

Memorandum

Office of the Provost and Vice-Principal (Academic)
James Administration Building, Room 504
Tel: 514-398-4177 | Fax: 514-398-4768

TO: Board of Governors

FROM: Professor Christopher Manfredi, Provost and Vice-Principal (Academic)

SUBJECT: Report and Response: Open Forum on the Recommendations of the 2016 CAMSR Report on Divestment

DATE: February 2, 2017

DOCUMENT #: GD16-38

ACTION REQUIRED: INFORMATION APPROVAL/DECISION

ISSUE & EXPECTED OUTCOME The Report of the Open Forum on the Recommendations of the 2016 CAMSR Report and Response from the Provost and Vice-Principal (Academic) is provided to the Board of Governors for information.

BACKGROUND & RATIONALE In the spring of 2016, Professor Frédéric Bachand (Faculty of Law), was mandated by the Provost and Vice-Principal (Academic) to chair a series of three Open Forum meetings on implementing the key recommendations of the CAMSR Report. The Open Forums were held on the downtown campus on September 23 and September 28, 2016 and at Macdonald Campus on September 30, 2016. Professor Bachand was further assisted by an [advisory committee](#).

In particular, the Open Forums sought input from the community on two key matters:

- Creating a “comprehensive climate action plan” to reduce measurably McGill’s own carbon footprint while expanding initiatives in sustainability research and education; and
- Developing concrete measures to ensure our investments comply with recognized Environmental, Social and Governance (ESG) principles.

ALIGNMENT WITH MISSION AND STRATEGIC PRIORITIES The focus of the meetings was in direct alignment with the University’s Vision 2020 Sustainability Strategy, which was created through an innovative community engagement process and lays out a framework for achieving the highest possible standards of sustainability on the University’s campuses.

COMPLIANCE WITH UNIVERSITY POLICY The Report is provided to the Board of Governors as specified under the Terms of Reference of the Open Forum.

The Report and Response were presented to Senate on January 18, 2017.

COMPLIANCE WITH LEGISLATION/ EXTERNAL REGULATIONS	There are no legislative requirements associated with the Report.
RISK FACTORS	N/A
SUSTAINABILITY CONSIDERATIONS	Matters related to sustainability were the central focus of the Open Forums.
IMPACT OF DECISION AND NEXT STEPS	A progress report will be presented to Senate in September 2017.
MOTION OR RESOLUTION FOR APPROVAL	N/A
APPENDICES	Appendix A: Open Forum Response from the Provost and Vice-Principal (Academic) Appendix B: Report of the Open Forum on the Recommendation of the 2016 CAMSR Report on Divestment prepared by Professor Frédéric Bachand

MEMORANDUM**OFFICE OF THE PROVOST AND VICE-PRINCIPAL ACADEMIC**

James Administration Building, Room 504

Tel: (514) 398-4177 Fax: (514) 398-4768

TO:	Members of the Board of Governors
FROM:	Professor Christopher P. Manfredi, Provost and Vice-Principal (Academic)
DATE:	February 2, 2017
SUBJECT:	Report and Response: Open Forum on the Recommendations of the 2016 CAMSR Report on Divestment

I am pleased to submit to Senate Professor Frédéric Bachand's Report of the Open Forum on the Recommendations of the 2016 CAMSR Report on Divestment. This report is provided to Senate as specified under the Terms of Reference of the Open Forum. Under those Terms of Reference Professor Bachand led three open meetings on the CAMSR Report recommendations at both the downtown and Macdonald campuses. Professor Bachand and his team are to be commended for their extensive efforts to publicize and encourage attendance at the Open Forum sessions, as well as for their skill in facilitating constructive discussion. According to the report, approximately 135 individuals attended the three sessions.

The specific terms of reference of the Open Forum focused on two broad issues:

- Creating a "comprehensive climate action plan" to reduce measurably McGill's own carbon footprint while expanding initiatives in sustainability research and education
- Developing concrete measures to ensure our investments comply with recognized Environmental, Social and Governance (ESG) principles.

While some of the discussion focused on these issues, the majority of the interventions were on the CAMSR report and the Board of Governors' decision to endorse that report and its recommendations.

The Open Forum Report identifies several measures that I will pursue in conjunction with other relevant University actors:

- Work with various sectors of the University, including the Advisory Council on Sustainability, to establish and provide budgetary support for a University Climate Officer with a mandate to consolidate work on carbon neutrality, climate literacy, and climate resilience (p.11-12, "McGill's Sustainability Strategy: A Call for a Bolder Vision").

- To the extent possible given the nature of McGill's physical infrastructure, set a target date and implementation plan for McGill to become a carbon neutral institution (p.12, "McGill's Sustainability Strategy: A Call for a Bolder Vision").
- Implement additional institution-level programs to facilitate individual and collective actions that will reduce the University's carbon footprint (p.12, "McGill's Sustainability Strategy: A Call for a Bolder Vision").
- Develop a comprehensive plan to reduce and/or offset the effects of carbon-intensive university travel (p.15, "Rethinking University-Related Travel").
- Explore development of a sustainability-focused curriculum (pp.15-16, "Education and Research").
- Leverage the newly-established Advisory Council on Sustainability to improve two-way communication on the University's sustainability commitments and actions (pp.14-15, "More Effective Communication and Outreach Efforts").
- Continue to develop vehicles for broad community participation, engagement, and commitment with respect to sustainability.

I will report on progress made on the above objectives at the September 2017 Senate Meeting.

**REPORT OF THE OPEN FORUM ON THE RECOMMENDATIONS
OF THE 2016 CAMSR REPORT ON DIVESTMENT**

**PROFESSOR FRÉDÉRIC BACHAND
FACULTY OF LAW**

OCTOBER 28, 2016

Acknowledgments	iii
I. Context	1
a. Divest McGill’s Campaign and CAMSR’s Report	1
b. The Principal’s Decision to Hold an Open Forum	5
c. The Terms of Reference and the Open Forum’s Focus	6
d. Initiatives Undertaken Prior to the Open Meetings	8
e. Facilitating the Open Meetings.....	9
II. The Community’s Input	9
a. Rebuilding Trust in the Administration’s Commitment to Sustainability.....	10
b. McGill’s Sustainability Strategy: A Call for a Bolder Vision	11
c. Sustainability and Canada’s Indigenous Communities	13
d. A More Robust Socially Responsible Investment Strategy	13
e. More Effective Communication and Outreach Efforts.....	14
f. Rethinking University-Related Travel	15
g. Education and Research.....	15
Appendix A: CAMSR’s March 2016 Report on Divestment.....	17
Appendix B: Divest McGill’s Letter to Principal Fortier and Members of CAMSR	37
Appendix C: Principal Fortier’s Letter to Supporters of Divest McGill	39
Appendix D: Terms of Reference of the Open Forum.....	41
Appendix E: PowerPoint Presentation Used at the Open Meetings.....	42

ACKNOWLEDGMENTS

I wish to thank, first and foremost, Ms. Sarah Berger Richardson, an exceptionally gifted D.C.L. candidate who was involved in every aspect of this project, and whose talent, generosity, passion and work ethic made my task both easier and truly enjoyable. Thanks are owed as well to the members of the Advisory Committee that I convened last spring, all of whom contributed significantly and diligently to the Open Forum. Their names and affiliations appear below.

I am also grateful to many members of the McGill community who have provided assistance and support throughout this project: Ms. Lysanne Larose (Web Communications & Social Media Editor, Faculty of Law), whose help in setting up and managing our website was invaluable; Mr. Stewart McCombie (Chief Audio-Visual, Design and Photo Technician, Network and Communication Services (NCS)), Mr. John Childs and Mr. Agustin Guerra (both Audio-Visual Support Technicians at NCS), who were in charge of audiovisuals during the open meetings and who—as always—did impeccable work; Provost Manfredi and Dr. Leigh Yetter (Senior Director, Office of the Provost and Vice-Principal (Academic)), who provided all the administrative and financial support we asked for; Mr. Adrian Pel (B.C.L./LL.B. candidate, Faculty of Law), who volunteered many hours to help in gathering and analyzing the comments received from participants; Ms. Victoria Leenders-Cheng (Communications Officer, Faculty of Law), Ms. Laurie Devine (Social Media Manager, Media Relations Office), Ms. Valerie McLeod and Mr. Fergus Grieve (both Web Communications Officers, Media Relations Office), whose insights significantly improved our outreach efforts; and Ms. Julie Fontaine (Administrative Coordinator at the Faculty of Law), for her editorial assistance during the drafting of this report.

I. Context

[1] I begin with a discussion of the broader context within which the Open Forum took place. I focus on Divest McGill's campaign and its petitions to McGill's Committee to Advise on Matters of Social Responsibility (CAMSR), CAMSR's March 2016 Report, Principal Fortier's decision—following discussions with supporters of Divest McGill—to hold an Open Forum, the Terms of Reference issued by Provost Manfredi, various initiatives that were undertaken ahead of the open meetings, and the manner in which I approached the facilitation of the open meetings.

a. Divest McGill's Campaign and CAMSR's Report

[2] In 2012, Divest McGill began a campaign urging McGill to divest its endowment from the fossil fuel industry and reinvest into alternatives considered to be more environmentally, socially and economically responsible¹. Over the years, the campaign has gained significant support throughout the McGill community². Similar campaigns have been launched in many other academic institutions, both in Canada and abroad³.

[3] In 2013, Divest McGill's efforts led to a first petition based on Section 5 of CAMSR's Terms of Reference⁴. Under Section 5, and provided that certain conditions are met, CAMSR has a duty to "consider, report on and make recommendations to the Board with respect to written expressions of concern from the University community about matters of social responsibility related to University investments". Section 5.3.b grants CAMSR the power to recommend to McGill's Board of Governors that it divest from its holdings. A recommendation

¹ See: <http://divestmcgill.com/about/our-campaign/>.

² According to supporters of Divest McGill, their petition has over 2,500 signatures and the campaign has been endorsed by the Students' Society of McGill University, the McGill's Post-Graduate Students' Society, the Faculty of Arts, the Faculty of Law, the Faculty of Education, the School of Environment and more than 150 individual faculty members.

³ See: CAMSR's March 2016 Report, *infra* at note 9, Annex A.

⁴ CAMSR's Terms of Reference are online at: <https://www.mcgill.ca/boardofgovernors/committees-0/social>.

of divestment depends on a finding of “grave injurious impact” within the meaning of Section 2 of CAMSR’s Terms of Reference⁵.

