



The Role of Financial Activism in Shaping Our World.

#LetThemEatCereal

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What is financial activism?

Types of Financial Activism

- Shareholder activism
- Impact investing
- Divestment campaigns
- Consumer boycott campaigns

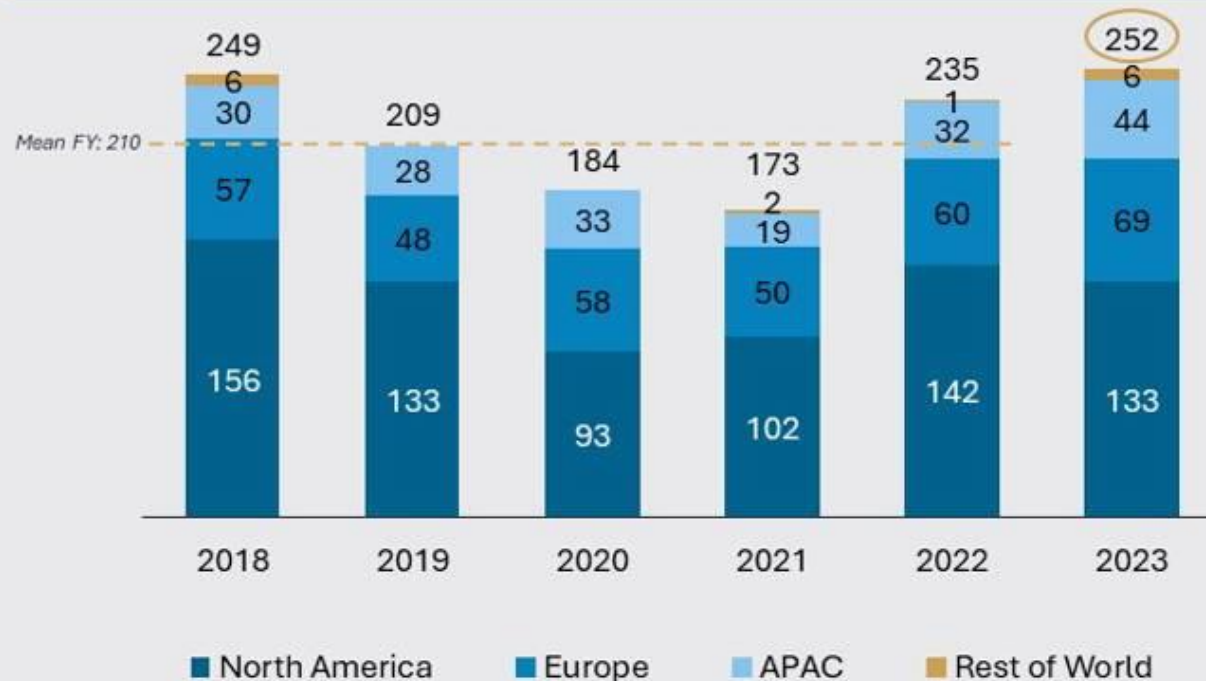


Shareholder activism

Global Campaign Activity

Annual Activity

- 2023 global activity was up versus last year and reached a record high
- Europe and APAC were the largest contributors to the spike in activity, with each experiencing record numbers of new campaigns



Source: FactSet, press reports and public filings as of 12/31/2023.

Note: All data is for campaigns conducted globally by activists at companies with market capitalizations greater than \$500 million at time of campaign announcement; companies spun off as part of campaign process counted separately.



Examples of Shareholder Activism for good

- Engine No.1: 2017 Exxon Cleaner energy with only 0.02% ownership
- Arjuna Capital and Sisters of St. Francis of Philadelphia: 2016 Microsoft Gender gap and diversity issues
- Third Point: Nestl Reduction environment footprint
- Humane Society of US: 2012 McDonald Animal Cruelty

Impact investing

- ESG – Investing based on Environmental, Social, and Governance principles
- Socially responsible Investing (SRI): focus on social values
- Faith Driven Mutual Funds
 - Jewish
 - Christian
 - Islamic





Divestment campaigns

- Fossil Fuel Divestment Campaigns
- Weapons Manufacturer Divestment Campaigns
- Prison Industrial Complex Divestment Campaigns
- Anti-apartheid Divestment Campaigns

Consumer boycott campaigns

- Social

- South African Boycott 1980s
- BDS Movement
- NRA linked boycotts
- Grab Your Wallet Campaign
- Amazon Boycott
- Black Lives Matter Campaign

