

COUNCIL

SOCIALLY RESPONSIBLE INVESTMENT REVIEW COMMITTEE'S REPORT ON FOSSIL FUEL DIVESTMENT

CONFIDENTIAL

1. Executive Summary

The Socially Responsible Investment Review Committee (SRIRC) is responsible for considering representations concerning the University's Socially Responsible Investment Policy¹ and proposals related to the implementation of the Policy submitted to it from certain specified bodies within the University, and making recommendations to Council as appropriate².

Following the receipt of a representation from Oxford University Student Union (OUSU) asking the University to consider divestment from all fossil fuel investments held by Oxford University Endowment Management (OUem) on behalf of Oxford University, the SRIRC, with the approval of General Purposes Committee, launched an extensive consultation in March 2014 on the question of divestment from fossil fuels³.

By the close of the extended consultation in November 2014, the SRIRC had received 44 responses. These included two further representations. One was a [revised representation from OUSU](#), which amended its request in line with the [report of the Oxford University Fossil Free Campaign](#), and the second was an [open letter to the Vice-Chancellor from the 'Oxford Academics for Fossil Fuel Divestment'](#).

The SRIRC welcomes this engagement. It acknowledges the significance and importance of the broad issue of climate change and is grateful to OUSU for formally raising this issue with the SRIRC. It would also like to thank the many departments, colleges and individuals who have taken the time to submit their views throughout the consultation period. There has been a high level of response demonstrating positive engagement by the wider University community.

The SRIRC sets out below its recommendations in relation to the two representations. It does so in the context of what it sees as the University's main engagement with climate change, namely its wide ranging and high impact research in this area. The SRIRC also considers that the University's own contribution to reducing its carbon footprint through its Environmental Sustainability Policy needs to be recognized as an integral part of its engagement around climate change.

The SRIRC makes nine recommendations. The first six of these refer directly to points arising from the two representations and the final three arise from the SRIRC's consideration of this matter as a whole. Underpinning these recommendations is a strong belief that the University of Oxford, as a world leading academic institution, has its greatest impact with respect to climate change management primarily through its research and teaching. They therefore broadly favour deeper analysis and engagement over broad disengagement.

The recommendations are as follows:

1. that Council mandates the Investment Committee to instruct OUem to exclude direct investment in assets that derive a majority of their income from thermal coal and oil sands from its portfolio unless there are specific extenuating circumstances that would make such investments acceptable. Any proposed direct investments in thermal coal or

¹ <http://www.admin.ox.ac.uk/councilsec/governance/committees/srirc/universitypolicyonsri/>.

² Part 29 of Council Regulations 15 of 2002. Regulation 29.3 provides that representations may be made by Council, 20 or more members of Congregation, or by a majority resolution of the Council of the Oxford University Student Union.

³ A summary of the consultation is appended at A.

oil sands assets must be pre-approved by the Investment Committee and disclosed separately in its annual report to Council and published on its website;

2. that OUem requests information on thermal coal and oil sands asset holdings from its chosen managers, and that it takes these into consideration when selecting managers for its funds;
3. that Council mandates the Investment Committee to instruct OUem to systematically monitor the carbon risk exposure of its portfolio and that this information be included in its annual report to Council and published on its website;
4. that Council mandates the Investment Committee to instruct OUem to include carbon risk as one of its criteria for deciding asset allocation and stock selection. Furthermore, OUem should actively and routinely consider moving investments away from high-risk, carbon-intensive assets toward low-carbon opportunities when OUem and the Investment Committee consider it prudent to do so;
5. that Council mandates the Investment Committee to instruct OUem to become a member of the Institutional Investors' Group on Climate Change (IIGCC)⁴, and become an investor signatory to the Carbon Disclosure Project (CDP)⁵;
6. that, with the exception of direct investments in companies that derive a majority of their income from thermal coal and oil sands (as identified in Recommendation 1), Council does not mandate the Investment Committee to instruct OUem to divest its endowment from the top 200 companies involved in the exploration, ownership or extraction of fossil fuels, unless it is financially prudent to do so. The University's approach to climate change impacts should be guided by deeper analysis and active engagement with fossil fuel companies. The SRIRC will look for evidence of this engagement through the reports produced by OUem and the Investment Committee;;
7. that Council mandates the Investment Committee to instruct OUem to put in place a systematic process for engagement with its managers and its direct investments on carbon emissions policies and practices; that OUem uses its voting powers accordingly to support such engagement; and that Investment Committee includes in its report to Council each year OUem's specific engagements, including voting decisions. Active ownership and engagement should be at the core of OUem's approach to managing carbon risk;
8. that Council asks the Investment Committee to encourage OUem to upgrade its public transparency in relation to SRI engagement across its direct investments and its engagement with its managers. In particular, the SRIRC recommends that OUem enhance its web presence with regard to its SRI approach and activity; and
9. that the SRIRC includes an update on climate change impacts as a standing item on its agenda in future meetings.

