



Sustainable Investment Policy of Azerbaijan Technical University

Document type	Policy
Scope (applies to)	All staff and students
Issued in	2023
Revised	June 2024
Expiry date	2026
Approver	University Council
Document owner	Sustainable Development Institution
Document status	Published
Information classification	Public
Purpose	This Sustainable Investment Policy outlines the principles and guidelines governing the management and investment of the University's financial assets.

Baku-2024

Table of Contents

Introduction 2

Purpose 2

Scope 2

Goals 2

Monitoring 2

Compliance 3

Roles and Responsibilities 3

Review 3

Introduction

The document "Sustainable Investment Policy (SIP) of Azerbaijan Technical University (AzTU)" was prepared accordingly Resolution No. A/RES/70/1 of the UN General Assembly dated September 25, 2015, Law of the Republic of Azerbaijan on investment activity, July 27, 2022, Development Strategy of Azerbaijan Technical University for 2021-2030.

Purpose

AzTU recognizes the importance of prudent financial management to support its mission of academic excellence and long-term sustainability. This Investment Policy outlines the principles and guidelines governing the management and investment of the University's financial assets.

Scope

The current "Document" applies to all students, academic and administrative staff, as well as guests and consultants, who participate in all educational, educational programs, and social activities of AzTU, about other persons who are not students or employees.

Goals

- ✓ Prioritize the safety and preservation of the University's capital while generating reasonable returns.
- ✓ Maintain sufficient liquidity to meet operational needs and unforeseen expenses.
- ✓ Diversify investments across asset classes to mitigate risk and enhance portfolio stability.
- ✓ Seek competitive returns while considering the risk tolerance and investment horizon of the University.
- ✓ Conduct periodic risk assessments to identify and mitigate potential risks associated with the investment portfolio.
- ✓ Implement risk management strategies to safeguard the University's capital and optimize the risk-return profile.
- ✓ Adhere to ethical investment principles, avoiding investments in industries or companies engaged in activities that conflict with the University's values and mission.
- ✓ Integrate environmental, social, and governance (ESG) factors into investment decisions to promote socially responsible investing.
- ✓ Collaboration with industry initiatives, shareholder advocacy, and participation in sustainability forums will be pursued to enhance the impact of AzTU's investments.

Monitoring

Regularly monitor and evaluate the performance of the investment portfolio against predefined benchmarks and objectives.

Utilize performance metrics and reporting tools to provide transparent and comprehensive information to stakeholders.

Compliance

Comply with all relevant legal and regulatory requirements governing the management and investment of the University's financial assets.

Stay informed about changes in financial regulations and adjust investment strategies accordingly.

Roles and Responsibilities

Establish an Investment Committee responsible for overseeing the implementation of this policy, monitoring investment performance, and recommending adjustments as needed.

The Investment Committee shall consist of individuals with financial expertise, including representatives from the university administration, finance department, and external financial advisors.

Regularly review and update the Investment Policy to ensure alignment with the University's financial goals and market conditions.

AzTU will regularly disclose information regarding its sustainability investment practices, including the criteria used for decision-making and the performance of sustainable investments.

The University will work towards achieving recognized sustainability reporting standards to enhance transparency.

Review

Conduct a comprehensive review of the Investment Policy at least every 2 years, or more frequently if market conditions or the University's financial circumstances warrant.

Revise the Investment Policy as needed to reflect changes in the investment landscape and the University's financial goals.

By adhering to this Investment Policy, AzTU aims to prudently manage its financial resources, optimize returns, and contribute to the long-term financial sustainability of the University.