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PROPOSAL BY DALZER 

DECARBONIZING DALHOUSIE'S INVESTMENT PORTFOLIO

Created By

Megan Anderson, Anjuli Das, Norah DeWolfe, Tessa
Ferguson, Sarah Moussa, Michelle Wang

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1.0 Purpose Statement

The purpose of this proposal is to ask Dalhousie University to commit to three main goals:

- 1) achieve net zero carbon emissions by 2040,
- 2) decarbonize its endowment fund by withdrawing from the Carbon Underground 200 and all fossil fuel investments, and
- 3) reallocate 5-10% of the endowment fund to community reinvestment efforts.

Achieving these goals would align Dalhousie's financial strategies with its Third Century Promise, which states Dalhousie's "...commitment to environmental sustainability in line with our stewardship of the UN Sustainable Development Goals and guided by international rating systems such as STARS."¹

2.0 Executive Summary

Dalhousie University faces a pivotal moment to realign its investment portfolio with its core values of sustainability and responsibility. This proposal advocates for a comprehensive approach to decarbonizing investments, rooted in financial prudence and ethical considerations. It also advocates for investment decarbonization as a step towards net zero emissions and urges Dalhousie to publicly commit to net zero by 2040. By withdrawing from carbon-intensive holdings listed in the Carbon Underground 200, committing to full withdrawal from companies involved in the extraction, processing, and transportation of fossil fuels, and reinvesting a portion of returns into local community initiatives, Dalhousie would demonstrate its dedication to responsible investing and join the global transition to a lower carbon future.

According to a recent survey conducted by DalZero, 86.2% of Dalhousie students, faculty, staff, and alumni surveyed believe that decarbonization of investments is either important or very important. Several Dalhousie community members shared their concerns about Dalhousie's fossil fuel investments, with one stating: "Dalhousie's current investment practices are hypocritical, go against the values of the student body, and are harmful both environmentally and socially. The disregard to student voices for the past 11 years is deeply upsetting." Additionally, a Dal alumni stated: "I think there are so many more ethical streams for investment that Dalhousie could be participating in that would certainly entice alumni like me to donate." (See appendix D for more survey results and student testimonies).

The rationale for decarbonization is not only grounded in student and community interest, but also financial prudence and ethical responsibility. Evidence suggests that there are several financially viable strategies for decarbonizing investments, beyond the limitations of

¹Dalhousie University. 2021. "Dalhousie University's Strategic Plan 2021-2026".
<https://www.dal.ca/content/dam/www/about/mission-vision-and-values/strategic-plan/third-century-promise.pdf>.

Environmental, Social, and Governance (ESG) integration. Furthermore, committing to net zero aligns with government initiatives and trends among other universities, reflecting a global consensus on the urgency of climate action.

In summary, decarbonizing Dalhousie's investment portfolio is not only a strategic imperative but also a testament to its commitment to creating a more sustainable future for generations to come. Dalhousie has recently declared, “we are committed to being a socially responsible and sustainable university that prioritizes people and the planet.”² Decarbonizing Dalhousie's investment portfolio and pledging net zero would align with this goal, and support Dalhousie's strategic plan as well as its pursuit of sustainability accreditation through initiatives like STARS. Embracing the recommendations of this report would not only enhance Dalhousie's reputation as a sustainability leader but would also set a bold and ambitious goal that solidifies Dalhousie's role as a responsible steward of resources and a catalyst for positive change in the global fight against climate change.

3.0 Objectives

The objective of this report is to push for Dalhousie to accelerate the decarbonization of its investment portfolio. We call on the university to:

1. Withdraw Dalhousie's endowment fund investments from the Carbon Underground 200 (See Section 7.0 Recommendations)
2. Withdraw investments from all companies involved in the extraction, processing and transportation of fossil fuels.
3. Reinvest 5-10% of generated returns of the endowment fund into community investments.
4. Commit to a plan of net zero carbon emissions by 2040.

4.0 Introduction

4.1 Dalhousie University's Sustainability Commitments

Dalhousie University prides itself on its commitment to sustainability, both as a leader across Canadian universities and as a leader worldwide. Dalhousie was an early Canadian adopter of ESG investment practices, has earned a gold rating in the international Sustainability Assessment Rating System, and has reduced its greenhouse gas emissions by 38% over the past decade with a goal of 55% reduction by 2030.³ The institution is home to countless sustainability programs, including Canada's first College of Sustainability and 250+ courses incorporating sustainability. Dalhousie has invested around \$100 million in sustainability-related

² Dalhousie University. “Bringing Worlds Together: Dalhousie's campaign for transformational change.” <https://www.dal.ca/content/dam/www/giving/campaign-assets/bringing-worlds-together-case-for-support.pdf>

³ “Sustainability.” Dalhousie University. <https://www.dal.ca/about/mission-vision-values/sustainability.html>

projects on campus and the Times Higher Education Impact Rankings has recognized Dalhousie as one of the top 100 universities in the world for the UN Sustainable Development Goals.⁴

Dalhousie University signed onto the *Investing to Address Climate Change: A Charter for Canadian Universities* document in 2020. This charter acknowledges the importance of responsible investment and commits signatories to establishing a responsible framework of investment, including measuring the carbon intensity of their portfolios and setting lower-carbon targets over time while continuously evaluating and sharing progress on these objectives. Dalhousie University has also signed onto the UN Principles for Responsible Investment.⁵ The UN PRI acknowledges the importance of aligning investments with long-term interests of society, such as environmental issues, and declares that by implementing the principles of the document, “signatories contribute to developing a more sustainable global financial system.”⁶

4.2 Dalhousie’s Investments in Fossil Fuels

Dalhousie has clearly demonstrated a commitment to sustainability and a desire to be an environmental leader among Canadian educational institutions. However, while 13 other Canadian schools have committed to withdrawing investments from fossil fuels (seven of which are U15 schools – see section 5.2 for more information), Dalhousie continues to hold \$30.2 million in direct investments in the fossil fuel industry.

