

Macy's Shareholder Statement
Proposal #5 – SHAREHOLDER PROPOSAL RE: "RECRUITMENT
AND FORCED LABOR"

Good morning Mr. Chairman, Members of the Board, and fellow shareholders:

My name is Mark Peters. I represent the Priests of the Sacred Heart, long-time shareholders in Macy's. I hereby move Proposal #5 which requests the company's board to report "on the Company's process for identifying and analyzing potential and actual human rights risks of operations and its supply chain by December 2019."

Often hidden within the labyrinth of supply chains, human trafficking exploits at least 16 million workers trapped in conditions of forced labor, generating over \$150 billion in profits for illegal labor recruiters and employers. The UN Guiding Principles on Business and Human Rights demonstrate that corporations have a responsibility to respect, protect, and remediate human rights not just within company-owned operations but throughout their extended supply chain. New federal laws as well as those in the State of California, the UK, Australia and France reflect that traditional audits and codes of conduct are insufficient.

Among its peers, Macy's received one of the lowest scores on the 2018 Corporate Human Rights Benchmark: an overall score of 4.1 out of 100. Macy's must adopt a human rights policy to take merely the first step in effectively managing human rights risks.

Finally, the Company's opposition statement reveals human rights data not disclosed publicly anywhere else. While we appreciate the information, it underscores our point that shareholders need more information about what Macy's does to identify and analyze potential and actual human rights risks of operations and its supply chain. Given the Company's lack disclosure, investors have insufficient information to gauge how well the company is addressing this serious risk to the Company and to workers.

Therefore, Mr. Chairman, as the body of laws concerning human rights and human trafficking advances, as our customers and our peers act in favor of protecting those rights, we are being left behind. It is time for the Company to embrace Macy's unique position to become a leader in the field.

We urge our fellow shareholders to vote FOR proposal #5.

Thank you.