



Sustainable Investment Strategy

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Sustainable Investment, also known as socially responsible investment, is an approach to investing that considers not only financial returns but also the social and environment impact of the investment.

Sustainable Portfolio management in KFUPM follows these main principles:

- **ESG (Environmental, Social and Governance) investing:**

Invest in businesses that strive towards achieving the sustainable development goals and show strong measures in the environmental and social fronts. Thus, the ESG score of a company shall be considered by the portfolio manager once considered for investing.

- **Ethical Exclusions:**

We have prohibited businesses that are against the regulations of the country, businesses in sanctioned countries, and all businesses deemed to be unethical by international standards. We will prioritize investments that promote social justice, human rights, and equality.

- **Impact Investing:**

Invest in businesses that yields to financial returns and positive social outcomes. We will assess the potential returns and risks of an investment and compare them to other investment opportunities.

- **Governance:**

We will evaluate the governance practices of potential investments and prioritize investing in companies that have strong corporate governance, transparent reporting, and business ethics.

- **Monitoring:**

We will monitor the performance of our investments to ensure they continue to meet our sustainable criteria. We will provide regular reports on our investment's environmental, social, and financial performance, including any challenges or setbacks we may face.

By investing in projects that promote sustainability, we can create long-term value for our investors, our society, and the world.