



## ADVISORY COMMITTEE ON SOCIALLY RESPONSIBLE INVESTING

### **2023 - 2024 AGENDA**

#### **INTRODUCTION**

At the recommendation of the President, and with the approval of the University Trustees, the Advisory Committee on Socially Responsible Investing (ACSRI) was established in March 2000 to address issues of corporate social responsibility related to investments in the University's endowment. The Committee's recommendations are advisory in nature as the final fiduciary responsibility for the management of the investments that support the University's mission lies with the University Trustees.

An endowment is a fund where the principal is invested and an annual distribution (payout), funded by income and appreciation on the investments, is utilized by the University for purposes in support of our mission. An [endowment gift](#) is a donation that is given with the intent to preserve the original value of the gift and to grow it over time. The funds are held in perpetuity and invested, and the accumulated appreciation and income on the investment is used to fund an annual distribution. The annual distribution is spent according to the donor's wishes.

Through this dedicated stream of income, an endowment gift ensures the stability of a scholarship, professorship or program. Endowed gifts provide a stable income stream to ensure Columbia's continued excellence in teaching, research and patient care.

The [Columbia Investment Management Company](#) (IMC) is a wholly-owned subsidiary of Columbia University that is charged with managing the bulk of the University's endowments, also known as managed assets.

#### **AGENDA**

The ACSRI was asked to "set out a specific agenda" for each academic year, and to provide it to the Columbia Community during the fall semester. The Committee has developed the following agenda for the 2023 - 2024 academic year, which reflects ongoing initiatives including divestment/non-investment monitoring.

During the 2023 - 2024 academic year, the Committee will continue to review selected shareholder proposals (proxies) for U.S. registered public corporations in which the University has a direct holding in its endowment. The Committee will recommend to the University Trustees how to vote on shareholder proposals on several broad social issue categories, including corporate board structure and composition; environment, energy and sustainability; equal opportunity employment; gender/racial equity; health and safety; human rights; and political spending, etc.

In keeping with its precedent of recent years, the Committee anticipates excluding most shareholder proposals on corporate governance and executive compensation from its review. The Committee

may further refine its activities as the nature of the proxies to be voted in the spring of 2024 becomes clearer.

Another core activity is the monitoring of Columbia's investment policies and divestment screens:

- **Oil & Gas:** In accordance with the Trustee Resolution dated January 20, 2021 Investment Policy on Fossil Fuel, the ACSRI will continue its work on the implementation of Columbia's [fossil fuel investment policy](#). The Fossil Fuel subcommittee followed guidelines it formalized in 2022 on evaluating whether a company has established a **credible plan** to net zero and has achieved **significant strides** towards that plan. A credible plan establishes a clear path with short-, medium- and long-term GHG emission reduction targets for Scopes 1, 2, and 3.

As of May 2023, the Fossil Fuel subcommittee believes it is **too premature to formally identify any publicly traded oil & gas companies definitively meeting the University's Fossil Fuel Investment Policy**. Many oil and gas companies have only recently made commitments to net zero by 2050, and in many cases these are not accompanied by concrete roadmaps with the steps to achieve the commitment. In other cases, companies have not had enough time to operationalize their plans to make a meaningful impact on their operations. For example, large infrastructure projects - such as renewable energy generation projects - take years of development and construction work before becoming operational.

The following non-investment lists are updated each academic year and are shared with the Columbia Investment Management Company, which will refrain from investing in those companies:

- **Private Prison Operators:** In accordance with the Trustee Resolution dated June 12, 2015 on divestment from companies engaged in the operation of private prisons, the Committee will screen publicly-traded domestic and foreign companies engaged in the operation of private prisons.
- **Thermal Coal:** In accordance with the Trustee Resolution dated March 13, 2017 on divestment from companies deriving more than 35% of their revenue from thermal coal production, the Committee will screen publicly-traded domestic and foreign thermal coal producers.
- **Tobacco:** In accordance with the Committee's January 31, 2008 Statement of Position and Recommendation on Tobacco Screening, the Committee will screen publicly-traded domestic and foreign companies engaged in the manufacture of tobacco and tobacco products.

The Committee strives to hone its expertise and proficiency on matters identified on its agenda as well as new issues that may arise. To help develop sound and consistent positions, the Committee may invite outside experts and members of the University community with expertise in selected areas to address the Committee and further educate members on relevant issues.