According to research undertaken by Divest Dal, this \$30.2 million is invested in companies like TC Energy, AltaGas, Enbridge and Suncor Energy. Additionally, DalZero's analysis of the Carbon Underground 200 shows Dalhousie has 20 holdings in companies listed as mass contributors to carbon emissions (see Appendix B for full list of holdings).⁷

These investments are coming out of the university’s endowment fund, which totals \$878.3 million, meaning that 3.4% of the endowment fund is profiting from the climate crisis.⁸

4.3 Dalhousie’s Responsibility to Withdraw Investments from Fossil Fuels

DalZero is calling on the university to withdraw and reinvest this \$30.2 million. Scientists warn that to limit global warming to a 2°C rise from pre-industrial levels—which has been identified as an international target to limit climate catastrophe—over two-thirds of fossil fuels must stay in the ground. However, fossil fuel companies continue to extract and sell fossil

⁴ McNutt, Ryan. 2020. “Enhancing Dal’s sustainability commitment”. Dalhousie University. <https://www.dal.ca/news/2020/06/18/enhancing-dal-s-sustainability-commitment.html>

⁵ McNutt, Ryan. 2020. “Enhancing Dal’s sustainability commitment”. Dalhousie University. <https://www.dal.ca/news/2020/06/18/enhancing-dal-s-sustainability-commitment.html>

⁶ United Nations. “What are the Principles for Responsible Investment?” Principles for Responsible Investment. <https://www.unpri.org/about-us/what-are-the-principles-for-responsible-investment>

⁷ Fossil Free Funds. N.d. “The Carbon Underground 200”. <https://fossilfreefunds.org/carbon-underground-200>

⁸ “Treasury and Investments: Endowments”. Dalhousie University. <https://www.dal.ca/dept/treasury-investments/endowments.html#:~:text=Endowment%20Assets%3A,was%20at%20%24878.3%20million%20dollars>

fuel reserves, serving as a main contributor to climate change, which is already causing dire effects such as rising sea levels, extreme weather events, disease, conflict, and worldwide climate-induced displacement.⁹

In fact, the effects of climate change can already be seen in Nova Scotia. According to a risk assessment released by the Nova Scotia government, the province faces increased risk of wildfires, floods, and intense heat and storms. Flooding will become a top concern in the coming decades as seas rise, coasts erode, and storms become more frequent and extreme. Nova Scotia has already seen this with recent hurricanes such as Hurricane Fiona, which caused millions of dollars' worth of damage in the province, affecting Dalhousie University students and community members. More recently, 2023 brought Nova Scotia's worst wildfire season on record, as 220 wildfires burned through 25,000 hectares of land, affecting hundreds of homes across the province.¹⁰ In the latter part of the century, high temperatures will continue to impact human health, food production and ecosystems in the province. These impacts will significantly exacerbate inequalities as vulnerable populations, including Black and Indigenous communities, will be most affected.¹¹ Climate change is both an environmental and social justice issue - for example, there is a particularly distressing relationship between resource extraction projects and violence against Indigenous women and girls.¹²

Dalhousie has declared that it has “a shared civic duty to contribute to Nova Scotia's future...[because] a thriving province is the foundation for our emergence as a top global university”.¹³ To follow through on this civic responsibility, then, Dalhousie must pledge decarbonization of its investment portfolio so that it is not funding the very climate crisis that is threatening the lives and wellbeing of its community, as well as perpetuating structural inequalities.

Dalhousie has a responsibility to protect the future of its students, as well as to follow through on their promise that “through our teaching, research, and service, we will expand understanding and adherence to the core principles of sustainability, advance knowledge about climate change, and help to catalyze evidence-based solutions.”¹⁴

⁹ Howard, Emma. 2015. “A beginner's guide to fossil fuel divestment”. The Guardian.

<https://www.theguardian.com/environment/2015/jun/23/a-beginners-guide-to-fossil-fuel-divestment>

¹⁰ CBC News. 2023. “Nova Scotia saw its most devastating wildfire season on record in 2023.”

<https://www.cbc.ca/news/canada/nova-scotia/nova-scotia-most-devastating-wildfire-season-ever-1.7010205>

¹¹ Withers, Paul. 2022. “Climate crisis means more extreme weather, N.S. assessment predicts”. CBC News.

<https://www.cbc.ca/news/canada/nova-scotia/climate-crisis-means-more-extreme-weather-ns-predicts-1.6675182>

¹² National Inquiry into Missing and Murdered Indigenous Women and Girls. “Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls.” https://www.mmiwg-ffada.ca/wp-content/uploads/2019/06/Final_Report_Vol_1a-1.pdf

¹³ Dalhousie University. 2021. “Dalhousie University's Strategic Plan 2021-2026”.

<https://www.dal.ca/content/dam/www/about/mission-vision-and-values/strategic-plan/third-century-promise.pdf>

¹⁴ Dalhousie University. 2021. “Dalhousie University's Strategic Plan 2021-2026”.

<https://www.dal.ca/content/dam/www/about/mission-vision-and-values/strategic-plan/third-century-promise.pdf>

5.0 Background

5.1 History of Decarbonization Movement at Dalhousie

Divest Dal, a student-led organization, has been advocating for Dalhousie to decarbonize its investments from the fossil fuel industry since 2013. In 2013, Divest Dal's demands included:

1. Freeze all investments in the top 200 fossil fuel companies
2. Divest from all investments in the top 200 fossil fuel companies over 4 years
3. Increase the transparency of the investment portfolio

Divest Dal has used numerous campaign strategies to advocate for decarbonization over these 11 years, including protesting at and presenting to the Board of Governors, leading rallies on campus, collecting faculty letters of support, camping out in the quad, distributing petitions and surveys, creating visual art demonstrations and tabling on campus.

