

SOCIALY RESPONSIBLE INVESTMENT REVIEW COMMITTEE

Unconfirmed minutes of a meeting held on 2 July 2014

Present: Mr Younger (in the Chair), Mr Caldecott, Professor Henderson, Ms Mair, Mr Mason, Mr Tomlinson (OUSU), Professor Vogenauer

In attendance: Dr Berry (Secretary), Ms Freeman, Ms Meredith

Apologies: Pro-Vice-Chancellor (Research, ASUC), Ms Tennant

Order of business:

Ref. FIN/114/SRI

Introductory matters

The Chair thanked OUEM for hosting the meeting. The Chair welcomed Ms Ruth Meredith as the new student member and thanked Mr Daniel Tomlinson and Professor Gideon Henderson for their service on the Committee.

1. Conflict of interest

Members were asked to declare any interest that could give rise to conflict in relation to any item on the agenda.

The Committee **noted** that at some level all members were likely to have interests in item 4 regarding the representation on fossil fuel divestment through general engagement in matters relating to fossil fuels. The Committee **agreed** that its members represent an informed cross-section of perspectives on this matter and that none of them individually was so conflicted as to be unable to engage in the consideration of this matter.

2. Minutes of the meeting held on 6 March 2014 (SRIRC(14)06)

The minutes were **approved**.

3. Matters arising not covered elsewhere

Request for information relevant to the remit of the SRIRC. This item was deferred.

Assessment of the University's investments against its defined policy statement on Socially Responsible Investment. This item was deferred.

An organisational chart of the University's committees was **noted**. (SRIRC(14)07)

The Chair confirmed that the Chair of the Investment Committee would be invited to attend the next Committee meeting.

4. Representation concerning the University's Policy on Socially Responsible Investment (SRIRC(14)10)

The Committee **considered** the responses to consultation and other peer HEIs' statements on fossil fuel divestment.

The Committee wished to thank the respondents for their submissions. The Committee was pleased with the high level of response received from this consultation which demonstrated positive engagement by the University community.

While the views expressed were diverse, there was agreement that the issue of climate change was one of great importance. It was also agreed that the University has a responsibility to consider its position on the representation carefully, given the significance of

the issues it raises. The Committee considered that the debate would further the engagement of the University community on this issue and, in this way, the debate in itself was seen a positive step and welcome.

The Committee determined that the opinions expressed in the consultation generally fell under the following four categories: 1) those in favour of full divestment from fossil fuel companies, 2) those not in favour of such full divestment, 3) those who presented alternatives to such full divestment, and 4) those who believed that they had insufficient information to make an informed response.

The Committee discussed the views expressed in the consultation and the process forward. It noted that there was broadly a balance between the number of views expressed for and against divestment and that many of the responses were carefully considered and prepared.

It was agreed that a summary of the views expressed in the consultation should be prepared and published. The form of this summary was discussed. It was agreed that while it would not be possible to capture accurately all the views expressed in the consultation in a simple summary, the Committee would attempt to highlight the most significant and most frequently articulated arguments made in the consultation.

It was agreed that the summary should describe the number of submissions, divided into category of respondent. The Committee considered whether it should make the name of the respondents and the submissions public, given the Committee's desire to be transparent. It was noted however that the respondents to the consultation would need to give their approval to having their names and submissions made public. Ms Freeman indicated that she had sent email messages to each of the respondents requesting permission to publicise and a significant number of them had not given their approval. It was agreed that either all the submissions should be made public, or none. The Committee noted that only publicising some of the submissions could skew the impression of the views expressed. It could also draw attention to the missing respondents who may have compelling reasons as to why the submissions should not be public.

In determining the process forward, the Committee noted that a submission had been received from the student campaign. This submission recommended that the University take a different approach than the original request submitted by OUSU. The student campaign submission requested systematic disclosure and monitoring of carbon risk, with a focus initially on divestment from companies engaged in the most carbon-intensive fossil fuel activities. Mr Tomlinson explained that OUSU might amend the terms of its request to mirror this new student submission at the next OUSU Council meeting in October 2014. The Committee agreed that while it could consider the new recommendations set out in the student campaign document it could not respond to these recommendations or a new representation until they were put forward formally to the University by OUSU. It was also agreed that there would be no sense in responding to the current OUSU representation at this stage if it was to be superseded.

The Committee determined that it would make its recommendation to Council after it had been able to consider any new resolutions from OUSU. While waiting for the OUSU resolutions, the Committee agreed that it should continue to accept submissions from other members of the University community who may wish to express further views on the divestment from fossil fuel with a deadline of 14 November 2014.

The Committee noted that its next meeting was on 27 November 2014. At this time, it will be in a position to consider any new OUSU representation and any further submissions which have been received.

During the period from now until 27 November, the Committee determined that it would consider the opinions expressed in the consultation and work towards drafting a recommendation to the Council, pending the receipt of any further representation from OUSU, such that GPC could consider SRIRC's recommendations in the second week of Hilary Term 2015 and Council could consider these recommendations at its meeting in the fourth week of Hilary Term 2015.

The Committee also discussed the involvement of the Investment Committee in any decision around divestment. It agreed that any analysis of the “stranded asset” or “carbon bubble” argument – that fossil fuel assets of companies were crucially overvalued due to the possibility of legislation restricting extraction of fossil fuel – would need to be carried out by the Investment Committee.

The Committee considered whether it needed to reach out to those divisions and colleges that had not yet provided a response to the consultation and further considered whether the Committee should try to supply additional information to them. The Committee agreed that the extension of the consultation date would give time to collect the information that the divisions and colleges needed to contribute to the consultation if they so wished.

The point was made that the University would have to take into account its fiduciary duty as a charity in considering the OUSU representation.

5. **Divestment from tobacco companies**

The Chair reported that the Medical Sciences Division had asked whether the University invested in tobacco companies. Information was being sought from the Investment Committee. The Chair reported that the University did not accept donations from such companies. It was noted that this might form a future item of business for the Committee.

6. **Any other business**

There was no other business.

7. **Membership** (SRIRC(14)09)

The Committee **noted** its membership.

8. **Freedom of Information update** (SRIRC(14)11)

The Committee **noted** that one request relevant to the work of SRIRC had been received since the last report (6 March 2014).

9. **Dates of forthcoming meetings**

All meetings will commence at 9.00 a.m. in the meeting room as indicated below of the University Offices, Wellington Square, and last up to 90 minutes.

2014-15

According to the Committee’s standard timetable, these dates will be:

Thursday 27 November 2014- Meeting Room 4

Thursday 5 March 2015- Meeting Room 1

Thursday 11 June 2015- Meeting Room 1

The Chair has authority to cancel a meeting for lack of business.