

# Aalto University endowment sustainability report



Aalto University

# Policy summary

The endowment is committed to responsible investing and managed in a sustainable way.

The endowment invests via funds meaning the security selection is outsourced. We use both passive index funds and active investment strategies.

From our passive investments we exclude UN Global Compact violators, controversial weapons, thermal coal and oil sands production.

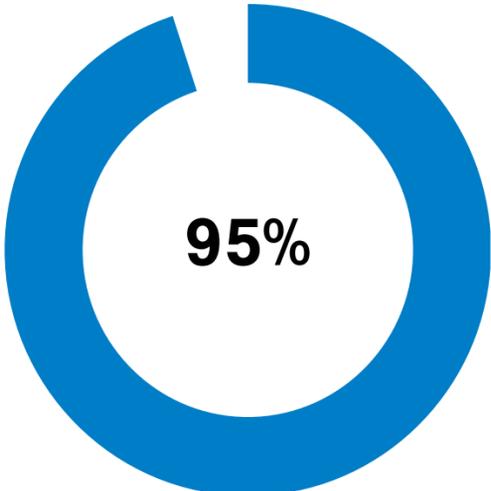
Active managers are required to engage with companies and integrate sustainability analysis to investment decisions.

We aim to benefit from the transition towards a more sustainable society and prefer investments with a positive sustainability profile.

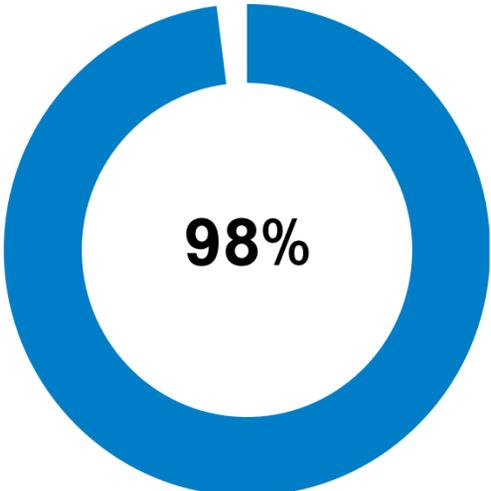
We target a carbon neutral portfolio in the long run while significantly reducing the carbon intensity of the portfolio in the medium term.

# Portfolio sustainability profile

Of our external managers...



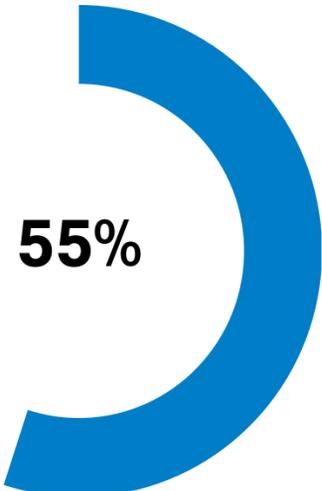
...have signed the Principles of Responsible Investment (PRI).



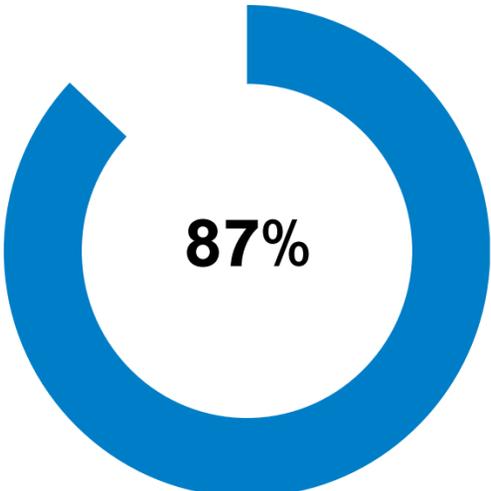
...have a dedicated Environmental, Social & Governance (ESG) Policy.



...explicitly target a positive ESG profile.



...use negative Screening or have an Exclusions policy.



...have an Active Engagement Policy.

