

Charge to the Ad Hoc Advisory Committee on Divestment
Adopted December 12, 2013

General Charge

The Ad Hoc Advisory Committee on Divestment (“Ad Hoc Committee”) shall, in extraordinary circumstances, provide advice to the University Trustees with respect to the consideration of divestment of specific corporate securities based upon thoughtful, thoroughly considered, sustained social responsibility concerns. Recommendations will be made to the Trustee Subcommittee on Divestment, a subcommittee of the Executive Committee of the Trustees.

The work of the Ad Hoc Committee shall be governed by 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 adopted December 12, 2013 (“the Guidelines”).

Specific Duties

The Ad Hoc Committee shall be advisory to the Trustee Subcommittee on Divestment with the following functions:

1. The Ad Hoc Committee will consider proposals for divestment referred to the Committee by the University Council Steering Committee, in accordance with the Guidelines.
2. If the Committee, after sufficient study, reaches a consensus (which means unanimous or near unanimous agreement) with respect to a specific proposal, the Ad Hoc Committee shall present the proposal to the Trustee Subcommittee on Divestment for its consideration.
3. If the Ad Hoc Committee fails to reach a consensus supporting the proposal under the Guidelines, then no further action is necessary, other than notifying the University Council Steering Committee.
4. As the Ad Hoc Committee considers the proposal, in light of each of the Guideline factors, it should consider not only whether divestment is justified, but also whether there are alternative means by which the University can better address the social responsibility concerns at issue, including letters to management and/or proxy voting. Any recommendation made to the Trustee Subcommittee on Divestment should include a discussion of these alternative courses of action.
5. In accordance with the Guidelines, given the requirement that there be a sustained community concern, in most cases consideration by the Ad Hoc Committee will extend over multiple years.

Membership

1. The Ad Hoc Committee shall consist of sixteen voting members appointed by the Chair of the Trustees, including:

- Four faculty members
- Four students (two graduates and two undergraduates)
- Two alumni representatives
- Four staff members
- Two at large members from the community

The President of the University shall make nominations for the committee's alumni, staff and at large members. The Faculty Senate, the Undergraduate Assembly and the Graduate and Professional Student Assembly shall be asked to provide from their constituencies a slate of nominees for membership consideration. The slate should consist of a minimum of two, but preferably three potential nominees for each available membership slot. Self-nominations are also permitted. While the nominations shall be given serious weight by the Chair of the Trustees, the final selection of the committee members shall be solely at the discretion of the Chair.

2. The Chair of the Ad Hoc Committee shall be appointed by the Chair of the Trustees.
3. Members shall serve for one-year terms, but may be reappointed.

Meetings

The Ad Hoc Committee shall meet on the call of the Chair. All meetings will be held on a confidential basis. At the Chair's discretion, the Committee may also conduct business via conference call.