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Chair of the Assembly of the Academic Senate  
Faculty Representative to the Regents  
University of California  
1111 Franklin Street, 12th Floor  
Oakland, California 94607-5200

February 5, 2021

**NATHAN BROSTROM  
EXECUTIVE VICE PRESIDENT AND CHIEF INVESTMENT OFFICER**

**Re: Resolution on ESG Criteria in Selecting UC Insurance Services**

Dear Nathan,

At its January 2021 meeting, the Academic Council endorsed the attached resolution from the University Committee on Planning and Budget (UCPB) asking the University to ensure that future RFPs for insurance service vendors include a criterion for eligible institutions to adhere meaningfully to Environment, Social and Governance (ESG) principles.

The resolution follows a July 2020 letter<sup>1</sup> from Council, which asks the University to use banking vendors that adhere to ESG principles and avoid relationships with commercial entities whose practices are inconsistent with UC's Policy on Sustainable Practices and commitment to investing in solutions to the climate crisis.

Thank you for the opportunity to opine. Please do not hesitate to contact me if you have additional questions.

Sincerely,

Mary Gauvain, Chair  
Academic Council

Cc: President Drake  
Chief of Staff Kao  
UCPB  
Academic Council  
Senate Directors  
Senate Executive Director Baxter

Encl.

<sup>1</sup> <https://senate.universityofcalifornia.edu/files/reports/kkb-jb-fossil-free-commercial-banking.pdf>



UNIVERSITY COMMITTEE ON PLANNING AND BUDGET (UCPB)  
Sean Malloy, Chair  
[smalloy@ucmerced.edu](mailto:smalloy@ucmerced.edu)

Assembly of the Academic Senate  
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December 29, 2020

**MARY GAUVAIN, CHAIR  
ACADEMIC COUNCIL**

**RE: Resolution on Insurance Providers**

Dear Mary,

In keeping with the ongoing efforts by the University of California to address the climate emergency and building on a previous statement about banking partners, the University Committee on Planning and Budget (UCPB) has endorsed the attached resolution asking UCOP to include a criterion for eligible institutions to adhere to Environment, Social and Governance (ESG) principles in all future RFPs for insurance vendors.

We urge the Academic Council to support the resolution and forward it to CIO Bachher.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean Malloy".

Sean Malloy, Chair  
UCPB

Encl.

cc: UCPB

## ESG criteria in selecting UC Insurance Services

In September 2019, the UC declared a climate emergency.<sup>1</sup> UC is already applying Environment, Social and Governance (ESG) principles to its investment portfolio but a true commitment to address the climate emergency must include a full review of all the ways in which the university may be involved in supporting the fossil fuel industry.<sup>2</sup> One aspect of such entanglements involves the insurance companies with whom the UC contracts. These companies have varying levels of investment in fossil fuels production as well as providing essential insurance for existing- and under-construction pipelines, refineries, and the wider fossil fuel infrastructure.<sup>3</sup> Mirroring a [similar request](#) with respect to the UC's banking services last year, UCPB requests that UC's Chief Financial Officer (CFO) issue a Request for Proposals for insurance services that includes a meaningful criterion of adherence to Environment, Social and Governance (ESG) principles.

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<sup>1</sup> <https://www.universityofcalifornia.edu/news/university-california-declares-climate-emergency>

<sup>2</sup> <https://regents.universityofcalifornia.edu/policies/6101.pdf>

<https://regents.universityofcalifornia.edu/policies/6102.pdf>

<sup>3</sup> [https://www.ran.org/wp-content/uploads/2020/10/RAN\\_Response\\_Liberty\\_ESG.pdf](https://www.ran.org/wp-content/uploads/2020/10/RAN_Response_Liberty_ESG.pdf);

<https://unfriendcoal.com/2019scorecard/>