

**Brown University**  
Advisory Committee on Corporate  
Responsibility in Investment Policies (ACCRIP)  
**2006-2007 Annual Report**

October 2007

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## Membership

### Faculty:

Harold Ward, Chairman, Professor Emeritus of Environmental Studies  
Eli Upfal, Professor and Chair, Computer Science  
Stephen Houston, Professor of Anthropology

### Undergraduate:

Daniel MacCombie, '08  
William Masket, '07

### Graduate:

Lindsey Ryckman, M.A. '07

### Staff:

Beth Burlingame, Athletics  
Beverly Travers, Physics

### Alumni:

Stanley Griffith  
Laura Posten  
Peter Voss

## Website

With the assistance of Christopher Wilson, the Committee created a website:  
[http://www.brown.edu/Administration/Finance\\_and\\_Admin/ACCRIP/](http://www.brown.edu/Administration/Finance_and_Admin/ACCRIP/)

## Charter

The original Charter of the ACCRIP was approved by the faculty in 1978, and was still in place at the beginning of the 2006-2007 academic year. This Charter charged the Committee with tasks that properly belong to the Administration, and required activities well beyond the Committee's resources. In consultation with the Administration, the Committee prepared an amended version of the Charter that better represents the Committee's actual practices and expands the Committee's membership by adding two members from the University Staff. This amended version was approved by the faculty on March 6, 2007. (See Appendix A)

## Sudan/Darfur

In February, 2006, the Brown Corporation approved a Committee proposal to avoid investment in certain companies doing business with the government of Sudan, due to continuing violence at the hands of government militias in the Darfur region. In this academic year, the Committee reviewed the list of fourteen companies on the “do not invest” list and voted to recommend adding five companies to that list. Two companies (Siemens and ABB Ltd.) were recommended to be removed from the list because they have withdrawn from the Sudan. As of this report, the ACCRIP has recommended that the University not invest in the following companies:

- Alcatel
- Alstom
- Bharat Heavy Electricals
- Electricity Generating Corporation (EGCO)
- Harbin Power Equipment Co.
- Indian Oil Corporation (IOCL)
- Lundin Petroleum
- Mobile Telecommunications Co. (Sudatel)
- Muhibbah Engineering Berhad
- Nam Fatt
- Oil & Natural Gas Corporation (ONGC)
- PECD Barhad
- PetroChina (and China National Petroleum Corp.)
- Reliance Industries
- Schlumberger
- Sinopec
- Tatneft

## Social Choice Fund

This year the Committee again recommended the establishment of a Social Choice Fund (a socially responsible fund) that donors to Brown University might choose for management of their gifts. Based upon extensive research completed by Christopher Talbot during the summer of 2006, the Committee submitted a recommendation to the Brown University Community Council in November, 2006 (see Appendix B.) which was approved by the Council unanimously. In February 2007, the Brown Corporation approved creation of a Social Choice Fund that will be invested in companies with a strong record on environmental issues. See [http://www.boldly.brown.edu/giving/social\\_choice.html](http://www.boldly.brown.edu/giving/social_choice.html)

## Guidelines

The guidelines for voting proxy proposals were updated and revised by the Committee at the close of the voting season, to reflect new issues and clarifications based on the Committee's experience during the year. The revisions were submitted to the Administration for approval for use during the 2007-2008 season. (See Appendix D) The guidelines that were applied in the 2006-2007 season appear in Appendix C.

Significant proposed changes to the guidelines include the following:

- In General: The clause "moral responsibility" was added, for consistency with the amended Charter.
- Animal Rights: Guideline was expanded to include proposals related to animal rights outside the United States.
- Energy: Category title changed to "Climate Change." Language was clarified to support emissions goals. Clause added to oppose resolutions intending to challenge scientific consensus.
- Genetically Engineered Products: Clause added to support proposals asking for identification of impacts due to unintended release of Genetically Modified Organisms.
- New category added for "Internet Access," to support and protect internet access.
- Political Contributions and Related Issues: Language clarified and revised to specify level and mode of reporting of political contribution policy.

