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INTRODUCTION

The objective of the “Intentionally Designed Endowment” stakeholder engagement event, hosted in partnership by Second Nature and Hampshire College on April 3-4, 2014, in Cambridge, Massachusetts, is to begin a conversation among educational institutions and foundations about aligning their investments with their missions.

This document is a primer to provide:

1. Strategic questions and considerations for participants to consider ahead of time.
2. Background and overview of integrating sustainability factors for investment returns and/or a healthy, just, and sustainable society.
3. The status and trends in sustainability investing for college and university endowments.
4. A brainstorming list of possible initiatives or follow-through activities that may emerge from this initial conversation.
5. A sampling of reports, resources, and organizations pertaining to sustainability investing.

We hope this information will spark questions and new ideas, while helping participants prepare to engage in a productive dialogue at the event. It is not intended to be a comprehensive overview of responsible investment policies and programs in higher education or other sectors.
STRATEGIC QUESTIONS AND CONSIDERATIONS

Higher education plays a critical role in preparing for the future, teaching the individuals who will lead and manage society’s institutions. Society depends on higher education to provide knowledge, solve problems, anticipate future challenges, and model the behaviors in which society must engage to evolve in a positive direction.

Higher education has made significant progress on addressing broad scale climate and sustainability challenges in educational programs and campus operations over the last two decades. However, few have considered the impact of the $450 billion in endowment funds of the nation’s higher education institutions on these objectives. Now, many higher education institutions and foundations are grappling with the question of whether and how to align institutional investments with their missions. For most institutions this is uncharted territory.

The following questions and considerations reflect the main themes of the upcoming “Intentionally Designed Endowment” event. They are guided by participants’ responses to questions circulated in advance:

**Institutional Mission and Values**
- What is the relationship between an institution’s mission and values and its investment activities? What should it be?
- What kind of impact can sustainable investment strategies have in terms of improving society?

**Fiduciary Responsibility, Costs and Benefits, and Risk Management**
- What are the ways to ensure that sustainability investment policies are consistent with fiduciary responsibility?
- Is there any conflict between aligning investment policies with institutional mission and fiduciary responsibility? If so, what are its dimensions? Can the conflict be resolved to allow alignment?
- What does experience indicate about the potential costs and benefits of sustainable investing?
• How should institutions factor environmental, social, and governance (ESG) criteria into decision-making and investment policies?
• Given the state of knowledge about material risks that ESG analysis can reveal, what are a fiduciary body’s investment responsibilities?

**Investment Industry Norms**
• What strategies and products are available to institutional investors who want to invest more responsibly to benefit society while also achieving competitive returns?
• Given that the universe of comingled funds with strong track records and ESG credentials is relatively small, how can this group ensure that there are many more options for institutional investors that are not in conflict with institutional values?
• How can this group effect an industry-wide shift so that ESG analysis and sustainable investing become the norm? What should we be asking of our investment consultants and asset managers in this regard?

**Leading Institutional Change**
• What beliefs and views might be motivating or impeding change in institutional investment practices?
• How might institutional leaders most effectively facilitate a constructive conversation and decision-making process on this topic among their stakeholders?

**Leading Societal Change**
• What are higher education, the philanthropic community, and the financial sector doing today to advance sustainability investing and the creation of a sustainable economy? What can they do in the future?
• How can these institutions work together to increase understanding of society’s sustainability challenges and investment strategies that recognize associated risks and opportunities?
• Can collective action make sustainability investing the norm?
• How do institutions align their missions with their investment portfolios across asset classes? What role does stakeholder engagement play?
Religious groups and some other organizations have explicitly embedded their values into investment decisions for centuries. In recent decades, some colleges, universities, and private foundations have been involved in investment practices related to environmental, social, and governance issues, such as divestment from South Africa and Sudan, and actions related to tobacco and gambling investments.

More recently, campaigns have called on endowments, private foundations, municipal governments, and other institutional investors to divest from fossil fuel companies. These campaigns have sparked widespread debate, specifically on what divestment means and has accomplished, and generally about the concepts of responsible investment.

