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Corporate Political Responsibility Taskforce

Expert Dialogue with Zinner & Keenan

Zinner & Keenan - Module #3

Elizabeth Doty: [00:00:00] Thank you and welcome. My name is Elizabeth Doty, and I'm the director of the Erb Institute's Corporate Political Responsibility Task Force, and I'm delighted to be moderating today's conversation with Josh Zinner and John Keenan.

The Corporate Political Responsibility Task Force, or CPRT, is an initiative of the Erb Institute. A 25 year long partnership between the Ross School of Business and the School for Environment and Sustainability at the University of Michigan. Led by Managing Director Terry Nelodov and Faculty Director Tom Lyon, the Erb Institute is known for its leadership in three areas.

Teaching and Learning. Business engagement with groups like the C. P. R. T. and scholarly and applied research. The C. P. R. T. 's mission is to help companies better align their approach to political influence with their [00:01:00] commitments to purpose and values, sustainability and stakeholders. As we're seeing corporate political responsibility is an increasingly pivotal element in managing stakeholder trust, addressing systemic issues and rebuilding public trust in institutions.

I can't think of Two people I would rather be in conversation about this. First, let me introduce Josh Zinner, who's the CEO of the Interfaith Council for Corporate Responsibility, which is a coalition of 300 global institutional investors currently representing more than 4 trillion in managed assets.

Josh is a graduate of the University of Michigan Law School, for which we're grateful and we know what the quality is there and has been a public interest lawyer for a long time, focused on corporate accountability in the financial sector in particular. So really relevant today as we talk about investors and worker investors.

And welcome Josh we'll get into the questions in a moment, but I just want to say thank you so much [00:02:00] for making time for this.

Josh Zinner: Thanks, a pleasure to be here.

Elizabeth Doty: John Keenan is a corporate governance analyst with the American Federation of State, County, and Municipal Employees. It's the largest union in the AFL CIO, and it represents some workers I hadn't thought of before.

It's state and local government, health care, and child care workers. Previously, John served on the board of the Council of Institutional Investors, and was a proxy voting analyst, which is a critical role in our current system looking at shareholder resolutions with institutional shareholder services, really bringing depth around how this process works and the long chain between asset owners, investment managers.

Voting boards, management and government, you know, and corporate behavior. So a big system here for us to go into and John just want to say welcome. And so glad you can make time today. Really appreciate it.

John Keenan: Yeah. Thank you for having this dialogue and glad to be here.[00:03:00]

Elizabeth Doty: I'm going to ask you, Josh, if you could take the perspective of a senior leader, C suite, government affairs officer, sustainability. Officers, we're seeing more companies actually having those functions talk to each other. And, and also I think to what John said earlier about having companies listen or hear what's behind shareholder activity.

I wonder what you would invite people in those roles to to see a fresh to dig beneath the surface impressions reconsider. Look at differently, something like that. I have heard folks from ICCR use, put a lot of emphasis on testing assumptions. So maybe you could come at it from that way. What would you invite those officers, those roles to, to test assumptions on and look at differently?

Josh Zinner: Yeah, I'll throw a few out there. That could also be a long topic, but just to get us started. I mean, it's really fundamentally about, you know, a [00:04:00] commitment to long term thinking and that can be around executive compensation incentives, investing in workers as opposed to share buybacks engaging meaningfully with with stakeholders.

In a, in a real well way to better understand how company practices impact stakeholders, you know, one framework. I think that's really important here is under the UN guiding principles on business and human rights. There's a corporate responsibility to respect human rights and a process. There is human rights due diligence where companies have a responsibility to engage with stakeholders and understand what the most salient human rights impacts are in their process.

Operations and supply chains and then to address and remediate those. And so that's a really, really important process for taking account for accountability for impacts on people in communities opposed to just trying to do PR around human rights and [00:05:00] looking out for the bottom line. So that's that's really taking accountability for actual impacts on people in communities is an important piece and human rights due diligence incorporating that into it.

