



Endowment

Management Report

2025-2026

Table of Contents

1. Why does the IESE Endowment exist?	5
2. Academic and social impact	7
Scholarships	
Chairs and Research Funds	
Selected research projects	
3. How is the Endowment invested?	15
Investment Policy	
Investment Committee	
4. Responsible Investing	17
5. Performance of the Endowment	19
Historical performance	
Evolution of the Endowment	



Franz Heukamp

Dean of IESE

“For IESE, the Endowment is a tool for **academic excellence: it allows us to strengthen research and attract the best talent.”**

Why does the IESE **Endowment** exist?

The Endowment is a social fund designed to support IESE's research activities, scholarship programs, and overall institutional development. It is a perpetual fund, managed in such a way as to ensure that future generations have at least the same capacity to act as the present one (thus preserving intergenerational equity).

IESE's mission is to develop leaders who can make a positive, deep and lasting impact on people, companies and society through their professionalism, integrity and spirit of service.

IESE's academic activity is financially selfsufficient. However, as a nonprofit institution, IESE relies on donations from Alumni, Friends, Partner Companies, and Institutions to undertake certain research projects and expand its scholarship programs to benefit more students. A portion of these donations is allocated to the fund.

The Endowment is invested in financial instruments with the goal of generating returns that provide ongoing support for these strategic initiatives. It is managed with a long-term horizon to ensure a permanent source of resources and safeguard the institution's future. To this end, part of the

return is reinvested back into the fund itself to preserve its purchasing power against inflation. In doing so, each donation's impact is extended (perpetuated) over time.

The Endowment is therefore a social fund, as 100% of its returns are used to finance academic research projects and scholarships for master's and doctoral programs.

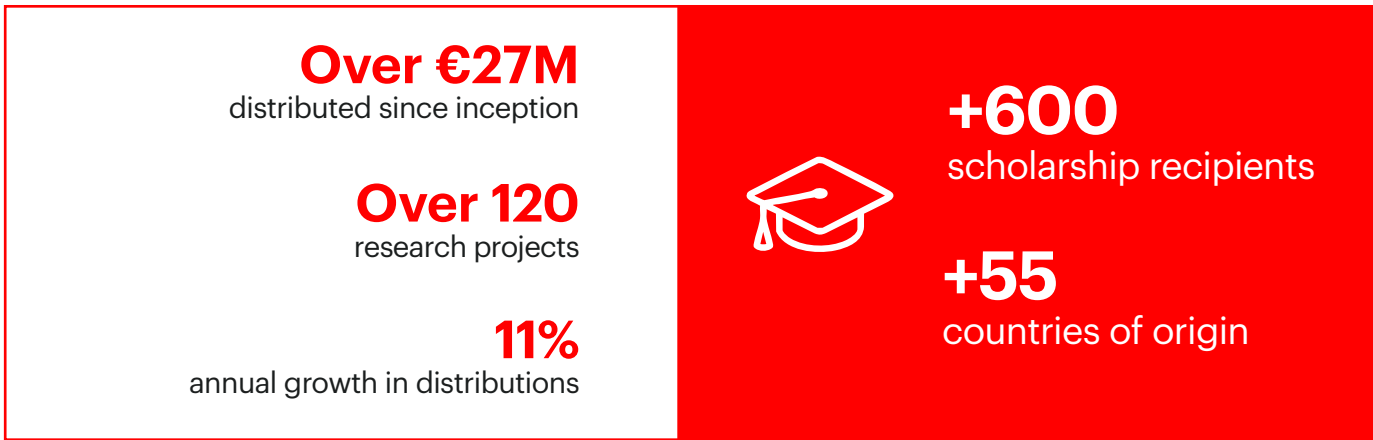
The IESE Endowment is a joint project between IESE Business School and IESE International Foundation. In a spirit of transparency, they publish this report to inform stakeholders about the management of the fund's financial investments and the use of the resulting income. The report is primarily intended for donors (as a means of ensuring good stewardship and accountability) but also for the broader academic community (alumni, students, faculty, staff, etc.) and society at large.