Definitions of Terms

The evolution of investment practices related to social responsibility and sustainability has led to considerable confusion regarding terminology. Various approaches under umbrella terms like “responsible,” “ethical,” or “sustainability” investing have evolved over the past four decades.

Investment Approaches

Socially Responsible Investing (SRI) can use both positive and negative investment criteria to align investments with an individual’s or institution’s mission or values.

Environmental, Social, and Governance Investing (ESG) aims to create a more complete picture of potential investment risks and opportunities by factoring environmental, social, and governance factors into investment decisions to achieve alignment with an individual’s or institution’s mission or values.
*Investment Strategies*

**Impact investing** involves investing in projects or companies (often not publicly traded) with the purpose of generating positive social or environmental change (e.g., clean technology private equity funds).

**Negative screening** is the strategy of excluding companies, industries, or countries that the investor considers irresponsible from an investment portfolio (e.g., avoiding investing in gambling, alcohol, or tobacco companies).

**Divestment** – or selling an asset – refers to selling holdings in a company or sector for ethical or political reasons in order to reduce risk, to avoid being complicit, or to make a statement (e.g., divesting from fossil fuel companies).

**Positive screening** is a strategy that involves investing in companies that meet certain ESG criteria as determined by the investor, often looking to find “best-in-class” companies within a sector (e.g., identifying the most energy-efficient or least carbon-intensive companies in a sector).

**Shareholder engagement or advocacy** is a tactic of using ownership in a company to improve its social responsibility practices by voting at shareholder meetings (or by proxy), filing shareholder resolutions, and/or establishing ongoing dialogues with companies (e.g., filing a resolution calling for a company to create a governance policy to ensure gender and ethnic balance among Board members and executives).

These terms are often interrelated. For example, an SRI investor could engage in impact investing, factor ESG criteria into decision-making, and use a combination of negative and positive screens and engagement strategies.

Many investors who are unfamiliar with the field equate terms like socially responsible investing, ethical investing, impact investing, environmental, social, and governance investing, responsible investing (RI), and sustainability investing (SI). Many associate SRI with “negative screens” – the practice of excluding certain investments for normative reasons, thus limiting the investment universe – even though negative
screening is but one strategy employed by some socially responsible investors. This conflation of terms and misunderstanding of what they mean has caused many mainstream investors to write off approaches to responsible investing without fully understanding them.

*We will use the terms SRI, RI, and SI interchangeably to mean aligning investment practices with institutional mission and values, regardless of the strategies used to do so.*

**Brief History**

The modern concept of SRI emerged in the 1960s and 1970s. Shareholder activism stemming from the civil rights, anti-war, and environmental movements of the 1960s put pressure on companies, driving them to respond with corporate social responsibility (CSR) initiatives. The 1970s saw the emergence of the first socially screened mutual funds.

Throughout the 1980s, key issues and events accelerated the growth of SRI practices, such as:

- Apartheid in South Africa
- Bhopal (1984 gas leak at the Union Carbine pesticide plant in Bhopal, India)
- Chernobyl (1986 nuclear accident at the Chernobyl Nuclear Power Plant in Ukraine, then a part of the Soviet Union)
- Valdez (1989 Exxon Valdez oil spill in Alaska)

Through the 1990s and 2000s, as the sustainability movement grew and matured, so too did the sustainable investment field. With increasing sophistication, investors have integrated social and environmental issues – from climate change, deforestation, and toxic waste to indigenous peoples’ rights, labor practices, and gun control – into investment criteria. There has been an increase in institutional acceptance of the relevance of ESG factors in decision-making.
In 2002, 35 institutional investors requested greenhouse gas data from the FT500 Global Index companies, launching the Carbon Disclosure Project (CDP). CDP, now backed by more than 767 institutional investors representing over $92 trillion in assets, solicits reports from thousands of companies on issues related to climate change, water, supply chains, and forest risk.