## Proxy Recommendations

In the 2006-2007 proxy season, 44 proxy proposals were referred to the ACCRIP. Of these, 19 were judged by the Investment Office and the Committee Chair to be clearly covered by the Guidelines and to raise no issues requiring Committee discussion. Accordingly, 17 proposals were approved, and two voted with management. (In the tables beginning on page seven, these votes are listed under “guidelines”.) The Committee discussed and voted directly on the remaining 25 proposals, of which nine were approved and 16 were voted with management – listed under “vote” in the tables.

Environmental issues dominated the proposals considered by the Committee, 12 of which specifically addressed climate change and greenhouse gas emissions. Proposals addressing political contributions were the second most prevalent, with seven proposals considered.

For guidelines applied this season, see Appendix C.

*Table 1: All Proposals*

	For	Against	Abstain	Total
Guidelines	17	2	-	19
Vote	9	16	-	25
Total	26	18	-	44

*Table 2: Proposals by Category*

	For	Against	Total
Animal Rights	3	3	6
Banking and Insurance	1	1	2
Board Diversity	1	1	2
Charitable Contributions	2	2	4
Equal Employment Opportunity	2	2	4
Energy	-	1	1
Environmental Issues	9	15	24
Executive Pay	-	1	1
Free Speech / Censorship	-	1	1
Genetically-Modified Products	1	3	4
Labor Standards	1	2	3
Military Issues	1	2	3
Northern Ireland	-	1	1
Political Contributions	5	7	12
Social Impact	-	2	2
Total:	26	18	44

## Animal Rights

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Eli Lilly	Report on off-shoring of animal experimentation			x		Committee recognized the need to identify insufficient animal rights standards in nations such as China
Eli Lilly	Report on feasibility of expanding Animal Care and Use Policies			x		Considered very broad, but a fair and feasible application of the Guidelines
Safeway	Report on feasibility of using controlled-atmosphere killing			x		Not considered an undue burden to report on feasibility of a more humane technique
Total:				3		

## Banking and Insurance

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Wells-Fargo	Report on racial and ethnic disparities in the costs of loans	x				Meets guidelines on banking or EEO
Total:		1				

## Board Diversity

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Torchmark Corporation	Ensure women and minorities are considered for nomination to board	x				Meets board diversity guidelines
Total:		1				



## Charitable Contributions

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Freddie Mac	Report on charitable contributions	x				Meets reporting and charitable contributions guidelines
GE	Report on charitable contributions	x				Meets reporting and charitable contributions guidelines
Total:		2				

## Equal Employment Opportunity (EEO)

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Exxon-Mobil	Amend EEO policy to prohibit discrimination based on sexual orientation	x				Meets guidelines on Equal Employment Opportunity
Home Depot	Report on employment diversity	x				Meets guidelines on Equal Employment Opportunity
Total:		2				

## Energy

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Exxon-Mobil	Substantially increase renewable energy sourcing				x	Implausible time-frame
Total:					1	

## Environmental Issues

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Allegheny Technologies	Report on greenhouse gas emissions	x				Meets reporting and environmental guidelines
Dominion Resources	Report on greenhouse gas emissions	x				Meets reporting and environmental guidelines
Dominion Resources	Report on environmental and social impact of powerline right-of-way				x	Adequately covered by law; unlikely to have intended effect on the company
Du Pont	Report of PR and lobbying expenses related to PFOAs, fluorocarbons, and dioxins, and expenses on remediation efforts			x		An expedited remediation process of PFOAs is thought to benefit both consumers and the company
Du Pont	Global Warming Report and assessment of company climate policy				x	Proposal intends to challenge science of climate change, science the Committee accepts
Du Pont	Report on the use of PFOA compounds in products			x		An expedited remediation process of PFOAs is thought to benefit both consumers and the company
Exxon-Mobil	Provide data to customers at gasoline pumps on the “well-to-wheels” average CO <sub>2</sub> emissions of the gas they buy				x	Unreasonable and costly
Exxon-Mobil	Adopt and report on quantitative goals for reducing greenhouse gas emissions			x		Falls within Guidelines on reporting and standards
Exxon-Mobil	Report on community environmental hazards	x				Meets reporting and environmental guidelines
Exxon-Mobil	Report on executive pay and wage standards				x	Guidelines forbid approving proposals that seek compensation comparisons.
Fed Ex	Report on global warming policies	x				Meets reporting and environmental guidelines
GE	Global Warming Report and assessment of company climate policy				x	Proposal intends to challenge science of climate change, science the Committee accepts
Massey Energy Company	Report on greenhouse gas emissions	x				Meets reporting and environmental guidelines

