

Proxy Voting Guidelines of the UC Berkeley Foundation

INTRODUCTION

The following shareholder resolution proxy voting guidelines summarize the UC Berkeley Foundation's position on various social concerns of the Foundation in its role as an investor. We aim to follow these guidelines with respect to all of our directly-owned assets. For indirectly-owned assets, we have developed this framework as a way to engage investment managers on these issues, and influence their proxy voting over time. These guidelines reflect the Foundation's ESG Principles Statement.

CORPORATE GOVERNANCE

We generally support:

1. Board diversity, including policies that ensure women and minorities are part of the nomination process.
2. Declassified boards, annual elections, and proxy access.
3. Boards with a majority of independent directors.
4. Separate CEOs and board chairs, and independent board chairs.
5. Independent audit committees, and majority independent compensation, nominating, and corporate governance committees.
6. Shareholder approval of poison pills.

Approved by UC Berkeley Foundation, October 7, 2016

EQUAL EMPLOYMENT OPPORTUNITY

We generally support:

1. Extension of equal employment opportunity policies to include sexual orientation and gender identity.
2. Full transparency of workforce diversity (EEO-1) data.

Approved by UC Berkeley Foundation, October 7, 2016

EXECUTIVE COMPENSATION

We generally support:

1. Compensation that reflects a strong relationship between pay and performance over a multi-year period, and that includes clawback provisions as appropriate.
2. Compensation that is tied to objective and quantifiable performance measures established at the beginning of the measurement period and that incorporate multiple financial and non-financial metrics, such as improvements in corporate sustainability, diversity, treatment of employees, or corporate social responsibility.
3. Compensation that is fair and reasonable compared with peers in the industry and with other pay levels in the company.
4. Full transparency of executive compensation.
5. Shareholder votes on severance/golden parachutes.

Approved by UC Berkeley Foundation, October 7, 2016

POLITICAL AND CHARITABLE CONTRIBUTIONS

We generally support:

1. Board policy and oversight of political and charitable contributions.
2. Disclosure of all charitable contributions and contributions to influence elections of candidates, ballot measures, or governmental action, including both monetary and non-monetary contributions and those via third parties such as trade associations and PACs.

Approved by UC Berkeley Foundation, October 7, 2016

CORPORATE SUSTAINABILITY

We generally support:

1. Reporting on social and environmental issues to the board, to shareholders, and/or to third-party entities, such as CDP or the Global Reporting Initiative.
2. Leadership on the part of CEOs and corporate boards in articulating and executing climate change policy; efforts that link executive pay to sustainability metrics and environmental targets.

Approved by UC Berkeley Foundation, May 11, 2018

CLIMATE CHANGE

We generally support:

1. The disclosure of corporate greenhouse gas emissions and emission reduction plans, of the physical impacts of climate change on business operations, of stranded asset risk, and of corporate business plans for adaptation to a low carbon economy.

Approved by UC Berkeley Foundation, May 11, 2018

WATER

We generally support:

1. The adoption of policies and practices that reduce water use, improve water quality, and that consider water-related risks such as sea-level rise, water scarcity, and conflict over water resources.

Approved by UC Berkeley Foundation, May 11, 2018

ENERGY

We generally support:

1. Development of and investment in renewable energy and energy efficiency.
2. Disclosure of risks and impacts from regulatory, financial, and operational aspects of a corporation's energy production activities.

Approved by UC Berkeley Foundation, May 11, 2018

ENVIRONMENTAL HAZARDS & TOXINS

We generally support:

1. The adoption of policies and practices aimed at reducing environmental impacts from harmful materials and waste.

Approved by UC Berkeley Foundation, May 11, 2018
