



**ADVISORY COMMITTEE
ON SOCIALLY RESPONSIBLE INVESTING**

ANNUAL REPORT 2018-2019

Advisory Committee Members:

Merritt Fox, Chair
Geoffrey Heal
Daniel Howard
Bridget Realmuto LaPerla
Liz Lockett
David Mendelson
Meredith Milstein
Ethan Park
Philip Protter (Fall 2018)
Neil Schluger
Courtney Thompson
Bruce Usher (Spring 2019)
Michael Wang

Executive Vice President and CFO:
Anne Sullivan, ex officio, non-voting

Associate Director, Socially Responsible Investing:
April Croft, ex officio, non-voting

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Introduction and Background

During the 2000 spring semester, Columbia established two committees to assist the University in addressing its responsibilities as an institutional investor: the Advisory Committee on Socially Responsible Investing (“ACSRI” or the “Committee”) and The Subcommittee on Shareholder Responsibility of the Committee on Finance (“The Subcommittee,” formerly Trustees Subcommittee on Shareholder Responsibility “TSSR”). The ACSRI is a permanent addition to the University, with the mandate to set its own agenda within the broad arena of socially responsible investing (“SRI”). Its mission is to advise the University Trustees on ethical and social issues that arise in the management of the investments in the University’s [endowment](#).

The ACSRI has established a membership process to ensure that it is broadly representative of the Columbia community. The President of the University appoints twelve voting members (four faculty, four students and four alumni), who are nominated, respectively, by the deans of the schools, the Student Affairs Committee of the University Senate, and the Office of University Development and Alumni Relations. The President designates the Committee chair who presides at meetings of the Committee. The Chair certifies the minutes, all other official publications and any recommendations forwarded to the University Trustees or the University on behalf of the Committee. In addition, two administrators (the Executive Vice President for Finance and IT and the Associate Director for Socially Responsible Investing) sit as non-voting members of the Committee.

As the legal and fiduciary responsibility for the management of the University’s investments lies with the University Trustees, the ACSRI’s recommendations are advisory in nature. The Subcommittee on Shareholder Responsibility deliberates and takes final action upon the recommendations of the ACSRI. In some circumstances, The Subcommittee may bring ACSRI recommendations to the full Board of Trustees for action.

The following report provides an overview of the Committee’s activities during the 2018-2019 academic year. It provides information about ACSRI recommendations and votes on shareholder proposals during the 2019 proxy voting season (the period between March and June when most publicly-traded corporations hold annual meetings). It also summarizes the ACSRI’s Private Prison Operators, Sudan, Thermal Coal and Tobacco divestment/non-investment monitoring processes.

2018-2019 Committee Membership

The ACSRI voting membership during the 2018-2019 academic year is listed below*:

Name	Membership Category	School Affiliation	Membership Start Year
Bridget Realmuto LaPerla	Alumni	Earth Institute / MBA Candidate 2019	2018-2019
Liz Lockett	Alumni	Columbia College	Spring 2017
Meredith Milstein	Alumni	Columbia College	Spring 2017
Courtney Thompson	Alumni	Graduate School of Business	2018-2019

Daniel Howard	Student	Columbia College	Spring 2018
David Mendelson	Student	Columbia College / MBA Candidate 2020	2018-2019
Ethan Park	Student	Columbia College	2017-2018
Michael Wang	Student	Columbia College	2018-2019

Merritt Fox (Chair)	Faculty	School of Law	2017-2018
Geoffrey Heal	Faculty	Columbia Business School	2017-2018
Philip Protter	Faculty	Dept. of Statistics, Faculty of Arts and Sciences	2016-2017
Neil Schluger	Faculty	CUMC	2016-2017
Bruce Usher	Faculty	Columbia Business School	Spring 2019

*Membership totals more than twelve due to members serving only one term during the academic year.

2018-2019 Agenda

One of the core annual activities of the ACSRI is to make recommendations to the Trustees on how the University, as an investor, should vote on selected shareholder proposals addressed to U.S. registered, publicly-traded corporations whose securities are directly held in Columbia's endowment portfolio. As a general matter, the ACSRI expects that making recommendations to The Subcommittee with respect to shareholder proposals will continue to be one of its primary activities.

Another core activity is the Committee's monitoring of the divest/non-invest lists (screens) for Sudan, Tobacco, Private Prison Operators and Thermal Coal. The divest/non-invest lists (screens) are updated each academic year and are shared with Columbia Investment Management Company, which will refrain from investing in those companies.

- The monitoring of companies operating in Sudan is managed in accordance with the April 2006 Statement of Position and Recommendation on Divestment from Sudan. (See Attachment A: Sudan Divestment Screening and Divestment/Non-Investment List)

- In accordance with the Committee’s January 2008 Statement of Position and Recommendation on Tobacco Screening, the Committee screens for domestic and foreign companies engaged in the manufacture of tobacco and tobacco. (See Attachment B: Tobacco Divestment Screening and Divestment/Non-Investment List)
- In June 2015, the Trustees voted to support a policy of divestment in companies engaged in the operation of private prisons and to refrain from making new investments in such companies. The Committee instituted the private prison operators screen in accordance with the June 2015 Trustee Statement on Prison Divestment Resolution. (See Attachment C: Private Prison Operators Divestment Screening and Divestment/Non-Investment List)
- In March 2017, the Trustees voted to support a policy of divestment from companies deriving more than 35% of their revenue from thermal coal production and to participate in the Carbon Disclosure Project’s Climate Change Program. (See Attachment D: Thermal Coal Divestment Screening and Divestment/Non-Investment List)

Periodically, the ACSRI considers divestment proposals from the Columbia community and makes recommendations to The Subcommittee on Shareholder Responsibility of the Committee on Finance. During the 2018-2019 academic year, the ACSRI received no divestment proposals for consideration.

