

## Statement Regarding Trustees' Position on Divestment

Sue Ellen Lovejoy, President, Trustees for the Diocese

Archbishop Desmond Tutu calls climate change the next great overriding moral issue on the planet's agenda. Bishop Fisher, in his Bishop's Blog of January 26<sup>th</sup> 2013, reminds us of this moral imperative in referencing how superstorm Sandy's devastation coupled with major weather events throughout the world has shown us definitively that climate change is upon us. He charges us to act now – to face together this huge challenge.

The Trustees of this Diocese are listening. We recognize the importance of protecting the world that God has given us and the unique opportunity the Trustees have to make help make that happen. More specifically, in our role as responsible stewards of the Diocesan funds we are responding to the December 2012 resolution submitted for United Church of Christ General Synod 29 by the Massachusetts Conference UCC urging divestment from fossil fuel companies.

First, we are educating ourselves. With Bishop Fisher, Financial Officer Steve Abdow, and Executive Director of the Trustees Mick Kalber, we are engaged in conversation around the issue of divestment.

We have invited Malcolm Bliss, founder of Boston Climate Research, and Dr. Ray Bradley, director of the Climate System Research Center at U Mass Amherst, two important voices regarding the wisdom of divestment, as speakers for our May Trustees meeting. We have sought the knowledge of analysts in Mercer's Responsible Investing In The US component, and reached out to fund managers of Socially Responsible investments to learn about their current exposure to fossil fuels, screens, returns, fees, etc. We are also asking the questions: is divestment from fossil fuels the only/best solution for our investment portfolio? Is it an effective strategy for us? Are there alternative measures that we can take?

We must start with questions. Charged with this fact-finding process will be a Trustees Task Force comprised of members of the Trustees. Some, but not all, of their considerations in this process follow:

- Analyzing our current investment policy in terms of current fossil fuel exposure
- Understanding the effectiveness/ineffectiveness of a divestment strategy
- Learning about other climate control steps that do not involve divestment
- Researching whether alternative investments with fossil fuel exposure as a screen currently exist
- If so, what are their fees/performance?
- What would be the cost to transition from our current portfolio into a new investment strategy?
- How developed are desirable models/investments?

The Trustees commit to a measured, intelligent approach based on fact, documentation, and reason. Whatever the outcome of our exploration, we commit to fulfilling our fiduciary responsibility to this Diocese. We will issue regular reports as to our progress and we invite any suggestions that you may contribute.

Our Bishop calls us to be not on the fringes of society but in its midst. That is where the Trustees for the Diocese are and will continue to be in our ongoing exploration of this issue.