In 2003, Ceres launched the Investor Network on Climate Risk (INCR), advancing the notion that climate change is a financial risk. INCR now consists of a network of more than 100 institutional investors representing more than $12 trillion in assets. Its mission is to mobilize investor leaders to address climate and other key sustainability risks, while building low-carbon investment opportunities. In 2014, Ceres released the “Clean Trillion” report calling for an average of $1 trillion in increases in annual clean energy investments over business-as-usual projections – which is the amount needed to have an 80% chance of limiting global temperature increases to 2°C.

The United Nations Principles for Responsible Investing (PRI) were launched in April 2006 and have since garnered 1,232 signatories representing assets under management of $34 trillion (as of April 2013). Signatories commit to six principles related to factoring ESG issues into their own decision-making and throughout the investment industry.

In 2012, a coalition launched a campaign calling for endowments (and other institutional investors) to “immediately freeze any new investment in fossil fuel companies, and divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds within 5 years.”

This campaign focuses on the top 200 coal, oil, and gas companies, as measured by their reserves. It is based on the premise that to avoid an increase in global average temperatures of more than 2°C, humanity cannot release more than 565 gigatons of carbon dioxide before 2050, which is about 20% of the carbon potential in known fossil fuel reserves (2,795 gigatons) – in other words, rendering 80% of known reserves.

1 The Financial Times Global 500 is an annual listing of the world’s 500 largest companies, measured by market capitalization (share price multiplied by number of shares issued)
2 https://www.cdp.net
3 http://www.ceres.org
4 http://www.unpri.org
5 350.org; As You Sow; Better Future Project; California Student Sustainability Coalition; Energy Action Coalition; Responsible Endowments Coalition; Sierra Student Coalition; Campus Student Groups
“unburnable.” Currently, financial analysts treat these reserves as assets in the valuations of the entities that control them. If 80% cannot be burned without catastrophic risks to society and therefore to institutions and individuals, current valuations of fossil fuel companies may be grossly inaccurate.

There are student-led fossil-fuel divestment campaigns on hundreds of campuses in the United States and abroad. The net impact of divestment on stock prices and companies’ capitalization is unclear and likely negligible; only a portion of endowment investments are in public markets, and only a portion of those are in fossil fuel companies. In general, proponents of divestment recognize that highly profitable fossil fuel companies are unlikely to stop extracting fossil fuels as a result of divestment. They contend that drawing attention to this issue will highlight the moral implications as well as the financial, social, and environmental risks of investments in fossil fuel companies. By bringing into question the social license of fossil fuel companies, this strategy aims to build support for other interventions that will limit greenhouse gas emissions, such as regulation, legislation, and voluntary commitments.

Market Size and Growth

The growth of the sustainable investment field has been strong. The US SIF “2012 Report on Sustainable and Responsible Investing Trends in the United States” found that the total assets at institutions applying various ESG criteria and/or filing or co-filing shareholder resolutions on ESG issues was $3.74 trillion. This represents a 22 percent increase from year-end 2009, and a 486 percent increase since 1995. Eighty-two money managers with $4.9 trillion in assets under management reported that they pursue dialogue with portfolio companies, up from the 54 managers with $3.8 trillion in assets at year-end 2009.6

Bloomberg reports that the number of its customers using ESG data has grown nearly 50 percent per year since 2009.7

6 US SIF, 2012
7 http://www.bloomberg.com/bsustainable/#customers-popup
Performance

Sustainability investing can take many forms and, like any investment strategy, some will be better at implementation than others. Therefore, it is essentially impossible to make broad generalizations about the performance of sustainability investing, in the same way it is not possible to make definitive statements on whether equity investing or fixed income investing “outperform.” It depends on many factors.

There is, however, increasing evidence that sustainability investing strategies can demonstrate strong performance, and do not require sacrificing returns.

