

King's College believes that we all have a responsibility to reduce our carbon footprint and to encourage others to do so. As a College, we face considerable difficulties in heating old buildings. We are trying to reduce energy usage through improved insulation and more efficient generation, although this is a slow process. All of our electricity is from renewable sources. New buildings are constructed to high, *PassivHaus* standards and we are installing sustainable generation where possible. Within the College we try to use local produce and to recycle wherever possible. This requires the support and engagement of students, staff and Fellows. We work with students through a sustainability committee to encourage everyone to play their part. Much remains to be done but we have seen gradual and sustained reductions in our energy use.

The College also believes that it has a responsibility for its investments. We do not hold, and have not held for a long period, any direct investments in fossil fuel companies. The great majority of our investments are in collective funds. For these, the Investment Committee monitor both the performance of the funds and also their environmental, social and governance (ESG) aims. The active funds that we currently hold all have ESG policies and, where we do not consider these are adequate, we have withdrawn funds. Additionally, we have invested in funds that aim to have a positive environmental impact, such as Impax Environmental Markets.

The investment area that we have found most difficult to manage sustainably is index funds that invest in a very broad range of shares. Until recently, there were no alternatives to these index funds that provided a similar low-cost exposure to the major stock markets. Some investment managers are now developing such products and King's College has joined with a few other Oxbridge Colleges to invest in an Amundi World Index Fund that limits its investments to more sustainable companies. The Investment Committee will continue to examine similar alternatives that better reflect our aims.

Finally, we invest in the Cambridge University Endowment Fund. That fund has announced that it will aim to eliminate fossil fuel investments from its portfolios by 2030. We support that and expect to reach net zero by 2030.

King's College also invests directly in property. For these we are working with others to encourage tenants to reduce their carbon footprint and adopt or develop more sustainable operation.

*On behalf of the Investment Committee  
4<sup>th</sup> March, 2021*