

# Ethical Investment Policy and Procedures

## 1. Introduction

- 1.1 The University's endowment funds are invested via its investment managers, currently Barclays Wealth. It is the intention of Swansea University to invest these funds in ways that are consistent with the mission and values expressed in the University's Strategic Vision and Purpose. To this end, the University has committed to adopt the following Ethical Investment Policy with regard to investment of these funds.
- 1.2 We are committed to ensuring that the University makes all investment decisions responsibly with the primary guiding principle of generating funds, through income or capital growth, with which to further the work of the University. In making investment decisions, social issues will also be taken into account.

## 2. Scope

- 2.1 This policy applies to the full scope of the University's endowment funds investments.
- 2.2 The pension schemes used by the University are constituted as separate corporate bodies with their own Boards of Trustees, and are not covered by this policy.

## 3. Policy

- 3.1 The University is committed to ensuring that it makes all investment decisions responsibly with a view to achieving a balance between maximising returns through income or capital growth with which to further the work of the University, and investing in an ethical manner.
- 3.2 The University does not invest directly, or through collective funds, in organisations which are primarily involved in the tobacco industry, or which derive a significant amount of their turnover from the manufacture of tobacco products. For the purposes of this policy, 'significant' shall mean more than 10% of their turnover.
- 3.3 The University does not invest directly, or through collective funds, in organisations which are primarily involved in fossil fuel extraction, and fossil fuel production related funds.
- 3.4 In deciding on companies in which to invest, the University will not knowingly invest in companies and other organisations whose corporate social responsibility values are deemed to be inconsistent with those of the University; or whose activities, in the view of the fund manager, are inconsistent with the mission and values of the University or in violation of international law.

## 4. Procedure for engagement

- 4.1 This policy will be posted on the University's web pages in order to allow relevant stakeholders to engage with it.

- 4.2 The University will publish annually a list of all companies and funds in which endowment funds are invested. This list will be available on request from the Chief Financial Officer.
- 4.3 Any representative body within the University (e.g. Students Union, Trade Union or Committee) may make representations to the Investment Sub-committee regarding any investment in a company or fund whose activities or values appear, on the basis of clear evidence, to be so far removed from the University's core values as to give grounds for serious concern. Such representations should be made in the first instance to the University's Chief Financial Officer.
- 4.4 The Investment Sub-committee will consider any such representations, in consultation with the appointed Investment Manager, against the following criteria:
- Are the matters raised substantiated
  - To what extent do they render the investment contrary to the University's mission and values, as reflected in the Strategic Vision and Purpose
  - Impact on the risk, returns and diversification of the investment portfolio
- Based on these criteria the Investment Sub-committee will make a decision to continue with the relevant investment or to disinvest, and will communicate the reasons for this to the group raising the concern.
- 4.5 This policy shall be reviewed annually in line with University Environmental Management System (EMS).

## 5. Policy Review and ownership

- 5.1 This policy will be owned by the Chief Financial Officer and will be reviewed annually by the Investment Sub-Committee.
- 5.2 The University commits to include student representation on this committee from 2022.

Professor Paul Boyle, August 2022  
**Vice-Chancellor, Swansea University**

Document log	Date
Initial development and review	June 2014
Document reviewed and updated – Section 3.3 added to reflect approach since 2019 on full fossil fuel divestment - Section 5.2 added to reflect student representation -Updated to reflect change in terminology re Strategic Plan/Vision and Purpose - Updated Chief Financial Officer role title.	August 2022

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