



Republic of the Philippines
CEBU TECHNOLOGICAL UNIVERSITY
 MAIN CAMPUS

M. J. Cuenco Avenue Cor. R. Palma Street, Cebu City, Philippines
 Website: <http://www.ctu.edu.ph> E-mail: thepresident@ctu.edu.ph
 Phone: +6332 402 4060 loc. 1137



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER FOR ADMINISTRATION

January 29, 2022

CTU MEMORANDUM
No. PA29-040, s. 2022

TO : ALL VICE PRESIDENTS
 UNIVERSITY DIRECTORS
 ALL CAMPUS DIRECTORS
 FACULTY, STUDENTS AND STAFF

SUBJECT : CTU SUSTAINABLE INVESTMENT POLICY

1. To reinforce and establish the objectives and parameters of the investment portfolios of the University, everyone is hereby notified of the attached CTU Sustainable Investment Policy which was crafted in 2020.
2. This policy should be strictly adhered to in compliance with the Sustainable Development Goal no. 11, Sustainable Cities and Communities.
3. For information and guidance of all concerned.

ROSEIN A. ANCHETA JR., ASEAN P.E., D.M., Ph.D.
 SUC President IV

CEBU TECHNOLOGICAL UNIVERSITY
 OFFICE OF THE UNIVERSITY PRESIDENT

RELEASED

By: HANNAH

Date: 1/29/2022

CTU Sustainable Investment Policy

The Cebu Technological University (CTU) is a premier multi-disciplinary state university. It is committed to the different facets of sustainability, including environment, social responsibility, ethics, and economics. It will invest responsibly and ethically in endeavors that will generate income and resources that will support the activities of the University and its community partners. It will ensure that the University optimizes its investment returns without compromising commitment to sustainability and well-being of current and future generations. CTU will exercise responsible stewardship in its investment policy and practices, consistent with its vision, mission, and strategic priorities and in accordance with the fiduciary and investment standards applicable to institutional funds.

The investment portfolio of CTU shall be anchored on the key offices managing the budget, with emphasis on the offices involved in resource generation. These key offices shall have a long-term perspective on investing and incorporate environmental sustainability, social responsibility, and corporate governance factors in their operations. CTU will support endeavors that will positively impact environmental sustainability while complying with existing government rules and regulations. Investments in renewable energy resources will also be prioritized.

Article I. General Provision

Section 1. Title. This document shall be known and cited as “CTU Sustainable Investment Policy.”

Section 2. Overview. This policy establishes the objectives and parameters of CTU investment portfolios. It outlines how it adopts environmental, social, and governance (ESG) factors within its investments, reflecting its sustainability agenda and responsible investment strategies.

Section 3. Objectives. CTU generally aims to responsibly invest in sustainable endeavours. Specifically, this policy shall:

- a. Optimize total return on investments (capital and income);
- b. Contain or mitigate risk to an acceptable level and maintain a portfolio of diversified investment reflecting the need to fund future developments;
- c. Support augmentation of income-generating activities over the long term; and
- d. Provide guidance for an alternative income stream to the University.

Section 3. Definition of Terms. The following terms shall mean and be understood as indicated below:

- A. Corporate governance – business framework applying the system and management of a corporation.

- B. Environmental sustainability- responsible interaction with the environment to avoid depletion or degradation of the natural resources allowing long-term environmental quality.
- C. Responsible investment – an investment approach that explicitly acknowledges (the relevance of environmental, social, and governance (ESG) factors to the performance and profitability of investment and the long-term health and stability of the market. It recognizes that the generation of long-term sustainable returns is dependent on stable, well-functioning, and well-governed social, environmental, and economic systems (United Nations).
- D. Social entrepreneurship- an approach by individuals, groups, start-up companies, or entrepreneurs in which they develop, fund, and implement solutions to social, cultural, and environmental issues.
- E. Social responsibility – ethical framework elucidating the importance of individuals to work and cooperate with other individuals and organizations for the best interest and benefit of the environment and community
- F. Sustainable development principle – acting in a manner that seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

Article II. Coverage. The policy applies to all investment-related activities of the University. This policy will be reviewed on an ongoing basis, and at least annually, by the University Investment Committee.

Article III. The University Investment Committee (UIC)

Section 1. Appointment and Composition. The University President will chair the UIC. Its members shall include the Vice-Presidents, University Director for Resource Generation, University Director for Education for Sustainable Development, University Director for Technology Business and Incubation, University Director for Knowledge, Innovation, and Technology Support, select Campus Directors (appointed by the University President), and a student representative (preferably the Student Regent).

Section 2. Responsibilities and functions of the UIC. UIC members are expected to:

- a. Review investment endeavors and acquire requisite knowledge to evaluate proposed investments properly;
- b. Regularly meet (quarterly) to discuss income-generating project endeavors of the University;
- c. Seek potential investors of the University;
- d. Review investments and reports in income-generating projects for its sustainable impact;
- e. Recommend to the University President strategies to maximize resource generation through sound investments;
- f. Ensure documentation of all investments made by the University;

- g. Make recommendations for the improvement of existing income-generating projects or investments of the University;
- h. Regularly review this CTU Sustainable Investment Policy (at least annually);
- i. Perform other related functions as the need arises as determined by the University President.

Article IV. Strategy

Section 1. General approach. CTU shall ensure that its portfolios are invested according to the highest ESG and responsible investment standards, recognizing that sustainability and financial returns are not mutually exclusive. It acknowledges that institutions adopting sustainable approaches to environmental and social issues are more effective stewards of long-term capital.

Section 2. CTU will proactively seek opportunities to invest partnerships in companies or organizations that reduce carbon emissions and greenhouse gases, promote social responsibility, and seek solutions for climate change.

Section 3. CTU will integrate Environmental, Social, and Governance (“ESG”) considerations in evaluating and analyzing underlying portfolio holdings for better risk valuation. This will complement traditional investment decision-making.

Section 4. Impact investing. CTU will invest in income-generating projects, businesses, and sectors explicitly aiming to deliver environmental, social, and financial returns. This will be diversified across the following sustainability themes:

- a. Clean and renewable energy
- b. Green Technology, including Industrial process optimization
- c. Sustainable Transport
- d. Food security
- e. Waste & Materials, including recycling
- f. Ecosystem Services
- g. Education
- h. Water security
- i. Health
- j. Climate change mitigation
- k. Social entrepreneurship

Article V. Prohibited investments

Section 1. CTU shall not engage in investment endeavors that may harm the community or the environment.

Section 2. CTU will not invest in controversial businesses, including the following:

- a. Manufacture of weapons/armaments
- b. Gambling
- c. Manufacture, distribution, or retailing of tobacco
- d. Adult Entertainment
- e. Extraction of fossil fuels

Article VI. Reports

Section 1. Responsible office. University investments in different campuses will be reflected in the Campus Annual Report of the concerned Campus Directors, including its annual and financial reports, and consolidated by the Office of the University Resource Generation. These reports shall highlight how these investments align with this policy.

Section 2. Reports shall be submitted annually to the Office of the University President and the UIC.

Article VII. Final Provisions

Section 1. Separability Clause. If, for any reason, any part of this policy shall be held invalid, other sections thereof which are not affected shall continue to be in full force and effect.

Section 2. Effectivity. This policy shall take effect immediately as approved by appropriate authorities of CTU.