

University of Rochester
Ethical Investment Advisory Committee
Meeting Notes of February 5, 2024

The following Committee members participated:

Dan Apfel, University alumnus
Karen Berger, Associate Professor of Instruction, Earth & Environmental Sciences
Daniel Burnside, Clinical Professor, Simon Business School
William FitzPatrick, Gideon Webster Burbank Professor, Department of Philosophy
Katherine Gregory, Graduate student
Wilson Peng, Undergraduate student
Doug Phillips, Senior Vice President & Chief Investment Officer (*Ex-officio*)
Molly Snyder, Project Manager, University IT

Also present was the following University staff member:

Steve Groves, Senior Investment Officer

Professor FitzPatrick welcomed Wilson Peng as the new undergraduate representative to the Committee, replacing Sybilla Moore. The Committee Members page on the website will be updated to reflect the change.

Professor FitzPatrick welcomed everyone and asked if anyone had changes to the October 12, 2023 meeting notes. The Committee noted the previous action item regarding researching animal agriculture; it will continue to research the subject and will contact the Investment Office regarding any concerns. It was confirmed that previously discussed changes to the EIAC website have been made. The notes were approved as submitted.

The Committee discussed questions that had been put by the Committee to the Investment Office in connection with queries the Committee had received concerning the ongoing violence in Gaza and Israel, along with responses provided by the Investment Office. This began with an update regarding overall LTIP (Long Term Investment Pool) exposure to Israel-related companies, which replaces the information previously posted in the Community Questions section of the website, based on previous data. The total exposure is currently about \$7.8 million, which is 0.2% (one-fifth of one percent) of the LTIP; \$5 million of this is in illiquid legacy pooled funds, which are gradually selling these companies. (The Investment Office will share information with Chairperson FitzPatrick regarding the four companies previously flagged for possible links to the Israeli government/military. After

further research, it was confirmed by the Office that these four companies have no ties to the Israeli government/military.)

Another item focused on fifteen companies flagged in community inquiries for their potential dealings specifically with the Israeli government/military, with ethical worries raised in connection with the ongoing violence in Gaza. The Investment Office reported that the LTIP's exposure to that set of companies totals approximately \$259,000 for eight of the companies. These small positions were primarily held in pooled funds where the Investment Office does not have discretion to exit the positions.

The Committee asked the Investment Office to send a letter to the LTIP investment managers who are invested in those eight companies, expressing the EIAC's concerns about their military/government ties in Israel and desire to eliminate exposure to them. The letter will be drafted by the Investment Office, in collaboration with EIAC Chairperson FitzPatrick, after providing him with the list of those eight companies.

The Committee noted one of those eight companies was held by the Simon School Investment Club, which is not controlled by the Investment Office. The Committee will communicate with the Club to relay the EIAC's concern regarding that position, and to communicate other EIAC recommendations previously approved by the Investment Committee (e.g., no fossil fuels, no private prisons).

The Committee discussed how peer schools were handling the issue of investments linked to the Israeli government/military. The Investment Office noted that no peer schools are known to have implemented any policies on the issue at this point. There was discussion, however, of a hunger strike at Brown and other ongoing protests.

Responses to the community inquiries will be posted shortly to the EIAC website. The Investment Office will also reply directly to all of the community inquiries received once the responses are posted, directing those individuals to the website once it is updated.

Chairperson FitzPatrick will provide an update from the EIAC to the Faculty Senate in the Spring. If the EIAC makes any policy recommendations, they will be presented to the Investment Committee at its May meeting.

The EIAC will plan to meet again in March to follow up on these issues and address other issues raised by the community. The Committee noted a recent inquiry received regarding investments in cryptocurrency and artificial intelligence.

SMG 2/6/2024, rev WJF 2/17/2024