

I and my 19 co-signatories are proposing this motion in which **Court advises Council to develop a plan for the university to gradually phase out its investments in fossil fuels over a five year period.**

I fully acknowledge the complexities and implications that such a decision would mean, but want to **reassure Court that these are not insurmountable hurdles** for a university or large institution. Many have already made divestment commitments, including Oxford, Glasgow, Edinburgh and Stanford universities, and other organisations such as the Environment Agency. We also know, from communication with the investment managers Sarasin and Partners, that they are able and willing to facilitate a fossil free portfolio for us.

The University has provided a response to our motion, in the contextual information provided in Annex A, highlighting some perceived issues. Addressing each point in turn:

1. It's true, divestment is unlikely to have immediate financial impacts on the companies divested from, because someone else will just buy the shares. But the **political or symbolic power of such an action from a thought leader like the University of Bristol is not to be underestimated.** And there is another, very important benefit of divestment that is not touched on in the response. That is **fiduciary duty.** The long-term prospects of the University's endowments must be considered. Renewable energy is already competitive in many locations, and costs are falling so fast that they will likely achieve grid parity with fossil fuel energy by 2020 (according to UBS and Citibank). And fossil fuel reserves are likely to become unexploitable 'stranded assets' when the expected government and international climate change policies kick in. So the most prudent thing to do is to divest from fossil fuels in the next 5 years. This is not a niche view, Mark Carney, the Governor of the Bank of England, made these same warnings in a speech last month to the insurance industry. He also highlighted that "financing the decarbonisation of our economy" was a major opportunity for long-term investors.
2. It's true that the world doesn't **currently** have enough installed capacity to replace all fossil fuel generation. But a move **away** from fossil fuel investments is only one side of the solution, this needs to take place at the same time as moves **towards** renewable energy investment and demand reduction programmes, both of which are areas the University is researching.
3. It's true that some deliberation is required on where to draw the line on which companies are 'in the fossil fuel industry'. But the **same questions about drawing the line** have not stopped us from avoiding other sectors such as arms and tobacco under our existing ethical investment policy.

From discussions we have already had with Guy Orpen and Andrew Nield I understand the University is considering, as an alternative to divestment, undertaking 'shareholder activism', in which the University engages directly with the fossil fuel companies. I recognise the good intent in this plan, **but can tell the Court without doubt that the strongest form of shareholder activism we can take is divestment.** There are 2 reasons I know this:

1. 'Shareholder activism' in the industry has been happening for over a decade without much success. They've had more luck with shareholder resolutions that call for increased transparency, but there is no evidence of it working in calling for fossil fuel companies to extract less fossil fuels. There is an interesting article on this on the Financial Times website, describing a failed shareholder resolution at Chevron in May – I recommend reading it. And we shouldn't be surprised by this after all – **we all know Turkeys won't vote for Christmas.**
2. Even if you do believe that shareholder activism could work, it certainly won't work without the threat of divestment in the event of an unsatisfactory outcome. **An engagement strategy without teeth is like a government without elections, or homework without a deadline!**

By holding shares in companies that invest in fossil fuels we are implicitly endorsing an investment strategy that is fuelling climate change. This directly contravenes our **existing** Ethical Investment Policy which includes not investing in organisations if their aims are "contrary to the research, education, and wider aims or objectives of the University". Continued extraction of fossil fuels is very clearly contrary to the aims of the Cabot Institute for a start, not to mention the various Green Capital Pledges that the University has made this year.

We also have a mandate from the student body. Over 2,000 students, or around 10% of the student body, have already signed the petition, which is a really large proportion. By contrast debates are triggered at Bristol City Council when a petition reaches 3,500, or 0.00079% of the population of the city. **This is what the students want, the University exists for them, they are providing solutions for the future which they have to live in, so it is our responsibility to listen to them.**

To sum up, this motion is **not** asking for immediate divestment but a considered process of withdrawal to avoid holding assets that become less and less valuable. A week before the upcoming COP 21 international climate talks in Paris, and during Bristol's year as European Green Capital, I cannot think of a better time for the University to act.