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President Naylor

The way in which the University of Toronto invests its endowment and pension funds is both a reflection of the values of the university and an expression of how it envisions the future. At this time, the university is heavily invested in fossil fuel companies. That choice is at odds with the values of the university, given the importance of preventing dangerous climate change. Under the university's divestment policy, it is clear that fossil fuel companies are causing social harm, and that this harm cannot be remedied through shareholder activism, the university's preferred non-divestment option for dealing with problematic companies. That choice is also a bet about the future of energy and the structure of the world econ-

omy. If that bet is right — and fossil fuel companies will be able to realize the value to be derived from burning their reserves of coal, oil, and gas — the possibility of preventing dangerous climate change will be closed off. Through its current investments the university is betting on a future where nothing is done about climate change and severe consequences result. It would be both prudent and ethical to change that bet and redirect the university's portfolio away from companies that use the atmosphere as a free dumping ground for their carbon pollution and whose short-term profits are dwarfed by the planet-altering consequences of burning these fuels.

The signatories of the attached petition call on the university to sell its stock in Shell, as a first step toward the emergence of an investment portfolio that will help with the emergence of a sustainable global economy. Shell has already begun exploring to drill for oil in the arctic: taking advantage of the climate change that has already happened in order to cause still-more climate change. The world is now presented with a choice between re-investing in fossil fuels as our dominant source of energy — with all the climatic dangers and other harms implied by that choice — and choosing to invest in low- and zero-carbon forms of energy that can serve as a basis for human prosperity indefinitely.

The university's current portfolio also leaves it exposed to major risks in the event that the world finally gets serious about climate change. The

value of companies like Shell is based on the assumption that they will be able to dig up and sell their fossil fuel reserves. If the world moves to restrict the currently unlimited right to release greenhouse gas pollution, the assumption that forms the basis for this value will be undermined. Given the degree to which Canada's stock market is invested in the fossil fuel sector generally, the university faces a large degree of indirect risk from climate regulation. By reducing holdings in particular fossil fuel stocks, the university can begin to control that risk.

As a doctor, you are surely aware of the human dangers that accompany our rapidly-changing climate, as well as the way in which their magnitude will surely increase as the pace of change continues to increase. The impact of climate change on human health is no longer a contested issue, with major national and international organizations like the World Health Organization (WHO), Health Canada, the Centre for Disease Control and Prevention (CDC), and others recognizing both its existing impacts and its ongoing risks. The WHO asserts that "climate change is negatively affecting the health of populations around the world" and acknowledges the increasingly damaging impact of an ever-warmer climate on numerous social and environmental health determinants, including clean air, water, food and shelter" (WHO, *Climate change and human health*, 2013). The negative effects of climate change on human health can be traced back almost forty years. For example, a 2009 WHO report entitled *Global health risks: Mortality and Burden of Disease Attributable to Selected Major Risks* found that the

modest increase in global temperature between 1970–2004 was the cause of over 140,000 deaths per year. A more recent study commissioned by 20 governments around the world estimates that this number has grown to approximately 400,000 climate-related deaths per year, with 100,000 million people at risk of death by the end of the century (Climate Vulnerability Monitor, 2012). It is generally accepted that the greatest impacts of ongoing climate change will be felt by people in low-income countries, as regions with weak health or governmental infrastructure will not have the capacity to respond to consequences of climate change appropriately. Children will be particularly hard hit, along with the elderly, people with illnesses or infirmities, and people with pre-existing medical conditions. As the WHO report details, a number of the fatal diseases already affecting these populations, such as diarrhea and other digestive ailments, malnutrition, and malaria, are “highly climate-sensitive and are expected to worsen as the climate changes”. This uneven distribution of the negative affects of climate change, identified here on a global scale, are reflected on a national scale as well. For example, Health Canada’s recently published national assessment *From Impacts to Adaptation: Canada in a Changing Climate 2007* reports that, while most of Canada has a high “adaptive capacity” to mitigate the impacts of climate change, “resource-dependent and Aboriginal communities are particularly vulnerable to climate changes”. Moreover, the study states that the “vulnerability” to climate change risk is “magnified in the Arctic”. Most certainly, a significant dimension of

this vulnerability is the health and well-being of the populations that live in these regions. With temperatures rising at even faster rates in recent years, the adverse affects of climate change on human health in Canada and around the world will only worsen. In addition to direct consequences on human health, climate change will result in increased costs associated with health care and services on a global scale. The WHO estimates that by 2030, the direct damage costs of climate change to human health will be US\$ 2–4 billion a year. As a root cause of these many of these dangers to human health, climate change must be addressed directly and immediately in order to mitigate their impact. This argument is supported by the WHO, which states that “reducing emissions of greenhouse gases through better transport, food and energy-use choices can result in improved health” and can help to reduce the damaging affects of an increasingly warm climate on the world’s most vulnerable populations, including those living within our very own borders.

By choosing to divest from fossil fuels, the University of Toronto will be reducing its contribution to these and other negative impacts of a rapidly-changing climate. The university will be appropriately applying its divestment policy, and protecting itself against the risk that fossil fuel stocks will lose value as a result of future climate change regulation. Toronto350.org, the signers of our petition, and the endorsers of this campaign call on the university to follow the lead of schools including [LIST OF SCHOOLS THAT HAVE DIVESTED] and divest.

Specifically, we call on the university to:

- Make an immediate statement of principle, expressing its intention to divest its holdings in fossil fuel companies within five years
- Immediately stop making new investments in the industry
- Instruct its investment managers to wind down the university's existing holdings in the fossil fuel industry over five years
- Divest from Royal Dutch Shell by the end of 2013.

Thank you for your consideration,

Milan Ilnyckyj

Toronto 350.org

[Prominent endorsements]

cc: APPROPRIATE CARBON COPIES