Activities of the ACSRI 2018-2019

Sudan Divestment Monitoring

In April 2006 the Trustees adopted the ACSRI’s recommendation for divestment from Sudan. Specifically, the ACSRI’s Statement of Position and Recommendation on Divestment from Sudan (April 4, 2006) recommended the University’s divestment from, and prohibition of future investment in, all direct holdings of publicly-traded non-U.S. companies whose current activities, directly or indirectly, substantially enhance the revenues available to the Khartoum government, including companies involved in the oil and gas industry and providers of infrastructure. At the time, the ACSRI’s work focused on non-U.S. companies. This is because beginning in 1997, the U.S. government imposed comprehensive economic, trade and financial sanctions against Sudan, effectively barring U.S. companies from conducting business with the Government of Sudan, except those explicitly permitted by the U.S. Treasury Department’s Office of Foreign Assets Control (OFAC). These sanctions were tightened in 2007. Thus the recommended divestment/no investment principle as applied to Sudan extended the principles behind the sanctions that the U.S. government had decided were desirable and efficacious to non-U.S. companies.

In its statement, the ACSRI identified eighteen such companies from which it recommended immediate divestment, and stated that recommendations for removals from and/or additions to the divestment list may be made in the future. The divestment list was revised with Trustee approval in March and June of 2007, and in March of each subsequent year. In addition, in March of 2008 a watch list was created of companies to be carefully reviewed for changes during the monitoring process.

In February 2009, the ACSRI recommended that the language regarding the University's position include specific reference to providers of military and defense services.

The independence of the Republic of South Sudan in 2011 did not substantively affect the University's screening process, which focuses on companies activities of which enhance the revenues of the Khartoum government in northern Sudan.

On January 13, 2017, citing "positive actions" by Sudan, President Obama signed an executive order to permanently revoke most sanctions against Sudan following a six-month waiting period. During that six-month period, the Treasury Department authorized Americans to do business in Sudan including the exportation of U.S. products. Sanctions tied to Sudan as a state sponsor of terrorism (i.e. weapons sales) remain in place.

On October 6, 2017, the U.S. government announced a decision to revoke economic sanctions with respect to Sudan effective October 12, 2017 in "recognition of the Government of Sudan's sustained positive actions." The ACSRI has attempted to determine, to the best of its ability, whether the positive actions cited in the report relied upon by the U.S. government address fully the concerns that formed the basis for the University's divestment position in 2006. Although the Committee acknowledges that the situation is complex and multi-faceted, its assessment is that the "positive actions" cited by the U.S. government were related to greater cooperation with the United States by the government of Sudan with regard to fighting terrorism and that concerns regarding humanitarian treatment of citizens in Sudan remain, particularly in the Darfur region. These concerns were the original motivating force behind ACSRI's recommendations to the Trustees in 2006. Consequently, the Committee is not prepared at this time to reverse its position. The Committee intends, however, to re-examine its position at least once every two years, based on the then available information.

With the decision of the U.S. government in 2017, it became legally practical again for many companies to do business in Sudan. Given this change, in 2018 the ACSRI updated its "Monitoring Process" to include examination of all companies doing business in Sudan, both foreign and U.S.-based entities. Therefore in 2018, the language in the "Monitoring Process" was updated to remove reference to "foreign" companies doing business in Sudan and simply refer to "companies" doing business in Sudan.

Prior to putting forth their recommendations for 2019, the ACSRI reviewed 409 publicly traded, non-U.S. companies currently doing business in Sudan, an increase of 75 companies compared to last year. In addition, 33 U.S. based companies were reviewed - the same number as last year. In 2017, upon the recommendation of the ACSRI and the Subcommittee, most of the telecommunications companies were removed from the watch and divestment lists. The ACSRI and the Subcommittee are now recommending that power companies be moved from the divestment to the watch list unless there is an exception like ties to the military. For 2019, the Subcommittee recommends that 28 companies be included on the divestment list, a net decrease of 20 compared to last year. The Subcommittee further recommends that 51 companies be included on the watch list, a net increase of 6 compared to last year.

The divest/non-invest list was provided to the Columbia Investment Management Company, and

the University does not currently hold any of the identified companies in its directly held public equity portfolio. (See Attachment A: Sudan Divestment Screening and Divestment/Non-Investment List).

Tobacco Divestment Monitoring

The ACSRI engages ISS to create a list of domestic and foreign tobacco companies that directly manufacture tobacco products. The universe of companies and their revenues from specific activities are updated annually.

The ACSRI reviewed and approved the tobacco divest/non-invest list. It was provided to the Columbia Investment Management Company, and the University does not currently hold any of the identified companies in its directly held public equity portfolio. (See Attachment B: Tobacco Divestment Screening and Divestment/Non-Investment List).

Private Prison Operators Divestment Monitoring

The ACSRI engages ISS to create a list of domestic and foreign publicly traded companies engaged in the operation of private prisons. The ACSRI reviewed and approved the private prison operators divest/non-list list. It was provided to the Columbia Investment Management Company, and the University does not currently hold any of the identified companies in its directly held public equity portfolio. (See Attachment C: Private Prison Operators Divestment Screening and Divestment/Non-Investment List).

Thermal Coal Divestment Monitoring

The ACSRI engages two service providers (Vigeo Eiris and ISS) to provide a list of companies deriving more than 35% of their revenue from thermal coal production. The ACSRI reviewed and approved the thermal coal divest/non-invest list. It was provided to the Columbia Investment Management Company, and the University does not currently hold any of the identified companies in its directly held public equity portfolio. (See Attachment D: Thermal Coal Divestment Screening and Divestment/Non-Investment List).

2019 Proxy Voting Season

There were 33 proxies (shareholder proposals) that were reviewed and voted on during the 2019 season. The majority of the proposals related to initiating or improving disclosure, primarily in the areas of political spending/lobbying, gender pay disparity, board diversity and linking executive pay to ESG metrics.

The ACSRI's and The Subcommittee's support for shareholder proposals followed consistent precedents or rationale.

For example:

Precedent or Rationale for Support	Shareholder Proposal
Increased disclosure and transparency	<ul style="list-style-type: none"> • Report on Lobbying/Political Spending • Report on Gender Pay Equity • Report on GHG Emission Reductions
Support accomplishment of non-financial goals	Report on Executive Pay Links to ESG Metrics
Avoid groupthink	Establish Board Committee/Report on Board Diversity

The ACSRI's and The Subcommittee's rejection of shareholder proposals also followed consistent precedents or rationale.

