



SUSTAINABLE INVESTMENT POLICY

Sustainable Investment Policy / Policy/V1.0

UPES

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1. Introduction

UPES recognizes the importance of sustainable investing as a key component of our commitment to environmental stewardship and responsible financial management. As an institution dedicated to advancing knowledge and innovation in the fields of energy and sustainability, we understand the critical role that our investment decisions play in shaping a more sustainable future. This Sustainable Investment Policy has been developed to guide our investment practices and ensure that our financial resources are fully aligned with our values and long-term sustainability goals.

2. Policy Statement

UPES is dedicated to integrating environmental, social, and governance (ESG) factors into our investment decisions in order to promote sustainability, mitigate risk, and generate long-term value for our stakeholders. Our sustainable investment approach is guided by the following principles:

- **Environmental Responsibility**
- **Social Impact**

- **Governance and Ethical Standards**
- **Risk Management**
- **Engagement and Advocacy**

3. Core Principles

3.1 Environmental Responsibility

- **Investment Focus:**
 - Prioritize investments in companies and projects that demonstrate a clear commitment to environmental sustainability, including renewable energy, clean technology, energy efficiency, and climate resilience.
- **Minimizing Footprint:**
 - Assess and consider the carbon intensity, resource efficiency, and overall environmental impact of potential investments to help reduce the environmental footprint of our portfolio.

3.2 Social Impact

- **Community-Centric Investments:**
 - Direct investments toward companies and initiatives that promote social equity, human rights, and community development, with a special focus on regions where we operate.
- **Positive Societal Outcomes:**
 - Target investments that drive tangible social benefits such as job creation, improved education, enhanced healthcare services, and poverty alleviation.

3.3 Governance and Ethical Standards

- **Corporate Governance:**
 - Ensure that all investment decisions adhere to the highest standards of corporate governance and ethical business practices.
- **Evaluation Criteria:**
 - Incorporate factors such as transparency, accountability, board diversity, and overall ethical conduct into the evaluation process of potential investments.

3.4 Risk Management

- **Integration of ESG Factors:**
 - Recognize that ESG factors can materially impact investment performance and risk exposure by integrating these considerations into our risk management processes.
- **Due Diligence:**
 - Perform comprehensive due diligence and analysis, evaluating both financial and non-financial risks to ensure investments are sustainable and resilient.

3.5 Engagement and Advocacy

- **Active Engagement:**
 - Maintain an active dialogue with companies, asset managers, and industry stakeholders to promote sustainability best practices and advocate for positive change.
- **Shareholder Rights:**
 - Leverage our rights as shareholders to encourage greater transparency, accountability, and sustainability performance within the companies where we invest.


4. Implementation

UPES will operationalize this Sustainable Investment Policy by undertaking the following actions:

- **Criteria and Guidelines:**
 - Establish clear criteria and guidelines for evaluating potential investments based on comprehensive ESG considerations.
- **Regular Portfolio Review:**
 - Conduct ongoing reviews and assessments of our investment portfolio to ensure consistent alignment with our sustainability objectives.
- **Stakeholder Collaboration:**
 - Engage regularly with investment managers, consultants, and other relevant stakeholders to effectively integrate ESG factors into our decision-making process.
- **Transparent Reporting:**
 - Report on our sustainable investment activities and the resulting outcomes to stakeholders on a regular basis, ensuring accountability and transparency.

5. Conclusion

By adopting this Sustainable Investment Policy, UPES reaffirms its commitment to responsible investing and sustainability leadership. We believe that by integrating ESG considerations into our investment practices, we not only enhance financial performance but also contribute to positive social and environmental outcomes. Through prudent and purposeful investment decisions, UPES aims to foster a more sustainable and prosperous future for all our stakeholders.


Registrar
UPES