Academic and social impact

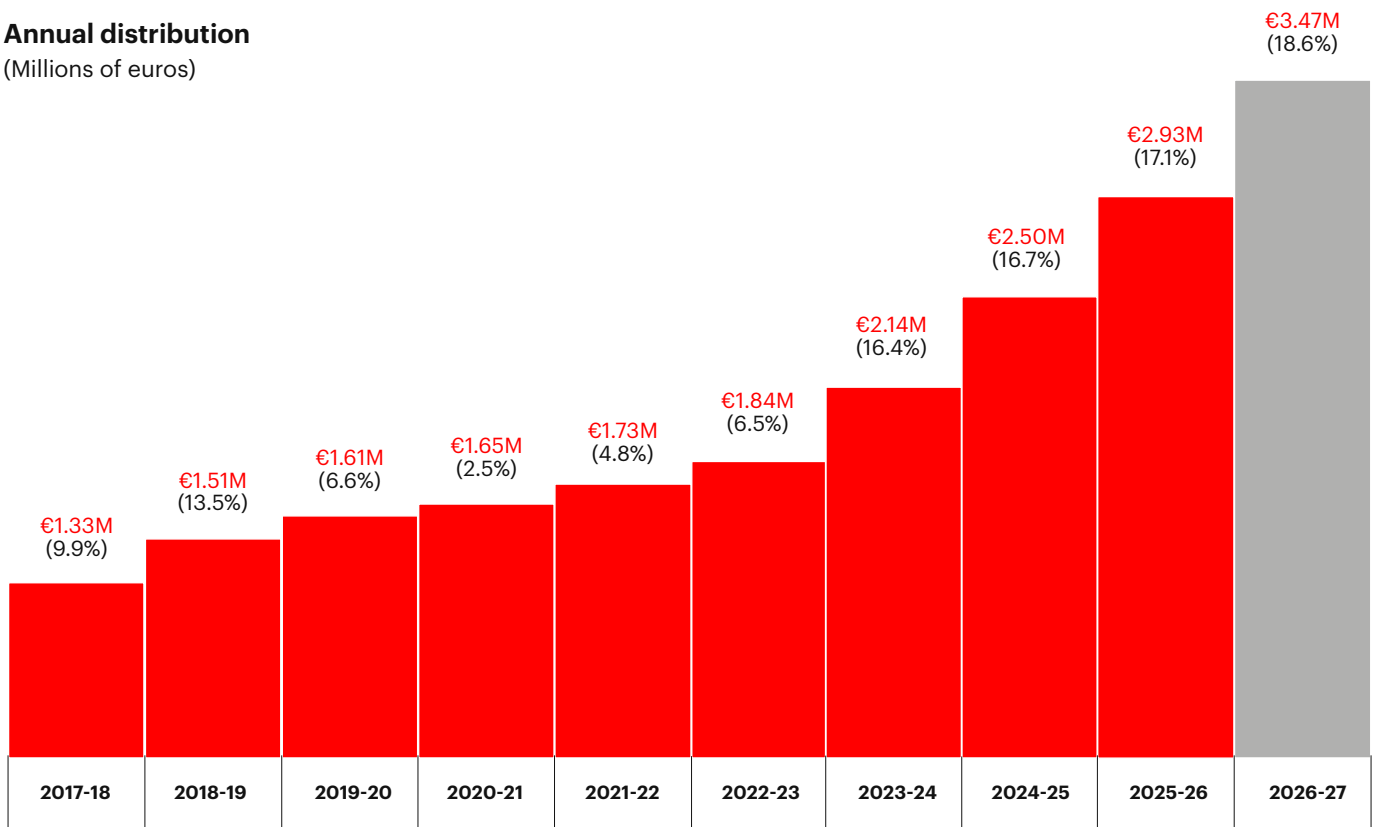
The returns generated by the IESE Endowment are fully allocated to social purposes and, specifically, to funding scholarships and research projects. In 2025–26, the Endowment distributed €2.9 million, and in 2026–27 it will allocate €3.5 million, bringing the total amount dedicated to these purposes since inception to €27.3 million.

Key figures



Annual distribution

(Millions of euros)





“Scholarships play a crucial role in ensuring that outstanding candidates can ultimately choose IESE.”

Annabelle Akintoye first discovered IESE through the Young Talent Program and never stopped seeing it as her first choice for an MBA.

