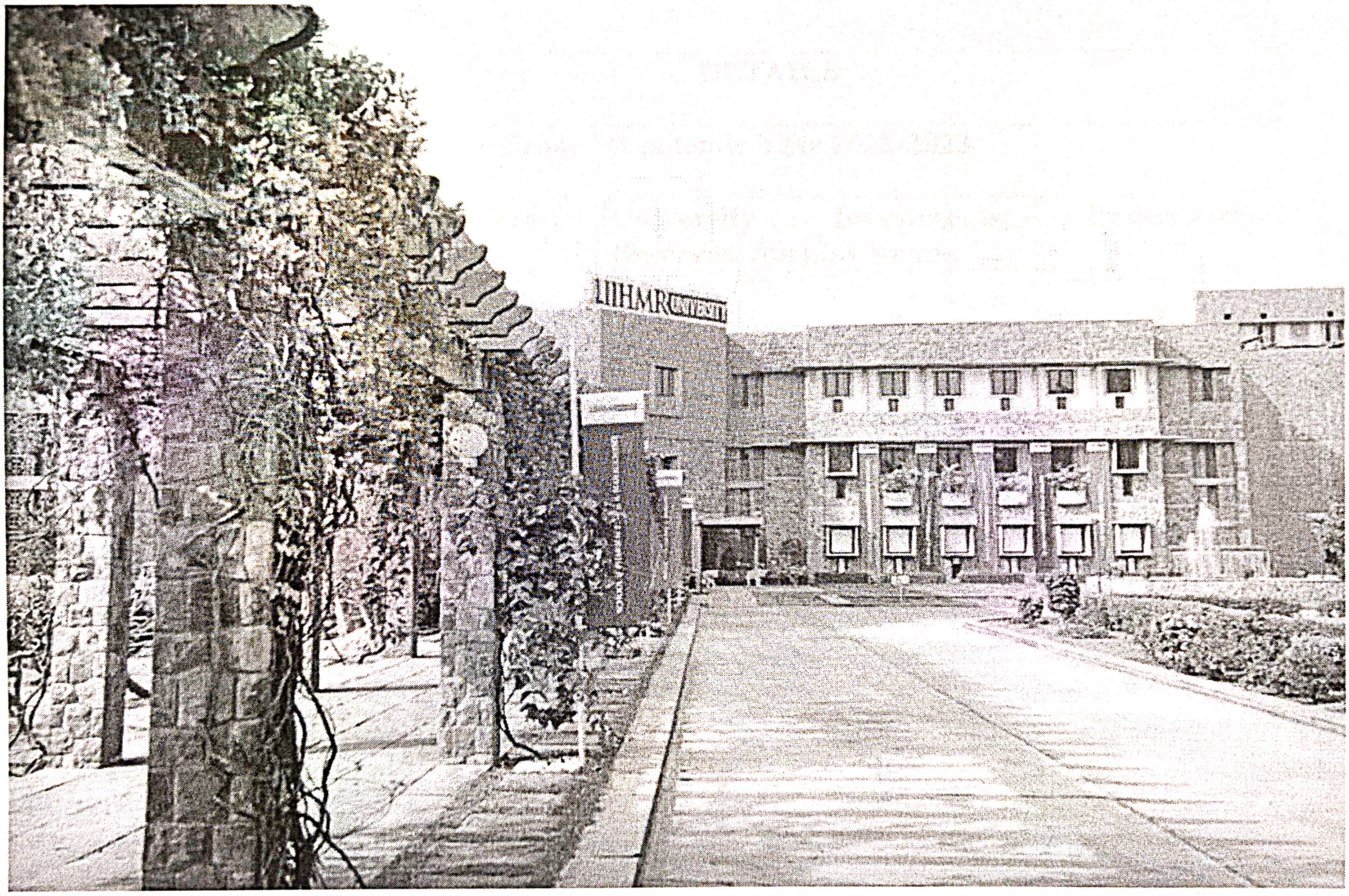
IIHMR UNIVERSITY

Policy on Sustainable Investment



IIHMR UNIVERSITY

SUSTAINABLE INVESTMENT POLICY

S.No.	DETAILS	
1	Policy Effective From	Academic Year 2022-2023
2	Policy Applicable For	University Investments, Endowment/ Reserves, Surplus Funds
3	Purpose of Policy	To integrate environmental, social and governance (ESG) considerations into IIHMR University's investment decisions

