



## **Statement of Ethical Investment Policy**

Queen Mary University of London (QMUL), seeks to follow the guidance on ethical investment provided by the Charity Commission in the “Charities and investment Matters: A Guide for Trustees” published in December 2011, updated August 2016.

Accordingly, QMUL’s Finance and Investment Committee has devised an overarching Statement of Investment Principles in order to achieve, through the work of its fund managers, maximum return from a set of investments which have been selected prudently. This Ethical Investment Policy is intended to be entirely consistent with the duty to secure maximum returns from the investment of charitable funds. The Finance and Investment Committee believes that taking ethical and environmental considerations into account in an investment decision will enhance the returns available in the long term. QMUL asks its fund managers to consider the social and environmental policies of companies alongside other factors that will affect their long-term investment prospects.

In accordance with Charity Commission guidelines, it is possible to avoid investments, in particular business that would for practical reasons conflict with the charitable aims of the university. Given that QMUL seeks to promote good health through its School of Medicine and Dentistry, direct investment is avoided in any company a major part of whose business activity or focus is tobacco products.

QMUL’s investments shall be restricted to exclude direct investment in companies where business activity in armaments exceeds 25% of group activity.

The University’s investments shall be restricted to exclude direct investment in companies that derive over 33% of their turnover from fossil fuel industries. This is defined using MSCI, a global industry-standard ethical investment information provider, to determine what is meant by ‘fossil fuel companies’, and to both quantitatively and qualitatively assess the investable universe of companies against that definition. MSCI define ‘fossil fuel industries’ as the extraction, refining, or distribution of fossil fuels (those are coal, oil, gas) or electricity generation from fossil fuels. MSCI maintain an exclusion list of companies that derive over 33% of their turnover from ‘fossil fuel industries’.

It is important that the university also ensures that sources of funding for educational or research projects are consistent with the Ethical Investment Policy. Research projects from companies that conflict with our Ethical Investment policy should be vetted by the Ethics Committee.