Voting Record for Shareholder Resolutions on Lobbying and Political Activity

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	862	296	290	276
Against	528	204	204	120
Abstain	0	0	0	0
<b>Total</b>	<b>1,390</b>	<b>500</b>	<b>494</b>	<b>396</b>
<b>For % (overall support)</b>				
For %	62%	59%	59%	70%
Against %	38%	41%	41%	30%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>149</b>	<b>54</b>	<b>47</b>	<b>48</b>
<b>Majority voting decisions</b>				
For	99	34	31	34
Against	37	16	12	9
Even split	7	3	4	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>143</b>	<b>53</b>	<b>47</b>	<b>43</b>
% of total number of resolutions	96%	98%	100%	90%
<b>For % (majority support)</b>				
For %	69%	64%	66%	79%
Against %	26%	30%	26%	21%
Even split %	5%	6%	9%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

### Shareholder Resolutions on Climate-Related Lobbying

Franklin Templeton's support for shareholder resolutions on climate-related lobbying was lower than its support for general lobbying and political activity resolutions over the last three proxy years.

The firm made voting decisions on all 12 such resolutions. Its support for these proposals stood at 57% on an individual fund basis and slightly higher on a majority-vote basis (67%).

Franklin Templeton's overall support for climate-related lobbying resolutions rose from a 2020 low of 46% to a peak in the 2022 proxy year of 67%. On a majority-vote basis, Franklin Templeton backed 67% of these resolutions in each of the last three proxy years.

#### Exhibit 58 Franklin Templeton: Voting Record for Shareholder Resolutions on Climate-Related Lobbying

	2020 to 2022	2020	2021	2022
<b>Individual fund voting decisions</b>				
For	69	12	22	35
Against	52	14	21	17
Abstain	0	0	0	0
<b>Total</b>	<b>121</b>	<b>26</b>	<b>43</b>	<b>52</b>
<b>For % (overall support)</b>				
Against %	43%	54%	49%	33%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total number of resolutions</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
<b>Majority voting decisions</b>				
For	8	2	4	2
Against	4	1	2	1
Even split	0	0	0	0
Abstain	0	0	0	0
<b>Number of resolutions voted</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>3</b>
% of total number of resolutions	100%	100%	100%	100%
For %	67%	67%	67%	67%
Against %	33%	33%	33%	33%
Even split %	0%	0%	0%	0%
Abstain %	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.

Franklin Templeton's majority voting decisions for the 12 shareholder resolutions on climate-related lobbying are shown below, alongside the voting results for each resolution.

**Exhibit 59** Franklin Templeton: Voting Results for Shareholder Resolutions on Climate-Related Lobbying

Company Name	Date of Meeting	Proposal	Support for Proposal	Adjusted Support for Proposal	Franklin Templeton: Majority Vote Decision
United Airlines Holdings Inc	May 20, 2020	Report on Climate-Related Lobbying	31%	36%	For, 100%
Chevron Corp	May 27, 2020	Report on Climate-Related Lobbying	53%	54%	Against, 74%
Delta Air Lines Inc	June 18, 2020	Report on Climate-Related Lobbying	46%	47%	For, 100%
Phillips 66	May 12, 2021	Report on Climate-Related Lobbying	62%	63%	For, 100%
Norfolk Southern Corp	May 13, 2021	Report on Alignment of Lobbying with Paris Agreement	76%	77%	Against, 86%
Sempra Energy	May 14, 2021	Report on Alignment of Lobbying with Paris Agreement	37%	38%	For, 71%
United Airlines Holdings Inc	May 26, 2021	Report on Climate-Related Lobbying	65%	66%	For, 100%
Exxon Mobil Corp	May 26, 2021	Report on Climate-Related Lobbying	64%	64%	Against, 69%
Delta Air Lines Inc	June 17, 2021	Report on Climate-Related Lobbying	63%	64%	For, 100%
Honeywell International Inc	April 25, 2022	Report on Climate-Related Lobbying	40%	40%	For, 65%
United Parcel Service Inc	May 5, 2022	Report on Alignment of Lobbying with Paris Agreement	33%	33%	Against, 65%
Alphabet Inc	June 1, 2022	Report on Climate-Related Lobbying	19%	56%	For, 100%

Source: Morningstar Proxy-Voting Database. Data as of Feb. 20, 2023, showing proxy years ended June 30.



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