

UUA Socially Responsible Investment Committee – Minutes

Conference Call
November 7, 2014

Members present: David Stewart, Co-Chair, Kimberly Gladman, Co-Chair, Simon Billenness, Tim Brennan, Vonda Brunsting

Members absent: Larry Ladd, Marva Williams

Staff present: Susan Helbert

1. Minutes from meeting on August 19, 2014 - Stewart

Motion 1: To adopt minutes from August 19th meeting without amendment.
Moved, Stewart seconded, Gladman, approved.

2. GA related discussion – Stewart

- Tim will remain on the panel and a member of Breckinridge will be joining. Remaining panelists will be determined at a later date.
- Brennan and Limpert are considering a workshop possibly called “Business Resolution Hearing” to discuss what the UUA has done in relation to the business resolution passed at GA14.

3. Proxy voting manual update – Brennan, Brunsting

- Still in progress.

4. Update on how to involve congregations in advocacy – Brunsting

- The NYC Pension Fund submitted proxy access shareowner proposals to 75 companies. The companies were selected based on three issues: climate change, board diversity and excessive CEO pay. There will be a need for people to present these resolutions making this a great opportunity for congregations to get involved with advocacy.
- Would need to get involved in training individuals to present resolutions.
- Could consider involving the Commit2Respond group.

Action item 1: Brunsting to circulate the article and get Mike Garland in touch with the UUA.

5. Update on issues coming up from GA: Gladman

- Will join the UU Middle East listserv to become more aware of what our congregants are saying and will get more involved there.
- Committee will review all category 4 companies each May.

Action item 2: Gladman will do two blogs for the website, reinvestment and Statoil.

6. Discussion of possible changes to the Common Endowment Fund Charter regarding UUCEF investments – Stewart

- Potential considerations are:
 - requesting additional language to the charter providing an allocation to investments that don't fit the definition of "community investment".
 - requesting an increase in percentage of "community investment" from 1% to 1.25% or 1.5% to encompass other investments.
- Pursue promoting the existing small loan program with a bent toward sustainability. Congregations could then select the provider they want for service.
- Promote more heavily the fact that we match congregational community investments.

Action item 3: Stewart to write a reminder to UU-Money listserv that the UUCEF matches community investments.

7. Discussion of new Sustainalytics carbon screening tool – Gladman

- Sustainalytics is analyzing the carbon intensity of different company's business models. Breaks it down to carbon per unit of reserves. Have developed a management of carbon risk score, looking at policy and disclosure resulting in a carbon asset risk score.
- After review of results from Sustainalytics, need to determine if those results should be used in our screening.

Action item 4: Brennan to circulate the results of Sustainalytics running our companies through their carbon screening tool.

Action item 5: Brennan and Gladman to work with Sustainalytics in developing a proposal on how we could use the tool in our screening process. Bring that proposal back to the committee for review and approval.

8. Update on clean energy reinvestment search – Gladman, Stewart

- Is more difficult to find suitable clean energy investments than one may think. It's not a lack of money wanting to invest it's a lack of investments. The funds or vehicles are not there in enough quantity.
- Interviewed a clean energy tech fund as a potential new manager. The investment was going to be oversubscribed and they were going to be launching a much larger fund than ever which raised concerns that they may need to do different types of investment/work than before and could the existing team be successful. Decided against the manager.

- The kinds of deals that will come in this space will be few and oversubscribed for some time to come.
- Will take some time for the bonds to be rated and for them to start getting bundled into securities.

9. Update on this year's advocacy – Brennan, Billenness

- Have developed an impressive plan thus far for the 2015 season.
- Looking for areas where we can do new advocacy work, possibly on economic inequality and food justice.
- Engaged outside consultant, Beth Young, to help support our advocacy plan. She came up with the executive compensation resolution surrounding reserves which we expect to file with ConocoPhillips. She will also be of assistance with company dialogues.
- We have filed carbon asset risk proposal with Newfield Exploration and Marathon Oil both of which are on the CT200 list.

10. Report back on conferences – Stewart

- Gave an overview of the Responsible Investors conference in New York and Dimensional Funds in Boston.

Next meeting February 5, 2015