



Sustainable Investment Policy

PREAMBLE & STATEMENT OF INTENT

JSS Academy of Higher Education & Research (JSS AHER) is dedicated to advancing human health, life sciences, educational excellence, and environmental stewardship. Recognizing its role as a premier health-focused educational and research university, JSS AHER acknowledges that managing its financial assets requires an approach aligned with international climate goals (including the Paris Agreement) and the United Nations Sustainable Development Goals (SDGs).

This policy establishes JSS AHER's commitment to incorporating Environmental, Social, and Governance (ESG) criteria into all institutional investment decisions, ensuring financial growth is achieved responsibly and ethically.

1. PURPOSE

The purpose of this Policy is to:

- **Align Capital with Values:** Ensure JSS AHER's investment strategies reflect its core institutional values of healthcare ethics, social equity, and environmental sustainability.
- **Integrate ESG Factors:** Systematically incorporate Environmental, Social, and Governance (ESG) considerations into the selection, evaluation, and management of university funds.
- **Mitigate Portfolio Risk:** Protect University capital against systemic risks associated with climate change, environmental degradation, labor violations, and poor corporate governance.
- **Support Positive Impact:** Direct investment capital toward projects, green bonds, and ethical funds that actively support healthcare access, clean technology, and sustainable development.

2. SCOPE

This policy applies to all financial assets, surplus funds, endowment funds, research reserves, and capital funds managed by JSS AHER across all Constituent Colleges (Medical, Dental, Pharmacy, Biomedical Sciences), University Departments, Centers of Excellence, and administrative units.

3. SUSTAINABLE INVESTMENT FRAMEWORK

JSS AHER executes its sustainable investment strategy through a three-pillar framework:

3.1 Negative Screening & Investment Exclusions

To prevent institutional capital from supporting activities that conflict with JSS AHER's healthcare and social mission, the University explicitly prohibits direct investment in entities or industries involved in:

- **Tobacco & Nicotine Products:** Manufacturing, distribution, or marketing of tobacco or related products.
- **Weapons & Defense:** Manufacturing or distribution of controversial weapons, landmines, nuclear weaponry components, or civilian firearms.
- **Fossil Fuels & High-Polluting Energy:** Thermal coal extraction, tar sands, and unmitigated fossil fuel production.
- **Alcohol & Gambling:** Primary commercial production of alcohol and commercial gambling operations.
- **Human Rights & Environmental Violations:** Entities with verified records of severe labor exploitation, human rights abuses, or unaddressed environmental disasters.

Note on Pooled/Mutual Funds: When investing through government-approved pooled funds or fixed instruments, the University shall evaluate the overall ESG rating and screening practices of the managing institution to minimize indirect exposure to excluded sectors.

3.2 ESG Integration & Principles

JSS AHER requires that all investment evaluations consider the following criteria:

- **Environmental (E):** Carbon intensity, energy efficiency, clean water conservation, waste management, and biodiversity protection.
- **Social (S):** Fair labor practices, occupational health and safety, community welfare, diversity, and alignment with healthcare equity.
- **Governance (G):** Board independence, financial transparency, anti-corruption safeguards, executive accountability, and shareholder rights.

The University aligns its expectations with the **UN Global Compact** principles, favouring financial partners and fund managers that adhere to international responsible investment frameworks.

3.3 Positive Impact & SDG-Aligned Investments

JSS AHER prioritizes green instruments and secure, low-risk positive impact vehicles that contribute directly to the UN SDGs, with an emphasis on:

- **Clean Energy & Climate Action:** Solar, wind, and energy-efficiency infrastructure projects.
- **Healthcare & Life Sciences Innovation:** Accessible healthcare, pharmaceutical innovation, and medical research infrastructure.
- **Green Financial Instruments:** Sovereign Green Bonds, ESG-backed fixed deposits, and sustainable development bonds issued by nationalized or scheduled financial institutions.
- **Resource Management:** Sustainable water treatment, waste management, and circular economy initiatives.

4. FINANCIAL PRUDENCE & RISK MANAGEMENT

In accordance with institutional fiduciary duties, JSS AHER balances sustainability targets with capital safety and liquidity:

1. **Low-Risk Preference:** Institutional funds shall be deployed primarily in secure, low-risk instruments (e.g., Nationalized Bank Fixed Deposits, Government/Sovereign Green Bonds and regulated public sector financial instruments).

2. **High-Risk Prohibition:** Direct speculative trading in equities, unrated corporate debt, or high-risk open market instruments remains prohibited unless explicitly authorized by the Finance Committee for specific endowment mandates.

3. **Third-Party Transparency:** No commissions, finder's fees, or illicit brokerage payments shall be paid on University investment transactions.

5. GOVERNANCE & IMPLEMENTATION

5.1 Sustainable Investment Evaluation Committee (SIEC)

To oversee the implementation of this policy, JSS AHER establishes the **Sustainable Investment Evaluation Committee (SIEC)** under the umbrella of the University Finance Committee, comprising:

- **Finance Officer:** Chairperson
- **Registrar:** Member
- **Dean (Academics):** Member
- **Dean (Research):** Member
- **Dean of a Constituent College / Faculty** (*Nominated by the Vice-Chancellor on rotation*): Member
- **Alumni Representative / External Financial & ESG Expert:**
Nominated Member

5.2 Roles & Responsibilities of the SIEC

The SIEC shall:

- Assess surplus funds across constituent units and evaluate secure, ESG-compliant investment opportunities.
- Conduct due diligence on financial institutions, green bonds, and fund managers to ensure alignment with this policy.
- Present evaluated sustainable investment options to the **Vice-Chancellor** and **Finance Committee** for final sanction.
- Conduct annual ESG audits of the University's active investment Portfolio.

6. TRANSPARENCY, AUDIT & REPORTING

- **Annual Sustainable Investment Report:** JSS AHER shall publish an annual summary detailing the ESG performance of its financial portfolio, key impact metrics, and alignment with the SDGs.
- **Policy Review:** The SIEC shall review this policy **annually** to adjust screening criteria, incorporate emerging ESG standards, and adapt to national regulatory financial guidelines.

7. ADMINISTRATIVE IMPLEMENTATION

Implementation of this policy is supported through standard institutional financial procedures, ESG audit checklists, and clearance workflows managed by the Office of the Finance Officer, the Registrar, and the Deans of the respective constituent colleges and academic faculties.

8. DATE OF IMPLEMENTATION:

This policy will come into immediate effect 01.01.2025

9. DATE OF REVISION:

01.01.2027




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