Occidental Petroleum	Global Warming Report and assessment of company climate policy			x	Proposal intends to challenge science of climate change, science the Committee accepts
Safeway	Environmental Sustainability Report		x		Meets reporting and environmental guidelines
Wells-Fargo	Formulate emissions reductions goals for the company, borrowers, and clients			x	Unreasonably broad
Total:		6		3	7

## Executive Pay

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Exxon-Mobil	Report on executive pay and wage standards				x	Guidelines forbid approving proposals that seek compensation comparisons.
Total:					1	

## Free Speech / Censorship

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Google	Institute policies to protect freedom of access to internet globally				x	Would preclude company from doing business in some nations where residents benefit from even limited internet access
Total:					1	

## Genetically-Modified Organisms

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Du Pont	Report on impact and controls on Genetically Modified Organisms			x		While potentially a very broad proposal, Committee agreed Du Pont should take greater steps to understand the potential hazards in GMOs
Safeway	Labeling of products of cloning and genetic engineering				x	Committee agreed there is as yet not enough scientific evidence to merit a proposal of this magnitude
McDonald's	Labeling of products of cloning and genetic engineering		x			Considered unfeasible
Total:			1	1	1	

## Labor Standards

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
McDonald's	Adopt and implement a labor conventions set forth by the International Labor Organization (ILO)			x		Proposal fits within labor standards guideline of "compliance with codes of conduct"
JP Morgan Chase	Report on company links to slavery and human rights abuses				x	Considered outside the purview of the Committee
Total:				1	1	

## Military Issues

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Textron	Report on sales of weapons and services to foreign entities				x	Adequately covered by law; unfeasible if not industry-wide
GE	Review and amend ethical criteria for military contracts	x				Meets military guidelines
Total:		1			1	

## Northern Ireland

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Manpower	Implement the MacBride Principles				x	Adequately covered by law
Total:					1	

## Political Contributions

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Exxon-Mobil	Annual report on political contributions	x				Meets guidelines on political contributions
Massey Energy Company	Annual report on political contributions	x				Meets reporting and political contributions guidelines
JP Morgan Chase	Report on political contributions			x		Political contributions are a valuable tool for a company to raise issues important to them, but also have the potential for abuse.
Home Depot	Affirm political non-partisanship and institute rules governing relations between employees and management to that end				x	Adequately covered by law
Lehman Brothers Holdings	Publish political contributions in national newspapers		x			Strictly violates guidelines on political contributions
Target	Report on political contributions	x				Meets reporting and political contributions guidelines
AT&T	Report on political contributions	x				Meets reporting and political contributions guidelines
Total:		4	1	1	1	

## Social Impact

Company	Proposal	Guidelines		Vote		Reasoning
		F	A	F	A	
Du Pont	Report on potentially hazardous chemical releases				x	Proposal unclear on its goals
Du Pont	Formation of Committee to assess community impact of plant closures				x	Reports would be far too subjective; may be a costly proposal
Total:						2

## Appendix A: Committee Charter

### *Charter of the Advisory Committee on Corporate Responsibility in Investment Policies*

*Approved by the Faculty on March 6, 2007*

#### I. *Charge*

The Advisory Committee on Corporate Responsibility in Investment Policies (hereafter “Committee”) shall:

