

ADVISORY COMMITTEE ON SOCIALLY RESPONSIBLE INVESTING
2010-2011 AGENDA
January 25, 2011

INTRODUCTION

At the recommendation of the President, and with the approval of the University Trustees, the Advisory Committee on Socially Responsible Investing was established in March 2000 to address issues of corporate social responsibility confronting the University as an investor. The Committee was asked to “set out a specific agenda” for each academic year, and to provide it to the Columbia Community during the spring semester. The Committee has developed the following agenda for the 2010-2011 academic year, which builds on the Committee’s first ten years of experience generally, and which specifically reflects discussion of shareholder proposals reviewed during the spring semester, review of social issue proposals brought to the Committee throughout the year, ongoing initiatives from last year and new issues that have arisen this year, implementation of formal policies, consideration of external sources and materials, and careful discussion and deliberation.

AGENDA

During the 2010-2011 academic year, the Committee will continue to review selected shareholder proposals made to public corporations in which the University has invested its endowment. The Committee will recommend to the University Trustees how to vote on shareholder proposals from several broad social issue categories, namely: animal welfare; banking issues; charitable / political contributions; environment and energy; equal employment; executive pay; global labor standards / human rights; health and safety issues; and military and security. In addition, the Committee will act as an interface with the Columbia Community to help direct their interests to appropriate sources. In keeping with its precedent of recent years, the Committee anticipates excluding shareholder proposals relating to the election of Board members, determination of individual management compensation, and the appointment of auditors from its review, but may decide to review and formulate recommendations in a select number of cases where it believes it can add some value to the discussion. The Committee will apply the ACSRI Proxy Voting Guidelines formalized last year.

In an effort to improve and expand communication channels, the Committee will experiment with alternative vehicles of outreach to the Columbia Community this year. It will also focus on educating the Columbia Community on social issues and engagement methods. On October 12, 2010 the Committee held an “Open Meeting” and invited student leaders from the clubs, committees, and organizations on campus to attend. Guest speakers included the Executive Director of the Responsible Endowments Coalition and the Secretary of Loyola University of Chicago’s Shareholder Advocacy Committee, who spoke on the topic of engagement methods.

The Communications / Outreach Subcommittee delivered its “Plan of Action” to the Committee in January 2011, which included alternative vehicles of outreach to the Columbia Community, and improved social media and website. As stated on the ACSRI website, any member of the Columbia Community is welcome to submit a written proposal on a social issue(s) of concern to the Committee Manager throughout the academic year.

In the spring of 2009, the Committee established an Arms Divestment Subcommittee in response to a student proposal on divestment from arms manufacturers brought forth at the 2007 Town Hall. The subcommittee worked with the students to revise the proposal, and at the 2009 Town Hall the students submitted a proposal on non-investment in cluster munitions. The subcommittee was renamed, the Cluster Munitions Subcommittee, and on November 16, 2010, the Committee heard from a Columbia University faculty expert on cluster munitions from the School of International and Political Affairs. Over the academic year, the Cluster Munitions Subcommittee will advise the Committee on a plan of action for shareholder engagement.

In accordance with the Committee's April 2006 Statement of Position and Recommendation on Divestment from Sudan, the Committee will monitor company activity in Sudan and, with guidance from the Sudan Divestment Subcommittee, make a recommendation to the Trustees to maintain the current divestment/disinvestment list, or to add companies to and/or remove companies from the current list. The Committee formalized its Sudan Divestment Monitoring Process in the fall of 2009.

In accordance with the Committee's January 2008 Statement of Position and Recommendation on Tobacco Screening, the Committee will screen for domestic and foreign companies engaged in the manufacture of tobacco and tobacco products, and alert the Investment Management Company, who will refrain from investing in those companies.

Over the course of the academic year, the Committee may advise the Trustees on other compelling issues involving socially responsible investing and adjust its agenda, if and when relevant matters arise. The Committee will explore other ways to communicate its concerns about issues of corporate social responsibility through methods other than proxy review.

PROCESSES

With respect to proxy review for 2010-2011, the Committee will use the Proxy Voting Guidelines formalized last year, however it will continue to address shareholder proposals on a case-by-case basis when necessary. The Proxy Voting Guidelines are based on the Committee's past precedent and voting record on issues that surface each year. Where there is lack of consensus or a new issue to discuss, shareholder proposals will be reviewed in more detail. The Committee will continue to review shareholder proposals and company responses, as well as other supporting and opposing statements and independent reports and opinions for each proposal.

During the fall semester, the Committee invited speakers from the Responsible Endowments Coalition, Loyola University of Chicago's Shareholder Advocacy Committee, and Columbia University's School of International and Political Affairs to speak about their work and related issues covered by this agenda.

The Committee may continue to form subcommittees, where appropriate, to consider select issues.

The Committee will keep a record of all matters that are put to formal vote, including all recommendations that are submitted to the University Trustees. The Committee will work with a Subcommittee of the Finance Subcommittee of the Board of Trustees to make possible the timely and accurate submission of proxy ballots.

The Committee understands that its efforts may not result in the intended effect, therefore the Committee will continue to re-examine and re-visit its policies and procedures as needed.

An annual report of the activities of the Committee will be released during the fall following the conclusion of the academic year, along with other reports, as appropriate. The Committee will communicate this agenda to the President, the University Trustees, and the University Senate, and will post it on its website.