



Anna University, Chennai-600025.

University Departments

Sustainable Investment Policy

Background and Policy Overview:

The Sustainable Investment policy defines the commitment of Anna University to responsible investment, reflecting our commitment towards creating a sustainable future and contributing more to society. As a university, we recognize the significance of deploying our endowment and other funds in ways that not only safeguard our institution's financial stability but also contribute positively to the greater world. This policy establishes the objectives and parameters of the University. It sets out the framework of sustainable measures embracing Environmental, Social, and Governance (ESG) factors within their financial strategies and practices to improve long-term outcomes.

Scope of the Policy:

The following investment policy is applied to the University endowments, Other Investment Funds, specific areas, and assets relevant to the institution's investment practices. The policy outlines the principles and guidelines for integrating Environmental, Social, and Governance (ESG) considerations into the university's investment decisions. To evaluate and monitor the progress towards sustainability goals, the sustainable investment policy will be reviewed regularly, at least once per annum, by the Investment Committee, which includes a student/alumni representative from the Anna University Students' Association / Anna University Students' Alumni Cell.

Sustainable Investment Strategy:

To meet India's ambitious goal of achieving carbon neutrality by 2070, the University is committed to aligning its financial investments with Environmental, Social, and Governance (ESG) principles.

In line with this ambitious target, the university would incorporate ESG factors into its portfolio's investment and decision-making process. The goal is not only to achieve financial returns but also to support positive social and environmental impact. This means considering the environmental and social performance of potential investments alongside traditional financial metrics.

The university's investment portfolios will be guided by a three-tier framework, ensuring strict adherence to the sustainable investment strategy.

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1. Investment

The university tends to align its investment portfolio with ethical, social, or environmental values by excluding companies or industries that do not meet our predetermined standards. This means that we employ an exclusion of direct investments in companies involved in the following business:

- Tobacco - manufacture, distribution, or retailing.
- Firearms and Weapons- manufacture of controversial weapons, including cluster bombs, landmines, nuclear weapons (systems of components) and companies that manufacture civilian firearms.
- Fossil fuels like Coal, Tar Sands or Fracking.
- Other industries with perceived negative impacts on society or the environment.
- Alcohol

Pooled Funds:

When the university invests through pooled funds, the decision-making process occurs at the fund level, which limits the university's direct control over specific exclusions. Consequently, in such cases, the university evaluates the comprehensive ESG approach adopted by the underlying fund manager. Additionally, the university regularly reviews the fund's investments in collaboration with its investment advisors to assess the overall exposures in alignment with their sustainability criteria.

2. Environmental, Social and Governance (ESG) Integration

The University mandates its fund managers, whether investing directly or through pooled funds, to adhere to specific criteria to ensure responsible and ethical investment practices. These criteria include the following:

- United Nations Principles of Responsible Investment (UNPRI): The University requires its
- To be signatories to the United Nations Principles of Responsible Investment (UNPRI).
- To incorporate ESG issues into their investment analysis, considering environmental and social impacts, as well as governance practices. This integration helps identify sustainable and responsible investment opportunities.
- To actively engage on social and environmental issues. Regular oversight reporting to the Investment Committee is expected, reflecting efforts to address and track these concerns.

Furthermore, the University aligns itself with the principles of the United Nations Global Compact, which focuses on fundamental responsibilities in areas such as human rights, labor practices, environmental stewardship, and anti-corruption efforts. It expects advisors and managers to promote positive behaviors and

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discourage negative ones through investment screening and practices, thereby encouraging investments that align with the principles of the UN Global Compact.

Continuously evaluating investment options, the University seeks to invest in pooled funds that meet the outlined principles above, ensuring that its investments align with its commitment to responsible and sustainable practices.

3. Impact Investing

The policy is dedicated to implementing investment strategies focused on reducing and, ideally, eradicating negligent business practices. Within this program, investments will be directed towards organizations and sectors that actively seek to achieve positive environmental and social outcomes and will be diversified across eight sustainability themes:

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

4. Reporting

Annually, the University will provide an impact report showcasing their efforts in aligning with the guidelines outlined in the Sustainable Investment Policy. Through transparent and regular reporting, the University aims to demonstrate its commitment to be responsible and impactful in investing while keeping stakeholders informed about the progress made toward sustainability goals.



Vice-Chancellor

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