



# **CHITKARA UNIVERSITY,** **PUNJAB**

## **SUSTAINABLE INVESTMENT POLICY**

Approved by 25<sup>th</sup> Governing Body meeting dated 29 February 2024, vide agenda no. 25.26

## **SUSTAINABLE INVESTMENT POLICY FOR CHITKARA UNIVERSITY, PUNJAB**

**Title:** Sustainable Investment Policy

**Responsible Department or Authority:** Finance Department, Chitkara University

**Version Number:** 1.0

### **Table of Contents:**

1. Introduction
2. Policy Statement
3. Definitions
4. Policy Details
  - 4.1 Environmental Criteria
  - 4.2 Social Criteria
  - 4.3 Governance Criteria
  - 4.4 Investment Process
  - 4.5 Engagement and Transparency
5. Responsibilities
6. Procedures
7. Compliance and Enforcement
8. Exceptions or Waivers
9. Review and Revision
10. References
11. Contact Information

## **1. Introduction:**

This policy outlines Chitkara University's commitment to integrating environmental, social, and governance (ESG) factors into its investment decisions. Recognizing the importance of sustainability and responsible investing, this policy aims to:

- 1.1. Align the University's investments with its values and mission.
- 1.2. Minimize exposure to ESG risks and promote positive social and environmental impacts.
- 1.3. Contribute to achieving the Sustainable Development Goals (SDGs).

## **2. Policy Statement:**

Chitkara University is committed to investing in a sustainable future. We will integrate ESG factors into our investment analysis and decision-making, focusing on companies demonstrating responsible practices and positive contributions towards environmental and social well-being. We will also actively engage with companies in our portfolio to promote positive change and enhance transparency.

## **3. Definitions:**

- 3.1 **ESG factors:** ESG factors are Environmental, Social and Corporate Governance conditions that are subject to uncertainty and that may have a positive or negative impact on the financial performance or solvency of an entity, sovereign or individual. <sup>[1]</sup>
- 3.2 **Sustainable investment:** Sustainable investing refers to a range of practices in which investors aim to achieve financial returns while promoting long-term environmental or social value. <sup>[2]</sup>
- 3.3 **Impact investing:** It is the deployment of funds into investments that generate a measurable and beneficial social or environmental impact alongside a financial return on investment. <sup>[2]</sup>

## **4. Policy Details:**

### **4.1 Environmental Criteria:**

- We will invest in companies committed to reducing their environmental impact, mitigating climate change, and utilizing resources efficiently.
- We will avoid companies involved in harmful environmental practices such as deforestation, pollution, and unsustainable resource extraction.

### **4.2 Social Criteria:**

- We will invest in companies with strong labor practices, respecting human rights, providing fair wages, and ensuring safe working conditions.
- We will avoid companies involved in unethical practices such as child labor, forced labor, and discrimination.
- We will prioritize companies demonstrating positive contributions to communities and social development.

#### **4.3 Governance Criteria:**

- We will invest in companies with strong corporate governance, transparency, and accountability.
- We will avoid companies with poor leadership, unethical behavior, and financial misconduct.

#### **4.4 Investment Process:**

- ESG factors will be integrated into the investment analysis process for all asset classes.
- ESG data and ratings from reputable providers will be utilized.
- Engagement with companies on ESG issues will be actively pursued.
- Investments will be divested from carbon intensive industries and low carbon technologies will be given preference.

#### **4.5 Engagement and Transparency:**

- We will engage with companies in our portfolio to encourage ESG best practices and advocate for positive change.
- We will be transparent about our investment activities and ESG considerations through regular reporting and engagement with stakeholders.

### **5. Responsibilities:**

- The Finance Department is responsible for implementing and enforcing this policy.
- The Investment Committee is responsible for overseeing the integration of ESG factors into investment decisions.
- All university staff involved in investment decisions are responsible for adhering to this policy.

### **6. Procedures:**

- ESG criteria will be incorporated into investment selection guidelines and decision-making processes.
- Regular training and awareness-raising programs on ESG issues will be provided to relevant staff.

- Engagement activities with companies will be documented and monitored for effectiveness.

**7. Compliance and Enforcement:**

Non-compliance with this policy may result in disciplinary action, up to and including exclusion from participating in investment decisions.

**8. Exceptions or Waivers:**

Exceptions to this policy may be granted on a case-by-case basis with written justification and approval from the Investment Committee.

**9. Review and Revision:**

This policy will be reviewed and updated at least every two years, or as needed, to reflect changes in relevant regulations, best practices, and university priorities.

**10. References:**

1. EBA Report: On Management and Supervision of ESG Risks for Credit Institutions and Investment Firms, EBA/REP/2021/18UN Principles for Responsible Investment (PRI)
2. Harvard Business School Online.

**11. Contact Information:**

For questions or inquiries regarding this policy, please contact:  
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