For example:

Precedent or Rationale for Rejection	Shareholder Proposal
Proposal was poorly written, too broad or unimplementable	<ul style="list-style-type: none"> • Adopt Advisory Vote on Political Contributions • End Inequitable Employment Practices • Ensure Due Diligence on Human and Indigenous People's Rights

Proposals may also be rejected if they duplicate existing company efforts, impose significant burdens on company resources without definable gains, or appear unrelated to a company's business.

Proxy Voting Summary

A summary of the proxies voted by the ACSRI and The Subcommittee on Shareholder Responsibility of the Committee on Finance in the 2019 season is shown in the table below:

2019 Proxy Season								
Number of Proposals	Issue	Companies	ACSRI			Trustees		
			Support	Reject	Abstain	Support	Reject	Abstain
1	End Inequitable Employment Practices	Alphabet		1			1	
1	Ensure Due Diligence on Human and Indigenous People's Rights	PayPal		1			1	
2	Establish Board Committee	Exxon Mobil, MasterCard	1	1		1	1	
1	Establish Societal Risk Oversight Committee	Alphabet	1			1		
1	Report on Board Ideological Diversity	Facebook		1			1	
1	Report on Board Diversity	Exxon Mobil	1			1		
6	Report on Gender Pay Disparity	Alphabet, Facebook, Intel, JPMorgan Chase, MasterCard, Wells Fargo	6			6		
1	Report on Google Search in China	Alphabet		1			1	
3	Report on Linking Executive Pay to ESG Metrics	Alphabet, Merck, Verizon	2	1		2	1	
6	Adopt Advisory Vote/Report on Lobbying, Political Contributions	CenturyLink, Comcast, Exxon Mobil, Intel, PayPal	5	1		5	1	
1	Report on Renewable Energy and GHG Emissions Reductions	Yum! Brands	1			1		
1	Report on Online Child Sexual Exploitation	Verizon		1			1	
1	Report on Pesticide Monitoring	PepsiCo	1			1		
2	Report on Problematic Media Content Management	Alphabet, Facebook	1, *None	*None	*None	2		
1	Report on Risks of Gulf Coast Petrochemical Investments	Exxon Mobil		1			1	
1	Report on Sexual Harassment Policy	Alphabet	*None	*None	*None		1	
1	Report on Sustainable Packaging	Yum! Brands	1			1		
1	Report on Supply Chain Impacts on Deforestation	Yum! Brands	1			1		
1	Report on Workforce Diversity (political ideology)	Facebook		1			1	
33	Total							
*No recommendation (Split Decision)								

Attachment A: Sudan Divestment Screening and Divestment/Non-Investment List

THE COMMITTEE ON FINANCE

Socially Responsible Investing Sudan Recommendations

February 25, 2019

BACKGROUND: Modification of List of Companies Identified for Sudan Divestment

The Columbia University Advisory Committee on Socially Responsible Investing (ACSRI) was formed by the University in March 2000 to advise the Trustees on ethical and social issues confronting the University as an investor, and includes students, faculty, alumni and non-voting University administrators as members. The ACSRI makes its own agenda, and may make recommendations to the Trustees. The Trustee's Subcommittee on Shareholder Responsibility of the Committee on Finance has the role of receiving recommendations from the ACSRI. The current members of the Subcommittee are Mark Gallogly, Li Lu, Victor Mendelson and Kathy Surace-Smith.

In April 2006 the Trustees adopted the ACSRI's recommendation for divestment from Sudan. Specifically, the ACSRI's Statement of Position and Recommendation on Divestment from Sudan (April 4, 2006) recommended the University's divestment from, and prohibition of future investment in, all direct holdings of publicly-traded non-U.S. companies whose current activities, directly or indirectly, substantially enhance the revenues available to the Khartoum government, including companies involved in the oil and gas industry and providers of infrastructure. At the time, the ACSRI's work focused on non-U.S. companies. This is because beginning in 1997, the U.S. government imposed comprehensive economic, trade and financial sanctions against Sudan, effectively barring U.S. companies from conducting business with the Government of Sudan, except those explicitly permitted by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC). These sanctions were tightened in 2007. Thus the recommended divestment/no investment principle as applied to Sudan extended the principles behind the sanctions that the U.S. government had decided were desirable and efficacious to non-U.S. companies.

In its statement, the ACSRI identified eighteen such companies from which it recommended immediate divestment, and stated that recommendations for removals from and/or additions to the divestment list may be made in the future. The divestment list was revised with Trustee approval in March and June of 2007, and in March of each subsequent year. In addition, in March of 2008 a watch list was created of companies to be carefully reviewed for changes during the monitoring process.

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On October 6, 2017, the U.S. government announced a decision to revoke economic sanctions with respect to Sudan effective October 12, 2017 in “recognition of the Government of Sudan’s sustained positive actions.” The ACSRI has attempted to determine, to the best of its ability, whether the positive actions cited in the report relied upon by the U.S. government address fully the concerns that formed the basis for the University’s divestment position in 2006. Although the Committee acknowledges that the situation is complex and multi-faceted, its assessment is that the “positive actions” cited by the U.S. government were related to greater cooperation with the United States by the government of Sudan with regard to fighting terrorism and that concerns regarding humanitarian treatment of citizens in Sudan remain, particularly in the Darfur region. These concerns were the original motivating force behind ACSRI’s recommendations to the Trustees in 2006. Consequently, the Committee is not prepared at this time to reverse its position. The Committee intends, however, to re-examine its position at least once every two years, based on the then available information.

With the decision of the U.S. government in 2017, it became legally practical again for many companies to do business in Sudan. Given this change, in the spirit of the original divestment proposal, last year the ACSRI updated its “Monitoring Process” to include examination of all companies doing business in Sudan, both foreign and U.S.-based entities, and has continued that process this year. Therefore in 2018, the language in the “Monitoring Process” has been updated to remove reference to “foreign” companies doing business in Sudan and simply refer to “companies” doing business in Sudan.

