



THE UNIVERSITY *of* EDINBURGH

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Mr Andrew MacKenzie
CEO
BHP Billiton Ltd
BHP Billiton Centre
171 Collins Street
Melbourne
Victoria
Australia, 3000

27th May 2015

Dear Mr MacKenzie

Change in University of Edinburgh Investment Approach to Fossil Fuels

The University of Edinburgh Endowment Fund has a direct holding in your company of 56,100 shares.

I am writing to you to draw your attention to a change in the investment approach of the University of Edinburgh. The University is committed to a responsible investment approach and was the first university in Europe, and only the second in the world, to sign up to the United Nations supported Principles for Responsible Investment (PRI).

The University's governing body has recently agreed a change to our approach to fossil fuels investments in the light of climate change, after a comprehensive review by a short-life working group. You can find more details of the announcement via this link:

<http://www.ed.ac.uk/news/2015/fossil-fuel-policy-120515>

This includes a commitment to identify and engage with companies involved in the extraction of high carbon emitting fuels where an alternative low carbon option exists. As your company falls within these criteria I am writing to you to notify you of this change in policy and that it is our intention to divest our direct shareholding in your company within 6 months.

As an important aspect of the University's approach is to ensure that we engage with companies prior to any final decisions being made, I would like to request that you reply to me, with an early indication of your view of the University's position, within 4 weeks to allow us to assess our next steps.

Yours sincerely

Phil McNaul
Director of Finance
University of Edinburgh