Proxy Voting Guidelines
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Wespath Benefits and Investments (January 2023)

PREAMBLE

Wespath Benefits and Investments (Wespath) believes in investing in a sustainable and responsible manner and provides services (including recommendations and information) to its investment adviser subsidiary companies (Adviser Companies) to implement sustainable investment strategies, including proxy voting on behalf of the various investment funds made available through it and the Adviser Companies (collectively, the Wespath Funds)\(^1\). An important element of Wespath’s sustainable investment strategy includes seeking to improve company performance relating to material environmental, social and governance (ESG) issues and issues salient to Wespath’s Investment Beliefs and Sustainable Economy Framework. In implementing this strategy, Wespath will address public policy, engage companies, and vote proxies at Annual General Meetings (AGMs) for all U.S. and international stocks for which it holds voting rights.

In the absence of more direct engagement, proxy voting represents one of the most important tools available to influence a company’s governance and business practices. Wespath will cast votes in accordance with the guidelines approved by the Adviser Companies. Below are the proxy voting guidelines that, if approved by the Adviser Companies, Wespath will implement on their behalf. Wespath will annually update these guidelines and recommend them to the boards of directors of the Adviser Companies to be implemented for the Wespath Funds.

\(^1\) Wherever “Wespath” appears in these Proxy Voting Guidelines, Wespath is acting on behalf of the applicable Wespath Funds.
Proxy Voting Guidelines – Philosophy

Wespath endeavors to vote the Wespath Funds’ proxies in alignment with the financial interests of plan participants and clients and in alignment with the values of The United Methodist Church (UMC) as expressed in the Social Principles (¶160-166 of *The Book of Discipline of The United Methodist Church* 2016) and in *The Book of Resolutions of The United Methodist Church* 2016.\(^2\)

The Social Principles state:

“We claim all economic systems to be under the judgment of God no less than other facets of the created order. Therefore, we recognize the responsibility of governments to develop and implement sound fiscal and monetary policies that provide for the economic life of individuals and corporate entities and that ensure full employment and adequate incomes with a minimum of inflation. We believe private and public economic enterprises are responsible for the social costs of doing business, such as employment and environmental pollution, and that they should be held accountable for these costs. (¶163).

*Corporations are responsible not only to their stockholders, but also to other stakeholders: their workers, suppliers, vendors, customers, the communities in which they do business, and for the earth, which supports them. We support the public’s right to know what impact corporations have in these various arenas, so that people can make informed choices about which corporations to support. We applaud corporations that voluntarily comply with standards that promote human well-being and protect the environment. (¶163I).*”

As a long-term investor, achieving the investment objectives of those we serve requires a sustainable global economy, defined as one that promotes social cohesion, long-term prosperity for all and environmental health, resulting in inclusive financial markets, more resilient companies and greater financial security for our stakeholders. The intentional consideration and integration of available information affecting the value of investments, including environmental, social and governance (ESG) factors, enhances and improves risk-adjusted returns. As prudent fiduciaries, we integrate these global risks and opportunities into our active ownership policies, including these proxy guidelines.

Wespath’s proxy voting decisions promote internationally recognized corporate governance best practices. These include: board independence, performance-based executive compensation, robust audit and control practices, appropriate shareholder rights, transparent reporting and the consideration of ESG risks and opportunities in developing corporate strategy.

While Wespath expects companies adopt corporate governance best practices, we also recognize that good governance cannot be constrained by guidelines that suggest a “one size fits all” solution. We abide by the “comply-or-explain” principle, which encourages companies to either “comply” with specific good governance principles, or “explain” why they prefer to follow an alternative strategy. A company’s reasons for not complying “should set out the background, provide a clear rationale for the action the company is taking, and explain the impact that the action has had. Where a departure from a Provision is intended to be limited in time, the explanation should indicate when the company expects to conform to the Provision.”\(^3\)
Wespath retains the services of a proxy voting agent, who assists Wespath in the proxy voting process and helps to ensure that Wespath Fund votes are executed on time and in accordance with these guidelines. The proxy guidelines primarily focus on the U.S. equity market. Wespath will leverage the expertise of the proxy voting agent on corporate governance topics that differ significantly by geography. Wespath staff manually vote the ballots of the Wespath Funds’ holdings where they identified a strategic benefit to manual voting.

Staff also consult with the proxy voting agent on items where there is no clear guideline for a specific proxy issue. Wespath generally prefers to vote “for” or “against”, but may choose to “abstain” in certain circumstances: i) when insufficient information is available to cast an informed vote, or ii) where an abstention may tactically address a more nuanced position that may recognize specific concerns about a particular voting matter.

When shareholders resolutions are included in the proxy ballot, Wespath will use these proxy voting guidelines to inform our voting position. If a new shareholder resolution emerges that is not covered by these proxy voting guidelines, Wespath will vote on a case-by-case basis. Other aspects that we consider before casting the Wespath Funds’ vote on these proposals include:

- Materiality of the subject of the resolution: we assess if the issue is material for the company’s sector, the company’s track-record in addressing the issue, and how the resolution request could impact the competitiveness of the company and/or the overall performance of the Wespath Funds;
- Importance of the subject of the resolution: we determine if the issue is important to the company’s business and could affect its brand, reputation or sustainability performance;
- Merits of the resolution: we evaluate if the resolution request is pragmatic and feasible and if any prescriptive elements could negatively impact the company’s policies and operations;
- Analysis of how the resolution aligns with Wespath’s goal of supporting the transition to a sustainable global economy, which Wespath believes will result in inclusive financial markets, more resilient companies and greater financial security for participants and investors.

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2 Other supporting denominational statements from *The Book of Discipline and The Book of Resolutions* are located at the end of this document.

(G) Governance

(G 1) Board of Directors
Wespath believes that an effective Board is extremely important in ensuring a well-managed company. Key aspects of an effective Board include:

- Independence to avoid conflicts of interest
- Diversity to attract candidates from the widest pool of relevant talent
- Balance between executive and non-executive directors to ensure genuine debate
- Annual election of directors to provide accountability to shareholders
- Active and independent Audit, Compensation and Nominating Committees

<table>
<thead>
<tr>
<th>G 1.1</th>
<th>Board of Directors - Annual election of board members</th>
<th>Wespath supports the annual election of all board members. We believe that board members are subject to greater accountability to shareholders when elected on an annual basis.</th>
</tr>
</thead>
<tbody>
<tr>
<td>G 1.2</td>
<td>Board of Directors - Separation of Chairperson and CEO</td>
<td>Wespath believes that shareholders’ interests are best served when the board of directors is led by a non-executive Chairperson. Wespath supports separating the position of Chief Executive Officer (CEO) from the Chairperson of the board to ensure a greater measure of board independence, to improve the board’s oversight role and to allow powers to be more effectively balanced between board and management. In cases where the CEO also serves as the Chairperson, Wespath supports the appointment of an Independent Lead Director and may vote against a Chairperson on the Nominating or Governance Committees or members of these committees if the Chairperson is not up for re-election if such a director has not been appointed.</td>
</tr>
</tbody>
</table>
| G 1.3 | Board of Directors - Board diversity | Wespath expects companies to disclose the diversity composition of boards and believes that boards are more effective when they are racially, ethnically, culturally and gender diverse. Therefore, Wespath may vote against directors if:
- They are incumbent members of the board, and the board does not have any female members
- They are incumbent members of the Nominating or Governance Committee in a Russell 1000 Index company, and the board does not clearly disclose the diversity characteristics, including gender and racial/ethnic identity, of individual board members |
- They are incumbent members of the Nominating or Governance Committee, the board is headquartered in the U.S., and the board does not have a minimum of three female directors or does not comprise 30% women, whichever is less.
- They are incumbent members of the Nominating or Governance Committee, the company is headquartered in the U.S., and the board does not have any members from a racial/ethnic minority group (relative to the U.S. population).

