

Opinion

What a difference an H makes? Lessons for Trinity from BP and BHP

As Trinity College celebrated the installation of its new Master, there was big news in Big Oil with the announcement that Bernard Looney will take the reins as [BP's new chief executive](#). The outgoing chief executive Bob Dudley brought BP 'back from the brink of collapse' after the Deepwater Horizon oil spill in 2010. But [Bob the old-school oilman](#) wasn't equipped for a world of responsible investors, climate activism, and the urgent task of 'switching capital out of dirty oil'. Indeed, as Looney steps forward next February, these social forces pose an existential threat to BP's business model:

'Shareholders are demanding greater disclosure about how its existing business and future investment plans align with the Paris climate goals. BP has also come under fire for its membership of industry groups that have lobbied to weaken environmental regulations and been criticised for not taking responsibility for the emissions released from the fuels its customers burn...'

BP's social licence to operate is burning up on all fronts, with the [Royal Shakespeare Company](#) heeding climate campaigners by announcing the termination of its sponsorship deal with BP four years before it was due to expire. *The Guardian* reports, however, that [BP's oil and gas production is projected to increase](#) by more than 20% between 2018 and 2030 — Shell and ExxonMobil are even more irresponsible, with each of their forecasts nearing 40%. In the face of [the global warming these companies fuelled](#), that's plain looney.

But BP's incoming chief didn't sound so silly when he [paraphrased Leo Tolstoy](#): 'We all think about changing the world. And that can only happen if we think about changing ourselves.' That is precisely the impetus behind TRIS: if we cannot change BP's business model through shareholder engagement, then Trinity College should at least cease to profit from that model by changing our investments toward responsible solutions — such as [The Startup Making Solar-Storage Better Than the African Grid](#). For BP, however, its pitiful capacity for change is [from one fossil fuel to another](#).

Another high-emitting company — from which [BP recently acquired US\\$10.5 billion in shale assets](#) — seems to be shifting slowly from the mounting pressure applied by impatient investors and the threat of divestment. In response to a [shareholder resolution](#), mining giant BHP revealed it has been [reviewing its participation in industry associations](#) whose lobbying campaigns (such as pro-coal advertising) are inconsistent with international climate targets. A mere review is unlikely to go far enough to pacify [BHP's 'investor rebellion'](#), which includes top-five shareholder Standard Life Aberdeen, the Church of England Pensions Board, and several Australian and British banks controlling £2.1tn in equities.

Like BP, BHP's impact spans from global warming to local disasters, such as [231 fatalities from a busted dam in Brazil](#). BHP recently announced, however, that it is adding a [social value assessment](#) to the business plans of all its assets to 'hardwire' local interests into its decision-making processes. It remains to be seen whether BHP's response to shareholder activism and its eroding social licence will go 'beyond

petroleum' — to borrow the hackneyed slogan from [BP's infamous greenwashing campaign](#).

In the meantime, Trinity College should take a leaf out of BHP's book by hardwiring social and environmental responsibility into its own investment decision-making processes. Closer to home, [Jesus College is the latest to divest](#) from direct equities in the fossil-fuel sector, with a follow-up meeting in November to discuss how their college community will develop a comprehensive strategy for responsible investment. Even [Trinity's asset manager State Street](#) recognised today that this is '*our moment to show the true value we can bring to the future of investing by embracing a shift in the way we operate*'. What are we waiting for?

The good

[Clean energy shares streak ahead of fossil fuel stocks](#)

[Climate mitigation can support growth in developing countries](#)

[Moral Money: impact investors, carbon reporting, engaging lawyers](#)

[Levi Strauss bets moral mission can survive public markets](#)

[Number of investors dumping fossil fuel stocks rise](#)

[IEA cuts 2019 and 2020 oil demand growth](#)

[Big Oil, climate protests and a Tokyo takeover bid fuel the debate on company purpose](#)

[BlackRock launches fund to cash in on recycling push](#)

[How Britain ended its coal addiction](#)

[Denouncing climate activists will not save the planet](#)

The bad

[Revealed: the 20 firms behind a third of all carbon emissions](#)

[Why are asset managers investing in fossil fuel companies?](#)

[Climate change is the apartheid of our times](#)

[UK set to miss carbon emissions goal](#)

[World's top three asset managers oversee \\$300bn fossil fuel investments](#)

[Secretive national oil companies hold our climate in their hands](#)

[Third of foreign investment is companies dodging tax](#)

[VW accused over tech fitted after emissions scandal](#)

[Greener steel industry still looks a long way off](#)

[Big investors fail to pressure companies over fossil-fuel lobbying](#)

[Investors struggle to make US companies change tack on climate change](#)

[Congo, child labour and your electric car](#)

[Huawei shuts down solar energy business in the US](#)

[China's coal-fired outreach](#)

The interesting

[Firms ignoring climate crisis will go bankrupt, says Mark Carney](#)

[Purpose vs profit: The Trade-off Game](#)

[Why middle-aged men hate Greta Thunberg](#)

[Green revolution will mean challenges and opportunities](#)

[Big Oil should rebel against its customers](#)

[Boosting corporate social good will not protect the workers](#)

[Why is nobody buying the copper needed for a greener world](#)

[China's industrial heartland fears price of green policy](#)

[Faangs lose their bite as investors opt for safer stocks](#)

Cambridge news

[Jesus College exits direct investments in fossil fuels](#)

[Electronic solid could reduce carbon emissions in fridges and air conditioners](#)

[An extra vegetarian option cuts meat consumption without denting food sales](#)

[Vice-Chancellor's annual 1 October address to the University](#)

[Climate change to shrink economies of rich, poor, hot and cold countries alike unless Paris Agreement holds](#)

[Removing beef and lamb from menu dramatically reduces food-related carbon emissions at Cambridge University](#)

[Cambridge vs climate change | Vice-Chancellor's blog](#)

[University of Cambridge adopts Science Based Target for carbon reduction](#)