

Policy for Sustainable Investment

Chandigarh University

Policy Overview:

The Chandigarh University fully accepts the importance of its endowment to be managed in a way that promotes de-carbonization in order to meet the goals of **international treaty** to combat global **climate change** under Paris Agreement. The University is conscious towards its endowment for effectively promoting the task of biodiversity. This policy establishes the objectives and parameters of the University investment portfolios and outlines how the University is embracing environmental, social and governance (ESG) factors within its investments, reflecting the ambitious sustainability agenda within the University.

Policy Objectives:

The students/research scholars are the futuristic leaders of our society. The noble cause on environmental sustainability will be fulfilled through the education we provide to them. They will play a vital role to develop the technological and policy solutions required for effective outcomes in the future world. Eventually, the University has to play a role in changing the thought process of students/ research scholars and faculty towards environmental sustainability for the sake of global welfare.

Scope of the Policy:

To achieve the objective, University has adopted the policies that promote the well-being of society by reducing the impact on the environment and will reflect the institution's approach to tackle with climate change and major global challenges. The sustainable investment policy will be reviewed by the Investment Committee on regular basis at least once per annum. To make it more effective an Alumni representative from the Chandigarh University Students' Alumni Cell be included in the committee. The following investment policy is applied to the University endowments.

Sustainable Investment Strategy:

The University is committed to ensure its portfolios to be invested according to the highest ESG standards in order to meet this goal. Our strategy recognizes that a responsible approach to sustainability and financial returns are not mutually exclusive and that companies which embrace a sustainable approach to

environmental and social issues are more effective stewards of long-term capital.

The University expects to sign up to the Universities Responsible Investment Network, which will uphold our insight and decisive power.

The portfolios will adhere to this strategy through a three-tier framework:

1. Investment

Exclusion Direct Investment

The portfolios will not invest directly in the companies which essentially dealt in the following business:

- Tobacco-manufacture, distribution or retailing.
- Weapons - development of controversial weapons systems including cluster bombs, land mines, nuclear weapons (component systems) and companies that manufacture civilian firearms.
- Alcohol
- Gambling
- Coal and Tar Sands

Where such investment would jeopardize the University's ability to function, either by alienating financial supporters; or by having a substantial effect on plea of potential students.

Pooled Funds:

When investing through pooled funds, investment decisions are made at the fund level. Therefore, when investing through pooling, the University analyzes the holistic ESG approach of the underlying fund manager and regularly reviews the fund exposures with its investment advisors.

2. Environmental, Social and Governance (ESG) Integration:

When investing directly or through pooled funds, the University requires its fund managers to:

- Integrate environmental, social, and governance (ESG) considerations into their investment analysis and decision-making processes.
- Engage on social and environmental issues and track this

engagement through regular stewardship reporting to the Investment Committee.

The University also upholds the principles of the United Nations Global Compact. These principles focus on acting in a manner consistent with our core human rights, labor, environmental and anti-corruption responsibilities. The University expects its advisors and managers to act in a way that promotes positive behaviors and discourages negative behaviors through their investment screening and practices. The University will also look favorably upon investments with specific commitments regarding alignment with the UN Global Compact.

The University will continue to review the pooled funds available and invest in those which adhere to the principles above.

3. Impact Investing:

The policy commits itself to adopting investment strategies that aims to reduce and preferably eliminate negligent business behavior. This program will invest in organizations and sectors that may clearly aim to provide environmental and social return. Some of moral, social, environmental and governance issues which incognizance with based on three quantifiable Nationally Determined Contributions (NDCs) will encompass:

- Food & Agriculture
- Education
- Health
- Clean energy
- Sustainable Transport
- Waste Materials
- Ecosystem Services
- Financial Inclusion

Acquisition:

Chandigarh University will incorporate Environmental, Social, Governance (ESG) factors into their criteria for selection.

Engagement:

Companies having ESG as a matter of concern, when the University invests in a company that does not appear to be following sound ethical business practices or demonstrating adequate environmental stewardship, investment managers will attempt to persuade the company to act in a more socially and environmentally responsible manner, both legally and informally. (bringing up problems at the Annual General Meeting and exercising the voting rights of its shareholders).

Divestment:

Before disassociating with the companies as indicated above, Chandigarh University would assess their performance and make financial proposal recommendations to the Investment Committee for approval. Every two years, the University will evaluate this Socially Responsible Investment Policy.

1. Plan of Action

An Environmental Conservation Committee (ECC) has been constituted by the University to achieve the set of objectives. ECC plays a significant role as it sets the processes and practices to reduce environmental impacts, increase operating efficiency and integrate sustainable thinking into operations for optimum utilization of available resources in the University and surrounding areas.

We are monitoring the performances and take appropriate action under the guidance and intimation of Leadership from time to time. The committee comprises of University Leadership team and cross functional department Heads including academic, research, academic and research departments, administration, estates and student services as mentioned below:

Vice Chancellor- Chairman

- HoDs – Central Operations
- HoD- Academics
- Registrar/Head-Projects- -Member Secretary

2. Implementation, Audit and Compliances

The processes planned and implemented under Sustainable initiative shall be audited by the ECC at regular interval. The documentation of the audit reports and compliances shall be prepared for further action.

Investment Policy

The Chandigarh University follows the below mentioned policy for investment:

1. An investment evaluation committee chaired by CFO along with 3 members nominated by Chairman shall assess the surplus fund available for investment.
2. Investment evaluation committee will evaluate the different secure investment options available for the University.
3. Investment evaluation committee shall present the investment option to Chairman & Vice Chancellor.
4. After approval from the Chairman final payment will be done within 7 working days.
5. University shall not make any investment in trading of shares, mutual funds, any other open investment where risk factor is high.
6. University shall also not make any investment in FDR other than nationalized bank.
7. University shall not pay any commission on investment.
8. University shall not make any investment in venture of trustee wherein trustee is involved directly or indirectly.

Reporting:

The University will make available on an annual basis an impact report highlighting that how the University's is working to meet the frame work set out within the Sustainable Investment Policy.

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