

# Responsible Investment Report 2024

The University, consistent with its values and as set out in its strategy [Our future](#), is fully committed to acting in a socially responsible manner, with social responsibility as one of its three core goals. We believe that our investments should be consistent with our values and that Environmental, Social and Governance (ESG) issues should be considered when making investment decisions.

We work with our investment advisers and managers to ensure that investments meet the requirements of our [Policy for Responsible Investment](#) and [Investment Beliefs and Objectives](#).

Our investment portfolio is made up of endowment funds. These are gifts from donors intended to be held on trust to generate a return, usually for specific purposes within the University. We invest these funds across a range of asset classes, including equities, property, cash, diversified growth funds and pooled funds.

## 2024 highlights



### exceeded target

Exceeded our 50% target for reduction in the weighted averaged carbon intensity (WACI) of equity holdings by 2027: 59% reduction from 31 December 2019 to 31 July 2024.



### nearly met target

Almost hit our 40% target for reduction in the WACI within the investment grade credit allocation by 2027: 39% reduction from the benchmark figure at 31 December 2019 to 31 July 2024.



No direct shareholdings in coal, oil or gas companies, companies producing tobacco or manufacturing controversial weapons, or companies with the lowest ESG rating (as defined by MSCI) throughout 2024.

## Stewardship

During 2024, we invested in listed equities through two active managers (Ruffer and Ninety One) and one passive fund (Mercer Sustainable Global Equity). ESG issues are fully integrated into investment processes and managers directly engage with companies and vote at shareholder meetings on our behalf.

Ruffer, Ninety One and Legal and General Investment Management (LGIM – the underlying manager for the Mercer Passive Sustainable Equity Fund) are signatories to the UN Principles for Responsible Investment (PRI) and the Net Zero Asset Managers (NZAM) Initiative and members of the Institutional Investors Group on Climate Change (IIGCC), Climate Action 100+ and the Transition Pathway Initiative.

### Ruffer

- Stewardship activity in 2024 included engagement with Barrick Gold on both biodiversity and climate change. Barrick have recently upgraded facilities in their Kibali gold mine, which is close to Garamba National Park, a World Heritage Site. Ruffer met with the company to further understand the purpose of this project and their collaboration with African Parks, a conservation-focused NGO, and the government of the DRC to re-introduce the endangered white rhinoceros. Ruffer also encouraged the company to publish greater levels of detail in its 'roadmap to net zero by 2050' disclosure.
- As a part of Ruffer's commitment to the Net Zero Asset Managers initiative, they support the goal of Net Zero GHG emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C. Ruffer met with Tesco to assess the company through this Net Zero lens, before touching on the company's approach to biodiversity and the challenges it faces in tackling plastic waste.

Download [Ruffer TCFD report 2023](#)

### Ninety One

- Stewardship activity during 2024 addressed environmental, social, and governance issues across companies within the portfolio. Among others, Ninety One engaged with top emitters such as Samsung, Taiwan Semiconductor Manufacturing Company, and WH Group to discuss their climate strategies and net-zero commitments. Additionally Ninety One's engagements with Samsung and WH Group included governance topics such as gender diversity and board composition.
- Ninety One prioritises engagement with companies where change can have the greatest impact, including with the highest emitting companies.

Download [Ninety One - Sustainability and stewardship report](#) for the year ended 31 March 2024

## Mercer

- Legal and General Investment Management (LGIM) are the underlying investment manager of the Fund and vote at shareholder meetings on behalf of investors in the fund. Both Mercer and LGIM are signatories to the UK Stewardship Code, considered the “gold standard” of stewardship practices.
- The fund aims to reduce carbon emissions with a view to achieving net zero carbon emissions by 2050. The environmental and social characteristics of the fund are achieved through tracking the performance of the Solactive Sustainable Global Developed Equity EU Paris-Aligned Index.
- Mercer worked closely with LGIM to design the benchmark to enhance exposure to positive environmental, social and governance (“ESG”) factors and stay compliant with EU Paris-Aligned benchmark regulatory requirements and provide low carbon emission exposure with a view to achieving the long-term global warming objectives of the Paris Agreement.
- The University also invested in fixed income through Mercer, in the Absolute Return Fixed Income Fund and the Short Duration Global Bond Fund 1. Both funds disclose under Article 8 requirements (Article 8 of the EU’s Sustainable Finance Disclosure Regulation identifies products that promote environmental and/or social characteristics, while also addressing governance).

Download [Mercer - Our investment approach to climate change 2023 report](#)

## Blackrock - Property

- Aligned with BlackRock’s firmwide commitment, the BlackRock UK Property Fund (BUKPF) aims to achieve net zero greenhouse gas emissions by 2050 or sooner. As part of this commitment, BUKPF is a proscribed Sustainable Finance Disclosure Regulation (SFDR) Article 8 Fund which promotes, among other characteristics, Environmental and/or social characteristics by which the investments are made in accordance with sustainability and good governance practices.
- BUKPF is a member of GRESB (formerly Global Real Estate Sustainability Benchmark) and is the recipient of its Green Star rating for excellent performance for 9 consecutive years to date.
- Notable initiatives include the Fund’s integration of IBOS (Intelligent Building Operating System) across several properties which has seen excellent results. IBOS fully optimises building systems to maintain optimal environmental conditions. Since implementation, the Fund has witnessed an average energy reduction of 17% across the IBOS portfolio. This equates to 3,186,800 kWh, 738,688 kgCO<sub>2</sub> and £736,970 saved in energy consumption and costs with the Fund continuing to look for good candidates within the portfolio to implement the IBOS and other sustainability related technology to consumption.
- BUKPF continuously looks to improve Fund performance through strategic and active asset management initiatives that are aligned with their net zero and regulatory targets as outlined above.

Download [BlackRock Inc. 2023 TCFD Report](#)

## 2025 plans

This year, we will review our published “Investment Beliefs and Objectives” and continue to work towards our decarbonisation targets, enabling the transition towards our target of net zero emissions in the investment portfolio by 2038. As part of this, the University is currently exploring the possibility of investing 10% of the portfolio in an impact investment fund aligned with the UN sustainable development goals.