When casting votes, Wespath may consider whether the board has provided a reasonable explanation for its lack of diversity or disclosure, and whether a vote against a director would negatively impact the overall diversity composition of the board.

### G 1.4 Board of Directors - Director independence

Wespath believes independent directors help to ensure shareholders’ interests are protected. Wespath supports boards that are at least two-thirds independent. Wespath’s criteria for an independent director in U.S. markets are based on the definition used by the Council of Institutional Investors (CII)\(^4\). Wespath will take a nuanced approach to non-U.S. companies to reflect market-specific best practices in place.

### G 1.5 Board of Directors - Committee independence

Wespath believes membership of the Compensation, Audit and Nominating Committees should be restricted to independent directors to avoid conflicts of interests.

### G 1.6 Board of Directors - Audit Committee - Appoint/ratify auditor

Auditor performance should be reviewed annually. Wespath may oppose auditors if:
- They are not independent;
- Non-audit related fees are more than total audit fees (a further measure of independence) without a reasonable explanation;
- Alternative dispute procedures have been adopted;
- A contract has liability caps and caps on punitive damages (or the exclusion of punitive damages);

While guidelines regarding appropriate timeframes vary, Wespath encourages the rotation of auditors as a mechanism of balancing auditor independence with efficiency and will vote proposals on a case-by-case basis.
**Board of Directors - Audit Committee - Auditor Indemnification and Limitation of Liability**

Wespath evaluates auditor indemnification and limitation of liability on a case-by-case basis and considers the following factors:

- The degree to which auditor agreements impact shareholder value;
- The context, including motivation and rationale, for establishing the agreements;
- The quality of disclosure, specifically the disclosure of non-audit and audit related fees;
- Historical practices in the audit area.

**Board of Directors - Election of directors**

Wespath believes adequate biographical information on directors should be provided to shareholders in advance of the annual meeting. This includes: qualifications and experience, term of office, date of first appointment, level of independence, board committee memberships, other personal and professional commitments that may influence the quality of director contribution and independence, (e.g. other directorships, family and social ties, and affiliations with related companies or organizations).

Wespath may oppose the election of directors who:

- Have been involved in cases of material weakness (e.g., the misrepresentation of financial data due to ineffective or deficient accounting practices) on the board in question or other boards;
- Have attended fewer than 75% of board meetings in the previous year without compelling justification;
- Serves on more than four public boards or;
- Serves as a public company Chief Executive Officer (or in some other major leadership role such as Private Company CEO or Executive Director of large national non-profit) and serves on more than two non-affiliated public boards;
- Have not responded to shareholder proposals that have received majority or near-majority support in the past;
- Sit on the board while serving as Chief Financial Officer.

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4 An independent director is someone whose only nontrivial professional, familial or financial connection to the corporation, its chairman, CEO or any other executive officer is his or her directorship. Stated most simply, an independent director is a person whose directorship constitutes his or her only connection to the corporation. More info on determining affiliation can be found at: [https://www.cii.org/corp_gov_policies](https://www.cii.org/corp_gov_policies)
| **G 1.9** | **Board of Directors - Board size** | Wespath believes that to ensure an adequate debate between directors, a board should be comprised of between 5 and 15 members, depending on the company. In the case of overly large boards and in the absence of a commitment to reduce board size, Wespath may withhold support from one or more directors, unless clear justification has been provided explaining the need for such a board. |
| **G 1.10** | **Board of Directors - Board director compensation** | Wespath believes non-executive directors’ compensation should align with shareholders’ interests with a competitive annual retainer and equity-based grants. Wespath considers the following criteria to be important when evaluating non-executive director compensation:
- Equity that fully vests on the grant date;
- Multi-year holding requirements for a significant majority of equity-based grants;
- Compensation that is not performance-based as it can conflict with a non-executive director’s primary role as an independent representative of shareholders. |
| **G 1.11** | **Board of Directors - Director tenure** | Wespath believes that effective boards should have a balance between long-standing directors and directors offering a fresh perspective. While there is no fixed time period to assess when independence may be impacted, Wespath uses a 12 year benchmark as general guidance. Wespath may vote against the Chairperson of the Nominating or Governance Committee if two-thirds of directors have tenure longer than 12 years. |
| **G 1.12** | **Board of Directors - Discharge of liability** | Wespath opposes proposals that would indemnify directors for actions that could be considered fraudulent or willful misconduct. |
| **G 1.13** | **Board of Directors - Succession planning** | Wespath supports proposals asking boards to establish succession plans, most notably for the Chief Executive, and inform shareholders of their existence. |
| **G 1.14** | **Board of Directors - Board response to shareholder proposals** | Wespath believes boards should be accountable to shareholders’ concerns, and therefore supports proposals calling on companies to engage with shareholders when shareholder proposals receive majority or near-majority vote totals. |
| **G 1.15** | **Board of Directors – Climate Accountability** | Wespath may vote against directors at companies that have failed to establish a plan to achieve net zero emissions by 2050 and/or align their business plans with the goals of limiting global warming to 1.5 degrees Celsius with a focus on directors at Climate Action 100+ focus companies. Wespath will focus any potential votes against directors related to climate accountability against those directors who have oversight responsibility for committees responsible for governance of climate risk. Topics triggering votes include failure to meet... |
baseline industry peer standards for corporate emissions targets with respect to capital expenditure plans, financial statements, policy influence activities, disclosures and/or compensation incentives.
(G 2) Executive Compensation

Wespath considers that executive compensation should be adequate to recruit, incentivize and retain appropriate staff, while reflecting the work conducted and the executives’ contribution to the company. To create the right incentives for executives, we believe compensation packages should be competitive in relation to peers, yet not excessive, and should be tightly linked to corporate performance, balancing short-term and long-term incentives to help advance the company’s strategic goals and create sustainable value for investors. We believe compensation should fairly compensate both men and women, avoiding gender pay gaps. Furthermore, we support compensation plans linked to the attainment of environmental, social and governance (ESG) goals.

