

Molli Cleaver
RUSU President
By email

01 October 2019

Dear Molli,

FOSSIL FUEL DIVESTMENT

Thank you for your recent letter regarding fossil fuel divestment. As you know I am personally committed to working towards the University of Reading becoming the greenest university in the country. We continue to highlight our strengths in environmental research and it was clear from the support for the recent climate strike that this is important to our whole university community.

I recognise that an area where the University faces criticism is in its continued investment portfolio which includes holdings in fossil fuels. As you know, in April 2016, following a campaign by the RUSU sabbatical team and students, the University committed to partial divestment from the worst polluting fossil fuels and adopting responsible investment practices. I set out further below our plans to build on this commitment.

I also recognise that progressing this has taken longer than we would like. Following the frustrations we have experienced in identifying a suitable investment fund, in August the University began the process of tendering to find a new fund manager that can deliver our commitment to be a responsible investor. This is a major step towards making good on our wish to align our investments with our world-leading research into the environment and our sustainable credentials.

We have received over 20 bids from organisations interested in working with us. We will be shortlisting five candidates who will be interviewed in November 2019 before the successful candidate is appointed by Investments Committee. We have included in the bid process a stand-alone section on sustainable and responsible investment, and have attached a significant weighting to that section (20% of the total marks available). This means that the shortlist will only contain potential fund managers that have a proven approach to this issue.

The five shortlisted candidates will also be asked as part of the final interview to demonstrate in detail how they would fulfil the University's ethical criteria. These specifically include the University's aim to reduce its carbon impact but also require them to demonstrate an awareness of human rights issues, equal opportunities, public health and safety and good company governance. One of the first acts expected of the successful investment manager will be to further reduce the University's direct and indirect investment in fossil fuels.

We would very much welcome RUSU's input into the process, and would like to extend an invitation for you to work with us to help select the right fund manager for the future. The interviews for the shortlist of fund managers is on 21st November.

If this is something you would like to contribute to, please let my office know at vc@reading.ac.uk and we can provide further details.

Kind regards.

A handwritten signature in black ink, appearing to read 'R. Van de Noort', with a large, stylized flourish above the name.

Professor Robert Van de Noort, Vice-Chancellor