



Board of Governors Meeting

March 12, 2020

Introduction - Who is Fossil Free Lakehead?

Fossil Free Lakehead is a student group advocating for Lakehead University to divest from the fossil fuel industry.

Goals of Fossil Fuel Divestment

- Works to aid in our transition away from fossil fuel dependency.
- Raises awareness about climate change and the need for urgent action.
- Sends a loud and clear message that the use of fossil fuels is no longer feasible or sustainable for our future.



The Future is Young...



L: Montreal, 09/27/19
R: Thunder Bay, 09/20/19

... and sustainability minded

The University Divestment Movement



L: Collage of university divestment movements globally

R: FFL organizers participating in a national divestment planning call

Divestment is Happening

- ❑ University of British Columbia
- ❑ Laval University
- ❑ Université du Québec à Montreal
- ❑ Concordia University

... alongside cities, countries, businesses, faith groups, etc.



Jan. 10, 2020 - Students at UBC end 100-hour hunger strike after administration issues clear statement on divestment

MAKING THE CASE

Lakehead's Responsible Investment Policy: Divestment Considerations

- a) Proven social, political, economic or environmental rationale.
- b) Reasonable evidence that divestment is an effective way to achieve the desired outcome.
- c) Absence of alternative policies that are as effective at a lower cost, or more effective at the same cost.
- d) Consistency with the University's legal obligations as trustee.
- e) Consistency with its other University relationships.

a) Proven social, political, economic or environmental rationale.

ipcc

INTERGOVERNMENTAL PANEL ON climate change

Global Warming of 1.5°C

An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty

b) Reasonable evidence that divestment is an effective way to achieve the desired outcome.

World Bank to end financial support for oil and gas extraction

Bank announces in Paris it 'will no longer finance upstream oil and gas' after 2019 in response to threat posed by climate change

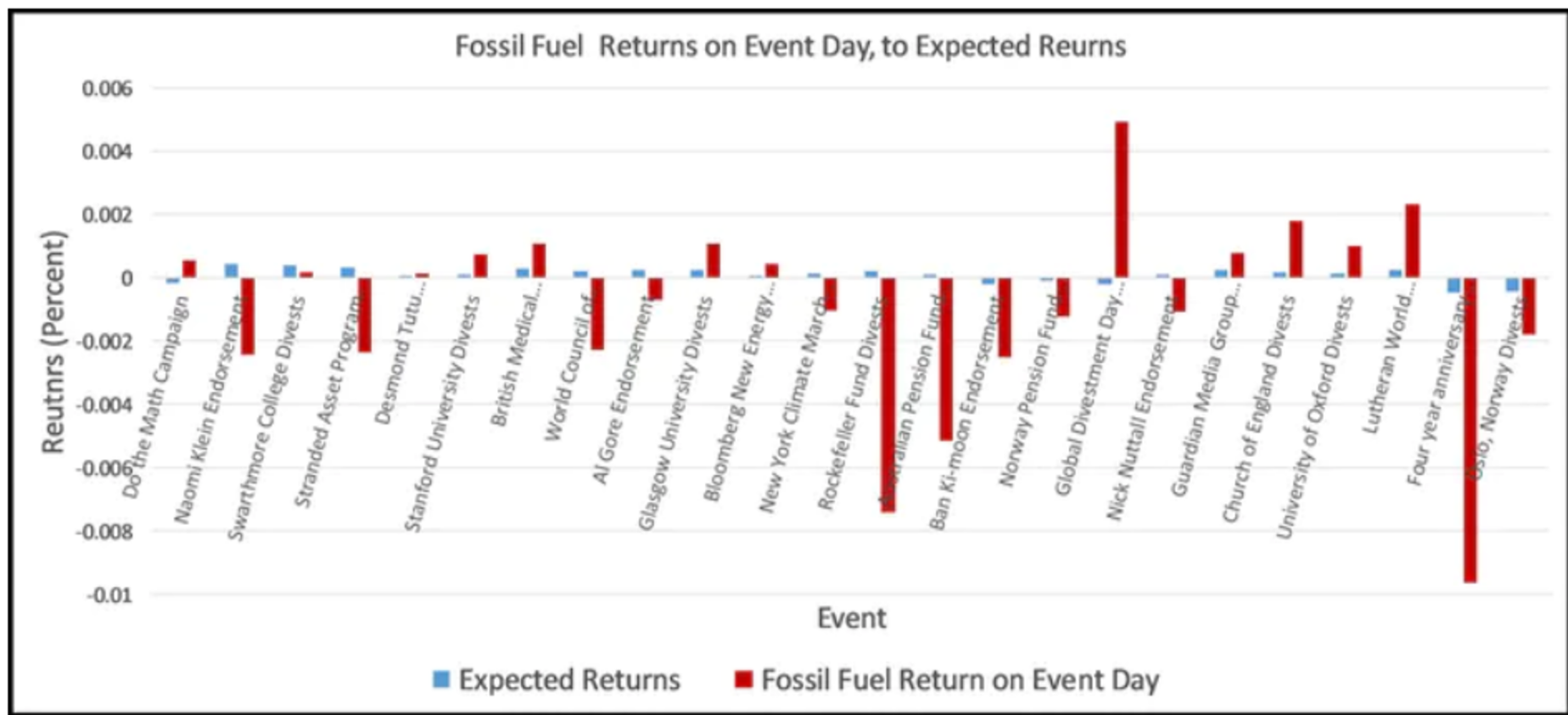
Fossil fuels subsidised by \$10m a minute, says IMF