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PREAMBLE

IIHMR University, Jaipur, established under the IIHMR University Act, 2014, recognises that the way it manages its financial resources can influence social and environmental outcomes as well as long-term financial stability. As a university dedicated to health and development, it seeks to ensure that its investments reflect its mission, values and commitments to responsible and sustainable development.

This Sustainable Investment Policy sets out how environmental, social and governance (ESG) aspects will be considered alongside traditional financial criteria such as risk, return and liquidity. The policy complements existing financial rules and risk-management practices and does not replace statutory or regulatory requirements.

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1. PURPOSE AND SCOPE

The policy aims to:

- Align investment practices with the University's mission and broader sustainability commitments.
- Incorporate ESG risks and opportunities into investment analysis and decision-making.
- Avoid exposure to activities clearly inconsistent with the University's values.
- Encourage investment, where feasible, in activities and instruments that contribute positively to health, society and the environment.

This policy applies to the investment of endowment funds, long-term reserves and other surplus funds managed by IIHMR University, whether invested directly or through external managers, subject to applicable laws and regulations. It does not apply to operational procurement.

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2. GUIDING PRINCIPLES

a) Long-term stewardship

- The primary financial goal is to preserve capital in real terms and generate reasonable risk-adjusted returns over the long term, consistent with the University's risk appetite and liquidity needs.
- ESG factors that may affect long-term performance (for example climate risk, labour practices, governance quality) should be taken into account in evaluating investments.

b) Responsible exclusions

Subject to legal and contractual constraints, the University will seek to avoid direct investments in entities whose core business is clearly misaligned with its mission and values, such as:

- Production of banned or controversial weapons.
- Activities that are illegal under Indian law.
- Other categories that may be designated by the Board of Management.

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c) Positive preference where feasible

Without compromising prudence and diversification, preference may be given to:

- Instruments and funds that demonstrate stronger ESG performance or policies.
- Investments supporting health, education, sustainable infrastructure, renewable energy or other activities aligned with sustainable development.

d) Compliance and transparency

All investments will comply with applicable statutes, regulations, UGC norms, government directions and the University's financial rules. Investment decisions and rationales will be documented under existing governance processes.

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3. IMPLEMENTATION

- The Board of Management (or its designated committee) provides overall oversight of investment strategy, including this policy.
- The Finance and Investment Committee (or equivalent) recommends guidelines, selects or reviews investment managers, and monitors performance and compliance.
- The Finance & Accounts Department supports implementation, record-keeping and reporting.

Where external investment managers are appointed or pooled funds are used:

- Mandates and requests for proposals should, as appropriate, refer to this policy and seek information on the manager's ESG approach.
- Managers are encouraged to consider ESG factors in their analysis and to share relevant information on ESG aspects of the portfolio, where available.

When evaluating options, the University or its managers should, where practicable, consider material ESG risks and controversies associated with issuers, sectors or instruments, and avoid or limit exposure to entities linked to severe, unresolved ESG violations, using public information and ratings where accessible.

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4. MONITORING AND REVIEW

Investment performance, risk and compliance will continue to be reviewed through existing reporting to the Finance and Investment Committee and Board of Management. Within these reports, brief qualitative or quantitative information on how ESG considerations have been taken into account may be included where feasible.

This policy will normally be reviewed at least once every three years, or earlier if required by changes in regulation, market practice or institutional priorities. Revisions will follow the University's usual approval processes.

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