[4] Divest McGill’s 2013 petition called on the University to divest from companies involved in the Canadian tar sands, in fossil fuel production and in Quebec’s Plan Nord, as well as from financial institutions that grant loans to these companies⁶. The petition was dismissed by CAMSR on the ground that there was insufficient evidence of a “social injury” that could justify divestment⁷. In February 2015, Divest McGill submitted a second petition to CAMSR, calling for an immediate freeze on new investments in, and progressive divestment from, major fossil fuel companies⁸. It is this second petition that led to CAMSR’s March 2016 Report⁹.

[5] CAMSR dismissed Divest McGill’s 2015 petition on the ground that the fossil fuel industry’s activities did not have the “grave injurious impact” that is required to justify a recommendation of divestment to the Board of Governors. In its report, CAMSR made a number of findings which are worth highlighting:

- it acknowledged and accepted the findings of climate scientists and the importance of action to mitigate climate change, as most recently demonstrated in the 2015 Paris Agreement and at the 2016 World Economic Forum¹⁰;

⁵ CAMSR’s power to make recommendations under 5.3.b depends upon a finding that “social injury” has occurred, and Section 2 provides that “the term ‘social injury’ means the grave injurious impact which the activities of a company is found to have on consumers, employees, or other persons, or on the natural environment” while adding that “[s]uch activities include those which violate, or frustrate the enforcement of rules of domestic or international law intended to protect individuals against deprivation of health, safety, or basic freedoms, or to protect the natural environment”.

⁶ Online at: <http://divestmcgill.com/wp-content/uploads/2013/02/The-Social-Injury-of-Tar-Sands-and-Fossil-Fuels.pdf> and <http://divestmcgill.com/wp-content/uploads/2013/02/Plan-Nord-Brief.pdf>.

⁷ Online at: https://www.mcgill.ca/boardofgovernors/files/boardofgovernors/camsr_documents_0.pdf.

⁸ Online at: http://divestmcgill.com/wp-content/uploads/2015/02/Feb2015_CAMSR_Submission_Brief.pdf.

⁹ Online at: https://www.mcgill.ca/boardofgovernors/files/boardofgovernors/gd15-44_camsr_report_0.pdf. The Report is attached hereto as Appendix A.

¹⁰ At p. 6.

- it concurred in the consensus that, for global warming to be kept within the accepted limit of 1.5 to 2 degrees Celsius, the amount of carbon released into the atmosphere must be limited¹¹;
- it concurred with Divest McGill that fossil fuel consumption must be reduced¹²;
- it found the evidence submitted by Divest McGill to be a persuasive call for action against climate change¹³;
- it agreed that climate change is linked significantly to the burning of fossil fuels and the resulting emission of carbon-intensive gasses¹⁴;
- it concluded that the activities of fossil fuel companies have a beneficial impact that “offsets or outweighs injurious impact at this time”¹⁵;
- it found that climate change is primarily due to the burning of fossil fuels by end users rather than activities of fossil fuel companies¹⁶.

[6] In the end, CAMSR concluded that—at this time—there was insufficient evidence of an injurious impact from fossil fuel companies that would warrant a finding of grave injurious impact within the meaning of Section 2 of its Terms of Reference

[7] CAMSR did, however, make a number of additional observations relating to the course of action it would have recommended had it made a finding of grave injurious impact. It first recalled that, pursuant to Section 5.3.b of its Terms of Reference, divestment is but one of several actions that may be recommended to the Board of Governors. It further considered that divestment would generally only be justified in exceptional and compelling circumstances¹⁷, and that divestment from the fossil fuel industry was only warranted upon a showing that it could have an impact similar to the one divestment had in the cases of tobacco

¹¹ *Ibid.*

¹² *Ibid.*

¹³ *Ibid.*

¹⁴ At p. 7.

¹⁵ At p. 9.

¹⁶ At pp. 9–10.

¹⁷ At p. 11.

and South African apartheid¹⁸. CAMSR was not convinced this was the case, as it was of the view that assets from which McGill would divest would likely find other willing buyers, with little or no economic impact on the fossil fuel industry. Divestment, in other words, would not be an effective means to address climate change¹⁹. Citing Drew Faust, President of Harvard University, CAMSR also cautioned against using the endowment in ways that could appear to position McGill as a political actor rather than an academic institution²⁰. To CAMSR,

“[t]he best way for McGill to contribute to mitigating climate change is through actions that are consistent with and build on its mission such as climate-oriented interdisciplinary and collaborative research, scientific discovery, enabling students to engage in climate-informed learning, building public awareness to support and shape public policy and doing what it can to reduce its own carbon footprint and adopt climate-friendly practices in its operations.”²¹

[8] CAMSR concluded its report with a brief review of McGill’s current initiatives aimed at promoting responsible investments and responding to climate change²², as well as a list of recommendations on further initiatives that could be undertaken in the near future. CAMSR first recommended that the Board of Governors ask McGill’s Investment Committee to consider and report back—by December 2016—on various measures, including the development of Environmental, Social and Governance (ESG) principles for endowment investments. CAMSR also recommended that the Board ask the University Administration to provide a preliminary overview of all current sustainability and climate-change activities at McGill that would form the basis of a comprehensive climate action plan²³. Lastly,

¹⁸ At p. 12.

¹⁹ *Ibid.*

²⁰ *Ibid.*

²¹ At p. 6.

²² At pp. 13–14.

²³ This overview was provided by Principal Fortier on May 16, 2016. Her PowerPoint presentation is available online at: http://mcgill.ca/ofs2016/files/ofs2016/mcgill_sustainability_climate-related_activities_may_2016.pdf.

CAMSR proposed that the Board ask the University administration to report annually on all sustainability and climate-change initiatives²⁴.

[9] CAMSR also expressed its gratitude to Divest McGill for having highlighted the importance of sustainability and climate-change initiatives, fostering debate, building a sense of responsibility within the University, and adopting a respectful and constructive approach throughout the process²⁵.

[10] CAMSR's March 2016 Report was endorsed by the Board of Governors on March 23, 2016.

b. The Principal's Decision to Hold an Open Forum

[11] Divest McGill's supporters expressed their disappointment at CAMSR's March 2016 Report in a letter addressed to Principal Fortier and members of CAMSR²⁶. Divest McGill took issue not only with the substance of the report, but also with the manner in which CAMSR reached its decision. According to Divest McGill, CAMSR's findings ignored the relevant science on climate change. Divest McGill also expressed the view that CAMSR arrived at its findings without sufficient community input, and that CAMSR's consultation with experts should have been made public. Divest McGill made a number of requests in its letter, one of which was that public hearings on CAMSR's March 2016 Report be held at McGill²⁷.

[12] Some supporters of Divest McGill also expressed their disagreement with CAMSR's findings during a sit-in in the James Administration Building that lasted several days at the end of March 2016. On March 31, they met with Principal Fortier and Provost Manfredi to further discuss CAMSR's findings and recommendations²⁸.

²⁴ At p. 15.

²⁵ *Ibid.*

²⁶ Online at: https://mcgill.ca/ofs2016/files/ofs2016/divest_mcgill_response.pdf. This letter is attached hereto as Appendix B.

²⁷ In its letter, Divest McGill also requested that all expert testimony gathered by CAMSR be made public and that Principal Fortier make a statement acknowledging that the activities of fossil fuel corporations cause grave social harm.

²⁸ See: <https://publications.mcgill.ca/reporter/2016/03/principal-meets-with-divest-mcgill/>.

[13] Principal Fortier responded in writing to Divest McGill’s supporters on April 6, 2016²⁹. In her letter, she emphasized that McGill agreed that “[c]limate change is a serious threat to humanity, and [that] unless urgent action is taken we will see catastrophic effects on our planet and its peoples”. Principal Fortier further recalled that CAMSR’s report linked climate change to the burning of fossil fuels and their “injurious impact”. She also recognized that the McGill community, “including its Board and senior leadership, ha[d] a responsibility to use [its] talents, energy and expertise to work toward mitigating climate change”.

[14] Principal Fortier made a number of commitments in her April 6, 2016 letter. She undertook to request that experts who were consulted in the preparation of CAMSR’s March 2016 Report make their input public. She indicated that the Board of Governors was committed to creating a comprehensive sustainability and climate action plan. She pointed out that McGill has committed \$10 million over the next five years to support sustainability sciences across disciplines. She further recognized the leadership of Divest McGill and other members of the McGill community, as well as their substantial impact on making climate-change mitigation a priority for the University.

[15] In her letter, Principal Fortier also committed to holding public forums in the Fall of 2016 “to continue the community’s dialogue on sustainability and the CAMSR report recommendations”.

c. The Terms of Reference and the Open Forum’s Focus

[16] The parameters of the Open Forum are set out in Terms of Reference that were issued by Provost Manfredi on April 27, 2016³⁰. They provide the following details about the focus of the Open Forum:

“[T]he Open Forum will seek input from the community on two key matters:

- creating a ‘comprehensive climate action plan’ to reduce measurably McGill’s own carbon footprint while expanding initiatives in sustainability research and education, and;

²⁹ Online at: <http://publications.mcgill.ca/reporter/2016/04/principal-sends-follow-up-to-divest-mcgill/>. This letter is attached hereto as Appendix C.

³⁰ Online at: https://mcgill.ca/ofs2016/files/ofs2016/2016_open_forum_sustainability-terms_of_reference.pdf. The Terms of Reference are attached hereto as Appendix D.

- developing concrete measures to ensure our investments comply with recognized Environmental, Social and Governance (ESG) principles.”

[17] The Terms of Reference further provide that the Open Forum would consist of three meetings, two of which to be held downtown and one at Macdonald campus. The meetings were to be live-streamed, and provisions for feedback via electronic means were to be made available. The Terms of Reference also spell out my responsibilities as Chair of the Open Forum³¹, which consist in “ensuring the effective operation of the Open Forum and [...] reporting on its proceedings to the University’s administrative and governance bodies”. They also specify the scope of this written report, which is limited to “summarizing the views expressed during the Open Forum to the University Senate and Board of Governors” and thus does not include the formulation of policy recommendations.

[18] The Terms of Reference further provide for the constitution of a small advisory committee comprised of faculty, staff and students to offer input on the form and focus of the Open Forum. In constituting the Advisory Committee, I sought to strike an appropriate balance between a number of important considerations, chief among which were expertise in sustainability-related matters, representativeness of the McGill community, and gender balance and diversity. Every person I approached accepted my invitation to serve on the Committee, and the members’ input, suggestions and support throughout this process were invaluable. The Committee’s members are:

- Mr. David Aird, Vice-President External, Students’ Society of McGill University
- Prof. Jaye Ellis, Associate Professor, Faculty of Law and School of Environment
- Ms. Sophie Leblanc, Chief Investment Officer, Office of Investments
- Mr. Jed Lenetsky, Divest McGill
- Ms. Selina Liu, Environment Commissioner, Post-Graduate Students’ Society
- Mr. François Miller, Sustainability Director, McGill Office of Sustainability

³¹ My appointment as Chair of the Open Forum became effective on April 27, 2016.

