

# Responsible investment report 2021

The University, consistent with our values and as set out in our strategic plan [Our future](#), is fully committed to acting in a socially responsible manner, with social responsibility being one of our 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 an investment 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.

## 2021 highlights



**37%**  
reduction

Exceeded our 30% target for reduction in the weighted average carbon intensity (WACI) of equity holdings: 37% reduction from 31 December 2019 to 31 December 2021.



No direct shareholdings in coal, oil or gas companies from 1 August 2021 onwards.



No direct shareholdings in companies producing tobacco, manufacturing controversial weapons, or companies with the lowest ESG rating (as defined by MSCI) throughout 2021.



## Stewardship

During 2021, we invested in listed equities through two active investment managers – Ruffer and Ninety One – both of which fully integrate ESG issues into their investment process, directly engage with companies, and vote at shareholder meetings on our behalf.

Ruffer and Ninety One are signatories to the UN Principles for Responsible Investment (PRI) and members of the Institutional Investors Group on Climate Change (IIGCC), Climate Action 100+ and the Transition Pathway Initiative (TPI).

### Ruffer:

- Rated A+ for strategy and governance and A for listed equity incorporation and active ownership by the PRI in 2020.
- Stewardship activity during 2021 included a Climate Action 100+ meeting with ArcelorMittal, a discussion with Barclays on greenhouse gas emissions reduction targets, a discussion with Volkswagen around various ESG issues, and a call with Currys' new Sustainability Director covering the company's ESG roadmap.
- Advocates for transition to a low-carbon economy consistent with the goal of keeping the increase in global average temperature to well below 2°C.

Download [Ruffer's Climate Change Framework 2021: Taskforce on Climate-Related Financial Disclosures](#).

### Ninety One:

- Rated A+ for strategy and governance, listed equity incorporation and active ownership by the PRI in 2020.
- Stewardship activity during 2021 included engagement with Rio Tinto to consider the response to the Juukan Gorge cultural heritage event and engagement with Nike Inc. regarding supply chain issues and situations that could lead to human rights abuses.
- Committed to membership of the Net Zero Asset Managers Initiative, supporting investment that is aligned with the goal of net zero emissions by 2050 or sooner. Ninety One prioritise engagement with high emitting companies and work with companies where change can have the greatest impact.

Download [Ninety One's Sustainability Report from 1 April 2020 to 31 March 2021](#).

## Property investment



We invest in a UK property fund with BlackRock.

BlackRock was rated A+ for strategy and governance for Direct Property (Real Estate) by the PRI in 2020.

BlackRock measures greenhouse gas emissions at fund level and has a target net zero date of 2050.

Download [BlackRock's 2021 Taskforce on Climate-Related Financial Disclosures Report](#).

## Other investments

During the last quarter of 2021, the University invested in three new funds: Absolute Return Fixed Income, Short Duration Credit and Sustainable Global Equities.

All underlying investment managers are signatories to the PRI.

ESG integration and screening were assessed by the University as part of the manager selection process.

Further analysis will be included in the responsible investment report 2022.

## 2022 plans

This year, we will publish the University's first TCFD (Taskforce on Climate-related Financial Disclosures) report relating to investments.

We will also review our Policy for Responsible Investment, which will include setting further decarbonisation targets enabling the transition towards our target of net zero emissions in the investment portfolio by 2038.

