

Beyond Divestment: Taking Decisive Action on Climate Change

Administrative Response to the
Report of the President's *Advisory Committee on
Divestment from Fossil Fuels*

Presentation to Business Board, 5 April, 2016



UNIVERSITY OF
TORONTO

Milestones

March 6, 2014: Toronto350 petitions the university to divest from fossil fuels companies

October 22, 2014: Executive Committee approves membership of the President's *Advisory Committee on Divestment from Fossil Fuels*

December 15, 2015: The *Committee* submits its final Report

March 30, 2016: Administrative Response is posted

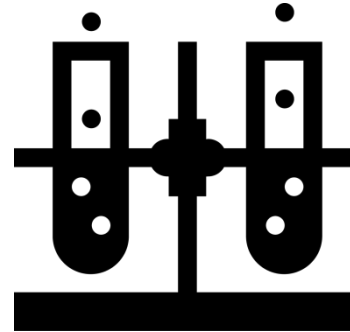
Comprehensive Response

The severity of the challenge posed by climate change and the need for substantive, effective measures in response, requires us to take a comprehensive approach to the University's long-term investments.

Four Elements



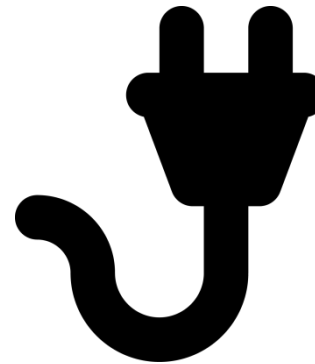
Investor



Research Performer



Educator



Energy Consumer

University as Investor

- Challenge: how to balance our fiduciary responsibility to beneficiaries with the need to address pressing challenge of climate change
- Carney, Bloomberg: FSB initiative on climate risk
- Emerging best practice by CPPIB, Teachers, others: integrate 'ESG' factors into decision making in belief they can influence long-term investment performance
- Activism, engagement, coalitions



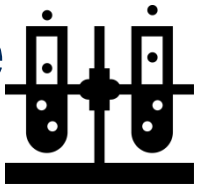
University as Investor

- Articulate principles that will enable consideration of ESG factors in undertaking direct investments for endowment funds
- For pension funds, recommend that our SIPP incorporate similar consideration of ESG factors
- Initiate the process by which we become (or evaluate becoming) a signatory to the CDP, UNPRI, Montréal Carbon Pledge
- Determine ways to vote proactively on shareholder resolutions
- Annual reporting commitment



University as Research Performer

- “The University’s most valuable and effective contributions to the global effort to avert and mitigate the consequences of climate change will flow from our fundamental role as an institution of research and education.”
- Connaught, UTEA (undergrad research)
- Launch tri-campus clean-tech challenge



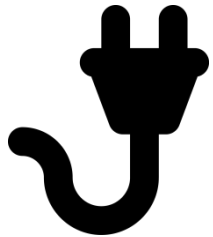
University as Educator

- \$750,000 over three years for climate-change related academic initiatives
 - UCDF, LEAF, OUCI
 - Undergraduate Research Working Group
- Raise the Visibility of Existing Programs and Courses
 - Tag individual courses by thematic area
- Climate-change related academic initiatives in fundraising goals



University as Energy Consumer

- Increasing the Utilities Reduction Revolving Fund by 50 per cent
- Adopt more rigorous energy efficiency standards for capital projects
- Campuses as ‘test beds’
- Investigate the potential for development of other renewable energy projects



Coordinated Response

Establish a U of T committee on the environment, climate change, and sustainability with a mandate to coordinate and advance U of T's environmental research, innovation, education, and energy consumption initiatives.