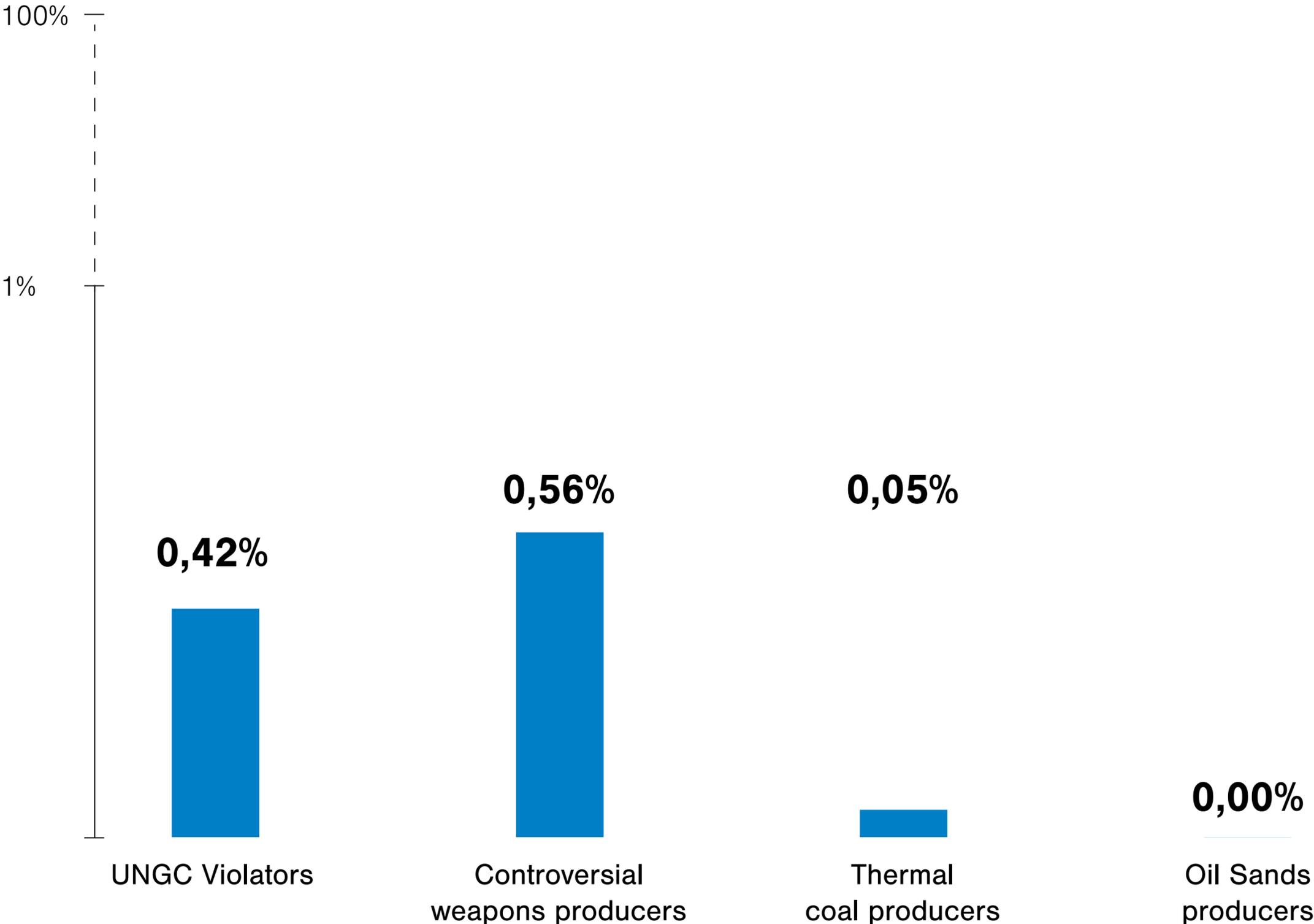


...are classified as Article 8 or 9 according to the EU Sustainable Finance Disclosure Regulation (SFDR).

Data collected by surveying all external managers. Figures weighted by invested capital.

