



impact capital

Speech given at the Fortinet AGM annual shareholder meeting on June 19th, 2020

Good Morning.

My name is Kristin Hull and I'm the Founder and CEO at Nia Impact Capital, authorized to present on behalf of our firm.

Today on June 19th, I formally move Proposal Five, requesting that Fortinet publish an annual report assessing the Company's efforts to promote both diversity and inclusion within its governance and workforce. Fortinet has not yet released meaningful information that would allow investors to determine the effectiveness of its workplace practices as they relate to building a diverse and inclusive company culture.

The benefits associated with diverse teams are many. They include: better decision making. In fact, diverse teams make better decisions up to 87% of the time.

Diverse leadership attracts top talent and inclusive workplaces are able to retain that talent.

Diverse teams where many perspectives are welcome, also encourage more creative and innovative environments where innovation thrives. Such companies see an increase in revenues specifically from innovative products and services.

In contrast, where diversity is not celebrated and appreciated, where harassment and discrimination may exist, companies may experience reduced employee morale and productivity, and high absenteeism.

When a company releases meaningful data on its workforce composition - including rates of promotion, recruitment efforts, rates of retention, as well as pay gap data.

The company not only provides comfort to investors that it is taking seriously the need to capture the benefits of a diverse workforce, this transparency into company hiring and HR processes illustrates a high level of competency and strategy to its own employees and all stakeholders:

- Transparent reporting demonstrates that the company takes seriously the fact that discrimination is a systemic problem in corporate America, and that it is willing to take responsibility, and rise to the challenge in addressing this issue openly.

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- This transparency shows that the company values its employees and its company culture as an asset to invest in, rather than seeing employees as an expense on a balance sheet.
- When a company acknowledges its own imperfections honestly, trust is built.
- Such reports provide data which allow investors to assess and compare the effectiveness of its programs, and the ability to make progress in such an important driver of alpha.

In the Board's Statement in Opposition, Fortinet describes a number of diversity and inclusion programs with pride, as well as its belief in openness, teamwork and innovation. Given this confidence in Fortinet's programs, as well as the belief that its workplace composition sits above or in line with industry standards, we see little reason why Fortinet would not release the information requested by the shareholder resolution.

We ask that Fortinet begin to proactively report on its workforce composition, recruitment, retention, promotion, and pay data so that investors will be able to assess the effectiveness of the workplace equity programs and policies that Fortinet currently has in place. Thank you.