A recent report from DB Climate Change Advisors found that 89 percent of research studies showed that companies with high ESG ratings exhibit market-based outperformance compared to industry peers.\(^8\) Another 2012 report on an 18-year study (1993-2011) showed that 90 companies with strong sustainability policies outperformed a similar group of 90 companies with low sustainability standards, with a 4.8 percent higher annual above-market average return.\(^9\) A 2010 report demonstrated how a portfolio of 151 SRI funds outperformed the MSCI World Index between 2002 and 2009.\(^10\)

For details and links to these reports and related information, please see the “Financial Performance” section of “Selected Reports and Resources,” below.

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\(^8\) DB Climate Change Advisors, 2012  
\(^9\) Eccles, Ioannis, and Serafeim, 2012  
\(^10\) Weber, Mansfield, and Schirrmann, 2010
College and university endowments in the United States have approximately $450 billion under management. In 2012, 149 out of 831 of respondents (18 percent) to the NACUBO-Commonfund Study of Endowments applied some sort of ESG criteria to portfolio holdings. Seventy-one percent did not apply ESG criteria, while 11 percent had no answer or were uncertain.

Climate criteria illuminate investment risks while suggesting investment opportunities. Although climate change is only one aspect of ESG investing considerations, there has been a surge in attention paid to the topic over the past two years. A recent report, “Climate Change: Investment Risks and Opportunities for Higher Education,” published by Second Nature, identified three basic risk categories that climate change presents to investors:

1. **Physical risks** (climate change impacts such as storm intensity, extreme temperatures, and sea-level rise can disrupt activities and the profitability of investments).

2. **Regulatory and legal risks** (new laws aimed at reducing greenhouse gas emissions, such as carbon pricing schemes, can impact investments).

3. **Competitive and reputational risks** (some goods and services may see changes in demand as climate changes and, as the public’s understanding of climate change improves, companies’ positioning on the issue will have implications for their brand).

The report lays out four steps for fiduciary boards to utilize in addressing climate risks and opportunities:

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11[https://www.commonfund.org/InvestorResources/Publications/White%20Papers/Whitepaper_SRI%20to%20ESG%202013%200901.pdf](https://www.commonfund.org/InvestorResources/Publications/White%20Papers/Whitepaper_SRI%20to%20ESG%202013%200901.pdf)

1. Assessing the risks climate change poses to individual investments and the portfolio as a whole, and clarifying governance structures for who is responsible for considering climate risk and developing policy statements.

2. Changing investment practices to reduce risks and take advantage of opportunities associated with climate change. Actions include engaging with companies on key issues, reducing energy consumption in real estate portfolios, and investing in strong performers in the clean technology space.

3. Engaging with and learning from other investors, by sharing best practices and participating in national and international networks (such as the Investor Network on Climate Risk) that can leverage collective action for systemic change.

4. Engaging in public policy issues by supporting efforts to improve corporate disclosure of climate risks and to enact legislation to reduce economy-wide climate risk.

College and university endowments have increased their focus on sustainability investing over the past two years, in large part as a result of student campaigns calling for fossil fuel divestment (described above).

**Examples of Endowment Approaches on Moving toward ESG Investing**


At Harvard University, a 2012 student referendum calling for divestment passed with 72 percent of the vote. In 2013, Harvard hired its first Vice President for Sustainable Investing, responsible for researching and understanding ESG issues related to the endowment, and established a Social Alternative Fund. In October 2013, President Drew Faust released a letter outlining Harvard’s rationale for not divesting from fossil fuel companies: [www.harvard.edu/president/fossil-fuels](http://www.harvard.edu/president/fossil-fuels)
Middlebury College underwent a formal process exploring divestment during the 2012-2013 academic year, and concluded there were too many unanswered questions to support divestment at that time, but that it would “increase significantly the amount of endowment directed toward ESG investments,” according to an August 2013 statement from President Ronald Liebowitz: 
www.middlebury.edu/about/president/divestment

Unity College trustees voted on November 5, 2012 to divest the college’s $10 million endowment from fossil fuels: www.unity.edu/unity-focus/president-stephen-mulkey-announces-unity-college-s-fossil-fuel-divestment

The Responsible Endowments Coalition has a suite of free resources, guides, and case studies online relating to various aspects of sustainability investing for college and university endowments: http://www.endowmentethics.org/committees_resources
POSSIBLE OPTIONS FOR COLLABORATIVE ESG INITIATIVES AMONG ENDOWED INSTITUTIONS

Higher education must play a key leadership role if we are to create a sustainable society. Engaging capital markets is an important part of this leadership. Below are some possible ways to support all of higher education in aligning endowment investments with institutional values. They assume a coordinated effort among a variety of institutions from the higher education, non-profit, government, and private sectors.

