



Central University of Himachal Pradesh

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SUSTAINABLE INVESTMENT POLICY

1. Preamble

The Central University of Himachal Pradesh (CUHP) recognizes that its financial decisions can significantly influence environmental sustainability, social responsibility, and ethical governance. This Sustainable Investment Policy establishes a framework to ensure that all investment activities align with responsible and sustainable development principles while safeguarding financial returns.

2. Objectives

This policy aims to:

- Integrate Environmental, Social, and Governance (ESG) factors into investment decisions
- Promote responsible and ethical investment practices
- Align University investments with national priorities and global sustainability frameworks
- Support long-term financial stability with sustainable value creation
- Contribute to Sustainable Development Goals (SDGs), particularly SDG 12

3. Scope

This policy applies to:

- All financial investments made by CUHP, including endowment funds, reserves, grants, and surplus funds
- Investment decisions undertaken by finance committees or authorized bodies
- External fund managers and financial intermediaries engaged by CUHP

4. Guiding Principles

4.1 Environmental Responsibility

- Avoid investments in environmentally harmful industries (e.g., high carbon-emitting sectors)
- Promote investments in renewable energy, green technologies, and sustainable infrastructure

4.2 Social Responsibility

- Invest in entities that uphold labor rights, human rights, and social inclusion
- Avoid companies involved in child labor, forced labor, or unethical practices

4.3 Governance Integrity

- Preference for organizations with strong corporate governance, transparency, and ethical conduct
- Avoid entities with a history of corruption, fraud, or regulatory violations

4.4 Financial Prudence

- Ensure risk-adjusted returns and capital preservation
- Adopt a long-term investment perspective

5. Investment Strategy

5.1 Positive Screening

Preference shall be given to investments in:

- Renewable energy and clean technology
- Sustainable agriculture and water management
- Green bonds and ESG-compliant funds
- Companies with strong sustainability ratings

5.2 Negative Screening

The University shall avoid investments in:

- Fossil fuel-intensive industries
- Tobacco, alcohol, and harmful substances
- Arms and defense manufacturing (non-essential categories)
- Companies violating environmental or social norms

5.3 ESG Integration

- ESG factors shall be integrated into financial analysis and decision-making
- Use of ESG ratings and sustainability indices for evaluation

5.4 Impact Investing

- Allocate a portion of funds to investments that generate measurable environmental or social impact alongside financial returns

6. SDG Alignment (Focus on SDG 12: Responsible Consumption and Production)

Primary SDG: 12

- Promote responsible investment choices that encourage sustainable production
- Support companies adopting circular economy principles

Other Relevant SDGs

- **SDG 13 (Climate Action):** Invest in low-carbon and climate-resilient sectors
- **SDG 8 (Decent Work):** Support ethical employment practices
- **SDG 9 (Innovation):** Encourage sustainable technologies
- **SDG 7 (Affordable and Clean Energy):** Promote renewable energy investments

7. NAAC Alignment

Criterion VII: Institutional Values and Best Practices

- Demonstrates institutional commitment to sustainability and ethical governance

Criterion VI: Governance, Leadership and Management

- Ensures transparency and accountability in financial decision-making

Criterion III: Research, Innovations and Extension

- Enables funding of sustainable research initiatives through responsible investments

8. NIRF Alignment

Perception (PR)

- Enhances institutional image as a socially responsible and sustainable university

Outreach and Inclusivity (OI)

- Encourages investment in inclusive and socially responsible enterprises

Research and Professional Practice (RP)

- Supports sustainable research funding

9. Governance Structure

9.1 Investment Committee

- A dedicated committee shall oversee sustainable investment decisions
- Responsibilities:
 - Policy implementation
 - ESG evaluation of investment options
 - Monitoring portfolio performance

9.2 Roles and Responsibilities

- **Finance Division:** Ensure compliance and financial oversight
- **Investment Committee:** Strategic decision-making
- **External Fund Managers:** Adhere to ESG criteria

10. Risk Management

- Incorporate ESG risks into financial risk assessment
- Diversification of investment portfolio
- Periodic review of high-risk sectors

11. Monitoring and Reporting

- Annual sustainability report on investment portfolio
- Key Performance Indicators (KPIs):
 - % of ESG-compliant investments
 - Carbon exposure of portfolio
 - Impact investment allocation

12. Capacity Building

- Training for finance and procurement staff on ESG investing
- Awareness programs on sustainable finance

13. Compliance and Review

- Compliance with Government of India financial regulations
- Alignment with UGC and Ministry guidelines
- Policy review every three years

14. Conclusion

This Sustainable Investment Policy reflects CUHP's commitment to aligning financial management with sustainability principles. By integrating ESG considerations and SDG alignment, the University aims to ensure responsible stewardship of financial resources while contributing to broader societal and environmental goals.