The Ask

1. Immediately freeze any new investment in fossil fuel companies;
2. Divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds within 5 years.
We can’t bankrupt Exxon. But we can politically and morally bankrupt them.
Why all fossil fuels?

The focus is on GHGs

Global Proven Reserves
2860 Gt CO$_2$

The Carbon Budget
< 500 Gt CO$_2$
200 companies own nearly 1/4 of proven fossil fuel reserves
How big is this Bubble?

Proven Carbon Reserves $27T

Burnable Carbon $7T

$20T Carbon Bubble

2007 US Home Equity $13T

2009 US Home Equity $6T

$7T Housing Bubble

Sources: Carbon Tracker Initiative, Associated Press, Freddie Mac, Federal Reserve Flow of Funds Report
Fossil Fuel Companies Are a Risk
Divestment Is Not

Source: MSCI ESG
Advisor Partners
Aperio Group
Impax A.M.

Divestment Tracking Error: From .5 to 1.6%
Avg. Active Mgr.: 5%

Figure 3: Five year cumulative returns for two alternatives to portfolio construction

Source: FactSet, WM Reuters. Data as of April 30, 2013
Relatively Small Ask

Market value of the S&P 500 Index

- South Africa Apartheid Divestment (1982): 40%
- Fossil Fuel Divestment: 7%
Signs of Vulnerability

Costly Quest
Exxon, Shell and Chevron have been spending at record levels as they seek to boost their oil and gas output. It has yet to pay off. Below, change in production and capital expenditures since 2009.

4th Quarter Production: -2%                                  -5%                                       -3%

Within a Day of announcement:  
- $8 Billion                                    - $7 Billion                      - $9 Billion

Note: Spending in 2013 reflects company estimates; for Shell it is net of asset sales; production rate in 2013 is through the first nine months.  Source: the companies

The Wall Street Journal
They Divested First

**bp**
Sold off its entire wind and solar energy investments in 2011

**Phillips 66**
Has no investments in “alternatives”

**Shell**
In 2007 it a high of 2.5% in alternative energy investments, today it’s down to 1.5%

**Exxon**
“The pursuit of alternative fuels must not detract from the development of oil and gas.” –VP J.S. Simon (testimony to congress 08)

**Chevron**
From 2.5% of overall expenditures in 2008, alternative energy dropped to 1.5% in 2012

**ConocoPhillips**
April 2012 divested all alternative energy activities to focus exclusively on its “core business,” oil and gas
START A CAMPAIGN TO DIVEST FROM FOSSIL FUELS NOW!

- Start a Local Campaign
- Gather Support
- Win for a Fossil-Free Community

FIND CAMPAIGNS

All Cities & States Colleges & Universities More or

City, State, or Country
Commitments

First Presbyterian Palo Alto, CA
Uniting Church, New South Wales & ACT, Australia
Dover Friends Meeting, Dover, NH
Melbourne Unitarian Church, Australia
Unitarian Universalist Society of Amherst, MA
Anglican Diocese of Wellington, New Zealand
Anglican Diocese of Auckland, New Zealand
Anglican Diocese of Dunedin, New Zealand
Anglican Diocese of Waiapu, New Zealand
Anglican Diocese of Waikato and Taranaki, New Zealand
Society for Community Work
Episcopal Diocese of Massachusetts, MA
Maine Council of Churches, ME
Trinity St. Paul’s United Church, Toronto, Canada
Divest-Invest Philanthropic Group
Sierra Club Foundation
Wallace Global Fund
Jubitz Family Foundation
The Educational Foundation of America Park Foundation
The Russell Family Foundation
Compton Foundation
KL Felicitas Foundation
The Chorus Foundation
Singing Field Foundation
Nia Community Foundation
The John Merck Fund
The Joseph Rowntree Charitable Trust
Solidago Foundation
Jessie Smith Noyes Foundation
Granary Foundation
The Schmidt Family Foundation
Ben & Jerry’s Foundation
Conservation Breeding Specialist Group
Santa Fe Art Institute
New Progressive Alliance
Council of Canadians
Santa Clara Valley Water District
Students’ Society of McGill University (pdf)