[19] Finally, the Terms of Reference state that I would be provided appropriate assistance by the Provost's Office.

d. Initiatives Undertaken Prior to the Open Meetings

[20] The Advisory Committee first met on June 8, 2016. We discussed and reached a consensus on what ought to be our three main objectives throughout the project: *i*) to ensure that all members of the McGill community would feel equally able to participate meaningfully in the open meetings; *ii*) to ensure that the discussions would be informed by an adequate understanding of sustainability-related initiatives already underway at McGill; and *iii*) to ensure that members of the McGill community who would not be able to attend the open meetings would nevertheless have an opportunity to contribute meaningfully to the discussion. Furthermore, we discussed and reached a consensus on the creation of a website, as well as on the purpose, contents and basic architecture of the site³². Our meeting also provided an opportunity to review the Terms of Reference of the Open Forum and to reflect on the focus, structure and duration of the open meetings.

[21] After our website went live, we turned our attention to background documents we wished to make available to participants. Our objective was to assist participants in learning about past and current sustainability-related initiatives at McGill. With the help of members of the Advisory Committee, Ms. Berger Richardson and I identified a number of documents which were uploaded to the website in mid-August. We also posted a list of questions for reflection that we invited participants to reflect upon ahead of the open meetings.

[22] A second meeting of the Advisory Committee, focusing on our outreach strategy, took place on August 31st. We discussed and reached a consensus on how best to raise awareness about the upcoming open meetings within the McGill community. Among other matters, we discussed how to coordinate our efforts in order to reach as many community members as possible. We also reported on an interview Ms. Berger Richardson and I had recently given to Neal McDevitt of the *McGill Reporter*³³. Furthermore, some members of the Committee provided updates on other sustainability-related initiatives that were either ongoing or soon to be undertaken at McGill.

³² www.mcgill.ca/ofs2016.

³³ I subsequently gave interviews to Ms. Cherry Ng (*McGill Tribune*) and Ms. Rosa Rupert (*McGill International Review*). Ms. Berger Richardson and I also spoke with Mr. Julien Tremblay Gravel (*McGill Law's Quid Novi*).

[23] In order to share the details of the Open Forum to as wide an audience as possible, a variety of communication tools were used. At the suggestion of several members of our Advisory Committee, a Facebook event was created by McGill's Media Relations Office. Details of the event were also posted on the McGill homepage gallery and on McGill's channel events. With the assistance of the media office, the Open Forum was also advertised on Twitter. Email communication was used at several levels. First, the Office of the Provost granted access to the individual blast list for students, faculty and staff, ensuring that all members of the McGill community received an email with all the details of the Open Forum. Second, details were included in several *What's New* communications to students and staff prior to the open meetings. Third, listservs were accessed via our Advisory Committee members who are members of SSMU and PGSS. Fourth, targeted emails to faculty deans and department chairs were sent with the request that the information be forwarded to faculty members who would have a particular interest in participating in the Open Forum. Finally, posters were printed for the event and distributed across campus.

e. Facilitating the Open Meetings

[24] Discussions with members of the Advisory Committee led to a consensus regarding the manner in which the open meetings would be facilitated. We agreed that, in keeping with the spirit of an open forum, it would be preferable to let participants lead the discussion rather than to ask them to address certain themes or to respond to specific questions. We also agreed that it would be helpful to list questions for reflection that would be shown on a looping PowerPoint presentation throughout the open meetings, as we believed that such questions could offer a variety of entry points to begin a fruitful discussion³⁴. Finally, we agreed that I would speak for approximately ten minutes at the beginning of each open meeting.

II. The Community's Input

[25] The first session was attended by approximately 85 people, of whom 29 actively participated with a comment at the microphone. The majority of speakers identified as members or supporters of Divest McGill. Participants were mostly students, but they also included faculty members, staff members and alumni. Also in attendance were Provost Manfredi and Principal Fortier. The second session was attended by approximately 30 people, of whom 20 spoke at the microphone.

³⁴ The PowerPoint presentation is attached hereto as Appendix E.

Approximately a third of the participants that spoke identified as members or supporters of Divest McGill. The majority of speakers were students, but we also received comments from alumni, staff (including members of the Offices of Sustainability and Investment), faculty members, as well as Provost Manfredi. At the third session, which was held at Macdonald campus, there were close to 20 people in attendance. Most participants spoke at the microphone, and there was time for several participants to speak more than once. Approximately half the participants were students at Mac, and the other were faculty members, including several members of McGill Faculty for Divestment.

[26] At the beginning of each open session, I briefly addressed the context of the Open Forum, the parameters of the consultation as set forth in the relevant provisions of the Terms of Reference, the composition of the Advisory Committee and the possibility of providing feedback in writing. I then summarized past and current initiatives undertaken at McGill to address sustainability and climate change, in order to help participants better situate the Open Forum. I also explained to the participants that I had been working on this project independently from the Administration and that I intended to let the participants lead the discussion. At the second and third meetings, I briefly summarized the comments and suggestions that had been made so far.

a. Rebuilding Trust in the Administration's Commitment to Sustainability

[27] The dominant theme that emerged throughout the Open Forum was the participants' disappointment with CAMSR's March 2016 Report, and how it had significantly weakened many people's trust in the Administration's commitment to sustainability. While CAMSR's March 2016 Report and the Board of Governors' response to it were identified as key moments when trust was shaken in the Administration, other University priorities and practices were also discussed.

[28] A clear majority of participants explained that the events of last spring had led them to seriously question McGill's commitment to sustainability. Participants repeatedly expressed their disbelief and frustration—some even spoke of shame—at CAMSR's finding that the activities of the fossil fuel industry did not have a "grave injurious impact [...] on the natural environment" within the meaning of Section 2 of its Terms of Reference. There was a widespread impression that CAMSR had not given proper consideration to Divest McGill's petition, that CAMSR's finding had been driven more by a desire to reach a certain conclusion than by an objective and rigorous application of the "grave injurious impact" test to the evidence submitted, and that CAMSR had therefore failed to fulfil its

mandate. One participant noted that CAMSR had strayed beyond its mandate, in that its Terms of Reference do not authorize it to offer the policy recommendations found at page 15 of its report. A number of participants further claimed that the Board of Governors had also failed to fulfil its mandate, as it was their understanding that Board members endorsed CAMSR's report merely 24 hours after having received it. Several participants expressed the view that these problems were grave enough that Divest McGill's petition ought to be re-examined by a differently constituted CAMSR. One speaker further suggested that the report re-examining the issue of divestment be submitted to a binding referendum rather than submitted for approval to the Board of Governors.

[29] The participants' comments also indicate that the issue of trust in the Administration's commitment to sustainability goes beyond the manner in which Divest McGill's petition was handled by CAMSR and the Board of Governors. Several participants expressed the view that the perceived incoherence in McGill's profiting from investments in the fossil fuel industry while publicly committing to being a leader on sustainability is illustrative of a broader disconnect between the University's words and actions. One senior member of the academic staff gave as an example the fact that mainstream thinking emphasizing the value of economic growth was still dominant in economics programs offered at McGill. One graduate student offered as another example her disappointing experience with the Sustainability Projects Fund (SPF), which she found lacking in student representation and overly political in the attribution of funds. A number of participants also pointed to governance-related problems—including inadequate community input on the selection of senior administrators and Board members, as well as institutional conservatism—as additional contributing factors. One participant suggested that McGill take steps to align executive compensation with sustainability targets, as is increasingly done in large corporate organizations.

[30] A related concern focusses on what some perceived as a growing generational divide about the gravity and urgency of the sustainability challenge. Those participants stressed that, among younger members of our community, lack of trust in McGill's commitment to sustainability is exacerbated by a perception that the Administration is not sufficiently responsive to the unique perspective they bring as individuals who are likely to be significantly affected by climate change during their lifetime.

b. McGill's Sustainability Strategy: A Call for a Bolder Vision

[31] Most of the comments relating to the creation of a comprehensive climate action plan focussed on big picture ideas. A recurring theme was a desire for

McGill to be bolder in its overall approach to sustainability. One speaker expressed the view that the very notion of sustainability is now outdated, and that McGill's forthcoming comprehensive plan had to reflect an understanding that humans have lost control over climate change. Another speaker urged McGill not merely to emulate best practices adopted in other universities, but rather to show true leadership by devising and implementing innovative solutions. Several speakers answered in the affirmative when asked whether a carbon-neutral university was realistic. One participant stated that McGill ought to aim for carbon neutrality by 2060, while another urged the University to be much bolder by taking steps that would enable that objective to be attained within five years³⁵.

[32] Another recurring and related theme was a call for McGill to show stronger ethical and moral leadership. Several participants expressed the hope that the University's sustainability strategy will reflect a greater commitment to doing not only what works, but also what's right. This point came across in comments made by several participants whose criticism of CAMSR's March 2016 Report suggested that, in their view, Divest McGill's petition had been examined in overly instrumental terms. The point also came across in comments emphasizing McGill's ethical and moral responsibility to exert leadership beyond its campus by striving to be a model institutional citizen.

[33] In addition, there was general support for the idea that McGill's comprehensive climate action plan needs to strongly support both individual and community initiatives aimed at reducing the University's carbon footprint and fostering cultural change. However, while there was broad support for a combination of individual, collective and institutional initiatives, participants expressed varying degrees of concern about the relationship between them. For instance, some spoke of the need for the University to actively support and reduce barriers that prevent people from taking individual actions like composting or adjusting heating in buildings. But other participants cautioned against policies that would disproportionately place the burden on individuals and thus deflect attention away from institutional responses. In short, while participants were not in agreement on precise goals or means that McGill should pursue, there appeared to be agreement that bold and meaningful action is needed to address climate change.

³⁵ On the issue of McGill's carbon footprint, our attention was drawn to current initiatives, such as the Myko-LEED project seeking to link improved LEED O+M score of four University buildings with changes in user behaviour.

c. Sustainability and Canada's Indigenous Communities

[34] A recurring theme, especially during the open meeting held on September 23, was the relationship between McGill's commitment to reconciliation with Indigenous Peoples and its approach to sustainability. A number of participants noted and deplored a perceived contradiction between the University committing to reconciliation while continuing to profit from investments in companies whose practices jeopardize the health, social cohesion and traditional practices of Indigenous communities. Many participants spoke of the impact of pipelines and the fossil fuel industry on Indigenous land. Others also spoke more generally of the impact of climate change on Indigenous communities.

