UNIVERSITY OF
FORWARD
THINKING
WESTMINSTER

Ethical and Sustainable Investment

Principles

a) The University's approach to ethical and sustainable investment considers the principles established in the University's Corporate Social Responsibility (CSR) Strategy and the University's Equality, Diversity and Inclusion (EDI) Strategy.

b) The University will invest in a manner which is aligned to the delivery of the United Nations 2030 Agenda for Sustainable Development, the Sustainable Development Goals (SDG) and our EDI objectives. This includes, but is not limited to, investing in organisations and countries demonstrating the following attributes:

i. Demonstration of a positive approach to individuals, communities and environmental performance

ii. Development of environmental technologies to reduce the impacts of polluting/ destructive industries and climate change

c) The University will not invest in a particular business in the following circumstances:

   i. Where the investment might conflict, or be inconsistent, with the aims, objects or activities of the University.
   ii. Where such an investment might hamper the work the University either by alienating current or potential financial supporters, or by having a material impact on applications from potential students.
   iii. Where an investment is not excluded by (i) or (ii) above but is considered by the University to be unethical.

Practices

d) On the basis of the principles above the University uses negative screening to exclude investments in the following:

i. Companies engaged in landmine or cluster bomb manufacture.
ii. Companies/Organisations that violate international and/or industry norms in relation to the following:
   - Public health in the UK (alcohol and food)
   - Human rights, employment standards and climate change disclosure (relevant companies in developed markets).
   - that breach the Modern Slavery Act 2015' and where the University has information on the breach.
   - Organisations that do not have policies to control and reduce the risk of serious negative environmental impacts' and where

the university has knowledge of this.

iii. Companies which derive income directly or indirectly from any of the following activities:
   - Coal or tar sands extraction
   - Oil, gas or other fossil fuel extraction/production
   - Tobacco
   - Pornography production
   - Online gaming
   - Animal testing of cosmetics
   - High interest rate lending

iv. Companies demonstrating a lack of commitment to environmental sustainability, defined by the absence of a published, monitored climate change plan.

e) Investments are defined to include equity and bond instruments, whether held directly or indirectly through pooled investment funds.

f) The University will actively vote on issues put to shareholders, or request that approved external fund manages adopt such a strategy.

g) The University requires any approved external fund manager:

- To take a positive approach to stewardship as defined in the 2020 UK Stewardship Code for Institutional Investors by being a Tier 1 signatory to that Code.
- To be a signatory to the UN Principles of Responsible Investment (UNPRI) and the Net Zero Asset Managers Initiative.
- To take account of environmental, social and governance (ESG) considerations in the selection, retention and realisation of investments

h) Wherever possible the University will seek to invest in the following, either directly or via an external fund manager:

- Green deposit accounts in which the ESG impact of the investment can be identified.
- Green bonds which are listed on the MSCI Green Bond Index