2. The SRIRC's Recommendations

The SRIRC, in making the above recommendations, considered the broad range of views expressed in its wide consultation process. As required by its terms of reference, SRIRC took particular account of the representations⁶ it received from OUSU and from the 'Oxford

⁴ <http://www.iigcc.org/>

⁵ <https://www.cdp.net/en-US/Pages/HomePage.aspx>

⁶ Regulation 29 of Council Regulations 15 of 2002:

"29.2. The committee shall consider representations concerning the Socially Responsible Investment Policy ("the Policy") and proposals related to the implementation of the Policy submitted to it as set out in 29.3(1)-(3) below and make recommendations to Council as appropriate.

29.3. Representations concerning the Policy and proposals related to the implementation of the Policy may be submitted to the committee as follows:

Academics for Fossil Fuel Divestment’ (which called for the University “to divest its endowment from the top 200 companies involved in the exploration, ownership or extraction of fossil fuels”). It also noted the revised ‘Oxford University’s Fossil Free petition’ (which called for the University to “screen for and exclude the fossil fuel industry from OU’s investment portfolio; immediately freeze any new investment in fossil fuel companies; and divest from the fossil fuel industry and shift funds to positive, ethical investments within 5 years”).

A summary of the SRIRC’s consultation and of the responses are included in Appendix A.

SRIRC’s considerations cover six areas:

1. the ethical frame and principles underpinning the recommendations;
2. the importance and scope of Oxford University’s research on climate change;
3. the work being done to improve environmental performance across the University’s estate;
4. the existing socially responsible investment policy;
5. the specific recommendations arising from the representations; and
6. other issues raised by the wide consultation process.

Underpinning these recommendations is a strong belief that the University of Oxford, as a world leading academic institution, has its greatest impact with respect to climate change management primarily through its research and teaching. The recommendations therefore broadly favour deeper analysis and engagement over disengagement.

The University’s core purpose is academic – the furthering of knowledge across the broad range of subjects on which its faculty engages. The SRIRC therefore believes it important to take into account all possible ways in which the University may address the critical issues facing society in respect of climate change. While all actions have political import, SRIRC seeks positive engagement with the University’s multiple stakeholders and to propose steps that will yield maximum impact. This document sets out the SRIRC’s considered response to the specific requests concerning possible divestment of fossil fuel related investments from the University’s endowment funds and also the broader considerations against which the University’s approach should be viewed.

2.1 Ethical Frame and Principles Underpinning the Recommendations

The SRIRC considered the ethical arguments for and against divestment. Broadly these fall into the following areas.

- Climate change is an undeniable fact, as is its link to man-made carbon emissions. Anthropogenic climate change is a major risk to society and the University therefore has a responsibility to help to minimise climate impacts across all of its activities. The SRIRC noted that the amount and impact of these emissions is highly complex science and subject to ongoing research and discussion within the University and elsewhere.
- Divestment of fossil fuel investments should be seen within the context of the University’s wider roles and responsibilities. These issues primarily intersect in three areas:
 - research activities, which make a critical contribution to knowledge and insight, and in particular to the formulation of policy as it relates to climate change;
 - the University’s buildings and maintenance activities relating to energy saving initiatives; and
 - its policies as they relate to the University’s endowment fund.