Catalyzing Broader Understanding of ESG Investing

Research and Communication on how ESG Investing Relates to Higher Education Leadership
Analyze how sustainability investing is part of a holistic approach to education, research, operational practice, and community outreach to demonstrate sustainability and prepare future graduates for success.

Research and Communication on the Impact of Endowment Investments
Conduct research on how college and university endowments are handling ESG issues. Partner with research groups (academic and/or consultants) to measure the carbon footprint and ecological footprint of endowment portfolios, and articulate the data in effective ways to inform college and university presidents, chief financial officers, Board investment committee members, endowment officers, students, and alumni.

Learning and Leadership Conversations at Multiple Levels
Convene small, intimate gatherings with key administrators, trustees, and investment managers and advisors from three to five endowed institutions. Hold one-day events with facilitated conversations on the basics of ESG theory, the state of the field, and compelling questions for groups to explore and share expertise. Hold regional and national gatherings such as this initial conference.
Engagement of Higher Education Associations

Engage with national and regional presidential associations, AGB, NACUBO, and other higher education organizations on ESG discussions and educational efforts. Leverage several vehicles for engagement, e.g., sessions at regional and national meetings, webinars, white papers, articles in publications, and specialty workshops.

Engagement of Private Sector and Academic Departments around Endowment Investing

Connect companies with business and economics students to explore how investors influence corporate actions, and how corporate sustainability reporting affects investment decision-making. Facilitate visits by corporate sustainability and investor relations professionals to campuses to discuss reporting and ESG (materiality, supply chains, risk, innovation, etc.) with students. Engage companies on their sustainability strategies to reduce risks and create opportunities that would benefit endowment investments.

Clearinghouse and Learning Network

Create and maintain an online clearinghouse of resources, trends, news, etc. related to ESG endowment investing for relevant stakeholders and facilitate peer-to-peer learning and collaboration on ESG investing.

Catalyzing Action on ESG Investing

Sign-on Initiatives

Create a framework for institutional actions to promote ESG investing through a sign-on initiative that institutions can join. This could take a variety of forms, such as:

- “Declaration” – a statement of support for the importance of integrating ESG criteria into investment decision-making (akin to the Talloires Declaration13 or possibly promoting an existing framework such as the UN Principles for Responsible Investing14)
- “Challenge” – a series of benchmarks that institutions can sign up for in order to pursue ESG investment practices

13 http://www.ulsf.org/programs_talloires.html
14 http://www.unpri.org
• “Commitment” – a pledge to develop positive ESG investment criteria (akin to the ACUPCC\textsuperscript{15} with tangible public goals and reporting)
• “Promotion” – support existing initiatives such as the Investor Network on Climate Risk\textsuperscript{16}

\textit{Expansion of Investment Vehicles to Support ESG Investing}
Encourage collaboration by the investment, non-profit, and education sectors to provide greater opportunities for ESG investing that will meet their needs, such as pooling investments with other sectors or other schools.

\textit{Campaigns to Influence Policy}
Create a campaign for endowments to express support for policy changes in the regulation of financial industries (for example, strengthening and expanding the SEC’s climate change disclosure guidance, or creating new guidance or requirements for analysts to incorporate ESG criteria into their evaluation and rating of companies).

\textit{Demonstration of the Demand for ESG to the Investment Industry}
Convene gatherings, release statements, or otherwise communicate the demand for ESG products by endowed institutions to investment managers and advisors.