[35] While the comments often served to return the discussion to a criticism of CAMSR's March 2016 Report, in that they highlighted the participants' conviction that the impact of climate change on Indigenous communities constituted a "grave injurious impact", there was a clear consensus among those who spoke on this topic that, more generally, McGill's commitment to reconciliation with Indigenous Peoples ought to be better reflected and given increased importance in its overall sustainability strategy.

d. A More Robust Socially Responsible Investment Strategy

[36] While there was a strong consensus among participants on the need for McGill to adopt more robust socially responsible investment practices, the consultation did not yield many specific proposals. When invited to reflect on ways in which the CAMSR process could be improved, supporters of Divest McGill who were closely involved with the petition on divestment reiterated a criticism made last spring concerning the lack of transparency in how CAMSR engaged with experts³⁶. Another speaker expressed the view that the manner in which Divest McGill's petition was dismissed showed that the concept of "social injury" was too open-ended, thereby giving CAMSR too much latitude. Significantly, participants did not suggest that CAMSR should be dismantled, and some offered positive feedback on the process that led to the revision of CAMSR's Terms of Reference in 2014.

[37] Few participants responded to our invitation to comment on CAMSR's recommendations relating to McGill's investment practices. One speaker offered words of caution about ESG principles, pointing out that there are many

³⁶ See the letter by supporters of Divest McGill to Principal Fortier and members of CAMSR, *supra* at note 26.

recognized sets of ESG principles and that an institution could easily adhere to less demanding principles that would have little impact in practice. CAMSR's suggestion to look at investing in renewable energy firms was briefly addressed by one participant, who pointed out that such investments would be profitable and would contribute to reducing dependence on fossil fuels. We also received a written comment suggesting that McGill could benefit from considering the Caisse de dépôt et de placement du Québec's ESG policy³⁷.

e. More Effective Communication and Outreach Efforts

[38] As mentioned previously, many participants spoke of a lack of transparency in the Administration's responses to sustainability. For some, this meant feeling excluded from the decision-making process. For others, however, the problem seemed to be a lack of awareness of existing initiatives, which suggests that more effective communication and outreach efforts may be warranted.

[39] For example, during the September 23rd open meeting, after several participants spoke about composting on campus and adjusting heating in University buildings, two staff members explained that these are highly complex problems in an institutional setting and that the University is working on ways to address them. Their contributions highlighted the existence of a communication gap between the University and members of the community. Indeed, both staff members who spoke on this topic said that they had not come with the intention of speaking, but felt compelled to clarify certain matters after listening to other participants. The existence of a communication gap also came up during the September 30th meeting, where some participants expressed disappointment with a perceived lack of outreach to Macdonald campus. While some participants were aware of initiatives undertaken by the Office of Sustainability, including the implementation of Vision 2020 and the operation of the SPF, it seemed that this awareness was more common among faculty and staff than among students.

[40] When asked what specific steps could be taken to improve communication, participants had mixed opinions. Some focussed on the means of communication, with some discussion as to whether email is the best way to reach students. Others thought that what is most lacking from current communication is a tone that reflects McGill's understanding of the urgency of the sustainability challenge. That said, while several students spoke about not knowing where to look for information about sustainability practices and initiatives at McGill, one faculty

³⁷ On which see: <http://cdpq.com/en/investments/responsible-investment>.

member noted that a lot of this information is available and that individuals also have a responsibility to seek it out themselves.

f. Rethinking University-Related Travel

[41] Some faculty members raised the issue of University-related travel, both during the open meetings and via email submissions. These comments urged McGill to support, encourage, and pioneer the development of low-carbon modes of interaction in academia, with a view to replacing the carbon-intensive travel underlying a significant proportion of scholarly activities. Specific suggestions included providing institutional support to faculty members interested in using software like Go-To-Meeting or Adobe Connect to host online workshops and collaborative events. Reference was also made to a recent report by climate scientists that provides information about how to both measure and reduce travel-related emissions³⁸.

[42] One faculty member noted that McGill currently offers grants to support in-person workshops as well as faculty travel to conferences, and it was suggested that some of these resources could be redirected to develop a dedicated fund for digital interaction and outreach. It was also noted that reducing University-related travel would not only be good for the environment, but helpful for faculty members with disabilities, who would greatly benefit from the opportunity to communicate their research through digital rather than in-person interactions.

g. Education and Research

[43] During the second open meeting, held on September 28th, participants were invited to comment specifically on education and research initiatives on sustainability at the University. Some expressed the view that environmental issues should figure more prominently in a range of undergraduate courses, and not only in courses specifically identified as environmental in their course title. One participant asked if environmental and sustainability literacy could be mandatory in all programs. During the same session, another student commented that she had found it difficult to identify courses and programs with an environmental focus, especially when she first arrived at McGill.

[44] In response to these comments, other participants noted that the topic of sustainability arises organically in many courses and programs, even if it is not

³⁸ Online at: <http://tyndall.ac.uk/sites/default/files/twp161.pdf>

explicitly included in the course title. For these participants then, the content is being addressed in courses, and it is the responsibility of students to be proactive in seeking out these courses and in studying course offerings carefully. Not discussed during this meeting was the question of academic freedom and whether environmental literacy could or should be imposed in all courses, and across all disciplines.

[45] During the third open meeting, held on September 30th at Macdonald campus, a greater number of comments focussed on perceived conflicts that occur when climate science is taught in some departments and ignored in others. The way in which climate science is valued or not by the University came up in relation to the Administration's continued investment in fossil fuel companies in spite of protests from its researchers, but it was also an important point of contention for faculty members who questioned the appropriateness of supporting environmental research while also encouraging research in economics and management that is at odds with sustainability.

[46] Finally, we received written comments to the effect that sustainability-related research carried out at McGill does not sufficiently consider the broader social and political context within which initiatives to address climate change are undertaken. More specifically, it was suggested that careful consideration should be given to the role of the State in implementing solutions that cannot entirely be left to market forces.

BOARD OF GOVERNORS COMMITTEE TO ADVISE ON MATTERS OF SOCIAL RESPONSIBILITY**REPORT to the BOARD on DIVEST MCGILL SUBMISSION of FEBRUARY 2015
MARCH 17, 2016****I Introduction**

In February 2015, *Divest McGill* submitted an extensive expression of concern to the Committee to Advise on Matters of Social Responsibility (CAMSR). The submission, entitled **Carbon at All Costs: The Fossil Fuel Industry and the Case for Divestment**, outlines key arguments for McGill's divestment of investments from the top 200 fossil fuel companies. This report summarizes CAMSR's consideration of, and consensus response to the submission.

The *Divest McGill* initiative is similar to numerous proposals for divestment from fossil fuel holdings associated with an international campaign under the auspices of **350.org** that have been directed at endowment and pension funds of postsecondary institutions, religious organizations, foundations and other public entities. Students and faculty have launched comparable undertakings at approximately 34 Canadian universities. A summary overview is appended as Annex A.

The submission of 2015 is the second in recent years from *Divest McGill* proposing divestment from fossil fuel companies, following on an expression of concern in February 2013. On that occasion the focus was on the activities of fossil fuel companies engaged in the Alberta oil sands and the Plan Nord of the Quebec government. In that case CAMSR advised the Board that it did not find social injury had occurred due to the actions of the fossil fuel companies.

The Committee appreciates the time and thought that members of *Divest McGill* have committed to preparing the current comprehensive submission, and to raising awareness of climate change within the University community. The document addresses the relationship between fossil fuel use and climate change, attempts to establish that fossil fuel companies are responsible for social injury and explores the main elements of the divestment argument, presenting these in a coherent way and citing research and evidence that it believes support the case being made.

During the course of its work, the Committee reviewed reports from other universities which have dealt with proposals for fossil fuel divestment. Some of these (e.g., Queen's, University of Toronto) have thoroughly examined the concept of social injury. We refer the reader to these (see Annex A), which more fully address many of the points touched on in this report.

This report throughout uses the generic term 'fossil fuel companies', which is meant to reference the group of fossil fuel companies that are the focus of the *Divest McGill* submission. We understand this term to refer to companies engaged in the extraction, refining and distribution of fossil fuels/hydrocarbons primarily oil and gas and coal.

II Process and Timeline

CAMSR is a standing committee of the Board of Governors with a mandate to advise the Board on matters concerning social responsibility related to University investments overseen by the Board's Investment Committee. The Investment Committee has responsibility for investing the University's endowment fund.

As part of its mandate, CAMSR has a particular role and responsibility to "consider, report and make recommendations to the Board with respect to written expressions of concern from the University community about matters of social responsibility related to University investments". The Divest McGill submission was found to meet the criteria of an expression of concern.

The Board Chair and Secretary met with a delegation of Divest McGill members to receive the submission on February 2, 2015. Since then CAMSR has met on nine separate occasions to receive additional input from Divest McGill and other members of the McGill community, to consider the issues raised by Divest McGill and to deliberate on this report.

Four of these nine meetings involved representatives of Divest McGill, and, in some cases, members of the McGill Faculty and Librarians for Divestment, who had an opportunity to speak and make presentations in support of the submission. The Vice-Principal (Administration and Finance), who also serves as steward to CAMSR, and the Secretary of the Committee met on four separate occasions with representatives of Divest McGill to discuss issues raised in the submission.

Throughout the process the Committee received and responded to correspondence from Divest McGill and the McGill Faculty and Librarians for Divestment. One focus of this correspondence in Fall 2015 was a proposal that CAMSR recommend to the Board an interim freeze on additional fossil fuel investments pending the completion of its deliberations on the original submission. CAMSR heard from Divest McGill in support of this proposal at its October 22 meeting, and ultimately decided not to make such a recommendation.

During the process, the Faculty Councils of Arts and Law approved resolutions supporting the Divest McGill proposal to divest from fossil fuel companies. The Chair and other members of the Board received approximately 16 messages from individuals in response to an initiative of the faculty association to invite expression of opinions on whether to divest from fossil fuel investments. These messages have expressed a mix of opinions for and against.

A chronology of the process and CAMSR's response to the proposal for an interim freeze is attached as Annex B.

CAMSR assessed the merits of the submission relative to the criterion of social injury as defined in its terms of reference, reviewed the responses of other Canadian, and some non-Canadian universities to similar submissions for divestment from fossil fuel companies, considered the phenomenon of climate change and the contribution of fossil fuel companies to it, and examined the efficacy of divestment as a means of influencing the behaviour of fossil fuel companies and of mitigating climate change.

CAMSR also addressed the question of whether any of its members might be in a position of conflict or potential conflict of interest. Members of the Board of Governors and its committees including CAMSR are subject to the Code of Ethics and Conduct for Members of the Board of Governors of McGill University.