Prior to putting forth their recommendations for 2019, the ACSRI reviewed 409 publicly traded, non-U.S. companies currently doing business in Sudan, an increase of 75 companies compared to last year. In addition, 33 U.S. based companies were reviewed - the same number as last year. In 2017, upon the recommendation of the ACSRI and the Subcommittee, most of the telecommunications companies were removed from the watch and divestment lists. The ACSRI and the Subcommittee are now recommending that power companies be moved from the divestment to the watch list unless there is an exception like ties to the military.

For 2019, the Subcommittee recommends that 28 companies be included on the divestment list, a net decrease of 20 compared to last year. The Subcommittee further recommends that 51 companies be included on the watch list, a net increase of 6 compared to last year. The process followed and criteria adhered to by the ACSRI in reaching its recommendation are set forth in the attached Exhibit A. A summary of the recommended changes is attached as Exhibit B.

As of January 30, 2019, the University does not currently hold any of the identified companies in its directly held public equity portfolio.

Exhibit A

Monitoring Process and Criteria

In developing its recommendations, the Sudan Divestment Subcommittee reviewed the activity of all companies already on the Columbia divestment list and watch list, as well as companies warranting scrutiny as determined by ISS-ESG (formerly IW Financial) and EIRIS.¹ For companies included on the current divestment list and watch list, the Sudan Subcommittee developed a recommendation to retain a company on the list, remove it, or shift a company between the lists. For newly reviewed companies, the Subcommittee developed a recommendation to add a company onto the divestment or watch list, or to perform no action.

Companies that fit Columbia's divestment criteria include companies with publicly-traded equity whose current activities, directly or indirectly, substantially enhance the revenues available to the Khartoum government (1) through their involvement in the oil and gas industry – including goods and services providers, as well as explorers and extractors, (2) as providers of infrastructure – specifically those companies in the energy/utilities and telecommunications sectors or (3) as providers of military and defense products and services. The ASCRI does NOT recommend divestment from the following classifications of companies:

1. Companies active in Sudan in the past and/or companies having expressed intent to operate in Sudan in the future, but for which there is no (conclusive) evidence of current activity in Sudan.
2. Companies which may currently be active in Sudan, but have demonstrated a willingness (or even undertaken some action) to change their corporate behavior in Sudan. The Committee may judge that these companies are strong candidates for continued shareholder engagement and ongoing communication.
3. “Second order” and logistical support/service providers: companies which provide services to other suppliers/service providers in the industries matching the divestment criteria. The Committee did not recommend divestment of these companies for the following reasons:
 - a. The Committee wished to establish a precedent of not targeting companies on the supply chain beyond the first order;

¹ The Sudan Subcommittee relied upon data from ISS-ESG (formerly IW Financial) and a research service provider, EIRIS Conflict Risk Network: Empowering Responsible Investing (EIRIS). ISS-ESG provided the Committee with a list of all companies with publicly-traded equity currently operating in Sudan. The list included information on the companies such as, level of involvement (active or plan to cease) and industry (government, power, energy, telecom, defense, and financial). Each company on the list, excluding those that are involved only in the financial sector, was accompanied by a page of research outlining the company's involvement in Sudan. Though ISS-ESG is a provider of objective research and technology solutions that help financial professionals evaluate the environmental, social, and governance performance of companies, we wanted to make sure that we had *comprehensive* data for this effort. As a result, we continue to use EIRIS to provide us with a list of companies in the targeted sectors of oil, mineral extraction, power production or weapons and (a) that met the other threshold criteria laid out in the targeted Sudan divestment legislative model or (b) when the company has failed to respond to requests to provide evidence to the contrary. These companies are subject to divestment measures in states with legislation based on the targeted model. EIRIS research sheets are not provided as they confirmed the information from ISS-ESG for targeted divestment companies.

- b. The Committee believed that these companies do not directly/substantially contribute revenue to the Khartoum government.
- 4. Subsidiaries of parent companies with known involvement in Sudan, unless the subsidiary itself fits the criteria and is actively involved in Sudan.
- 5. Companies providing goods or services that sustain life, including, without exception, pharmaceutical companies, medical service providers and agricultural fertilizer producers.

The Committee may recommend placement of companies meeting this exception criteria on the watch list in order to highlight them for careful monitoring during the ensuing monitoring process.

EXHIBIT B

2019 Changes to Non-Investment and Watch Lists

2019 Additions to Current Sudan Divestment / Non-Investment List

Doosan Heavy Industries and Construction
Dubai Islamic Bank
International Container Terminal Services Inc.
Spectrum ASA

Switch from Previous Sudan Divestment / Non-Investment List to 2019 Watch List

Andritz AG
Bank Audi
Bharat Heavy Electricals
Bharat Petroleum Corporation Ltd.
Boustead Singapore Ltd.
China Gezhouba Group Company Limited
Drake & Scull International Pjsc
Egypt Kuwait Holding Co.
El Sewedy Electric Company
Harbin Electric Company Limited
JXTG Holdings Inc. (formerly JX Holdings Inc.)
LS Industrial Systems
Mangalore Refinery & Petrochemicals Ltd.
Power Construction Corporation of China, Ltd.
Sapura Energy Berhad
Shanghai Electric Group Co.
Wartsila Oyj Abp

2019 New Additions to Sudan Watch List (not shifted from Divest)

China Communications Construction
Croda International plc
Doosan Corp
LafargeHolcim Ltd.
Larsen & Toubro Ltd.
Qatar Islamic Bank

Removal from Current Sudan Divestment/Non-Investment and Watch Lists

Amlak Finance
AREF Energy Holdings Co. (K.S.C.C.)
AREF Investment Group
Audi Saradar Group
Areva

Bamburi Cement
Deutsche Post AG
Emirates Telecommunication Group Co.
Emperor Oil Ltd.
Hindustan Petroleum Corporation Ltd.
Kencana Petroleum
Kingdream Public Ltd. Co.
La Mancha Resources Inc.
Mix Telematics Ltd.
Old Mutual PLC
Panorama Petroleum Inc.
Ranhill Berhad
Reliance Industries
Sinohydro Group Ltd.
Stamper Oil & Gas Corp
Statesman Resources Ltd.
Total S.A.
Trevi - Finanziaria Industriale Spa

RESOLUTIONS OF THE COMMITTEE ON FINANCE

February 25, 2019

Modification of List of Companies Identified for Sudan Divestment

RESOLVED, that upon recommendation of The Subcommittee on Shareholder Responsibility of the Committee on Finance, the modified list of publicly-traded companies identified for Sudan divestment and to watch attached as Exhibit A be, and it hereby is, approved; and be it further

RESOLVED, that the University's Executive Vice President for Finance and Vice President for Investments and such other University officers as either of them may designate be, and each of them hereby is, authorized to take all such actions in the name of and on behalf of the University as either of them may deem necessary or desirable to implement the purposes and intent of the foregoing resolution.

