

UUA Socially Responsible Investment Committee – Minutes

24 Farnsworth Street

Boston, MA 02210

Room 210

November 9, 2017

Members present: David Stewart, Co-Chair, Kathy Mulvey, Co-Chair, Tim Brennan, Vonda Brunsting, Kristin Faust (by phone), Lucia Santini, and Julie Skye

Members absent: None

1. Minutes from meeting on August 31, 2017 – Mulvey

Motion 1: To approve minutes from August 31, 2017 meeting without amendment. Moved, Stewart; seconded, Santini. All approved with the exception of Skye, who abstained.

2. Communication and Outreach - Committee

- Blogging/Communication
 - When committee members complete assignments the final step will be to create a blog/communications piece.
 - Some communication ideas were advocacy proposal to ConocoPhillips and success at Xcel, UUCEF performance, and an article on Index Funds.
 - Brennan and Helbert met with UUA Communications to discuss types of communications and the appropriate audience for various communications.
- FAQ to enhance understanding of SRI and to promote UUCEF
 - The need for a FAQ document is becoming more and more evident. Questions from internal and external sources are increasing and having a document to direct people to would be most helpful.
- Highlights for the quarterly UUCEF call.
 - Address the continuous inquiries on why index funds may not be the answer.

Action item 1: Brennan to do a blog about the third annual report on the UUA's progress toward the 2014 Business Resolution.

Action item 2: Mulvey to provide an update to UU Divest on the third annual report on the UUA's progress toward the 2014 Business Resolution.

Action item 3: Santini and Stewart to write an article on shifts in market cycle.

Action item 4: Brunsting and Stewart will collaborate to create a draft FAQ to be reviewed by the committee.

3. Community investing – Faust

- Revision to policy
 - Minor, but important, changes were made to the policy including minimum expected return of 1%, reviewing the portfolio on a biennial basis and updated all links.
 - Still need clarification as to the ability of the Socially Responsible Investing Committee to control the CDFI investments. If determined appropriate, will need to be added to the policy.
 - A potential additional change to the policy would be language concerning investments that don't clearly fit under current policy. These investments would be presented to and require approval of the Investment Committee.
- US SIF criteria - Santini
 - Will use the US SIF link and will insert it into our policy.
- Conditionally approved investment in Metro IAF Community Restoration (VOICE)
 - The investment is a real estate investment fund not a CDFI however; it will be managed by one of the largest most experienced CDFI managers in the country.
 - It's a start up fund but does have cushion to protect Class A investors.
 - It has a strong Board of Directors with deep experience in real estate development.
 - Will be submitting to the Investment Committee for approval at the February 8, 2018 meeting.

Action item 5: Brennan to set up a call with Faust and Martin Trimble of Metro IAF Community Restoration to answer outstanding questions.

4. Screening – Brennan, Stewart

- Investment Committee would like to meet with Sustainalytics for educational purposes.
- No response has been received from HPQ on outstanding questions.

Action item 6: Brennan to contact Sustainalytics and RhumbLine to arrange an in person meeting at the February 8th meeting.

Action item 7: Skye to distribute Barron's article on sustainable funds.

5. Shareholder Advocacy – Brennan, Brunsting

- Circulated chart detailing planned shareholder advocacy for FY 2018. Again working on political spending, lobbying and climate change.
- Climate Action 100+ engagement is looking for asset owners. To be part of the effort you must engage at least one company. We have signed up to be part of it and Brennan will be on the webinar.

Action item 8: Brennan to circulate the webinar link for Climate Action 100+.

Action item 9: Brunsting to write a blog on Climate Action 100+.

6. SRIC guidelines, governance and transitions - Mulvey

- Discussed the need for an individual with professional communications experience; believe it would a tremendous value as we need to connect better with the UU community at large.

Action item 10: Brunsting to reach out to Liz Kennedy to gauge her interest in becoming a member of the committee.

Action item 11: Santini to reach out to Kathleen McTigue of the UU College of Social Justice to see if she knows of anyone who may be interested in becoming a committee member.

Action item 12: Skye to contact Gary Rozier at Ariel to see if he knows of anyone who may be interested in becoming a committee member.

Action item 13: Mulvey to communicate with the Appointments Committee regarding qualifications desired for new member.

Action item 14: Brennan to contact the Public Witness Office to discuss them tracking General Assembly actions and reporting to the committee. SRIC will then determine if the action is reflected in the Socially Responsible Investing policy or not and, if necessary, propose updates to the policy.

7. Proxy voting policy – Brennan

- Our custom policy and the current ISS SRI Policy need to be reviewed again to ensure no new issues have come up over the past year which should be included.

Action item 15: Brunsting to review the UUA custom proxy voting policy and the ISS SRI policies and report to the committee.

8. Agenda items for February 8, 2018 meeting - Committee

- Prepare framework to use in guiding changes in policy.

9. Joint session with Investment Committee

- See Investment Committee minutes.

10. Socially Responsible Investing Committee/Investment Committee integration – Lasher, Mulvey

- Consistent language defining UU values across all documents
 - Reviewed all sections of the website where language defining UU values are found.
 - Review was based on two conceptions 1) procedural and 2) using as a marketing tool.
 - Work will continue to identify the resolutions passed at General Assembly over the previous decade to capture those values. At the February meeting will discuss the findings and determine what needs to be added to create a more current Socially Responsible Investing Policy.

- Once up to date policy has been created, will begin and annual review of General Assembly statements of conscious, business resolutions and, responsive resolutions to ensure, if changes are necessary, they're captured and added to the policy.

Action item 16: Brennan to distribute previous version of the Socially Responsible Investing Policy.

- Anti-racism training in 2018 – Santini, Gaffney
 - Schedule something that works for SRIC and IC and invite other financial committees to join us.
 - Aim to add a day before/after May or November meeting.

Action item 17: Brennan to reach out to Taquiena Boston for guidance in finding a facilitator

11. Key questions for February presentation on screening by Sustainalytics – Lasher, Stewart

- Reviewed and discussed screening criteria document created with the goal of setting a standard screening review period for committees.
- Timeline needs to have more flexibility built in. Will continue to work on document and discuss at a future meeting.

**Next Meeting:
February 8, 2018**