- Animal Cruelty

- World Animal Protection and Klook (global travel company)
- Peta and Air France
- Peta and House of Fraser





Impact of Financial Activism

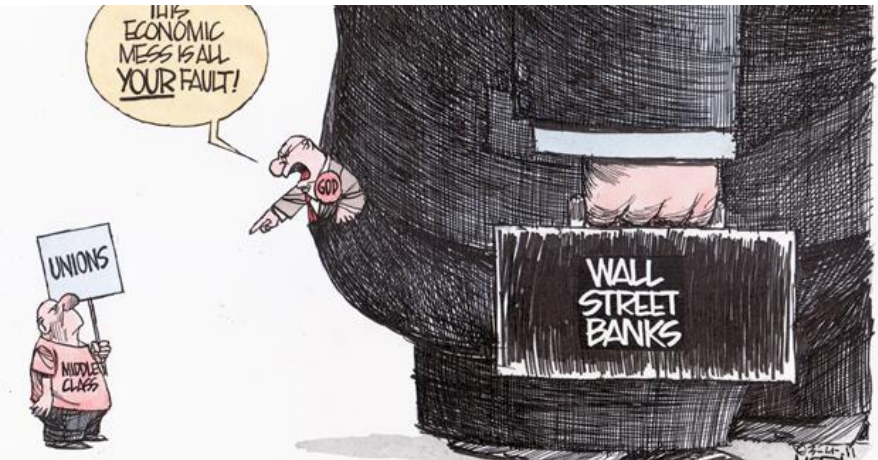
- Economic impact: how financial activism influences corporate behavior and market dynamics
- Social impact: improving labor practices, promoting diversity and inclusion, supporting human rights
- Environmental impact: addressing climate change, promoting sustainable practices



Why is it crucial to be financially active especially now



Why you should be a financial activist!



- Climate change
- Greed-driven inflation
- Monopolies
- Corporate and PAC money in politics
- Concentration of wealth