Wespath expects companies to be transparent in explaining their unique compensation plans and justifying the varied components of pay. We emphasize the importance of disclosing specific performance targets that trigger awards, so investors may judge if they are sufficiently ambitious in creating appropriate incentives. Wespath believes that there is no “one-size-fits-all” formula for compensation packages, therefore we will vote on compensation proposals on a case-by-case basis, reflecting the guidance below.

| G 2.1  | Compensation - Disclosure | Wespath expects all aspects of executive compensation to be clearly, comprehensively and promptly disclosed in the annual proxy statement, regardless of whether such disclosure is required by current rules and regulations. Wespath will vote against compensation packages that lack sufficient disclosure, which impedes a complete assessment. |
| G 2.2  | Compensation - Frequency of advisory vote on executive compensation | Wespath supports an annual advisory vote on executive compensation. |
| G 2.3  | Compensation - Link to financial performance | Wespath believes that shareholders’ interests are best served when compensation programs are linked to clearly benchmarked financial metrics. These metrics should be comprehensive and measure performance over the short and long term. Criteria that Wespath uses to evaluate the efficacy between pay and financial performance include:  
  - A combination of company-wide performance metrics that cannot be easily influenced (for example by focusing solely on short-term stock price);  
  - Clearly disclosed short-term and long-term performance metrics (3-5 years);  
  - No single metrics triggering awards or repetitive (double counting) performance metrics;  
  - Appropriate performance peer groups and comparative pay groups. |
| G 2.4  | Compensation - Link to ESG performance | Wespath believes that companies can create long-term value by linking executive compensation to attaining material environmental, social and governance (ESG) goals. Additionally, Wespath may oppose plans with incentives that could impair attainment of value creating ESG goals. |
| G 2.5 | Compensation - Base salary | Wespath considers that base salaries should be set to reflect responsibilities, tenure, and past performance. Wespath expects the compensation committee to disclose its rationale supportive of the executive’s base salary. |
| G 2.6 | Compensation - Annual incentive/bonus plans | Wespath believes annual incentive/bonus plans should be structured to align executive interests with company goals and objectives. Wespath considers the following in evaluating annual incentive plans:  
  - A combination of metrics that are well defined and reasonably reward superior performance through stretching hurdles;  
  - Metrics that are consistent with long-term strategic goals approved by the board in advance of the performance cycle;  
  - The inclusion of quantitative and qualitative performance-based operational measures that avoids bias in the selection of such measures;  
  - Targets that are not changed during the performance cycle. If targets are changed during the performance cycle, the rationale for changes made to the initial targets and adjusted targets. |
| G 2.7 | Compensation - Long term incentive plans | Long term incentives usually come in the form of equity-based awards and aim to reward the achievement of long-term, specified strategic goals. Wespath considers the following when evaluating long-term incentive plans:  
  - Meaningful performance periods and/or vesting requirements that are consistent with the company's investment horizon;  
  - All grants that occur;  
  - The existence of hedging of equity-based awards, granted as long-term incentives, by buying puts/selling calls or employing other risk-minimizing techniques;  
  - Sufficient disclosure about whether and how long-term incentives may be used to satisfy meaningful stock ownership requirements, including post-exercise holding periods. |
| G 2.8 | Compensation - Stock option plans | Wespath recognizes that a stock option plan is often an element of total compensation, but opposes plans that involve:  
  - Re-pricing or back-dating of stock options;  
  - Discounting of stock options;  
  - The replacement of “underwater” options with “in-the-money” options - those with strike prices below current market levels;  
  |
| G 2.9 | Compensation - Tax gross-ups | Wespath generally opposes employment or severance agreements that provide for excise tax gross-ups in a change of control as well as tax gross-ups on excessive executive perquisites. |
| G 2.10 | Compensation - Clawbacks | “Clawback” provisions protect investors by allowing a company to recoup bonuses and incentives that have been wrongly distributed to executives. Wespath generally supports the inclusion of clawback policies that refer to the following: |
| G 2.11 | Compensation - Severance agreements | Severance should be limited to a maximum of three year’s base pay and pension entitlements. Larger severance packages should be subject to a shareholder vote. |
| G 2.12 | Compensation - Golden parachutes | “Golden parachutes” is the term used for compensation arrangements in the case of a change of management resulting from a merger, takeover, acquisition or sale. Wespath believes that shareholders should be able to vote on golden parachutes and will vote on a case-by-case basis, considering whether the arrangement is fair and not excessive. |
| G 2.13 | Compensation - Accelerated vesting change in control | Accelerated share vesting can occur under change of control agreements resulting from a merger, acquisition, takeover or sale. Wespath believes equity should be rolled forward into any successor company, or vest in a time-apportioned manner only to the extent that performance conditions are met. Wespath opposes “single trigger” vesting, where an executive remains employed and equity automatically vests. |
| G 2.14 | Compensation - Golden coffins | “Golden coffins” are arrangements in which executives may receive provision for severance packages, vested shares, salary, bonuses, perquisites and pension benefits after death. Wespath opposes golden coffin arrangements because they are structured in a similar fashion to severance and change in-control benefits where basic payments are set as a multiple of base salary and/or bonus. Such benefits may act as a form of poison pill and are likely to result in compensation levels that are not aligned with performance. |
| G 2.15 | Compensation - Employee stock ownership plans as anti-takeover defenses | Wespath will generally oppose plans specifically enacted as an anti-takeover defense. Wespath prefers that shareholders evaluate the merits of any takeover, hostile or not, and that companies avoid enacting policies that limit shareholder rights. |
| G 2.16 | Compensation – Executive stock ownership requirement | Wespath believes long-term executive stock ownership helps align the interests of shareholders and management. Wespath supports stock ownership guidelines for CEO’s and other named executive officers at a minimum level of five and three times annual base salary, respectively. |
| G 2.17 | Employee stock purchase plans | Employee stock ownership plans (ESOP) enable employees to acquire meaningful ownership of the firms in which they work. ESOP can serve to align employee interests with shareholders. Wespath will generally support these plans if they are available to employees at varying levels and not limited solely to senior executives. Wespath will vote for an ESOP if the following apply: Qualified Plans ▪ Purchase price is at least 85% of fair market value; offering period is 27 months or less; and the number of shares allocated to the plan is 10% or less of the outstanding shares. Non-Qualified Plans ▪ Broad-based participation; limits on employee contribution which may be a fixed dollar amount or expressed as a percent of base salary; company matching contribution up to 25% of employee’s contribution which is effectively a discount of 20% from market value; and no discount on the stock price on the date of purchase when there is a company matching contribution. |
### (G 3) Shareholder Rights
Wespath believes that corporate governance practices must support the rights as shareholders. We will vote on all material issues impacting shareholder value and expect high levels of transparency and the provision of timely information before shareholder meetings.