# Norms violations and high sustainability risks

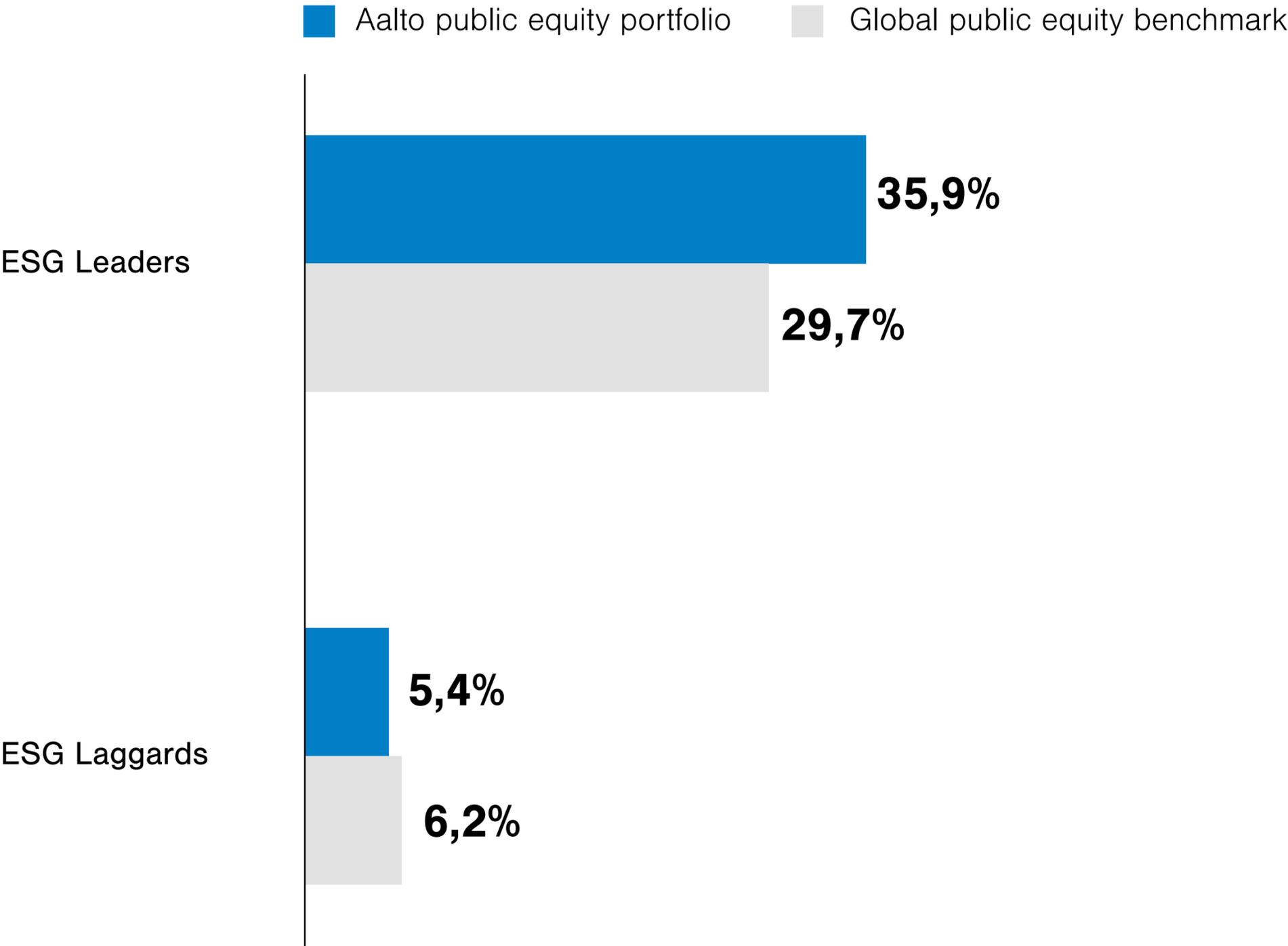
Holdings based screening of UN Global Compact violators (UNGC) and business involvement in high risk sectors. Figures as a % of capital in mutual funds and ETFs investing in listed corporate securities. 59% of the endowment portfolio covered.



# Public equity portfolio sustainability profile

ESG profile analyzed using external ESG rating and emissions data. Public equities cover 56% of the endowment portfolio.