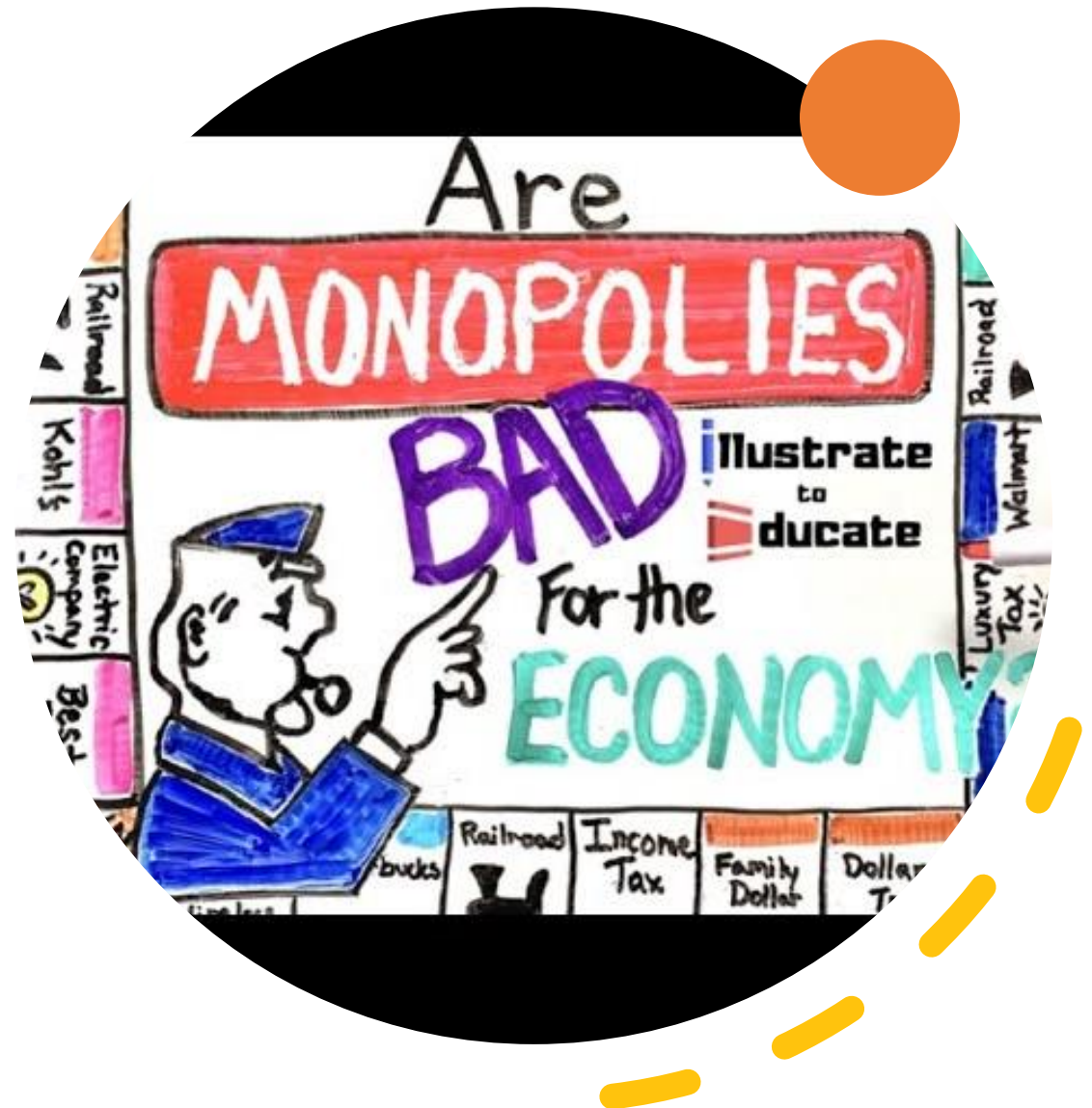
Corporate Greed

- Effective Inflation Control Requires Supply-Side Policy: Marc Jarsulic, Chief Economist at American Progress
- Why are prices still so high? Corporate greed, some say.: Tami Luhby, CNN



Monopolies

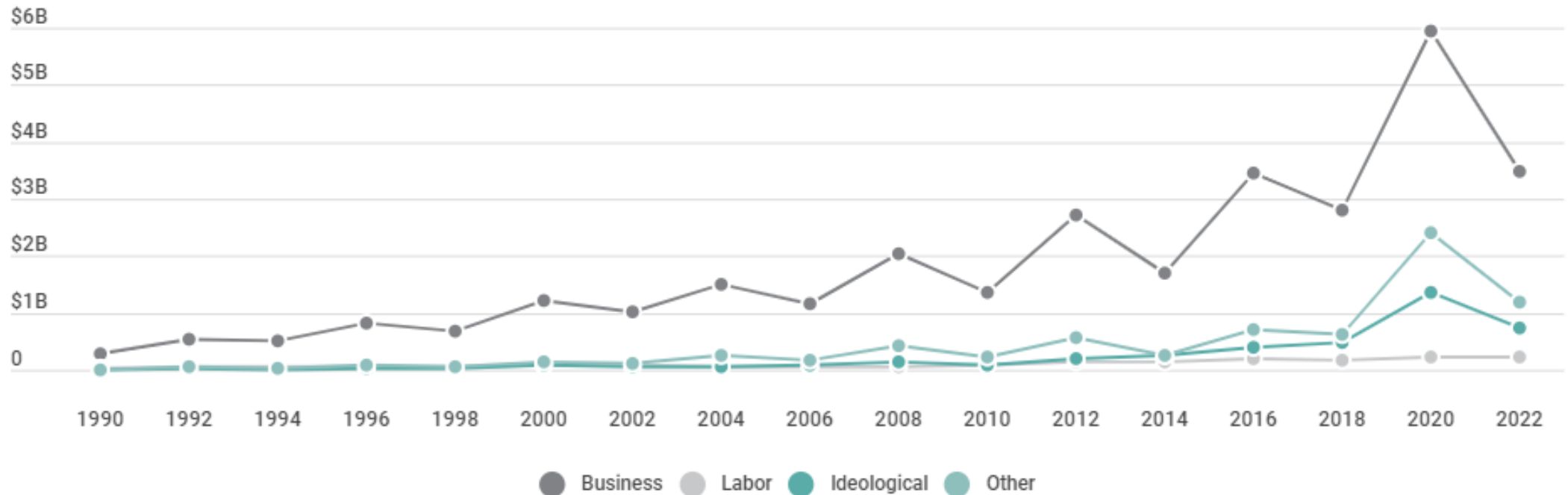
- Food Production: 60-80% control by 4 firms
- Housing
 - Concentration in builders' market
 - Institutional buyers: 24% of all single-family homes in 2021
- Healthcare
 - One-third is owned by 40 largest health systems



Corporate money in politics

Business interests spent \$3.5 billion on federal political contributions during the 2022 cycle