Although she was prepared to take on a significant loan to attend, receiving support from the IESE Foundation reinforced her decision and made the investment more manageable. Today, she hopes to launch her own business in the insurance technology sector.

“From the first interaction, the school has been consistent in communication, treatment and showing they want me here.”

For Annabelle, scholarships from the IESE Foundation play a crucial role in ensuring that outstanding candidates can ultimately choose IESE.

“It would be a shame that the admissions team’s work to attract applicants be lost due to a lack of scholarships. In my case, it took six years. It’s a huge investment of resources.”

Annabelle Akintoye
MBA Student (United Kingdom)

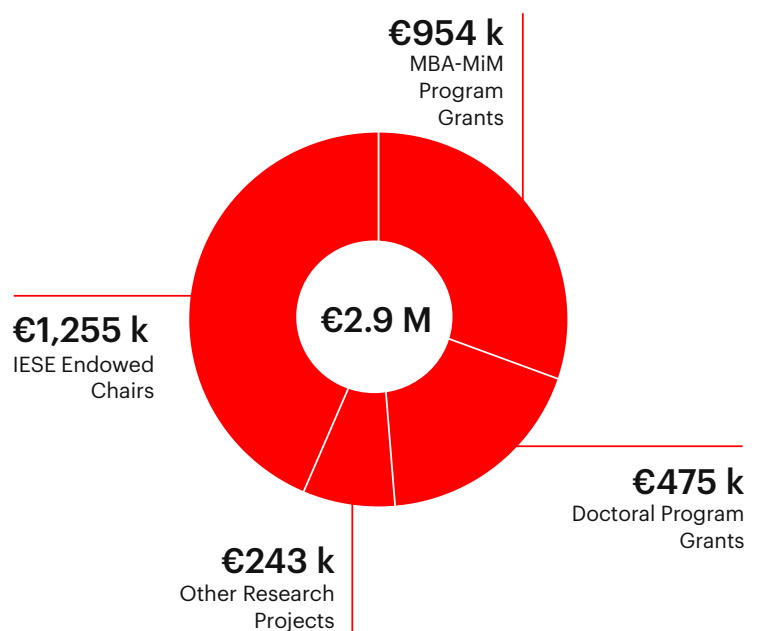
Distribution

Each year, the Endowment distributes 4.3% of the fund’s average value at the end of the previous three academic years. This percentage has been calculated in order to fund scholarships and research projects today while preserving the Endowment’s purchasing power, ensuring that future students and faculty enjoy the same opportunities as current ones.

In 2025–26, €2.9 million was allocated to these purposes, representing a 17.1% increase compared to the previous year. Of this amount, 49% was dedicated to scholarships for degree programs (doctoral and master’s programs), while the remainder financed the activities of the Chairs and other research initiatives.

Distribution of the Endowment in 2025-26

(Thousands of euros)



Scholarships

Scholarships enable students in the Doctoral, MBA, and MiM programs to finance their post-graduate studies. They are awarded to students with excellent academic records, preferably those with limited financial resources or from countries eligible for development aid. There are also grant programs that promote equal opportunities and social inclusion.

Graduates of the Doctoral Program often pursue academic careers as professors at universities and business schools worldwide, giving these grants a strong multiplying effect, typical of “train-the-trainers” programs. Scholarships for master’s programs also have a significant social impact, as they support well-prepared professionals who are aware of the social challenges faced by businesses and contemporary society.

The nominative scholarship funds established within the Endowment include:

Alonso-Stuyck Fund	IESE Stiftung Deutschland Fund
Amtmann Family Fund	International Foundation for Educational Development Fund
Bartolomé-Carreño Fund	Jiménez Laso Family Fund
Bcn Peptides Fund	Josep Maria Bosch Aymerich Fund
Bernardo Royo Fund	Lamsfus Bravo Family Fund
Desin-Disan Fund	Martínez Carrasco Family Fund
Herberto Gut Fund	Masters Fund
IESE Foundation Fund	Quimidroga Fund
IESE Foundation UK Fund	Stanley A. Motta Fund



“This scholarship made it possible for me to **dream big, and I know it does the same for other students.”**

After comparing offers from two leading business schools, Jivika Lalwani chose IESE. Receiving an Excellence Scholarship from the IESE Foundation was a decisive factor, but so was the school’s personal approach and close support throughout her experience.

