

Sustainable investment policy

1. Purpose and Scope

The purpose of this Sustainable Investment Policy (SIP) is to align the investment practices of Silk Road International University of Tourism and Cultural Heritage with its mission, values, and commitment to sustainability, climate responsibility, and social equity. This Policy provides guidance for the management of the University's endowment and other investment portfolios, ensuring that environmental, social, and governance (ESG) factors are taken into account in investment decisions alongside financial performance.

This Policy applies to all funds managed by or on behalf of Silk Road International University of Tourism and Cultural Heritage, including endowment funds, operating reserves, and any other long-term investment assets.

2. Guiding Principles Fiduciary Responsibility:

Silk Road International University of Tourism and Cultural Heritage is committed to fulfilling its fiduciary responsibility by managing investments to maximize long-term financial returns while also considering environmental, social, and governance (ESG) risks and opportunities.

Sustainability and Stewardship:

The University recognizes that sustainable investment practices support long-term value creation and contribute to a stable economy and a healthy society.

Transparency and Accountability:

The University is committed to openness in how sustainability principles are integrated into investment decisions and will report regularly on its progress.

Stakeholder Engagement:

Silk Road International University of Tourism and Cultural Heritage values the input of students, faculty, staff, and alumni in shaping investment practices that reflect the University's core values.

3. ESG (Environmental, Social, and Governance) Integration

The University will integrate ESG factors into investment analysis and decision-making processes by:

- Assessing material ESG risks and opportunities during asset selection and portfolio construction.
- Prioritizing investments in companies and funds that demonstrate strong ESG performance, hold credible third-party ESG ratings, or possess recognized sustainability certifications.
- Avoiding investments in entities associated with significant, unmitigated ESG risks, including severe environmental harm, human rights violations, or corruption.

4. Investment Restrictions and Screening

The University will apply the following exclusionary and positive screens:

Silk Road International University of Tourism and Cultural Heritage adopts the following Sustainable Investment Policy provisions:

Exclusionary Screens

The University will exclude from its investment portfolio companies that derive a significant portion of their revenue from activities inconsistent with ESG principles, as well as organizations with a documented history of severe labor rights violations, environmental damage, or systemic discriminatory practices.

Positive Screening / Impact Investments

The University will prioritize investments in clean energy, green infrastructure, and sustainable agriculture, and will support funds and enterprises that contribute to social equity, public health, education, and affordable housing. The University will also consider investments that promote diversity, equity, and inclusion (DEI) in leadership and governance, aiming to generate long-term social and environmental benefits alongside financial returns.

Shareholder Engagement

The University will use its influence as a shareholder to promote sustainable corporate practices. It will exercise proxy voting rights in alignment with ESG principles, supporting resolutions that advance transparency, climate risk disclosure, fair labor practices, and board diversity. The University will also collaborate with institutional investors to advocate for responsible corporate behavior and encourage sustainable and ethical business practices.

Monitoring and Reporting

Advisory Body:

A Sustainable Investment Advisory Committee (SIAC), composed of students, faculty, alumni, and investment professionals, shall meet at least twice a year to review progress and recommend policy updates.

Performance Metrics:

ESG benchmarks, portfolio carbon footprint, impact indicators (such as renewable energy exposure), and alignment with frameworks like the UN Principles for Responsible Investment (UN PRI) and the Net Zero Asset Owner Alliance will be used to assess performance.

Reporting Frequency:

The University will conduct annual reviews of sustainable investment performance, including ESG integration progress, portfolio composition, divestment activities, and impact outcomes.

Policy Review and Revision

This Policy shall be reviewed every three years, or earlier if required due to changes in investment conditions, regulations, or stakeholder priorities. Amendments may be proposed by the SIAC or the University's Investment Office.