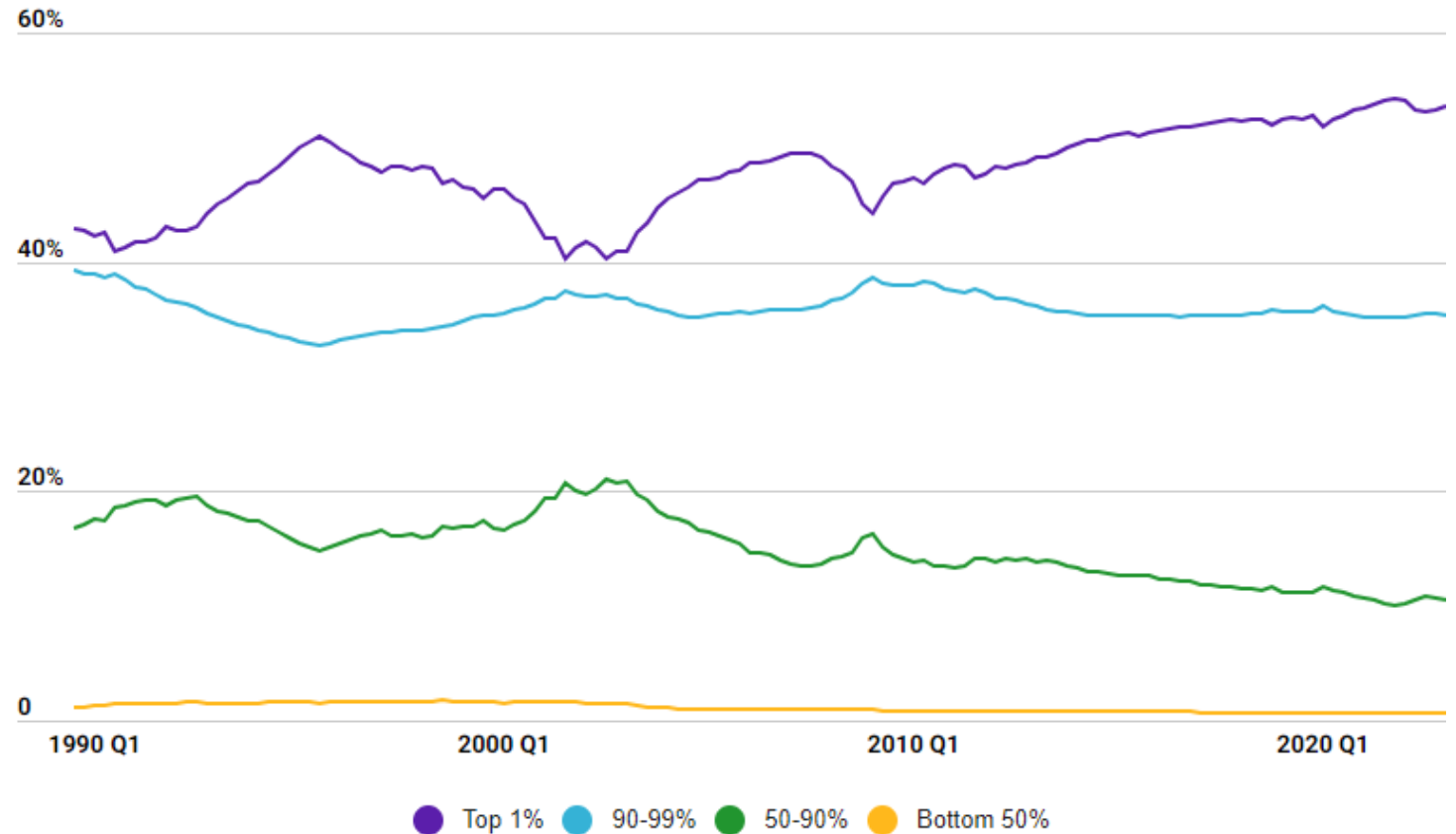
Business interests outspent organized labor 14-to-1 during the 2022 election cycle, including \$341.3 million in federal contributions by business PACs.



