

VICTORIA UNIVERSITY OF WELLINGTON FOUNDATION

Ethical and Responsible Investments Policy

The Trustees have adopted a prudent and conservative risk attitude. The Trustees also have an objective to avoid investing in industries or organisations whose purpose does not meet generally accepted ethical environmental, social and governance (ESG) standards, or that do not align with the values and objectives of the University.

The Trustees implement this objective in three primary ways:

A. Exclusions: Making known to our Investment Managers (including through this SIPO) the specific industries or organisations that we do not wish to invest in. Our strong preference is therefore that there be no direct investments in industries such as:

- Armaments
- Tobacco
- Gambling
- Carbon-emitting fossil fuels; and
- Those that do not value life

B. Selection: The Trustees recognise that investment in pooled funds may be the most efficient way to implement their investment strategy. In this event, the Trustees acknowledge they will not be able to control the investment in specific companies.

The Trustees will address this by investigating the record and policies of firms when Investment Managers are selected and appointed. Managers with strong sustainability characteristics will be preferred and our investments will be placed with those who practice the six Principles for Responsible Investment as promoted by the United Nation's PRI or equivalent.

C. Engagement: Regular engagement with the appointed investment managers to

- Communicate the Foundation's objectives and intentions
- Monitor the underlying investments the Foundation is invested in
- Understand the engagement each Manager has with the companies invested in.

United Nations Principles for Responsible Investment

In support of this policy the Foundation became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in 2018. The UNPRI embodies an internationally accepted framework for investors to manage ESG issues in a manner consistent with improving long-term investment returns. As a signatory, the Foundation will, over time, aim to apply the following principles:

1. Incorporate ESG issues into investment analysis and decision-making processes.
2. Be active owners and incorporate ESG issues into its ownership policies and practices.

3. Seek appropriate disclosure on ESG issues by the entities in which it is invested.
4. Promote acceptance and implementation of the Principles within the investment industry.
5. Work together with other signatories to enhance its effectiveness in implementing the Principles.
6. Report on its activities and progress towards implementing the Principles.

The Trustees realise the implementation of the UNPRI is an activity which is ongoing, complex and constantly evolving and as such the Trustees' policy related to Responsible Investment and associated ESG issues needs to be regularly reviewed. Any implementation of this policy shall be consistent with the Trustees' fiduciary responsibilities to deliver the best possible risk-adjusted returns over the long term.