Core corporate governance is is vital there and around corporate political responsibility. I know you and herb center working on a set of principles Elizabeth around this and and that's really, really critical. Companies really need to commit to aligning and john was talking about this earlier, aligning their corporate political engagement that's their lobbying and their political spending with with what their core corporate values are.

The Center for Political Accountability has a model code of conduct that helps companies to, you know, companies that commit to really put alignment of political spending into their governance, into board oversight, and into C suite oversight, and really into the core way that the companies operating.

And to John's point, it's not just [00:06:00] Doing no harm in lobbying. It's also an expectation that companies are actually going to take a leadership position and lobby responsibly in, you know, and maybe that's a pipe dream. You know, we have a whole campaign on climate lobbying where we're really pushing companies to do that and trying to make the case to companies that it's in the company's best interest to do so, but for companies actually to look at how they could have a positive role in their corporate political engagement, I mean, guardrails around this.

And so companies need to. Really be part of the solution in terms of regulation and policy and to really look at in their corporate political engagement to understand and really be concerned about the systemic risks there, the way that they're that cynical corporate political engagement feed cynicism about democracy.

Erodes faith and institutions and, and none of that is good for, for companies let alone, you know, erosion of democracy and voter suppression, all of that, and none of that is good for a company. So, [00:07:00] in, in some really for companies to take seriously their role in, in responsible political engagement.

And one last thing I'll say on political spending, I, I just, I like to put the question to companies. You know, John made the point earlier that, you know, companies have a right to lobby, but it's a question of lobbying responsibly with political spending is I, you know, I think it's important for companies to ask themselves whether they should be spending on elections at all.

What advantage does that have for the company versus the enormous risks? Both for that company in terms of reputation, but also for society. And so I think that's also a really critical question for companies to be asking themselves. Maybe I'll stop there because that's a mouthful.

Elizabeth Doty: No, that's great. And I think all of these circle around that larger sense of responsibility or as Billy said earlier, prudent, being prudent, looking at your shared interests over the longer term.

All right, great. So now john thank you for holding on [00:08:00] that. Let me turn it to you. And what you would invite. Companies to think about, particularly from the employee perspective. And I'd like to ask you, how are employees thinking about corporate political influence, including on these rules of the game issues?

Not, not just the societal, cultural issues.

John Keenan: Yeah, I think from the employee side I don't think employees want to tell companies exactly what to do, but I think all polls, surveys things show that employees care about a company's values and they want a company's values to align and match with theirs.

So yeah, just a recent study, 70 percent of employees find sustainability employed. Programs make employers more appealing. 80 percent want to help their company reach climate goals. So employees care about these things. My is the younger generation just more in tune? Perhaps so. And when workers feel burned out, then there's a negative effect and they don't want to be there.[00:09:00]

Yeah. And two out of five. Gen Z and millennials have rejected a job assignment because it did not align with their values. So companies need to be watching this because what what's their most important asset money, or is the people who work for them, they will say it's the people who work for them, but then how they treat those employees is a good sign for investors.

Some examples on how, how does. plays out. Just look at Walt Disney and, and the Florida situation. And we keep talking about the anti ESG stuff, but what, what you kind of saw there, what I would argue is a, a manufactured attack upon a company. And the company was put under pressure after the state enacted a law that, that goes after education and LGBTQ awareness for children.

And Disney's employees, especially those who were members of the LGBTQ community, felt abandoned when the company did not take a position on this. So then the company took a

[00:10:00] position, and they had employees walking out, so it caused a real employee morale problem. But then for, for weighing in on, on this issue of basic human rights the company was attacked, and it just led to this oh, you know, like Yeah, you can go after companies and be successful over this woke argument.

And I, I'd argue whether or not we'll see whether that's successful down the road, who knows. Same thing with abortion. You have something that had been settled, law has been overturned and you know, a majority of employees and, and. Population say this is a healthcare right for women and want companies to support this.

And yet, you know, the laws and the way companies have supported politicians is kind of blown up in their face a little bit. Voting rights. Companies in a lot of cases at least said the right thing and they got on board and said, Hey, this is wrong. We oppose this. There are some attacks there, but one of the themes and some of [00:11:00] the questions that people have been asking is, is this a bunch of BS, you know, greenwashing, and I think employees can actually see that.

