



8 October 2019

Conclusion of the consultation on USS's Statement of Investment Principles

Thank you for taking the time to provide your considered feedback on the latest draft of the Universities Superannuation Scheme ('USS') Statement of Investment Principles ('SIP') during the recent employer consultation exercise.

Your comments have been considered carefully by the Trustee in finalising the SIP and a number of amendments have been made as a result. A copy of the final SIP is attached, for reference.

As you will appreciate, the SIP consultation followed the 2017 valuation. The 2018 valuation was completed shortly after the consultation had closed. In considering your responses, the Trustee also considered whether any further changes needed to be made to the SIP following the 2018 valuation. It agreed the latest iteration of the SIP was sufficient for the 2018 valuation as well – and, as such, does not intend to consult on this document again until the next valuation is completed.

From the consultation exercise it is clear that there is demand amongst employers for more detail in terms of how the principles will be honoured *in practice* and how USS Investment Management ('USSIM') operates and external managers are overseen.

With the SIP setting out the objectives and policies by which the Scheme's investments are managed, the Trustee believes that much of the detailed information requested by employers is best served outside of the SIP, via communications, which can provide more practical examples and specific details.

A great deal of information is already available [on the USS website](#) to this end (in particular, I would draw your attention to the recently published [Responsible Investment report 2019](#), which covers in detail our work in this area and demonstrates how it runs through everything that we do) but we can clearly provide more and better signposting to this information. So we will be engaging actively with UUK and our Institutions Advisory Panels to explore opportunities to do so, and in a way that brings these matters to life.

As we covered in the drop-in sessions at the 2018 Institutions' Meeting, we are in the process of redeveloping the USS website and will be taking the opportunity to make information on our investments easier to access – as well as adding new content to provide more specific detail.

This year's Institutions' Meeting itself will also be an opportunity to respond to your feedback, in terms of the ground we will look to cover during the presentations and in our supporting materials.

We are committed to raising greater awareness of the inner workings of investment decision-making across the Trustee and USSIM in response to your feedback.

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For now, I'd like to thank you for your engagement on these important issues.



Bill Galvin
Group Chief Executive Officer

Further reading:

[2019 Report & Accounts](#)

[How USS invests](#)

[Responsible Investment](#)

- [Responsible Investment Report 2019](#)
- [USS's approach to Responsible Investment](#)
- [The divestment debate](#)

[Private markets](#)

- [An Alternative approach to funding pensions?](#)

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