St Hilda's College Investment Policy

Upon the recommendation of the College's Investment Committee, the Governing Body of St Hilda's has recently approved a change in the College's investment policy, aimed at ensuring that the companies in which it (indirectly) invests are supportive of the 2015 Paris Agreement to limit global temperature increases to well below 2°C, and are also fully cognisant of the impacts on their businesses of the associated carbon emissions reduction targets. This decision was reached only after extensive consultation and discussion with interested parties.

Progress towards these targets will have major impacts not only on fossil-fuel exploration and production companies, but also on primary users of these fuels, such as power generation and distribution, transportation, and others. These impacts will inevitably include the potential for reduced financial returns to investors and so the College has not only a moral interest but also a fiduciary interest in encouraging these companies to recognise the critical importance for society of the emissions targets and the need for realistic plans to meet them and to address the consequences for their businesses.

This change in policy has resulted in the redirection of the College's long-term investment funds into units in the Climate Active Endowment Fund managed by Sarasin & Partners. This fund is characterised by its policy of active engagement guided by an independent expert Advisory Panel and informed by the *Oxford Martin Principles for Climate-Conscious Investment*. These principles provide a framework for engagement with targeted firms and for disinvestment after reasonable engagement efforts have been made and responses found wanting. The College believes that this active ownership approach will ensure it is doing what it can to support the aims of the Paris Agreement while at the same time protecting the College's long-term financial interests.