

SUSTAINABLE DEVELOPMENT GOALS



7.2.6 Have a policy on divesting investment from carbon intensive energy industries notably coal and oil

Yes, UBT has adopted an official Divestment Policy (FD.02.01) that formally commits the university to phasing out investments in coal and oil industries and redirecting its financial resources toward renewable and low-carbon sectors.

Approved by the University Council on 17 September 2024, the policy is administered by the General Department of Finance and forms part of UBT's wider Sustainability and Responsible Investment framework.

The policy ensures that all university-managed funds—such as endowment or pension investments—align with SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). It includes:

- Divestment commitment: phased withdrawal from carbon-intensive industries within 3–5 years and avoidance of future investments in coal mining, oil extraction, or similar operations.
- Reinvestment strategy: redirection of divested funds toward renewable-energy and sustainability-focused sectors (e.g., solar, wind, hydro).
- Implementation guidelines: review of current portfolios, engagement with fund managers, clear divestment timelines, and regular monitoring and reporting of progress.
- Exception clause: applies only where indirect holdings cannot be divested without significant financial penalties.

This policy demonstrates UBT’s responsible investment approach and financial alignment with national decarbonization objectives under Saudi Vision 2030.

Figure 7.2.6 A – UBT Divestment Policy for Carbon-Intensive Energy Industries

Official policy (FD.02.01) approved 17 September 2024, outlining UBT’s commitment to sustainable investment practices and divestment from coal and oil industries.

UBT Divestment Policy for Carbon-Intensive Energy Industries (Coal and Oil)

Policy Code:	FD.02.01
Policy Revision No:	Ver. 1.0
Approval Date:	17/9/2024
Implementation Date:	17/9/2024
Revision Date:	Sep 2027
Policy Owner:	General Department of Finance

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1. Purpose

- This policy establishes UBT's commitment to sustainability by aligning its investment strategies with the promotion of a low-carbon economy, supporting the United Nations Sustainable Development Goals (SDGs), specifically SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).

2. Scope

- This policy applies to all financial investments made by UBT, including but not limited to endowment funds, pension funds, and other managed financial assets. It excludes indirect investments in commingled funds unless divestment is feasible without significant financial penalties.

3. Policy Statement

UBT is committed to promoting sustainable investment practices that contribute to environmental, social, and economic well-being. In line with this commitment, UBT will:

1. Divestment from Carbon-Intensive Industries:
 - Phase out existing investments in coal and oil industries within a (3-5 years).
 - Avoid future investments in companies primarily involved in coal mining, oil extraction, or other carbon-intensive energy operations.
2. Investment in Sustainable Alternatives:
 - Redirect divested funds toward renewable energy sectors (e.g., solar, wind, hydro) and sustainable industries that support a low-carbon economy.
3. Partnerships and Advocacy:
 - Collaborate with financial institutions, government entities, and sustainability organizations to advocate for environmentally responsible investment strategies.

4. Implementation Guidelines

- Review of Current Investments: UBT will conduct a detailed review of its financial portfolio to identify holdings in carbon-intensive industries.
- Engagement and Notification: UBT will notify fund managers and stakeholders about this policy and develop transition plans to support divestment.
- Timelines for Divestment: Clear timelines for phasing out investments will be established, ensuring minimal disruption to UBT's financial stability.
- Monitoring and Reporting: Implement mechanisms for regular monitoring of the investment portfolio and publish an annual report detailing divestment and reinvestment progress.

4 Exceptions

This policy does not apply to indirect investments, such as those held in commingled funds, unless divestment is feasible without significant financial penalties or operational constraints.

5 Version Control & Revision History

Version control	Date released	Approved by	Summary of changes

6 Approvals

[University Council]

1/4/8

[Chair Name]

Dr. Weam Tunsi

[Signature]

[Date]

17-9-2024

