AUB Code of Ethics, incorporating AUB Ethical (Responsible) Investment Principles

STATEMENT OF ETHICS

Arts University Bournemouth is a values-led organisation. We are committed to the highest ethical standards in all our activities. We endorse the Nolan Principles for conduct in public life (Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership), and expect all staff, students, Governors and external visitors to act in accordance with these principles.

Adherence to the Code of Ethics is fundamental to the reputation of the University, as well as its organisational behaviours, and its success. All staff and students are expected to abide by the Code, and its implications, at all times. This Code sets out our key ethical principles across all aspects of university life, and the policies and guidance which put these values into practice in the running of the University.

1 Principles

The University is guided by the following principles:

- Academic freedom, including the freedom to express views which may be perceived as unpopular or controversial (within the law)
- Student participation, both actively within their education, and in university decision-making processes
- Socially responsible behaviour, making a valuable contribution to our local community and aware of the impact of both University activity and student residents on local stakeholders
- Fairness and integrity in all our dealings with staff, students, stakeholders and the general public.
- Equality, providing an environment where everyone is treated fairly and respectfully, and discrimination of any kind is treated with the utmost seriousness
- Sustainability, minimising our environmental impact and achieving Net Zero by 2030
- Transparency in our decision-making and information-sharing.

Each of our principles applies in all areas of University life. We expect all staff and students to be guided by these principles in all that they do. The guidance below is an extension of these principles, and does not supersede them. We recognise that there may be occasions where there are competing priorities. This guidance is intended to assist with such

dilemmas, but of course it cannot 'solve' them. The 'quick guide to ethical decision-making' sets out the key considerations and possible actions for all staff and students.

2 Putting our ethical principles into practice

Learning, Teaching and the Student Experience

We are committed to delivering high quality education to students registered on any course at AUB. We recognise and value the transformative power of education, and we aim to:

- Create a quality learning environment
  - enrol students with the potential to benefit from creative and performing arts further and higher education
  - secure and sustain an environment in which all students can participate fully in a high-quality educational community

- Create learning opportunities
  - provide a learning environment which is student-centred and encourages active participation in learning
  - enable student achievement through the provision of high-quality teaching and the appropriate learning resources
  - offer high-quality short courses, enabling the widest range of people to access our creative campus and community

- Create a supportive environment
  - provide relevant academic guidance and support
  - deliver outstanding student support services

- Create relevant and meaningful assessment
  - encourage students to be fully engaged in the creation and shaping of their learning experience
  - ensure that student feedback is routinely used to drive improvement
  - ensure that assessment is fair and transparent.

See also:
Admissions Policy
Appeals Policy
Complaints Procedure
Quality Assurance Handbook

Research

We are committed to the highest standards of integrity in research, and in knowledge exchange. We have made a public commitment to comply fully with the Universities UK Concordat to support Research Integrity, and we expect all research to be conducted in accordance with the ethical, legal and professional frameworks, obligations and standards. We expect all staff and students to ensure that they have the relevant level of ethical approval before they commence any project, to protect the rights of any participants, and to revisit this if their project scope changes. We have appointed four Research Ethics Advisers to support this process.

See also:
Concordat to support Research Integrity
Research Ethics Policy and Procedure

Financial integrity

We are committed to the highest standards of financial probity. Our policies and procedures are designed to minimise the risk of inappropriate management of the University's funds. Staff should ensure that they are familiar with the relevant regulations, both in relation to procurement, fundraising, and accepting gifts or donations. This includes ensuring that those with whom we contract, or from whom we accept gifts, behave in ways which are consistent with the AUB values.

See also:
Scheme of Delegation
Financial regulations
Fees and charges payment policy
Anti-bribery policy
Gifts and hospitality policy
Modern slavery and human trafficking statement

Partnership

We shall only enter into academic partnerships where there are clear benefits to both parties. All our partnerships will be aligned to our University Strategy, and will be subject to the relevant academic, financial and governance due diligence; AUB will not enter partnerships purely for financial gain. Any member of staff who may have a conflict of interest, or who has a relationship with the other party, must declare this as soon as possible and should not normally be involved in partnership decisions.