Despite these persistent actions, the Board of Governors has voted against divestment twice: once in 2014 and again in 2019. Prior to COVID, Divest Dal members could attend Board meetings and show their support for divestment, but since COVID the meetings have moved online and members of the public, including Divest Dal, are no longer able to be present at them. Thus, communication and collaboration between Divest Dal and the Board of Governors has diminished in recent years.

5.2 History of Investment Decarbonization at Other Canadian Universities

Thirteen universities across Canada, seven of which are U15 schools, have committed to withdrawing investments from fossil fuels and made net zero commitments. Investment decarbonization commitments can be found in Appendix A and net zero commitments are as follows: University of Laval (2015, currently carbon neutral), University of British Columbia (2035), McGill University (2040), University of Ottawa (2040), University of Montreal (2040), University of Toronto (2050), and University of Waterloo (2050). Committing to net zero and withdrawing investments from fossil fuels would therefore align Dalhousie University with other Canadian institutions dedicated to combating climate change.

Platinum STAR rated Université de Laval, which achieved net zero in 2015,¹⁵ was the first of the U15 schools to commit to divesting their endowment fund, making a promise of divestment in 2017, at which point 15% of their endowment holdings were tied to fossil fuels. By 2021, U Laval had successfully withdrawn from all Carbon Underground 200 assets.^{16 17} U Laval has

¹⁵ Auger, Samuel. 2015. "Université Laval becomes Québec's first carbon-neutral university." Université Laval. <https://www.ulaval.ca/es/node/33451>

¹⁶ Carleton, Audrey. 2017. "Université Laval first university in Canada to divest from fossil fuels." *The Tribune* (Montreal), March 8, 2017. <https://www.thetribune.ca/news/universite-laval-first-university-in-canada-to-divest-from-fossil-fuels-989800/>.

¹⁷ "Université Laval reduces carbon footprint of investments by 42%." 2021. Université Laval. <https://pressroom.ulaval.ca/2021/10/28/universite-laval-reduces-carbon-footprint-of-investments-by-42-a:8c5ad36d-1cd6-4000-b7d6-55f053378871>

begun monitoring their performance in the low carbon index on a quarterly basis to keep up to date with performance.¹⁸ As part of these efforts, U Laval publishes an annual financial report in accordance with the United Nations' Principles for Responsible Investment.¹⁹

In 2019, the University of British Columbia committed to divest from fossil fuels by 2030. The Board of Governors signed onto divestment in recognition that a decarbonization of their endowment fund would be necessary to achieve their institutional goal of net zero by 2035. This decarbonization was defined as withdrawal from companies who received most of their earnings from “direct extraction, refinement, or transportation of fossil fuels.”²⁰ UBC's Financial Risk Report addresses the difficulty in defining investments in fossil fuels, suggesting that the CU 200 and the Climate Action 100+'s List of 161 Targets for Engagement provide model starting points for divestment. As of 2021, the university had transitioned \$214 million to fossil fuel-free or low carbon investments, leaving less than 1.4% of their \$2.8 billion endowment funds exposed to fossil fuel investments.²¹

Most recently, McGill announced a multi-phased approach for fossil fuel divestment at the end of 2023. McGill has been reducing carbon intensive holdings for several years now, with a 49% reduction of their listed equity portfolio carbon footprint since 2019.²² As part of this new pledge, McGill is committing to withdraw from all CU 200 holdings. To sustain their decarbonization process, McGill will allocate “10% of their MIP to Sustainable Investment Strategies aligned with the United Nations Sustainable Development Goals by 2029.”²³ McGill also offers a fossil fuel-free fund to McGill donors, the first of its kind at any Canadian university.²⁴ To remain transparent in this process, McGill has committed to “publish an annual report on SRI strategies disclosures aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework” as well as incorporate a review of SRI practices in the Board of Governor's calendar of business beginning in Spring 2029.²⁵ McGill's decarbonization strategy has earned the school both a platinum STARS title and a 13th place ranking (compared to

¹⁸“Responsible investment | Sustainable development.” n.d. Université Laval. <https://www.ulaval.ca/en/sustainable-development/campus-environment/responsible-investment>

¹⁹ “Investissement responsable | Développement durable.” n.d. Université Laval. <https://www.ulaval.ca/developpement-durable/investissement-responsable>

²⁰ Smalles, Peter. 2020. “RESPONSIBLE INVESTING UPDATE – Divestment Financial Justification.” https://bog3.sites.olt.ubc.ca/files/2020/04/2.2_2020.04_Divestment-Financial-Justification.pdf

²¹ Ono, Santa J. 2021. “President's Community Update on Divestment and Climate Action.” UBC Sustainability. <https://sustain.ubc.ca/stories/president%E2%80%99s-community-update-divestment-and-climate-action>

²² Loewen, Claire. 2023. “McGill University divests from direct holdings in Carbon Underground 200 fossil-fuel companies; announces new socially responsible investment commitments.” McGill Channels. <https://www.mcgill.ca/channels/channels/news/mcgill-university-divests-direct-holdings-carbon-underground-200-fossil-fuel-companies-announces-new-353601>

²³ “2023 SRI Commitments | Office of Investments.” n.d. McGill University. <https://www.mcgill.ca/investments/endowment/socially-responsible-investing/initiatives>

²⁴ “Supporting sustainable investing through the Green Century Fund.” 2020. McGill Giving. <https://giving.mcgill.ca/all-stories/supporting-sustainable-investing-through-green-century-fund>

²⁵ “2023 SRI Commitments | Office of Investments.” n.d. McGill University. <https://www.mcgill.ca/investments/endowment/socially-responsible-investing/initiatives>

Dalhousie's 109th place) in the 2024 QS World University Sustainability Rankings, cementing their spot as a leader in sustainability.²⁶

These examples from other U15 schools demonstrate the strong precedent for removing fossil fuel investment at Dalhousie. All these schools had their own institutional values and relationships to consider in their divestment process, leading them to pursue different strategies and timelines towards the same goal. Dalhousie is now well placed to join this growing list of top tier universities and become the first university in Atlantic Canada to decarbonize its fossil fuel holdings. This move would position Dalhousie as a true sustainability leader in our region.