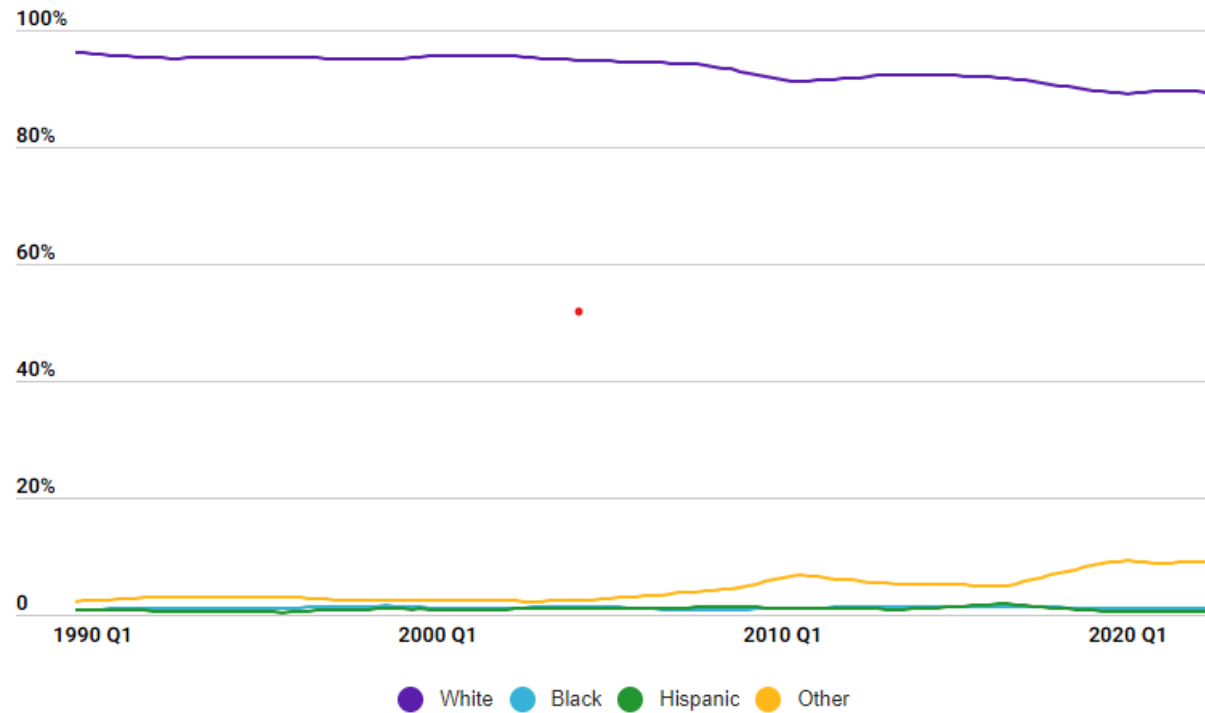
Source: OpenSecrets analysis of post-general federal campaign finance disclosures filed with the Federal Election Commission. Previous cycles not adjusted for inflation.

Wealth Concentration

- 90% of the market is owned by the top 10%
- 10.5% is owned by 50%-90% wealth bracket
- 0.6% is owned by bottom 50%



