



A Union of Professionals

ALIGNING TIAA-CREF INVESTMENT POLICIES WITH PARTICIPANT ETHICAL STANDARDS

October 14, 2009

WHEREAS, the American Federation of Teachers (AFT) has been historically committed to the defense of human, civil and labor rights as well as the promotion of social justice both at home and abroad; and

WHEREAS, a significant number of AFT members in higher education have their pensions invested in TIAA-CREF; and

WHEREAS, AFT members in higher education generally have the option of selecting TIAA-CREF as their retirement plan, and the decision, made within the first month of full-time employment, is irrevocable; and

WHEREAS, AFT members seek investments that will meet the financial needs of their retirement without compromising their commitment to human, civil and labor rights as well as their promotion of social justice; and

WHEREAS, the AFT has continuously demonstrated its support of core labor rights, such as the right to a living wage and the right to organize and engage in collective bargaining; and

WHEREAS, the AFT has protested and sought to change the unfair labor practices of many corporations currently included in TIAA-CREF's stock portfolio (e.g., Wal-Mart, Coca-Cola, Nike and others) whose contractors and sub-contractors routinely pay sub-poverty wages and suppress workers' rights to organize and collectively bargain; and

WHEREAS, TIAA-CREF's Social Choice Account which simply excludes companies that derive significant revenue from alcohol, tobacco, firearms, gambling, military weaponry and nuclear power is insufficient on its own to promote the values and to meet all the financial needs of AFT members; and

WHEREAS, TIAA-CREF prides itself on its responsibility to monitor the activities of the companies in which it invests; and

WHEREAS, TIAA-CREF believes that sound governance practices and responsible corporate behavior contribute significantly to the long-term performance of corporations; and

WHEREAS, TIAA-CREF recognizes that its mission and fiduciary duty require it to monitor and engage with its portfolio companies to promote better corporate governance and social responsibility:

RESOLVED, that the American Federation of Teachers, in collaboration with its membership, engage TIAA-CREF to strengthen its commitment and to devote further resources to promote

human, civil and labor rights in its investment screening, shareholder advocacy, community investments and public policy; and

RESOLVED, that the AFT encourage TIAA-CREF to substantially strengthen its capacity for the oversight and engagement of the companies in which it invests; and

RESOLVED, that the AFT encourage TIAA-CREF to adopt an explicit policy of engaging all of its portfolio companies to promote the ILO Core Labor Standards, which include:

- **Elimination of all forms of forced or compulsory labor**
- **Effective abolition of child labor**
- **Equality of opportunity and treatment**
- **Freedom of association**
- **Right to collective bargaining**

RESOLVED, that the AFT encourage TIAA-CREF to significantly increase its transparency and disclosure of its screening practices and its shareholder advocacy on issues of human, civil and labor rights; and

RESOLVED, that the AFT encourage TIAA-CREF to address through its real estate investments the needs of AFT members for affordable housing in the communities in which they serve; and

RESOLVED, that the AFT encourage TIAA-CREF to maintain a productive dialogue with AFT with the goal of successfully addressing all issues of concern to AFT members invested through TIAA-CREF; and

RESOLVED, that the AFT publicize this resolution to its members, particularly those in higher education invested through TIAA-CREF, and that the AFT inform members of TIAA-CREF's response to the resolution.