

Presenting the genocide-free investing shareholder proposal at the Fidelity shareholder meeting on June 9, 2020

My name is Eric Cohen, chairperson and co-founder of Investors Against Genocide.

In presenting the genocide-free investing proposal on behalf of the shareholder submitters, I want to highlight three points. See the proxy materials¹ for the full text of the proposal.

First, Fidelity has rejected having a genocide-free investing policy since we approached the company in 2006 about its investments in the small set of problem companies funding genocide in Darfur, Sudan. So, we began submitting shareholder proposals to individual funds. Those efforts led to Fidelity opposing genocide-free investing at shareholder meetings in 2008, 2009, 2013, 2015, 2016, 2017, and now in 2020.

Fidelity still invests in those same companies that went on to support the brutal regimes in Syria and Burma, helping fund more mass atrocities.

Two examples are CNPC/PetroChina and Sinopec, oil companies supporting Sudan, Burma and Syria. Any part of this history should be enough to disqualify these companies as respectable investments, but Fidelity mutual funds own hundreds of millions of dollars of these two companies.

Fidelity's statement of opposition to the proposal does not deny the connection between PetroChina and genocide, nor argue that investing in genocide is somehow better. It simply notes that "this proposal would limit investments" that are not against the law. That's a weak justification for investing in genocide.

Second, we know that genocide-free investing can be done.

T. Rowe Price,² TIAA,³ American Funds,⁴ 30 states,⁵ and 61 colleges⁶ have taken steps to avoid investments tied to genocide. So can Fidelity.

The Fidelity fund manager who had held the largest part of Fidelity's investments in PetroChina and Sinopec sold those stocks long ago. If Contrafund's manager can avoid such problem companies, so can other Fidelity managers. If some fund cannot avoid them, prominent disclosure would help ordinary investors to not inadvertently invest in companies tied to genocide. Without a genocide-free investing policy any Fidelity fund may increase holdings in such companies without notice.

Third, we know that genocide-free investing is popular.

Research shows that 88% of Americans want their mutual funds to be genocide-free.⁷ Similarly, when ING management took a neutral position regarding genocide-free investing, 85% of the yes/no votes were in favor.⁸ This overwhelming support should not be a surprise. After all, who wants their savings tied to genocide?

Prior to the 21 funds voting today, millions of Fidelity shareholders already supported genocide-free investing. Considering the yes/no votes, the four Fidelity funds recording votes in 2017 ranged from 30.8% to 39.9% in favor of genocide-free investing,⁹ despite active opposition from management.

Shareholders, please tell Fidelity management to implement genocide-free investing, using your vote today and by contacting Fidelity tomorrow.

Fidelity trustees and management, we had hoped that you would stop resisting genocide-free investing when senior management changed. Please listen to your customers, support their values, and make an effort to draw the line at genocide.

¹ https://www.sec.gov/Archives/edgar/data/722574/000119312520103889/d883984ddef14a.htm#tx883984_5

² <https://www.investorsagainstgenocide.org/successes/t-rowe-price/>

³ <https://www.investorsagainstgenocide.org/successes/tiaa-cref/>

⁴ <https://www.investorsagainstgenocide.org/successes/american-funds/>

⁵ <https://www.investorsagainstgenocide.org/about/resources/states-that-divested-from-sudan/>

⁶ <https://www.investorsagainstgenocide.org/about/resources/colleges-and-universities-that-divested-from-sudan/>

⁷ <http://www.investorsagainstgenocide.org/files/KRC-research-results-from-2010-and-2007.pdf>

⁸ ING Emerging Countries proxy voting results from June 28, 2012 -

<http://www.sec.gov/Archives/edgar/data/895430/000117152012001135/ex99-77c.htm>

⁹ <http://www.investorsagainstgenocide.org/about/resources/voting-results-for-genocide-free-investing-shareholder-proposals>