Equity, diversity and inclusion

AUB is very proud to be a diverse and inclusive community. We are committed to the creation of an environment in which everyone, staff or student, whatever their background or identity, is able to fulfil their potential. All staff, students and visitors are expected to treat others with respect and dignity; and we treat discrimination of any kind very seriously. This commitment extends to all, regardless of the characteristics which may define their identity, including but not restricted to those which are legally protected.

Staff must at all times respect professional boundaries, both with colleagues and particularly with students. Any complaint about behaviour which does not meet the expected standard will be taken seriously, and investigated accordingly.

We recognise that higher education is often challenging, and we do not wish to restrict the space for conversations which may be uncomfortable for some participants. We acknowledge that education is often provocative, but our policies and approach are designed to minimise the potential for discrimination or distress where possible.

See also:
Equality Commitment
EDI Action Plan

Student code of conduct
Dignity at work policy
Staff code of conduct policy

Academic freedom

We are committed to academic freedom, and to freedom of speech (including the freedom to follow lines of enquiry which may be perceived as unpopular or controversial). We believe this is an essential requirement for the pursuit of higher-level learning and research, which leads to the creation of new knowledge and understandings. This includes testing and challenging received wisdom. We recognise that freedom of expression, even within an academic community, cannot be total; all activity must be within the law, and must demonstrate the respect required towards others as set out in this Code of Ethics. We acknowledge the potential for competing demands between legitimate freedom of speech, and the right to freedom from discrimination, and all staff and students should be mindful of the likely impact of any views they express.

See also:
Research Ethics Policy and Procedure
Code of practice on freedom of speech and academic freedom

Governance

We are committed to transparency in our decision-making, and in explaining these decisions. We will decide according to the facts, with fairness and impartiality, and we expect our Governors, staff or students to declare any conflict of interest before participating in discussions or reaching decisions. We shall be honest both in our public statements, and in our internal dealings.

We comply with the Freedom of Information Act, and we publish significant information via our website (including publishing detailed terms and conditions for all prospective students, including links to policies which may affect them). We take seriously our responsibilities under the Data Protection Act 1998 to safeguard all the personal data we hold.

Staff and students can hold the University to account if they do not believe that we have acted in accordance with our values.

See also:
Freedom of Information Policy
Data Protection Policy
Staff and student privacy notices
AUB website
Whistleblowing (Public Interest Disclosure) Policy

Public Engagement

In all our dealings with external stakeholders, we shall adhere to our Values, and to the general provisions of this Code. We shall only engage with organisations in good standing, whose known behaviour is consistent with our Code. In our work with local officials, representative groups, local residents and the general public, we are aware of our responsibilities and our desire to make a positive local contribution, and are mindful of the

impact of University activity, seeking to minimise any disruption where possible. In working with employers, we shall uphold our Values, and will not accept any conditions of engagement which may contravene our Code either in letter or spirit.

Ethical decision-making: a quick guide

Many decisions can have an ethical dimension, even if this may not at first be obvious. This may include (but is not limited to) being offered a donation or some form of sponsorship; being offered a gift or hospitality (all gifts and hospitality to staff over the value of £25 must be declared as per the Hospitality, Gifts and Entertainment Policy); being offered the chance to engage in a live project for a commercial organisation; and in any of the above cases, there may be conditions attached. It will also include all staff research and many student projects. It is not realistic to expect staff or students to undertake a detailed investigation of every individual or company they might engage with, but when dealing with a situation with ethical implications, you should consider the following questions as part of your due diligence before entering into any agreement:

- Is it actually your decision to make? You should first check whether the University already has a policy or guidance which covers this situation. Even if there's no formal policy, there may well be someone in the University who is an expert in this area. If you're not sure, you should refer to the University Secretary for advice in the first instance
- Are you confident that your decision is correct? Is it compatible with the University's ethical principles?
- Are you confident that you could justify your behaviour to your manager or a colleague or friend if asked?
- What could go wrong? You should think about the implications not just for you, but for your colleagues (staff and students), other stakeholders or the wider University. How would this look if publicised in the media? Could this bring the University into disrepute? Could this be perceived as a bribe under the Bribery Act 2010?
- It can be useful to get a second opinion, and to discuss your ideas with someone else. So, if you are concerned, it could be a good idea to talk the situation through with a colleague or manager.