“The scholarship process was simple and streamlined, which I appreciated. It was clear that IESE Foundation was genuinely committed to supporting students who deserve it.”

Looking back, she believes the scholarship gave her much more than financial support.

“To be honest, this scholarship made it possible for me to dream big, and I know it does the same for other students. Many universities say they want to put students first, but IESE really does it and I respect that.”

Jivika Lalwani
MiM Student (India)

Endowed Chairs and Research Funds

More than half of the amount distributed goes towards financing research projects directed by the IESE faculty, who, as part of their academic task, conduct rigorous research projects that are at the same time relevant to business reality. Many of these projects are organized under Research Chairs, which bring together working groups focused on specific areas and

disseminate findings to the academic and business communities. Research Funds, meanwhile, support multidisciplinary initiatives in strategic areas for IESE. Both the Chairs and Funds reflect the commitment and generosity of Alumni, partner companies, and foundations actively supporting the advancement of management knowledge.

“Business can be a powerful driver of change. If companies see value in supporting IESE’s vision, they should invest in it. .”

Justin Reginald Nery came to IESE to pursue an academic career. Scholarship support from the IESE Foundation helped make that possible while allowing him to focus on research exploring corporate governance, labour and economic development in countries with weaker institutions.

Speaking about life at IESE, he highlights the school’s human-centered culture.

“I see it in the friendly way professors, staff and students interact. In the accounting department, for example, everyone is super smart and productive, but also very kind.”

Justin also believes that supporting doctoral students is an investment with long-term impact.

“Business can be a powerful driver of change. If companies see value in supporting IESE’s vision, they should invest in it, and especially in PhD students, who are motivated to pursue new ideas.”

Justin Reginald Nery
PhD Student (Philippines)



Current IESE Endowed Chairs include:

Abertis Chair of Regulation, Competition and Public Policy	IESE Foundation Chair of Corporate Governance
Anselmo Rubiralta Chair of Global Strategy	Intent HQ Chair on Changing Consumer Behavior
Banco Sabadell Chair in Business and Sustainability	Jaime Grego Chair of Global Healthcare Management
Bertrán Foundation Chair of Entrepreneurship	Joaquim Molins Figueras Chair of Strategic Alliances
Business Leadership and the Future of Work Chair – Joaquim Molins Figueras Foundation	José Felipe Bertrán Chair of Governance and Leadership in Public Administration
CaixaBank Chair of Sustainability and Social Impact	Juan Antonio Pérez López Chair
Carl Schroeder Chair in Strategic Management	Nissan Chair of Corporate Strategy and International Competitiveness
Carmina Roca and Rafael Pich-Aguilera Women and Leadership Chair	Puig Chair of Global Leadership Development
CELSA Chair of Competitiveness in Manufacturing	Rafael del Pino Chair of Artificial Intelligence and the Future of Organizations
Chair of Business Ethics	Rafael Termes Chair of Corporate Finance
Chair of Family-Owned Business	Schneider Electric Sustainability and Business Strategy Chair
Cobas A.M. Chair for Savings and Pensions	SEAT Chair of Innovation
Creand Entrepreneurship and Banking Chair	Vallformosa Foundation Chair of Business and Social Transformation
Eurest Chair of Excellence in Services	
Grupo Santander Chair of Financial Institutions and Corporate Governance	

Current Research Funds include:

Africa Initiative Fund	Entrepreneurship and Innovation Center Fund
Artificial Intelligence Fund	Eurofirms Foundation Fund
Barrilero Fund for de Search Funds and Entrepreneurial Acquisitions	Mango Fund
Center for International Finance Fund	Sports Management Center Fund
Dean's Fund (Antonio Valero Chair)	Sustainable Leadership Institute Fund

“The IESE Endowment has allowed us to keep working on a long-term research agenda around value-based healthcare.”

“Our research shows that well-intentioned policies can produce unintended consequences if incentives are not carefully designed. Understanding why this happens requires rigorous empirical analysis, access to complex data and the time to examine not only whether a policy works, but how it changes behavior. This kind of sustained support is essential to help governments and healthcare organizations design policies that improve access, quality and efficiency.”

Nuria Mas

Professor of Economics and Director of the Jaime Grego Chair of Global Healthcare Management.



