DIVESTMENT POLICY

TIIAME National Research University
Policy Number: DP-2024
Effective Date: 27/01/2024
Next Review Date: 27/01/2025

1. Purpose

The purpose of this Divestment Policy is to formalize TIIAME National Research University's commitment to reducing and ultimately eliminating financial investments in carbon-intensive energy industries. The policy aligns institutional investment practices with global sustainability standards and directly supports **SDG 7 (Affordable and Clean Energy)** requirements of the Times Higher Education Impact Rankings.

2. Policy Objectives

This policy aims to:

1. Reduce the university's indirect carbon footprint by divesting from fossil-fuel–based sectors, primarily coal and crude oil.
2. Redirect financial assets toward renewable energy, energy-efficient technologies, and other clean-energy sectors.
3. Establish transparent monitoring and reporting mechanisms consistent with SDG 7 criteria.
4. Promote responsible investment culture across the university.

3. Scope

This policy applies to all university-managed investment instruments, including but not limited to:

- Shares, bonds, fund placements, and long-term financial holdings.
- Direct and indirect investments in companies engaged in the extraction, processing, or use of coal and crude oil.
- New investments, which must comply with the requirements of this policy.

The scope covers both externally managed and internally managed investment portfolios.

4. Definitions

Carbon-Intensive Industries – Energy industries whose primary business activities involve coal mining, crude-oil extraction, refining, coal-based power generation, and associated high-emission operations.

Responsible Investment – Investment selections based on sustainability criteria, environmental performance, and alignment with low-carbon transition pathways.

5. Investment Evaluation

5.1. The university shall annually review its investment portfolio to identify exposure to carbon-intensive industries.
5.2. Evaluation will utilize ESG (Environmental, Social, Governance) screening tools and recognized sustainability taxonomy frameworks.
5.3. External investment managers may be engaged to conduct independent assessments.

6. Divestment Strategy

6.1. **Immediate prohibitions:**

- No new investments in coal and crude-oil sectors.

6.2. **Phased divestment:**

- Gradual withdrawal from existing fossil-fuel holdings within the defined transition period (2024–2027).

6.3. **Reallocation of divested funds:**

- Prioritized investment in renewable energy projects, clean technologies, and energy-efficient infrastructure.

6.4. **Risk management:**

- Divestment actions must consider financial risks, market conditions, and long-term portfolio stability.

7. Responsible Investment Priorities

Investment options considered under this policy include:

- Solar, wind, hydro, and alternative renewable-energy technologies.
- Energy-efficiency solutions and smart-grid infrastructure.
- Clean-tech companies and innovation-driven sustainability ventures.
- Research and innovation projects developed within TIIAME NRU that support SDG 7.

8. Stakeholder Engagement

The university shall ensure participation and awareness through:

- Consultations with faculty, researchers, staff, and students.
- Coordination with sustainability committees and institutional working groups.

- Internal communication campaigns regarding clean-energy transition and responsible finance.

9. Monitoring and Reporting

9.1. The Sustainability Unit and Finance Department shall jointly monitor progress.
9.2. An **annual public report** will be issued containing:

- Status of divestment actions.
- Updated investment portfolio breakdown.
- Evidence of reductions in carbon-intensive holdings.
- Proportion of funds redirected to clean-energy sectors.

9.3. Quarterly internal reviews shall be conducted for operational tracking.

10. Compliance

10.1. All new investment decisions must comply with the requirements of this policy.
10.2. Non-compliance must be reported to the Vice-Rector for Finance and Sustainability.
10.3. Corrective actions shall be taken within the same fiscal year.

11. Continuous Improvement

11.1. The policy will be reviewed annually to ensure alignment with updated sustainability standards, global decarbonization trends, and THE Impact Rankings requirements.
11.2. The university will incorporate new research, market data, and regulatory updates into ongoing implementation.

12. Approval

This policy has been approved by the University Administration of TIIAME National Research University and enters into force on 27/01/2024.