STATUTE OF THE WORLD MARITIME UNIVERSITY ENDOWMENT FUND

Adopted on 31 October 2015, amended on 10 May 2020 and 9 May 2026

Article 1 - Citation

This Statute is made under the authority vested in the Board of Governors by the Charter and may be cited as the *Statute of the World Maritime University Endowment Fund*.

Article 2 - Interpretation[1]

In this Statute, unless the contrary intention appears:

> "*WMU Endowment*" means the World Maritime University Endowment Fund established, governed and administered in accordance with the provisions of the present Statute and includes any revenue or expense which may be derived or result from the investment of its assets or result from its operation.

Article 3 - Establishment and Purpose

1 The WMU Endowment is hereby established, as a fund administered by and for the benefit of the University.

2 The purposes of the WMU Endowment shall be to:

(a) support long-term financial stability and sustainability of the University; and

(b) augment the University's capacity to fulfil its mission.

Article 4 - Legal Representative, Mandate and Privileges and Immunities

1 The President shall be the legal representative of the WMU Endowment.

2 Notwithstanding the provision of paragraph 1 above, contributions, legacies, endowments, bequests, gifts or donations in other forms, financial or otherwise, may be accepted, on behalf of the University, by the Secretary-General, the Chancellor.

3 The WMU Endowment shall enjoy the privileges and immunities of the University.

[1] In accordance with paragraph 3 of the Interpretation Statute, unless the contrary appears, an expression not defined in the present Statute shall have the meaning attributed to it by the Interpretation Statute.

Article 5 - Governance and Management

1 The WMU Endowment shall be governed and managed by:

(a) the Board of Governors, which shall be responsible for overall governance and for establishing and maintaining principles, policies and strategies necessary for the operation of the WMU Endowment, taking into account the recommendations of the Investment Committee and the related comments of the Executive Board and of the President;

(b) the Executive Board, which shall be responsible for monitoring the implementation of the decisions of the Board of Governors, facilitating the operation of the WMU Endowment and providing directions and guidance as necessary;

(c) the President, who shall be responsible for the administration of the WMU Endowment and for the investment and management of its assets;

(d) the Investment Committee, which shall be responsible for advising on investment matters and for monitoring and reporting on the implementation of the established relevant policies and the administration, management and investment of the assets of the WMU Endowment;

(e) the Council of the Organization, which shall be responsible for approving dissolution of the WMU Endowment; and

(f) the Secretary-General and the Chancellor, who shall be responsible for:

(i) appointing the ex-officio member of the Investment Committee; and

(ii) advising and guiding the President in cases when he or she considers any action which he or she is required to take to present an unacceptable risk for the University.

2 The Executive Board shall, between sessions of the Board of Governors, make such decisions, otherwise requiring a decision of the Board of Governors, as are strictly necessary to ensure the efficient functioning and operation of the WMU Endowment, including adjustments in the approved work programme and the adopted budget estimates for the Investment Committee.

3 The President shall operationalize the development of the WMU Endowment, including fundraising or resource mobilization activities, on the basis of the established

fundraising policies and strategies and related decisions of the Board of Governors and the Executive Board. Decisions for fundraising campaigns shall be taken by the Board of Governors, taking into account the related recommendations of the Executive Board and of the President.

4 The President shall operationalize the investment of the assets of the WMU Endowment on the basis of the established investment policies and related recommendations and advice of the Investment Committee and the related decisions of the Board of Governors and the Executive Board.

Article 6 - Investment Committee

1 The Investment Committee shall be composed of:

(a) a Chairperson;

(b) up to five appointed members at least half of whom shall have expertise in the field of institutional investing of assets; and

(c) an *ex-officio* member appointed by the Secretary-General to represent the Organization and who shall serve on the Committee for such period and under such terms as determined by the Secretary-General.

2 The Chairperson of the Committee and the appointed members shall be appointed by the Board of Governors taking into account the related recommendations of the Executive Board.

3 The term of office of Chairperson and of the appointed members shall be determined by the Board of Governors and shall not exceed four years.

4 Those who demonstrate active contribution to the work of the Committee may be reappointed by the Board of Governors, taking into account the related recommendations of the Executive Board, for a further term of office as determined by the Board of Governors provided such term does not exceed four years.

5 No person shall serve on the Committee, as Chairperson and appointed member or as appointed member for a period exceeding eight consecutive years.

6 The Board of Governors when appointing or reappointing the Chairperson and the appointed members of the Committee, and the Executive Board when making related recommendations, shall ensure that the Committee retains institutional memory and is able to achieve continuity in its work.

7 The Board of Governors, taking into account the related recommendations of the Executive Board, may terminate the appointment or reappointment of the Chairperson and of the appointed members of the Committee, if this is deemed to be in the best interests of the University.

8 As a rule, the Chairperson and the appointed members shall serve on the Committee *pro bono*. However, the payment of expenses in relation to travel and stay expenses in connection with meetings of the Committee, the Executive Board or the Board of Governors or any other related duty travel may be authorized by the President.

