

CCIR Statement Regarding Investment in Assault Weapon Retailers

The Yale Corporation has adopted a policy regarding investment in assault weapon retailers. Specifically, Yale will not invest in any retail outlets that market and sell assault weapons to the general public.

The loss of life resulting from mass shootings in our country is deeply tragic. This spring, the Advisory Committee on Investor Responsibility (ACIR) considered a request from a member of the Yale faculty that Yale divest any holdings in companies that manufacture or sell military-style assault rifles. The ACIR, which advises the Yale Corporation Committee on Investor Responsibility (CCIR), determined that mass shootings cause incontrovertible societal harm and retailers supplying assault weapons to the general public cause grave social injury, a conclusion supported by the CCIR. This policy applies to traditional retail distributors, as well as promoters and dealers who organize and sell assault weapons at gun shows.

In recommending this policy to the Yale Corporation, the CCIR gave special consideration to various factors raised by the ACIR, including: (1) the distinction between manufacturers and retail distributors of assault weapons, since assault weapons may be used for sanctioned purposes by the military and law enforcement, and (2) the large number of shootings that occur at educational institutions, which is of particular relevance to Yale as an institution of higher education. Yale is committed to research, scholarship and education for the betterment of the world; this requires an environment in which teachers and students are free from gun violence and the fear of gun violence.

The CCIR appreciates the work of the ACIR and those within the Yale community who contributed to consideration of this issue.

Background

For nearly 50 years, Yale University has considered various ethical investment issues related to Yale's Endowment and has been guided by longstanding principles articulated in *The Ethical Investor* (John Simon, et. al., Yale University Press, 1972). These deliberations resulted in the adoption of divestment policies with respect to certain U.S. companies that operated in South Africa as well as oil companies doing business in Sudan. In the case of South Africa, Yale was deeply opposed to apartheid and believed it had "an ethical duty to contribute to the process of peaceful change". The focus of these efforts was to promote management's adherence to the principles of fair and equitable employment practices and the elimination of segregation. In the case of Sudan, the university recognized that the Government of Sudan and government-sponsored militias were engaging in human rights atrocities in the region of Darfur, Sudan. Oil companies operating in Sudan were viewed as providing substantial assistance to the perpetrators of genocide and were therefore deemed complicit. In addition to these divestment policies, Yale has adopted proxy voting guidelines with respect to tobacco companies, climate change and, more recently, private prisons. The proxy voting guidelines and Sudan divestment policy remain in effect today.