

## **APPENDIX 3**

### **Ethics and Sustainability**

Sustainability is a key priority for Nottingham Trent University and this extends to how it invests its funds. To ensure that its investments match those of its corporate priorities including sustainability the University has adopted an Ethical Investment Policy.

The policy is a key schedule of the University's Treasury Policy and is reviewed on an annual basis by the University Strategy, Policy, Finance and Resources Committee; the President of the NTU Students' Union is a member of this committee.

### **General**

1. The University routinely invests funds with third party organisations through the investment of surplus funds and endowments. It also makes investments in spin-out companies and other related parties as these opportunities arise. All investments are made in accordance with the University's Treasury Management Policy and this appendix 3 is embedded in that policy.
2. In deciding on counterparties and companies in which to invest, the University aims to remain consistent with ethical values in pursuit of its visions and values. In order to achieve these aims, the University will not knowingly invest in companies whose activities could be seen to endanger individuals or groups of people, or whose activities are inconsistent with the mission and values of the University, its community and its wider stakeholder network.
3. The University publishes a list of its investments to ensure open and transparent communication with its stakeholders. The University does not intentionally invest directly (or through collective funds) in organisations with high exposure to activities or substances which are injurious to health or the ecology, destabilise community cohesion, threaten international stability, or contribute to the development and maintenance of poverty, the abuse of children and the use of torture.
4. In order to ensure compliance with this policy the University will:
  - a) Consider the ethical implications of investments alongside the commercial opportunities.
  - b) Allow members of the University community and other relevant stakeholders to engage with the ethical investment policy by posting the policy on the University web pages with appropriate contact details.
  - c) Ensure that where fund managers undertake the University's investments that they operate to socially responsible objectives consistent with those of the University.

### **Short Term Deposits**

1. The bulk of the University's Investments are through money market deposits with approved Banks and Building Societies as described in the Treasury Policy and approved by the Strategy, Policy, Finance and Resources Committee.

2. The Banks and Building Societies, when considered as counterparties, will be researched so to ascertain their ethical investment policy and suitability/compliance with the University's Ethical and Sustainability Policy.

### **Investments**

1. A list of all investments is included in the University's Accounts published annually.
2. It is not the policy of the University to invest in equity holdings through the stock market. At present there are equity holdings as detailed in the Annual Accounts published annually. In the main these are legacy holdings of minimal value resulting from the development of spin out opportunities by the University.
3. The holdings are grouped as required by statute:
  - a) Shareholdings in subsidiary undertakings,
  - b) Other investments
  - c) Endowment asset investments.

### **Other Investments**

The University also has holdings in 'spin out companies' set up to strengthen research and regional engagement; to maintain financial sustainability and develop intellectual property owned by or originating from the University.

### **Pension Scheme Investments**

The University is a member of various multi-employer funds constituted as separate corporate bodies with their own boards of trustees and governance procedures. Consequently, the schemes' funds are invested entirely separately from those of the University.

**Approved by Board of Governors November 2016**