SUSTAINABLE INVESTMENT POLICY

The following sustainable investment policy is applied to University investments held by the approved University Fund Managers in relation to University endowments; funds managed on behalf of the Development Trust and a small fund relating to the Northern College pension costs (“the Funds”).

- That the Funds will endeavour not to invest in companies that fail to comply with the 10 Principles underlying the UN Global Compact*.

- That the Funds do not invest in companies which normally derive more than 5% of their total annual revenue from tobacco product manufacture, distribution or retailing. The Funds will also not invest in companies that derive more than 5% of their total annual revenue from the manufacture and supply of key products necessary for the production of tobacco products.

- That the Funds will not invest in companies involved in the manufacture of controversial weapons including cluster bombs, landmines, nuclear weapons (systems or components), biological/chemical weapons systems or components) and depleted uranium weapons manufacturers.

- That the fund managers actively exercise voting rights in the interests of sustainable development, and that all voting activity is reported quarterly

- That the fund managers concentrate investments in companies that have a sustainable business practice (corporate governance, social, environmental and ethical)

- Any member of staff or students who have concerns with any of the companies invested in the portfolio, should bring this to the attention of the Director of Finance, who will request a review by the fund managers.

The sustainable policy will be monitored and implemented by the equity fund managers in a reasonable timeframe, taking account of the current financial situation.

Reviewed: Annually by the Investment Committee

Original Policy Approved: Operating Board (28 January 2009)

Last reviewed: Investment Committee (14 March 2018)

* UN Global Compact principles (www.unglobalcompact.org/aboutthegc/thetenprinciples). The funds’ equity fund managers will monitor companies’ adherence with these principles.
Appendix

UN Global Compact Principles

Human Rights

- **Principle 1**: Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2**: make sure that they are not complicit in human rights abuses.

Labour

- **Principle 3**: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4**: the elimination of all forms of forced and compulsory labour;
- **Principle 5**: the effective abolition of child labour; and
- **Principle 6**: the elimination of discrimination in respect of employment and occupation.

Environment

- **Principle 7**: Businesses should support a precautionary approach to environmental challenges;
- **Principle 8**: undertake initiatives to promote greater environmental responsibility; and
- **Principle 9**: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- **Principle 10**: Businesses should work against corruption in all its forms, including extortion and bribery.