



STATE OF VERMONT
VERMONT PENSION INVESTMENT COMMISSION
VPIC STEWARDSHIP COMMITTEE CHARTER

I. Purpose

This charter (the “Charter”) sets forth the duties and responsibilities and governs the operations of the Stewardship Committee (the “Committee”) of the Vermont Pension Investment Commission (the “Commission” or “VPIC”) of the State of Vermont. The Committee will assist the VPIC to fulfill its oversight responsibilities regarding matters that relate to adhering to the VPIC Environmental, Social and Governance (“ESG”) policy and shall make recommendations to the Commission regarding engagement activities and proxy voting policy amendments and take action on items consistent with the Commission’s direction.

II. Composition

The Committee must consist of at least three and not more than five Commissioners, who shall be appointed by a majority vote of the Commission. Unless the VPIC Chair or Commission as a whole designates a Committee Member to serve as Committee Chair, the Committee may designate a Chair by majority vote of the full Committee membership. This is a standing committee with no term limits. Committee Members must be appointed and may be dismissed, with or without cause, by the VPIC.

III. Meetings and Authority

The Committee will meet as frequently as it deems necessary and advisable to carry out its duties, but no less than quarterly. A majority of the members of the Committee then serving constitutes a quorum at any meeting of the Committee. The Committee has power and authority to act on policies and guidelines approved by the full Commission.

IV. Responsibilities

The Committee shall perform all duties as requested or required by the Commission. The Committee will specifically be responsible for the following duties and responsibilities:

1. Recommend to the Commission amendments to the ESG policy, which governs the overall general strategy with respect to VPIC stewardship matters
2. Recommend to the Commission amendments to the VPIC’s proxy voting policies
3. Review and monitor the risks and impacts of ESG factors on the VPIC portfolio and provide insight and guidance with respect to the VPIC’s management of such risks and impacts
4. Oversee VPIC’s policies, practices, and performance with respect to stewardship matters

5. Oversee the VPIC's reporting standards in relation to stewardship matters
6. Advise the Commission on stakeholder concerns relating to stewardship matters
7. Report regularly to the VPIC regarding the activities of the Committee
8. Recommend to the VPIC annually current and emerging topics relating to ESG factors that the VPIC can approve for future engagement with companies, regulators, and interested parties
9. Review and assess the performance of the Committee and the adequacy of this Charter annually and recommend any proposed changes for approval by the Commission
10. Implement, and or direct Staff to execute, all actions and activities consistent with the policies and/or guidelines set forth by the Commission, subject to VPIC Chair approval and consistent with this Charter.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee has the authority to delegate responsibilities to VPIC Staff as permitted by VPIC policy and applicable law. The Committee shall have the authority to delegate any of its responsibilities, along with the authority to act in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

VI. Amendment

This Charter shall not be amended except upon approval of a majority of the VPIC.