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Majority Action and Interfaith Center on Corporate Responsibility Respond to Firearm Manufacturer Sturm Ruger's Latest Letter to Shareholders Regarding Firearm Safety and Boardroom Responsibility

Sturm Ruger Statement inaccurately defends the company's record of failing to respond to investor concerns on protecting shareholder value and public safety

WASHINGTON — Today Majority Action and the Interfaith Center on Corporate Responsibility (ICCR) responded to a shareholder letter from gun manufacturer Sturm, Ruger & Co. (Ruger) asking shareholders to retain their support for the current board in light of calls for withhold votes on several directors from both shareholders and proxy advisor Institutional Shareholder Services (ISS) .

Ruger's letter comes after Majority Action and ICCR filed an [investor advisory](#) calling for votes against two board directors, including board chair Michael Jacobi, due to their dissatisfaction with the gun manufacturer's report in response to a 2018 shareholder resolution filed by ICCR member Catholic Health Initiatives calling for a report on its efforts to promote gun safety.

ISS, the largest US proxy voting advisor, also recommended that shareholders vote against three leading members of the Ruger board citing the company's failure to adequately respond to the gun safety resolution. The resolution received over 68% support from voting shareholders, including its largest investors, BlackRock and Vanguard.

Before issuing its recommendation against several directors, ISS discussed the Ruger report and the investor advisory with the ICCR member shareholder proponents and representatives of Majority Action.

Sister Judy Byron, OP, Director of the Northwest Coalition for Responsible Investment, said:

“As religious investors, we have engaged meaningfully and successfully with hundreds of companies across every industry concerning a wide range of complex social and environmental concerns. Sturm Ruger’s refusal to engage with shareholders is unprecedented, and does not serve either the public or investor interests. Contrary to Ruger’s claims, we were present during the discussion with ISS and made clear our strong preference for productive dialogue over stronger actions like the ones we are now being forced to take. We remain hopeful that an authentic dialogue on these critical issues will soon be possible.”

Eli Kasargod-Staub, Executive Director of Majority Action, said:

“As noted in our investor advisory, and as ISS correctly assessed, Sturm Ruger’s response to the 2018 shareholder resolution consisted of little more than boilerplate excuses rather than serious engagement with the company’s responsibilities and opportunities to improve public safety and long-term shareholder value. Rather than attack Majority Action for a mythical “anti-gun agenda,” Sturm Ruger would be better served by engaging meaningfully with shareholders and working to maximize shareholder value through safety innovation and responsible risk oversight. But clearly the board is more interested in its short-termist strategy of fear-based sales targeted at their existing customer base. This is why we have called for shareholders to hold the board accountable and withhold support from Ruger directors C. Michael Jacobi, John Cosenstino Jr., Amir Rosenthal, and Sandra Froman.”

Josh Zinner, CEO of the Interfaith Center on Corporate Responsibility, said:

“The most troubling aspect of Ruger’s report is the clear disregard for taking steps to mitigate the risk that its products can pose to public safety. The board has yet to identify any meaningful efforts it has considered to monitor its distribution chain for improving gun safety, and continues to reject out-of-hand the potential to create a safer product and improve the company’s long-term shareholder value by advancing smart gun technology.”

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Majority Action is a nonprofit organization dedicated to empowering shareholders of all sizes to hold corporations and their leadership accountable to high standards of long-term value creation, corporate governance, and social responsibility.
www.majorityaction.us

Interfaith Center on Corporate Responsibility (ICCR)

Celebrating its 49th year, ICCR is the pioneer coalition of shareholder advocates who view the management of their investments as a catalyst for social change. Its 300 member organizations comprise faith communities, socially responsible asset managers, unions, pensions, NGOs and other socially responsible investors with combined assets of over \$400 billion. ICCR members engage hundreds of corporations annually in an effort to foster greater corporate accountability. www.iccr.org