- a. consider issues of moral responsibility in the investment policies of Brown University. The Committee shall evaluate information on such questions that are submitted to the Committee from individuals, groups, and organizations within and outside the University community;
- b. examine all proxy resolutions that are presented to the University as a shareholder in any company and that raise issues of social responsibility. The Committee shall develop guidelines for voting on proxy resolutions and from time to time, as appropriate, amend these guidelines. The guidelines and any amendments shall be submitted to the Advisory and Executive (A&E) Committee for their review and approval. After A&E approval of such guidelines, each proxy resolution shall be reviewed and, if the resolution clearly is covered by the guidelines, that resolution shall be voted in accord with the guidelines. If a particular proposal is not covered by the guidelines, that proposal shall be considered by the Committee. If the Committee recommends voting against the proposal, that vote will be cast. If the Committee recommends voting in favor of a proposal or abstaining from a vote, that recommendation will be sent to the Proxy Committee of the Corporation, for its review and action;
- c. consider requests by any member of the Brown Community to examine issues of alleged "social harm" with respect to the activities of corporations in which the University is an investor. Social harm is defined for the purpose of this charge as the harmful impact that the activities of a company or corporation have on consumers, employees, or other persons, or on the human or natural environment;
- d. carefully balance (in making its judgment on any specific question of social harm) the gravity of the social harm, the potential effectiveness of various means of influencing corporate policy, the University's need to maintain a sound financial policy, and the consistency of various proposed courses of action with the maintenance of an environment at Brown conducive to teaching and scholarly inquiry. In no event will a recommendation be made that an endowment security be selected or retained solely for the purpose of encouraging or expressing approval of a company's activities or, alternatively, for the purpose of placing or leaving the University in a position to contest a company's activities;
- e. not recommend action on any proxy resolution or other aspect of investment that advances a position on social or political questions unrelated to the conduct of the company's business or the disposition of its assets;

f. have the power to recommend one or more of the following actions if it deems a proxy or other issue raises a significant question of "social harm" (as defined above):

- that letters of inquiry and/ or protest be directed to the corporation(s) involved, expressing the University's concerns and requesting further information, and that (in appropriate cases) such letters establish specific terms and deadlines for the correction of the social harm involved and suggest that the University might divest itself of its shares in that corporation if these terms are not met;
- that the University make its views on these issues known to the public;
- that a representative of the University appear at the shareholders' meeting where the proxy is to be voted and present on behalf of the University its views on the issue;
- that the University cooperate with other interested groups and institutions to exert additional pressure upon the company (or companies) involved to correct the social harm; and
- that the University pursue any other measures the Committee deems likely to be constructive.

g. recommend divestiture (keeping in mind the fundamental principle of sound financial policy, the legal responsibilities of the Corporation to sustain fiscal soundness and stability of the endowment fund, and the kinds of balanced judgment called for above) when divestiture will likely have a positive impact toward correcting the specified social harm, or when the company in question contributes to social harm so grave that it would be inconsistent with the goals and principles of the University to accept funds from that source.

h. conduct open meetings, except when the Committee specifically votes that they should be closed, and

i. report annually to the University community on its actions by posting this report on the Committee's website.

## *2. Membership*

There shall be three faculty members to be elected by the faculty; three students, two to be elected by the undergraduates and one by the graduate students, for terms to be decided by their councils; three alumni to be chosen by the President, in consultation with the Board of Directors of the Associated Alumni, for such terms as they may recommend, and two University staff members, serving staggered two-year terms, recommended by the Staff Advisory Council and approved by the President. Staff of the Investment Office shall not serve as voting members of the Committee. Faculty members shall serve for three-year terms, and can be elected for successive terms.

## *3. Organization*

The Committee shall establish its own by-laws for election of officers, and for conducting its business. Committee members may participate in decisions by their presence at meetings, by participation via telephone conferencing or by e-mail voting.