(1) by Council, the Investment Committee or any other committee reporting directly to Council;

(2) by 20 or more members of Congregation;

(3) by a majority resolution of the Council of the Oxford University Student Union.”

- Divesting of shareholdings in companies that invest in, or use, fossil fuels could be inconsistent if the SRIRC does not also recommend the cessation of all individual or University-wide engagement with the fossil fuel sector. This is clearly impracticable.
- Given the overwhelming consumer dependence on fossil fuels, it is unclear where the blame for any negative impact from the use of such fuels would lie – on the consumers of those fuels or the suppliers of them.
- Alternatives to current energy supply have their own negative impacts and trade-offs, for example in the areas of essential use, commodity shortages, or other societal or environmental outcomes.

2.2 Research

The University of Oxford has a significant and important role in generating insight and knowledge on the subject of climate change. The Oxford Energy Network – the principal grouping within the University of Oxford which brings together researchers who share an interest in the energy space - includes over 180 senior researchers all working on the technical, social, economic and policy challenges of providing secure, affordable and sustainable energy for all. Around 50 of these senior researchers list fossil fuel research as a major part of their field of interest. Further information on the Oxford Energy Network, including details of the wide range of research subjects covered, may be found here: <http://www.energy.ox.ac.uk/>.

The SRIRC believes that Oxford's main engagement with climate change should be seen through the lens of its wide ranging and high impact research, which examines all aspects of the matter, promoting considered discourse and furthering insight.

This research examines all aspects and sides of the matter and helps inform technology development, business activity, and policy impact.

2.3 Buildings and Maintenance

The University of Oxford has over 22,000 students who are engaged across 220 departments distributed across over 230 buildings. The functional estate covers 600,000 square meters of land. The University has had a comprehensive Environmental Sustainability Policy in place since 2008. This policy addresses the following key areas: energy and carbon management; emissions and discharge; waste and material resources; water; education, research and knowledge transfer; sustainable travel; sustainable buildings; biodiversity; sustainable purchasing; and community⁷.

A key impact for the University is use of energy in the form of gas and electricity. Over 90% of the University's electricity is bought on a green tariff which is funding hydropower projects. The University has a target of reducing its carbon emissions by 33% by 2021 – a target set in 2011. The University has ring-fenced £14.6m to be spent on carbon reduction projects. The University's reduction of its own carbon footprint through its Environmental Sustainability Policy should be recognized as an important part of its contribution to addressing climate change.

2.4 Socially Responsible Investment

Oxford University Endowment Management ('OUem') is a wholly-owned subsidiary of the University of Oxford. It provides investment services exclusively for the University, Colleges, and other charitable trusts whose objectives are for the benefit of the collegiate University of Oxford through the investment of the Oxford Endowment Fund and the Oxford Capital Fund

⁷ The full policy can be viewed at: http://www.admin.ox.ac.uk/media/global/wwwadminoxacuk/localsites/estatesdirectorates/documents/environment/environmentalsustainabilityreports/Sustainability_Report_2013.pdf.

(‘the Oxford Funds’). OUem reports to the University’s Investment Committee⁸, and through that to the University’s executive governing body, Council.

The endowments invested through OUem have often been built up over many years, and play an important role in supporting academic and student activity across the collegiate University. They include gifts and donations given for a range of purposes, from benefiting a college generally, to supporting a specific scholarship.

As at March 2014, in addition to the University itself, OUem manages the Oxford Funds for 26 partners across the wider University, consisting of the funds of a number of the Colleges, Clubs, Foundations and Trusts of the University of Oxford in addition to the University’s own endowment funds. The University’s Council is Trustee of the Oxford Funds..

The SRIRC notes that the University’s SRI policies relate solely to the activities undertaken by OUem, not to the policies adopted by individual Colleges in respect of their own endowments. Colleges are independent charities governed by their own governing bodies (their trustees). Each College’s governing body is responsible for making decisions on the investment of its endowment. However, the SRIRC hopes that Colleges would take these recommendations into account when it comes to the oversight of their own investment activities.

