

UBC UPDATE — DECLARING A CLIMATE EMERGENCY AND TAKING ACTION ON DIVESTMENT

JANUARY 9, 2020

Summary Statement

The climate crisis is one of the most pressing issues of our time and UBC wants to ensure that our community and the public is informed of the actions that are being taken by UBC as a leader in sustainability and climate change action. This update provides the context of President Santa Ono's Climate Emergency Declaration and the university's actions regarding divestment from the fossil fuel industry.

UBC acknowledges the urgency of the climate crisis and will directly face its challenges. At this pivotal moment, the decisions and actions we take today will reverberate beyond our own borders and lifetimes.

On December 5, 2019, the UBC Board of Governors unanimously passed a resolution supporting full divestment of fossil fuels from UBC's Trek Endowment Fund in a manner that is consistent with the fiduciary obligations of the Board. The Board also unanimously passed a motion approving in principle the full divestment of the balance of the Main Endowment Fund of \$1.71 billion from the fossil fuel industry.

The Board was clear: **UBC is committed to full divestment as soon as possible, and we are taking the necessary steps to realize this now.** The university shares and understands the community's concerns regarding the climate crisis and that the continued operation of the fossil fuel industry is discordant with a climate safe future.

On December 5, 2019, the UBC Board of Governors unanimously endorsed President Santa Ono's [Declaration on the Climate Emergency](#), setting out the framework by which all the university's actions are guided. Key points in the Declaration are:

- That the climate crisis is posing and will continue to pose extensive and disastrous threats to peoples' lives and livelihoods both locally and globally, contributing to famine, migration, and disease worldwide, including impact on individual physical and mental well-being.

- The need for drastic emissions reductions and a decisive shift away from fossil fuels toward alternative energy sources, as laid out by the science of the Intergovernmental Panel on Climate Change (IPCC), the UN Production Gap Report and the Paris Agreement, to be achieved via rapid and far-reaching transformations across all economic sectors.
- That Indigenous and marginalized communities bear the harmful impacts of fossil fuel extraction and climate destruction while being least responsible for the global acceleration of the climate crisis.
- That the university will consider the full impact of our impact and align UBC's emissions reduction plans with 1.5°C; to embrace the need for a managed decline of fossil fuel use and a rapid and just transition to a sustainable economy that also aligns with UNDRIP; to infuse climate justice throughout our activities, priority, and decision-making frameworks; and to support community coping and adaptation in the face of climate crisis.
- That UBC's education, research, and innovation capacity in sustainability is creating breakthrough solution for the most pressing challenges of the climate emergency and transition to a fossil fuel free economy.
- UBC joins with other universities and communities in declaring a climate emergency. We are actively encouraging all universities to move towards divestment and sustainable investment frameworks in order to combat climate change and a more sustainable future.

FULL STATEMENT

The climate crisis is one of the most pressing issues of our time and UBC wants to ensure that our community and the public is informed of the ongoing work the university is undertaking as a leader in sustainability and climate change action. UBC has declared a climate emergency and is moving toward divestment as quickly as possible because we share the concerns of our students, faculty, staff and community around the climate crisis we collectively face.

This update provides the context of President Santa Ono's Climate Emergency Declaration and addresses the university's actions regarding divestment from the fossil fuel industry.

The University of British Columbia President's Declaration on the Climate Emergency

On December 5, 2019, the UBC Board of Governors unanimously endorsed President Santa Ono's Declaration on the Climate Emergency. An excerpt from the Declaration follows:

"In declaring a climate emergency, the University recognizes:

- That the climate crisis is posing and will continue to pose extensive and disastrous threats to peoples' lives and livelihoods both locally and globally, contributing to famine, migration, and disease worldwide, including impact on individual physical and mental well-being.
- The need for drastic emissions reductions and a decisive shift away from fossil fuels toward alternative energy sources, as laid out by the science of the Intergovernmental Panel on Climate Change (IPCC), the UN Production Gap Report and the Paris Agreement, to be achieved via rapid and far-reaching transformations across all economic sectors.
- That UBC as a public institution is a recognized leader in taking action to combat climate change and has a mandate to effect change beyond our institutional boundaries, with a fundamental responsibility, as outlined by our purpose statement, to advance a sustainable and just society across British Columbia, Canada and the world.
- That addressing the climate crisis is critical to the University's key functions of research, learning and engagement as UBC strives to prepare students for their futures and conduct leading research on pressing societal issues.
- That UBC as a Living Laboratory has incorporated sustainability into many aspects of its operations through construction, procurement, and service delivery, and as an early adopter of low-carbon solutions, new technologies and systems into city-scale solutions.
- That UBC's education, research, and innovation capacity in sustainability is creating breakthrough solutions for the most pressing challenges of the climate emergency and transition to a fossil fuel free economy.
- That meaningful climate action must take active steps to support and amplify Indigenous Peoples' human rights. This includes respecting Indigenous self-determination and

implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). British Columbia has become the first province to adopt and commit to implementing UNDRIP, which outlines the minimum standards for the survival, dignity, and well-being of Indigenous Peoples. As an institution located within BC on the traditional, ancestral, and unceded territory of the *xwməθkwəy'əm* (Musqueam) and Syilx (Okanagan) Peoples, the University has a responsibility to align its policies, actions, and investments with UNDRIP and the BC Declaration on the Rights of Indigenous Peoples Act.

- That Indigenous and marginalized communities bear the harmful impacts of fossil fuel extraction and climate destruction while being least responsible for the global acceleration of the climate crisis.
- That strong support for climate justice has been demonstrated by the UBC community, with over 5,000 members of the campus community participating in the September 27th Climate Strike and over 1,600 signing onto the open letter calling on UBC to declare a climate emergency, in addition to decisive student and faculty referendums in support of fossil fuel divestment.
- That the UBC Board of Governors' new Sustainability Committee, to be formed on December 5, 2019, includes in its terms of reference the commitment to fully explore divestment from fossil fuels and support for sustainable investment. The University administration is committed to engaging with the Board of Governors on this and areas that encompass sustainability and a response to the climate emergency.

Therefore, UBC joins with other universities and communities in declaring a climate emergency, while recognizing that this emergency has been experienced for decades by communities around the world, in particular by Indigenous Peoples. UBC acknowledges the urgency of the climate crisis and will directly face its challenges. At this pivotal moment, the decisions and actions we take today will reverberate beyond our own borders and lifetimes.”

UBC Action to Divestment from Fossil Fuels

On December 5, 2019, the UBC Board of Governors unanimously passed a resolution supporting the principle of full divestment of fossil fuels from UBC's Trek Endowment Fund (the "Fund"), and directed UBC's administration to conduct the necessary legal and financial analyses to support the transfer of \$381 million in assets from the Fund into the low-carbon, fossil fuel-free Sustainable Future Pool in a manner that is consistent with the fiduciary obligations of the Board.

- The Board unanimously passed another motion for full divestment of the balance of the Main Endowment Fund of \$1.71 billion from the fossil fuel industry.

The Board is clear: **UBC is committed to full divestment as soon as possible, and we are taking the necessary steps to realize this commitment now.**

We are in dialogue with and actively encouraging all universities to consider how they can also move towards divestment and sustainable investment frameworks in order to combat climate change and move towards a more sustainable future.

This process is complex and the university, as a publicly-funded institution, has a fiduciary duty to mitigate potential costs for exiting funds that contain extractive fossil fuel industry securities, and to identify appropriate alternative funds that are in keeping with the university's commitment to climate action.

It is important to understand that UBC's endowments are invested by UBC Investment Management Trust (IMANT) indirectly in over 30 managed funds. UBC holds no fossil fuel-related investments directly, meaning the matter is not simple to address.

Since December 5, IMANT has worked as expeditiously as possible to fulfill its fiduciary duties through the following steps:

- IMANT staff have worked days and nights and weekends since the November finance committee and subsequent Dec. 5 Board meeting to develop, and begin to execute, an action plan to respond to the Board's decisions.
- A working group of the IMANT board and management has been formed to monitor, track and guide progress. An extraordinary board meeting was held Dec. 20 to review and endorse the work plan, and budgetary requirements.
- Approval was granted to hire a third party project manager to provide additional resources and to accelerate the pace of work to meet the Board's requirements. Outreach to fund managers and industry experts is ongoing.
- IMANT has put in place a structure and created a work plan to help the Board of Governors to analyze, advise and inform both the divestment process as well as to continue to support UBC to be a leader in sustainable investing for the future.

UBC's climate emergency declaration and the Board's decision to divest from fossil fuels are just one aspect of our longstanding commitment to climate action.

UBC understands and shares the community's concerns regarding the climate crisis, including ecological collapse, injustice against marginalized communities, and that the continued operation of the fossil fuel industry is discordant with a climate-safe future.

That's why we will continue to take steps to ensure we remain on track to achieve net zero by 2050 in accordance with the Paris Climate Agreement and we have recently committed to advancing several initiatives to champion climate action and effect meaningful change, including the Board's Climate Action Committee and the climate emergency community engagement process.

UBC will continue to update our community and the public on this important priority as work proceeds.