



A campaign to divest American University's endowment from fossil fuel companies.

We are making the following requests of President Kerwin and the Board of Trustees:

1. Immediately freeze any new investments in fossil fuel companies by putting a negative screen in the University endowment by the end of the calendar year.
2. Establish an official dialogue with members of the AU community on fully divesting the endowment from fossil fuel companies

AU should divest its endowment from fossil fuel companies because:

- ***Climate change***, caused by the continued burning of fossil fuels, ***poses great risks to all life on our planet***
- It makes no sense for our education to be partially financed by ***companies whose business plan guarantees that there will not be a livable planet on which to carry out that education***
- As a national leader in sustainability, AU has an obligation not just to recycling and LEED certified construction, but ***to make socially responsible and sustainable investments***
- Transformational Goal #7 of the latest Strategic Plan states that the university will “***Act on our values through social responsibility and service***”, and that “Life at the university will be marked by rich opportunities for service, ***an active pursuit of sustainability, a steadfast sense of ethics***”
- There are over 250 divestment campaigns on campuses around the U.S., and ***AU could further improve its image*** by becoming one of the first schools in the country, and ***the first of its size and stature***, to divest from fossil fuel companies
- Research indicates that ***making socially responsible investments***, like the negative screens already in place at AU for Burma and Sudan, ***does not negatively impact the growth of endowments***. Over the past 15 years the MSCI KLD 400, the oldest socially-responsible index, has performed on par with the S&P 500.¹
- Additional research shows that the ***risks posed to investors by divesting from fossil fuel companies are less than the risk posed by continued investment in fossil fuels.***^{2 3}

We look forward to making AU a leader in socially responsible investing, and appreciate your support!

References

¹ Philips, Hager, & North, “Does Socially Responsible Investing Hurt Investment Returns?” Oct 2007,

<https://www.phn.com/portals/o/pdfs/Articles/20071012DoesSRIHurtInvestmentReturns.pdf>

² Aperio Group, “Do the Investment Math: Building a Carbon-Free Portfolio” Dec 2012

http://www.aperiogroup.com/system/files/documents/building_a_carbon_free_portfolio.pdf

³ Nichols, Will, “HSBC: Oil majors at risk from ‘unburnable reserves’” 29 Jan 2013.

<http://www.businessgreen.com/bg/news/2239778/hsbc-oil-majors-at-risk-from-unburnable-reserves>