

## Responsible Investment Charter

### Purpose and motivation

Swinburne is a large and culturally diverse organisation. A desire to innovate and bring about positive change motivates our students and staff. Our values include statements on both accountability and sustainability. The purpose of this charter is to guide us in considering how these core values are applied to investment practices.

Further, we apply a long-term horizon to our investment practices, and therefore expect that impacts on the environment and society are considered in the management of our financial resources.

### Scope

This charter applies to all staff at the University. Anyone who acts for or on behalf of the University engaging in investment-related activities must adhere to these guidelines and associated procedures.

This Responsible Investment Charter covers the operation of:

- A. the University's Long Term Funds (investment of funds surplus to current operating requirements);
- B. the University's Short Term Funds (cash investments); and
- C. the University Foundation Fund (Foundation).

### Context

The preservation and growth of the University's cash and investment portfolio is core to the sustainability of the University.

The Responsible Investment Charter should be read in the context of the broader Swinburne University of Technology investment guidelines set by Council. Our core investment purpose is to maximise the return on available capital for an agreed level of risk to enable the University to benefit current and future generations of students through well-funded learning and teaching and research. Investment choices must be appropriate as determined by our statutes, regulations and governing instruments and not require the University to act contrary to law or public policy.

### Role of Asset Consultants, investment managers

We make use of asset consultants and investment managers that guide us to make appropriate investment choices. We consider this Responsible Investment Charter a key input to those recommendations.

## **Swinburne University's Responsible Investment approach**

We are a long-term investor, and believe that a responsible approach to our investment process plays a crucial role for the long-term success of our funds.

The Council has decided that the University's investment objectives should take account of environmental and social impacts. The University will consult with its advisers, investment managers and the University community to implement these objectives, giving particular consideration to the development of appropriate approaches including, potential divestment processes in respect of companies that generate significant revenues from activities inconsistent with these aims, such as:

- Fossil Fuels extraction or where such fuels are used for power generation
- Tobacco production
- Cluster munitions and anti-personnel landmines

Determination of candidates for divestment processes will need to take into account a range of factors and be monitored and reviewed on an ongoing basis by the Council's Resources Committee. The factors to be taken into account should include the manner in which investments are held (for example directly or in Commingled funds<sup>1</sup>), the steps particular companies are themselves taking to address and balance their environmental and social impacts, the markets and sectors in which the companies operate and the duty to ensure the University's funds are well managed with a view to maximise the investment return on available capital.

The Resource Committee will also monitor and review investments to determine if any are associated with the breaching of accepted human rights norms, for example as set out in international conventions ratified by the Australian government. This will incorporate a process of review and engagement, and to the extent possible may result in an individual company being excluded from portfolio holdings.

## **Transparency and reporting**

Swinburne University is committed as a minimum to:

- Disclose the carbon emissions of its investment holdings annually through its sustainability report.
- Report annually on progress implementing the Responsible Investment charter as set out in our responsible investment implementation plan.

## **Responsibility**

The Resource Committee of the Council has oversight of the implementation of the Responsible Investment Charter. The Vice Chancellor is responsible for implementation of the charter.

The Chief Financial Officer has delegated authority in relation to the day to day management of the charter and is supported in this task by the treasury team and external advisors.

---

<sup>1</sup> Commingled funds are typically defined as mutual funds in which money from several customers is pooled together to reduce risk and cost.

The University may employ external consultants specifically to assist in the monitoring and implementation of the responsible investment charter.

### **Review**

It is important that we continue to develop this Charter and that it remains relevant and connected to our values. To this end, this Charter is to be reviewed regularly by the Resources Committee.