

(a cooperative venture of boards and agencies of the American Baptist Churches, the National Council of Churches, the Protestant Episcopal Church, the United Methodist Church, the United Presbyterian Church in the U.S.A., and the Unitarian-Universalist Association)

ACTIONS FOR 1973

RESOLUTIONS ON SOUTHERN AFRICA

The Church Project on U.S. Investments in Southern Africa - 1973 is a coalition of six Protestant denominations that hold stock in a number of U.S. companies investing in Southern Africa. Church agencies that hold stock have filed stockholder resolutions with over a dozen corporations in 1973.

In 1972 stockholder resolutions requesting full disclosure of the involvement of Mobil, Goodyear, IBM, and GM in South Africa and Gulf Oil in Angola were filed. Mobil agreed to voluntarily disclose this information and sent it to all shareholders. IBM made a similar agreement but in the end disclosed an inadequate amount of information. GM and Gulf, after a proxy contest, finally disclosed data along the same lines. Goodyear stalwartly refused to provide any information.

This year an updated version of the disclosure resolution will be filed with eleven corporations. The resolution and the filers follow.

Standard Resolution Filed with Eleven U.S. Corporations

WHEREAS the increasing involvement of United States business corporations in the Republic of South Africa is a matter of growing public concern, due to the denial of basic human rights to the majority population,

WHEREAS specific information is vital for stockholders to make an informed decision about this Corporation's involvement in South Africa,

WHEREAS it is the right of a stockholder to have access to non-competitive information about the Corporation's business,

THEREFORE, BE IT RESOLVED that the shareholders request the Board of Directors to provide a full, written report to the shareholders within four months of the date of the 1973 annual meeting on the involvement of the Corporation in the Republic of South Africa. This report shall include the following, provided that information directly affecting the competitive position of the Corporation may be omitted.

1. HISTORY

a. A history of the Corporation's involvement in South Africa since 1962, including: (1) the legal form of ownership of the Corporation's operations there; (2) annual capital investment broken down by source within and without South Africa; (3) annual profits; (4) number of employees broken down by race (Africans, Asians, Coloreds, Whites); (5) contractual relations with the South African government; (6) taxes paid to the South African government.

b. A listing and explanation of grants and charitable gifts made since 1962 by the Corporation in or with respect to the Republic of South Africa.

II. RELATIONS WITH WORKERS

- a. A detailed listing of current wages and employee benefits by functional job descriptions comparing African, Asian, Colored and White workers. A summary and comparison of wage rates, fringe benefits and promotions since 1962 for both white and non-white employees.
- b. A description of grievance procedures and of Work Committees, if any, for African workers and of any trade union contracts or understandings which restrict opportunities for African, Colored or Asian employees.
- c. A description of any investment or plans for investment by the Corporation in the "border areas" of the Bantustans, or in the Bantustans proper.
- d. A description, broken down by race, of technical training, general education, legal assistance, housing or other programs provided by the Corporation for workers or their families.
- e. A description of the total number of non-South African personnel employed in South Africa and of any international recruiting or hiring programs for the Corporation's operations there.

III. RELATIONS WITH THE GOVERNMENT

- a. A description and explanation of those South African laws which directly affect the Corporation's employment practices and the working conditions with respect to African, Colored and Asian workers; a statement of the Corporation's compliance with these laws; and a summary of those actions, if any, taken by the Corporation to have the government modify these laws.
- b. A listing and explanation of any products or services, including materials for military or police use, sold to the South African government since 1962.

STATEMENT OF SECURITY HOLDER

This proposal is designed to provide basic data for thoughtful consideration by shareholders concerning the Corporation's South African investments, activities, and employment practices. This request has been complied with by several major American corporations.

In South Africa, the legal system of racial domination called Apartheid deprives the black majority of the most basic human rights. Under Apartheid laws, Africans cannot vote, cannot collectively bargain, cannot supervise a white employee, are paid grossly discriminatory wages, by law must live in racially segregated areas. 87% of the land is reserved for the 18% white population. Many American corporations have made unprecedented profits in South Africa while complying with these unjust regulations. A vote for this resolution will indicate that stockholders desire adequate information to assess their corporation's performance under Apartheid.

1. International Business Machines - Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America (8,496 shares, approximate value \$3,275,208)

2. Xerox Corporation - American Baptist Home Mission Societies (9,000 shares, approximate value \$1,300,000)

3. First National City Bank - The American Baptist Board of Education and Publication (3,428 shares, approximate value \$240,000)

4. Minnesota Mining and Manufacturing Company - National Council of Churches of Christ in the U.S.A. (1,000 shares, approximate value \$84,750)

5. General Electric Company* - Board of Christian Education of the United Presbyterian Church U.S.A. (400 shares, approximate value \$28,400)

6. Burroughs Corporation - Commission on Ecumenical Mission and Relations of the United Presbyterian Church U.S.A. (4,400 shares, approximate value \$946,000)

7. International Telephone & Telegraph Corporation - Commission on Ecumenical Mission and Relations of the United Presbyterian Church U.S.A. (8,000 shares, approximate value \$467,000)

