

## Statement for the Record Laura Krausa, CommonSpirit Health and Vice Chair, Interfaith Center on Corporate Responsibility Examining the Practices and Profits of Gun Manufacturers House Committee on Oversight and Reform August 1, 2022

On behalf of CommonSpirit Health, we wish to express our thanks and appreciation for the Committee hearing held July 27, 2022, on "Examining the Practices and Profits of Gun Manufacturers." The hearings brought to light the critical role that firearms manufacturers can play in mitigating or exacerbating the gun violence epidemic in our country. The research presented, the questions asked, and the testimonies given — particularly from gun violence survivors — were compelling.

CommonSpirit Health is a member of the Interfaith Center on Corporate Responsibility (ICCR), a coalition of faith-based and like-minded investors who regularly engage corporations to identify and mitigate social and environmental risks resulting from operations and practices. Since 2016, a group of investors from ICCR, including CommonSpirit, have been engaging gun manufacturers — principally Sturm Ruger and Smith and Wesson — to promote gun safety; we recognize that any solutions to gun violence will rely on their participation.

During the hearing, Congressman Ro Khanna (D-CA) questioned Sturm Ruger CEO Chris Killoy about a recently filed shareholder proposal asking the company to conduct a Human Rights Risk Assessment. CommonSpirit Health led the development of that proposal, which received over 68% of shareholder support at the Sturm Ruger June 1, 2022, Annual General Meeting of Shareholders. Mr. Khanna asked whether Sturm Ruger intended to honor their shareholder's request, but Mr. Killoy's response was not definitive.

Unfortunately, Mr. Killoy misrepresented the vote during the Hearing, saying, "...less than 50% of our shareholders actually voted for that proposal." That is incorrect. In fact, 76% of Sturm Ruger shareholders cast votes on this proposal, including those who voted in favor, those against, and those who chose to abstain on this particular agenda item. *Of the 76% who chose to vote, 68% voted in favor of the proposal*. We invite the Committee to review the Company's 8K Report to verify the numbers: <u>https://ruger.com/corporate/PDF/8K-2022-06-01.pdf</u>

CommonSpirit Health and our proposal cofilers believe that this vote demonstrates the significance of this call to action. Mr. Killoy was correct in saying that this is an "advisory vote,"

but shareholders remain hopeful that the Company will honor the request of the majority of its shareholders and conduct a meaningful assessment that will help the company mitigate the human rights impacts associated with its operations, policies, practices and products. As lead filer of the proposal, I have reached out to the company on two occasions since the vote and offered our assistance in this process. We look forward to their response.

The Committee's hearing was an important step in advancing efforts to engage gun manufacturers in developing solutions to gun violence. CommonSpirit has an historical commitment to addressing and preventing violence in all its forms. Our United Against Violence campaign utilizes a multi-faceted approach, including investment in community-based violence prevention programs. Violence is a critical public health issue and we continue to work toward solutions. After six years of investor outreach on this issue, we are grateful that the Committee has amplified the call for a response from the firearms sector. We stand ready to work with you and other members of the committee in advancing this important work.

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CommonSpirit Health is a nonprofit, Catholic health system dedicated to advancing health for all people. It was created in February 2019 by Catholic Health Initiatives and Dignity Health. With its national office in Chicago and a team of over 150,000 employees and 25,000 physicians and advanced practice clinicians, CommonSpirit operates 140 hospitals and more than 1,500 care sites across 21 states. In FY 2021, CommonSpirit had revenues of \$33.3 billion and provided \$5.1 billion in charity care, community benefit, and unreimbursed government programs. Learn more at www.commonspirit.org.