



WESTERN CASPIAN UNIVERSITY
SUSTAINABLE INVESTMENT POLICY

Baku 2023

1. Introduction

1.1 Purpose

Western Caspian University is committed to sustainability and recognizes the importance of integrating environmental, social, and governance factors into its investment decisions. As an institution of higher education, we understand the role we play in shaping a sustainable future for our students, staff, and the broader community. This Sustainable Investment Policy reflects our commitment to responsible investing practices that generate positive financial returns while also contributing to positive environmental and social impact.

1.2 Scope

This Sustainable Investment Policy applies to all investment decisions made by Western Caspian University and its affiliated entities. It covers all types of investments, including but not limited to endowment funds, pension funds, and other financial assets managed by the university. All stakeholders, including investment managers, advisors, and university staff, are expected to comply with this policy and work towards the university's sustainability goals.

2. Investment Principles

The university's investment decisions will be guided by the following principles:

Environmental Sustainability: We seek to invest in companies that actively reduce their environmental impact. This includes companies that prioritize renewable energy, energy efficiency, waste reduction, and sustainable resource management.

Social Responsibility: Western Caspian University is committed to investing in companies that uphold high standards of social responsibility. Our investments are guided by principles that prioritize fair labor practices, respect for human rights, and positive social impact.

Governance: Investments will prioritize companies with transparent and ethical governance practices. Western Caspian University recognizes the importance of transparent and ethical governance practices in the companies in which it invests. Our governance principles guide our investment decisions to support companies that demonstrate strong governance structures and practices.

3. Our Objectives

3.1 The objectives of Western Caspian University's Sustainable Investment Policy are to:

Integrate Sustainability: Incorporate ESG Factors into Investment Decisions

Western Caspian University is committed to integrating environmental, social, and governance (ESG) factors into its investment decisions. This involves considering how companies manage their impact on the environment, society, and governance practices when making investment choices. By incorporating ESG factors, the university aims to align its investments with its values and contribute to sustainable development.

3.2 Achieve Competitive Financial Returns While Managing ESG Risks

While prioritizing sustainability, Western Caspian University also aims to achieve competitive financial returns. This involves carefully managing ESG risks, such as those related to climate change, regulatory compliance, and reputation. By integrating ESG considerations into its investment strategy, the university seeks to enhance long-term financial performance while contributing to positive environmental and social outcomes.

3.3 Support Impactful Environmental and Social Initiatives

Western Caspian University will utilize its investments to promote sustainability awareness within the academic community and advocate for responsible investment practices at both local and international levels.

4. Investment Criteria

Western Caspian University's investment decisions are guided by a set of criteria that reflect our commitment to sustainability and responsible investing. These criteria help university identify investments that align with our values and contribute to positive environmental and social impact.

4.1 ESG Performance: We give priority to investing in companies with robust environmental, social, and governance (ESG) performance. This encompasses companies with well-defined ESG policies and practices, actively striving to enhance their ESG performance progressively.

4.2 Social Impact: We prioritize investments that make a positive impact on society and the environment. This involves investing in renewable energy, sustainable agriculture, clean technology, and other sectors that contribute to a more sustainable future.

4.3 Long-Term Value: We aim for investments that provide enduring value and sustainability. This involves investing in companies with strong growth prospects, competitive advantages, and a firm commitment to sustainability.

4.4 Stakeholder Engagement: We value companies that engage with their stakeholders, including employees, customers, suppliers, and the communities in which they operate

5. Monitoring and Reporting

5.1 Regular Reporting: We will provide regular reports on the performance of our sustainable investments to stakeholders. These reports include updates on the financial performance of the investments as well as their impact on ESG factors.

5.2 Transparency: We will prioritize transparency in our reporting, offering comprehensive information on our investment decisions, including the reasoning behind them and any challenges or successes we've experienced.