



The University of World Economy and Diplomacy

SUSTAINABLE INVESTMENT POLICY

Tashkent-2024

Sustainable Investment Policy of the University of World Economy and Diplomacy

I. General Provisions

The University of World Economy and Diplomacy (*hereinafter – the University / UWED*), a leading educational and research institution in international relations, diplomacy, economics, and law, recognizes its responsibility to promote sustainable development. This Sustainable Investment Policy (*hereinafter the "Policy"*) aims to ensure responsible management of the University's investments, incorporating Environmental, Social, and Governance (ESG) principles in alignment with the United Nations Sustainable Development Goals.

1.2. The Policy regulates investment decisions made with the assessment of environmental, social, and governance factors and applies to all UWED investment operations, including asset managers and external investment managers.

II. Objectives of the Policy

2.1. The purpose of the Policy is to establish conditions for managing UWED's assets based on sustainable development principles aligned with international standards and the legislation of the Republic of Uzbekistan, including the "Green Economy" and "Uzbekistan – 2030" programs.

2.2. The Policy is aimed at:

- maintaining sustainable management of the University's financial assets to ensure long-term financial stability and alignment with national economic development priorities;
- integrating ESG principles into the investment strategy, while ensuring compliance with environmental, social, and corporate standards, as well as alignment with the requirements of the World Trade Organization;
- reducing risks associated with investments in potentially environmentally hazardous or socially unsustainable projects, while maintaining a reasonable level of risk assessment;
- fostering a culture of responsible investing among students.

III. Principles of Sustainable Investing

3.1. UWED adheres to the following principles of sustainable investing:

- **Environmental Sustainability:** Encouraging eco-friendly, resource-efficient, and low-carbon technologies, minimizing environmental impact in accordance with the legislation of the Republic of Uzbekistan;
- **Social Responsibility:** Supporting investments that promote human rights, provide social protection, and encourage inclusive growth, within the framework of national development programs;
- **Corporate Governance:** Considering corporate governance indicators in the projects UWED invests in, including transparency, ethics, independence, and accountability;
- **ESG Integration:** Incorporating ESG factors in the analysis of asset investment attractiveness.

3.2. Risk Consideration:

Before making investment decisions, the UWED aims to conduct a comprehensive assessment of environmental, social, and financial risks, where information is available, to minimize potential losses and increase asset resilience.

IV. Investment Strategy

4.1. UWED prioritizes investments in projects and companies that:

- demonstrate sustainable environmental practices (*e.g., energy efficiency, use of renewable energy sources, waste reduction*);
- ensure social justice and inclusiveness (*e.g., respect labor rights, promote equality and diversity*);
- adhere to high standards of corporate governance (*e.g., support transparency and ethical decision-making*).

4.2. UWED does not invest in companies associated with:

- violations of human rights or involvement in activities that contradict national or international standards;
- the production or distribution of products and services that may harm human health;
- significant environmental pollution.

4.3. Investment Instruments:

UWED may invest in:

- financial instruments (*stocks, bonds*) that comply with sustainability principles;
- projects that contribute to the achievement of sustainable development goals (*e.g., renewable energy, infrastructure, healthcare*).

V. Responsibility for Policy Implementation

5.1. Implementation of this Policy is the responsibility of the UWED Finance Office, which is to develop a list of permissible assets and monitor their compliance with the established criteria.

5.2. The Finance Office is to assess the effectiveness of investments in terms of their impact on environmental, social, and economic sustainability. The Finance Office may initiate a review of this Policy as necessary, considering changes in the legislation of the Republic of Uzbekistan and international best practices.

5.3. The University acknowledges that it may not always fully control investment decisions made by external managers and relies on their good-faith adherence to the provisions of this Policy.

VI. Final Provisions

6.1. This Sustainable Investment Policy will be reviewed as necessary to ensure its ongoing relevance, considering changes in global best practices, the legislation of the Republic of Uzbekistan, and UWED's strategic priorities.

6.2. All investors and asset managers acting on behalf of UWED are required to consider the provisions of this Policy, including its principles and approaches, to the extent reasonable and practicable.

6.3. The University reaffirms its commitment to the principles of sustainable development not only in education and research activities but also in the management of financial resources. Responsible investing is a key component in shaping the next generation of leaders, diplomats, lawyers, and economists.