“The IESE Endowment has enabled sustained research on executive compensation and corporate governance .”

“Understanding how CEO pay is shaped by regulation, investors and proxy advisors requires time, data and academic independence. Reforms designed to increase transparency and accountability can also generate unintended consequences, such as excessive standardization. This is especially relevant today, as Europe implements the EU Pay Transparency Directive. Our research aims to help boards, investors and regulators promote transparency without limiting companies’ ability to design compensation systems aligned with their long-term strategy.”

Gaizka Ormazabal

Professor of Accounting and Control and Director of the Grupo Santander Chair of Financial Institutions and Corporate Governance.



Selected research projects

This academic year, the IESE Endowment has continued to support research addressing some of today's most pressing institutional challenges. For example, Professor Nuria Mas examines how financial incentives affect physicians' behavior and the performance of public healthcare systems, while Professor Gaizka Ormazabal explores the growing standardization of CEO compensation and its implications for corporate governance and regulation.

When Incentives Backfire in Public Healthcare

Public healthcare systems across Europe face growing pressure as ageing populations increase demand while many physicians approach retirement.

Dual practice — where doctors work simultaneously in the public and private sectors — allows providers to complement public-sector salaries with income from private patients.

Critics, however, point to the risks of conflicts of interest, reduced availability of physicians for public patients and distorted incentives.

Research by IESE's Nuria Mas, Jonathan Gruber of MIT, NYU's Jaume Vives and Judit Vall of Universitat

de Barcelona examines a policy option to encourage doctors to dedicate themselves fully to the public system: exclusivity bonuses. In theory, these salary top-ups paid to doctors who work only in the state system will lead to an increase in the availability of care within the public system.

The research finds that these financial rewards did, in effect, encourage some doctors to drop their private practice. But it ultimately backfired because it ended up reducing the total amount of care provided. Despite the greater number of doctors, the average hours worked declined by 7.1%, in the public sector.

The Standardization of CEO Pay

CEO pay is becoming increasingly standardized in both salary levels and structures,

Drawing on a wide sample of U.S. firms, a research of Gaizka Ormazabal, together with other authors, shows that since 2006, 24% of the variation in CEO pay structures — spanning salaries, bonuses, stock awards and other components — has disappeared.

This trend is observed in the U.S. but does not appear to extend to firms in other developed economies. One significant factor is the Securities and Exchange Commission's 2006 mandate requiring public disclosure of compensation peer groups. While this rule was intended to enhance transparency, it has also made it easier for firms to compare and emulate one another's pay practices.

Proxy advisory firms have also played a major role, particularly after the rise of passive investing. Their influence on shareholder voting has encouraged firms to adopt standardized practices such as industry-size benchmarking.

The introduction of say-on-pay votes in 2011 has further reinforced this trend. These votes have given shareholders a formal voice in approving executive compensation packages further entrenching standardization as the norm in U.S. executive compensation practices.



**“By providing financial support,
IESE ensures a diverse student body.”**

A “gut feeling” led Eva Laurincova to pursue IESE’s Master in Management (MiM), drawn by its unique blend of business rigor and human-centered values.

A standout aspect of the program for her was IESE’s vibrant community. “Everyday, was different and we learned something new – it was very intense,” she says.

This highly demanding experience was made possible thanks to the financial support she received from the IESE Foundation, which played a crucial role in her decision to come to the school.

When making such an important investment, “you really think twice about it,” said Eva, who now works at the European Investment Bank on a venture debt team, supporting startups in the life science and biotech sphere.

Eva Laurincova
MiM-22 (Slovakia)

How is the **Endowment** invested?

Through an analysis that considers the investment objectives, a very long-term time horizon, and the fund's ability to withstand losses during specific periods, the Investment Committee, guided by the Investment Policy, designs a portfolio that optimizes results while staying within an acceptable level of risk.

Investment Policy

The IESE Endowment Investment Policy Statement establishes three investment objectives:

- Maintain the purchasing power of the fund, after spending, inflation and expenses (intergenerational equity).
- Obtain a stable source of income to support activities each year with a percentage of the fund.
- Having achieved the above, maximize the total long-term returns, adjusted for the risk assumed.

