

Compliance with the Endowment Investment Policy as at 31 July 2017

University of Sheffield Endowment Pool held with Sarasin & Partners

- Explicit environmental damage – the portfolio has followed the EIAG (Ethical Investment Advisory Group) guidelines and excluded companies that derive more than 10% turnover from thermal coal or production of oil from tar sands.

No exceptions reported.

- **Manufacture or sale of armaments** – the portfolio has excluded investments where the turnover exceeds 10% for the manufacture of armaments and the sale of firearms.

No exceptions reported.

- **Institutional violations of human rights, including the exploitation of the work force discrimination against the individual** – a subjective approach is required, as this cannot currently be directly screened for. Sarasin’s approach to stewardship incorporates these factors when assessing the suitability of investment. Sarasin challenges companies on a regular basis and works with companies to improve what they do and considers company actions taken in response to ‘disasters’.

No exceptions reported.

- **Manufacture of tobacco products** – the portfolio did not invest in any companies that manufacture tobacco.

No exceptions reported.

- **Sale of tobacco products (where the investment is in companies that derive more than 10% of their revenue from selling tobacco products)** - the portfolio did not invest in any companies that derive more than 10% of their revenue from selling tobacco.

No exceptions reported.

- **Manufacture of cosmetic products that are tested on animals** – the portfolio implementation is wider than “cosmetic” and covers any non-pharmaceutical testing. This encompasses household cleaning products, cosmetics and personal care and consequently this broader category requires a case by case basis review.

As at 31 July 2017 there was total investment value of £2.7m (c.6.4% of the total University endowment value) in six companies that required further review. Ecolab Inc, 3M Co, Air Products & Chemicals Inc, Kimberley-Clark and Royal Dutch Shell do not manufacture any products that would require further investigation. Reckitt Benckiser Group Plc manufacture Clearasil, a treatment for acne, which Sarasin consider to be a health product and not a cosmetic product.

No exceptions reported.

Conclusion

The University of Sheffield Endowment Pool held with the University’s investment managers Sarasin & Partners was compliant with the Endowment Investment Policy as at 31 July 2017.

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Twikker Income and Student Funds

As at 31 July 2017 the two funds were compliant except for the following investments, which would have required further individual screening:

- £2k investment in Croda International Plc
- £2k investment in Glencore Plc

Therefore in total, £4k of the investments managed by the original donor and the Sheffield Investment Society could not be confirmed to be compliant as at 31 July 2017. This value represents less than c.0.01% of the total University endowment value.

The £4k of investments listed above was sold subsequent to the year end, ensuring compliance with the Endowment Investment Policy.