<table>
<thead>
<tr>
<th>G 3.1</th>
<th>Shareholder rights - One share one vote</th>
<th>Wespath opposes dual class voting shares and supports initiatives to eliminate this practice. Wespath supports shareholder approval of the issuance of authorized, unissued preferred shares that have voting rights.</th>
</tr>
</thead>
<tbody>
<tr>
<td>G 3.2</td>
<td>Shareholder rights - Majority vote</td>
<td>Wespath believes that a majority vote of common shares outstanding should be sufficient to amend company bylaws, elect a director or take other action that requires or receives a shareowner vote.</td>
</tr>
<tr>
<td>G 3.3</td>
<td>Shareholder rights - Cumulative voting</td>
<td>Cumulative voting gives the opportunity to minority shareholders to be represented on the board. This can promote board independence and diversity as shareholders can choose to support an independent candidate to balance gender or other minorities’ representation on the board. However, this may also allow problematic influence from special interest groups. Wespath will vote cumulative voting proposals on a case-by-case basis.</td>
</tr>
<tr>
<td>G 3.4</td>
<td>Shareholder rights - Super-majority voting</td>
<td>Wespath opposes supermajority voting requirements because they often serve to protect incumbent management or frustrate takeovers.</td>
</tr>
<tr>
<td>G 3.5</td>
<td>Shareholder rights - Confidential voting</td>
<td>The confidential ballot ensures that voters are not subjected to actual or perceived coercive pressure. Wespath supports confidential (secret) shareholder voting prior to the announcement of voting results.</td>
</tr>
<tr>
<td>G 3.6</td>
<td>Shareholder rights - Simple majority vote counting</td>
<td>The U.S. Securities and Exchange Commission (SEC) mandates the use of a simple-majority formula to determine a shareholder-sponsored proposal’s eligibility for resubmission. Some companies employ different vote counting formulas in their proxies which can result in depressing support for shareholder-sponsored proposals. Wespath supports proposals requesting the use of one consistent, simple-majority formula for all vote counting.</td>
</tr>
<tr>
<td>G 3.7</td>
<td>Shareholder rights - Proxy access</td>
<td>Proxy access allows long-term investors, or a group of long-term investors, owning in aggregate a defined percentage of a company’s voting stock, to nominate</td>
</tr>
</tbody>
</table>
a limited number of directors (generally less than a majority). Wespath supports proxy access proposals as a means of increasing director accountability to shareholders. Wespath in general supports proxy access policies that:
- Require investors to own in aggregate at least three percent of a company’s voting stock;
- Do not set a limit on the number of investors that can meet the minimum ownership requirement;
- Require investors to have owned the stock for at least two years.

<table>
<thead>
<tr>
<th>G 3.8</th>
<th>Shareholder rights - Notification of annual meeting</th>
<th>Wespath opposes proposals that reduce the time when shareholders must be notified of an annual or special meeting to less than 14 days.</th>
</tr>
</thead>
<tbody>
<tr>
<td>G 3.9</td>
<td>Shareholder rights - Bylaws</td>
<td>Wespath opposes actions that would allow boards to amend company bylaws without shareholder approval.</td>
</tr>
<tr>
<td>G 3.10</td>
<td>Shareholder rights - Special meetings</td>
<td>Wespath believes that shareholders have the right to call special meetings and that a minimum of 10% of company ownership is a reasonable threshold for shareholders to be able to call such meetings.</td>
</tr>
<tr>
<td>G 3.11</td>
<td>Shareholder rights - Taking action by written consent</td>
<td>Wespath will support proposals that enable shareholders to act by written consent between Annual General Meetings.</td>
</tr>
<tr>
<td>G 3.12</td>
<td>Shareholder rights - Transaction of any other business</td>
<td>Wespath generally opposes invitations to vote on “any other business” which give a “blank check” for voting on other matters.</td>
</tr>
<tr>
<td>G 3.13</td>
<td>Shareholder rights - Poison pills</td>
<td>Wespath generally opposes “poison pills” specifically enacted as an anti-takeover defense. Wespath prefers that shareholders evaluate the merits of any takeover, hostile or not, and that companies avoid enacting policies that limit shareholder rights.</td>
</tr>
<tr>
<td>G 3.14</td>
<td>Shareholder rights - Mergers/acquisitions</td>
<td>Wespath will vote proposals relating to merger and acquisition activity on a case-by-case basis.</td>
</tr>
<tr>
<td>G 3.15</td>
<td>Shareholder rights - Share repurchase</td>
<td>Wespath expects companies to repurchase shares in the market when it is in the best interests of the company and its shareholders. Authority to repurchase shares should be subject to shareholder approval and must benefit all holders on equal terms taking account of options adjustments. Wespath promotes share repurchase proposals that are limited to one year and generally do not exceed 10% of the issued equity.</td>
</tr>
<tr>
<td>G 3.16</td>
<td>Shareholder rights - Share issuance</td>
<td>Wespath respects a company’s right to issue shares or to raise capital if it supports business operations and is aligned with company strategy. On behalf of Wespath Funds, Wespath will vote share issuance proposals on a case-by-case basis but will oppose requests to increase authorized share capital that exceeds one third of existing capital unless specific justification has been provided.</td>
</tr>
<tr>
<td>G 3.17</td>
<td>Shareholder rights - Share issuance without pre-emptive rights</td>
<td>Preemption rights allow existing shareholders to purchase new share issues (in the class and in an amount equal to the percentage they already own) before the general public or non-shareholders. Shareholders can suffer dilution because of issuances without preemptive rights; therefore, Wespath believes authorizations should be limited to a fixed number of shares or a percent of capital at the time of issuance. Wespath supports share issuance requests, without preemption rights, of up to 10%.</td>
</tr>
<tr>
<td>G 3.18</td>
<td>Shareholder rights - Share blocking</td>
<td>Certain markets require share blocking, meaning proxy voters have their securities blocked from trading during the period of the annual meeting. The period of blocking typically lasts from a few days to two weeks. During the period, any portfolio holdings in these markets cannot be sold without a formal recall. Wespath does not vote ballots that include share blocking.</td>
</tr>
<tr>
<td>G. 3.19</td>
<td>Shareholder rights – Virtual meetings</td>
<td>Wespath encourages companies provide shareholders with the ability to either attend a company’s annual general meeting virtually or in-person. This ‘hybrid’ approach enables companies to leverage technology to broaden and enhance shareholder participation while limiting carbon emissions associated with travel. Shareholders should have the opportunity to address the full board irrespective of the format in which they choose to attend the meeting. As necessary, Wespath encourages the board to conduct informal conversations between board members and shareholders prior to annual general meeting to maximize the interactions between directors and investors.</td>
</tr>
</tbody>
</table>
Wespath believes that environmental and social factors can present material risks and opportunities for companies and thus impact investments. Risks may be linked to operations, legal compliance and a company’s brand and reputation, among other factors. Conversely, opportunities may include improved efficiencies, innovation and cost savings. Wespath expects companies to evaluate and manage environmental and social risks and opportunities to preserve and create value for investors.

Frequently, these issues are reflected in proxy voting as shareholders resolutions, which are filed by shareholders to encourage companies to consider and report on specific environmental and social topics. Wespath may file or support such resolutions if it believes the resolutions can effect positive change consistent with our fiduciary responsibilities. The following guidelines reflect Wespath’s position on some of the most commonly filed proposals.

