

Sustainable Investment Policy

(Bukhara State University, 2026–2030)

1. Purpose

In alignment with the framework of the United Nations Sustainable Development Goals (SDGs), Bukhara State University (BSU) adopts this **Sustainable Investment Policy** to ensure that all financial investments support **long-term environmental integrity, social responsibility, and economic resilience**.

The policy aims to align the University's financial assets with its institutional mission and sustainability commitments.

2. Scope

This policy applies to:

- All university-managed funds (operational reserves, endowments, grants where applicable)
- Investment decisions made directly by the university or through external fund managers

3. Guiding Principles

BSU investment decisions shall be guided by:

- **Alignment with Sustainability Goals:** Investments must support or not contradict SDG priorities
- **Risk-Aware Responsibility:** Consideration of environmental, social, and governance (ESG) risks
- **Long-Term Value Creation:** Focus on sustainable returns rather than short-term gains
- **Transparency and Accountability:** Clear reporting and ethical financial conduct
- **Impact Orientation:** Preference for investments generating positive social and environmental impact

4. Investment Framework

4.1 ESG Integration

All investments must be evaluated based on:

- **Environmental factors:** carbon emissions, resource use, pollution
- **Social factors:** labor practices, human rights, community impact
- **Governance factors:** transparency, anti-corruption, ethical leadership

4.2 Positive (Impact) Investments

BSU prioritizes investments that contribute directly to:

- Renewable energy and energy efficiency
- Sustainable infrastructure and innovation
- Education and research development
- Health and community well-being
- Green technologies and circular economy

4.3 Exclusion Criteria (Negative Screening)

BSU will avoid investments in sectors that conflict with sustainability principles, including:

- Environmentally harmful industries (e.g., high-pollution activities)
- Companies violating labor or human rights standards
- Entities involved in corruption or unethical governance

4.4 Local and National Development

Where feasible, BSU will prioritize:

- Investments supporting **Uzbekistan's sustainable development**
- Local enterprises and innovation ecosystems
- Partnerships with socially responsible organizations

5. Investment Categories

5.1 Low-Risk Sustainable Assets

- Green bonds
- ESG-compliant funds
- Government-backed sustainable projects

5.2 Strategic Impact Investments

- University-linked research and innovation projects
- Startups focused on sustainability solutions
- Infrastructure aligned with green campus development

6. Decision-Making Process

- Establish a **Sustainable Investment Committee**
- Conduct ESG due diligence before investment decisions
- Use standardized evaluation criteria and scoring systems
- Involve financial and sustainability experts

7. Risk Management

- Assess climate-related financial risks
- Monitor market, regulatory, and reputational risks
- Diversify investment portfolio to ensure stability

8. Monitoring and Reporting

- Annual review of investment portfolio performance
- ESG impact reporting aligned with SDGs
- Public disclosure through sustainability reports

Key indicators:

- Percentage of ESG-aligned investments
- Carbon footprint of investment portfolio
- Social impact metrics (e.g., jobs supported, projects funded)

9. Engagement and Stewardship

- Engage with invested companies to improve ESG performance
- Exercise voting rights responsibly (if applicable)
- Encourage transparency and sustainability reporting

10. Capacity Building

- Train relevant staff in sustainable finance principles
- Collaborate with academic departments for research integration
- Promote student involvement in sustainability finance initiatives

11. Continuous Improvement

- Regular updates based on global best practices
- Integration of emerging ESG standards and frameworks
- Feedback-driven policy refinement

12. Expected Outcomes

- Alignment of financial resources with institutional sustainability goals
- Reduced exposure to environmental and social risks
- Contribution to regional and national sustainable development
- Strengthened institutional reputation and credibility

13. Conclusion

Through this policy, Bukhara State University commits to ensuring that its financial decisions actively support the realization of the United Nations SDGs, reinforcing its role as a responsible and forward-looking institution.