



Sample Voting Records CY2020

Amazon.com

Item 5: Report on Management of Food Waste

Company Recommendation: Against

Axiom Vote: For

Although the board states that Amazon has plans to publicly disclose more information about the amount of food waste it diverts and recycles, a timeline is not given. As of the writing of this report, Amazon does not appear to disclose comprehensive metrics regarding its food waste and food waste reduction efforts. Disclosure of metrics related to the company's food waste program would aid shareholders in assessing the company's food waste reduction performance and the effectiveness of programs used to manage this effort. Furthermore, a number of the company's industry peers report on food waste metrics, have set targets on food waste reduction, and are reporting on progress towards their goals. Amazon appears to be lagging its peers in this regard.

Item 8: Report on Products Promoting Hate Speech and Sales of Offensive Products

Company Recommendation: Against

Axiom Vote: For

Amazon's website contains policies that govern the content of its retail platform, e-book store (Kindle), and self-publishing platform. Amazon prohibits listings on its retail platform of products that promote, incite or glorify hatred, violence, racial, sexual or religious intolerance or promote organizations with such views. The company describes its processes for monitoring, researching and decision-making, and for addressing violations of its content guidelines. Amazon says that it has blocked or removed hundreds of thousands of offensive product listings during the past 12 months. However, controversies continue regarding products and books that relate to hate speech. While the number and extent of violations not captured by the company may be small in relation to its total business activity, the reputational impacts could be significant.

Item 9: Require Independent Board Chairman

Company Recommendation: Against

Axiom Vote: For

Amazon's CEO Jeff Bezos serves as board chair. The combination of these two roles in a single person weakens a corporation's governance, which can harm shareholder value. Further, the board's oversight of management can be diminished when the board chair is not an independent director. An independent board chair will be particularly useful at Amazon to provide more robust oversight of risk, including on environmental, social, and governance issues.

Alphabet

Item 5: Approve Recapitalization Plan for all Stock to have One-vote per Share

Company Recommendation: Against

Axiom Vote: For

Axiom supports the one-share, one-vote principal. The practice of issuing different classes of common stock with disparate voting rights gives one class of shareholders disproportionate voting power in the company relative to its equity ownership. This disparity can serve to entrench management and make it more difficult to hold directors accountable if the board and executives control a large percentage of voting power based on their ownership of super-voting stock. Long-term shareholder interests are best preserved through a unified capital structure in which voting power is proportional to economic interest. Providing equal voting rights would represent an improvement in shareholders' rights and raise board accountability.



Item 11: Require a Majority Vote for the Election of Directors

Company Recommendation: Against

Axiom Vote: For

A vote for this proposal is warranted as it would give shareholders a more meaningful voice in the election of directors and further enhance the company's corporate governance. The board election process must ensure that shareholders' expressions of dissatisfaction with the performance of directors have meaningful consequences. A majority vote standard transforms the director election process from a symbolic gesture to a meaningful voice for shareholders.

LG Chem

Item 1: Approve Split-Off Agreement for LG Energy Solution

Company Recommendation: For

Axiom Vote: Against

Under the proposed agreement, the company is seeking to split-off its battery business unit under the name of "LG Energy Solution" (hereafter 'the New Company' or 'the split-off company'). The existing company will continue to operate remaining business units. The New Company will become a wholly owned subsidiary of LG Chem. The effective date for the split-off is Dec. 1, 2020.

LG Chem held a conference call with investors on September 18th, whereby the CFO mentioned a possibility of the split-off company's public offering in an overseas exchange. Reportedly, the CFO further commented that the existing company will continue to hold 70-80 percent of the split-off company when there, indeed, is a public offering, with at least one year expected to complete the necessary preparatory work. Management later confirmed the method of capital raising is still under review; thus, detailed plan on the potential IPO or any type of capital raise was not disclosed.

Axiom is voting against this proposal as the transaction does not maximize shareholder value relative to a full spin off alternative. Management is also unclear about its approach to future capital raises for Energy Solutions as well as board composition.