Based on the annual Declaration and Disclosure of Conflict of Interest Form by each CAMSR member in Summer 2014 and 2015, no conflict or potential conflict relative to the Divest McGill submission was apparent. A further process of due diligence was undertaken in the course of finalizing CAMSR's report on the Divest McGill submission to explicitly canvass members on whether any one may be in a real or perceived conflict of interest within the meaning of the Code in relation to the Divest McGill submission for divestment from fossil fuel companies. In summary, no real or perceived conflicts of interest with respect to CAMSR's consideration of the Divest McGill submission were found. A table setting out the questions asked and the responses of each member, along with the most recent Declaration and Disclosure of Conflict of Interest Form of each member of CAMSR since February 2015 is attached as Annex C.

III Summary of evidence and arguments presented by Divest McGill

Before outlining CAMSR's overall response to the *Divest McGill* submission, we summarize below the primary arguments and evidence put forth in the February 2015 report. Given the extensive analysis and broad scope of the submission, we include here only high level findings and a sample of the evidence that has been cited.

1. Fossil Fuel Consumption Causes Climate Change

In its submission, *Divest McGill* presents compelling and now widely accepted scientific evidence that fossil fuel use has a direct impact on climate change. The report emphasizes that the science on this matter is largely settled, with 97% of climate scientists and 200 scientific bodies worldwide recognizing anthropogenic climate change.

Divest McGill carefully and methodically presents substantial evidence demonstrating the impact of fossil fuel consumption on climate, and cites the conclusions of several international science bodies and experts, including:

- The International Panel on Climate Change (IPCC) 5th Assessment Report which concludes that "It is extremely likely that human influence has been the dominant cause of the observed warming since the mid-20th century." The five major reports of the IPCC in 1990, 1995, 2001, 2007 and 2014 have all drawn similar conclusions, and outlined in detail the causes and consequences of climate change
- The national science academies of the G8 countries plus Brazil, China, South Africa, and India which noted in a joint statement that the need "for urgent action to address climate change is now indisputable". They indicated as well that the goals of limiting global warming to 2°C would require a very rapid worldwide implementation of all currently available low carbon technologies

2. Fossil Fuel Companies Engage in Activities Causing “Social Harm”

Divest McGill argues that the business model of the fossil fuel industry is wholly dependent on the extraction of current and future reserves. Thus the industry spends large amounts annually (\$744 billion in 2013) on exploration and finding new reserves of oil and gas to perpetuate growth and long term profitability.

The submission presents the view that this business model of continuous exploration and exploitation necessarily causes serious social injury by exacerbating climate change, disrupting and damaging ecosystems and the environment, and violating the rights of indigenous and local communities. The report notes that “tremendous environmental harm has been committed by a majority of fossil fuel companies,” and many such companies have “horrific records regarding human rights” as well as “corrupt business practices on an international scale”.

To highlight the social injury arising from fossil fuel corporations, the report cites the activities of two companies- Royal Dutch Shell and Enbridge – as emblematic of industry-wide practices. The account of these two companies includes allegations of serious human rights abuses and large-scale environmental impact and disruption. With regard to Shell, for example, the case is presented that the company’s exploration activities in Alberta and the Arctic puts it on a “collision course with indigenous land titles, fragile ecosystems, and the stability of the world climate”.

3. Significant Carbon Reserves must remain unused to achieve 2% global temperature target

In 2009, within the United Nations Framework of Climate Change, 196 nations agreed that global temperature rise must not surpass 2°C if the world is to limit the impact of climate change. *Divest McGill* argues that the continuing activities of fossil fuel companies are unsustainable, and incompatible with the 2°C limit. They argue that 60% - 80% of the reserves of the fossil fuel industry must stay in the ground to stay below the 2°C limit, effectively pushing for an end to exploration for fossil fuels and a pledge from companies to keep the unburnable portion of fossil fuel reserves underground. They cite evidence that burning just the world’s proven reserves of coal, oil, and natural gas would produce 2,795 gigatonnes of carbon dioxide—nearly five times as much as the acceptable carbon budget to stay within the 2 degree target.

4. Fossil Fuel Companies Impede Action on Climate Change

Divest McGill presents the argument that fossil fuel companies intentionally delay and impede government action on climate change as well the enforcement of existing regulations and laws on the environment. The report notes that in 2013, fossil fuel industries spent an estimated \$213 million lobbying U.S. and EU decision makers. Within the US particularly, lobbyists and legislators supporting the fossil fuel industry have achieved success in delaying climate, renewable energy and environmental legislation.

The report notes that within Canada, the Canadian Association of Petroleum Producers (CAPP) has met with the federal government more than 2700 times since 2008, nearly double that of any other industry. *Divest McGill* argues that the influence of such lobbyists has diminished environmental protections written into federal legislation, including most recently Omnibus bill C-38, known as the Jobs, Growth and Long-term Prosperity Act. *Divest McGill* claims that none of the top 200 fossil fuel companies have credible business plans for shifting from fossil fuels to renewable energy sources.

In the view of *Divest McGill*, fossil fuel industries also manage to skew public opinion about the status of global climate change by funding biased science. Exxon Mobil has allegedly spent at least \$22 million since 1998 funding studies, journalists and think-tanks to publish climate denial material.

5. Divestment is Financially Viable

Divest McGill argues that divestment of the top 200 fossil fuel companies carries little if any financial risk. The report points to several studies that have attempted to quantify the financial consequences of taking environmental factors into account in the investment management process, and concludes that these “studies have found no significant impact on investment risk in predictive models, nor a performance penalty in tests using historical data”. The report, for example, points to a study by S&P Capital IQ, commissioned by the City of Seattle, which showed that over the past ten years, investment in the S&P 500 excluding fossil fuel companies would have received marginally higher returns (30 basis points) than a portfolio including them.

Moreover, the report presents the view that the beneficiaries of McGill University investments will be well-served by fossil fuel divestment by helping to reduce risk exposure from holding equity in companies which may become ‘stranded assets’ or whose value may decline in the long term whether due to regular market forces or government action on climate change.

Finally, *Divest McGill* makes the argument that shareholder activism to compel industry change has little hope of being successful since it would require that the industry adopt an entirely new core business model, focused on a transition to renewable energy and cessation of all exploration.

IV General Observations

CAMSR acknowledges and accepts the findings of climate science and the importance of action to mitigate climate change as most recently demonstrated in the Paris agreement of December 2015 and the World Economic Forum in January 2016. Global warming is a source of stress for human and planetary well-being. The continued emission of greenhouse gasses due to the burning of fossil fuels will cause further warming and long-term adverse effects. We concur with the consensus that for global warming to be kept within the accepted limit of 1.5 to 2 degrees, there also must be a limit to the amount of carbon released into the atmosphere in future. We understand and agree with the goals of Divest McGill to reduce fossil fuel consumption and in turn the extent of climate change.

The impact of fossil fuel consumption is nonetheless a reflection of the dependence globally, in both developed and developing societies, on fossil fuels for energy, agricultural and industrial production. Such basic necessities as clean water, refrigeration and food supply are based on fossil fuel usage. A significant decrease in fossil fuel use without a corresponding increase in alternatives would adversely affect the well-being and human rights of people around the world. While there is widespread agreement that a transition to a new energy system is needed, it is foreseen that the transition must be orderly.

On analysis, the brief and information produced by Divest McGill is persuasive as a call for action against climate change, and for engagement by the University in this quest. Whether divestment of investment in the fossil fuel industry is an appropriate action for the University is the main question. Our report will address this question and the more general challenge of how the University can best respond to the pressing issue of global warning.

As has been reiterated in divestment responses to date, a university exists to pursue an academic mission centered around education and research of the highest calibre. The university's core mission is the creation of knowledge through research, scholarly activity and innovation, dissemination of knowledge through teaching and learning and service to local, national and global communities of many kinds. The best way for McGill to contribute to mitigating climate change is through actions that are consistent with and build on its mission such as climate-oriented interdisciplinary and collaborative research, scientific discovery, enabling students to engage in climate-informed learning, building public awareness to support and shape public policy and doing what it can to reduce its own carbon footprint and adopt climate-friendly practices in its operations.

V Social Injury

As noted above, other universities have grappled with the concept of social injury and the link between social injury and divestment. Their reports on fossil fuel divestment are helpful in providing a comprehensive understanding of the concept. In drafting the McGill-specific summary below, the Committee has not repeated everything others have said.

The Committee's mandate with respect to the Divest McGill submission is set out in the Terms of Reference of CAMSR (S. 5.2 c.): which states that it may "consider the merits of an expression of concern and make findings exclusively on the criterion of social injury defined in section 2".

Section 2 states that for the purposes of CAMSR's mandate, "*...the term "social injury" means the grave injurious impact which the activities of a company is found to have on consumers, employees, or other persons, or on the natural environment.* The full terms of reference is appended as Annex D.

Section 2 goes on to indicate that the kinds of activities that may have grave injurious impact "*include those which violate, or frustrate the enforcement of rules of domestic or international law intended to protect individuals against deprivation of health, safety, or basic freedoms, or to protect the natural environment*".

To establish that the criterion of social injury has been met requires that three elements be present. There must be an injurious impact. Such impact must be grave. Such grave injurious impact must result from the activities of a company (or companies).

Injurious Impact

The Committee recognizes that climate change is an injurious impact that has occurred based on the elaborate body of climate science research. The science establishes that climate change, if not mitigated, will have harmful effects on the future well-being of people and the natural environment. Climate change is in turn linked significantly to the burning of fossil fuels and the resulting emission of carbon-intensive gasses. This is sufficient basis to merit mitigating action.

Grave Injurious Impact

Whether the injurious impact of climate change can be considered grave, is, in part, a question of degree; the plain meaning of grave in this usage is extremely serious or threatening. To be extremely serious or threatening implies quantum, imminence and persistence of harm.

As underscored by the Paris agreement of December 2015, widely seen as a major turning point in the global fight against climate change, there is widespread acceptance that the rise in average global temperatures must be held well below 2°C (not more than 1.5°C) above pre-industrial levels between now and 2050 if humankind is to avoid irreversible effects of climate change. Without negating the current injurious impact, this suggests that the most pronounced and harmful effects of climate change have not yet been experienced, and may not happen if the Paris agreement goal is achieved and concerted related action is taken. If the most pronounced effects materialize, it will involve a measurable worsening of conditions from present levels and will occur in the future. In this context grave injurious impact is a threshold which arguably has not been reached and can yet be avoided. Indeed, the report of the Massachusetts Institute of Technology entitled **A Plan for Action on Climate Change** dated October 21, 2015 succinctly sums up this point.

A warming of about 2°C (3.6°F) above pre-industrial levels marks a threshold after which the resulting damage to societies and natural systems becomes increasingly grave.

In weighing the degree of injurious impact one must take into account the full context including the beneficial impact of the fossil fuels industry. Society, both in the developed and developing worlds, depends on energy to support housing, production and distribution of goods and services, transportation and many amenities. The latest OECD calculation estimates that approximately 80% of the world's energy is generated from the burning of hydrocarbons. The Committee must give regard to this global reliance on fossil fuel energy. Energy is essential to economic development, health, reduction of poverty and social justice. Alternative sources of energy are not broadly or uniformly available to society at this time.