So then this kind of gets at this, the whole. Point of our panel, which is corporate political responsibility and, you know, do your values and your actions align? And I think people can see through when a company is like, Hey, yeah, we're for all these things. And then, you know, bust the union and, and, and stops workers from having the right to organize or on climate issue.

And then they don't support build back better. There there's all these. Areas where the rubber meets the road. So I think that's very important for for companies and boards to be aware of that they are coming at these things in a good faith way and in a way that doesn't lead to cynicism and kind of the negative.

effect there. And some companies are doing this very well in terms of living their values, treating workers well. And I think you see that there's [00:12:00] good long term sustainability there. So you would hope that investors would encourage more of that. But from the employee standpoint, I think it is a key issue.

And that companies need, I mean, it's with the new way of like the new workforce, like if a company is not offering employees, like the ability to work from home and stuff, they're going to have a problem. If they're doing something that offends their employees, they're going to have problems hiring new people.

If they're firing people all the time. Well, then you have to have that. Yeah, far bigger problems. But so yeah, long winded way of saying it's all tied together. But this gets gets that corporate political responsibility and why companies need to be aware of this and figuring out ways to actually make sure that they're Their actions match their principles and their words.

Elizabeth Doty: Yeah, thank you very much. And I'm reminded from my prior life in corporate strategy alignment work. There are so much evidence that engaged, committed employees drive every other business [00:13:00] metric, right? It's the It's the non economic metric that is the engine for economic performance in addition to customer retention and and and net promoter or or support for a brand.

So there's a very real argument here and I think your, your point about companies really taking it seriously makes sense. And that question of what do you do when some employees want to go one way and other employees want to go another way? I think I throw that back to you. I mean, many of the companies we're talking with this whole topic of CPR forces them to deal with competing priorities, competing interests, competing pressures, short term, long term employees in red states, customers in blue states, vice versa.

Do you have a sense on that? Where maybe it's not so obvious and they're facing a Differing views or expectations from different stakeholders. I

John Keenan: just think that I'm I'm not sure I have a great example but I think it just points to the need to come at this from a methodical [00:14:00] rational approach, rather than knee jerk responsive and that there needs to be.

Yeah, I thinking on this and oversight, rather than just reactions and the reactions can wind up leading to bad outcomes. So, having having something that that is Also articulated is important and that way you articulate what gets seen what's gets, you know, hey, we have these goals, then it's easier to meet them rather than something that that's just nebulous and not defined.

Elizabeth Doty: I think that makes a lot of sense and they say in depolarizing especially on local level this is working is that giving reasons. Having a principled approach and giving reasons is one way to show respect even across difference. So we believe in that because that's one reason we're working on principles.

Doing a values based argument in reaction to stakeholder outrage is not as credible, right? It, it, it feeds into the idea that it's insincere. Adam, now can I turn [00:15:00] it to you to share what you're seeing in the group?

Adam: A lot of people are voicing reasons why it's difficult for companies to make some moves in this space.

One that we had come in that I thought was particularly interesting that might push us a little further where we were in our last bit of the conversation is you brought Disney and some of these issues where you might have a group of employees split on an issue as an investor, you're looking at this company and it's, it's a multi sided issue, but Somebody asked Pretty striking question about what do you do about just rampant irresponsibility?

Some of these industries that have come up multiple times over this conversation fossil fuel industries or some of these trade associations that are, are lobbying the interests of some of these industries that don't really have A lot of good to say for themselves, whether it's as an investor or you know, as an employer in this industry where these there's a changing mindset of by employees.

They don't want to work for these companies that have all of these negative externalities. What [00:16:00] what is there to do about these industries?

John Keenan: I think you make some examples. You have first energy. You might wind up having some executives going to jail and you had the Speaker of the House in Ohio from an investor standpoint when some of these things blow up.

I view them as a lack of proper risk oversight, perhaps a vote no committee against the public policy. And responsibility committee that's in charge of the oversight of the spending where there's undisclosed spending of a large magnitude that's done through a third party again, perhaps the the no vote action.

