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STATE OF CONNECTICUT

## TREASURER SHAWN T. WOODEN

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### CT State Treasurer Wooden and RI General Treasurer Magaziner Applaud 72% of Independent Shareholders for Saying No to Collis' Pay Plan Following AmerisourceBergen's Role in the Opioid Crisis

*Wooden and Magaziner Acknowledge Progress in 48% of Shareholders Voting  
to Improve Transparency and Accountability Within Company*

**Hartford, CT** – Today, Connecticut State Treasurer Shawn T. Wooden, joined by Rhode Island General Treasurer Seth Magaziner applauded the significant progress of 48 percent of shareholders of AmerisourceBergen voting to reject an executive compensation proposal, voting against a say-on-pay proposal. Treasurer Wooden and Treasurer Magaziner also expressed concern that a top executive won't be held accountable for the Company's role in the opioid crisis.

Despite a \$6.6 billion legal charge in connection with the settlement of opioid-related claims – AmerisourceBergen's largest-ever loss, at the Company's annual meeting on Thursday, March 11, the majority of shareholders supported the say-on-pay proposal. The proposal grants payouts for certain executives that are significantly above target, including \$14.3 million for CEO Steven Collis, which represents an increase of 26 percent from the prior year.

Today, AmerisourceBergen released the tally of the final vote demonstrating how 48 percent of shareholders rejected the say-on-pay proposal. Walgreens Boots Alliance owns 27.7 percent of AmerisourceBergen's shares. When these insider shares are excluded from the vote tally, an estimated 72 percent of shareholders voted against the executive compensation proposal on the Company's ballot.

"Executives shouldn't be rewarded when a company and its shareholders take such a big hit, nor should they profit off of an American tragedy that devastated millions of families and cost the U.S. economy more than \$1 trillion over the last two decades," said Treasurer Shawn Wooden. "Given that nearly 30 percent of AmerisourceBergen's shares are controlled by an insider (Walgreens Boots Alliance), the reality is that 72 percent of independent investors rejected the say-on-pay proposal, which sends a powerful message that now and in the future, shareholders expect greater accountability from companies."

In February, Connecticut State Treasurer Shawn T. Wooden and Rhode Island General Treasurer Seth Magaziner filed a [letter](#) with the U.S. Securities and Exchange Commission, urging shareholders of AmerisourceBergen to reject an executive compensation proposal that passed on March 11<sup>th</sup> at

the Company's annual general meeting.

"The tragedy of opioid addiction, misuse, overdose and death has impacted families across Rhode Island," said Rhode Island General Treasurer Seth Magaziner. "This shareholder vote at AmerisourceBergen's annual meeting, with a record number of investors rejecting the excessive payout for Mr. Collis, is a clear signal that investors want more accountability at the company and that corporate executives should not be financially insulated from the societal damage caused by company's business practices."

In October of 2020, Connecticut State Treasurer, Shawn T. Wooden, joined Rhode Island General Treasurer Seth Magaziner in filing a similar letter with the U.S. Securities and Exchange Commission, urging shareholders of Cardinal Health to reject an executive compensation proposal. The proposal included a \$2.5 million bonus for CEO Michael Kaufmann, after the company paid \$5.6 billion to settle claims related to its distribution of opioids. This proposal was passed by the majority of shareholders in November of 2020, whereas 38 percent of shareholders voted to reject the compensation proposal, a significant step in the direction of accountably between shareholders and executive members of a company.

Treasurer Wooden and General Treasurer Magaziner are both members of ***Investors for Opioid and Pharmaceutical Accountability*** (IOPA), a coalition of 61 investors representing more than \$4.2 trillion in combined assets under management, focusing on engagement with manufacturers and distributors of opioids and other pharmaceuticals.

Treasurer Wooden has engaged with several major manufacturers and distributors of opioids in an effort to improve transparency and accountability related to their responsibilities for the nation's opioid crisis. For the 2020 proxy season, Connecticut and Rhode Island joined forces in filing a shareholder resolution with Bristol-Myers Squibb (BMY), a multinational biopharmaceutical company, concerning disclosure of compensation recovered from executives engaged in misconduct (also known as "clawback policies"). Following several discussions with the company, BMY agreed to the annual disclosure sought by Connecticut, and the resolution was withdrawn.

Treasurer Wooden also filed a similar resolution with Amgen, a California-based pharmaceutical company, which agreed to disclose the use of its clawback policy. Connecticut also stood as a co-filer on a resolution considered at Johnson & Johnson's 2020 annual general meeting, where a majority of shareholders voted to require the company's board of directors to investigate and report their findings on opioid-related risks to the company.

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#### **About the Office of the State Treasurer**

Under the leadership of Connecticut's State Treasurer Shawn T. Wooden, the Office of the Treasurer is dedicated to safeguarding the state's financial resources and taxpayers' dollars, while maximizing returns and minimizing risks and operating at the highest professional and ethical standards. Through investments and disbursements, the Office continues to enhance the state's fiscal stability, financial literacy, college and disability savings, and its approach to leveraging business partnerships to combat social issues such as gun violence, climate change, and equal opportunity in economic growth. Learn more about the Office of the Treasurer here and follow along on Facebook, Instagram and Twitter.

#### **About the General Treasurer of the State of Rhode Island**

Seth Magaziner is General Treasurer of the State of Rhode Island where he is working to restore

financial stability and expand economic opportunity for all Rhode Islanders. Since taking office in January 2015, Seth has used the office to help create jobs, strengthen the state's \$8.4 billion pension fund, and ensure all public servants have the dignity of a stable and secure retirement. Under Treasurer Magaziner's leadership, the Rhode Island Treasury has become a national leader in transparency, launched the Rhode Island Infrastructure Bank, and developed a Back to Basics investment strategy to provide better performance and less risk to the state's pension fund.