CORPORATE STRUCTURE AND GOVERNANCE

Auditors
Oppose approval for auditors who accept fees for anything other than audit or audit-related work for the target company. Oppose auditors who have worked with the company for more than five years.

Banking
Support resolutions which call for establishing and making public an institution's policy on predatory lending.
Support resolutions seeking community reinvestment programs. Support reasonable reporting requirements and codes of conduct in areas such as equal credit opportunity and corrupt practices.

Board Selection
- **Approval of Membership:** Consider and abstention or voting against board members who are under legal investigation. Consider abstaining from the approval of an individual who has excessive membership on other corporate boards
- **Election Frequency:** Support resolutions that call for all board members to be elected simultaneously, preventing staggered boards or any system that allows board members to stay on without being elected.
- **Board Diversity:** Support resolutions that ask companies to amend nominating committee charters so that “women and minority candidates are routinely sought as part of every board search the company undertakes” and that the company publish information on its efforts to seek a diverse board pool. Support resolutions to increase board diversity based on gender, race, and sexuality, and oppose quotas.

Charitable Contributions
Support resolutions requesting information on charitable contributions. Abstain on resolutions that either request specific justification for each donation, or require publication in a form other than website reporting. 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.)

Political Contributions
Support resolutions asking for the company to report or disclose direct or indirect political contributions.
Support resolutions asking for disclosure of the company’s procedures for determining political contributions
Support resolutions requiring disclosure to the stockholders (e.g. in the annual report) of policy, criteria and aggregate amounts of contributions.
Abstain from resolutions that ask for any such reports to be published in the major national newspapers.
Corporate Restructuring
Support resolutions asking management to study and report on the impact of a restructuring plan on the various stakeholders in the company. Oppose restructuring that places the interests of one stakeholder group above all others, especially with consideration for social factors such as number of social factors, executive compensation, layoffs, environmental sustainability, and community impact.

Executive Compensation
- **Long Term incentives:** Support those plans which favor long term as well as short term incentives.
- **Stock Options:** Oppose resolutions which favor to heavily, fixed-price and fixed-time stock options since they provide executives the value of stock prices without the risks associated with share price declines and provide a radically more assured form of compensation.
  - Oppose stock options which lack necessary safeguards such as option expensing, performance-based stock options, shareholding requirements, acceptable dilution levels, and a prohibition on retroactive repricing of stock options.
  - **Omnibus stock plans**: Oppose omnibus plans that grant the Board discretion over the structure and exercise price of plans or which have excessive acceleration or cash-out provisions, for compensation in case of a change of control.
- **Say on pay**: support resolutions which call for more frequent and comprehensive shareholder approval of executive compensation plans.
- **Supplemental retirement plans**: Oppose severance packages to named executives which offer benefits not generally offered to ordinary employees and “golden parachutes”, contracts which include generous severance packages for change in control.

Stock Ownership
Oppose resolutions that create stock buy-back plans that would force the company to buy back stock at higher than market value for takeover-defense purposes. Oppose resolutions that seek to issue new stock or increase shares that dilute the value of current shareholders’ stock, or any other stock buying plans which allow current shareholders to buy stock at less than market value for takeover-defense purposes.

Shareholder Engagement: Support resolutions requesting reports detailing interactions between companies and the communities where they operate. “Relevant disclosures include emissions, environmental and health impacts, water availability, community consultation, integration of community environmental accountability into the company’s code of conduct and the extent to which company actions have a negative impact on the health of those living in poor communities.”

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. Support shareholder resolutions that support inclusion of sexual orientation in the company’s EEO policies and oppose shareholder resolutions that ask companies to drop sexual orientation from their EEO policies.

Support resolutions which promote access to maternity and paternity leave

SOCIAL ISSUES

Global Labor Standards
Support shareholder resolutions that ask companies to review, report, and/or adopt of a company’s internal labor standards, the establishment of global labor standards or the adoption of codes of conduct relating to human rights. Support resolutions asking companies to ensure their products are made in compliance with standards of the International Labor Organization and the Universal Declaration of Human Rights, including but not limited to ensuring the right to form labor unions, the eradication of forced labor and encouraging companies to submit to independent monitoring of the workplace. Support resolutions requiring the use of external organizations to audit performance in terms of labor conditions

Human Rights
Support resolutions requesting companies to incorporate human rights criteria into their global operations. Support resolutions requesting corporate reports or a response from management on a company’s impact of operating in regions that do not uphold the Declaration of Human Rights or areas that raise concern to indigenous populations.

Abstain on resolutions that encourage divestment or ceasing to operate in a particular region if the company’s operations do not contribute directly to violations of the Declaration of Human Rights (e.g., telecommunication or pharmaceutical companies in Sudan).

Internet Censorship and Repression
Support resolutions that request corporate reports or a response from management on the company’s impact of operating in regions that do not uphold the Declaration of Human Rights including issues of Freedom of Speech on the Internet and the protection of internet users.

MacBride Principles
Support resolutions requiring that companies conform to the MacBride principles for economic dealings with Northern Ireland

Military Issues
Support resolutions requiring reports on criteria for military sales.

Product Safety
Support resolutions that ask for a report on the company’s policies on product safety and the options for new initiatives or actions management is taking to respond to this issue, beyond those initiatives or actions already required by law.

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

Board Oversight of Sustainability
Support the creation of a committee tasked with overseeing sustainability operations, and the appointment of board members with specific knowledge of environmental issues and sustainability.

Genetically Engineered Products
Support resolutions requesting corporations to report legal actions/sanctions regarding health, environmental, or biological issues caused by the distribution of genetically modified materials.

Waste
Support research and product development aimed at energy waste reduction improvements and other sustainability solutions.

Other 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.
Support reports of all governmental fines paid due to environmental misconduct. Support resolutions that call for more sustainable sourcing of inputs.

Resources
Much of the concepts and language of these guidelines were taken from those guidelines of peer institutions and SRIC’s.

Colleges and Universities
- Brown: [http://www.brown.edu/Administration/Finance_and_Admin/ACCRIP/guidelines.html#executive](http://www.brown.edu/Administration/Finance_and_Admin/ACCRIP/guidelines.html#executive)
- U-penn: [https://secure.www.upenn.edu/rtde/SRAC.html](https://secure.www.upenn.edu/rtde/SRAC.html)

For-profit funds

SRI's
- Socially responsible investment firm, Domini. (See page 16)