<table>
<thead>
<tr>
<th>ES</th>
<th>Committee</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sustainability Committee</td>
<td>Wespath will consider proposals calling for the creation of a board-level Sustainability Committee on a case-by-case basis, depending on the company’s size, sector and/or geography.</td>
</tr>
<tr>
<td>2</td>
<td>Risk Committee</td>
<td>Wespath will consider proposals calling for the creation of a board-level Risk Committee on a case-by-case basis, depending on the company’s size, sector and/or geography.</td>
</tr>
<tr>
<td>3</td>
<td>Human Rights Committee</td>
<td>Wespath will consider proposals calling for the creation of a board-level Human Rights Committee on a case-by-case basis, depending on the company’s size, sector and/or geography.</td>
</tr>
<tr>
<td>4</td>
<td>Sustainability position statements</td>
<td>Wespath generally supports proposals requesting companies to adopt universally recognized (or accepted) best practice sustainability initiatives (i.e., CDP, U.N. Principles for Responsible Investment, U.N. Guiding Principles on Business and Human Rights).</td>
</tr>
<tr>
<td>5</td>
<td>Climate change - Mitigation and adaptation</td>
<td>Wespath generally supports proposals that aim to explore opportunities to mitigate and/or to adapt to climate change risks. Examples of these include the reduction of greenhouse gas (GHG) emissions and the use of less carbon intensive technologies.</td>
</tr>
<tr>
<td>6</td>
<td>Climate change - Energy efficiency</td>
<td>Wespath generally supports proposals requesting companies adopt and report on policies that promote energy efficiency and the use of renewable energy as a means of achieving cost savings, managing GHG emissions and mitigating climate risk.</td>
</tr>
<tr>
<td>ES 7</td>
<td>Climate Change – Efficient use of resources</td>
<td>Wespath generally supports proposals requesting that companies adopt and report on policies that promote the efficient use of natural resources as a means of cost savings, preservation of natural resources, and effective management of material resource inputs for the company.</td>
</tr>
<tr>
<td>ES 8</td>
<td>Biodiversity protection</td>
<td>Wespath generally supports proposals requesting companies outline the impact of their operations on biodiversity and the extent to which their business models rely on ecosystem services.</td>
</tr>
<tr>
<td>ES 9</td>
<td>Sustainable fisheries</td>
<td>Wespath generally supports proposals promoting sustainable fishing practices across companies and their supply chains.</td>
</tr>
<tr>
<td>ES 10</td>
<td>Proxy Voting – ESG integration</td>
<td>Wespath generally supports proposals requesting financial services firms reflect and integrate stated ESG priorities into their proxy voting guidelines and activities.</td>
</tr>
<tr>
<td>ES 11</td>
<td>Sustainable forestry</td>
<td>Wespath generally supports proposals related to sustainable forestry practices, recognizing the role that forests play in mitigating climate change, sustaining livelihoods and protecting species.</td>
</tr>
</tbody>
</table>
| ES 12 | Food safety – Livestock | Wespath generally supports proposals that encourage sustainable and safe practices that will help maintain human food supply, relating to livestock, in the short and long term including:  
  - the phase out of non-therapeutic use of antibiotics;  
  - the appropriate treatment of animal waste;  
  - the adequate housing of animals;  
  - the painless slaughtering of meat animals, fish and fowl. |
| ES 13 | Genetically modified organisms (GMOs) | Wespath generally supports efforts requesting companies to label any products containing genetically modified ingredients, given the ongoing focus on the testing of these products. |
| ES 14 | Mountaintop coal removal | Wespath generally supports proposals calling for the cessation of mountaintop removal coal mining, given its significant negative environmental impacts. |
| ES 15 | Toxic chemicals | Wespath generally supports proposals requesting companies phase out the use of toxic chemicals where safer alternatives are available. Examples of such toxic materials include polyvinyl chloride (PVC), bisphenol A, cyanide dioxin, mercury and lead. |
| ES 16 | Nuclear waste | Wespath generally supports proposals requesting that companies minimize or eliminate the adverse environmental impact of waste material produced by nuclear reactors and nuclear weapons products on human, plant and animal health and safety. |
### ES 17 Water risk management

Wespath generally supports proposals asking companies to identify and report on strategic business risks related to water management, particularly as demand and competition for water is rising with population growth and economic development.

### ES 18 Human rights and labor rights - Codes of conduct/policies

Wespath generally supports proposals calling for companies to establish corporate codes and policies that protect human rights, establish uniformity in labor practices and provide mechanisms for monitoring performance. Important frameworks for such codes and policies include:

- U.N. Declaration of Human Rights
- U.N. Guiding Principles on Business and Human Rights
- U.N. Sustainable Development Goals
- I.L.O. Declaration of the Fundamental Principles and Rights at Work
- U.N. Global Compact

### ES 19 Human rights - Impact assessments

Wespath generally supports proposals calling for companies to conduct human rights impact assessments in areas where they may be exposed to human rights violations.

### ES 20 Human rights - Conflict affected and high-risk operating areas

Wespath generally supports proposals calling for companies operating in conflict-affected and high-risk operating areas to adopt human rights policies – in alignment with the U.N. Guiding Principles on Business and Human Rights – and to report on policies and activities to protect and promote human rights. Wespath will consider other resolutions specific to operations and remediation in these high-risk areas on a case-by-case basis.

### ES 21 Human rights - Workplace discrimination

Wespath generally supports proposals calling on companies to enforce equal employment opportunities in the workplace and to amend their equal employment opportunity policies to prohibit discrimination based on race, gender, gender identity, ethnicity, sexual orientation, religious beliefs or physical disabilities. Wespath considers on a case-by-case basis proposals calling for a report on a company’s use of mandatory arbitration on employment-related claims.

### ES 22 Fair Trade

Wespath generally supports proposals asking companies to expand their product lines to include products with the official “Fair Trade” brand, given Fair Trade’s efforts to provide local farmers a fair price for sustainably grown commodities and the positive impact this can have on company supply chains and business performance.