6.0 Rationale for Decarbonization

6.1 Feasibility of Investment Decarbonization

In Dalhousie's Investment Committee's most recent 2019 Fossil Fuel Investment Review, they reiterated that they have opted to integrate ESG factors into their investment portfolio rather than divest from fossil fuels. They summarized from their 2014 report: "...a number of fossil fuel companies still provide a benefit to society, and [ESG factor integration] would be more effective in assessing and addressing climate change risk to the portfolio than what an indiscriminate full divestment action would achieve."²⁷ The IC writes that they chose an ESG approach "to manage and mitigate the exposures [to the fund's climate change risk], rather than avoiding any industrial sector where they may be a potential risk."²⁸

6.1.1 Limitations of ESG integration

Although ESG factors are widely used in the business world, their purpose is to "de-risk portfolios and increase the economic resilience of a company."²⁹ Julia Binder, Director of IMD's Center for Sustainable and Inclusive Business, writes: "The ratings and indices used by investors to identify ESG stocks are not designed to measure a company's positive impact on the Earth and society. Instead, they assess the potential impact the world has on a company's value and its shareholders."³⁰

Dalhousie must create a portfolio that positively impacts our community, our students, and our planet – and this goes beyond considering the fund's climate change risk (CCR). If Dalhousie is committed to climate action, decarbonizing their investments is a crucial step.

²⁶ "QS World University Rankings: Sustainability 2024." n.d. QS Top Universities.

<https://www.topuniversities.com/sustainability-rankings>

²⁷ Dalhousie University Investment Committee, 2019. "Fossil Fuel Investment Review," p. 2. [fossil-fuel-investment-review.pdf](#)

²⁸ Ibid.

²⁹ Binder, Julia. 2023. "Let's be clear: ESG is not 'woke' and it's different from sustainability. *IMD*."

<https://www.imd.org/ibyimd/magazine/lets-be-clear-esg-is-not-woke-and-its-different-from-sustainability/#:~:text=This%20is%20simply%20about%20solid,company%27s%20value%20and%20its%20shareholders.>

³⁰ Ibid.

6.1.2 Financial Prudence of Decarbonization

The precedent set by numerous major institutions around the world shows that investment decarbonization is not only possible, but that *the fossil fuel industry is losing its social license to operate*. In other words, the level of acceptance of the fossil fuel industry and its business practices from stakeholders, policymakers, and the general public is decreasing.³¹

This has implications for the economic sustainability of Dalhousie's investments. The international target to keep the global average temperature to well below 2°C above pre-industrial levels, as agreed on in the Paris Agreement, implies that the share prices of fossil fuel companies are "grossly overvalued," given that fossil fuel companies are currently valued based on unused fossil fuel reserves – and 80% of the world's fossil fuels reserves cannot be consumed without exceeding this international target.³² Staying invested in fossil fuels will therefore likely have negative impacts for the value of Dalhousie's stocks.

To give an example from another university, consulting firm Mantle314 conducted an analysis of UBC's portfolio, justifying the Board of Governor's decision to divest by saying that as the world shifts away from fossil fuels (be it through legal, regulatory, technology, or market shifts), it is increasingly risky to hold shares of companies "whose value is derived from the continued growth and expansion of global fossil fuel use."³³ Moreover, UBC IMANT found that "it is possible to construct a portfolio with comparable financial return and risk profile while lowering emissions and climate risk profile."³⁴

Reports thus show that substituting clean energy stocks for fossil fuel stocks can be done without negative impact on performance, and that shifting away from fossil fuels into green energy may have positive impacts in the long run.³⁵

6.2 Committing to Net Zero

6.2.1 Government of Canada Commitment to Net Zero

According to the definition given by the Government of Canada in its plan to reach net zero emissions by 2050, net zero, or carbon neutrality, refers to "the balancing of the amount of greenhouse gas (GHG) emissions an organization or entity produces with an equivalent

³¹ 350.org. n.d. "Power up community-centred renewable energy solutions." <https://350.org/solutions/#basics>

³² IMPAX Asset Management. n.d. "Beyond Fossil Fuels: The Investment Case for Fossil Fuel Divestment." Page 2. [Impax--20130704_white_paper_fossil_fuel_divestment_uk_final.pdf](#) and <http://carbontracker.live.kiln.it/Unburnable-Carbon-2-Web-Version.pdf>

³³ University of British Columbia Board of Governors. 2020. "RESPONSIBLE INVESTING UPDATE – Divestment Financial Justification." https://bog3.sites.olt.ubc.ca/files/2020/04/2.2_2020.04_Divestment-Financial-Justification.pdf

³⁴ Ibid.

³⁵ IMPAX Asset Management. n.d. "Beyond Fossil Fuels: The Investment Case for Fossil Fuel Divestment." Page 2. [Impax--20130704_white_paper_fossil_fuel_divestment_uk_final.pdf](#); Carbon Tracker & The Grantham Research Institute, LSE. 2013. "Unburnable Carbon 2013: Wasted capital and stranded assets." <http://carbontracker.live.kiln.it/Unburnable-Carbon-2-Web-Version.pdf>; UBC Alma Mater Society. "UBC and Divestment from Fossil Fuels." [UBC AMS divest.pdf](#)

amount of emissions removed from the atmosphere or offset through other means, such as tree planting or employing technologies that can capture carbon before it is released into the air.”³⁶

The Canadian government’s commitment aligns with Intergovernmental Panel on Climate Change (IPCC) recommendations for an emissions model pathway consistent with reaching net zero by 2050.³⁷ We are calling for Dalhousie to publicly pledge to a 2040 timeline to demonstrate the university’s leadership and commitment to sustainability on a global scale. To be a leader, Dalhousie must be proactive in making environmental commitments beyond the bare minimum, as many other Canadian universities have done.

