



## Sustainable Investment Policy (SIP)

### 1. Purpose

The Sustainable Investment Policy aims to establish a framework for managing the university's investment assets in a manner that balances **fiduciary responsibility** with **environmental preservation and social responsibility**. As a private non-profit institution providing education to undergraduate and postgraduate students across 14 faculties, the university seeks to ensure its investments support long-term financial sustainability while adhering to responsible environmental and ethical practices.

This policy aims to achieve **stable, long-term financial returns** to support scholarships, scientific research, infrastructure, and academic development, while integrating sustainability considerations into the investment decision-making process.

### 2. Scope of Application

This policy applies to all financial assets managed by or on behalf of the university, including:

- Long-term investment portfolios.
- Strategic financial reserves.
- Funds invested through external asset managers (funds invested by the university via specialized external companies or financial institutions).
- Investments supporting scientific research and institutional development.

All investment decisions made by the university's financial or investment entities must comply with this policy.



### 3. Fiduciary Responsibility

The university acknowledges its fiduciary responsibility to manage its financial assets responsibly to support its long-term institutional mission. Accordingly, investment decisions prioritize the following:

- Achieving **long-term financial returns** to support scholarships, academic programs, and research initiatives.
- **Diversifying investment portfolios** to reduce financial risks.
- Managing assets through **professional investment practices** aligned with prudent investment standards.
- Achieving **risk-adjusted financial performance** consistent with the university's financial goals.
- Integrating sustainability considerations in a way that **enhances long-term financial performance without negatively affecting it**.

### 4. Sustainable Investment Principles

The university is committed to integrating **Environmental, Social, and Governance (ESG)** considerations into the investment decision-making process.

#### 4.1 Environmental Preservation

Investment decisions take environmental impacts into account and will encourage investments that support:

- Reducing greenhouse gas emissions.
- Developing renewable energy.
- Resource efficiency and sustainable technologies.
- Enhancing climate change adaptation and environmental innovation.
- Where possible, the university avoids investments that contribute significantly to environmental degradation.



#### 4.2 Social Responsibility

The university seeks to invest in institutions that demonstrate responsible social practices, including:

- Respecting human rights.
- Commitment to fair labor practices and providing safe working conditions.
- Supporting diversity, equity, and inclusion.
- Responsible community engagement.

#### 4.3 Governance Standards

The university prioritizes investing in institutions that implement strong governance practices, such as:

- Transparent leadership and accountability.
- Ethical business behavior.
- Effective risk management.
- Compliance with applicable regulations and legislation.

### 5. Responsible Investment Strategies

The university applies a range of responsible investment strategies, including:

- **5.1 Integrating ESG Criteria:** Environmental, social, and governance factors are integrated into investment analysis, risk assessment, and portfolio construction.
- **5.2 Negative Screening (Exclusion):** The university may restrict or avoid investing in sectors or companies that conflict with its institutional values or represent significant sustainability risks.
- **5.3 Positive Investments:** When financially appropriate, the university may allocate a portion of its investments to initiatives supporting sustainable development, such as renewable energy infrastructure, sustainable



technology innovation, and investment initiatives linked to education and scientific research.

## 6. Investment Governance

The **Financial Administration** of the university is responsible for overseeing the implementation of this policy and reports to the university's Board of Trustees. Key responsibilities include:

- Ensuring compliance with fiduciary duties.
- Integrating sustainability considerations into investment oversight.
- Monitoring investment performance and risk exposure levels.
- Reviewing risks and opportunities associated with ESG criteria.

## 7. Transparency and Reporting

The university maintains transparency in its investment practices by preparing periodic reports on:

- The financial performance of the investment portfolio.
- The integration of sustainability considerations in investments.
- Significant ESG developments affecting investments.
- These reports may be included within the university's **annual financial reports**.

## 8. Implementation

The **Financial Administration** implements this policy by:

- Developing investment guidelines consistent with this framework.
- Monitoring sustainability-related risks within the investment portfolio.
- Organizing training and awareness activities for administrative units involved in financial oversight.



### 9. Policy Review

This policy is reviewed at least once every **three years** to ensure its alignment with evolving investment practices, sustainability standards, and the university's strategic goals.

University President

Prof. Mamdouh Ghorab