### ES 23 Indigenous peoples

Wespath generally supports proposals that aim to create policies and codes that respect the rights and culture of indigenous peoples around the world.
| ES 24 | Access to medicines | Wespath generally supports proposals requesting that pharmaceutical companies evaluate how “access to medicines” policies can support institutions and individuals in line with the company’s mission, business strategy, and alignment with a sustainable global economy. |
| ES 25 | Pharmaceutical pricing | Wespath will review on a case-by-case basis proposals requesting disclosure on how companies are managing their regulatory, legislative, reputational risks, and grievances related to drug pricing. |
| ES 26 | HIV/AIDS, Malaria, Tuberculosis | Wespath generally supports proposals calling for companies to report on the impact that HIV/AIDS, tuberculosis and malaria have on their business operations and to specify the strategies and actions they are taking to respond. Business operations are impacted in a number of ways, including: increased absenteeism; reduced productivity; increased turnover, recruitment and training costs with more inexperienced workers; low morale as employees suffer the effects of discrimination or the stress of caring for sick family members; and increased health care expenditures for the company, employees and dependents. |
| ES 27 | Responsible lending practices | Wespath generally supports proposals calling for companies to develop policies on responsible lending, including responsible credit card marketing, lending and loan modification practices. |
| ES 28 | Cybersecurity | Wespath recognizes the need for companies to manage the digital transformation and will review proposals requesting additional measures to mitigate cyber risk on a case-by-case basis. |
| ES 29 | Equity Audits | Wespath supports equity audits which analyze the impacts of a company’s operations on civil rights, equity, diversity and inclusion. |
| ES 30 | Financial Institution Climate Commitment Alignment | Wespath supports resolutions requesting financial organizations report on alignment between stated climate commitments and financial activity. Resolutions requesting policies related to an institution’s commitment alignment will be voted on a case-by-case basis. |
(D) Disclosure

Reporting related to material ESG issues is one indicator that a company is recognizing, measuring and managing associated risks and opportunities that can affect its bottom line. Clear reporting practices also allow investors to assess the level of exposure that companies have to certain issues, facilitating the integration of ESG issues into investment decision making. Wespath recognizes that the materiality of different ESG issues varies from company to company, depending on sector, size and geographic location. However, we encourage companies to be transparent and disclose the impacts of ESG issues on their business, in line with the guidance below.

<p>| D 1 | Standardized reporting | Wespath generally supports proposals asking companies to use standardized sustainability reporting formats aligned with international sustainable accounting best practices and standards. Standardized reporting benefits investment decision-making by allowing investors to evaluate companies and measure company performance on ESG issues. |
| D 2 | Sustainability reports | Wespath generally supports proposals asking companies to publish sustainability reports detailing ESG policies, programs and activities and allowing investors to identify and evaluate sources of potential risk and/or opportunities. Wespath also encourages the integration of material ESG factors into financial reports. |
| D 3 | Climate change – Business risks | Wespath generally supports proposals that request reporting on climate change risks and opportunities related to the transition to a low-carbon economy. |
| D 4 | Climate change - Carbon asset risk reporting | Wespath generally supports proposals requesting that companies in high-impact sectors conduct and disclose the potential impacts of climate-related risks and opportunities under different low carbon scenarios, including those that align with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). |
| D 5 | Climate change – Board competency | Wespath recognizes the benefits of boards that can demonstrate they are “climate-competent” in the transition to a low carbon economy and will review related shareholder proposals on a case-by-case basis. |
| D 6 | Climate change - Greenhouse gas emissions (GHG) reporting | Wespath generally supports resolutions requesting companies report on GHG emissions and GHG emissions targets in a quantitative way. |
| D 7 | Hydraulic fracturing | Wespath generally supports proposals calling on companies to report on the long-term environmental impacts of hydraulic fracturing. |
| D 8 | Nuclear waste | Wespath generally supports proposals calling on companies to report on the environmental, health and safety impacts of their nuclear waste storage and disposal. |
| D 9 | Employee diversity | Wespath generally supports disclosure of EEO1 reporting, believing that such reporting helps companies assess the levels of inclusion and prevent any types of discrimination. |</p>
<table>
<thead>
<tr>
<th>D 10</th>
<th>Charitable giving</th>
<th>Wespath generally supports proposals calling upon companies to disclose charitable giving, including amounts and destination of funds exceeding $10,000. Transparency relating to these donations may highlight any conflict of interest with company policy statements or the long-term interests of the company and its investors.</th>
</tr>
</thead>
<tbody>
<tr>
<td>D 11</td>
<td>Pay ratio</td>
<td>Wespath generally supports proposals in alignment with the Dodd-Frank Wall Street Reform and Consumer Protection Act, which has suggested that public companies should disclose the ratio between the median annual compensation of all employees (excluding the CEO) and the total compensation of the CEO, in order to assess pay disparity.</td>
</tr>
<tr>
<td>D 12</td>
<td>Gender and Racial Pay Equity</td>
<td>Wespath supports a compensation philosophy that ensures fair and equitable compensation practices including reporting on gender and racial pay equity. We support the practice by companies on measuring and reporting gender pay gap policies or initiatives. Shareholders benefit from full disclosure of inclusive compensation practices and procedures, company operating practices and policies, business strategy, and the way companies calculate compensation throughout the firm. Wespath will generally support proposals seeking greater disclosure on pay equity.</td>
</tr>
<tr>
<td>D 13</td>
<td>Political spending and lobbying</td>
<td>Wespath generally supports proposals calling for board oversight of political spending and for the publication of reports on the amounts and destination of funds exceeding $10,000. A company’s political contributions, lobbying activities and membership in trade associations or interest groups may conflict with company policy statements and may be at odds with the long-term interests of the company and its investors. Beyond oversight, Wespath generally supports proposals calling for companies to analyze and report on the alignment of political spending and lobbying activities the company supports (either directly or through trade association membership) with the stated ESG objectives of the company.</td>
</tr>
<tr>
<td>D 14</td>
<td>Report on military sales</td>
<td>Wespath will consider proposals requesting companies report to shareholders on sales of military equipment on a case-by-case basis, depending on the profile of the company.</td>
</tr>
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</table>
Securities Lending Program

Wespath may engage in securities lending activity on behalf of the Wespath Funds to add incremental value to Wespath’s investment program. Publicly traded equity securities held by Wespath Funds are eligible for lending under this program.

The lending agent is responsible for the preservation of the Wespath Funds’ proxy voting rights for all equity securities on loan. Agents may lend equity securities without preserving voting rights if doing so is justified by the incremental income from such loan and if the company is not subject to a Wespath-sponsored resolution or a resolution that involves an issue of high sensitivity to the UMC Principles Committee.

The successful recall and vote of securities participating in the securities lending program are tracked, on a monthly and yearly basis, by Wespath with support of the proxy advisor and the agent responsible for the securities lending program.

When Wespath has filed a Shareholder Resolution for an Annual General Meeting, we will notify the agent to ensure the security is recalled in time for voting. This practice will apply to all securities regardless of their revenue generation.
Supporting Statements from the Social Principles

Environment

*Water, Air, Soil, Minerals, Plants (¶160A)*

We support and encourage social policies that serve to reduce and control the creation of industrial byproducts and waste; facilitate the safe processing and disposal of toxic and nuclear waste and move toward the elimination of both; encourage reduction of municipal waste; provide for appropriate recycling and disposal of municipal waste; and assist the cleanup of polluted air, water, and soil. We call for the preservation of old-growth forests and other irreplaceable natural treasures, as well as preservation of endangered plant species. We support measures designed to maintain and restore natural ecosystems. We support policies that develop alternatives to chemicals used for growing, processing, and preserving food, and we strongly urge adequate research into their effects upon God’s creation prior to utilization. We urge development of international agreements concerning equitable utilization of the world’s resources for human benefit so long as the integrity of the earth is maintained. We are deeply concerned about the privatization of water resources, the bottling of water to be sold as a commodity for profit, and the resources that go into packaging bottled water. We urge all municipalities and other governmental organizations to develop processes for determining sustainability of water resources and to determine the environmental, economic, and social consequences of privatization of water resources prior to the licensing and approval thereof.