Fossil fuels and their petro-chemical derivatives also are important inputs to many products and technologies that underpin everyday life around the world. Currently society has no cost effective and reliable alternative to these inputs.

Fossil fuel usage is indispensable to society as we know it today, and to the standard of living and quality of life enjoyed by people around the world. In this context and at this time the producers of fossil fuels are essential in meeting this demand, and contribute in socially beneficial ways, to the functioning and welfare of society. Fossil fuels will remain an irreplaceable component of modern life until we can make an orderly transition to a new energy system and economy.

The Committee is persuaded that the beneficial impact of fossil fuel companies offsets or outweighs injurious impact at this time.

Activities of companies

The injurious impact of climate change/global warming cannot be attributed primarily to the activities of fossil fuel companies which extract and produce fuel. Recent figures suggest that 80-90% of total greenhouse gas emissions emanate from the end use of products in industry, power plants, buildings and transportation by both companies and individuals. For instance, 60% of oil produced is consumed in transportation. (WEF p 9). Admittedly, the extraction, refining and distribution of fossil fuels account for up to 20% of emissions, but the comparatively small proportion of supply side activity impact cannot be substituted for the whole impact resulting from the end-use consumption of fossil fuels. A significant proportion of the injurious impact of fossil fuels is caused by their burning, which mostly takes place beyond and outside the activities of the fossil fuel companies identified in the Divest McGill submission. A view that responsibility for climate change lies with the supply side (extracting and producing fossil fuels) is partial and unsatisfactory. Only a holistic and balanced view that focuses on both supply and demand (usage) will enable meaningful action to address climate change.

As outlined above, it may be said that fossil fuel companies and companies that use fossil fuels, engage in activities that to some degree have an injurious impact. Indeed, in the industrial age and society in which we find ourselves, much human activity may be said to have an injurious impact on the natural environment. CAMSR fails to see the logic or virtue in singling out the activities of fossil fuel companies for special attention, when concerted efforts are needed on a mass scale to change the behaviour of many companies and individuals.

Divest McGill argues that certain other activities of fossil fuel companies *de facto* cause social injury, namely: continuing exploration for fossil fuels despite global warming limits; lobbying and supporting campaigns aimed at preventing action on climate change; refusing to pledge to keep the unburnable portion of fossil fuel reserves underground; and failing to meet national and international standards for obtaining the consent of indigenous communities on whose lands they operate.

Divest McGill cites infractions of domestic and international laws by some of these companies, for which they were sanctioned. This tends to show that these companies operate within the law, although they, like commercial ventures in other areas of activity, sometimes breach specific laws or regulations. Such an outcome does not demonstrate that the company's activities frustrate the enforcement of rules or domestic and international law as described in our terms of reference. Fossil fuel companies are lawful entities. They operate within an extensive body of legislation and regulation around the world. There must be a nexus between incidents of unlawful behaviour and grave injurious impact by the responsible company (ies) in order to establish social injury.

The Committee is not persuaded that the combined effects of these four actions identified by Divest McGill have a grave injurious impact that meets the test of social injury contained in the Committee's terms of reference. For example, lobbying against some measures does not automatically violate or frustrate the enforcement of rules of domestic or international laws against deprivation of health, safety or basic freedoms or to protect the environment. Continuing to explore or refusing to keep unburnable reserves underground does not directly have grave injurious impact on individuals or the natural environment.

Climate change is an injurious impact primarily due to the burning of fossil fuels by end-users rather than activities of fossil fuel companies.

Finding on Social Injury

There is not the degree or extent of injurious impact at this time that results from the activities of fossil fuel companies that would warrant a finding of grave injurious impact. Arguably, cutting off access to fossil fuels would be more likely to result in grave injurious impact in the short-term than the continued reliance on fossil fuels

For all of the reasons outlined above, the Committee remains unconvinced that grave injurious impact resulting from the activities of the top 200 fossil fuel companies or a particular fossil fuel company has occurred at this time. In the absence of the three elements required to establish social injury, namely the existence of injurious impact that is grave and attributable to the activities of one or more companies, the criterion of social injury is not met.

VI Divestment

In its submission Divest McGill proposes that the University divest from investments in the 200 fossil fuel companies with the largest carbon reserves.

In keeping with the CAMSR terms of reference, determination of social injury would be a prerequisite for a recommendation for divestment of holdings in a company or companies.

Although, as explained in section **V** of this report, CAMSR has determined that the activities of fossil fuel companies do not meet the criterion of social injury, we believe it worthwhile to offer observations on divestment and other actions McGill might consider to address climate change.

Even where CAMSR were to make a finding of social injury, and is of the opinion that action is warranted, it may recommend action within a broad range of options including divestment.

CAMSR is of the view that divestment would be an appropriate action only where exceptional and compelling circumstances exist to justify such an intervention in the normal oversight of endowment investments carried out by the Board's Investments Committee and professional investment managers.

The Investment Committee of the Board has a fiduciary duty to oversee the investment and effective management of the University's endowment funds to generate optimal, risk-adjusted returns in accordance with the Statement of Investment Policy and its terms of reference. The endowment is made up of thousands of donations received over many years for purposes related to our academic mission as designated by generous benefactors. The University holds endowment funds in perpetuity to advance its mission.

The University depends on the return on investment of the endowment fund to generate income to support donor-designated objectives such as student scholarships and bursaries, research, academic chairs, facilities and special programs. The Investment Committee has the responsibility to generate returns in order to make annual payouts and to protect the capital value of the endowment fund indefinitely into the future. One of the fundamental strategies for prudent management of investments is portfolio diversification. The exclusion of any lawful investment sector or class of assets would necessarily restrict the range of investment options, which, in turn could have a negative impact on the overall health of the endowment fund. Divestment could increase the risk to capital and to the generation of optimal returns. Accordingly, we have reservations against divesting holdings for reasons unrelated to the endowment's financial well-being. Only serious unacceptable activities of particular companies would warrant the deployment of a divestment strategy. The bar for justifying divestment is and must continue to be set very high.

Even if CAMSR had found that the activities of fossil fuel companies resulted in social injury, it would be disinclined to recommend divestment unless it could be demonstrated that divestment was required in order to have an impact on redressing the social injury similar to the impact that divestment was seen to have in the cases of tobacco and South Africa. If the grave injurious impact is climate change, we do not see that divestment would be an effective or meaningful form of action to address climate change at this time.

Let us examine the possible consequences of divestment. Divestment can be used to bring pressure to bear or to influence the behaviour of a company through direct financial impact, e.g., by depleting its capitalization. As economists and other commentators have pointed out, universities hold a very small fraction of the total market capitalization of fossil fuel companies. If McGill and other universities were to divest our holdings at this moment, it is likely these assets would find other willing buyers with little or no economic effect on the companies. At the same time, divestment would reduce or remove the influence we may be able to exert on fossil fuel companies by remaining invested. In this light, divestment is likely to have negligible financial or other tangible impact on fossil fuel companies.

Secondly, divestment may be used for symbolic reasons, to make a statement or send a signal of disapproval of a company's activities with the goal of affecting public opinion and perhaps public policy. Symbolism affects reputation and attempts to impart a measure of stigmatization. Divest McGill itself has stated that divestment would be largely a symbolic and political act.

CAMSR shares the view articulated by Drew Faust, President of Harvard, in October 2013.

We should, moreover, be very wary of steps intended to instrumentalize our endowment in ways that would appear to position the university as a political actor rather than an academic institution. Conceiving of the endowment not as an economic resource, but as a tool to inject the University into the political process or as a lever to exert economic pressure for social purposes, can entail serious risks to the independence of the academic enterprise. The endowment is a resource, not an instrument to impel social or political change.

Divestment, whether to exert financial influence or for symbolic purposes, would not be an effective means of addressing climate change. It is an ultimate action that is disconnected from the intended outcome of reducing the injurious impact represented by climate change. It also is a distraction to efficacious forms of action, and somewhat overreaching relative to reasonable next steps given the current economic and political reality. The Committee sees no advantage or benefit for McGill to engage in action that would have negligible impact on climate change. Furthermore, since fossil fuel companies are not engaged uniformly in activities which result in grave injurious impact, a blanket divestment strategy would be unprincipled and inappropriate.

CAMSR could find no instance among Canadian universities of a decision to divest from fossil fuel companies. Beyond Canada there have been relatively few such decisions by universities, and sometimes, as in the case of Stanford, these have been rather limited in scope and significance.

At the University of Toronto, the President's Advisory Committee on Divestment from fossil fuels recommended a strategy of targeted divestment from fossil fuel companies which "engage in egregious behaviour and contribute inordinately to social injury." In that Committee's view "fossil fuel firms engaging in activities that blatantly disregards the 1.5 degree threshold are engaging egregiously in socially injurious behavior that is irreconcilable with internationally agreed limits" and "the University should, in a targeted and principled manner, divest from its direct holdings in such firms". This approach may offer some promise in establishing a concrete measure of social injury that would justify selective divestment. However, at this time, as the University of Toronto report acknowledges, a method to evaluate whether a given fossil fuel company's actions meet this test does not exist and must first be determined. CAMSR considered the question of partial divestment targeted at companies engaged in production and burning of coal but in current circumstances do not see this as effective or constructive in reducing coal production and use.

VII Other Forms of Climate Action

In the Committee's view, action by McGill to counter climate change is appropriate irrespective of the determination of social injury per CAMSR's terms of reference. We agree with Divest McGill that issues of climate change must be addressed.

McGill already has important programs and initiatives underway that are significant in promoting socially responsible investments and combatting climate change.

- In 2007 it established an Office of Sustainability and has adopted a strategic plan for sustainability, Vision 2020 that has resulted in achievement of many action objectives. The Sustainability Projects Fund (SPF) is financed 50/50 by the students and the administration for a total of \$ 850,000 / year. The University also contributes \$42,000 annually to the operating budget of the Office of Sustainability.
- McGill contributes over approximately \$500,000 annually to a dozen research projects related to Sustainability. In addition, the university provided \$750,000 in funds to match philanthropic donations given for the Trottier Institute for Sustainability in Engineering and Design and the Sustainable Engineering Support Fund.

