

Dr Julie Maxton
Executive Director
Royal Society
6-9 Carlton House Terrace
London SW1Y 5AG

9th June 2021

Dear Dr Maxton

As Responsible Science campaigner for Scientists for Global Responsibility (SGR), I am writing to follow-up on our October 2019 report on *Irresponsible Science: How the fossil fuel and arms industries finance professional engineering and science organisations*, which included an examination of the Royal Society's record in these areas.¹ We have now created an update on the Royal Society's progress since the report, to which we draw your attention.²

Firstly, I would like to recognise that the Royal Society's investment policy excludes investment in tobacco.

However, as you will see in the update, we do retain concerns about the Royal Society's recent record as follows:

- Continuing financial ties to fossil fuels and arms companies;
- The lack of readily available transparency regarding your investments in specific companies;
- Accepting donations from fossil fuel and arms companies;
- Relatively lax policies with respect to financial ties to fossil fuels and arms companies benchmarked against learned society peers;
- No publicly declared policy regarding the environmental impacts of the organisation.

In view of these concerns, SGR calls on the Royal Society to:

1. increase your transparency by disclosing all payments from corporate sources worth over £1,000 for school education programmes and for event sponsorship in your annual accounts, and by disclosing the specific investment funds in which all the society's assets are held and all the specific companies in which you hold investments of more than £5,000;

¹<https://www.sgr.org.uk/publications/irresponsible-science>

²https://www.sgr.org.uk/sites/default/files/2021-06/Royal_Society_progress_report.pdf

2(a). rapidly phase out your financial ties, including investments and advertising, from any and all companies whose carbon emission targets/ activities are not in line with the 2°C or less Paris Agreement goal - this currently includes all major companies in the coal, oil and gas sector;

2(b). as a first step on the route to implementing action '2(a)', make no new investments in the coal, oil and gas sectors;

3. direct your fund manager to be guided by fossil fuel free indexes (including from FTSE and MSCI) and schemes such as the Transition Pathway Initiative³ to invest only in firms whose ambitions are on track for global warming of 2°C or less, rather than the less stringent criterion of being in line with current government commitments, which are not sufficient to protect the world from 'dangerous' climate change;

4. redirect your investments to industries/ organisations that mitigate climate change and promote planetary health, such as energy conservation, renewable energy and energy storage;

5. estimate and report on the carbon footprint of your investment portfolio using tools such as the Montreal Pledge website⁴;

6. eliminate any financial links to corporations that have received significant penalties in the last five years related to law-breaking or major malpractice or are likely to in the near future;

7. in line with the recommendations of the ShareAction report on investment managers⁵, strengthen the due diligence of your asset manager selection by reviewing their performance in the areas of climate-related voting and engagement, climate-related policy commitments and accounting for impacts of investments, and be aware that signing up to supportive initiatives such as the PRI or Climate Action 100+ does not always correspond with having a fit-for-purpose responsible investment approach;

8. join the Energy Institute and Institute of Materials, Minerals and Mining (IOM3) in signing the Pledge to Net Zero⁶;

9. agree and implement environmental policies and practices that aim to minimize the impacts of both the organization itself and its professional members;

10(a). rapidly phase out your financial ties, including any investments, sponsorship for events and school education programmes, receipt of donations and advertising, from all companies that are part of the arms/ military technology industry⁷, including Rolls Royce;

10(b). as a first step on the route to implementing action '9(a)', make no new investments in and accept no new sponsorship or donations from companies that are part of the arms/ military technology industry.

Considering the practical implementation of these actions, we think the Royal Society could complete actions 1, 2(b), 3, 5-7, and 10(b) during this year, with the other actions to be completed by the end of next year.

Of your professional society "colleagues", the British Psychological Society, Royal College of Physicians, British Medical Association, the Royal College of General Practitioners, the Faculty of

³<https://www.transitionpathwayinitiative.org/>

⁴ <https://montrealpledge.org/>

⁵ <https://shareaction.org/wp-content/uploads/2020/06/ShareAction-Climate-Report-III-Final.pdf>

⁶ <https://www.pledgetonetzero.org/>

⁷ We have provided a definition of what constitutes an arms company in section 3.3 of our report, Irresponsible Science <https://www.sgr.org.uk/publications/irresponsible-science>

Public Health, the Royal College of Emergency Medicine and the Royal College of Paediatrics and Child Health have all now fully divested from fossil fuels, are in the process of doing so, or have committed to do so. The British Medical Association took the lead, beginning its journey back in 2014. All these organisations also exclude investment in arms companies.

Some other professional bodies examined in the *Irresponsible Science* report have tightened up their policies on fossil fuels and arms since publication of the report. For example, the Geological Society has introduced investment policies that exclude arms and the most carbon-emitting fossil fuels - thermal coal and tar sands, whilst the Energy Institute has brought in an investment policy that excludes arms and presses for alignment with Paris Goals.

You may also be interested in SGR's new Science Oath for the Climate⁸, where scientists, engineers and academics commit to holding their professional associations, institutions and employers to these same standards on climate change as they've committed to themselves.

We believe the shift in wider expectations about good climate governance means that the reputational sensitivity of the issue has only risen since the publication of the *Irresponsible Science* report, especially given the UK's hosting of COP26 this year and the resulting international attention on UK carbon emissions, goals and institutions as well as the recent ruling by a Dutch court that Shell must reduce its carbon emissions⁹. Similarly, the continued controversy over UK arms exports which contribute to breaches of international humanitarian law (such as those to Saudi Arabia) and the statement by the UN Secretary General's office that the UK government decision in March to increase the size of the nation's nuclear warhead stockpile by 44% is a breach of Article VI of the Nuclear Non-Proliferation Treaty¹⁰ is also likely to have strengthened public opposition to financial ties to arms companies and those involved in the nuclear weapons sector.

I look forward to hearing your response. If you reply within two weeks we will take your reply into account as part of our media work around this and similar letters that we have written to a selection of professional scientific organizations. All the letters and accompanying reports will be made public as part of this media work.

Thank you and best wishes

Liz Kalaugher

Responsible Science Campaigner

⁸ <https://www.sgr.org.uk/projects/science-oath-climate-text-and-signing>

⁹ <https://theconversation.com/shell-ordered-to-cut-its-emissions-why-this-ruling-could-affect-almost-any-major-company-in-the-world-161754>

¹⁰ <https://www.independent.co.uk/news/uk/politics/boris-johnson-uk-nuclear-weapons-international-law-b1817827.html>