'Shocking' revelation finds \$5.3tn subsidy estimate for 2015 is greater than the total health spending of all the world's governments

UN SECRETARY-GENERAL September 23, 2019

"The United Nations pension fund – which manages \$68 billion in assets... announced today that **it will divest from investments** in publicly traded companies in the **coal energy sector** and will not make any new investments in it."

How divesting of fossil fuels could help save the planet



c) Absence of alternative policies that are as effective at a lower cost, or more effective at the same cost.

Mark Carney warns investors face 'huge' climate change losses

BoE governor fears regulation to tackle global warming will leave assets 'stranded'

Bank of England warns of huge financial risk from fossil fuel investments

Global action on climate change could cause insurers' investments in fossil fuels to take a huge hit, says bank's prudential regulation authority

“Markets bring the future forward, with financial impacts often occurring immediately, even if the real impact is several years into the future.”

Mark Carney

Teck Frontier cancellation should be 'wake-up call' for Canada: Freeland

BlackRock lost \$90bn investing in fossil fuel companies, report finds

World's biggest fund manager urged to invest in clean energy for good of the climate and its investors

d) Consistency with the University's legal obligations as trustee.

HOLDINGS WITH JARISLOWSKY FRASER

<u>Oil & Gas Companies Top 200</u>	<u>%</u>
<u>Bonds</u>	
BP Capital Markets p.l.c.	0.273%
Husky Energy Inc.	0.341%
<u>Canadian Equity</u>	
Bonavista Energy Corporation	0.148%
Canadian Natural Resources Limited	0.738%
Cenovus Energy Inc.	0.776%
Suncor Energy Inc.	1.048%
Talisman Energy Inc.	0.459%
<u>U.S. Equity</u>	
Chevron Corporation	0.533%
EOG Resources, Inc.	0.598%
Exxon Mobil Corporation	0.395%
ARC Resources Ltd.	0.4400%
<u>International Equity</u>	
Total SA	0.3804%
Total SA, ADR	0.0690%
Royal Dutch Shell PLC, Class A	0.4532%
Royal Dutch Shell PLC, Class A ADR	0.0883%
BHP Billiton Limited, ADR	0.3972%
Total	7.1357%

Lakehead Fossil Fuel Exposure Analysis - Gluskin Sheff:

Gluskin Sheff Equity Mandate: Values as at March 31, 2014

	Approximate Market Value of Account:	Total
		\$44,599,116
	Total Weight In Portfolio	Total Market Value of Position
Fossil Fuel Companies Held:		
Banker's Petroleum	0.3%	\$134,984
Crescent Point Energy	0.6%	\$275,994
ARC Resources	2.2%	\$971,051
Bonavista Energy	0.4%	\$189,351
Canadian Natural Resources	2.5%	\$1,105,010
Suncor Energy	2.6%	\$1,148,648
Total	8.6%	\$3,825,037

* These figures are estimates only and have been prepared outside our official reporting schedule.