#### *4. Assistance to the Committee*

In order that the Committee may carry out its charge with efficiency and dispatch it is recommended:

- a. that the President make available to the Committee the reports of a reputable proxy issue research service but that additional material for information and evaluation also be sought;
- b. that the University join in any consortium with sister institutions of higher learning that would be mutually beneficial to the fulfillment of its corporate responsibilities in investment; and
- c. that the President arrange for the appointment of a research assistant to help the Committee in its investigations and analyses.

## Appendix B: SCF Recommendation to BUCC

### Recommendation of the Advisory Committee on Corporate Responsibility in Investing (ACCRI)

*Presented to the Brown University Community Council November 14, 2006*

Over the past three years, the ACCRI has recommended that the University should offer an option for accepting contributions to an investment fund that complies with socially responsible criteria (SRI fund). As the report that Christopher Talbot presented to this Council in September made clear, there are many such funds, and their criteria for investment selections vary widely. President Simmons has asked the ACCRI to review the Talbot report and to recommend the type of Social Choice Fund that we believe that Brown should establish.

SRI funds can be categorized generally as funds that apply negative screens, and those that proactively choose investments. Negative screens exclude certain investments because of characteristics deemed by the fund to be undesirable - e.g. investments in corporations with outstanding environmental violations or corporations that manufacture land mines.

The ACCRI recommends a Social Choice Fund that is proactive - that selects investments based on their potential to promote a social good. We believe that this approach is more consistent with Brown's aspiration for excellence - i.e. in our academic endeavors, we seek to excel, not merely to avoid poor performance. Of the various options for the focus of a proactive fund, we recommend a fund with an environmental emphasis. We have in mind fund portfolios composed of companies that are environmentally responsible and that are working toward sustainability, such as more efficient use of natural resources (energy and water) or reduced environmental burdens (alternative energy). Sustaining our environment is essential to our well-being. We expect that such a fund will be broadly appealing to donors and fully consistent with Brown's mission.

Should the concept of a Social Choice Fund be approved by the Corporation, we understand that the selection of a particular fund manager will be carried out by the Investment Office, and conditions for donations to this fund will be set by the Advancement Office. We suggest that the Social Choice Fund be evaluated over a trial period of at least five years, to provide sufficient evidence of donor interest, financial performance, and environmental focus.

## Appendix C: 2006-2007 Proxy Voting Guidelines

### **In General:**

Support proposals for reports and development of standards where cost does not appear excessive and intent is to inform and to focus management attention on issues (i.e., equal employment opportunity, global labor and environmental standards). Oppose proposals for reports that are already adequately covered by existing law, where the intent appears to be to expose the company to private agendas, or which would impose an unreasonable cost or administrative burden on the company (i.e., charitable contributions, the impact of structural adjustment programs on debtor countries).

### **Animal Rights:**

Support management, as these issues are generally adequately governed by law.

### **Banking and Insurance Issues:**

Oppose resolutions asking analysis of the impact of structural adjustment programs on debtor countries' ability to repay loans, labor forces, natural resources, social and political stability, and potential for sustainable, democratic development. Oppose resolutions seeking community reinvestment programs; the Community Reinvestment Act covers this. Support reasonable reporting requirements and codes of conduct in areas such as equal credit opportunity and corrupt practices.

### **Board Diversity:**

Support resolutions to increase board diversity and oppose quotas

### **Charitable Contributions:**

Oppose limitations and reports on charitable contributions, as these are generally proposed to fulfill private agendas (opposition to abortion). Support resolutions where information is requested on charitable gifts that are to organizations where the top officers (the Proxy top five) or directors have a vested interest (i.e. ..are members of the board, committees, etc.)

### **Energy:**

Support reasonable reporting of contributions of corporate operations toward greenhouse gas emissions and on actions the corporation is taking to reduce these emissions, including the development of alternative energy sources.