6.3 Benefits of Decarbonizing Dalhousie’s Investment Portfolio

6.3.1 Reputation and Alignment with Dalhousie’s Strategic Plan (2021-2026): Third Century Promise

Dalhousie University’s strategic plan outlines five pillars encompassing 37 action points focused on enhancing student and academic excellence, with the overarching aim of propelling Dalhousie to global prominence. These pillars are integral to the university’s broader objective of enhancing its structural integrity and distinction.³⁸ The proposed decarbonization efforts align closely with several of these pillars, notably 'Pillar 5: A Foundation for Inclusion and Distinction,' which underscores Dalhousie’s commitment to the UN Sustainable Development Goals. Additionally, this pillar emphasizes that Dalhousie will be guided in its sustainability endeavors by recognized rating systems such as STARS.³⁹

6.3.2 STARS Rating

STARS (Sustainability Tracking and Reporting System) is a third-party certification assessment with 67 credits/criteria to assess social, environmental, and economic sustainability. The STARS ratings range from bronze, the lowest rating, to platinum, the highest. Dalhousie University has undergone four ratings, consistently achieving gold in its last three submissions. However, Dalhousie has yet to attain platinum status.

One area where Dalhousie has seen a decline in its STARS rating, as indicated by 2021 data, is its 'sustainable investment' section.⁴⁰ Decarbonizing the university’s investments could

³⁶ Service Canada, “Net-zero Emissions by 2050,” Canada.ca, February 2, 2024, <https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/net-zero-emissions-2050.html>.

³⁷ “Summary for Policymakers — Global Warming of 1.5 °C,” Global Warming of 1.5 °C, n.d., <https://www.ipcc.ch/sr15/chapter/spm/>.

³⁸ Dalhousie University. “Our Plan.” <https://www.dal.ca/about/mission-vision-values/strategic-plan/our-plan.html>.

³⁹ Dalhousie University. “A Foundation for Inclusion and Distinction.” <https://www.dal.ca/about/mission-vision-values/strategic-plan/our-plan/foundation-inclusion-distinction.html>.

⁴⁰ “Sustainable Investment | Dalhousie University | Scorecard | Institutions | STARS Reports.” <https://reports.aashe.org/institutions/dalhousie-university-ns/report/2021-07-21/PA/investment-finance/PA-10/>.

significantly enhance this rating, as evidenced by the University of Victoria's commitment to divestment in 2023.⁴¹ This action won them a platinum rating from STARS and a sustainable investment rating of 3.42/4.00 as of their most recent submission in 2023.⁴²

There are four Canadian universities with a platinum rating (McGill, UVic, Université Laval, and Université de Montréal), none of which are from Atlantic Canada, highlighting the potential for Dalhousie to enhance its national and global distinction.⁴³ Dalhousie's next STARS submission will occur in September 2024 and a notable commitment to sustainable investing and achieving net zero emissions would enhance its chances of attaining platinum status.⁴⁴

In summary, decarbonizing Dalhousie's investments would demonstrate Dalhousie's commitment to its mission and values and would further boost its international reputation as an environmental leader.

7.0 Recommendations

Given our research findings, we urge Dalhousie University to commit to the following recommendations:

- Remove investments from the 20 holdings identified as significant contributors to carbon emissions, as per the Carbon Underground 200 list. See Appendix B for full list of 20 holdings identified.
- Fully withdraw Dalhousie's endowment fund investments from companies involved in the extraction, processing, and transportation of fossil fuels.
- Reinvest 5-10% of generated returns of the endowment fund into community investments to support a vibrant and sustainable local economy,⁴⁵ thereby enriching the student experience at Dalhousie.
- Publicly commit to net zero emissions by 2040.

8.0 Conclusion

On April 2, 2024, Dalhousie launched a campaign for transformational change titled 'Bringing Worlds Together,' which states: "The world is at a pivotal point. Technological disruption, extreme climate events, health threats and social unrest pose unprecedented

⁴¹ "Victoria University Divests from Direct Fossil Fuel Producers » Victoria College." <https://vic.utoronto.ca/news/victoria-university-divests-from-direct-fossil-fuel-producers/>.

⁴² "University of Victoria | Scorecard | Institutions | STARS Reports." <https://reports.aashe.org/institutions/university-of-victoria-bc/report/2023-12-13/>.

⁴³ "Participants & Reports | Institutions | STARS Reports." Accessed March 29, 2024. <https://reports.aashe.org/institutions/participants-and-reports/>.

⁴⁴ "Sustainable Investment | Dalhousie University | Scorecard | Institutions | STARS Reports." Accessed March 29, 2024. <https://reports.aashe.org/institutions/dalhousie-university-ns/report/2021-07-21/PA/investment-finance/PA-10/>.

⁴⁵ Divest Reinvest. N.d. "Towards a People's Endowment". <https://www.divestreininvest.com/about>

challenges. We believe that solutions won't be found by maintaining the status quo." ⁴⁶ Ignoring student calls for divestment and decarbonization for the last decade *has* been Dalhousie's status quo. Now it is time for Dalhousie to act on their promises and protect, instead of threaten, its students' futures. Dalhousie calls itself a leader in sustainability – it's time to be one.

⁴⁶ "CASE FOR SUPPORT," n.d., <https://www.dal.ca/content/dam/www/giving/campaign-assets/bringing-worlds-together-case-for-support.pdf>.