EXHIBIT A

Divestment/Non-Investment List

Abu Dhabi Islamic Bank
Anton Oilfield Services Group
Arabian Pipes Co
Asec Company for Mining
China CAMC Engineering Co. Ltd.
China Petroleum & Chemical Corp
Dongfeng Motor Group Co
Doosan Heavy Industries and Construction
Dubai Investments
Dubai Islamic Bank
Energy House Holding Company K.S.C.C.
Engineers India Ltd.
Gtl Otkrytoe Aktsionernoe Obshchest
Indian Oil Corporation Ltd.
International Container Terminal Services Inc.
Kamaz
Kuwait Finance House
Managem
Muhibbah Engineering (Malaysia) Bhd
Oil & Natural Gas Corporation Ltd.
Oil India Ltd.
Orca Gold Inc.
PetroChina Co. Ltd.
Qalaa Holdings
Regency Mines

Scomi Group Bhd
Spectrum ASA
Sudan Telecom Co (Sudatel)

Watch List

Al Salam Bank Sudan
Andritz AG
A.P. Moller - Maersk AS
Astra Industrial Group Company
Bank Audi
Barwa Real Estate
Bharat Heavy Electricals
Bharat Petroleum Corporation Ltd.
Boustead Singapore Ltd.
China Communications Construction
China Gezhouba Group Company Limited
Croda International plc
Doosan Corp
Drake & Scull International Pjsc
Egypt Kuwait Holding Co.
El Sewedy Electric Company
Ericsson
Harbin Electric Company Limited
IHS Nigeria Plc
Independent Petroleum Group Co.
JXTG Holdings Inc. (formerly JX Holdings Inc.)
Kuwait & Gulf Link Transport Co.
LafargeHolcim Ltd.
Larsen & Toubro Ltd.
LS Industrial Systems
Man SE
Mangalore Refinery & Petrochemicals Ltd.
Mashreqbank
National Shipping Co Of Saudi Arabia
NewLead Holdings
Nexans SA
Nirou Trans Co.
OFFTEC Holding
Panalpina Welttransport (Holding) Ag
Power Construction Corporation of China, Ltd.
Qatar Islamic Bank
QNB
Ramco Cements Ltd
Ramco Industries Ltd.
Ramco Systems Ltd.

Sany Heavy Industry Co
Sapura Energy Berhad
Saudi Arabian Amiantit Co
Saudi Public Transport Co.
Saudi Telecom
Schlumberger Ltd.
Schneider Electric SE
Shanghai Electric Group Co.
Sinopec Oilfield Equipment Corp
UltraTech Cement Ltd.
Wartsila Oyj Abp

Attachment B: Tobacco Divestment Screening and Divestment/Non-Investment List

COLUMBIA UNIVERSITY ADVISORY COMMITTEE ON SOCIALLY RESPONSIBLE INVESTING

Statement of Position and Recommendation on Tobacco Screening
January 31, 2008

The Advisory Committee on Socially Responsible Investing (“The Committee”), as chartered by the University Trustees in March 2000, is the University’s vehicle to advise the Trustees on ethical and social issues confronting the University as an investor. At the prompting of the Investment Management Company (“IMC”), the Committee was asked to review the University’s stance and informal practice of screening out investments in tobacco companies and to create a formal tobacco screening policy.

University Position on Tobacco Screening:

The Committee believes that for many years it has been the University’s intention to refrain from investing in companies engaged in the manufacture of tobacco and tobacco products, but not from investing in companies who supply peripheral materials and supplies to the tobacco industry or distribute these products.

Review of Prior Practice:

Though not formally written as a policy, Columbia has engaged in the practice of screening tobacco companies for some time. Columbia obtains its list of screened tobacco companies from a service known as TrustSimon, provided by Institutional Shareholder Services (ISS). ISS creates its lists of restricted companies through industry lists and company research. The universe of companies and their revenues from specific activities are updated annually by ISS.

ISS divides its screening service based on geographic location of the companies, producing separate lists for domestic and foreign tobacco companies. Careful examinations of both lists produced by ISS have revealed that while the list of domestic tobacco companies matches the University’s historic practice on tobacco screening, the list of foreign companies does not. The domestic universe includes filters to narrow the screening to tobacco manufacturers and includes only companies whose business is the direct manufacture of tobacco products, including chewing tobacco and/or snuff; cigarettes, including make-your-own custom cigarettes; cigars; pipe and/or loose tobacco; smokeless tobacco; and raw, processed or reconstituted leaf tobacco. The foreign list from ISS, however, includes manufacturers as well as distributors of tobacco products and suppliers to the tobacco industry. This past year, the Office of Socially Responsible Investing under the Executive Vice President of Finance carefully culled the foreign universe to more closely align with the University’s practice of screening only manufacturers.

Committee position and recommendations:

The Committee requests that the Trustees clarify and formalize the University’s stance on tobacco screening by recommending that IMC refrain from investing in companies whose business is the direct manufacture of tobacco products.

It is the belief of the Committee that appropriate lists of both domestic and foreign companies that conform to the above definition can still be obtained from ISS. The list of domestic companies obtained from ISS conforms to this definition as is. A comparable list of foreign companies can be obtained from the ISS list by simply applying a manual filter. The Committee would offer that IMC rely on the Office of Socially Responsible Investing to provide this service, either on scheduled dates throughout the year, or upon request from IMC.