### **Environmental Issues:**

Support the adoption of environmental guidelines/principles (e.g. Ceres Principles and the Global Reporting Initiative) and reasonable reporting of the adverse environmental impacts of corporate

actions and proposed actions and corporate activities to mitigate these impacts. Support reports of any governmental fines paid due to environmental misconduct. Submit other environmental issues to the ACCRI for review.

### **Equal Employment Opportunity:**

Support resolutions asking management to issue reports and/or release EEOC report on workforce composition. Support diversity, but oppose quotas. Support equal treatment for employees regardless of sexual orientation, including domestic partner benefits for gay and lesbian employees.

### **Executive Pay and Social Performance:**

Support consideration of social performance as one of a number of criteria to determine executive pay, but oppose explicit linkage of executive pay to social performance when the proposal is narrowly defined, almost to the exclusion of attention to financial performance. Oppose resolutions based primarily on reporting comparisons of compensation for executives and lowest-paid employees.

### **Genetically-Modified Products:**

Oppose resolutions requiring actions from corporations that cannot feasibly influence the amount of genetically engineered materials incorporated in their products.

### **Global Labor Standards:**

Support development of reports on and compliance with codes of conduct.

### **Health Issues/ Abortion:**

Oppose resolutions seeking policies of price restraint on drugs. Oppose resolutions seeking plans to inform women of the possible abortifacient action of any products when proposed in pursuit of an anti-abortion agenda. Oppose resolutions requesting spin-off of contraceptive business. Support resolutions in favor of the International Code of Marketing for Breastmilk Substitutes.

### **Human Rights:**

Support resolutions seeking reports and codes of conduct on investment in countries where there are pervasive violations of human rights. Refer resolutions to limit or prohibit doing business in such countries to the ACCRIP.

### **Mexico:**

Support Maquiladora resolutions on environmental and equal employment standards. (See Appendix for background on Maquiladoras)

**Military Issues:**

Oppose most resolutions seeking to limit corporate involvement in military contracts on the grounds that this is a national issue and should be addressed in the political arena, not at the shareholder level. Support resolutions requiring reports on criteria for foreign military sales. Refer resolutions relating to the production and sale of land mines to the ACCRIP.

**Northern Ireland:**

Oppose resolutions in favor of the MacBride principles (Appendix 3); Great Britain has acceptable standards, and we question the legality of imposing standards on a foreign country.

**Nuclear Power:**

Support proposals for reports on procedures for safe storage of nuclear waste only if the company has direct control over managing the waste. Refer other proposals on nuclear power to the ACCRIP.

**Pandemics:**

Support proposals seeking reports of the impact of pandemics (e.g. malaria, TB, HIV/AIDS) on company operations and/or on the actions a company is taking to prevent or treat these diseases in employees.

**Political Contributions and Related Issues:**

Support resolutions requiring reporting to the stockholders (e.g. in the annual report) of direct and indirect political contributions made with corporate funds, but oppose requirements to publish such reports in newspapers. Oppose bans on political contributions.

**Tobacco:**

Support resolutions that seek to ban, limit, or seek the divestiture of operations that are involved with the manufacturing, distribution, marketing and sales of tobacco and related products.

## Appendix D: Proposed Revisions to Proxy Guidelines

### Amendments – Proposed July 2007

#### Advisory Committee on Corporation Responsibility in Investment Policy (ACCRIP)

#### Policies on Social Issues, as amended – 23 May 2004

##### **In General:**

Support proposals for reports and development of standards where cost does not appear excessive and when the intent is to inform and to focus management attention on issues of moral responsibility. Oppose proposals that are already adequately covered by existing relevant law, where the intent appears to be to expose the company to private agendas, or which would impose an unreasonable cost or administrative burden on the company. Proposals judged not to be covered by these guidelines will be reviewed by the ACCRIP.

##### **Animal Rights:**

Support management, as these issues are adequately governed by law or where practices are consistent with U.S. law

##### **Banking and Insurance Issues:**

Oppose resolutions asking for analysis of the impact of structural adjustment programs on debtor countries' ability to repay loans, labor forces, natural resources, social and political stability, and potential for sustainable, democratic development. Oppose resolutions seeking community reinvestment programs. Support reasonable reporting requirements and codes of conduct in areas such as equal credit opportunity and corrupt practices.