9.0 Appendices

9.1 Appendix A: U15 Canadian Universities Decarbonization Summary Table

University Name	Committed to divestment (year)	Divestment deadline (year)	Size of Endowment Fund	Net zero deadline (year)
University of British Columbia	2019	2030	2.8 billion	2035
University of Toronto	2021	2030	3.2 billion	2050 (climate positive)
McGill University	2024	2025	1.9 billion	2040
University of Ottawa	2022	Direct holdings by 2023 and indirect by holdings by 2030	333.9 million	2040
University of Waterloo	2021	2025	515.6 million (market value)	2050
Université de Montréal	2022	2025	Approximately 420 million	2040
Université de Laval	2017	Complete withdrawal from CU 200 as of 2021	276 million	2015 (completed)

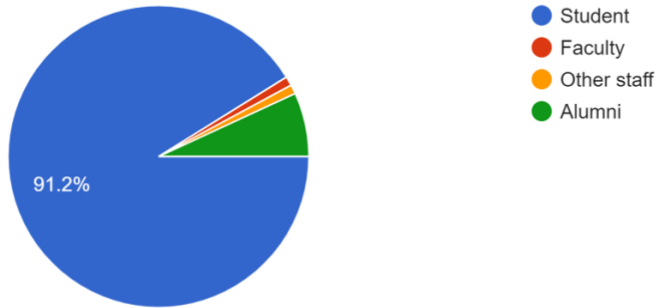
9.2 Appendix B: Dalhousie Investments in CU200 Summary Table

Company	Holding	Total in \$ (If Yes)	% of Total MV (If Yes)
Total	Canadian Equity Holdings	744,799	0.09%
Mitsui	International Equity Holding	666,989	0.08%
Suncor Energy	Canadian Fixed Income Holding	350,047	0.04%
Occidental	United States Fixed Income Holdings	207,194	0.03%
Cleveland-Cliffs	United States Equity Holdings	97,347	0.01%
Continental Resources	United States Fixed Income Holdings	86,901	0.01%
Cenovus Energy	Canadian Fixed Income Holding	83,465	0.01%
Canadian Natural Resources	Canadian Fixed Income Holding	72,752	0.01%
Range Resources	United States Equity Holdings	65,657	0.01%
Antero Resources	United States Equity Holdings	65,481	0.01%
PDC Energy	United States Equity Holdings	60,585	0.01%
Tourmaline Oil	Canadian Fixed Income Holding	58,702	0.01%
Southwestern Energy	United States Equity Holdings	56,620	0.01%
Matador Resources Company	United States Equity Holdings	56,085	0.01%
Murphy Oil	United States Equity Holdings	55,432	0.01%
National Fuel Gas	United States Equity Holdings	55,388	0.01%
Black Hills	United States Equity Holdings	43,119	0.01%
Allete	United States Equity Holdings	38,472	0.00%
ARC Resources	Canadian Fixed Income Holding	28,044	0.00%
CNX Resources	United States Equity Holdings	27,557	0.00%

9.3 Appendix C: Dal Zero Survey on Decarbonization at Dalhousie

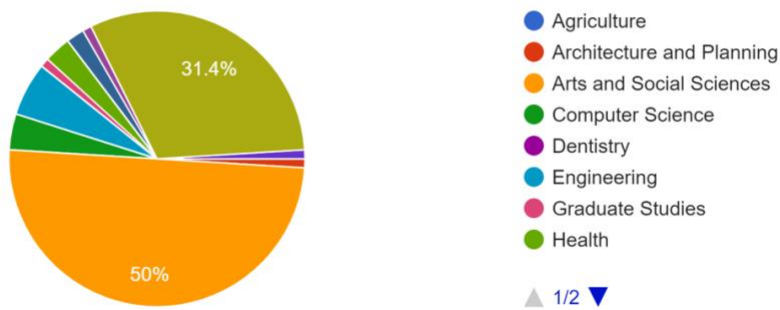
Which best describes your relationship to Dalhousie? *If you are not affiliated to Dalhousie in one of these capacities, please do not proceed with the survey.

102 responses



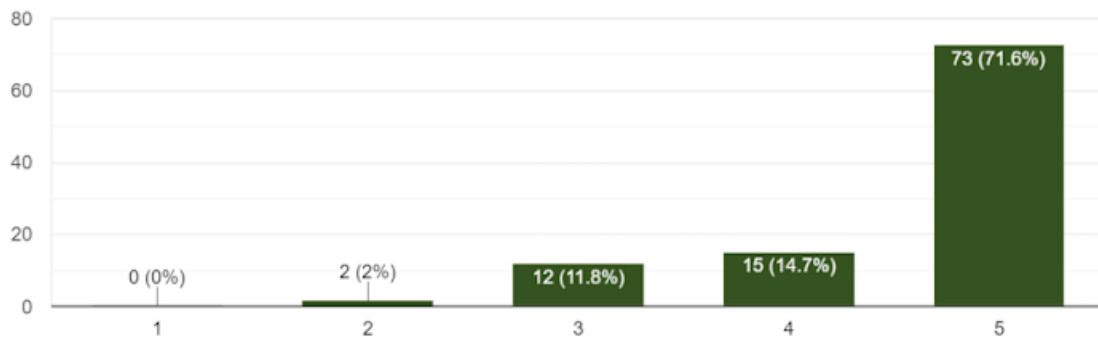
What faculty are/were you a part of?

102 responses



On a scale from 1-5, how important to you is it that Dalhousie decarbonizes its investments? (1 being not at all important, 2 being not very important, 3 being somewhat important, 4 being important and 5 being very important)

102 responses



Optional: How do you feel about Dalhousie's current investment practices? (Feel free to include anything you'd like to share about Dal's investments or current climate policies/practices):

(select responses out of a total of 41)

