

## **ETHICAL INVESTMENT POLICY**

### **1 Purpose of Policy**

1.1 The University's Ethical Investment Policy demonstrates an approach to the investment of its funds that minimises the risk of funds being invested in areas that conflict with the University's core values, taking account of ethical, environmental, corporate governance and social issues.

### **2 Scope and Approach**

2.1 The University of Greenwich ethical investment policy applies to all staff, students and stakeholders of the University of Greenwich and aims to incorporate an ethical approach to all investments made by the University. It supports a systematic, measured and continuous improvement approach to ethical investment.

### **3 Roles and Responsibilities**

3.1 Oversight of this policy will be undertaken by the Sustainability Management Board to ensure that investment activity is in line with the objectives of the policy.

3.2 The policy will be reviewed annually by the Sustainability Management Board with changes presented to the Finance Committee for approval. Reference to this policy will be incorporated into the University's Sustainability Policy in order to increase the scope of communication and understanding of the University's commitment to ethical investment.

### **4 Definition of Ethical Investment**

4.1 Investing in businesses that demonstrate a morally positive and sustainable approach to the environment, governance and society.

### **5 Statement of Policy**

5.1 This policy should be read in conjunction with the University's Treasury Management Policy and embedded as a schedule to that policy on adoption.

5.2 The University routinely invests surplus and endowment funds with third party organisations. It also may make investments in spin-out companies and other related parties as opportunities arise.

5.3 All investments must be made on bases that are consistent with the mission and values of the University, and its strategic plan (2012 to 2017).

5.4 Decisions on counterparties and companies in which to invest will be underpinned by the University ethical values and vision. In order to achieve these aims, the University will not directly invest in companies and other organisations whose corporate social responsibility values do not reflect those of the University.

5.5 The University publishes a list of its investments as part of the annual reporting process to foster an open and transparent communication with its stakeholders.

5.6 The University does not knowingly invest directly in organisations with high exposure to activities or substances, which are potentially injurious to health, destabilise community cohesion, threaten international stability, or contribute to the violation of International conventions and norms in respect of human rights, employment practices and conditions, and climate change.

5.7 The University is committed to helping protect and preserve the global environment and will therefore avoid investing directly in organisations that do not have policies to control and significantly reduce the risk of serious negative environmental impact.

5.8 In order to ensure compliance with this policy the University will:

- Consider the ethical implications of investments alongside the commercial opportunities.
- Allow members of the University staff and student community and other relevant stakeholders to engage with the ethical investment policy by displaying it on the University web pages with appropriate contact details.
- Where the University invests in collective funds through third party investment managers who select the individual investments without reference to the University, we will review our investments going forward and encourage these managers to comply with socially and ethically responsible objectives consistent with those of the University.
- Review this policy on a bi-annual basis as part of the normal operating review of the University's Treasury Management Policy and consider a divestment strategy for the future.

## **6 Short Term Deposits and Equities**

6.1 A sizeable proportion of the University's Investments are cash deposits with UK Banks and Building Societies under the terms of the University's Treasury Management Policy. The approved counterparties and investment fund managers are monitored for corporate social responsibility values and objectives, usually contained in their annual reports.

## **7 Investments**

7.1 A list of all investments is included in the University's annual Financial Statements. Holdings are grouped in line with statutory requirements, and comprise:

- i. Investment in subsidiary and associated companies
- ii. Loans to related parties
- iii. Other investments

## **8 Pension Scheme Investments**

8.1 The pension schemes used by the University to provide superannuation benefits to its employees are multi-employer funds constituted as separate corporate bodies with their own boards of trustees. Consequently, the schemes' funds are invested entirely separately from those of the University.

## **9 Policy Review**

9.1 This policy and its progression will be reviewed and monitored by the Sustainability Management Board and reported upon as the normal annual reporting process within the University and also through its annual sustainability statement.

9.2 The University will display the policy on to its web pages with appropriate contact details to enable staff, students and other stakeholders to engage with its objectives.