

## Sustainable Investment Policy



Policy Code: GOV-POL-003

Owner: Office of the Vice President for  
Administration, Finance and Community  
Engagement

### POLICY & PROCEDURES:

Sustainable Investment Policy

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## Version Control & Sign–Off Sheet

| Version Control |                  |                    |                  |
|-----------------|------------------|--------------------|------------------|
| Version         | Change reference | Approval           | Dates            |
| 1               | Initial version  | University Council | 1 September 2024 |
|                 |                  | Next Review        | 31 August 2025   |

## 1. Purpose

This policy establishes ASU's commitment to responsible and sustainable investment practices, aligned with the UN Principles for Responsible Investment (PRI), the Bahrain Vision 2030, and the United Nations Sustainable Development Goals (SDGs).

## 2. Scope

This policy applies to all financial investments made by the University, including endowment funds, reserve funds, and any other investment portfolios managed by or on behalf of ASU.

## 3. Guiding Principles

- The University shall integrate Environmental, Social, and Governance (ESG) factors into all investment decisions.
- Investment decisions shall seek to generate sustainable long-term returns while contributing positively to society and the environment.
- The University shall maintain diversified portfolios that balance financial returns with ethical considerations.

## 4. Investment Criteria

ASU shall prioritise investments in enterprises that demonstrate strong ESG performance, including commitment to carbon emission reduction, fair labour practices, ethical governance, and community engagement.

The Finance Committee shall apply positive screening criteria, favouring investments in renewable energy, sustainable infrastructure, education technology, healthcare, and green building.

## 5. Exclusions

The University shall not invest in entities primarily engaged in:

- Fossil fuel extraction and processing (coal, oil sands, tar sands)
- Manufacture of weapons, cluster munitions, or anti-personnel mines
- Tobacco production or distribution
- Activities that contravene internationally recognised human rights standards
- Gambling operations

## 6. Divestment Commitment

ASU shall progressively divest from any existing holdings in excluded sectors within a 36-month period from the effective date of this policy. The Finance Committee shall report progress on divestment to the Board of Trustees annually.

## 7. Annual ESG Review

The Finance Committee shall conduct an annual ESG review of all University investments and present findings to the Board of Trustees. This review shall assess portfolio alignment with this policy and identify opportunities for increased sustainable investment.