



# Responsible Investment Beliefs and Ambition Statement

USS is a long-term, responsible investor with a legal duty to invest in the best financial interests of our members and beneficiaries, so we can pay pensions long into the future.

We believe that when a company is run effectively and appropriately manages its environmental and social risks, like climate change or health and safety, investment risk can be reduced over time and returns may be positively impacted.

To achieve this, we have a set of Responsible Investment beliefs and ambitions which have been set by the trustee.

## Our beliefs

- As a Universal owner, we can't diversify our way out of large systemic risks, nor can we stock pick our way around them. The overall risk to market returns (beta) is one of the biggest risks members face.
- We believe that collaboration with other long-term investors is likely to improve the impact of our interventions.
- We believe that Responsible Investment integration and high-quality stewardship in all asset classes will contribute to better outcomes for the members.

## Our ambitions

- We will be rated highly by our stakeholders for the quality and clarity of our communications on RI, and for our engagement efforts with stakeholders.
- We want to be seen as the leading UK asset owner with respect to Responsible Investment, and among the leading asset owners globally, in areas that are key priorities for our scheme.

## How do our beliefs and ambitions benefit the scheme?

- These beliefs focus our Responsible Investment work in areas that we believe are most important to the scheme – areas which give rise to financial and reputational risk.
- By being vocal and prepared to act on things that are an agreed priority for USS (because they are financially material in either reducing risk or maximizing return) we believe the



speed of positive change in these areas will be faster/greater which will benefit members more.

- Further integrating Responsible Investment into all our investment activities will drive better returns and reduce risk. All investment decisions will be subject to a Responsible Investment lens and our engagement activity, which we believe improves financial outcomes in the long-term, will be more fulsome and thus generate more positive impact.
- Being clear about what we want to achieve will help our stakeholders measure our success in our efforts and feel confident we are delivering positive outcomes for members.