The Honorable Gretchen Whitmer Governor of Michigan P.O. Box 30013 Lansing, Michigan 48909

Dear Governor Whitmer,

Thank you for your leadership on climate change and your commitment to making this a priority for the state of Michigan. We recognize the early steps you have taken as Governor to advance action on this issue, in particular, entering Michigan in the U.S. Climate Alliance and forming the new Office for Climate and Energy within the Department of Environment, Great Lakes, and Energy. In order for the state of Michigan to make progress on this crucial issue, it is essential to have leadership and partnership from all institutional levels, including from our state's world class universities. As students and community members of the University of Michigan, the second largest employer in our state, we are writing you with concerns about climate change policy at our university.

As you likely know, fossil fuel corporations have known about climate change for the past <u>four decades</u>, yet they continue to profit off of fossil fuel extraction, undermine policies to address the climate crisis at all levels of government, and actively fund disinformation campaigns to muddle public understanding. The University of Michigan has a <u>\$12 billion endowment</u>, in which it is estimated that \$1 billion is invested in fossil fuel companies. This includes fossil fuel extraction and exploration firms, and companies that service fossil fuel infrastructure. Much of this is invested directly as <u>private equity in these firms</u>, where managers take "direct ownership positions [...] with the intent of actively enhancing the value through higher growth and/or increased profitability." In other words, U-M is directly financing the *expansion* of fossil fuel extraction and their campaigns to stall global action.

Many other Universities (<u>nearly 50 in the US</u>) have divested their endowments from fossil fuels or have, at minimum, frozen their fossil fuel investments. Yet, far from slowing down, the University of Michigan is actively <u>expanding its direct equity</u> investments in fossil fuel corporations and has invested an additional \$173 million in the last six months alone. This is antithetical to carbon neutrality and is directly opposed to the urgent decarbonization timeline that the <u>IPCC 2018 report</u> recommends for society to avoid the most disastrous effects of climate change.

Despite his recent <u>carbon neutrality pledge</u>, President Schlissel has <u>categorically declined</u> <u>divestment</u> and has rejected attempts to even explore this issue at U-M, despite widespread student and <u>faculty support</u>. In fact, he has told his recently-instituted President's Commission on Carbon Neutrality that it is not within their purview to discuss the U-M endowment. However, U-M does have a history of divesting from uniquely immoral business ventures, such as companies involved in South African apartheid and Big Tobacco. <u>President Schlissel has stated</u> that divestment occurred in those instances because those corporations were "inextricably linked to immoral and unethical actions and ideologies." Yet he has refused to accept that fossil fuel companies fall into that same category despite the fact that "climate change that will have <u>adverse</u>, <u>disproportionate and irreversible effects</u> on billions of people" and fossil fuel companies fund massive campaigns of <u>climate denialism</u>, despite having been aware of these threats for decades.

Christiana Figueres, the architect of the Paris climate accord, and Bill McKibben, the famed environmental author and activist, were the last two Wege Lecture speakers at the University of Michigan. This lecture is our flagship environmental lecture organized by the School for Environment and Sustainability. During their visits, both of them individually urged the University of Michigan to divest its endowment from fossil fuel holdings, highlighting the importance of divestment in drawing attention to climate change and reducing the capital available to oil companies. Together they have written a new article explaining why they will no longer accept honorary degrees from, nor speak at, universities that have not divested from fossil fuel:

The Chronicle of Higher Education Article by Figueres and McKibben

We are aware that U-M has plans to give you an honorary degree at this year's graduation and we know that you recognize the supreme importance of acting swiftly and strongly to combat climate change. We are writing to ask: Based on the merits of Figueres and McKibben's arguments above, if you would be willing to decline this degree and/or to make a statement during your commencement address calling for U-M to divest from fossil fuels? One possible way this could be done is by asking the University to include divestment as part of the purview of the recently formed carbon neutrality commission, mentioned above. A public statement from your administration on fossil fuel divestment at U-M could potentially be very effective in helping to raise public awareness of this crucial issue. Ideally this would help pressure the University of Michigan, the second largest employer in our state, to take more significant action on this critical issue.

Thank you very much,



The Climate Action Movement at U-M

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