Advisory Committee on Corporate Responsibility in Investment Policy (ACCRIP)

Meeting Minutes for Meeting of November 20, 2018

Members Present

Andrew McIntosh (academic finance)

Chi-Ming Hai (chair)

David Muller (alum)

Members Absent

Jamie Kase (alum)

Taylan Susam (grad)

Julie Pham (ugrad)

Joshua Jiang (ugrad)

Lisa Di Carlo (faculty)

Fulvio Domini (faculty)

Guests

Christina Paxson (President's Office)

Vikas Rajasekaran (RA)

Peter Levine (Investment Office)

Kimberly Roskiewicz (President's Office)

Anne Sharpe (Investment Office)

Christina Fournier (Administrative Assistant)

Agenda:

1. Introduction
2. President Address to ACCRIP
3. Speech on Environmental Social and Governance (ESG) Investing and Principles for Responsible Investment (PRI)

Meeting Notes:

i. **President Address:**
   a. ACCRIP was tasked with revising the proxy guidelines last year:
      i. Right now, President's office is putting together the Corporation committee to review the proxy guideline changes.
   b. Last year, a report was released with a broader mandate than ACCRIP currently has that discusses ESG issues:
      i. Issues like who to buy paper from or which supplier to give contracts for sports apparel were brought up
      ii. The report was not made public because the authors couldn't agree on the principles – there were major differences in opinion on what the university should do.
         1. Some in the community felt uncomfortable going that far and others felt the potential recommendations were not going far enough.
         2. Another topic that came up was divestment of fossil fuels
   c. Faculty Executive Committee (FEC) decided to do a governance review of all faculty committees as well as advisory committees with a goal of figuring out if we have the right charters and if we are making good use of people's times.
      i. This follows the accreditation review as the review argued that Brown values governance too much, potentially resulting in a high burden on faculty.
         1. This has led to the FEC to investigate.
   d. Request for ACCRIP to Consider:
      i. When ACCRIP was chartered, Brown was focused on divestment at the time, but the way Brown invests now is much different now because the endowment is manager-driven.
      ii. However, new issues are coming up:

1. One of the suppliers for Brown apparel had to be switched after the contract ended because of labor disputes with the supplier.
2. Another is which hotels Brown should recommend during labor disputes.

iii. ACCRIP could be more involved in these decisions to be more useful because the President currently doesn't have any committee to discuss issues like this.

iv. The President would like to elevate the work of ACCRIP and broaden its goals to a wider set of ethical issues to include decisions outside of just investment policies. This will add work to ACCRIP, but it will serve the university better.

1. The committee could talk to the FEC to discuss further and ask for their thoughts.
2. It wouldn't make sense to create new ACCRIP to handle business decisions from an investment-oriented ACCRIP.
    a. Example: If there was backlash against Facebook that Brown didn't want to associate with a potential response to discuss could be for Brown not use Facebook as a means of communication
    b. Example: The political party made recommendations for hotel and car rentals.
        i. Brown could provide information on vendors that is aligned with Brown's mission and take out vendors that are not ESG focused.
    c. Some universities follow the PRI and sign it, but Brown instead practices the PRI, but has not officially signed on:
        i. Brown tends to be leery of signing the PRI because if the PRI changes then Brown would need to retract its signature.
        ii. Also, it becomes hard to get into closed funds if Brown tries to give them mandates on what to invest or not.

ii. ESG and PRI Overview:

a. Postponed to next committee meeting