Bonavista Energy Corporation (BNP.TO) ☆

Toronto - Toronto Delayed Price. Currency in CAD

0.3000 -0.0350 (-10.45%)

At close: March 6 3:58PM EST

⊕ Indicators ⊕ Comparison ⚡ Events **P** | 📅 Date Range 1D 5D 1M 3M 6M YTD 1Y 2Y 5Y Max | 📄 Interval 1M ▾ 📈 Line ▾ 🔗



May 5, 2014 = \$13.18 CAD
\$0.30 CAD

March 6, 2020 =

Zoom [2m](#) [3m](#) [6m](#) [9m](#) [YTD](#) [1y](#) [2y](#) [5y](#) [All](#)

From To



MarketScreener.com

Crescent Point Energy Corp.



May 5, 2014 = \$33.88 USD

Mar 6, 2020 = \$2.91 USD

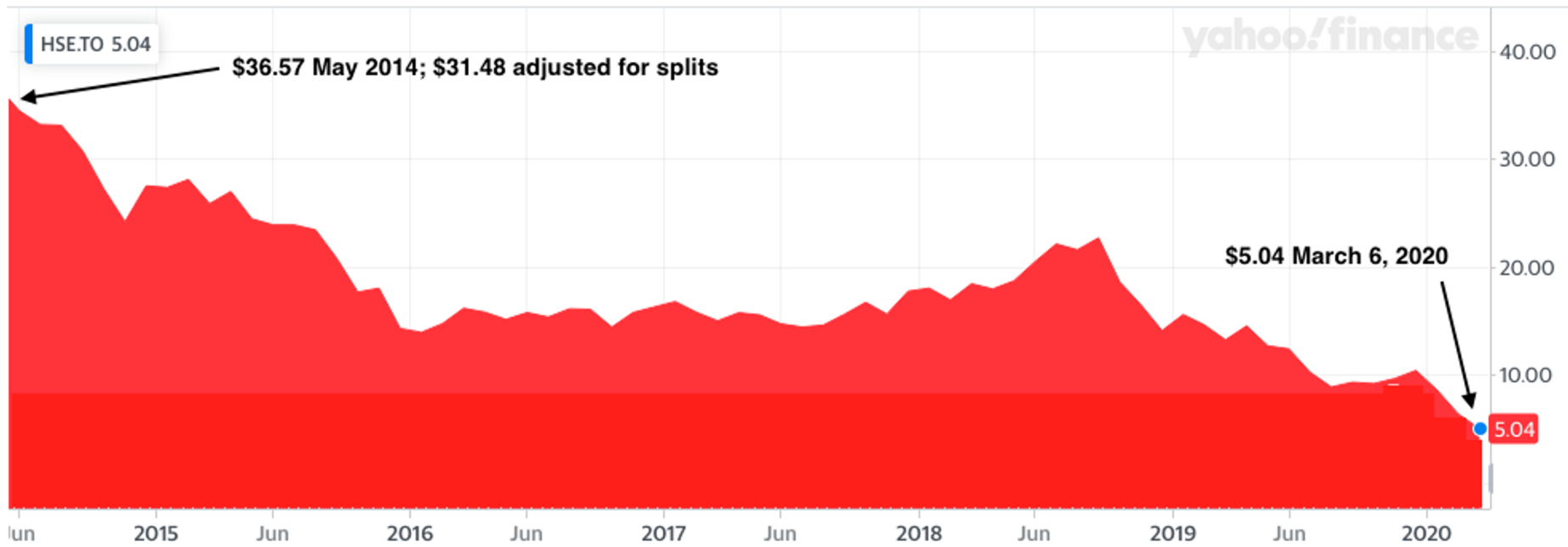
Husky Energy Inc. (HSE.TO) ☆

Toronto - Toronto Delayed Price. Currency in CAD

5.04 -0.72 (-12.50%)

At close: March 6 4:15PM EST

⊕ Indicators ⊕ Comparison ⚡ Events **P** | 📅 Jun. 01, 2014 - Feb. 01, 2020 1D 5D 1M 3M 6M YTD 1Y 2Y 5Y Max | 📄 Interval 1M ↘



May 5, 2014 = \$31.48 CAD
\$5.04 CAD

March 6, 2020 =

e) Consistency with its other University relationships.