## ESG rating profile

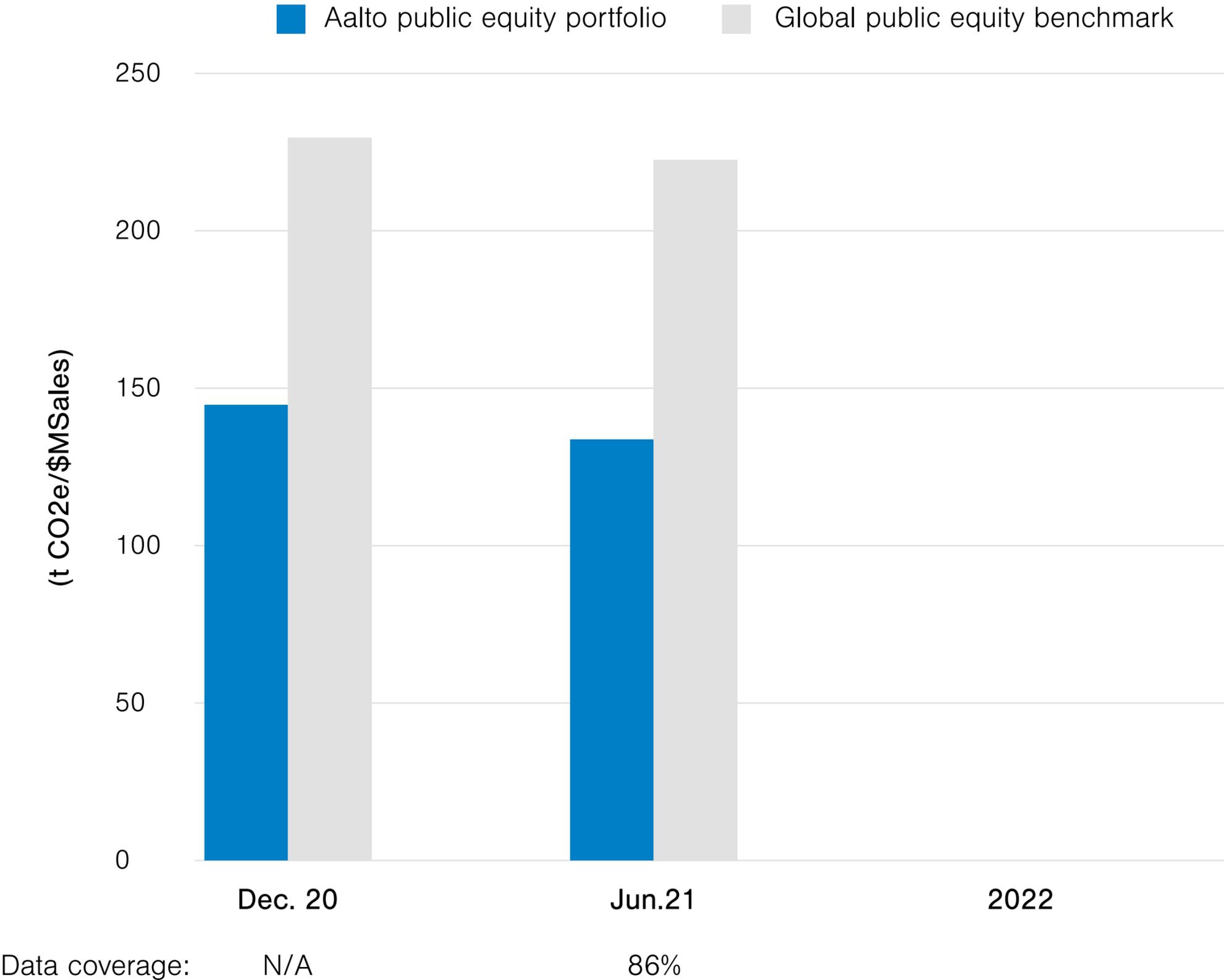


According to MSCI definition, Leaders are rated AAA or AA, Laggards are rated B or CCC.

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ESG profile analyzed using external ESG rating and emissions data. Public equities cover 56% of the endowment portfolio.

## Weighted average carbon intensity



# Sources

Sustainalytics, Bloomberg, MSCI, Aalto Endowment 2021 ESG Survey, Aalto Endowment Policy for Sustainable Investment.

# Disclaimers:

Aalto University Endowment Sustainability Report Holdings based screening of UN Global Compact violators (UNGC) and business involvement in high risk sectors. Figures as a % of capital in mutual funds and ETFs investing in listed corporate securities. 59% of the endowment portfolio covered. © 2021 Sustainalytics. All Rights Reserved. The information, data, analyses and opinions contained herein: (1) includes the proprietary information of Sustainalytics; (2) may not be copied or redistributed except as specifically authorized; (3) do not constitute investment advice nor an endorsement of any product or project; (4) are provided solely for informational purposes; and (5) are not warranted to be complete, accurate or timely. Sustainalytics is not responsible for any trading decisions, damages or other losses related to it or its use. The use of the data is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

