

**Advisory Committee on Corporate Responsibility in Investment Policy
(ACCRIP)**

Meeting Minutes for Meeting of March 20, 2018

Members Present

Andrew McIntosh (Academic Finance)

Yongsong Huang (faculty)

Katie Silberman (chair)

Patricia Paulino (ugrad)

Chi-Ming Hai (faculty)

Members Absent

Julie Pham (ugrad)

Fulvio Domini (faculty)

Taylan Susam (grad)

David Muller (alum)

Jamie Kase (alum)

Guests

Vikas Rajasekaran (RA)

Anne Sharpe (Investment Office)

Agenda:

1. Vote on prior minutes
2. Proxy guidelines discussion

Meeting notes:

1. Vote on Prior Minutes:

- a. No quorum established, voting will occur over email/next meeting

2. Proxy Guidelines Discussion

- a. Human Rights and Global Labor Standards:
 - i. The guidelines were adapted from those recommended to the President's office last year
 1. To make the guidelines broader, a possible change to bullet three is to alter the phrasing to include: "illegal settlements for example, the occupied territories such as Palestine"
 2. In bullet four, replace "refer to ACCRIP" with "support resolutions to limit or prohibit."
 3. Bullet five which says to "support proposals requiring global companies to follow similar labor standards as those found in the U.S." is a US centric policy. This leaves too much ambiguity as well so the ACCRIP committee recommends changing the focus to "labor standards that support basic human rights."
 4. The last bullet referring to resolutions that cause a company to cease operations should be cut out because of the complexity in defining if a group of people has been harmed from the departure of a company.
- b. Independent Chair:
 - i. A new addition could be to support the creation of an independent board director.
- c. Internet and Communications:
 - i. This guideline is in place for net neutrality issues – no revisions are needed at the moment.
- d. Political Contributions and Lobbying:
 - i. Support resolutions asking for disclosure.
 1. Remove the recommendation supporting disclosures in newspapers because other mediums are much more common and feasible for firms.

2. As in Human Rights and Global Labor Standards guidelines, “refer to ACCRIP Proxy committee,” should be specified to “support resolutions to limit or prohibit.”
- e. Resource Extraction:
 - i. In the second bullet, the guidelines should specify the wording “with these activities” for fracking and drilling.
 - f. Tobacco:
 - i. There haven’t been many proposals lately in tobacco, but this issue could still appear and would be needed.
 - g. Waste Management:
 - i. These guidelines are focused on recycling efforts – an issue coming up often in the food and drug industry for companies like Starbucks.
 - ii. The proxy guidelines encourage support for recycling reports and other information disclosures.
 - h. Fire Arms (New Addition):
 - i. Now that guns have appeared in the news many times, the proxy guidelines must reflect this.
 - ii. The goal for these guidelines is to ask for reporting on gun violence and gun sales as well as disclosures from companies with ties to the NRA.
 - iii. The issue of requesting disclosures is open to discussion because of the distinction between manufacturers and the NRA. Some companies have publicly cut ties with the NRA, but for now the committee will leave it as open discussion till the next meeting.
 - iv. The proposed guidelines lack wording to promote stricter background checks/regulations on gun usage.
 1. A possible issue with adding stronger guidelines is that these are policy arguments and so might not be the place for this language.
 2. However, the guidelines should have gun manufacturers play a larger role in designing safety locks and promoting child safety.
 - a. For clarity, the first bullet should be split into separate guidelines and emphasize child safety engagement
 - v. The committee should expect more push from shareholders rather than the government on this issue

- vi. One possible approach is to treat guns similar to tobacco and use the language from the tobacco guidelines to target the distributors and marketers of guns as well as manufacturers.
- i. Board Diversity:
 - i. Quota discussion: the committee wants to promote an authentic effort for diversity, not quotas.
 - ii. These guidelines need an emphasis on reporting on the board diversity issue because the companies that don't voluntarily report board diversity are the ones that need it.
- j. Next steps: bring these guidelines to the next meeting and present the finalized guidelines to the President's Office.