2.4.1 OUem’s Responsible Investment Policy

OUem states that responsible stewardship of its assets is ingrained in the investment policy of the Oxford Funds and OUem’s investment approach. As part of an informal agreement introduced in 2012 the SRIRC receives a presentation from OUem in July each year which provides detailed overview of its stewardship of assets and in particular its SRI policies and engagement activity, which is followed by a discussion. The SRIRC welcomes this engagement. In addition, the SRIRC receives OUem’s quarterly performance summaries.

OUem has in place a specific Responsible Investment Policy (first published 2011) consisting of five elements:

1. investing for the long term;
2. rigorous investigation of the investment managers and the funds they manage prior to any commitment by OUem to invest;
3. active management of the conduct of funds;
4. providing transparency; and
5. governance and accountability.

A full copy of its statement can be seen here: <http://www.ouem.co.uk/responsible-investment-policy/>.

2.5 Specific recommendations arising from the representations

2.5.1 OUSU’s Representations Relating to Socially Responsible Investment Policy

The OUSU motion of 15 October 2014 asks Council to adopt a policy mandating the OUem to take four specific actions; the SRIRC deals with each of these in turn. The [OUSU motion](#) is appended at B and the associated [report from the Oxford Fossil Free Campaign](#) is appended at C.

⁸ <http://www.ouem.co.uk/ouem-and-the-university/investment-committee/>

(1) "Remove from its [OUem's] portfolio all direct investments in coal and tar sands oil assets as soon as possible"

It is clear from the research being done around the University, and the responses received in the consultation process, that divestment of any directly held thermal coal and oil sands assets would be both possible and desirable.

The SRIRC notes that OUem does not currently have any such direct investments in its portfolio. It therefore recommends that OUem should exclude direct investment in assets that derive a majority of their income from thermal coal and oil sands in the future unless there are specific extenuating circumstances that would make such investments acceptable. Should any direct investment in thermal coal or oil sands assets be considered by OUem on the basis of such extenuating circumstances, these would have to be clearly disclosed and discussed, and any final investment decision must be approved by the Investment Committee.

The SRIRC recommends (1) that Council mandates the Investment Committee to instruct OUem to exclude direct investment in assets that derive a majority of their income from thermal coal and oil sands from its portfolio unless there are specific extenuating circumstances that would make such investments acceptable. Any proposed direct investments in thermal coal or oil sands assets must be pre-approved by the Investment Committee and disclosed separately in its annual report to Council and published on its website.

OUem states that it is not practicable to require divestment of thermal coal and oil sands assets from the managers of the pooled funds in which it invests. The SRIRC therefore recommends that OUem request information from its managers relating to such investments, and that it takes this information into account when selecting the managers for its funds in the future.

The SRIRC recommends (2) that OUem requests information on thermal coal and oil sands asset holdings from its chosen managers, and that it takes these into consideration when selecting managers for its funds.

(2) "Systematically evaluate carbon risk across the entire investment portfolio"

As stated above, the SRIRC notes that OUem has in place a Responsible Investment Policy which guides its approach to manager selection and monitoring, and to the management of its direct investment portfolio. The SRIRC strongly supports this policy, and commends OUem for being proactive in this regard. It also notes that OUem already requests information relating to carbon emissions from its managers. Given this, the SRIRC believes that it is both possible and desirable for OUem to monitor systematically the carbon risk exposure within its portfolio and that this information be included in Investment Committee's annual report to Council and published on OUem's website.

The SRIRC recommends (3) that Council mandates the Investment Committee to instruct OUem to monitor systematically the carbon risk exposure of its portfolio and that this information be included in Investment Committee's annual report to Council and published on OUem's website.