- Dalhousie current investment practices are hypocritical, go against the values of the student body, and are harmful both environmentally and socially. The disregard to student voices for the past 11 years is deeply upsetting
- I'm furious about how they claim to be preparing us for the future so that we can make it a better place. All while investing millions into fossil fuels.
- I am very disappointed to learn about the amount of money that is being invested into fossil fuels through dal.
- I feel like it's an extreme step in the wrong direction and irresponsible of a university who offers climate science programs to be invested in such disgusting industries.
- They don't align with Dal's mission statement and so-called commitment to sustainability.
- I wish that Dal would put their money where their mouth is and stop investing in fossil fuels.
- I think Dal needs to stop investing in fossil fuels altogether. It's shit.
- I think the current investment practices are deeply immoral
- Climate change in our region is undeniable. I'd like Dalhousie to stop funding climate change and truly become a leader on sustainability.
- It's embarrassing that dal is one of the last Canadian institutions to divest from the industry that is fueling the climate crisis and the destruction of our futures
- I feel disappointed in the fact that Dalhousie has been so slow to decarbonize investment compared to other Universities, especially in light of the current climate crisis.
- Investments should be prioritized in green-energy/clean energy companies.
- I think that this university has received a lot of money for climate research, and it is hypocritical for the university to be investing in fossil fuels well benefitting from funding like this, along with the publicity they receive for this type of research!
- I find it quite upsetting and hypocritical that Dalhousie pledges to be a sustainable institution while investing in practices that harm us and our planet. I would like to call myself a proud Dal student, but current investment practices are getting in the way of that. I understand that the institution is juggling the difficult task of providing students the resources and supports necessarily for us to thrive, creating a sustainable and climate conscious campus, and being financially secure. But I am certain that there is a way to move forward that lifts us all up, and many other universities have set the precedent.
- I think there are so many more ethical streams for investment that Dalhousie could be participating in that would certainly entice alumni like me to donate.

- I believe they don't reflect the majority of the student body's values, and this goes for things even beyond fossil fuel investments.
- Dalhousie's current investments go against everything they advertise Dalhousie to be. Dalhousie does not care for the community if it harms it. Dalhousie also does not care for diversity if it invests in the very things that lead its international students to flee their countries from war and economic hardship while charging impossible fees.
- Historically, it seemed practical to invest in sectors with greatest returns. However, factors other than monetary returns must be considered, such as the degradation of shared resources and intergenerational equality
- As a scholarship student, I feel uncomfortable with my education being funded by companies like Irving Oil that have a vested interest in destroying the planet and my future.

9.4 Appendix D: Divest Canada Coalition Letter

September 8, 2020

Divest Canada Coalition

An Open Letter to the Boards and Administrators of Educational Institutions Across Canada

We, the undersigned students, alumni, faculty, staff and members of the public, call on all the boards and administrators of educational institutions across Canada to take real leadership in the face of the climate crisis by fully divesting all investment funds (e.g. endowment funds) of their institutions from the fossil fuel industry and reinvesting in sustainable and just alternatives by 2025. For the past 8 years, students around the world have been calling on educational institutions to end their investments in the industry primarily responsible for driving the climate crisis. Unfortunately, Canadian educational institutions have responded with negligence and delay, claiming climate leadership while propagating half-measures and false solutions. For example, the *Investing to Address Climate Change Charter*, released and signed by numerous Canadian universities this summer, is not only inadequate, but pretends to address the climate crisis while deflecting responsibility from taking real action.

We call on Canadian educational institutions to comply with the following demands, in consultation with their local divestment groups:

- 1. Divest from the past:** Commit immediately to fully divesting from companies involved in the extraction, processing and transportation of fossil fuels and ensure all funds are reallocated by 2025. Initiate divestment campaigns from other harmful industries, including police foundations, private prisons, arms manufacturers, and any corporation that, through their operations, violate Indigenous peoples' right to free, prior, and informed consent, as outlined in the United Nations Declaration of the Rights of Indigenous Peoples.
- 2. Reject false solutions:** Recognize that the incorporation of environmental, social, and governance factors (ESG), as well as the simple reduction of the "carbon intensity" of an institution's investment portfolio is an illegitimate alternative to full divestment. Educational institutions must supplement these insufficient responsible investing practices with full divestment from fossil fuel companies.
- 3. Invest in the future:** Take meaningful leadership in the adoption of a Canadian Just Recovery by investing at least 5% of investment funds in community projects that advance racial, economic, environmental and social justice.

Educational institutions are supposed to prepare us for our futures. Instead, they are actively financing their destruction. By remaining invested in these industries, Canadian

educational institutions are choosing to stand with corporations and their exploitative business models over the wellbeing of people and the planet. It is well beyond time for institutions in Canada to take real action on the climate crisis.

We acknowledge that a few universities have already started moving in this direction, with the Université Laval, Concordia University, University of British Columbia, and the University of Waterloo Carbon-Neutral Investment Policy – FFUW Report 29 Guelph committing to full fossil fuel divestment. It's time for the rest of Canada's schools to follow their lead.

Divest From the Past

The climate crisis is wreaking havoc worldwide, exacerbating extreme weather events, poverty, food shortages, forced displacement, armed conflict, and other disasters worldwide. These impacts amplify existing inequalities, disproportionately hurting the most marginalized communities. The fossil fuel industry is the primary driver of the climate crisis, having knowingly destabilized the planet's ecological balance for decades. The fossil fuel industry is also one of the biggest perpetrators of racial and colonial violence with a long history of forcing Indigenous peoples from their lands, polluting the air, land, and water of Indigenous, Black, and People of Colour (IBPOC), and financing the colonial police force.

In order to avoid irreversible climate catastrophe, we must keep at least 80% of known fossil fuel reserves in the ground. Instead of winding down production to a safe trajectory, fossil fuel firms are continuing to push for new pipelines, new mines, new drilling projects and exploration of new reserves. Global fossil fuel production is heading for 50% more than is consistent with 2°C of warming over pre-industrial levels and 120% more than 1.5°C by 2030, spelling disaster for our planet. Fossil fuel companies have spent the past five decades obstructing meaningful government action on climate change by pouring billions of dollars into misinformation campaigns and lobbying.