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But yeah, it's up to, I'm not sure what the exact right answer is, but in a lot of cases the reputational damage is very bad and it's bad for shareholders. So those are those quick ideas.

Josh Zinner: Yeah, I mean, I would I think john covered it. I mean, investors need to be involved and engaged. There's, you know, proxy voting is really, really critical on a lot of these issues.

The [00:17:00] case needs to be made to companies that there is a broad investor concern about externalities as we've talked about. That's not an easy thing to do. And this engagement on corporate political responsibility is really central because at the end of the day that What allows these companies to be irresponsible is a, you know, a lack of a strong regulatory structure as well as too many investors giving them a pass.

And so both of those need to change. But, you know, very simply, investors need to be really engaged with companies, particularly in these. Problematic sectors, but, you know, across, across all sectors and really pushing them consistently on their, on their corporate political engagement on climate risk on worker issues across the board.

Elizabeth Doty: It's very interesting. And to the point that Adam made about it being difficult for companies to switch, and it's harder if you're dug in right to do the to do the shift we're talking, we're hearing a lot about potential retaliation or retribution for companies [00:18:00] that shift their political influences. So, it makes me wonder if there's maybe more of a unified, not just single company examples but more of a unified push towards norms of political responsibility or not objecting to basic Disclosure or oversight requirements.

Because there is, there's a going first or going early risk for companies and they take it individually. Jim McRitchie, let's

Jim: in addition to vote no campaigns. Now with universal proxy, we have another option and that is to run candidates and at a company like say Facebook, which I'm suing it's, Incredibly easier now.

You can't win, you know, if you run a candidate, but you have to, you have to the basic, one of the basic requirements is you have to solicit 67 percent of the voting power of the company. So at Facebook, you have to solicit Mark Zuckerberg, [00:19:00] you know, it's not a whole lot of money involved in filing for shareholder candidates at Facebook, for example, and you and a face and a candidate running at Facebook could raise issues like.

You know, you are destroying the world at the same time that Mark Zuckerberg is enriching himself through these algorithms that, you know, have all these bad impacts. So and you don't just have to be a one campaign, you know, one issue campaigner. You can line up a number of campaign, you know, number of issues and run as a candidate.

You know, there could be a thousand candidates filed at Facebook eventually, but I don't know what they'll get. do about that eventually, but it is incredibly easy. I, I went through my list of companies. I have about 250 companies, I guess, that I'm invested in and 100, 100 of them, you can reach [00:20:00] 67 percent by only filing at institutional investment with institutional investors.

Now, I mean, so, you know, oftentimes You'll get to 50, 20, 20 to 50 you might be able to get there, of course, and money, most of those you won't get anywhere because the institutions of BlackRock and State Street and all that, but anyway, I, I think the, the place we're going to really see this happen is that those class dual class share companies and, you know, that's where it's going to happen.

Elizabeth Doty: Thank you very much. And I think this is an area people aren't aren't paying as much attention to. I have a question for all of you. Scott, I'll come over to you in just a second. Where is the investor voice in this? Why isn't it loud and widespread and frequently raised with this, you know, the credibility of the risks that you all described that do have that effect on the the ultimate beneficiaries and that and the responsibility.

[00:21:00] whY, why isn't this just clearly an investor interest concern.

Josh Zinner: What, what aspect we've talked about so many aspects.

Elizabeth Doty: Do you mean, well, well I'm, I'm thinking you're going to get to the asset owner versus investment manager problem. Because, in, in aggregate the financial system and the owners of these.

Companies have these long term risks looming. Why aren't they enforcing those interests in this system of agency and principles. Where's the breakdown. I

John Keenan: think, you know, yeah, one you hit it on the head where, you know, asset owners versus asset managers Two, I think it's an evolving process. You, you see, I I've watched governance issues come up and at first they're, they're considered, you know, people say, Oh, that's a bad idea.

And then they say, Oh, well, okay. That makes some sense, but we're not going to vote for it. And then next thing you know, they vote for it and it takes like 10 years. Like, so it's like watching a tree grow you know, lobbying disclosure, like, [00:22:00] you know, we started this in 2011 and it's. You know, start off, maybe got 20%.