*Energy Resources Utilization (¶160B)*

The whole earth is God’s good creation and as such has inherent value. We are aware that the current utilization of energy resources threatens this creation at its very foundation. As members of the United Methodist Church we are committed to approaching creation, energy production and especially creation’s resources in a responsible, careful and economic way. We call upon all to take measures to save energy. Everybody should adapt his or her lifestyle to the average consumption of energy that respects the limits of the planet earth. We encourage persons to limit CO2 emissions towards the goal of one tonne per person annually. We strongly advocate for the priority of the development of renewable energies. The deposits of carbon, oil and gas resources are limited and their continuous utilization accelerates global warming. The use of nuclear power is no solution for avoiding CO2 emissions. Nuclear power plants are vulnerable, unsafe and potential health risks. A safe permanent storage of nuclear waste cannot be guaranteed. It is therefore not responsible to future generations to operate them. The production of agricultural fuels and the use of biomass plants rank lower than the provision of safe food supplies and the continued existence for small farming businesses.

*Animal Life (¶160C)*

We support regulations that protect and conserve the life and health of animals, including those ensuring the humane treatment of pets domesticated animals, animals used in research, wildlife, and the painless slaughtering of meat animals, fish, and fowl. We recognize unmanaged and managed commercial, multi-national and corporate exploitation of wildlife and the destruction of the ecosystems on which they depend threatens the balance of natural systems, compromises biodiversity, reduces resilience and threatens ecosystem services. We encourage commitment to effective implementation of national and international governmental and business regulations and guidelines for the
conservation of all animal species with particular support to safeguard those threatened with extinction.

Global Climate Stewardship (¶160D)
We acknowledge the global impact of humanity’s disregard for God’s creation. Rampant industrialization and the corresponding increase in the use of fossil fuels have led to a buildup of pollutants in the earth’s atmosphere. These “greenhouse gas” emissions threaten to alter dramatically the earth’s climate for generations to come with severe environmental, economic, and social implications. The adverse impacts of global climate change disproportionately affect individuals and nations least responsible for the emissions. We therefore support efforts of all governments to require mandatory reductions in greenhouse gas emissions and call on individuals, congregations, businesses, industries, and communities to reduce their emissions.

Food Safety (¶160G)
We support policies that protect the food supply and that ensure the public’s right to know the content of the foods they are eating. We call for rigorous inspections and controls on the biological safety of all foodstuffs intended for human consumption. We urge independent testing for chemical residues in food, and the removal from the market of foods contaminated with potentially hazardous levels of pesticides, herbicides, or fungicides; drug residues from animal antibiotics, steroids, or hormones; contaminants due to pollution that are carried by air, soil, or water from incinerator plants or other industrial operations. We call for clear labeling of all processed, genetically created or genetically altered or altered foods, with premarket safety testing required. We oppose weakening the standards for organic foods. We call for policies that encourage and support a gradual transition to sustainable and organic agriculture.

Food Justice (¶160H)
We support policies that increase access to quality food, particularly for those with the fewest resources. We affirm local, sustainable and small-scale agriculture opportunities that allow communities to feed themselves. We decry policies that make food inaccessible to the communities where it is grown and the farm workers involved in its growth.

Social
Rights of Racial and Ethnic Persons (¶162A)
Racism is the combination of the power to dominate by one race over other races and a value system that assumes that the dominant race is innately superior to the others. Racism includes both personal and institutional racism. Personal racism is manifested through the individual expressions, attitudes, and/or behaviors that accept the assumptions of a racist value system and that maintain the benefits of this system. Institutional racism is the established social pattern that supports implicitly or explicitly the racist value system. Racism plagues and cripples our growth in Christ, inasmuch as it is antithetical to the gospel itself. Unfortunately historical and institutional racism provide support for white privilege, and white people as a result of the color of their skin are granted privileges and benefits that are unfairly denied persons of color. Racism breeds racial discrimination. We define racial discrimination as the disparate treatment and lack of full access to resources and
opportunities in the church and in society based on race or ethnicity. Therefore, we recognize racism as sin and affirm the ultimate and temporal worth of all persons. We rejoice in the gifts that particular ethnic histories and cultures bring to our total life. We commend and encourage the self-awareness of all racial and ethnic groups and oppressed people that lead them to demand their just and equal rights as members of society. We assert the obligation of society and groups within the society to implement compensatory programs that redress long-standing, systemic social deprivation of racial and ethnic people. We further assert the right of members of racial and ethnic groups to equal opportunities in employment and promotion; to education and training of the highest quality; to nondiscrimination in voting, in access to public accommodations, and in housing purchase or rental; to credit, financial loans, venture capital, and insurance policies; and to positions of leadership and power in all elements of our life together. We support affirmative action as one method of addressing the inequalities and discriminatory practices within our Church and society.

**Equal Rights Regardless of Sexual Orientation (¶162J)**

Certain basic human rights and civil liberties are due all persons. We are committed to supporting those rights and liberties for all persons, regardless of sexual orientation. We see a clear issue of simple justice in protecting the rightful claims where people have shared material resources, pensions, guardian relationships, mutual powers of attorney, and other such lawful claims typically attendant to contractual relationships that involve shared contributions, responsibilities, and liabilities, and equal protection before the law. Moreover, we support efforts to stop violence and other forms of coercion against all persons, regardless of sexual orientation.

**Collective Bargaining (¶163B)**

We support the right of all public and private employees and employers to organize for collective bargaining into unions and other groups of their own choosing. Further, we support the right of both parties to protection in so doing and their responsibility to bargain in good faith within the framework of the public interest. In order that the rights of all members of the society may be maintained and promoted, we support innovative bargaining procedures that include representatives of the public interest in negotiation and settlement of labor-management contracts, including some that may lead to forms of judicial proposal of issues. We reject the use of violence by either party during collective bargaining or any labor/management disagreement. We likewise reject the permanent replacement of a worker who engages in a lawful strike.

**Work and Leisure (¶163C)**

Every person has the right to a job at a living wage ... We support social measures that ensure the physical and mental safety of workers, that provide for the equitable division of products and services, and that encourage an increasing freedom in the way individuals may use their leisure time ... We believe that persons come before profits. We deplore the selfish spirit that often pervades our economic life. We support policies that encourage the sharing of ideas in the workplace, cooperative and collective work arrangements. We support rights of workers to refuse to work in situations that endanger health and/or life without jeopardy to their jobs. We support policies that would reverse the increasing concentration of business and industry into monopolies.
Poverty (¶163E)
In spite of general affluence in the industrialized nations, the majority of persons in the world live in poverty. In order to provide basic needs such as food, clothing, shelter, education, health care, and other necessities, ways must be found to share more equitably the resources of the world. Increasing technology, when accompanied by exploitative economic practices, impoverishes many persons and makes poverty self-perpetuating. Poverty due to natural catastrophes and environmental changes is growing and needs attention and support. Conflicts and war impoverish the population on all sides, and an important way to support the poor will be to work for peaceful solutions.