ETHICAL INVESTMENT

Context

The University's commitment to ethical behaviour also extends to its engagement with external organisations, and the investment of its funds. AUB actively promotes a sustainable approach to education, work and lifestyle. Sustainability is central to the new University Strategy and has been incorporated into our new curricula, estates projects and all aspects of AUB's activities.

Our Ethical Investment Principles are designed to support our aims to invest in a better global future by delivering strong returns through involvement in companies which improve quality of life and provide environmental benefits.

Our intention

- In the light of the AUB Strategy 2030+, and our commitment to achieving Net Zero by that date, one of the operational responsibilities for AUB is to actively manage investments and resources to enhance our ethical behaviours, our environmental and sustainability aspirations and achievements, and to further our goals in learning, research, engagement and impact.
- In addition to ensuring our investment management practices achieve strong financial outcomes, AUB is committed to ensuring that it makes socially responsible investment decisions which align with the University's revised values.
- The revised *AUB Ethical Investment Principles* [below] will guide the incorporation of Environmental, Social and Corporate Governance considerations into the management of the investment portfolio of AUB's philanthropic funds.

Ethical Investment Principles

To remain consistent with the University's ethical principles, our aim will be to take a proactive approach by investing in well-managed companies that provide products or services which are more sustainable than the market and are set to benefit from a shift towards more sustainable development.

We commit to sustainable and ethical investments, managed by the AUB Charitable Foundation (which represents the only pool of diversified financial assets managed on behalf of AUB). We will ensure that in addition to financial considerations, Environmental, Social and Governance (ESG) issues are considered when making investment decisions. AUB recognises that ethical investment is a complex area as the environmental or social impact of some companies may not be obvious or might be contested. We support the EIRIS principles of responsible investment[1].

In general, AUB will seek to prioritise investment in companies which are committed to making a positive benefit, where this is also aligned to the University's ambitions and 2030 Strategy.

All direct investments will be scrutinised in accordance with the ethical principles, and where necessary the Board of the Charitable Foundation will determine whether it deems investment is in accordance with the University's ethical and sustainability priorities. This may include, where possible, considering the integrity of the supply chain. In relation to

[1] Ethical Investment Research Services (EIRIS) Ltd, global ethical investment screening company

indirect investments, such as tracker funds, this level of scrutiny will not be possible; but reasonable efforts should be made to ensure that tracker funds do not invest in those companies which are the subject of specific exclusions.

AUB has developed specific exclusions (ie where no investment will be made). The list of exclusions is provided as Annex A to this document and will be reviewed annually.

Representation

The responsible investment principles and the AUB Ethical Investment Policy are available on the University's web pages, with appropriate contact details, enabling members of the University community to have an opportunity to engage with the Policy. In addition there are specific related policies which cover both the legal and ethical expectations, and should be referenced. These include:

- Research Ethics Policy
- Staff Code of Conduct
- Fraud Policy and Response Plan
- Student charter
- Student disciplinary regulations.

Staff and students are also given an opportunity to engage with this policy via their staff and student representatives at appropriate University Committees.

Review process

Principles and policy will be subject to an annual review, evaluation and monitoring process undertaken by the appropriate University Committee who will consider the policy and make recommendations for the Vice-Chancellor's Executive (VCE) to consider.

Governance

The implementation of the Ethical Investment Principles will be overseen by the Board of Governors at AUB through its Finance & Resources Committee, which will make regular report to the Board.

AUB will work with its advisers, investment managers and university stakeholders to implement the Ethical Investment Principles. This includes the development and regular review of guidelines for their implementation.

To ensure the Ethical Investment Principles remain relevant to the values and operations of AUB, the Board will regularly review this document, taking advice from Finance & Resources Committee.

<u>Some definitions</u>

ESG issues include environment, social and governance issues.

