

# STOP FUNDING CLIMATE DESTRUCTION



## NYS Comptroller DiNapoli must divest from Exxon and big oil

### Hasn't DiNapoli already divested the NYS pension from fossil fuels?

- In December 2020, [DiNapoli agreed](#) to a five-year process to review the NY Common Retirement Fund's multi-billion investments in fossil fuel companies to determine whether they pose an unacceptable risk to the pension fund. He negotiated this agreement under pressure from state lawmakers and advocates that were supporting legislation to force the pension to divest.
- To date, DiNapoli's reviews of shale oil and gas, oil sands, and coal has led to divestment from 55 companies. Meanwhile, in a separate process, the largest NYC public pension funds have completed their divestment from all fossil fuels.
- In August 2022, DiNapoli announced the review of [investments in oil and gas companies](#) as the final stage in his divestment process. The Comptroller's review of big oil and gas is now more than a year old, and a decision seems imminent.

- For the process to have credibility, it is essential that big oil and gas be eliminated from the pension fund, especially Exxon, given that Exxon has consistently been the worst climate actor among fossil fuel companies.

### Why is divestment important?

- Scientists are sounding the alarm that we have only six years left to keep global warming under 1.5 degrees Celsius. The cause of global warming is the burning of fossil fuels. Heatwaves, superstorms, drought and floods are devastating communities here in New York and around the world. Divestment reduces the fossil fuel industry's access to funding for expansion and development.
- It is immoral to seek to profit from companies that have destabilized our climate and threaten the future of humanity.
- It is financially irresponsible for the pension fund to continue to invest in fossil fuels, a dying industry. New York's climate law calls for a

40% reduction in greenhouse gas emissions by 2030 and 85% by 2050. And countries around the world have committed to massive reductions in emissions to try to lessen the worst impacts of global warming.

## Exxon Knew and Exxon Lied

- In the lawsuit filed by the [Attorney General of Massachusetts against Exxon](#), the complaint stated “From the late 1970s onward, Exxon scientists and management knew that Exxon’s fossil fuels were the leading cause of climate change, and that climate change, if unabated, would have potentially catastrophic impacts on the global environment and human communities... Despite its knowledge, ExxonMobil engaged in a decades-long, intentional, tobacco-industry style effort to deceive investors and consumers by sowing doubt about the very climate science Exxon itself had helped to develop.”
- The large oil companies pulled in record profits of \$228 billion in 2022. Exxon’s share was nearly \$56 billion, more than doubling its profits from 2021. To make these massive profits, companies blamed the war in Ukraine, using the human rights crisis to price-gouge consumers.
- Oil and gas companies are reinvesting their record profits to [intensify exploration for new deposits](#). The International Energy Agency forecast global oil and gas investments to increase by about 11 percent to \$528 billion in 2023, the highest level since 2015. [In October 2023](#), Chevron announced plans to acquire oil

and gas company Hess for \$53 billion. Two weeks prior, Exxon Mobil announced it is acquiring [oil company Pioneer Natural Resources](#) for \$59.5 billion, its largest buyout since acquiring Mobil two decades ago, creating a colossal fracking operator. So as the climate crisis worsens, big oil and gas is exacerbating it rather than taking steps to slow warming.

## Big oil investments are bad for the pension fund

- Fossil fuels have been the worst performing sector on Wall Street for over a decade. The state pension fund would have had an extra \$20 billion if DiNapoli had divested when he first was appointed Comptroller. And taxpayers have had to foot the bill for the massive destruction caused by the fossil fuel industry.
- This deception on the part of Exxon and others has generated a growing number of lawsuits that seek to hold these companies liable for the climate damage they have caused. These lawsuits pose a significant financial threat to big oil and gas, and add to the financial risk of investing in them.
- Many fossil fuel companies enjoyed an artificial spike in prices due to price gouging and the reduction in supply caused by Russia’s invasion of Ukraine. But in a world that is committed to transitioning to renewables, this cannot last, and indeed, there are market indications that it is already reversing. (insert Fig 1) The smart thing to do would be to sell now, while prices are artificially high.



For more information: [divestny.org](https://divestny.org)