\textit{Alumni and Student Initiatives}
Develop a campaign encouraging communicate with students and alumni on their institutions’ ESG policies and endowment practices.

\textit{Direct Support to Institutions}
Support institutions in developing investment beliefs and policies on ESG and the integration of ESG into investment decisions. Provide support in assessing the materiality of ESG risks to investment portfolios.

\textsuperscript{15} \url{http://presidentsclimatecommitment.org/}
\textsuperscript{16} \url{https://www.ceres.org/investor-network/incr}
SELECTED REPORTS AND RESOURCES

GENERAL TRENDS AND GUIDES


“From SRI to ESG: The Changing World of Responsible Investing” | Commonfund Institute, September 2013: https://www.commonfund.org/InvestorResources/Publications/White%20Papers/Whitepaper_SRI%20to%20ESG%202013%200901.pdf


“The Impact of Sustainable and Responsible Investment” | US SIF, September 2013: http://www.ussif.org/Files/Publications/USSIF_ImpactofSRI_Aug2013_FINAL.pdf


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CARBON RISK AND FOSSIL FUEL FREE PORTFOLIOS


**FIDUCIARY RESPONSIBILITY**


**FINANCIAL PERFORMANCE**


> Found that 89% of research studies showed that companies with high ESG ratings exhibit market-based outperformance compared to industry peers.

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17 Adapted from “The 21st Century Investor: Ceres Blueprint for Sustainable Investing.” Ceres, 2013, p. 8
“The Impact of Corporate Sustainability on Organizational Processes and Performance” | Robert G. Eccles, Ioannis Ioannou, George Serafeim, Harvard Business School, July 2013: http://www.hbs.edu/faculty/Publication%20Files/12-035_a3c1f5d8-452d-4b48-9a49-812424424cc2.pdf

- 18-year study (1993-2011) showing that 90 companies with strong sustainability policies outperformed a similar group of 90 companies with low sustainability standards, with a 4.8 percent higher annual above-market average return.


- Found that between 2001 and 2010, a portfolio of sustainability leaders in a group of more than 450 companies outperformed by 1.74 percent annually, and weak sustainability performers underperformed by 1.87 percent annually.


- Found that a portfolio of top quintile best-in-class ESG companies outperformed the MSCI World Equal Weighted Index by 1.7 percent while the worst-in-class portfolio underperformed by 1.0 percent.


- Shows that a portfolio of 151 SRI funds outperformed the MSCI World Index between 2002 and 2009.
RELEVANT ORGANIZATIONS

The following is a non-comprehensive list of just a few of the organizations and companies involved with sustainable investing issues.

Non-Profit Organizations

- **350.org** – international grassroots effort to raise awareness of the need to decrease carbon dioxide concentration in the atmosphere to 350 parts per million: [www.350.org](http://www.350.org)
- **As You Sow** – promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies: [www.asyousow.org](http://www.asyousow.org)
- **CDP** – formerly the Carbon Disclosure Project, represents institutional investors to request information on carbon, forests, water, and supply chains from companies in order to provide investors with reports and data: [www.cdp.net](http://www.cdp.net)
- **Ceres** – advocates for sustainability leadership that mobilizes investors, companies, and public interest groups to accelerate the adoption of sustainable business practices: [www.ceres.org](http://www.ceres.org)
- **Commonfund** – institutional investment management firm serving the non-profit and pension investment communities, including a significant outsourced management practice for endowments: [www.commonfund.org](http://www.commonfund.org)
- **Confluence Philanthropy** – a non-profit network of over 200 private, public, and community foundations, that works to enhance the ability of foundations to align the management of assets with organizational mission to promote environmental sustainability and social justice: [www.confluencephilanthropy.org](http://www.confluencephilanthropy.org)
- **Global Reporting Initiative** – provides a sustainability reporting framework to help companies measure and communicate sustainability performance information, with the mission of making sustainability reporting standard practice: [www.globalreporting.org](http://www.globalreporting.org)
- **Interfaith Center on Corporate Responsibility** – interfaith-based institutional investment center sponsoring shareholder resolution discussions and SRI; members include faith-based institutions, socially responsible asset management companies, unions, pension funds, and colleges and universities: [iccr.org](http://iccr.org)
- **National Association of College and University Business Officers** – national membership association for chief financial officers and other business officers of colleges and universities: [www.nacubo.org](http://www.nacubo.org)
• **Responsible Endowments Coalition** – organizes students, alumni, university administrators, and the larger community to challenge and pressure universities to invest their endowments more responsibly: [www.endowmentethics.org](http://www.endowmentethics.org)