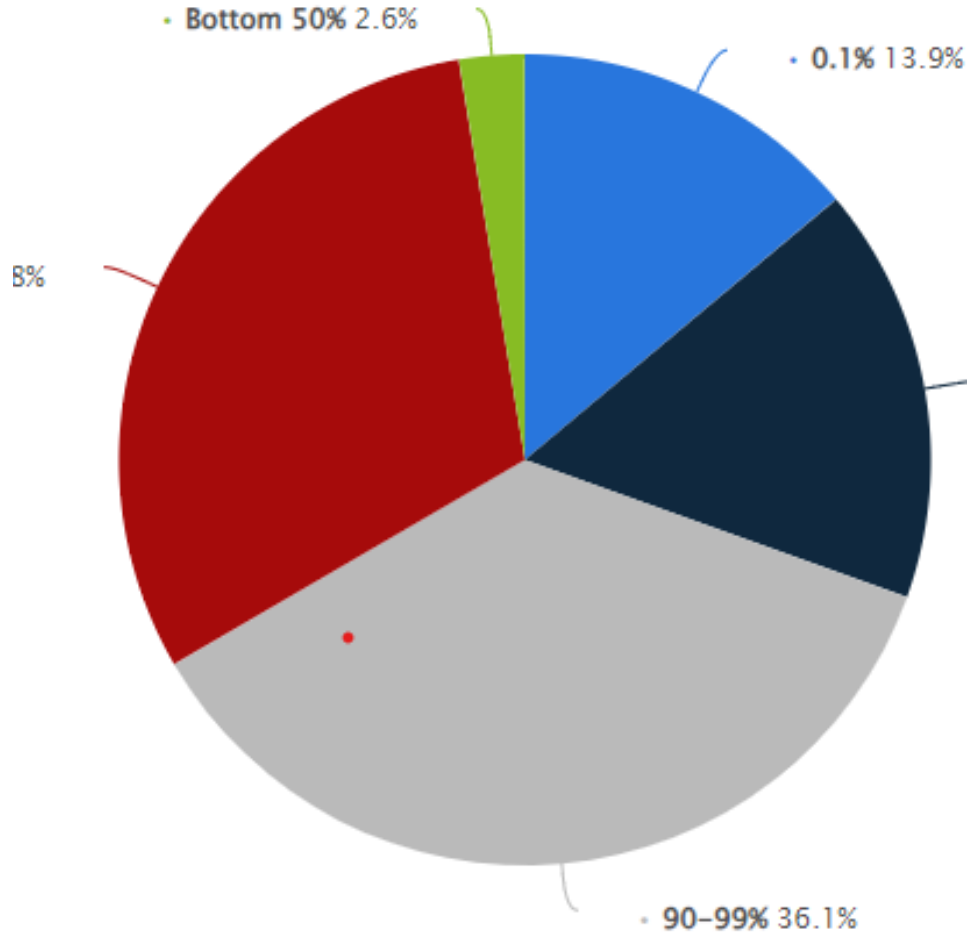
By Race



- 90% white
- 1.1% Black
- 0.5% Hispanic
- 9.4% Other

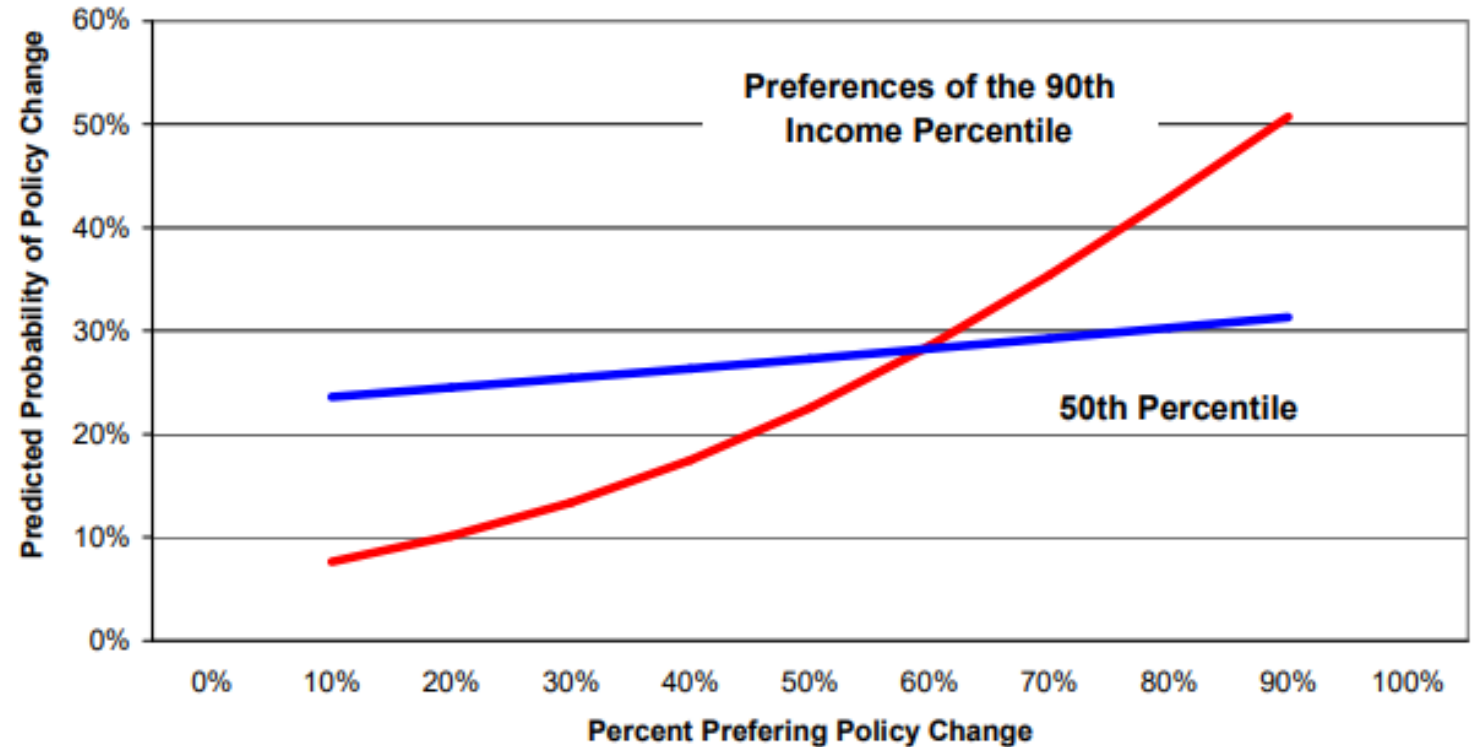
Wealth distribution in the United States in the third quarter of 2023

