



## **ADVISORY PANEL ON INVESTMENT RESPONSIBILITY**

### **Mission and Operational Guidelines**

Stanford's Advisory Panel on Investment Responsibility ("APIRL" or "Panel") advises and makes recommendations to the Office of the President on issues related to socially responsible investing, including recommendations on the disposition of requests from the Stanford community to take action as a shareholder which is consistent with Stanford's Statement on Investment Responsibility. In addition, the Panel will make recommendations on issues related to workers' rights in connection with Stanford's trademark licensing program and other issues, as requested by the Office of the President. These Guidelines are issued by the President pursuant to the delegation contained in the Statement on Investment Responsibility.

### **APIRL Responsibilities**

1. APIRL will review, evaluate, investigate and make recommendations about:
  - (a) Policies and issues related to socially responsible investing, proxy voting guidelines, stakeholder relations and other shareholder issues, as requested by the Board of Trustees, the Office of the President or Stanford Management Company ("SMC").
  - (b) Requests to divest or take other action submitted by members of the Stanford community which are within the scope of the Statement on Investment Responsibility.
  - (c) Issues related to workers' rights in connection with Stanford's trademark licensing program, as requested by Stanford's trademark licensing office.
  - (d) Other issues, as requested by the Office of the President.
2. The evaluation process will be conducted in a time-frame that is appropriate to the issue being evaluated and is not limited by the academic year. APIRL's Chair ("Chair") will keep the head of the Investment Responsibility Stakeholder Relations Program regularly updated on the status of all requests.

### **Membership**

1. APIRL will consist of 12 voting members from the Stanford community, including 4 faculty members, 2 undergraduate students, 2 graduate students, 2 staff members and 2 alumni.
2. Faculty, student and alumni members will be selected by the President from nominations made by the following groups:
  - (a) The Faculty Senate Committee on Committees will nominate faculty members.
  - (b) ASSU Nominations Committee will nominate the undergraduate and graduate students.

(c) The Alumni Association will nominate alumni members.

All groups will nominate the number of candidates requested by the President, which may be more than the number of available openings.

3. The two senior staff members will be selected by the President.
4. The head of the Investment Responsibility Stakeholder Relations Program will be a non-voting ex-officio member of the Panel.
5. Except students who are graduating at the end of the academic year and all ex-officio members, all voting members will be appointed for staggered two year terms.
6. Voting members unable to participate fully during their term will be replaced by the President prior to the expiration of their terms using the appointment process outlined above.
7. The President will select the APIRL Chair annually from the 12 APIRL voting members.

### **Meetings**

1. APIRL meetings will be held during the academic year (from October through May) at the call of the Chair, but no less frequently than quarterly. APIRL meetings will only be open to Panel members and invited guests. The Chief Executive Officer of SMC and the General Counsel, or their designees, will have standing invitations to attend APIRL meetings.
2. Panel business may be conducted by conference call and votes may be taken by email, at the Chair's discretion.
3. The Chair may create subcommittees and appoint subcommittee chairs. At the discretion of the Chair, issues may first go to a subcommittee for evaluation before being brought to the full Panel for consideration. The subcommittee chairs will provide regular updates to the Chair or the Panel, upon request by the Chair.
4. APIRL will hold an annual meeting to provide the Stanford community with the opportunity to meet APIRL members, voice their opinions, and ask questions about investment responsibility at Stanford and other related issues. The Chair will moderate these meetings and all Panel members will be asked to attend.
5. The Chair and APIRL members will attend SCIR meetings at the request of the SCIR Chair.

### **Voting**

One-half of the appointed voting members will constitute a quorum. A majority of the voting members present at any meeting at which a quorum is present will be sufficient to take action or make a recommendation. All recommendations and reports will include a summary of minority viewpoints of Panel members.

### **Conflict of Interest and Bias**

APIRL members are subject to the University's conflict of interest policies. Members will be asked to self-identify situations in which they have a conflict of interest or undue bias, and recuse themselves when appropriate. The APIRL Chair, in consultation with the Office of the General Counsel, will serve

as a resource for Panel members with questions about conflict of interest or undue bias, and will evaluate challenges by Panel members to the appointment of a Panel member, actions or recommendations based on allegations of a conflict of interest or undue bias. Any such challenges must be raised in writing to the Chair (or, in the event of a challenge involving the Chair, to the head of the Investment Responsibility Stakeholder Relations Program) within 30 business days of the appointment of a member, the taking of the action, or the making of the recommendation that is being challenged. Panel members may escalate Chair decisions on conflict of interest or bias matters to the head of the Investment Responsibility Stakeholder Relations Program by giving written notice within 30 days of the date the Chair's decision is rendered, and the decision of the head of the Program will be final.

### **Reporting**

1. Requests for action which are submitted to the APIRL will be posted on the APIRL website. Final dispositions of each request submitted to the Panel will also be published on the APIRL website.
2. The APIRL Chair will submit an Annual APIRL Report to the President's Office which summarizes Panel activities during the academic year.
3. All APIRL discussions, deliberations, reports, recommendations and other actions will be confidential except to the extent announced (i) pursuant to paragraph 1 above, (ii) by the SCIR, (iii) by the Board of Trustees, or (iv) by the University. Notwithstanding the foregoing, all APIRL discussions, deliberations, reports and recommendations may be shared as necessary or appropriate to conduct University business.

### **Staff Support**

The head of the Investment Responsibility Stakeholder Relations Program will be responsible for conducting all research, writing all reports, and providing management support to the APIRL.