As a church, we are called to support the poor and challenge the rich. To begin to alleviate poverty, we support such policies as: adequate income maintenance, quality education, decent housing, job training, meaningful employment opportunities, adequate medical and hospital care, humanization and radical revisions of welfare programs, work for peace in conflict areas and efforts to protect creation’s integrity. Since low wages are often a cause of poverty, employers should pay their employees a wage that does not require them to depend upon government subsidies such as food stamps or welfare for their livelihood.

Because we recognize that the long-term reduction of poverty must move beyond services to and employment for the poor, which can be taken away, we emphasize measures that build and maintain the wealth of poor people, including asset-building strategies such as individual development savings accounts, micro-enterprise development programs, programs enabling home ownership, and financial management training and counseling. We call upon churches to develop these and other ministries that promote asset-building among the poor. We are especially mindful of the Global South, where investment and micro-enterprise are especially needed. We urge support for policies that will encourage equitable economic growth in the Global South and around the world, providing a just opportunity for all.

Poverty most often has systemic causes, and therefore we do not hold poor people morally responsible for their economic state.

Right to Health Care (¶162V)
Health is a condition of physical, mental, social, and spiritual well-being. John 10:10b says, “I came that they may have life, and have it abundantly.” Stewardship of health is the responsibility of each person to whom health has been entrusted. Creating the personal, environmental, and social conditions in which health can thrive is a joint responsibility—public and private. We encourage individuals to pursue a healthy lifestyle and affirm the importance of preventive health care, health education, environmental and occupational safety, good nutrition, and secure housing in achieving health. Health care is a basic human right.

Providing the care needed to maintain health, prevent disease, and restore health after injury or illness is a responsibility each person owes others and government owes to all, a responsibility government ignores at its peril. In Ezekiel 34:4a, God points out the failures of the leadership of Israel to care for the weak: “You have not strengthened the weak, you have not healed the sick, you have not bound up the injured.” As a result all suffer. Like police and fire protection, health care is best funded through the government’s ability to tax each person equitably and directly fund the provider entities. Countries facing a public health crisis such as HIV/AIDS must have access to generic medicines and to
patented medicines. We affirm the right of men and women to have access to comprehensive reproductive health/family planning information and services that will serve as a means to prevent unplanned pregnancies, reduce abortions, and prevent the spread of HIV/AIDS. The right to health care includes care for persons with brain diseases, neurological conditions, or physical disabilities, who must be afforded the same access to health care as all other persons in our communities. It is unjust to construct or perpetuate barriers to physical or mental wholeness or full participation in community.

We believe it is a governmental responsibility to provide all citizens with health care. We encourage hospitals, physicians, and medical clinics to provide access to primary healthcare to all people regardless of their healthcare coverage or ability to pay for treatment.

**Persons Living with HIV and AIDS (¶162U)**
Persons diagnosed as positive for Human Immune Virus (HIV) and with Acquired Immune Deficiency Syndrome (AIDS) often face rejection from their families and friends and various communities in which they work and interact. In addition, they are often faced with a lack of adequate health care, especially toward the end of life.

All individuals living with HIV and AIDS should be treated with dignity and respect. We affirm the responsibility of the Church to minister to and with these individuals and their families regardless of how the disease was contracted. We support their rights to employment, appropriate medical care, full participation in public education, and full participation in the Church. We urge the Church to be actively involved in the prevention of the spread of AIDS by providing educational opportunities to the congregation and the community. The Church should be available to provide counseling to the affected individuals and their families.

**Corporate Responsibility (¶163I)**
Corporations are responsible not only to their stockholders, but also to other stakeholders: their workers, suppliers, vendors, customers, the communities in which they do business, and for the earth, which supports them. We support the public’s right to know what impact corporations have in these various arenas, so that people can make informed choices about which corporations to support.

We applaud corporations that voluntarily comply with standards that promote human well-being and protect the environment.

**Finance (¶163I)**
Financial institutions serve a vital role in society. They must guard, however, against abusive and deceptive lending practices that take advantage of the neediest among us for the gain of the richest. Banking regulations must prevent the collection of usurious interest that keeps people in cycles of debt. Personal credit issuing institutions must operate with responsibility and clarity that allow all parties to understand the full terms of agreements.
National Power and Responsibility (¶165B)
Some nations possess more military and economic power than do others. Upon the powerful rests responsibility to exercise their wealth and influence with restraint. We promote restorative justice strategies to support positive social change and peace building. We affirm the right and duty of people of all nations to determine their own destiny. We urge the major political powers to use their nonviolent power to maximize the political, social, and economic self-determination of other nations rather than to further their own special interests. We applaud international efforts to develop a more just international economic order in which the limited resources of the earth will be used to the maximum benefit of all nations and peoples. We urge Christians in every society to encourage the governments under which they live and the economic entities within their societies to aid and work for the development of more just economic orders.

War and Peace (¶165C)
We believe war is incompatible with the teachings and example of Christ. We therefore reject war as an instrument of national foreign policy. We oppose unilateral first/preemptive strike actions and strategies on the part of any government. As disciples of Christ, we are called to love our enemies, seek justice, and serve as reconcilers of conflict. We insist that the first moral duty of all nations is to work together to resolve by peaceful means every dispute that arises between or among them. We advocate the extension and strengthening of international treaties and institutions that provide a framework within the rule of law for responding to aggression, terrorism, and genocide. We believe that human values must outweigh military claims as governments determine their priorities; that the militarization of society must be challenged and stopped; that the manufacture, sale, and deployment of armaments must be reduced and controlled; and that the production, possession, or use of nuclear weapons be condemned. Consequently, we endorse general and complete disarmament under strict and effective international control.

Justice and Law (¶165D)
Persons and groups must feel secure in their life and right to live within a society if order is to be achieved and maintained by law. We denounce as immoral an ordering of life that perpetuates injustice and impedes the pursuit of peace. Peoples and nations feel secure in the world community when law, order, and human rights are respected and upheld.

Believing that international justice requires the participation of all peoples and nations, we endorse the United Nations, its related bodies, the International Court of Justice and the International Criminal Court as the best instruments now in existence to achieve a world of justice and law. We commend the efforts of all people in all countries who pursue world peace through law. We endorse international aid and cooperation on all matters of need and conflict. We urge acceptance for membership in the United Nations of all nations who wish such membership and who accept United Nations responsibility. We urge the United Nations to take a more aggressive role in the development of international arbitration of disputes and actual conflicts among nations by developing binding third-party arbitration. Bilateral or multilateral efforts outside of the United Nations should work in concert with, and not contrary to, its purposes. We reaffirm our historic concern for the world as our parish and seek for all persons and peoples full and equal membership in a truly world community.