



# Ethical Investment Policy

## 1. Introduction

The University of Worcester promotes active engagement with the community and fully accepts its broad responsibilities towards society. It promotes environmentally sustainable ways of working and living.

This Ethical Investment Policy is intended to be entirely consistent with the duty to secure maximum returns from the investment of charitable funds whilst ensuring that financially material risks are taken account of. This is in line with the University's Articles of Government which places a responsibility on the Board of Governors "for the effective and efficient use of resources, the solvency of the University and the Corporation and for safeguarding of its assets."

The Ethical Investment Policy is subordinate to the University's Treasury Management Policy and Financial Regulations and Procedures.

The University does not currently hold any share investments, but details of any investments in the future would be listed in the relevant Annual Report & Financial Statements, which are published on the [University's website](#)

The University welcome donations from alumni, corporate benefactors, and other supporters. To enable the educational purposes of donations to be achieved, the University may, from time to time, invest surplus funds and endowments with third party organisations.

Wherever possible and in accordance with [Charity Commission guidelines](#), the University wishes to make such investments in ways that are consistent with the mission and values of the University.

## 2. Responsible Investment

The University's has established an Investment Committee, which reports to the Finance & Development Committee, and ultimately the Board of Governors.

Membership of the Committee comprises representatives of the university's Board of Governors, including a student governor and University Executive Board. The Investment Committee is chaired by an independent member of the Board of Governors.

The Investment Committee has appointed Investment Managers to manage its investments. The University expects its investment managers, as part of their normal investment research and analysis process, to take account of ESG factors (environmental, social, governance) considerations in the selection, retention, and realisation of investments. The University will strive to invest in companies where the activities of the company are, on ethical grounds, consistent with the educational and/or research objectives of the University. The University will also take into account the published guidance of the Charity Commission on ethical and socially responsible investment of charitable funds.

The University will not knowingly invest in companies whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the University.

Specifically, The University will not directly invest in:

- Fossil fuel companies
- Arms Companies
- Border Industry Companies
- Companies in Violation of International Law
- Gambling companies
- Pornography companies

Regarding investments in Energy, the University of Worcester does not currently have any shareholdings. Any future direct Energy investments would tend to be focused on: Renewables, Low Carbon Technologies, or Renewable energy projects on campus.

### 3. Management of Investments

In order to give effect to its commitment to this policy the University will:

- monitor and review the University's investments annually to ensure that ethical standards are maintained;
- seek investment opportunities with companies and organisations which have demonstrated a positive record of ethical performance;
- not engage in any investment with companies which have demonstrated a negative record of ethical performance and/or withdraw from engagement with companies should their ethical performance decline;
- engage with companies in which it considers investing, and where appropriate use its influence to encourage ethical standards, practices and lines of business acceptable to the University;
- issue guidance for fund managers responsible for the University's investments

Where appropriate, the University would expect the issues raised with fund managers to include the following:

Environment - The quality of their environmental management, policies and reporting, their efficient use of resources and any pollution convictions that they may have.

Overseas Operations - Their policies towards human rights, the nature of any operations in the third world and their observance of labour standards. Also, their marketing techniques, supply chain management and the quality of internal controls.

Workplace - Their approaches to equal opportunities, training, health and safety and employee welfare.

Product/Service - The effect of the manufacture and sale of their products and services on public health and safety. The significance and benefits of any positive products and services.

Community - Their involvement and impact in local communities both in the UK and overseas, the extent and nature of charitable donations and the significance of any advertising complaints.

Political Activity - The extent to which they donate money and/or services to local, national and international political bodies. The extent of any lobbying activity and membership of lobby groups.

#### 4. Policy Responsibility

This policy is approved by the Board of Governors and implemented, on behalf of the Board of Governors, by the Investment Committee, a sub-committee of Finance & Development Committee.

#### 5. Review

The Investment Committee will review the Investment Policy on every three years in line with University guidance.

Owner	PVC Finance and Resources
Approved	July 2022, updated July 2023, updated May 2024, updated June 2025
Approved by	Board of Governors, upon recommendation from the Investment Committee
Review date	July 2027