- Top 10%: 66.6%
- 50-90%: 30.8%
- Bottom 50%: 2.6%



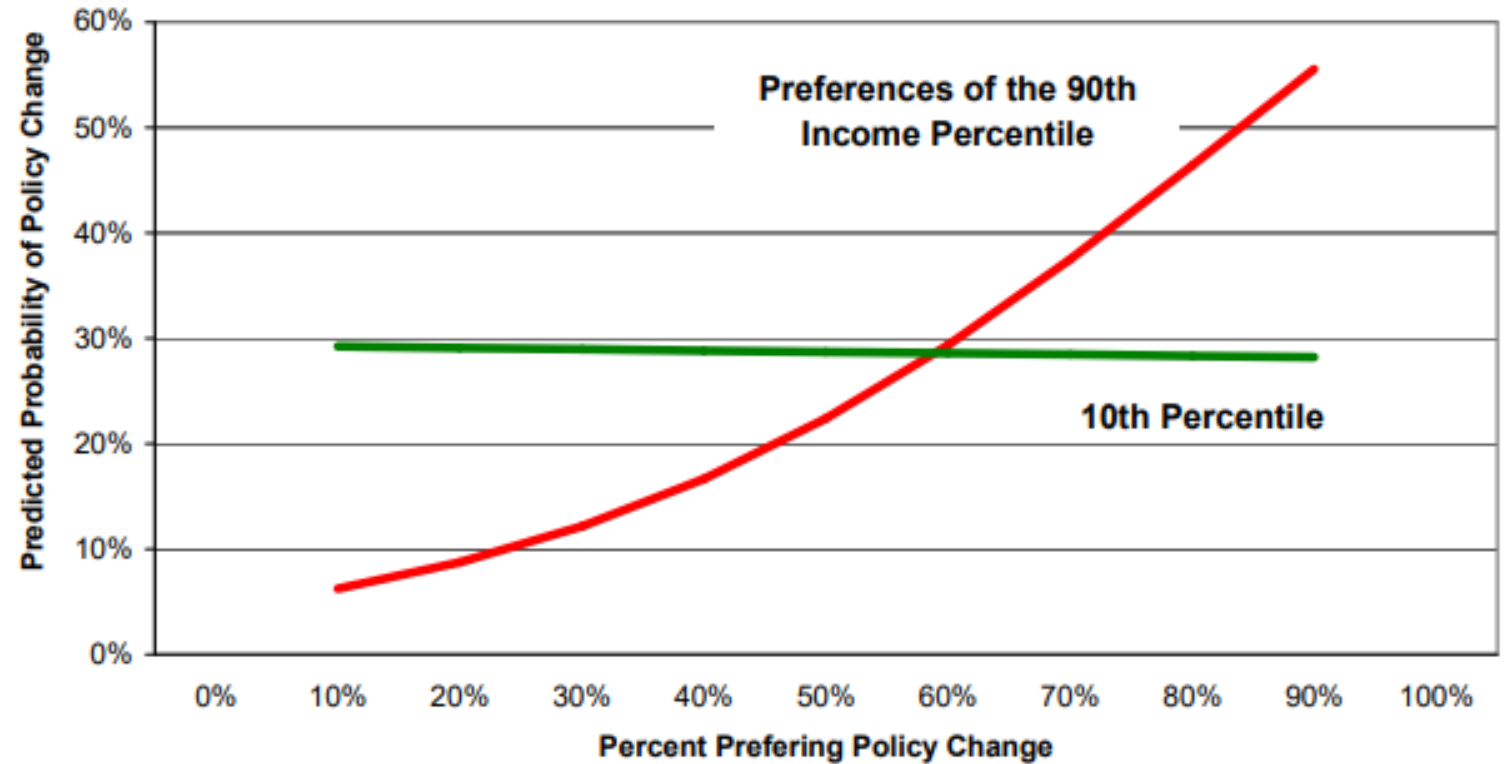
Disparity
between
policy and
public opinion
Rich vs. Poor