(3) Actively manage the carbon risk exposure of its portfolio with the aim of steadily shifting investments away from high-risk, carbon-intensive assets and toward low-carbon opportunities

The SRIRC notes that OUem invests in equities primarily through buying units in pooled funds. When the Oxford Endowment Fund buys into a pooled vehicle, it has limited scope to demand or set restrictions which will impact the selection of stocks in the pooled vehicle. Pooled vehicle investments account for over 80% of all assets in the Oxford Endowment Fund. Even still, SRIRC notes that it is perfectly possible and reasonable for OUem to

engage with the managers of its pooled funds, to make its views and policies known to them and to request information about the carbon emissions associated with the underlying assets.

The SRIRC also notes that OUem has as its core objective preserving and growing the prosperity of the funds over the very long time horizon that a University like Oxford has for its endowments. However, it believes that, together with the active monitoring of the carbon risk exposure noted in recommendation (3) above, OUem should actively and routinely consider moving investments away from high-risk, carbon-intensive assets toward low-carbon opportunities when OUem and the Investment Committee considers it prudent to do so.

The SRIRC recommends (4) that Council mandates the Investment Committee to instruct OUem to include carbon risk as one of its criteria for deciding asset allocation and stock selection. Furthermore, OUem should actively and routinely consider moving investments away from high-risk, carbon-intensive assets toward low-carbon opportunities when OUem and the Investment Committee consider it prudent to do so;

(4) “Develop a strategy to effectively engage with policy-makers, financial regulators and corporate management, notably by becoming a member of the Institutional Investors’ Group on Climate Change (IIGCC)”

The SRIRC agrees that there was an opportunity to be more proactive in this respect. It has reviewed the various opportunities to engage through membership or by becoming a signatory to different organisations and activities. It agrees with the OUSU proposal that OUem become a member of the Institutional Investors’ Group on Climate Change (IIGCC) and also recommends that it become a signatory to the Carbon Disclosure Project (CDP).

The SRIRC recommends (5) that Council mandates the Investment Committee to instruct OUem to become a member of the Institutional Investors’ Group on Climate Change (IIGCC)⁹, and to become an investor signatory to the Carbon Disclosure Project (CDP)¹⁰

As set out below, in addition to being a member and a signatory, Investment Committee should highlight the actions and positions OUem has taken as an organisation each year in relation to such engagement in its annual report to Council.

2.5.2 Oxford Academics for Fossil Fuel Divestment

Oxford Academics for Fossil Fuel Divestment is a campaign which saw, as at 27 November 2014 (the date of the SRIRC meeting) 103 of University’s academics become signatories to an [Open Letter addressed to the Vice Chancellor](#) in support of a campaign for the University to divest from fossil fuels. As this was signed by more than 20 members of Congregation, SRIRC is mandated by its regulations formally to consider this as representation in its response. The letter is appended at D.

The letter calls for the University “to divest its endowment from the top 200 companies involved in the exploration, ownership or extraction of fossil fuels”. The SRIRC, in reviewing this alongside the revised OUSU representation and the opinions and views expressed in the wider consultation, does not recommend full divestment from the top 200 companies engaged in the exploration, ownership, or extraction of fossil fuels. As stated above, the SRIRC favours a policy of deeper analysis and engagement over disengagement. There are three main reasons for this recommendation.

- The top 200 companies include a significant number of unlisted companies. These are the state owned organisations involved in energy extraction which account for over 95 per cent of the world’s fossil fuel reserves. Divesting from the listed sector, which owns only

⁹ <http://www.iigcc.org/>

¹⁰ <https://www.cdp.net/en-US/Pages/HomePage.aspx>

3% of the world's known oil and gas reserves, would fail to address the major source of fossil fuel production and would therefore have a minimal impact.

- Divestment would limit the University's ability to influence decisions being made by listed companies as they relate to emissions and pollution. The SRIRC believes that engagement rather than disengagement will achieve a far greater impact, including the ability to leverage and increase the practical and policy impacts from the University's wider research agenda.
- The listed energy sector is a major investor in renewable energy sources and technologies. Divestment from the listed sector may put investment in renewable energy sources at risk, and would impede the ability to engage actively in the investment in this area. Again, the SRIRC believes that engagement with the listed sector to encourage R&D into alternative renewable energy sources is the best way to deliver impact in relation to climate change management.

