Statement on Responsible Investment

The College has a medium-sized endowment whose returns are essential for its viable operation as an educational charity. The College Council requires its investments to be managed responsibly.

The College’s investment portfolio is currently managed by Rothschild & Co, which operates according to parameters determined by an Investments Committee. The Investment Committee reviews the appointment every 5 years and advises the College Council on any change of management. The portfolio is invested in both individual companies or stocks and funds. All funds are actively managed and there are no ‘tracker’ funds. There is also a small legacy portfolio of private equity assets managed by UBS.

The Investment Committee, through its investment managers, is seeking to invest long-term in assets which demonstrate a sustainable investment performance. It is therefore natural that considerations of an environmental, social and governance nature will be taken into account when acquiring, managing and trading in holdings. The Investment Committee will also encourage their equity managers to discharge their responsibilities in accordance with their corporate governance policies and taking into account the UK Corporate Governance Code, UN Principles of Responsible Investment and the UK Stewardship Code.

Rothschild & Co have their own responsible investment policy which aligns with that of the College. Rothschild & Co will never knowingly invest in companies that breach the principles of the United Nations Global Compact on human rights, the environment, corruption and labour practices. Rothschild & Co and the College avoid investing in companies whose primary activities involve the following industries:

- Armaments
- Gambling
- Mining thermal coal and coal power plants
- Pornography
- Tobacco

Fund managers chosen by Rothschild are expected to have a similar ESG policy and to demonstrate an ongoing commitment to investing sustainably.

The Investment Committee receives termly reports from Rothschild. A key part of the review is the portfolio’s exposure to fossil fuels, tobacco, armaments, gambling and alcohol. At the time of writing (September 2020) the report shows the College’s exposure to fossil fuel industries in its direct equities to be 0% (and has been for several years) and in equity funds to be 0.4% of its total portfolio value. There is no exposure in its fixed-income assets.

Our investment strategy is reviewed annually and reflects both our role as custodians of charitable funds and our responsibilities as stewards of the environment.