LU Divestment Survey

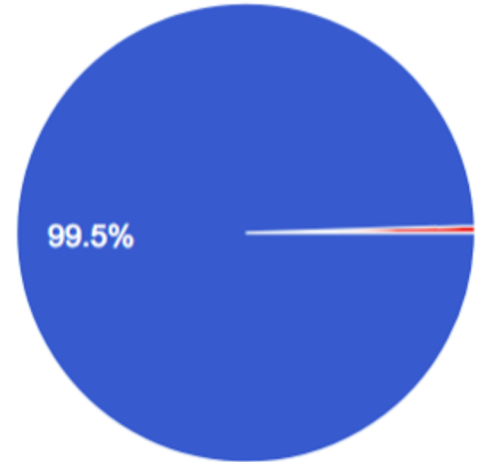
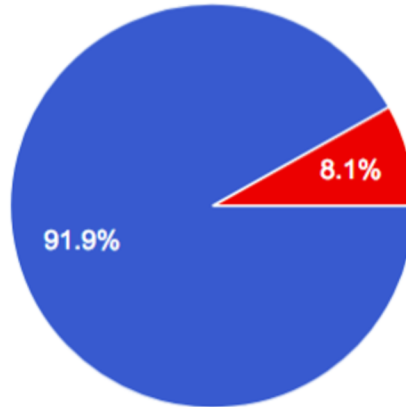
Should Lakehead look into supporting alternative energy?

209 responses

Is it your opinion that the burning of fossil fuels is driving climate change?

209 responses

- Yes
- No



LU Divestment Survey

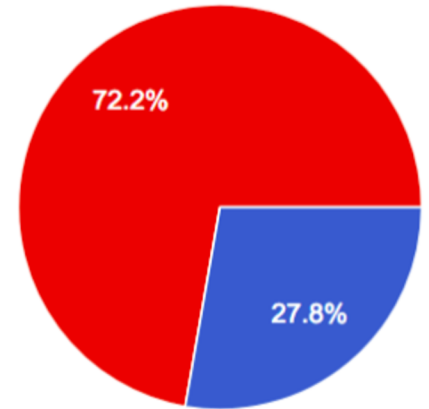
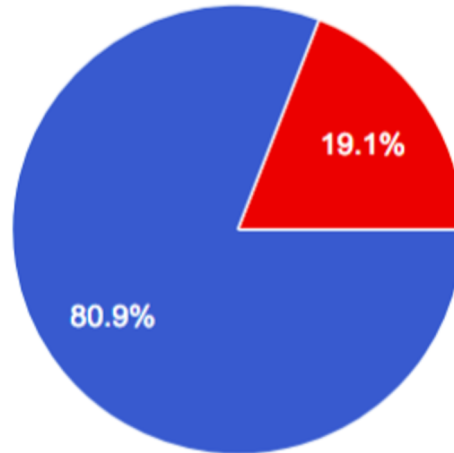
Did you know Lakehead University invests in the fossil fuel industry?

209 responses

Should Lakehead stop investing in the fossil fuel industry?

209 responses

- Yes
- No



2018-2023

Strategic Plan

Social Responsibility

Lakehead University is committed to social justice and will make a significant contribution to our communities and society as a whole through our programs, research, and the wide range of activities undertaken by our faculty, staff, students and alumni.

2019-2024

Academic Plan

This presents an opportunity for Lakehead to develop regional education ecosystems in Northwestern Ontario and Simcoe County through expanded partnerships that align to these “grand” societal challenges, positioning Lakehead as a beacon, both locally and globally, as a leader in sustainability, social justice, and Indigenous education.

2019-2024

Research Plan

PRIORITY:

Sustainability, Resources, and the Environment

Interdisciplinary research with applications to sustainability, resources, and the environment is a natural area of focus at Lakehead University due, in part, to our geographical locations. The Thunder Bay

methods, etc. The Lake Superior Living Labs Network will provide an important connection between sustainability and the Great Lakes watershed.



SUSTAINABILITY PLAN 2019-2024

Investment

- Make investment decisions that promote sustainability.

Embracing a culture of sustainability is a challenging but necessary transition. The power to create a more sustainable Lakehead lies in our collective willingness to authentically engage with the issues and with each other, and in our commitment to translate our on-going dialogue into meaningful actions.



Lakehead
UNIVERSITY

Acknowledging Real World Concerns with Divestment

The Motions

1. For Lakehead University to commit to divesting its endowment fund from the Carbon Underground 200* fossil fuel companies by 2020.
1. For Lakehead University to make its current investment portfolio publicly accessible.
1. For the Board of Governors to commit to transparency and accountability in working towards these motions by communicating with FFL and the Sustainability Stewardship Council about the ongoing progress towards these motions.

**The [Carbon Underground 200](#) is a list of the top 100 publicly traded coal companies and top 100 publicly traded oil and gas companies.*