- McGill has undertaken a series of energy management initiatives since 2002 intended to reduce energy consumption and realize savings in energy costs. McGill's Five-Year Energy Management Plan initiated in 2010 promotes energy conservation and reduction through projects ranging from technological upgrades to changes in user behaviour. The 2013 updated plan calls for investments that will generate a reduction in annual energy consumption of 480,000 gigajoules and a reduction in annual energy costs of \$5.3 million by fiscal year 2018.
- The Office of Investments and the Investment Committee have promoted the adoption of ESG (Environmental, Social, Governance) policies and signing on to the UNPRI (United Nations Principles of Responsible Investing) to McGill's 38 investment managers.
- Beginning in Fiscal Year 2017, McGill has committed \$2 million per year over the next 5 years to sustainability sciences across a range of disciplines. This is a highly integrated approach to identifying, quantifying, modelling and addressing sustainability challenges through five interconnected research themes: biodiversity; climate modelling/climate change; green chemistry; advanced materials and nanotechnology; economics, policy and governance. The University also is pursuing additional funding of \$20 million in research grants and philanthropic donations to support this commitment.
- In 1998, McGill established the McGill School of Environment (MSE), involving the Faculties of Agricultural and Environmental Sciences, Arts and Science. Areas of study include Biodiversity and Conservation, Environment and Development as well as Renewable Resource Managing. MSE programs lead to degrees at the Bachelor and graduate level.
- McGill offers various student study programs such as the Major in Managing for Sustainability in the Desautels Faculty of Management which integrates management studies with fundamentals of environmental science and sustainability, and is offered in collaboration with the McGill School of Environment and the Department of Geography.

Recommendations

CAMSR proposes that the Board ask the Investment Committee, while exercising its fiduciary duty, to consider and report back on by December 2016, measures such as set out below.

- Establishing a socially responsible investment fund option for donors interested in such an option - similar to the fund established for pension investments
- Looking at opportunities for, and supporting, sound investments in alternative (renewable) energy firms, alternative technology development and commercialization
- Developing ESG principles and guidelines for endowment investments
- Asking investment managers to report annually on ESG and UNPRI implementation and compliance, which will in turn be reported to the Board
- Supporting and initiating shareholder resolutions to encourage changes in company practices deemed inconsistent with ESG and UNPRI

CAMSR also proposes that the Board ask the University administration to provide it by the May 2016 meeting with a preliminary overview of all current sustainability and climate-related activities. This overview would form the basis for the Board and senior administration to work collaboratively on further integrating and expanding initiatives, consistent with the McGill mission, to create a comprehensive climate action plan. CAMSR also proposes that the Board ask the University administration to report annually to the Board on all sustainability and climate initiatives. Such initiatives would encompass, but not be limited to:

- ✓ Sustainability research and education across all fields of study, efforts to advance understanding of climate change and promote innovative mitigation and adaptation solutions
- ✓ Ongoing implementation of Vision 2020 and the development of a further sustainability strategic plan and action plan for 2017-2020
- ✓ Projects to quantify and reduce McGill's own carbon footprint that set measurable goals and contain indicators of performance and progress

In closing, CAMSR thanks Divest McGill for helping to bring the issues of climate change and sustainability and the need for climate action to prominent attention at McGill and especially at the Board of Governors, and for its commitment to the University and to improving policy, practices and operations. We also commend Divest McGill for fostering debate and building a sense of responsibility within the University on important issues ranging from sustainability and climate change to socially responsible investing. While we acknowledge differences in the views held by CAMSR and Divest McGill, we express our appreciation for the respectful and constructive approach that Divest McGill has brought to our exchanges throughout the process.

Canadian Universities Synopsis of Fossil Fuel Divestment Campaigns

Annex A
March 2016

U15 Universities

University of Alberta		No Campaign
University of British Columbia		Rejected Divestment: http://www.cbc.ca/news/canada/british-columbia/ubc-board-of-governors-votes-against-divestment-from-fossil-fuel-industry-1.3317816
University of Calgary		The University of Calgary indicated that it will not alter its investment policy should an activist movement to divest from fossil fuels reach its campus, and is not looking at making changes to its current investments in the energy industry.
Dalhousie University		Rejected divestment Dalhousie University Board Investment Committee Report to the Board of Governors November 25, 2014
Université Laval		No campaign. Université Laval (UL) moves to become the first "carbon neutral" university in Quebec. http://www.ledevoir.com/plaisirs/loisirs/457400/carboneutralite-l-universite-laval-montre-la-voie
University of Manitoba		Campaign ongoing
McMaster University		Campaign ongoing
Université de Montréal		Campaign ongoing
University of Ottawa		Campaign ongoing
Queen's University		Rejected Divestment http://www.queensu.ca/principal/sites/webpublish.queensu.ca.opvcwww/files/files/QU-Advisory-Committee-on-Divestment.pdf
University of Saskatchewan		No campaign
University of Toronto		The University's President is considering a report of the President's Advisory Committee on Divestment
University of Waterloo		Campaign ongoing
Western University		Campaign ongoing

OTHER Canadian Universities

Memorial University		Board of Regents considering a request
Trent		Rejected divestment (http://www.trentu.ca/newsevents/newsDetail_old.php?newsID=9690)
University of Guelph		Report of the Ad Hoc Working Group on Responsible Investing, July 2015
Simon Fraser University		Rejected divestment: SFU adopted UN Principles for Responsible Investment and created a Responsible Investment Committee Campaign ongoing

Canadian Universities Synopsis of Fossil Fuel Divestment Campaigns

Annex A
March 2016

Concordia University		Campaign outcome: Concordia University initiated \$5 million fund to explore divesting from fossil fuels and investing in sustainable, socially responsible holdings. http://www.newswire.ca/news-releases/divest-concordia-denounces-concordia-university-foundation-refusal-to-divest-from-fossil-fuels-516567711.html ; see also http://montrealgazette.com/news/local-news/concordia-becomes-first-canadian-university-to-begin-divesting-from-fossil-fuels
University of Victoria		Campaign ongoing http://www.martlet.ca/in-spite-of-protests-university-shirks-divestment-decision/
Lakehead University		Campaign ongoing
Kwantlen University		Rejected Divestment: http://runnermag.ca/2014/12/kwantlens-board-of-governors-declines-divestment-initiative/ Appears that a Campaign is ongoing
Saint Mary's University		Campaign ongoing: https://www.facebook.com/DivestSMU/info/?tab=page_info
University of New Brunswick		Campaign ongoing
Mount Allison University		Campaign ongoing
York University		Campaign ongoing
Ryerson University		Campaign ongoing
University of Winnipeg		Campaign ongoing http://uwinnipeg.ca/divestment/
Carleton University		Rejected divestment https://apps.carleton.edu/governance/cric/assets/Board_Response_to_CRIC_Report.pdf
St. Francis Xavier		Campaign ongoing
Laurentian		Campaign ongoing
University of King's College		Campaign ongoing
University of P.E.I.		Campaign ongoing
Université de Sherbrooke		Campaign ongoing

CAMSR Timeline (2015-2016)

February 2, 2015

- Secretariat received a submission from Divest McGill calling for divestment from fossil fuels.

February 9, 2015

- Secretary-General met with Professors Greg Mikkelson and Shaun Lovejoy regarding the Faculty letter in support of divestment.

CAMSR Meeting of Feb 19, 2015

- CAMSR met to review the Divest McGill petition and to discuss process.

CAMSR Meeting of Feb 26, 2015

- CAMSR met to consider petition and to hear from members of Divest McGill.
- Received the Executive Summary of the group's submission.

CAMSR Meeting of April 15, 2015

- Representatives of Divest McGill attended a portion of the meeting to deliver a presentation in support of their petition.
- Distributed to members of CAMSR:
 - Divest McGill Presentation slides
 - Supplemental reports provided by Divest McGill
 - Stranded Asset Program "*Stranded assets and the fossil fuel divestment campaign: what does divestment mean for the valuation of fossil fuel assets?*"
 - Enbridge and Shell Brief

CAMSR Meeting of May 8, 2015

- Representatives of Divest McGill invited for a portion of the meeting. Divest McGill PowerPoint Presentation addressed the questions Committee members submitted to Divest McGill on April 15
- Letter addressed to Gerald Butts from Richard Janda "*Re: Jurisdiction of CAMSR to Refer an Expression of Concern to the Royal Society of Canada*"

May 25 2015

- Prof. Derek Nystrom and Prof. Darin Barney letter regarding Divest McGill Expression of Concern and CAMSR Terms of Reference sent to CAMSR.

CAMSR Timeline (2015-2016)

August 17, 2015

- Secretariat received a letter from Divest McGill which was distributed for the August 18th meeting of CAMSR. Response to the letter provided by Secretary-General on behalf of the Chair on August 19.

CAMSR Meeting of August 18, 2015:

Meeting overview:

- Further Process for Considering the Question of Social Injury:
 - CAMSR considered the definition of social injury as defined by its terms of reference.
 - Members were apprised of updates related to divestment submissions that were being considered at other universities.
 - CAMSR discussed the types of actions that the McGill community could take to address climate change.

August 25, 2015

- Vice-Principal Administration and Finance and Secretary-General met with David Summerhays, Emily Boytinck and Guillaume Joseph from Divest McGill.

September 5, 10, 2015

- Email from Divest McGill and McGill Faculty & Librarians for Divestment– response provided by the Secretary-General on behalf of the Chair on September 11.

September 21, 2015

- Email from Divest McGill requesting freeze on future investments in fossil fuels. Response provided by Secretary-General on behalf of Chair September 21.

CAMSR Meeting of October 22, 2015

- Consultations with academic staff on climate change issues.
- Presentation from Divest McGill which focused on the group's request to freeze future investment in the top 200 fossil fuel companies and divest within one year from Shell and Enbridge, as well as to commit to wider divestment from the top 200 companies within three years.

CAMSR Meeting of November 11, 2015

- Consultation with another member of academic staff on climate issues.
- CAMSR decided not to recommend immediate freeze to the Board.
- First discussion of CAMSR report to the Board.

CAMSR Timeline (2015-2016)

January 13, 2016

- Meeting with Stuart Cobbett, Michael Di Grappa, Stephen Stropole and David Summerhays.

CAMSR Meeting of January 14, 2016

- CAMSR received:
 - Three Reports on Climate Change/Divestment from other universities:
 - (U of T; MIT and the University of Edinburgh)
 - Three questions to assist the Committee's work: intended to frame the Committee's discussions of the Divestment McGill submission in the context of developing a report to the Board of Governors (Circulation of the report outline of report to CAMSR for input).
- Meeting Overview:
 - Further Discussion of Divest McGill Submission and discussion of CAMSR Report to the Board of Governors.

February 17, 2016

- Meeting with Stephen Stropole, Michael Di Grappa, Sophie Leblanc and David Summerhays.

February 19, 2016

- Secretary-General sent a request to members of CAMSR to ascertain potential conflict of interest in relation to the CAMSR submission.

CAMSR March 17, 2016

- Meeting of CAMSR reviewed and revised its report to the Board.