The SRIRC recommends (6) that, with the exception of direct investments in companies that derive a majority of their income from thermal coal and oil sands (as identified in Recommendation 1), Council does not mandate the Investment Committee to instruct OUem to divest its endowment from the top 200 companies involved in the exploration, ownership or extraction of fossil fuels, unless it is financially prudent to do so. The University's approach to climate change impacts should be guided by deeper analysis and active engagement with fossil fuel companies. The SRIRC will look for evidence of this engagement through the reports produced by OUem and the Investment Committee.

2.6 Further recommendations relating to Socially Responsible Investment

In addition to considering the specific representations made by OUSU and the Oxford Academics for Fossil Fuel Divestment and by, the SRIRC has also given consideration to the range of views and feedback received during the consultation process.

It is clear from an analysis of the 44 responses received in the wide consultation process that the majority of responses received were not in favour of full divestment. The arguments made were wide ranging from the practical (where would divestment action logically start and finish); instrumental (there may well be other sectors that contribute to more detrimental societal effects); ethical and philosophical (societal interdependence on fossil fuels, and who is responsible for their use – consumer or producer); contextual (fossil fuel companies are included among major contributors to research and scholarship at the University); counter-impact (that continued investment would provide a better opportunity to deliver change); and legal (the University has overarching legal responsibilities as a charitable foundation). However, the consultation also highlighted a large number of individual signatories to the 'Oxford Academics for Fossil Fuel Divestment' open letter (signed by 103 people), and the Oxford University Fossil Free's petition (signed by over 2100 people) in favour of divestment.

In light of all responses received, the SRIRC makes the following additional recommendations.

(1) Voting

The SRIRC believes that the University of Oxford has an impact over and above the size of its endowment. It is also clear from the responses to the consultation that there is a view, within the University and more widely, that the University should use its status and position to engage proactively with direct investments and the managers of its pooled funds to encourage strong governance and oversight across multiple issues including carbon emissions.

The SRIRC considers that OUem should strengthen and augment its existing process for engagement with its managers and its direct investments on carbon emissions policies and practices, and that it uses its voting powers accordingly to support such engagement. The

SRIRC is aware that OUem does have in place a strategy to request information it deems relevant to its investments, and so we are recommending that its specific engagement – including voting decisions – are included in Investment Committee’s report to Council each year. It also notes the opportunity that OUem has in this regard to highlight particular engagements that have resulted in reduced carbon emissions from organisations that receive direct OUem investment.

The SRIRC recommends (7) that Council mandates the Investment Committee to instruct OUem to put in place a systematic process for engagement with its managers and its direct investments on carbon emissions policies and practices; that it uses its voting powers accordingly to support such engagement; and that Investment Committee includes in its report to Council each year OUem’s specific engagements, including voting decisions. Active ownership and engagement should be at the core of OUem’s approach to managing carbon risk.

(2) Transparency

The SRIRC welcomes work currently under way within OUem to improve its external communication and its communication with investors. The SRIRC believes that increased transparency with regard to its engagement would be both desirable and possible, and that it would help leverage the power of OUem’s actions in relation to climate change engagement. This would enhance the University’s overall impact on climate change management with policy makers, businesses and research into new renewable technologies.

The SRIRC recommends (8) that Council asks the Investment Committee to encourage OUem to upgrade its public transparency in relation to SRI engagement across its direct investments and its engagement with its managers. In particular, the SRIRC recommends that OUem enhance its web presence with regard to its SRI approach and activity.

(3) Continued Review

The SRIRC is aware that information and insight into climate change is being constantly updated and improved. Likewise, the technologies that exist, and the opportunities for investing in these technologies, are subject to regular update and innovation. The SRIRC has therefore decided to place climate change as a standing item on the agenda at its meetings.

The SRIRC recommends (9) that it includes an update on climate change impacts as a standing item on its agenda in future meetings.

