

**POLICY: ETHICAL INVESTMENT POLICY**

Owner:	Chief Finance and Planning Officer
Operational Owner:	Assistant Director Financial Services
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Next Revision Date:	31/03/2018

## **ETHICAL INVESTMENT POLICY**

### **1. Purpose of Policy**

The University has developed an Ethical Investment Policy to reflect the values and objectives of the University and its stakeholders.

Effective acknowledgement and management of the risks associated with social, environmental and ethical matters has the potential to enhance our long term sustainability.

As such, the University will consider the ethical standards and attitudes towards the environment of the counterparties, companies or other organisations in which it invests when making investment decisions, at the same time seeking to maximise financial return and ensure the University's assets are secure.

### **2. Scope, Roles and Responsibilities**

Currently, the bulk of the University's investments are surplus cash funds invested through deposits with approved counterparties, as directed by the Treasury Management Policy.

This policy is intended to cover investment in the form of cash deposits, equities, bonds and property. It also extends to investments in University spin-out companies and other related parties.

The University is a member of various multi-employer pension scheme funds constituted as separate corporate bodies with their own boards of trustees and governance procedures. Consequently, the pension schemes' funds are invested entirely separately from those of the University and are, as such, out of scope of this policy.

The policy applies to all staff, students and stakeholders of the University.

The policy will be owned by the Chief Finance and Planning Officer and implemented by nominated staff in the Finance team.

The policy is published on the University's website (via the Sustainability homepage) to help ensure transparency and assist in the monitoring of implementation of the policy.

The Chief Finance and Planning Officer will report annually to the Finance and Employment Committee, stating whether investments are compliant with the policy.

The policy will be reviewed annually by the Finance team and any proposed amendments will be submitted for approval by the Finance and Employment Committee.

### **3. Statement of Policy**

This policy should be read in conjunction with the University's Treasury Management Policy.

Wherever possible, and in accordance with Charity Commission guidelines, the University will seek to make investments that are consistent with the mission and values of the University.

In making decisions on counterparties, companies and other organisations in which to invest, the University will strive to positively invest in organisations whose activities are, on ethical grounds, consistent with the educational and/or research objectives of the University, even where this may reduce returns.

The University will take into account both the published guidance of the Charity Commission on ethical and socially responsible investment of charitable funds and the University's statement of Corporate Social Responsibility.

Where necessary, the University will seek advice on how best to achieve compliant investments. Where appropriate, the University will act in conjunction with others with similar principles to achieve our aims.

The University will only consider it appropriate to disengage with a company or other organisation where its activities or methods of operation present a serious cause for concern or financial instability under the University's investment principles and the University could not reasonably expect to influence these factors through a process of collaboration.