Figure 5. Policy Questions on which respondents at the 50th and 90th Income Percentiles Disagree



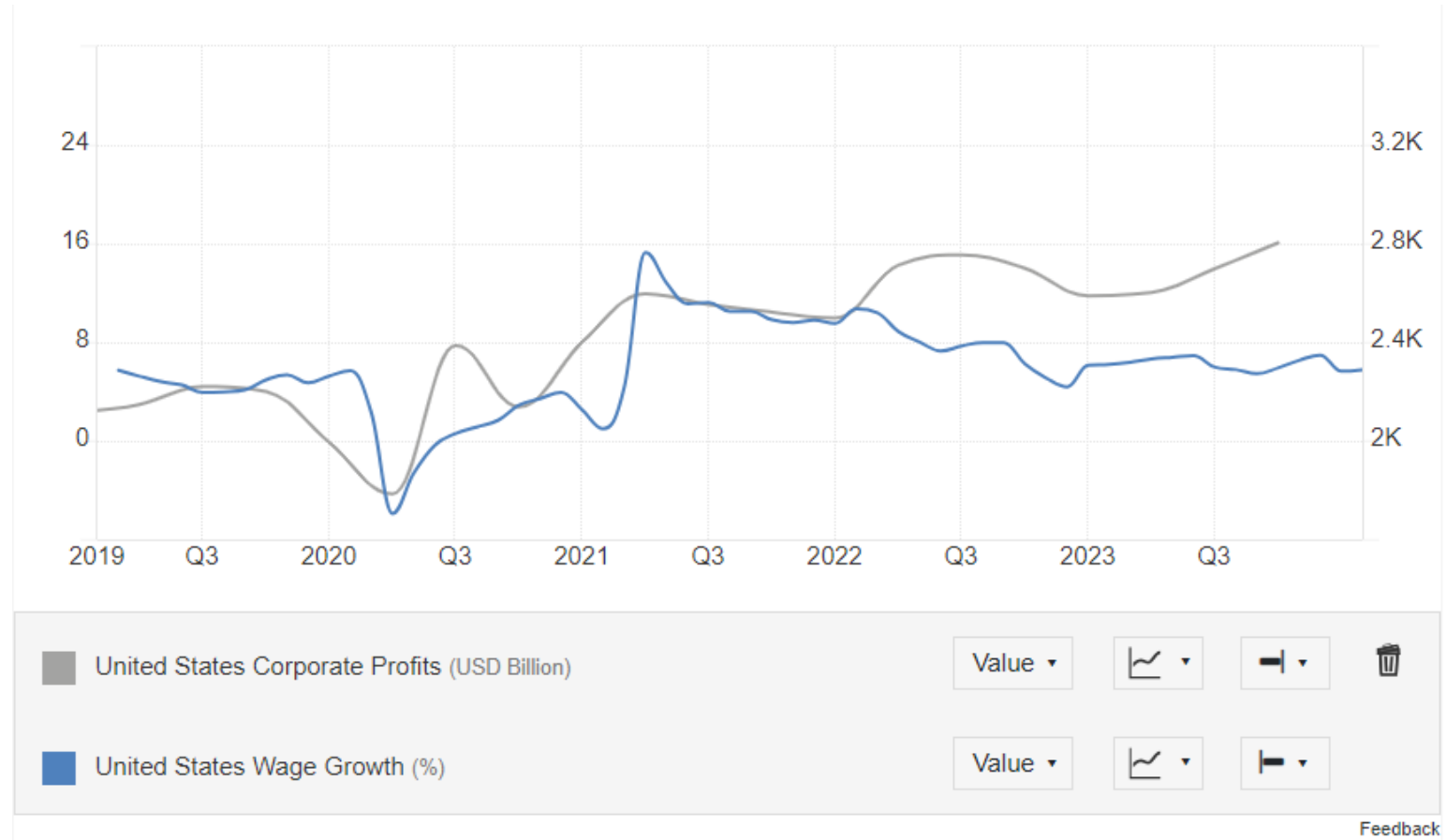
Disparity
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Figure 4. Policy Questions on which respondents at the 10th and 90th Income Percentiles Disagree



Power + Wealth Inequity = Disturbance in the force

- Imbalance in pricing power
- Employee rights
- Quality control
- Kills innovation






Shareholder activism

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What questions
do you have??