In less than a decade, 1,244 institutions have shown moral leadership in standing up to the biggest climate criminals by divesting over \$14 trillion from fossil fuels. They've also made a prudent financial choice. Fossil fuel investments are fundamentally risky and overvalued. For one thing, these companies are valued on the assumption that they will extract and burn approximately five times more fossil fuels than the climate can handle. If we are to save our planet from catastrophic climate change, asset owners will have to write off \$20 trillion in stranded assets. Ongoing structural risks to the fossil fuel sector include rising extraction costs, low and even at times negative oil prices, the competitiveness of alternative energy sources, litigation, public opposition, and the growing divestment movement. Due to the poor performance of fossil fuel companies, investments have incurred significant losses for years. BlackRock, the world's largest asset management firm, made the decision to divest from coal in 2019 after an estimated \$90 billion loss from investment in fossil fuels. Portfolios that screen

out fossil fuels, on the other hand, consistently perform equal to — if not better than — portfolios that do not. Trustees have a fiduciary duty to manage long-term risks of their endowments. Investing in fossil fuels is a direct violation of that duty and could result in trustees being held liable.

Globally, fossil fuel corporations constitute an enormously powerful, multi-trillion-dollar industry. In order to transition towards a just and sustainable future, we will need to break the hold the fossil fuel industry has over our political, financial, educational, social and cultural institutions. We are looking to our educational institutions to harness their intellectual and moral authority to help remove social license from this industry. Full divestment by such institutions will send a clear, unapologetic signal to policymakers and broader society that the power of this industry must be reined in.

Reject False Solutions

In June 2020, the University of Toronto and McGill University announced the Investing to Address Climate Change charter, signed by 13 other Canadian universities, in an attempt to signal action on climate change. The charter called on signatories to adopt frameworks of responsible investment by incorporating environmental, social, governance (ESG) factors into their investing practices and measuring the carbon intensity of investment portfolios with target reductions. These investing practices are misleading and flawed, being used by investors to allow for continued investment in some of the largest fossil fuel corporations. When it comes to ESG, ESG ratings are not standardized or regulated. Rating firms use different methodologies and metrics, leading to inconsistent and widely contradictory ratings. This allows firms to claim they are leaders in an ESG area while not adhering to consistent comparative standards. In some cases, a company's score is calculated relative to its global industry peer group, meaning that decent ratings can be given to a firm that simply performs better than the average of their peers — even if average standards are low.

“Low carbon” investing commitments are also misleading. Investment carbon footprinting methodologies only take into account direct emissions (scope 1 and 2), excluding the emissions of the product “downstream” (scope 3). For example, because approximately 99 percent of lifecycle emissions from coal occur during combustion, these emissions are excluded from a coal mining company's investment carbon footprint. Thus, fossil fuel extraction, transportation and refining companies may be considered “low carbon” by these carbon accounting methods. In 2016, when UBC initially proposed a “low carbon” fund, the fund was projected to include companies like Enbridge, Shell, ExxonMobil and Kinder Morgan. These companies are clearly not low carbon, for the reasons outlined in this letter. Any financial criteria that do not expunge these corporations from the institution's investment portfolio has fundamentally failed as a strategy to reduce greenhouse gas emissions. Furthermore, fossil fuel extraction and transportation companies are some of the leading culprits in land grabs and injustices against Indigenous communities. It is well documented that fossil fuel project ‘man

camps' are directly linked to the Missing and Murdered Indigenous Women and Girls epidemic. By continuing investment in these companies, educational institutions are directly financing genocide against Indigenous peoples and violence against women, girls, and 2-spirits.

There is no credibility to the argument that shareholder engagement with fossil fuel companies can compel these companies to transition to clean alternatives. Their very business model depends on exceeding the warming limit of 2°C. Renewable energy makes up only 1% of fossil fuel companies' capital expenditure, making it apparent that these corporations are not transitioning at the pace necessary to meet global climate targets. Divestment is the only reasonable responsible investment approach when it comes to these companies.

Invest in The Future

Our present moment is wrought with intersecting crises — a global climate emergency, a pandemic, ongoing racial and colonial violence, and an incoming global recession that will exacerbate existing economic and social inequalities. Across Canada, communities have been University of Waterloo Carbon-Neutral Investment Policy – FFUW Report 31 calling on leaders and institutions to Build Back Better and embark on a Just Recovery as we collectively emerge from COVID-19. The federal government has responded to these calls with programs like CESB, CERB, and EI benefits, demonstrating that they are able to mobilize resources to the scale demanded by these crises. However, these income support measures are only a beginning, and have been insufficient in several regards (for example, with respect to people with disabilities and migrant workers). We call on our leaders and institutions at all levels to work together to move us towards a future that guarantees safety and security for all and centres justice, equity and Indigenous sovereignty.

By allocating investment capital into local community projects, such as clean energy, safe and affordable housing, sustainable local agriculture, community wealth operatives and worker owned businesses, educational institutions can play a role in shifting our society from an extractive to a just and regenerative economy — one that works for all and sustains us for the future. In line with national calls to defund the police and abolish the prison-industrial complex, we have an opportunity to re-allocate wealth towards communities that have long been exploited, especially Black and Indigenous communities.

We call on our educational institutions to think about what type of future they are preparing us for. This is their opportunity to invest in a just and sustainable future for their students and to divest from an unjust and unsustainable status quo. It is not an exaggeration to say that the fate of humanity lies in how we collectively respond to this moment.

Signed,

Climate Action Carleton/ of Carleton University

Climate Justice Climatique uOttawa / of the University of Ottawa
Divest Dal / of Dalhousie University
Fossil Free Lakehead/ of Lakehead University
Divest McGill/ of McGill University
Climate Action of the University of Alberta/ of the University of Alberta
Climate Justice UBC (formerly UBCC350) / of the University of British Columbia
Fossil Free Guelph / of the University of Guelph
Divestment and Beyond, Leap U of T, The School of Environment / of the University of Toronto Divest
Sheridan/ of Sheridan College
SFU350/ of Simon Fraser University
UdeM Sans Pétrole/ of de Université de Montréal
Divest MTA/ of Mount Allison University
Students for Direct Action/ of the University of Calgary
UTS Sustainability and Environmental Action Committee / of the University of Toronto Schools
Divest UVic / of the University of Victoria
Fossil Free UWaterloo/ of the University of Waterloo
Divest UWinnipeg / of the University of Winnipeg
Climate Crisis Coalition/ of Western University



DAL ZERO

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