Now we're getting 40%. Companies are actually doing this. There's a petition at the SEC, and it actually, surprise, surprise, has been lobbied and regulated against. And the Congress has put a rider in banishing, banning the SEC from even thinking about working on a rule. They can't spend a penny on it.

Around political spending disclosure and the actions and the reaction. So you see the, the, the, the fierce pushback against this, then you see how like important a thing that it there is but yeah, the, there's, there's not a homogenous set of investors on that. That's one issue, but I do think that ultimately the, the arc leads towards greater disclosure.

It just takes a second to get there.

Josh Zinner: Thank you. Yeah, I mean, I think that sums it up. Well, I, yeah, I mean, there's a lot of work needs to be done. I see a lot of mobilization by asset owners to really push the [00:23:00] big asset managers because they have, there's such a concentration of. A voting power there and you know, broader power to really push these, these companies and and so there's a lot of work that needs to be done there in terms of making them accountable.

And I would say there's really you know, one big concern of this anti ESG pushes, you know, a main goal is to kind of is to chill progress by. The big asset managers and banks and companies on climate on DEI on these other issues and it's it's starting to work. We just saw Vanguard leave the net zero asset manager alliance.

So there, there's some concern there, but there, you know, that that's, that's the bad news. The good news is that there's more and more. Investor support for the types of issues that I C C R and ask me and others have been raising with companies for years. You know, record

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number of majority votes and, you know, and and the average vote of I C C R resolutions over 32%.

So Investors are taking note [00:24:00] of the importance of these issues. And so there's, you know, despite all of the pushback and the political pushback from the chamber and the National Association of Manufacturers and their political allies, there's, there's, there's progress here. And so that's, that's the good news, but a challenging environment going forward.

Elizabeth Doty: It's interesting. It sounds like a diffusion of expertise, information, awareness. This is a perfect question for you. And Scott, I know you were coming in on your own question, but I think you also could speak to the asset owner asset manager and recognition of the Systemic interest. So come on in with what you were going to say, but add anything else you want to that last topic too.

Scott: Well, that's very kind of you. Thank you. Really great to hear the views of John and Josh. And for those folks that don't know, I, I, I spend a lot of time working with very large asset owners. And specifically on responsible investing and sustainability. I'm going to inject a note of optimism here, [00:25:00] maybe expands a little bit of what Josh was saying and so we don't just sort of decide to jump out the window.

I think what we're seeing on on the climate. Chainside, I think we're sort of seeing the last gasp from the fossil fuel industry, which is trying desperately to stop progress and spending as much money as they can in the political system on lobbying and everything, you know, and they're taking advantage of the Ukrainian war and, you know, everything else that's going on, supply chain shortages and so on.

You know, you were asking about what are investors doing? Investors are all over climate change. I can send you all sorts of data. They all understand it's a huge systemic risk that affects their portfolios. And the reason why you need ESG, ESG tools is they're the only tools in the toolkit that will help you to deal with systemic risks in your portfolio.

Your traditional financial tools are only good for dealing with idiosyncratic risks. So, you know, the adoption is continuing. [00:26:00] One of the things that does concern me is the normalization of in, in the US of. you know, anti democratic forces, you know, when the January 6th uprising occurred and there was all, it came out that, you know, all these legislators were involved in it.

You may remember that many companies came out and said, this is terrible. We're going to suspend donations to these legislators. We're going to suspend donations to anybody involved. And they pretty much resume them within the next three to six months. All those donations resumed. I wrote an article at that time saying, you know, to, to asset owners and had big meetings saying, you know, how to avoid funding treason.

You know, you don't want to, it's, it's not good for you to be funding companies involved in treason or sedition. It's a bad look and bad for your portfolio. But you know, what happens is it's now such kinds of [00:27:00] donations and corporate political spending to these extreme right wing elements just seems to be routine.

