



Proxy Voting Guidance

The Vermont Community Foundation (VCF) builds healthy, vital Vermont communities by fostering increasingly effective philanthropy and by helping charitable partners meet their missions with excellence and efficiency. As part of our work, we seek to steward charitable capital in socially and economically responsible ways.

Given its articulation of its governance policies and its role as an active shareholder, the VCF supports shareholder resolutions that promote **good corporate governance, good environmental stewardship, community well-being and citizenship, and diversity and equity**. While these issues are not addressed in every proxy season, they find expression in different ways as different issues arise. These four areas are the central focus of the VCF's proxy voting guidance. Although these guidelines will act as 'recommendations only' for many of the VCF's co-mingled investments, we believe it is our responsibility to make our opinions and values known. As we learn about other areas that would help us support healthy and vital Vermont communities we will amend these policies to provide additional guidance.

Corporate governance: Because good corporate governance has a beneficial impact on shareholders as well as other members of the workplace and society, the VCF will *support* resolutions aimed at corporate adherence to generally-accepted best practices and minimum standards of governance, including transparency, accountability, and board independence. The VCF will *support* limits on executive compensation and a focus on pay equity based on race and gender.

Environmental stewardship: The VCF will *support* resolutions that reflect the Foundation's commitment to the environment and sustainable practices. In particular, the Foundation will *support* resolutions that address global warming, energy efficiency, fuel economy and clean up of toxic sites. To this end, the Foundation will *support* the work of the Coalition for Environmentally Responsible Economics (CERES), which was formed in 1989 in the wake of the Exxon Valdez oil disaster, to guide corporate decisions that affect the environment. (By subscribing to the CERES Principles, a ten-point code of corporate conduct, a company commits itself to working toward positive goals such as sustainable use of natural resources, energy conservation, and

environmental restoration; setting definitive goals and a means of measuring progress; and informing the public in an environmental report published in the format of a CERES report.) The VCF will *support* resolutions asking corporations to study the CERES Principles or subscribe to them.

Community well-being and citizenship: The VCF is committed to the promotion of community well-being (manifest, at a minimum, through satisfaction of basic human needs and cultural vitality) and active citizenship (measured by degree of participation, accountability, and representation). The Foundation therefore will *support* resolutions aimed at fair access to credit, corporate reporting on healthcare, reduction of gratuitous violence, labor and human rights in foreign operations, and corporate adherence to laws governing political contributions.

Diversity and Equity: The VCF is committed to the promotion of equity and inclusiveness in the workplace, and therefore will *support* resolutions aimed at fair compensation, workers rights, fair labor standards and nondiscrimination in the workplace.