• **Second Nature** – works to make sustainability a strategic imperative for colleges and universities; is the supporting organization of the American College & University Presidents’ Climate Commitment: [www.secondnature.org](http://www.secondnature.org)

• **Sustainability Accounting Standards Board** – works to establish industry-based sustainability standards for the recognition and disclosure of material ESG impacts by companies traded on US exchanges: [www.sasb.org](http://www.sasb.org)

• **Sustainable Endowments Institute** – works to advance institutional responses to the climate crisis, focusing on sustainable use of endowment and operations assets; leads the Billion Dollar Green Challenge, encouraging campuses to establish “green revolving funds“: [www.GreenBillion.org](http://www.GreenBillion.org)

• **Sustainable Investments Institute** – conducts impartial research and publishes reports on organized efforts to influence corporate behavior on social and environmental issues: [www.siinstitute.org](http://www.siinstitute.org)

• **UN Principles for Responsible Investing** – international network of investors working together to put the six Principles for Responsible Investment into practice: [www.unpri.org](http://www.unpri.org)

• **US SIF** – The Forum for Sustainable and Responsible Investment – a US membership association for professionals, firms, institutions, and organizations engaged in sustainable and responsible investing: [www.ussif.org](http://www.ussif.org)

**Investment Managers, Advisors, and Financial Services Firms**

• **Boston Common Asset Management** – investment manager focused on sustainable investing: [www.bostoncommonasset.com](http://www.bostoncommonasset.com)

• **Calvert Investments** – investment management company with SRI products and services for institutional investors: [www.calvert.com/sri.html](http://www.calvert.com/sri.html)

• **Green Century Capital Management** – investment advisor of the Green Century Funds, founded by a partnership of environmental advocacy organizations; includes a fossil fuel free fund: [greencentury.com](http://greencentury.com)

• **Mercer** – global investment consultant firm with a dedicated responsible investment team: [www.mercer.com/articles/responsible-investments](http://www.mercer.com/articles/responsible-investments)
• **Morgan Stanley Institute for Sustainable Investing** – an institute committed to investing $10 billion in impact investments and building the field of sustainable investing: [www.morganstanley.com/sustainableinvesting](http://www.morganstanley.com/sustainableinvesting)

• **MSCI** – data provider with a significant focus on ESG; maintains a variety of ESG-related indices and provides research, analytics and ratings: [www.msci.com](http://www.msci.com)

• **Pax World Investments** – investment advisor offering a comprehensive platform of sustainable investing solutions, including separately managed accounts for institutional investors: [www.paxworld.com](http://www.paxworld.com)

• **Sustainalytics** – responsible investment research firm specialized in ESG research and analysis: [www.sustainalytics.com](http://www.sustainalytics.com)

• **Trillium Asset Management** – ESG-focused asset manager with fossil fuel free portfolios: [www.trilliuminvest.com](http://www.trilliuminvest.com)

• **Trucost** – environmental data provider: [www.trucost.com](http://www.trucost.com)

• **Walden Asset Management** – oldest institutional socially responsible investment manager; the SRI practice of the Boston Trust & Investment Management Company: [www.waldenassetmgmt.com](http://www.waldenassetmgmt.com)

• **Zevin Asset Management** – global investment management firm focusing stock selection on well-managed companies with sustainable business practices: [www.zevin.com](http://www.zevin.com)
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