The Student Perspective on Divestment
We’re Juliet & Elora, and we’re here on behalf of UVic students and Divest UVic.
Outline of Presentation

1. The Moral Imperative
2. The University of Victoria’s Reputation
3. The Future of UVic’s Finances
1. The Moral Imperative

It’s time for UVic to invest in our future.
In a 2015 referendum, 77% of students voted in favour of “the UVSS lobbying the University of Victoria Foundation to withdraw (or “divest”) its direct investments in fossil fuel companies and re-invest in the proceeds in the financially and socially responsible alternative investments.”
Students gather on campus to travel to Global Climate Strike
September 27, 2019
In the face of the Climate Crisis

To avoid the widespread suffering attributed to a 1.5° increase in global temperature, the IPCC states we need to lower our emissions by 50% in the next decade. This is a transition which needs to start now in order to succeed.

Conducting business as usual, in regards to fossil fuels, is currently risking the wellbeing of millions of people and our ability to implement effective climate policy in the future.
“Claiming leadership on Respect and Reconciliation while investing millions in two of the biggest despoilers of Indigenous lands and waters in Canada (Suncor Inc. and Canadian Natural Ltd.) is hypocritical and colonial”

- James Rowe, Environmental Studies
The Canadian Association of Physicians for the Environment (CAPE) has urged everyone with a stake in human health, "to freeze any new investment in oil, gas, coal and pipeline companies, and to divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds within 5 years."

2. The University of Victoria’s Reputation

Putting UVic’s money where its mouth is.
Divesting from fossil fuels means investing in our future

Opinion: UC investments are going fossil free. But not exactly for the reasons you may think

Fossil Fuel Complicity No Longer Hidden Behind ‘Fiduciary Duty’

Smith College will divest from fossil fuels within 15 years

The case for fossil fuel divestment over engagement
Can we shift oil and gas companies’ behavior through engagement or is it time for a new approach?

National Trust to end all fossil fuel investment

Global investors set to triple divestment from fossil fuels

Canadian Universities Are Way Behind on Fossil Fuel Divestment

Divestment works - and one huge bank can lead the way

Sharp rise in number of investors dumping fossil fuel stocks

How Climate Divestment Won Converts With Deep Pockets

Université Laval first university in Canada to divest from fossil fuels

Green Coalition: Pension Plans Miss Billions by Not Divesting from Fossil Fuels
The oil & gas industry is violently displacing Indigenous peoples from their territories. The university’s investments in fossil fuels do not reflect a commitment to respect and reconciliation.

The fossil fuel industry is the leading cause of the climate crisis that students are inheriting. The university’s fossil fuel investments are in direct opposition to the promotion of sustainable futures.
INVASION
In an era of reconciliation, Indigenous land is being taken at gunpoint

New 18 minute film about the Unist’ot’en struggle for self-determination
Premieres November 1, at 8:00pm EST at fb.me/unistoten
Student Disconnect

- Students are shocked to hear that the University has millions of dollars invested in the fossil fuel industry.
- We are told our university prioritized the environment and reconciliation, but this is not reflected UVic’s investment practices.
- There is a disconnect between the university we were sold and the one we are actually attending.
Avoiding Greenwashing

Students will not allow the University to get away with the hypocrisy of adopting an image of sustainability while remaining invested in fossil fuels. An investment strategy that perpetuates the very industry threatening our generation cannot claim sustainability.

If the University does not vote to divest from fossil fuels in the spring of 2020, UVic’s reputation and donations will be significantly damaged.
Reputation of Climate Leadership

The University has done great work funding climate research and engaging with sustainability on campus.

It’s time for UVic to align their investments with their values and avoid greenwashing.
Join the Global Divestment Movement

- Norway’s Sovereign Wealth Fund
- The Episcopal Church
- The Church of England
- Rockefeller Brothers Fund
- World Council of Churches
- The California Academy of Sciences
- World Bank
- The British Medical Association
- Newcastle, Australia
- Stanford
- Oxford
- Cambridge
- Yale
- University of California
Growth in number of divestment commitments:

Growth in total assets of divesting institutions:

Cadan, Yossi., et al. $11 Trillion and Counting. gofossilfree.org
3. The Future of UVic’s Finances

Don’t get burned by climate risk.
“Fossil fuel divestment does not seem to impair portfolio performance. Fossil fuel company stocks do not outperform other stocks on a risk-adjusted basis and provide relatively limited diversification benefits.”

Oil & Gas Sector Performance

The Sector, Once a Market Leader, Now Lags
### Standard and Poor’s Top Ten 1980-2018

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* Represent Oil and Gas companies. Source: [https://us.spindices.com/indices/equity/sp-500](https://us.spindices.com/indices/equity/sp-500)
ExxonMobil Growth Compared to Standard and Poor’s 500, 2002 to Present

The Network for Greening the Financial System recognises that there is a strong risk that climate-related financial risks are not fully reflected in asset valuations.
The Carbon Bubble & Stranded Assets
Defining a stranded asset:

“An item that is owned but has no value because the item or associated products can no longer be traded; for example, some fraction of the fossil fuel reserves and related power stations would become stranded assets if it were agreed that only one trillion more tonnes of carbon dioxide could be emitted. **This limit on emissions would mean that fossil fuel stock-market prices would then be above their value, a situation that has been called a ‘carbon bubble’.”**

-Oxford Dictionary of Energy Science
Markets are mispricing risk by valuing companies as if all their reserves will be fully exploited, when it is increasingly likely that much of the world’s fossil fuel resources will never be extracted or burned.

**CARBON BUBBLE**

Emissions from burning all known reserves of coal, oil and natural gas.

2.795 billion tons of CO₂

565 billion tons of CO₂

Remaining carbon budget

This is how much CO₂ can be emitted until 2050 and still give a reasonable chance of staying below 2 degrees Celsius of global warming.

Source: Carbon Tracker Initiative 2013 / Potsdam Institute für Klimafolgenforschung

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In Summary

**Moral**
An overwhelming majority of UVic students support divestment from fossil fuels.
The climate crisis is caused by the oil and gas industry. To continue to invest is to be complicit in the climate crisis.

**Reputational**
UVic’s reputation as a climate leader can only be furthered by divesting from fossil fuels.
The University’s reputation and donations will be significantly damaged if oil and gas investments continue past Spring 2020.

**Financial**
Investing in fossil fuels is no longer as profitable, or as financially feasible, as it once was.
It is the Board of Governors’ and Foundation Board’s fiduciary duty to divest from fossil fuels.
THANK YOU

Any questions?

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