

Striving for Sustainability at CWU by Divesting from Fossil Fuels

Aulin Walker

Introduction

Climate change is happening at a record pace due to human activities. The biggest contributor is the use of fossil fuels. Fossil fuels account for over 75% of global greenhouse gas emissions, and almost 90% of carbon dioxide emissions. People and corporations invest money into these fossil fuel companies, with a hope for them to succeed to receive interest or dividends. Withdrawing those investments reduces financial support of the fossil fuel companies and can encourage a move to renewables. Fossil fuel divestment movements exist at a large number of universities, and many universities have already divested from fossil fuels. This project aims to get CWU to divest from fossil fuels, and to increase investment transparency.

Background Research

- CWU has a Climate Change Action Plan to become a zero-carbon campus no later than 2050. Our investments should reflect that pledge as well. Current CWU investments include multiple fossil fuel related companies, such as Chevron, British Petroleum, and Berkshire Hathaway.
- Through CWU's Accounting Office website, I accessed the publicized bank records, and compiled a list of companies connected to fossil fuels.
- On the AASHE STARS rating website, I accessed CWU's Sustainable Investment (PA-10) rating, which was 0.96/3.00. They also had details about fund amounts and policies.
- Research shows that divesting from fossil fuels will not negatively impact CWU's portfolio.
- The CWU Foundation Fund has \$53,489,304, and the CWU Endowment Fund has \$7,402,580.

Process

- I met with Toni Sipic, who has been pushing for investment transparency for seven years and asked him for advice on the campaign. He shared his research, including the findings that divestment won't negatively impact the portfolio.
- I created a petition to gather support from students, faculty, and staff for fossil fuel divestment, with a physical and digital version.
- I promoted the petition at the Sustainability Earth Day tabling event, the Sustainability Forum, posters, social media, the Central Today emails, I brought it to my classes, and classmates offered to bring it to theirs.

Currently CWU does not have a publicly available investment policy with negative screens, which would eliminate socially irresponsible companies (weapons, tobacco, child labor) from CWU's investments. Research indicates that negative screens will not negatively impact CWU's investment portfolio.

The CWU Foundation Sustainable Investment Policy is only applied upon a donor's request then managed accordingly.

CWU Endowment Investment Disclosure: Companies in the Fossil Fuel Industry

- British Petroleum
- Berkshire Hathaway
- Chevron
- Caterpillar
- Canadian Natural Resources
- Enbridge
- TC Energy
- Emerson Electric

There are also many other companies with subsidiaries that are in the fossil fuel industry.

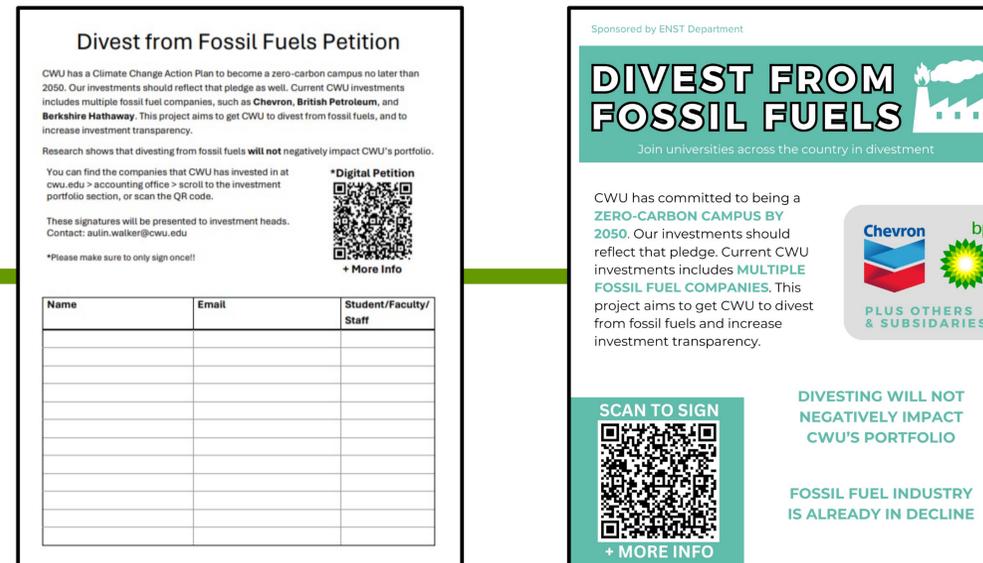


Figure 1. Physical petition (left), Flyer (right)



Figure 2. British Petroleum logo (top), Chevron logo (bottom)

Summary

The signatures will be presented to the CWU Foundation and VP of Business and Financial Affairs, Joel Klucking. The increased support and visibility from the CWU community show the motivation for CWU to be divested from fossil fuels. CWU's Climate Action Plan has recently been finalized, with the general goal of being a zero-carbon campus by 2050. Regarding sustainable investments, the objective is to diversify CWU's financial portfolio and integrate ESG factors into the investment strategy by increasing collaboration between stakeholders and facilitating ESG reporting. With these standards, divestment from fossil fuels would be in line with CWU's Climate Action Plan.

This Project Supports the Following UN Sustainable Development Goals:



Acknowledgements

Toni Sipic, Susan Kaspari, ENST 480 classmates

References

- <https://www.cwu.edu/about/sustainability/sustainability-cwu/index.php>
- <https://www.cwu.edu/about/offices/finance-administration/cwu-accounting-office.php>
- <https://reports.aashe.org/institutions/central-washington-university-wa/report/2022-07-16/PA/investment-finance/PA-10/>