9 The Investment Committee shall:

(a) be responsible for the preparation of proposals concerning the following policies and for updating them:

(i) an investment policy which shall include the financial and investment objectives, asset allocation policies, rebalancing policies, investment management structure, investment restrictions for the WMU Endowment, and the use of external managers and investment advisers;

(ii) a distribution policy which shall include the rates, areas and timing at which the WMU Endowment may provide financial support to the regular budget estimates of the University;

(iii) a capital donation acceptance policy to ensure that any donations received clearly benefit the University;

(iii) a conflict of interest policy for members of the Committee, the President and the Chancellor; and

(v) any other policy deemed appropriate by the Committee, the President, the Chancellor, the Executive Board or the Board of Governors;

(b) monitor the administration, management and investment of the assets of the WMU Endowment, including:

(i) the use of the services of any external managers and investment advisers selected by the President;

(ii) the termination of the services of any external investment manager or adviser for failure to meet expected goals or if otherwise deemed warranted;

(iii) the liquidity in the portfolio of the WMU Endowment and its sufficiency; and

(iv) the risks, and the evolving related trends, identified in the established investment policy including manager concentration, sector exposure, currency, liquidity and enterprise risks related to the portfolio of the WMU Endowment;

(c) develop and maintain a list of external asset managers, investment advisers, consultants and experts whose services the President may rely upon, including any related limitations or restrictions;

(d) provide the President and the Executive Board, upon request, with advice and guidance in relation to matters concerning the terms and conditions of the services of external asset managers, investment advisers, consultants and experts and in connection with the termination of such services;

(e) make, upon request, recommendations to and assist the President in the preparation of draft work plans and budget estimates relating to the work of the Committee;

(f) report to the Executive Board on the work of the Committee;

(g) report, through the Executive Board, to the Board of Governors at each of its regular sessions on the work of the Committee since the previous regular session of the Board of Governors and to extraordinary sessions as the Board of Governors may from time to time determine. The Executive Board shall forward the report of the Committee to the Board of Governors with its comments and recommendations thereon;

(h) elect a Vice Chairperson who shall act as a Chairperson in the absence of the appointed Chairperson; and

(i) adopt rules and regulations for the conduct of its business, consistent with the rules of procedure for the Board of Governors, including provisions for the conduct of business via audio or videoconference facilities and through written consultations.

10 The President upon the direction of the Chairperson shall convene the Investment Committee at least once a year. The Vice President for Advancement and Operations shall act as its Secretary, provide to the Committee the required services and maintain all records relating to the Committee's work and deliberations.

11 The Chancellor, the Chairperson of the Executive Board, the President and the Vice President for Advancement and Operations may participate, as observers, in the work of the Investment Committee.

Article 7 - Budget, funding of expenditures and accounting

1 All expenditures concerning the investment and development of the WMU Endowment shall be charged to the regular budget of the University. The abovementioned expenditures include, inter alia and without limitation, the expenses for the administration of the WMU Endowment, services of external asset managers, investment advisers, external campaign managers, campaign advisers, consultants and experts for the production and distribution of promotional material and any authorized (as per Article 6.8) payments to the Chairperson or appointed members of the Investment Committee.

2 The President, taking into account the related recommendations of the Investment Committee, shall prepare and submit to the Executive Board draft work plans and budget estimates relating to the work of this Committee for the ensuing financial period.

3 The Executive Board shall consider the President's proposals and shall submit them to the Board of Governors with any comments and recommendations it considers necessary.

4 The Board of Governors shall approve the work programme and adopt the budget estimates for the work of the Investment Committee.

5 The provisions of the International Public Sector Accounting Standards and of the University's Financial Regulations and Rules shall apply, *mutatis mutandis*, in relation to the assets, accounts and financial statements of the WMU Endowment, subject to any special rules made by the Board of Governors in this respect.

Article 8 - Additional duties and authority of the President

1 The President shall report at each regular session and at each extraordinary session when requested, of the Board of Governors and at each session of the Executive Board on the development of the WMU Endowment, including the administration, the status of the assets and on their investment.

2 The President may delegate the duties, in a written form, which this Statute assigns to the President. The President shall report any such delegation to the first available session of the Executive Board and the Board of Governors.

3 Should the President consider any action which he or she is required to take in accordance with the provisions of any policy established under this Statute, or pursuant to the advice or recommendation of the Investment Committee or of a manager, adviser, consultant or expert, as presenting an unacceptable risk for the WMU Endowment or as not in the best interest of the University, the President shall forthwith report the matter to the Chancellor and the Chairperson of the Executive Board for their advice and guidance.

3.1 In case the matter cannot be satisfactorily resolved by the Chancellor and the Chairperson of the Executive Board concurring with the actions to be taken by the President, the matter shall be referred for resolution to the Executive Board, which shall forthwith be summoned for an extraordinary session.

3.2 If the Executive Board considers the matter to be of a nature which warrants the convening of an extraordinary session of the Board of Governors, the Chancellor shall forthwith direct the President to summon the Board of Governors for such a session and may include in the provisional agenda of such session the suspension of the rule of procedure of the Board of Governors relating to the minimum period of notice or the waiver of such requirement.

Article 9 - Audit

The accounts and activities of the WMU Endowment shall be subject to audit by the External Auditor of the Organization, in accordance with the Terms of Reference established in this respect by the Board of Governors.

Article 10 - Dissolution

With input from the President and the Chancellor, the Board of Governors may, upon concurring recommendation by the Executive Board, and with the approval of the Council of the Organization, dissolve the WMU Endowment. Residual assets of the WMU Endowment shall be distributed to the General Fund of the University or as otherwise decided by the Board of Governors or the contributors to the WMU Endowment, taking into account also contractual and other legal obligations.

Article 11 - Amendments

1 The Executive Board and the President may propose amendments to the present Statute.

2 Amendments to the present Statute shall be adopted by the Board of Governors on the recommendation of the Executive Board.

3 Amendments to Article 10 of the present Statute can be adopted only with approval by the Council of the Organization.