So I think that normalization of extremist Action is, is a, is a danger and I think we have to continue to call it out that it's just not okay to be funding any activities or, or, or come for companies in exchange for you know, favorable legislation to be funding legislators that are, you know, talking about overturning the government, anything, taking away fundamental rights.

And you know, threatening our democratic institutions. So we got it. You know, this can't become normal. I think we have to continue to highlight it and push back against it and make it make investors and companies aware. They need to look through what their donations are doing.

Elizabeth Doty: Thank you very much, Scott.

You say that so reasonably, but I think I just read the Pope at War. And they talk a [00:28:00] lot about the normalization and the immense pressure to expediency when there are anti democratic movements. Left, right. wherever they come from, that there's a there's a cost to pushing back and saying no. And I think now would be a great time for companies to establish the basis for saying no.

And it can be done neutrally. It can be done based on behavior and democratic principles and constitutional democracy. But my reaction to what you're saying is that the companies really need a baseline. One of the rules around avoiding pressure in other countries, they talk about for, you know, greasing palms is to have a policy to have something really clearly established where, you know, you will say no and have that backup.

The other thing I think for this group. To consider is what can we do jointly? And in strategy tactics to to help companies with the threat of retribution. I know individual companies right [00:29:00] now are concerned about changing their practices and policies and facing, you know, the disadvantages of being singled out.

So I'll throw that out not for an answer right now, but I think it's something that people can do to recognize those that hold strong do joint calls to action, you know, there might be things to do together. So it's not a company by company risk assessment. Daniel though, can I can I turn to you.

Daniel: Sure.

A couple. Observations. One is I think that a lot of what would be helpful would be if we help companies stiffen their spines about these, or if you want to put a different way recognize what's truly at stake. I think we spend a lot of time talking to things like the climate crisis and so on that they are at stake, but they're not as short term.

They're not as direct. And for some people, they're not as concrete feeling. [00:30:00] We can use some of the existing. Tools for this, for example, the comment about recruiting cook political report had a whole thing about recruiting and ethics and values and politics. I think it was like five years ago now. It was quite a while ago.

And also systemic risk. I mean, there are companies out there that rate the political stability of foreign nations as a business risk. Well, as it turns out, they're now turning those tools on America. And there's a real business risk of the kind that people have been talking about for decades in terms of Western democracies, not being full democracies anymore.

That's an existing tool that we can use in the toolkit to show people that there's a lot of risk. They don't see a lot of what we call submerged risk. You know, every contractor who gets a multi billion dollar contract to build part of the border wall but has no experience with building walls. [00:31:00] Takes business from a company that actually does have experience

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doing those things and is simply not properly politically favored every time the former campaign manager of the Senate majority leader in the U.

S. Senate says that companies that spent suspend advertising on Twitter will be called in front of the house in the next Congress to explain why they would do that. That's a risk to the company's ability to manage themselves, and so I think we we need to use the existing tools and that brings that's one of the ways we can get companies, I think, to kind of less likely to underestimate and therefore less likely to sit on the sidelines.

Less likely to free ride because it's if someone else is willing to take the bullet for you on climate Patagonia say or Unilever, then you can sit there keep your head down and think maybe somebody else will take care of this right but externalities are not the only thing that's [00:32:00] pretty old in this discussion free ridership is also really old.

And, and I think people underestimate how viable a strategy that is by orders of magnitude. And if we could help them to do that, to estimate that properly, they'd be more likely to, because I, I don't get the sense that people are, that I talked to and, and business people, which is not a random sample, obviously, are unaware of some of these systemic risks.

They're unaware of how bad they are. And yeah. It's not so much that they're unwilling to engage, but they're they're concerned. What we need, perhaps, is more corporate political courage. Not just to say this matters to us, but to be willing to stand up in a group. And that's difficult to having it be in a group is better.

And also getting people, giving people a sense that there's not some other alternative, [00:33:00] right? That, that really what's going on is not sustainable. And either you're for Western democracy with the way that markets, free markets have worked in the Western world, or you're not. And if you're not temporarily that'll work for you, but we see what happens in other countries when you are for the people in power until such time as you make one small divergence and then that's it.

