

Socially Responsible Investment Policy
Effective from 1st November 2018

1. Purpose

To describe the University's approach to investments and the procedure under which requests to change investments can be made.

2. What is covered by the policy?

The University's investments in stocks, shares and government bonds.

3. Who is does the policy apply to?

This is a general policy for anyone to understand the University's approach.

4. Roles and responsibilities

The Executive Director of Finance oversees University investments reporting to Finance Committee. The Registrar oversees the procedure whereby investments may be challenged.

5. Policy

The University is an educational charity. A proportion of its reserves are invested in order to generate a good financial return to support the University's objective which is, for the public benefit, to advance education, learning and research. The University is committed to investing in a socially responsible manner. It does not permit investment in tobacco related companies.

In addition the University has embedded its Environment, Social and Governance (ESG) commitments by:

- Only procuring investment managers who are signed up to the United Nations Principles for Responsible Investment (UNPRI).
- Giving preference in the selection of investment managers to investment managers who preferentially invest in progressive companies that are working towards low carbon solutions and who will provide the University with reports on the carbon foot- print of companies within its portfolio

Additional requests for not investing in individual companies should adhere to the procedure described below.

The University's investments are managed on behalf of Council by Finance Committee which appoints investment managers. Finance Committee normally meets four times a year and a report from each meeting is submitted to Council. The investment managers submit quarterly reports to each meeting of Finance Committee and attend the March meeting.

Executive Board has within its terms of reference the responsibility to report to Council on ethical issues other than in research, teaching and consultancy which are managed by Ethics Committee.

6. Related regulations, statutes and policies

Financial Regulations

<https://www.ncl.ac.uk/internal/finance/policies/index.htm>

7. Procedure to implement the policy

Details of the University's investment portfolio will be published annually to allow for scrutiny by the University community. Executive Board will consider expressions of concern from within the University community related to specific companies or industry whose activities or values appear, on the basis of clear evidence, to be incompatible with the University's core values and give grounds for serious concern. The following procedure will be followed:

1. Cases will normally only be considered if brought forward by representative bodies such as the Students' Union or a recognised trade union, or via the University's committee structure.
2. The key criterion against which specific cases will be considered will be whether the activity complained of (and substantiated) is contrary to the University's value systems either as reflected in the University's Vision and Strategy or in regard to wider issues of social, environmental and humanitarian concern. This would for example include, but not be limited to, human rights abuse, discrimination on grounds of race, gender or disability and serious and persistent environmental damage.
3. Cases shall be considered by Executive Board in the first instance. If brought forward by the Students' Union, the President shall be asked to attend for discussion of that item. Executive Board shall consult the Chair of Finance Committee. Where appropriate the Chair of Finance Committee or the Executive Director of Finance shall raise matters with the investment managers.
4. Executive Board shall determine whether or not to recommend to Council:
 - (i) that there is no further action that the University needs to take or;
 - (ii) that, where legitimate concerns have been raised that are not considered sufficient grounds for disinvestment, Executive Board shall instruct the University's investment managers to raise concerns with the named company(ies) at the annual meeting of shareholders, or in some other appropriate manner, or to exercise a vote on the University's behalf, or;
 - (iii) whether to change the instructions to the investment managers stated on page one of this policy recognising that it might not be possible to implement some changes until the renewal of the tender/contract for investment managers.

Finance Committee will be asked to make the financial consequences clear to Council. The decision of Council shall be final and will not be re-considered for a period of at least two years.

8. Monitoring and reporting on compliance

What will be monitored?	Frequency	Method	Who by	Reported to
The investment portfolio	quarterly	Review of performance	Finance Committee	Council

9. Failure to comply

The University would dispense with the services of the investment managers concerned.

Document control information		
Does this replace another policy? Yes / No If yes please state.		
Approval		
Approved by:		Date:
Effective from:		
Review due:		
Responsibilities		
Executive sponsor:	Executive Director of Finance	
Policy owner: (This maybe an officer or Committee)	Registrar	
Policy author:	Registrar	
Person(s) responsible for compliance:	Executive Director of Finance	
Consultation		
Version	Body consulted	Date
Equality, Diversity and Inclusion Analysis:		
Does the policy have the potential to impact on people in a different way because of their protected characteristics? Yes / No/ Unsure		
If yes or unsure please consult the Diversity Team in HR for guidance		
Initial assessment by: John Hogan		Date: 15/8/18
Key changes made as a result of Equality Impact Assessment		
Document location		
<i>(eg www.ncl.ac.uk/ XXXXX etc)</i>		