2018 Tobacco Divestment/Non-Investment List

Tobacco - Domestic Companies (9/2018)

Company Name

*22nd Century Group, Inc.
 Alliance One International, Inc.
 Altria Group, Inc.
 *American Heritage International, Inc.
 *mCig, Inc.
 Philip Morris International, Inc.
 Schweitzer-Mauduit International, Inc.
 *Smokefree Innotec, Inc.
 *Swan Group of Cos., Inc.
 Turning Point Brands, Inc.
 Universal Corp.
 *Vapor Group, Inc.
 *Vapor Hub International, Inc.
 Vector Group Ltd.
 *VPR Brands LP
 *Wee-Cig International Corp.

**New for 2018*

Tobacco Foreign Companies (9/2018)

Company	Country
Al-Eqbal Co. for Investment Plc	Jordan
British American Tobacco Bangladesh Co.	Bangladesh
British American Tobacco Kenya Ltd.	Kenya
British American Tobacco Malaysia Bhd.	Malaysia
British American Tobacco plc	United Kingdom
British American Tobacco Uganda Ltd.	Uganda
British American Tobacco Zimbabwe Ltd.	Zimbabwe
Bulgartabac Holding AD	Bulgaria
Ceylon Tobacco Co. PLC	Sri Lanka
Coka Duvanska Industrija AD	Serbia
Duvanska Industrija a.d. Bujanovac	Serbia
Duvanski Kombinat ad Podgorica	Montenegro
Eastern Co. (Egypt)	Egypt
Empresa Agroindustrial Cayalti SAA	Peru
*Fabrika Duvana Banja Luka AD	Bosnia/Herzegovina
Godfrey Phillips India Ltd.	India
Golden Tobacco Ltd.	India
Gotse Delchev Tabac AD	Bulgaria

Haci Omer Sabanci Holdings AS
 Hoang Long Group
 Hrvatski Duhani dd
 Huabao International Holdings Ltd.
 Imperial Brands plc
 ITC Ltd.
 Japan Tobacco Inc.
 Jerusalem Cigarette Co. Ltd.
 Karelia Tobacco Co., Inc.
 Khyber Tobacco Co. Ltd.
 KT&G Corp.
 LT Group, Inc.
 Ngan Son JSC
 Nikotiana BT Holding AD
 NTC Industries Ltd.
 Pakistan Tobacco Co. Ltd.
 Pazardzhik BTM AD
 Philip Morris (Pakistan) Ltd.
 Philip Morris CR a.s.
 Philip Morris Operations ad
 POBIS TNC Co., Ltd.
 Press Corp. Plc
 PT Bentoel International Investama Tbk
 PT Gudang Garam Tbk
 PT Hanjaya Mandala Sampoerna Tbk
 PT Wismilak Inti Makmur Tbk
 Scandinavian Tobacco Group A/S
 Shanghai Industrial Holdings Ltd.
 Shumen Tabac AD
 Sila Holding AD
 Sinnar Bidi Udyog Ltd.
 SITAB
 Slantse Stara Zagora Tabac AD
 Strumica Tabak AD
 Swedish Match Ab
 Tanzania Cigarette Co. Ltd.
 TSL Ltd.
 Tutunski Kombinat AD Prilep
 Union Tobacco & Cigarette Industries Co.
 *Veles Tabak AD
 VST Industries Ltd.
 West Indian Tobacco Co. Ltd.

Turkey
 Vietnam
 Croatia
 Bermuda
 United Kingdom
 India
 Japan
 Palest.Auton.Terr
 Greece
 Pakistan
 South Korea
 Philippines
 Vietnam
 Bulgaria
 India
 Pakistan
 Bulgaria
 Pakistan
 Czech Republic
 Serbia
 South Korea
 Malawi
 Indonesia
 Indonesia
 Indonesia
 Indonesia
 Denmark
 Hong Kong
 Bulgaria
 Bulgaria
 India
 Ivory Coast
 Bulgaria
 Macedonia
 Sweden
 Tanzania
 Zimbabwe
 Macedonia
 Jordan
 Macedonia
 India
 Trinidad/Tobago

**New for 2018*

Attachment C: Private Prison Operators Divestment Screening and Divestment/Non-Investment List

COMMITTEE ON FINANCE
BACKGROUND FOR RESOLUTIONS

June 12, 2015

Divestment from companies engaged in the operation of private prisons. The Columbia University Advisory Committee on Socially Responsible Investing (ACSRI) was formed by the University in March 2000 to advise the Trustees on ethical and social issues confronting the University as an investor, and includes students, faculty, alumni and non-voting University administrators as members. The ACSRI makes its own agenda, and may make recommendations to the Trustees. The Subcommittee on Shareholder Responsibility of the Committee on Finance has the role of receiving recommendations from the ACSRI. The current members of the Subcommittee are Ann Kaplan, Paul Maddon and Jonathan Lavine.

Columbia Prison Divest, a student-organized group, made presentations to the ACSRI, in the spring and fall of 2014, and in February 2015 presented the ACSRI with an updated proposal for divestment. The ACSRI reviewed background and considered the proposal, and on March 31, 2015 resolved to make a recommendation to the Trustees that the University should divest any direct stock ownership interests in companies engaged in the operation of private prisons and refrain from making subsequent investments in such companies.

The Subcommittee on Shareholder Responsibility is proposing that the Committee on Finance resolve that the University divest from and refrain from future investment in any direct holdings of publicly-traded stock of companies engaged in the operation of private prisons, and refrain from making investments in such companies in the future.

Resolution of the ACSRI

The Advisory Committee on Socially Responsible Investing of Columbia University hereby resolves to recommend to the Trustees that the University should divest any direct stock ownership interests in companies engaged in the operation of private prisons and refrain from making subsequent investments in such companies.

The resolution is based on the Committee's application of the three criteria that guide its divestment recommendations: community sentiment, the merits, and the possibilities for shareholder engagement.

