



Dear Joseph E. Aoun, and Board of Trustees,

Last spring, members of the Husky Environmental Action Team (HEAT) wrote to President Aoun regarding concerns about Northeastern's endowment as it relates to investments in the fossil fuel industry. The members of HEAT would like to thank you for Mr. Armini's response and the time members of the administration took to speak with them at the State of the University event this past October.

We take great pride in Northeastern's commitment to sustainability. Institutions of higher learning have a duty to serve as role models of ethical behavior and demonstrate leadership in both moral thought and action. Indeed, Northeastern's leadership in environmental initiatives is a reason why many students decide to come to Northeastern. We must fulfill the obligation that institutions of higher learning have to the global community: to encourage students to take on global issues, to pursue sustainability on all levels, and to serve as a model for society.

An increasing number of people are coming to view investments in the fossil fuel industry as an endorsement of unsustainable behaviors that intensify global climate change. Since our last correspondence, concerns about climate change – and the financial transactions that exacerbate it – have continued to grow. To date, nine colleges and universities, 24 municipalities, and 20 religious establishments have pledged to withdraw their investments in fossil fuel industries¹. Several state governments, including Massachusetts', are currently considering legislation to divest state pension funds. These institutions believe that they cannot truly meet their ethical obligations while holding these financial positions. Many members of the Northeastern community support such action by the University, as demonstrated by the 500 student signatures to the enclosed petition.

We believe fossil fuel divestment is not only a moral imperative but a financially sound decision as well. Indeed, some of the world's largest investors are beginning to question the continual development of conventional fuels. Investment data provider MSCI Inc. named reducing fossil fuel exposure the number one "trend to watch" in 2014², and Goldman Sachs recently dropped financial support of a \$660 million coal terminal in Washington³.

Nonetheless, we are keenly aware of the difficulties and concerns that stem from the exclusion of specific investment opportunities, and we recognize that fiduciaries have little desire or ability to compromise returns or defy donor intent. We also recognize, however, that forward-thinking investors have long employed various strategies to integrate concerns such as ours into the investment process.

We seek to open up a dialogue with members of the administration to discuss how Northeastern incorporates issues such as climate change into its investment strategy. As carbon dioxide levels continue to rise, so too will the risks to both the environment and the economy⁴.

Thank you for taking the time to read this letter. We look forward to hearing from you soon.

Sincerely,

Mara Scallon, president of HEAT
On Behalf of the Members of the Husky Environmental Action Team
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¹ <http://gofossilfree.org/commitments/>

² http://www.msci.com/resources/factsheets/MSCI_ESG_Research_2014_ESG_Trends_to_Watch.pdf#

³ <http://blog.seattlepi.com/seattlepolitics/2014/01/08/goldman-sachs-bails-out-on-coal-port-builder/>

⁴ http://www.huffingtonpost.com/bevis-longstreth/the-financial-case-for-di_b_4203910.html