

Sustainable Investment Policy

Policy Owner	Vice-Chancellor for Financial and Administrative Affairs	Responsible Office	Office of VCFAA
Approved By	Chancellor	Effective Date	July 2025
		Next Review Date	July 2028

Introduction

Ajman University is a socially responsible institution that promotes community engagement, environmental sustainability and global citizenship while supporting the needs and challenges of the local and global community. In line with the University's core values, the Sustainable Investment Policy sets forth the University's approach to sustainable investment.

Purpose

This policy sets the principles of ethical investment; it guides investment decisions and sets governing procedures consistent with the University's social responsibility core value.

Overview

AU strives to decrease any possible negative influence from its investment returns. This policy ensures sustainable practices are embedded in the decision-making process while taking into consideration the following Environmental, Social and Governance (ESG) factors:

- A. Climate change and carbon footprint.
- B. Equal and affordable higher education.
- C. Gender and racial equality.
- D. Plastic and waste disposal.

Scope

This policy applies to all investment opportunities, initiatives, partnerships, existing and new operating activities of all colleges, offices and centres of Ajman University.

Policy Statement

AU Community members engaging in any investment activities, new business opportunities or partnerships should implement the following principles:

- A. Manage funds sustainably to benefit current and future community members.
- B. Embed sustainable practices into all decision-making processes and ensure they reflect ESG factors as well as AU's core values.
- C. Ensure all investments have a positive impact on community members, society and the environment.
- D. Maintain transparency in all investment decisions.
- E. Disclose any new information regarding new or existing investments.
- F. Minimize investment activities that have a negative environmental impact.
- G. Reduce investment risk through diversification.

- H. Regularly assess investment returns and risks.
- I. Reduce resources consumption through recycling and waste management.
- J. Research and implement new sustainable investment ideas on continuing basis.
- K. Lead by example and positively influence all other entities.

Governance

AU is committed to take financially sustainable investment decisions, being one of the top institutional priorities; by embedding sustainability into all operational and financial activities to ensure performing as a socially responsible institution, where all business activities have a positive impact on individuals and communities. As a reflection of that, the Board of Trustees' Financial Sustainability Committee is mandated to oversee all investment decisions of the University to ensure that all operating activities, processes, supply chains, investment opportunities and partnerships are sustainable, socially responsible, environmentally friendly and of great value to the community.

Operations

The University is committed to use its investments to support environmentally and socially positive activities, thus contributing to a more sustainable global financial system. Operational processes shall focus on incorporating sound sustainability criteria in the following areas:

1. Procurement Activities:

The overall objective of the University's procurement activities is to maintain active relationships with vendors to enable timely and uninterrupted supply of goods and services at the best value for money, while considering the social and sustainable environmental factors. This shall be achieved by sourcing the needed goods, services and works with an appropriate quality and at the most economically advantageous terms reasonably available to the University. Agreements shall consider suppliers who meet and promote ethical trading standards and have a minimal environmental impact in their supply chain.

2. Energy Through Buildings and Infrastructure:

All buildings or renovated infrastructures on campus shall be constructed using sustainable resources and energy saving solutions, along with an integrated Building Management Systems (BMS's) to manage the internal environmental condition of the building and make it more secure and energy- efficient. This practice will be effective in reducing the carbon emissions from the usage of electrical equipment, HVAC systems, ventilation, elevators, plumbing and water usage monitoring, lighting and fire alarm systems.

3. Water and Circular Economy:

Waste water that is generated on campus as a result of the University activities, shall not be disposed into the sewerage infrastructure before recycling most of it and reusing it as part of sustainable environmental practices. The University shall maintain its own water treatment facility on campus, which shall be used to treat the waste water through the reduction of suspended solids and biodegradable organic matter to an acceptable limit. This aims at improving the capability of producing treated water that meets the standards for water reuse in volume and quality. All the treated effluent shall be used for irrigation of the green areas, plants, flowers, and fruit bearing trees on campus.

4. Renewable Energy Sources:

The University has to maintain a long-term and ongoing plan to invest in energy optimization solutions across all campus buildings; including the adoption of BMS's, use of solar panels and other alternatives that aim at increasing the efficiency of electrical power usage and lowering carbon footprint.

5. Waste Reduction Solutions

The University shall invest in solutions that would help the community members to effectively reduce waste such as:

- Reduction of paper waste by adopting paperless policies and implementation of digital processes, data software and other digital solutions.
- Reduction of food waste by adopting soil composting initiatives and using it to fertilize on campus green areas.
- Invest in programs that help in collecting and recycling electronic waste.
- Invest in waste recycling bins to be spread across campus.
- Partnerships with local authorities to engage in community campaigns for beach and desert cleaning, awareness sessions for waste reduction and lowering carbon footprint, tree planting and waste recycling.

Endowment Funds

As part of AU's strategic financial vision, endowment funds shall be considered as an enabler to strengthen the University's capabilities of supporting needy students on ongoing basis. Therefore, the University has to maximize the contributions from its donors in form of endowment funds, which shall be invested to achieve that goal, while ensuring excellence in research and education for the benefit of society.

1. The University is committed to secure a sustainable source of endowment funds for students to ensure equal opportunities in education for all its students and to maximize the continuity of financial support in the long run.
2. This commitment shall be supported at the leadership level. The BoT's Financial Sustainability Committee is mandated to monitor the long- and short-term financial activities and develop solid plans to ensure the continuity of financial grants, sponsorship and fundraising.
3. Certain targets for fundraising shall be included in the short- and long-term financial plans of the University and reflected into the Performance Contracts (PC's) of respective directors and managers of the units involved.
4. Endowment funds shall be invested in long-term investments that have the lowest possible risk levels and generate stable returns that are sufficient to support needy students on continuing basis.
5. The University shall utilize the majority of its future funding from donors in endowed funds. The Office of Development shall coordinate and manage fundraising activities to provide support for Ajman University operations, special programs, endowments and scholarships.
6. Certain percentage of investment returns shall be maintained in special reserve to hedge against any potential fluctuations in returns and ensure sustainability of funding.

Thamer Fund for Educational Solidarity

The University is committed to being an inclusive environment providing quality education and innovative teaching to national and international students from all social classes. The University shall support this commitment throughout maintaining different funds, initiatives and sustainable investments.

1. AU has set up the Thamer Fund for Educational Solidarity that relies on generous charitable donations from external and internal donors that are used to support the University's needy students on continuing basis.
2. The Thamer Fund Building represents one of the main sustainable sources of income that is dedicated to support the fund, using the proceeds generated from the rental of residential units of the building.
3. The University has to regularly monitor its returns from such investment and expand the funding sources to ensure the continuity of this support as one of its main commitments to its students and the community as a whole.

Reporting and Review

The Vice-Chancellor for Financial and Administrative Affairs is responsible for policy implementation, reporting compliance and improvement initiatives.

Document History

Version	Date	Update Information	Author/ Reviewer
V 1.0	01/01/2022	Initial policy	Chief Operating Officer
V 1.1	17/07/2025	Minor updates on designation title	OIPE