Right. And I don't think that I don't think people understand. That sufficiently, and I think that's partly why there's less of the courage. I think it was two thirds of the January 6th public information has a running count. But last time I looked was a few months ago. Two thirds had resumed donations, but a third had not.

So we need more of that corporate political courage. And perhaps one of the things we can do is help to provide the basis for that.

Elizabeth Doty: Daniel, that is a wonderful note to end on. [00:34:00] And my invitation to all of you is our dream and our ambition with the launch of the herb principles in January is to invite people to create a touchstone for what responsibility would look like.

And then incremental asks. To put it into practice and some of the ones you all have talked about are the asks the model code of conduct from the CPA Zicklin Center the GRI 415. And what we need is framing the choice in the way you just described it Daniel, this is the choice actually in front of us.

And that's where courage gets activated. When you recognize what's really at stake and think about where you really stand. So, please stay in touch. Please help us as we get, get ready. Please help recognize the companies that do stand up. That's one of the things that can help. Also making coherent, coherent asks rather than over, overly incoherent, divergent asks.

Those are all things we can do.

There are a few [00:35:00] places you can go from here if you find this interesting. This is emblematic of the kind of conversations we're having with those internal company officers as well as investors. I just came from a conference with boards of directors, some of you at conferences, stakeholder groups, etc.

This conversation about how to tip the direction of this reinforcing cycle or catch 22 towards something that acknowledges long term. Prosperity and adverts risk. If you are in a company contact us, the email address is on the right about joining, we're just getting started for the year with company executives wrestling with these issues and drafting the rest of our framework, including actions and ways to think about policy positions and spending practices.

You can join us for upcoming dialogues. We'll have Malik Gedichew in January from PolicyLink working on corporate racial equity assessment and the political influence aspects of that. We have a resource list. We, if you sign up, we can get updates over time, especially [00:36:00] as we launch these principles. And lastly these are some ways you can continue to stay in touch with ICCR and AFSCME and their reports, shareholder resolutions, engagement strategies, data, et cetera.

And I turn to each of you and why don't I start with Josh and say one action you would invite. Very concrete, measurable action. You would invite a corporate executive to take in the near term to move towards this corporate political responsibility as you've as you've laid it out.

Josh Zinner: I think a really important one is is engaging with key stakeholders of the company and really understanding the impact that companies are having there.

Again, there's a framework for that through the UN guiding principles. That's a really critical place to start because it also gives a company More of an understanding of what the you know what what the broader risks are of those corporate externality so would start there. If I could add on, you know, we've talked a lot about the, you know, companies really bringing [00:37:00] corporate political engagement and and alignment under corporate governance and that's really critical.

Elizabeth Doty: Great. Yeah, thank you very much. We've actually found that doing that impact assessment helps you prioritize and decide where you're going to weigh in and where you won't and give a respectful reason john.

John Keenan: Yeah, I would yeah recommend that that companies and leaders, look to whether or not they're reporting by the global reporting initiative and to look at standard for 15 which is around public policies, and it actually requests and ask that companies which is reporting by GRI.

Report on their third party lobbying alignment and any alignments there. So it kind of is the basis that companies should be doing the lobbying alignment reports and to also ask whether or not they are already looking at this, because if you're not looking at it, you don't know. And something I always say is, you know, what, what gets disclosed gets managed and what gets measured gets [00:38:00] managed.

You know, look at that. If you don't know, then yeah, you are coming at this from a place where you need to grow and and know what's going on.

Elizabeth Doty: So great. Thank you very much. And you just listed the second of the three actions. We're inviting companies to take as we launch the principles. So GRI 415 is an interesting one.

It's relatively new. So I think it's worth. Inviting people to look at. Thank you so much, Josh and John. Truly, the beginning of a conversation, lots more to pick up, but really deep respect for your thoughtfulness and for walking through the logic of where you stand, what you're concerned about, and why you're taking these strategies.

Thank you, and thanks everyone else for joining the conversation and this whole topic.

Josh Zinner: Thanks, Elizabeth, and thanks to everyone. Great conversation.

John Keenan: Thank you for the introduction. Great to be here.[00:39:00]