

Treasury and Investment Policy

Version 6 - Approved 28 June 2024

Purpose:

This policy guides decision making for the responsible and effective management of the University, and its controlled entities, investment and financing activities.

		Responsible
1	Investment funds	
1.1	The University will work to preserve and grow the value of its long term investment funds, provide a sustainable income stream to support the University's mission consistent with its environmental, social and governance commitments. The University strategy includes a commitment to a zero-carbon future, in accordance with the Intergovernmental Panel on Climate Change (IPCC) target to limit global warming to 1.5oC and the United Nations Sustainable Development Goals.	Deputy Vice-Chancellor (Student Services and Operations)
1.2	The University will maintain a level of liquidity consistent with the investment strategy.	Deputy Vice-Chancellor (Student Services and Operations)
2	Investment allocation decisions	
2.1	Investment allocation decisions for longer-term investment funds will be managed to achieve in aggregate: a) a return objective that is long term and not a year by year measure. b) a return, after fees, at least equal to the average increase in headline consumer price index plus a margin recommended by the University's investment advisors and approved as part of the University's annual strategic planning process. c) a diversified portfolio that mitigates the risk of a permanent loss of capital. d) returns with a lower volatility than would be experienced by investing solely in the public equity markets. e) sufficient liquidity to mitigate existential risk. f) an accelerated transition to a zero-carbon future through the application of: i. a negative screen for fossil fuel investments; and/or ii. a positive screen for investments driving the energy transition. g) a positive screen for the University's environmental, social and governance commitments.	Deputy Vice-Chancellor (Student Services and Operations)
3	Governance and risk management	
3.1	Any University financial decision will be compliant with relevant borrowing facilities' covenants and undertakings and the University's consolidated debt to equity ratio of 30 per cent and maintain a Moody's investment grade credit rating.	Deputy Vice-Chancellor (Student Services and Operations)
3.2	All aspects of enacting and administering borrowings or financing arrangements will be coordinated by the University's treasury function, which will ensure appropriate controls are in place to manage risks.	Deputy Vice-Chancellor (Student Services and Operations)
4	Borrowings, debt and cash management	
4.1	Borrowing arrangements will ensure the University's liquidity, maintain financial stability, and support the University's long-term funding strategy.	Deputy Vice-Chancellor (Student Services and Operations)

4.2	The University will seek appropriate borrowings to minimise financing costs and provide stability through management of refinancing risk.	Head of Student Services and Operations
4.3	The University's cash balances will be managed efficiently to ensure all obligations are met, at the lowest possible cost.	Head of Student Services and Operations

Definitions and acronyms:

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All University community members must comply with all relevant laws and regulations, University By-Laws, ordinances, policies and procedures.