



Sustainable Investment Policy

Year 2022

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Section-1: Definitions

In this Policy Document, unless otherwise specified, or anything repugnant to the Statutes of National University of Modern Languages, the following expressions shall have the meanings as follows:

- 1.1 **ESG approach** - environmental, social, and governance: a framework used to assess an organization's business practices and performance on various sustainability and ethical issues.
- 1.2 **Negative screening** - excluding companies that perform poorly on environmental, social, and corporate governance (ESG) criteria and are excluded from investment portfolios.
- 1.3 **Paris Climate Change targets** - the Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. In order to make the Paris Agreement fully operational, a work program was launched in Paris to develop modalities, procedures, targets and guidelines on a broad array of issues.
- 1.4 **Positive screening** - identifying and focusing investments into companies that are considered top performers based upon ESG criteria.
- 1.5 **Screening** - there are various approaches to investment selection that can be applied, but when it comes to Environmental, Social, and Governance (ESG) related strategies, there are two most common types – positive and negative screening.
- 1.6 **UN SDGs** - United Nations Sustainable Development Goals are a collection of seventeen interlinked objectives designed to serve as a "shared blueprint for peace and prosperity for people and the planet, now and into the future".

Section-2: Policy

1 Purpose:

The National University of Modern Languages (NUML) focuses on creativity and innovation to assure environmental sustainability, foster social responsibility, and contribute to the advancement of humanity via excellence in education. Using an integrated ESG (environment, social, and governance) approach, the University invests its resources ethically and responsibly.

2 Scope:

The policy applies to the whole University including its regional campuses.

3 Policy Statement:

The University management will invest in a sustainable manner through socially responsible investing.

4 The Policy:

4.1 When making investments, the University takes a long-term perspective and takes into account corporate governance, social responsibility, and environmental sustainability.

4.2 When investing in the resources needed by the University, sustainability is the major consideration. The University recognizes the effects of environmental changes and the necessity of supporting the global transition to a greener and more sustainable environment.

4.3 In order to ensure that enterprises that can be damaging to the environment or society are excluded and to invest in companies with responsible cultures, practices, and good governance, University takes into account a combination of negative and positive screens.

4.4 The investment made by the University is in line with a mandate that supports the United Nations Sustainable Development Goals (SDGs) and other frameworks and gives a boost to the business sectors (such as renewable energy, sustainable transport, waste management, etc.) that are essential to achieving the Paris Climate Change targets.

4.5 In order to ensure sustainable investment and integration into campus investment in the areas identified in para (4.4), the University periodically examines the asset management, value, and use of investments.

5 Procedure:

The Investments Committee will periodically assess how each relevant area of development has incorporated environmental, social, and governance (ESG) factors into the investment process.

6 The Investment Committee

A committee composed of the following members will review ESG considerations of appointed Investment Managers.

i.	Rector NUML	Chair
ii.	Pro-Rector R&SI Division	Member
iii.	Pro-Rector Academic Division	Member
iv.	Pro-Rector Resources Division	Member
v.	Director Technical	Member
vi.	Director Finance	Member
vii.	Director Administration	Member