The Committee is persuaded that the Columbia community would generally favor a private prison divestment measure, based on: a resolution adopted by an overwhelming majority of the University Senate's Student Affairs Committee, a 23-0-1 vote, representing students in the University's 20 schools

and affiliates; an assessment of sentiments expressed at a public meeting called to discuss the matter; an informal consultation with knowledgeable faculty, especially at the Law School; and the absence of voiced opposition to such a measure, despite the public discussion of the proposal and opportunities provided by the Committee for the public expression of views.

Private prisons have been the subject of litigation alleging violations of constitutionally required minimal levels of maintenance, welfare, and medical conditions. The Committee has taken note of such litigation and the fact-finding reports by public interest groups substantiating such concerns, but has not attempted to compare private prisons with public prisons on this dimension. The Committee was particularly concerned that the business model of private prison companies creates incentives for increasing the level of incarceration in the United States, which is remarkably high both in historical terms in the U.S. and in international comparisons. The profits of private prison companies increase in the utilization of prison services, both in the occupancy rate for existing facilities and in the construction of new facilities. This gives private prison companies incentives to lobby for legislation, police and prosecutorial practices, and sentencing decisions that increase (or at least maintain) current incarceration levels. In the Committee's opinion, an investment whose positive performance is linked to an increase in already high levels of incarceration does not fit with the University's mission and values.

Engagement does not offer an avenue for addressing the Committee's concerns. The conditions in private prisons, including the opportunities for rehabilitative education and terms of confinement, are largely a matter of contract between private prison companies and the governmental authorities that use them. The University has little means of influencing governments in the fashioning and monitoring of those contracts, certainly not the usual course of its activities as a concerned shareholder. Given that the business model of a private prison company benefits from an increase in incarceration levels, it is not a promising course for shareholder activism to ask a company – or fellow shareholders – to retreat from a model that produces performance. On this basis, the Committee finds that shareholder engagement is not an effective alternative to divestment.¹

March 31, 2015

¹ An independent manager disposed of the University's holdings in CCA, one of the private prison companies identified in the petition presented by Columbia Prison Divest, for investment-related reasons in February 2015. This matter is not moot, however, because Columbia may own shares in other such firms and the recommendation applies prospectively as well.

Additional Views of Some Committee Members

In the course of discussions within the ACSRI, a number of important issues raised by the divestment petition were the subject of dialogue and debate. The grounds set forth in the resolution attracted the broadest consensus but the Committee felt that it would be valuable to share some additional views expressed within the Committee to reflect the breadth of the issues considered and that many Committee Members believe there is opportunity for further work on the issues raised in connection with the petition, beyond the narrow act of divestment.

Specifically, some Committee Members expressed concern that the University's divestment from share ownership in private prison companies would be taken by the proponents as a sufficient response to their concerns about the level of incarceration or the educational and rehabilitative options available to the prison population. Some Committee Members also noted that conditions in private prisons were in significant measure the result of contractual terms with governmental agencies and reflected monitoring

shortfalls by such agencies. Thus some Committee Members expressed the hope that proponents of the divestment resolution would undertake additional efforts towards improving conditions and outcomes in private prisons and public prisons.

Some Committee Members expressed particular concern about the disparate racial make-up of the inmate population of private prisons, even if this may have arisen as a by-product of other policies, such as contractual provisions that resulted in assigning younger inmates to private prisons because of the lower health care costs of this population. These Members wanted to point out that to the extent private prisons provide fewer resources for education and rehabilitation, confinement in a private prison would have racially disparate consequences.

Trustee Statement on Prison Divestment Resolution

“The Trustees have voted to support a policy of divestment in companies engaged in the operation of private prisons and to refrain from making new investments in such companies. The decision follows a recommendation by the University’s Advisory Committee on Socially Responsible Investing (ACSRI) and thoughtful analysis and deliberation by our faculty, students and alumni. This action occurs within the larger, ongoing discussion of the issue of mass incarceration that concerns citizens from across the ideological spectrum. We are proud that many Columbia faculty and students will continue their scholarly examination and civic engagement of the underlying social issues that have led to and result from mass incarceration. One of many examples of the University's efforts in this arena is the work of Columbia’s Center for Justice, <http://centerforjustice.columbia.edu/about/>. In partnership with the Heyman Center for the Humanities, the Center for Justice recently received generous support from the Mellon and Tow foundations to help educate incarcerated and formerly incarcerated persons, and to integrate the study of justice more fully into Columbia’s curriculum.”

2019 Private Prison Operators Divestment/Non-Investment List

2019 Private Prisons - Domestic Companies

NAME	NOTE
CoreCivic, Inc.	CoreCivic Inc. owns for-profit correctional facilities and detention centers. CoreCivic Inc. operates for-profit correctional facilities.
The GEO Group, Inc.	Geo Group Inc. is a fully-integrated real estate investment trust specializing in the ownership, leasing and management of correctional, detention and reentry facilities and the provision of community-based services and youth services. The company owns, leases and operates correctional and detention facilities including maximum, medium and minimum security prisons, immigration detention centers (including Dungavel House in South Lanarkshire, Scotland), minimum security detention centers, as well as community based reentry facilities. Geo Group Inc. is a fully-integrated real estate investment trust specializing in the ownership, leasing and management of correctional, detention and reentry facilities and the provision of community-based services and youth services. The company owns, leases and operates correctional and detention facilities including maximum, medium and minimum security prisons, immigration detention centers, minimum security detention centers, as well as community based reentry facilities.

2019 Private Prisons - Foreign Companies

NAME	NOTE
G4S plc	Formerly Group 4 Securicor plc, G4S Plc is a United Kingdom-based company engaged in the provision of security services. The company operates globally in three areas: security services and technology, care and justice services, and justice cash solutions. G4S acquired a controlling interest in the London-based security company ArmorGroup in 2008. The company is engaged in the management of several correctional facilities and the Brook House immigrant detention center. The company is also engaged in the provision of prisoner escorting, asylum services, electronic monitoring services, and police services.
MITIE Group plc	Mitie Group plc manages prisons for the U.K. government, including HMP Brixton and HMP Youth Offender Institute ISIS. The company also manages illegal immigrant detention centers for the U.K. government, including the Campsfield House and Heathrow immigration removal centers.
Serco Group plc	Serco Group plc manages immigrant detention centers, including Yarl's Wood in Bedfordshire, England, and prisons in the U.K., Australia and New Zealand.
Sodexo SA	Sodexo operates prisons in Belgium, Chile, France, Netherlands and the U.K.

