Annual Report 2013-2014 of the
Socially Responsible Investing Advisory Council

The Socially Responsible Investing Advisory Council had a very productive year during the 2013-2014 academic year. The Council held two town hall meetings from which their work plan for the year was developed. The following is a summary of the town hall meeting and the work of the SRIAC which followed.

Town Hall Fall 2013

Strong attendance at the Town Hall forum centered on two main issues. First, the SRI Advisory Council heard from many students who represented the Student Climate Culture Club. These students updated the SRIAC on recent publications and information regarding divestment from fossils fuels. They requested the Advisory Council revisit the issue. Subsequently, since the Investment Subcommittee had not yet acted on the recommendations submitted by the SRIAC in their May 22, 2013 report, the council decided not to revisit this issue.

The other issue presented at the forum was related to UVM’s investments in Monsanto Company. An undergraduate student presented a proposal outlining the strong likelihood that Vermont would pass a bill requiring the labeling of genetically modified organisms (GMOs) in Vermont. Monsanto is heavily involved in the research and development of GMOs. The student highlighted the strong possibility that Vermont would subsequently be sued by Monsanto, which would create a difficult situation for UVM, as stock holders. This student proposed divestment from Monsanto due to the possibility of a law suit being brought against the state if and when House Bill 112 passed.

Monsanto Shareholder Resolution

After deliberations following the Town Hall forum, the SRI Advisory Council made the decision to research and explore the issue of UVM’s investments in Monsanto. At the time of this decision, the GMO labeling Bill H.112 was moving through the Vermont legislature and in several emails and conversations with state representatives, the SRI Advisory Council received indications that Bill H.112 would likely pass and become law.

The SRI Advisory Council debated a recommendation to the Investment Subcommittee of divestment. Instead, based on the ISC’s request for shareholder resolutions, the Council made the decision to recommend filing a shareholder resolution with Monsanto Company, requesting that they refrain from taking legislative action against the state of Vermont.

Research and writing on the shareholder resolution began. The SRI Advisory Council reached out to several institutions with potential for co-filing on the shareholder resolution with UVM. Currently this issue is under review by Vice President Cate.
Town Hall Spring 2014

A growing frustration was notable at the spring Town Hall forum that included undergraduate and graduate students whom appeared to be frustrated over the lack of action by the Investment Subcommittee. The SRI Advisory Council received continued feedback from the Student Climate Culture group on energy investments at UVM.

In addition, a graduate student proposed that the SRI Advisory Council seriously consider the U.N. Principles for Responsible Investment as guidelines for UVM.

U.N. Principles for Socially Responsible Investing

Following the Town Hall forum, the SRI Advisory Council chose to research the U.N. Principles for Responsible Investment. The U.N. Principles for Responsible Investment have been signed by 1200 institutional investors across the globe, including Boston Common Asset Management and Goldman Sachs Asset Management. Six core principles outline ideas for clarifying responsible investment at an institutional level. See more here: [http://www.unpri.org/](http://www.unpri.org/).

The SRI Advisory Council discussed how to integrate ideas from the U.N. Principles into its decision-making and recommendations to the ISC.

This issue will continue to be discussed at fall meetings of the SRI Advisory Council.

Monsanto Shareholder Resolution

The SRI Advisory Council completed the shareholder resolution requesting that Monsanto “refrain from political spending”, particularly in Vermont. During the process of drafting the shareholder resolution, several institutions expressed interest in co-filing the resolution with the University of Vermont. Green Mountain College expressed interest at the early stages, however is not able to co-file due to holding Monsanto stocks in mutual funds. As You Sow and Harrington Investments have committed to co-filing the resolution at the Securities and Exchange Commission if it’s supported by our Board of Trustees. The resolution must be filed by August 2014 with the SEC.

Letter to the Investment Subcommittee regarding Monsanto

The GMO labeling Bill H-112 was signed into law in early May 2014, making labeling of GMOs mandatory in Vermont. Since then, Monsanto Company, as part of the Grocery Manufacturer’s Association, has declared intent to sue Vermont. When this occurred, the SRI Advisory Council drafted a letter to Vice President Cate and the Investment Subcommittee explaining these events and the potential for challenges if UVM continues to hold stock as Vermont is sued by Monsanto. The SRI Advisory Council requested that Vice President Cate review the recommendations asking the ISC to consider selling its Monsanto holdings in the case of a lawsuit.

Respectfully Submitted by;

Claire Burlingham

SRIAC Leader