Dear Principal Suzanne Fortier, Stuart Cobbett, and members of the McGill Board of Governors' Committee to Advise on Matters of Social Responsibility (CAMSR),

We, Divest McGill and concerned members of the community at large, are sitting-in at your office and camping in community square because we are appalled and disappointed by your recommendation for McGill to not divest from fossil fuels, as well as your audacity in claiming that climate change and the activities of fossil fuel corporations do not cause grave social harm.

The report's findings not only fly in the face of science but were also arrived at without sufficient community input. The committee denied numerous requests for a draft report to be released to the community for a consultation, and conducted their investigation in closed sessions. The experts consulted, their testimonies, and the questions that the committee asked are not publically available. CAMSR's recommendation was produced by a broken process, and the flawed logic of the report reflects this.

In order to rectify these flaws, it is necessary that CAMSR:

1. Hold public hearings on the CAMSR report, as well as educational events such as panels and roundtables on divestment and climate change promoted by the university
 - a. Chair Cobbett, Principal Fortier, and two members at large of CAMSR must be present to address questions at all events and also be available to respond to community questions and concerns over email.
 - b. Community responses to the report must be made publicly available.
 - c. CAMSR must respond to community concerns, questions, omissions, and doubts about the report in a revised report to be submitted to the Board of Governors by January 2017 for a recorded vote in open session. Divest McGill must have the opportunity to present, and also be afforded speaking privileges in order to respond to questions from the Board of Governors at this meeting or an additional one.
2. Publicly disclose any and all expert testimony gathered throughout their investigation
 - a. CAMSR should disclose the identities of and the full transcripts or minutes of their interviews with experts.
 - b. We acknowledge that many experts were speaking under the assurance of anonymity. We ask that you request permission to make their testimony public.
 - c. Any testimony that cannot be made public should be disallowed from being included in the revised report.

3. Principal Fortier must make a statement acknowledging that the activities of fossil fuel corporations cause grave social harm, through the exacerbation of climate change and the devastating impacts on frontline communities.

Members of CAMSR have a duty to hold themselves accountable to the community on whose behalf they have made this decision and produced this report. While these demands will not accomplish all of the goals of our campaign, they provide a necessary first step in repairing the community's fractured confidence in Principal Fortier and the McGill Board of Governors.

Signed,

Divest McGill and supporters

Office of the
Principal and Vice-Chancellor

Bureau de la
principale et vice-chancelière

*Suzanne Fortier, PhD
Principal and Vice-Chancellor
Principale et vice-chancelière
Professor of Chemistry
Professeure de chimie*

April 6, 2016

Dear members of Divest McGill,

I write in response to your recent letter and my subsequent meeting with those members of Divest McGill who staged a peaceful sit-in in the administration building to express their disagreement with the March 23, 2016 decision of McGill's Board of Governors to endorse the recommendations of the Committee to Advise on Matters of Social Responsibility (CAMSR) with respect to measures and actions the University should take to address climate change.

I believe that we agree on the most important issues. Climate change is a serious threat to humanity, and unless urgent action is taken we will see catastrophic effects on our planet and its peoples. The CAMSR report reiterates that climate change, linked significantly to the burning of fossil fuels, is having an "injurious impact." The McGill University community, including its Board and senior leadership, has a responsibility to use our talents, energy and expertise to work toward mitigating climate change.

CAMSR reached a different judgment, however, on how the University can most effectively meet this responsibility. In summary, the CAMSR report's recommendations, which the Board of Governors endorsed, are:

- To create "a comprehensive climate action plan" to measurably reduce McGill's own carbon footprint while expanding initiatives such as sustainability research and education, and;
- To develop concrete measures to ensure our investments comply with recognized Environmental, Social and Governance (ESG) principles.

In a meeting with Provost Manfredi and me on March 31, members of Divest McGill expressed agreement with the recommendations, while pointing out that the proposals did not go far enough. It was clear that you are profoundly disappointed that the Board did not recommend divestment.

.../2

Following the discussion with the Divest McGill representatives, we committed to two additional actions:

- Holding open forums in Fall 2016 to continue the community's dialogue on sustainability and the CAMSR report recommendations;
- Contacting experts consulted in the preparation of the CAMSR report, to request that they make their input public.

I have charged the Provost with the responsibility of establishing, in consultation with representatives of the community, open forums on sustainability and the CAMSR report's recommendations. The Provost will report back with a plan to do so by the end of April.

We have also contacted the experts consulted for the CAMSR report. We have been able to obtain the consent of five of the six individuals who spoke with CAMSR and they have agreed to make their names and a summary of their comments public. This may be found in a document entitled *CAMSR Consultation Overview* on the Board of Governors website. I enclose a copy here for your information.

The Board and the senior administration are committed to creating a comprehensive sustainability and climate action plan, and to putting forward the resources needed to support it. Indeed, last September it was decided to provide \$10 million over the next five years to support sustainability sciences at McGill across disciplines.

CAMSR proposed that the Board ask the Investment Committee to strengthen our commitment to socially responsible investing in our investment practices by considering a number of measures, including investing according to Environmental, Social and Governance principles and United Nations Principles of Responsible Investment.

Divest McGill and other members of the community who are leading change in this area have had a substantial impact on making climate-change mitigation a priority for McGill. We are committed to continuing this dialogue.

Sincerely,



Professor Suzanne Fortier

c.c.: Stuart Cobbett, Chair, McGill Board of Governors

Open Forum on the Recommendations of the 2016 CAMSR Report on Divestment

Terms of Reference

Mandate

On April 6, 2016, in a letter to Divest McGill, Principal Suzanne Fortier committed to holding open forums in Fall 2016 “to continue the community’s dialogue on sustainability and the CAMSR report recommendations.” Consistent with this commitment, I am mandating Professor Frédéric Bachand, Faculty of Law, to chair an Open Forum on implementing the key recommendations of the CAMSR Report. In particular, the Open Forum will seek input from the community on two key matters:

- creating a “comprehensive climate action plan” to reduce measurably McGill’s own carbon footprint while expanding initiatives in sustainability research and education, and;
- developing concrete measures to ensure our investments comply with recognized Environmental, Social and Governance (ESG) principles.

Process

The Open Forum will consist of three open meetings in September 2016, two on the Downtown Campus and one at the Macdonald Campus. The open meetings will be live-streamed, and provisions for feedback via electronic means will be made available.

The Chair will be responsible for ensuring the effective operation of the Open Forum and for reporting on its proceedings to the University’s administrative and governance bodies.

The Chair shall convene a small committee (4-6 members) of faculty, staff, and students to provide input on the form and focus of the Open Forum, consistent with the mandate of these terms of reference.

The Chair will be provided appropriate logistical, administrative, research, and technical support.

Reporting

The Chair shall provide a written report summarizing the views expressed during the Open Forum to the University Senate and Board of Governors no later than 31 October 2016.



Open Forum on the Recommendations of the 2016 CAMSR Report on Divestment

Friday, September 23, 2016, 3:00-5:00, Moot Court, New Chancellor Day Hall

Wednesday, September 28, 2016, 2:00-4:00, Thomson House Ballroom

Friday, September 30, 2016, 10:30-12:30, Macdonald Stewart Building, Faculty Lounge (MS2-022)

Why we're here

Divest McGill's 2015 Expression of Concern to CAMSR

CAMSR's power to make recommendations to the Board

CAMSR's March 2016 report

- Divestment not justified: "grave injurious impact" test not met
- **But: further sustainability-related initiatives should be undertaken**
 - **Socially-responsible investment practices**
 - **Comprehensive action plan (research/education, carbon footprint)**

The Board of Governors' endorsement of CAMSR's report

Principal Fortier's April 6, 2016 letter (Open Forum to be held)

- Three open meetings
- Written report to McGill by the end of October

Focus and purpose of the open meetings

“[To] seek input from the community on two key matters:

- creating a “comprehensive climate action plan” to **reduce measurably McGill’s own carbon footprint** while **expanding initiatives in sustainability research and education**; and
- developing **concrete measures** to ensure our investments comply with recognized **Environmental, Social and Governance (ESG) principles.**”

The Advisory Committee

- Mr. David Aird (SSMU)
- Prof. Jaye Ellis (School of Environment/Faculty of Law)
- Ms. Sophie Leblanc (Office of Investments)
- Mr. Jed Lenetsky (Divest McGill)
- Ms. Selina Liu (PGSS)
- Mr. François Miller (Office of Sustainability)

www.mcgill.ca/ofs2016 + openforum.sustainability@mcgill.ca

Some context

Sustainability at McGill

- 2005: CAMSR created
- 2007: start of two-year consultation process
- 2009: Office of Sustainability, Sustainability Projects Fund
- 2010: Sustainability Policy, Energy Management Plan
- 2012: start of two-year consultation process
- 2013: McGill Strategic Research Plan
- 2014: Vision 2020 (research, education, connectivity, operations, governance/administration)
- 2016—
 - *Development of Sustainability and Climate Action Plan 2017-2020*
 - *Investment Committee to report on socially responsible investment*
 - *Advisory Council on Sustainability to be established by Fall 2016*
 - *\$10M commitment to support sustainability science research*

Two matters, three topics

I.A) “Comprehensive climate action plan”—McGill’s carbon footprint

- Is there any way to further reduce greenhouse gas (GHG) emissions from—
 - Stationary combustion (buildings)?
 - Directly funded air travel?
 - Commuting?
 - Livestock?
- For GHG emissions that can’t be eliminated, is carbon offsetting a viable option for McGill?
- Other mechanisms that could be implemented to further reduce McGill’s carbon footprint?
- Are there any inspiring initiatives related to carbon footprint reduction that could be applied to the McGill context?
- Is a carbon-neutral university possible and realistic?

Two matters, three topics

I.B) “Comprehensive climate action plan”—Education and research

- What are the benefits of interdisciplinary programs for environment and sustainability? Should more effort be put into building such programs?
- What are the benefits of discipline-specific focus on environment and sustainability?
- Should literacy in environment and sustainability be a requirement in all programs?
- Should the emphasis be on courses that are discipline-specific, or on general courses that are accessible from all disciplines?
- What learning opportunities beyond the classroom are the most effective?
- How could learning about environment and sustainability be enhanced in non-environment courses, including introductory and methods-based courses?
- Models of environmental education that McGill could look to as examples?

Two matters, three topics

2. McGill's **investments** and ESG Principles

- Should McGill sign on to the UN's *Principles for Responsible Investment*?
- What values should shape McGill's investment policy?
- What role should McGill's investments play in shaping Canadian society and policy?
- Do McGill's investments influence your relationship with the university? What effect do they have on you as a community member?
- What changes to McGill investment policy would like to see made?
- Do McGill's current investments reflect community values? Should they?
- How can these values be better implemented?
- What does environmentally/socially responsible investing mean to you?