##### **Board Diversity:**

Support resolutions to increase board diversity and oppose quotas.

##### **Charitable Contributions:**

Oppose limitations and reports on charitable contributions, as these are generally proposed to fulfill private agendas. Support resolutions where information is requested on charitable gifts that are to organizations where the top officers (the Proxy top five) or directors have a vested interest (i.e. are members of the board, committees, etc.)

##### **Climate Change:**

Support reasonable reporting of corporate greenhouse gas emissions and on actions to reduce these emissions, such as setting goals for emissions reduction and the development of alternative energy sources. Oppose resolutions intended to challenge the scientific consensus on climate change.

**Environmental Issues:**

Support the adoption of environmental guidelines/principles (e.g. Ceres Principles and the Global Reporting Initiative) and reasonable reporting of the adverse environmental impacts of corporate actions, plausible impacts of proposed actions, and corporate activities to mitigate these impacts. Support reports of all governmental fines paid due to environmental misconduct.

**Equal Employment Opportunity:**

Support resolutions asking management to issue reports and/or release EEOC report on work force composition. Support diversity, but oppose quotas. Support equal treatment for employees regardless of sexual orientation, including domestic partner benefits for gay and lesbian employees.

**Executive Pay and Social Performance:**

Support consideration of social performance as one of several criteria to determine executive pay. Oppose explicit linkage of executive pay to social performance when the proposal is narrowly defined, almost to the exclusion of attention to financial performance. Oppose resolutions based primarily on reporting comparisons of compensation for executives and lowest-paid employees.

**Genetically-Modified Products:**

Oppose resolutions requiring actions from corporations that cannot feasibly identify or influence the amount of genetically engineered materials incorporated in their products. Support resolutions requesting corporations to identify financial and social impacts as a result of regulatory or legal actions/sanctions due to health, environmental, or biological issues caused by the unintended distribution of genetically modified materials.

**Global Labor Standards:**

Support development of, reports on and compliance with codes of conduct.

**Health Issues/ Abortion:**

Oppose resolutions seeking policies of price restraint on drugs. Oppose resolutions seeking plans to inform women of the possible abortifacient action of any products when proposed in pursuit of an anti-abortion agenda. Oppose resolutions requesting spin-off of contraceptive business. Support resolutions in favor of the International Code of Marketing for Breastmilk Substitutes.

**Human Rights:**

Support resolutions seeking reports and codes of conduct on investment in countries where there are pervasive violations of human rights. Refer resolutions to limit or prohibit doing business in such countries to the ACCRI.

**Internet Access:**

Support resolutions intended to increase access to the Internet and to protect the privacy of Internet users.

**Mexico:**

Support Maquiladora resolutions on environmental and equal employment standards.

**Military Issues:**

Oppose most resolutions seeking to limit corporate involvement in military contracts on the grounds that this is a national issue and should be addressed in the political arena, not at the shareholder level. Support resolutions requiring reports on criteria for foreign military sales.

**Northern Ireland:**

Oppose resolutions in favor of the MacBride principles.

**Nuclear Power:**

Support proposals for reports on procedures for safe storage of nuclear waste only if the company has direct control over managing the waste.

**Pandemics:**

Support proposals seeking reports of the impact of pandemics (e.g. malaria, TB, HIV/AIDS) on company operations and/or on the actions a company is taking to prevent or treat these diseases in employees.

**Political Contributions and Related Issues:**

Support resolutions requiring disclosure to the stockholders (e.g. in the annual report) of policy, criteria and aggregate amounts of contributions. Oppose requirements to publish such reports in newspapers or to provide details of contributions. Oppose bans on political contributions.

**Tobacco:**

Support resolutions that seek to ban, limit, or seek the divestiture of operations that are involved with the manufacturing, distribution, marketing and sales of tobacco and related products.