Corporate Sustainability is defined by the UN Global Compact ten principles for business encompassing Human Rights, Labour, Environment and Anti-Corruption. The ten principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

The Scheme of Delegation (part 4 of the University's formal governance documentation) states that:

The management of investments is the responsibility of The Arts University Bournemouth Charitable Foundation. The Board of the Charitable Foundation includes the Vice-Chancellor as an ex officio member, but it is not a formal subsidiary of the Board of Governors of AUB. The Charitable Foundation may delegate this power to independent financial advisers provided that:

a) The Board of Governors has first taken advice and received a recommendation from the Finance & Resources Committee

b) The Board of Governors has adopted, on advice, an Investment Strategy set out in writing and reviewed regularly and at least once per year by each of the Finance & Resources Committee and the Audit & Risk Committee

c) The performance of investments shall be reviewed at least once per year by the Board of Governors

d) The Board of Governors may terminate the services of the contracted financial experts at any time

e) All fees and expenses payable to the investment experts shall be on a scale agreed in writing in advance of their appointment by the Board of Governors

The Board of Governors retains at all times responsibility for approving all investments and borrowings for the furtherance of the University.

EXCLUSIONS

The University distinguishes between direct investment, and investment through managed funds.

Direct investment

There will be no direct investment in any of the following:

Any company that derives more than 10% of its turnover from the production, distribution, or retail of tobacco products (including key products necessary for the production of tobacco products, such as flavouring, filters, roll-paper, machinery and packaging); or from the production, distribution, or retail of e-cigarettes.

Any company deriving more than 10% of its turnover from the extraction of coal, gas or oil, including through the use of fracking.

Any company deriving more than 10% of its turnover from the production or sale of non-military firearms or ammunition.

Any company deriving more than 25% of its turnover from the production or licensed sale of alcoholic drinks, except in the case of companies whose sole business is the provision of alcoholic drinks with food (such as restaurants or other food-led dining businesses).

Any company involved in the production or supply of indiscriminate weaponry. This includes nuclear weapons, anti-personnel mines, cluster munitions, chemical weapons or biological weapons; weapons-grade nuclear fissile materials; parts or services for antipersonnel mines, cluster munitions, chemical weapons or biological weapons. No turnover threshold is applied.

Any company deriving more than 10% of its turnover from strategic military sales including conventional military platforms, whole military systems, weaponry or strategic military parts or services.

Any company that derives more than 10% of turnover from the production or distribution of pornography, the staging of live sex shows or the ownership of sex shops. This includes publishers and wholesalers of newspapers, magazines, videos, films and/or software; television channels; providers of websites or portals, or other telecommunication networks; and the management of sex shops and lap dancing clubs.

Any company deriving more than 10% of turnover from gambling activities, including ownership of casinos, bingo halls or other betting establishments, or from online gambling; and companies that provide key products or services fundamental to gambling operations, including (but not restricted to) products manufactured exclusively for gambling, such as slot machines and roulette wheels.

Any company deriving more than 10% of its turnover from the provision of home-collected credit ('doorstep lending'), unsecured short-term loans ('payday loans') or pawnbroker loans, directly or through owned-subsidiaries.

Any company whose approach to taxation is blatantly aggressive or abusive (including tax evasion, tax planning or tax avoidance; or if the company's approach to taxation cannot be considered reasonable).

In addition, the following considerations apply in all cases:

Any company will be excluded if its policies, practices and record do not demonstrate a commitment to environmental sustainability.

Any company will be excluded if it does not respect fundamental human rights. Specifically, exclusions will apply to any company whose policies, practices and record on human rights and labour standards fall below the recognised standard as identified by EIRIS.
Any company developing and marketing genetically modified organisms will be excluded if an AUB review does not lead to satisfactory assurance on, and confidence in, ethical standards.

Investment through managed funds

The University recognises that where investment is not direct, for instance where it is managed through tracker funds, it will not always be possible to monitor companies in the same way. However it expects its Investment Managers to make all reasonable efforts to comply with the exclusion principles for direct investments; and any investment in a company which would breach the thresholds listed above should be reported to the University.