APPENDIX A – REPRESENTATIONS AND CONSULTATION

The SRIRC received a first representation from Oxford University Student Union (OUSU) at its meeting on 28 November 2013 requesting that consideration be given to financial transactions involving organisations in the fossil fuel industry. The SRIRC welcomed this engagement, but sought clarification from OUSU on what engagement it sought and on the definition of what OUSU meant by ‘the fossil fuel industry’ in order to identify the scope of the discussion that would be required. On 6 March 2014 SRIRC received a second OUSU representation clarifying its definition¹¹, which asked the University formally to consider divestment from all fossil fuel investments held by Oxford University Endowment Management (OUem) on behalf of Oxford University.

In response, the SRIRC formally acknowledged the significance and importance of the wide issue of climate change and began detailed discussions on this subject. It acknowledged that fossil fuel divestment was a broad issue involving many different University departments and activities, and that any engagement on this issue needed to consider a range of stakeholders across the whole of the University. These included a number of Council’s committees, the Divisional Boards, Colleges, benefactors, staff and students (past, present and future) among others. It recognised that this was a complex and multifaceted issue that required the collection of evidence and opinions, and time for reflection and informed debate. Accordingly, it announced a formal consultation canvassing the opinions of stakeholders, requesting evidence and opinions from relevant bodies in the collegiate University, and inviting interested parties to submit evidence or views that might inform the committee’s consideration of the question of possible divestment from companies ‘*that participate in exploration for and/or extraction of fossil fuel reserves*’ as per the OUSU representation. It also asked stakeholders for ‘*evidence or views on whether there are alternative ways in which the University should engage in the debate about climate change.*’

In launching the consultation, SRIRC issued its first public statement. The statement is attached at I¹². The deadline for submissions was given as 23 June 2014.

On 2 July 2014, the SRIRC met to consider the submissions and debate next steps. A summary of the views received was published on its website on 28 July 2014 and is attached at II¹³.

At the meeting on 2 July, the OUSU representative indicated that OUSU might approve new resolutions at the meeting of its Council in the first week of Michaelmas term 2014, amending the terms of its requests to the University regarding the divestment from fossil fuel companies. Accordingly, the SRIRC decided to extend the consultation deadline until 14 November 2014, which would allow it to receive and consider any new OUSU resolution and also any further views from the wider University community.

OUSU Council met on 15 October 2014 and formally adopted a revised set of recommendations relating to its Fossil Free campaign, a copy of which can be viewed here <https://oxfordunifossilfree.files.wordpress.com/2014/10/motion-to-ousu-council-15.pdf>. The four principal recommendations are for Council to mandate OUem to:

- a. systematically evaluate carbon risk across the entire investment portfolio;
- b. actively manage the carbon risk exposure of its portfolio with the aim of steadily shifting investments away from high-risk, carbon-intensive assets and toward low-carbon opportunities;

¹¹ “those companies that participate in exploration for and/or extraction of fossil fuel reserves”

¹²

<http://www.admin.ox.ac.uk/councilsec/governance/committees/srirc/srircstatementonthefossilfueldivestmentcampaign/>

¹³

http://www.admin.ox.ac.uk/media/global/wwwadminoxacuk/localsites/councilsecretariat/documents/srirc/Summary_Divestment_Consultation_-_Final.pdf

c. remove from its portfolio all direct investments in coal and tar sands oil assets as soon as possible; and

d. develop a strategy to effectively engage with policy-makers, financial regulators and corporate management, notably by becoming a member of the Institutional Investors' Group on Climate Change (IIGCC).

In addition, further submissions were received from a number of other stakeholders before the extended consultation deadline of 14 November 2014 and the SRIRC met again on 27 November 2014 to consider all new submissions and to discuss a first draft of the recommendation to Council. A summary of these additional views is attached at III¹⁴.

Following that meeting, further revisions were made to the recommendations and the SRIRC's final recommendation was submitted to the General Purposes Committee of Council (GPC) on 23 February 2015.

¹⁴

http://www.admin.ox.ac.uk/media/global/wwwadminoxacuk/localsites/councilsecretariat/documents/srirc/Third_Summary_Divestment_Consultation.pdf