Columbia Announces Divestment from Thermal Coal Producers

March 13, 2017

Building on Columbia's longstanding commitment to addressing climate change, the University's Trustees have voted to support a recommendation from the Advisory Committee on Socially Responsible Investing (ACSRI) to divest from companies deriving more than 35% of their revenue from thermal coal production and to participate in the Carbon Disclosure Project's Climate Change Program.

Thermal coal is used in coal-fired electricity generating plants (whereas metallurgic coal is used in steel production). The basis of the **ACSRI recommendation** adopted by the Trustees is that coal has the highest level of CO₂ emission per unit of energy; it is used ubiquitously across the globe as a source of electrical energy; and there exist today several cleaner alternative energy sources for electricity production (including but not limited to natural gas, solar, and wind). The University's divestment from thermal coal producers is intended to help mobilize a broader public constituency for addressing climate change and, in the words of ACSRI, to "encourage the use of the best available knowledge in public decision-making."

"Divestment of this type is an action the University takes only rarely and in service of our highest values," said University President Lee C. Bollinger. "That is why there is a very careful and deliberative process leading up to any decision such as this. Clearly, we must do all we can as an institution to set a responsible course in this urgent area. I want to recognize the efforts of the many students, faculty and staff whose substantive contributions have brought us to this point."

The Trustees also encouraged the University to continue to strengthen efforts to reduce its own carbon footprint, as well as to further support research, educational efforts, and policy analysis in the field of climate change and carbon emissions reduction.

Many elements of this effort are already in place or underway. A multi-year planning process will result in the announcement next month of Columbia's new plan to further enhance the environmental sustainability of our operations. Columbia's renowned Lamont-Doherty Earth Observatory, on the forefront of the science of "global warming" since the term was first coined by a faculty member, is once again leading by example, having announced that it will rely on solar power for 75% of its electrical energy needs. Lamont-Doherty is part of the Columbia University Earth Institute, which brings together one of the world's most significant collection of researchers across multiple fields to deepen human understanding of climate change and the solutions for a sustainable future.

2018 Thermal Coal Divestment/Non-Investment List

Thermal Coal - Domestic Companies (9/2018)

Company Name
Alliance Holdings GP LP
Alliance Resource Operating Partners LP
Alliance Resource Partners LP
Arch Coal, Inc.
Cloud Peak Energy, Inc.
CONSOL Coal Resources
CONSOL Energy, Inc.
Foresight Energy LLC
Hallador Energy Co.
NACCO Industries, Inc.
Peabody Energy Corp.
Rhino Resource Partners LP
Westmoreland Coal Co.
Westmoreland Resource Partners LP

Thermal Coal - Foreign Companies (9/2018)

Company	Country
Adani Enterprises	India
Adaro Energy	Indonesia
Agritrade Resources Ltd.	Bermuda
Altura Mining	Australia
Banpu Public Co. Ltd.	Thailand
Bathurst Resources Ltd.	New Zealand
Beijing Haohua Energy Resource Co., Ltd.	China
Bumi Investment Pte Ltd.	Singapore
Bumi Resources	Indonesia
China Coal Energy Co., Ltd.	China
China Coal Xinji Energy Co., Ltd.	China
China Qinfa Group	China
China Shenhua Energy Co., Ltd.	China
China Shenhua Overseas Capital Co. Ltd.	Virgin Isl (UK)
Coal Energy SA	Luxembourg
Coal India Ltd.	India
DaTong Coal Industry Co., Ltd.	China
Exxaro Resources Ltd.	South Africa
Gansu Jingyuan Coal Industry & Electricity Power Co., Ltd.	China
Gujarat Mineral Development Corp. Ltd.	India
Hidili Industry International Development	China

Huolinhe Opencut Coal Industry Corp. Limited of Inner Mongolia	China
Indika Energy Capital II Pte Ltd.	Singapore
Indo Energy Finance BV	Netherlands
Indo Energy Finance II BV	Netherlands
Indo Integrated Energy BV	Netherlands
Inner Mongolia Pingzhuang Energy Resources	China
Inner Mongolia Yitai Coal Co., Ltd.	China
Jizhong Energy Resources Co., Ltd.	China
Kinetic Mines & Energy	China
Kuzbasskaya Toplivnaya Kompaniya PJSC	Russia
Lubelski Wegiel BOGDANKA SA	Poland
Mercator Ltd.	India
Mitsui Matsushima Co., Ltd.	Japan
New Hope Corp. Ltd.	Australia
PT ABM Investama TBK	Indonesia
PT Adaro Energy Tbk	Indonesia
PT Bayan Resources Tbk	Indonesia
PT Bukit Asam Tbk	Indonesia
PT Bumi Resources Tbk	Indonesia
PT Dian Swastatika Sentosa Tbk	Indonesia
PT Golden Eagle Energy TBK	Indonesia
PT Golden Energy Mines TBK	Indonesia
PT Harum Energy TBK	Indonesia
PT Indika Energy Tbk	Indonesia
PT Indo Tambangraya Megah Tbk	Indonesia
PT Trada Alam Minera Tbk	Indonesia
Resources Prima Group Ltd.	Singapore
Sadovaya Group	Luxembourg
Sakari Resources Ltd.	Singapore
Semirara Mining & Power Corp.	Philippines
Shaanxi Coal Industry Co., Ltd.	China
Shanghai Datun Energy Resources Co., Ltd.	China
Shanxi Lu'An Environmental Energy Development Co., Ltd.	China
United Tractors	Indonesia
Universal Coal	Australia
Washington H. Soul Pattison & Co. Ltd.	Australia
Whitehaven Coal Ltd.	Australia
Yancoal Australia Ltd.	Australia
Yang Quan Coal Industry (Group) Co., Ltd.	China
Yanzhou Coal Mining	China
Zhengzhou Coal Industry & Electric Power Co., Ltd.	China

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