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EAST WEST UNIVERSITY

Sustainable Investment Policy of East West University

2024

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1. Purpose of the Policy

This policy establishes the objectives and principles concerning the investment of East West University (EWU). Also, it provides guidelines on how the university is maintaining environmental, social, and governance (ESG) issues while making investments by considering its financial stability.

2. Scope of the Policy

This policy ensures that all EWU funds, including provident, gratuity reserve, and general funds are utilized responsibly. It covers all investments and savings made by or on behalf of the university.

3. Policy Objectives

- a. Ensure that all investment operations reflect EWU's ethical standards and its commitment to environmental, social, and governance (ESG) issues.
- b. Ensure a successful long-term investment return and guarantee a better return at a lower risk via sustainable EWU investment.
- c. Apply a combination of negative and positive screens to exclude companies that may be harmful to society and/or the environment and to invest in businesses with good governance.

4. Investment guidelines and their implementation

- a. Before making any investment, a thorough assessment of the financial, legal, and reputational risks associated with the proposed investment should be conducted by EWU
- b. Preference will be given to investment in projects that promote respect for human rights, diversity and inclusion, and high ethical standards of their operations.
- c. EWU shall not make any investment in Fixed Deposit Receipt with any commercial banks having poor credit ratings.
- d. The university shall also invest in Bangladesh Government Treasury Bond (BGTB), when feasible.
- e. The university shall not invest in FDR with any non-banking financial institutions (NBFI).
- f. The university shall not make any investment in the stock market due to its volatile nature and associated risks.
- g. Investment exposure with a single bank shall not exceed 30% of overall investment. However, there is a maximum limit in the case of investment in government gilts.
- h. EWU shall embrace its unique role in contributing to the United Nations Sustainable Development Goals ("SDGs").

- i. The university shall not be affiliated with any organizations whose operations cause harm to society and or the environment specifically that compromise the needs of future generations.

5. Approval Process

Step-1: Comparative Statement

The Director of Finance shall ensure that a comparative statement of investment is prepared by considering percentages of yield, credit rating, and existing exposure as a percentage of total investment, etc.

Step-2: Investment Proposal

The Treasurer shall make an investment proposal based on a comparative statement and forward it to the Chairperson of the Board of Trustees through the Vice Chancellor. In case of renewal of existing investment, the Treasurer shall directly send it to the Chairperson of the Board of Trustees.

Step-3: Approval

The Chairperson of the Board of Trustees shall approve based on the investment proposal. The Chairperson of the Board of Trustees retains the prerogative to select other/s beyond the proposal.

6. Compliance

Ensure adherence to this policy by all those responsible for managing university funds.

7. Policy Review and Revision

This policy shall be reviewed every two years or as necessary to reflect changes in regulatory requirements, market conditions, and the university's sustainability commitments.

Committee for the Sustainable Investment Policy

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