8. Chrysler Corporation - Board of National Missions, United Presbyterian Church U.S.A. (31,845 shares, approximate value \$1,256,000)

9. Caterpillar Tractor Company - Women's Division, Board of Global Ministries, The United Methodist Church (8,000 shares, approximate value \$544,000)

10. Texaco - World Division, Board of Global Ministries, The United Methodist Church (24,574 shares, approximate value \$940,000)

11. Eastman Kodak - World Division, Board of Global Ministries, The United Methodist Church (19,496 shares, approximate value \$2,875,000)

Resolution and Statement Submitted to Exxon Corporation

A separate resolution has been filed by the Department of Education and Social Concern of the Unitarian Universalist Association with Exxon Corporation. The UUA holds 6,000 shares (approximate value \$486,000) of Exxon. The resolution urges the company to set up a committee to fully examine the implications of its proposed investment in the Portuguese colony of Angola.

WHEREAS Exxon Corporation has applied for rights to explore for oil offshore the Portuguese colony of Angola,

WHEREAS a war for independence from Portugal is being fought in Angola,

WHEREAS the World Council of Churches, the Organization of African Unity, the United Nations General Assembly and many governments, private organizations, and individuals support this fight for independence,

WHEREAS foreign investment only serves to assist Portugal as it fights to control these colonies through military force,

*A slightly different version of this resolution and statement has been filed with GE.

WHEREAS Gulf Oil Corporation has been publicly criticized by numerous individuals and organizations for its sizable investment in Angola,

WHEREAS the proposed investment by Exxon Corporation could seriously damage the company's public image and could jeopardize sales both in the United States and overseas,

WHEREAS stockholders deserve an in-depth examination of such an investment,

BE IT RESOLVED that the shareholders of Exxon Corporation recommend to the Board of Directors that the Board establish a broad-based committee to fully examine the implications for both the company and for Angola of its proposed new investment in this Portuguese colony. The committee shall have the following functions, structure and duties:

1. The Committee shall consist of no less than 15 and no more than 20 persons to be appointed by the Board of Directors. The members of the Committee shall include representatives of Exxon Corporation, representatives of African independence movements from Angola, Mozambique and Guinea-Bissau, labor, religious organizations and black community organizations.

2. The Committee shall study and investigate a) the extent to which the Company's proposed investment will contribute to the maintenance of Portuguese control in this area, b) the effect of this proposed investment in the colony of Angola upon stockholder investment, customer goodwill and the good reputation of Exxon Corporation internationally, c) the possibility of future losses to shareholders if the proposed oil operation were to be nationalized upon independence, d) the relationship between the company and the Portuguese government with regard to the proposed Angola operation including monetary payments expected by the Portuguese, and military protection to be provided by the Portuguese.

3. The Committee shall prepare recommendations and make a public report to the Board within six months of the 1973 stockholders meeting.

STATEMENT OF SECURITY HOLDER

Our company's proposed investment in Angola has very serious implications. Such an investment will put an Exxon operation in the midst of a colonial war. All taxes and royalties will be paid to Portugal. Our company may be seen internationally as supporting colonialism, thereby hurting our image and sales in Africa and the U.S. This resolution establishes a committee to fully study this proposed investment.

✓ Phillips in Namibia

Another resolution has been filed with Phillips Petroleum Company by the Episcopal Church. This resolution would prohibit the company from exploration and investment in Namibia (South-West Africa). The Episcopal Church holds 15,600 shares of Phillips stock, worth approximately \$685,000.

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Namibia

RESOLUTION

WHEREAS the United States government has clearly stated that United States policy is to discourage any further investment in Namibia,

WHEREAS such investment works to strengthen South Africa's illegal control of Namibia and increases South African vested interest in continuing its occupation of Namibia,

THEREFORE, BE IT RESOLVED that the stockholders request the Board of Directors to adopt appropriate resolutions to initiate the process of amending Article Third of the Composite Certificate of Incorporation of the Corporation by adding at the end thereof the following new subparagraph:

"(L)Notwithstanding the foregoing, the Corporation shall not conduct exploration, mining, or oil drilling activities in Namibia (Southwest Africa), either directly or through affiliates and shall wind up any operations currently underway in that country as expeditiously as possible."

STATEMENT OF SECURITY HOLDER

The United Nations has terminated the League of Nations Mandate under which South Africa received the temporary governance of Namibia after World War I. The International Court of Justice has ruled that South Africa's continued occupation of Namibia is illegal. Official United States policy is that American corporations should not invest in Namibia and that any which do "on the basis of rights acquired through the South African government ... will not receive U.S. Government assistance in protection of such investments against claims of a future lawful government in Namibia."

Investment by our corporation in its recently acquired Namibian concession supports an illegal, oppressive and racist regime. That concession is not legal since the South African government in Namibia is itself illegal. It has no power to grant concessions binding on a future legally established government. The effect of the adoption of this resolution will be to conform our company's policy to United States governmental policy.