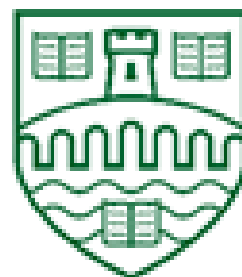


UNIVERSITY of
STIRLING



SOCIALLY RESPONSIBLE INVESTMENT
POLICY

May 2016

Socially Responsible Investment Policy

1. Introduction

The University of Stirling is committed to ensuring that it makes sound investment decisions responsibly and with due integrity.

This policy for Socially Responsible Investment (“SRI”) has been developed to allow the University to pursue an ethical approach to investment in accordance with the University’s Ethical Code, whilst minimising any potential adverse impact on its investment returns.

2. Treasury Management Policy Statement

The University maintains a Treasury Management Policy Statement, approved by University Court, which sets out the basis on which investment activity is to be undertaken. The overall investment strategy specified within the Policy Statement is that investments are to be made on the basis of achieving competitive interest rates, but balancing that with risk so as to help ensure that security of investment is achieved.

This investment strategy is consistent with good practice guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) which states that the primary purpose of treasury management in public organisations should be the management of risk in relation to capital security, followed by liquidity and yield.

The types of investment instruments that are approved, subject to an assessment of the current risk status, are restricted to:

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- Ordinary Current Accounts
- Term Bank deposits
- Certificates of deposit
- Treasury Bills
- Segregated Cash Managers
- Money Funds
- British Government Securities
- Corporate Debt
- Investment Funds

The Socially Responsible Investment Policy sits within the over-arching Treasury Management Policy Statement.

3. Socially Responsible Investment

The University will use all reasonable endeavours to ensure that it operates its investment policy in a way that is consistent with the aims of its ethical code and its treasury management policy. The University will look to its professional advisors, in the first instance, to use their resources to assist in this process.

The University will use all reasonable endeavours to ensure that its own procedures fulfil the following aims:

- Invest with organisations whose financial activities include policies and controls to protect communities and local people to prevent human rights abuse and discrimination.
- Invest with organisations whose financial activities include policies and controls to protect the environment to prevent environmental damage, loss of biodiversity and habitats
- Identify investment opportunities in organisations and countries which demonstrate a positive approach to individuals, communities and environmental performance
- Avoid organisations that trade in armaments and tobacco
- Identify investment opportunities in organisations which are developing environmental technologies to reduce the impacts of polluting/destructive industries and climate change
- To monitor regularly the University's investments and the procedures for reviewing investment proposals to ensure that its ethical standards are maintained.

Where investments are made by third party fund managers in pooled funds or similar vehicles, the University's requirement is that wherever practicable, the funds in question should seek to avoid direct investment in companies that fall within the exclusions within its SRI policy.

Currently the University holds its investment equities in funds managed by a professional firm, Rathbones, who have a responsible investment policy that aims to integrate a consideration of environmental, social and governance issues into the investment process. Information on Rathbones approach to responsible investment is available at:

<https://www.rathbones.com/about-us/corporate-responsibility/socially-responsible-investing>

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Where the University becomes aware that it directly holds an investment in a company that it considers to be in fundamental breach of acceptable standards of ethical and / or environmental practice, the University will divest the investment in that company as soon as reasonably practicable.

The funds of the University of Stirling pension scheme do not belong to the University: the investment of these funds is the responsibility of the schemes trustees.

4. Review processes

The Socially Responsible Investment Policy will be reviewed as part of the annual review of the Treasury Management Policy.