

**Resolution to Supplement the May 15, 2003 Statement on Responsibility
Concerning Endowment Securities, to Adopt New Guidelines for
Divestment Consideration, and to Establish the Ad Hoc Advisory Committee
on Divestment and Trustee Subcommittee on Divestment**

Intention:

In 1996, the Trustee Executive Committee established the Trustee Proxy Voting Subcommittee charged with responsibility for considering shareholder resolutions concerning social and environmental issues.

In 2003, after renewed interest from the University community, the Trustees reviewed the issue of proxy voting, adopted the May 15, 2003 Statement on Responsibility Concerning Endowment Securities, and charged the Social Responsibility Advisory Committee with examining proxy voting issues involving the University's endowment securities and making appropriate recommendations for action to the Trustee Proxy Voting Subcommittee. This advisory committee was specifically charged to consider only proxy issues, and not issues involving investment, divestment, or management of the University endowment.

The responsibility for all decision-making relating to the management of the University endowment has been and remains a central fiduciary responsibility of the Trustees. Responsibility for investment and divestment decisions has always rested solely with the Trustees. The Trustees, however, have long recognized that the University community has an interest in investment considerations and has in the past considered community input and advice in making any divestment determinations.

The Trustees have determined:

- To establish new Guidelines and Procedures for Consideration by the Trustees of Proposals for Divestment from the University Endowment or Other Holdings Based Upon Social Responsibility Concerns of the Penn Community.
- To create and charge an Ad Hoc Advisory Committee on Divestment consisting of faculty, staff, alumni and students, to study and consider divestment issues.
- To create a Trustee Subcommittee on Divestment, a subcommittee of the Executive Committee, to receive and consider any recommendations from the Ad Hoc Advisory Committee.

RESOLVED, that the Trustees hereby supplement the May 15, 2003 Statement on Responsibility Concerning Endowment Securities by adopting the Guidelines and Procedures for Consideration by the Trustees of Proposals for Divestment from the University Endowment or Other Holdings Based Upon Social Responsibility Concerns of the Penn Community, dated December 12, 2013; and

FURTHER RESOLVED, that the Trustees appoint an Ad Hoc Advisory Committee on Divestment in accordance with the Charge to the Ad Hoc Advisory Committee;

FURTHER RESOLVED, that the Trustees adopt the Charge to the Ad Hoc Advisory Committee;

FURTHER RESOLVED, that the Chair of the Trustees appoint a Trustee Subcommittee on Divestment with authority to consider and provide advice to the Executive Committee concerning divestment proposals in accordance with the principles set forth in the Guidelines; and

FURTHER RESOLVED, that these policies, as set forth above, supersede any and all prior resolutions concerning divestment of securities in the University endowment.

Resolution unanimously approved, December 12, 2013.