The Investment Policy Statement also defines the strategic or long-term target Asset Allocation:

- The need to generate sufficient returns justifies the equity bias (both public and private).
- The desire to protect the portfolio against sharp downturns explains the inclusion of fixed income and defensive hedge funds (Absolute Return).
- The intent to partially hedge inflation risk supports investment in real assets (real estate, infrastructure, commodities, natural resources, etc.).

Strategic Asset Allocation (long-term objective)

Asset class	Target Allocation	Bands	Benchmark
Equities	60%	(±1,500 bp)	MSCI ACWI Index (Euros)
Fixed Income	18%	(±1,000 bp)	Barclays Global Aggregate Bond Index (Euros)
Absolute Return	10%	(±500bp)	HFRX Absolute Return Index
Real Assets	10%	(±500bp)	50% REITE Index + 50% Bloomberg Commodity Index
Cash	2%	(+800 bp)	6-month Spanish Treasury bills

Equities include both publicly traded stocks and investments in Private Equity. Similarly, Fixed Income includes traded bonds as well as Private Credit investments. Real Assets include investments in real estate, infrastructure, gold, and commodities.

The Investment Policy defines bands for each asset class within which the Investment Committee may operate, based on its judgment and the market environment.

The Investment Policy also establishes the benchmarks for each asset class and for the Endowment as a whole, which are used to measure long-term performance. The Portfolio Benchmark is constructed using the individual asset class benchmarks, weighted according to the Asset Allocation targets for each class. Performance is also compared against a Passive Benchmark composed of 60% Equities and 40% Fixed Income.

Investment Committee

IESE's Executive Committee, together with the Board of Trustees of the IESE International Foundation, set up the Investment Committee made up of alumni experts in this field, at the end of 2012, in order to receive guidance on issues related to financial investments. In carrying out its functions, the Committee follows the general directives approved in its IESE Endowment Investment Policy Statement.

Among the responsibilities of the Investment Committee, in addition to advising on return and risk objectives and proposing the key management parameters, are: determining the portfolio's positioning at each point in the market cycle (always within the limits set by the Investment Policy), selecting and evaluating investment managers, managing risks, and assessing overall performance.



Jaime Alonso Stuyck

Chair of the Committee and Director
IESE International Foundation



León Bartolomé - MBA '84

CEO of
Alcarama



Francisco García Paramés - MBA '89

Chair of
Cobas AM



Mireia Giné

Professor of Financial Management
IESE Business School



Pablo González - MBA '90

CEO of
Abaco Capital



Jordi Gual

Professor of Economics
IESE Business School



Christopher Ivey - MBA '01

Global Head of Private Client Practice
Cambridge Associates



Penny McDermid - MBA '01

Investor and Financial Advisor



Alonso Torre de Silva - MBA '02

Managing Director - Spain
Ares Management

Responsible Investing

In deciding on how and where to invest, the endowment aims to remain consistent with IESE mission and values in the context of its Responsible Investment Policy.

The IESE Endowment has an entirely social character, in that all the returns are destined to projects and scholarships, and thus favor academic and social development. In order to better fulfill its social purpose, the Endowment seeks to maximize the return on its financial investments. This is achieved not only through adherence to the ethical and institutional values of the institutions, but also in such a way that is consistent with its Responsible Investment Policy, which is part of IESE's Investment Policy, summarized below.

IESE is aware that Environmental, Social and Governance (ESG) risks stem from factors as varied as environmental issues, human rights, discriminatory practices, child labor, bribery, corruption, etc. IESE also understands the ethical implications of some investment decisions, related not only to investment practices but also to the main activity of some companies and their impact on society.

In cases of direct investment, the Investment Committee avoids investing in companies whose mission or practices are misaligned with IESE values, such as companies promoting abortion practices, euthanasia, controversial weapons, or committing serious or systematic human rights violations, such as murder, deprivation of liberty, corruption, forced labor and the worst forms of child labor, etc.

However, in very few cases the endowment investments are made by direct participation in the share capital of companies, or through debt issued by companies, while the great majority of investments are channeled through collective investment vehicles.

For this reason, in the selection of external managers, efforts are made by the Investment Committee to comply with the most appropriate criteria in these matters (ESG), and the manager's own policy and capabilities in ESG and on responsible investment. Thus, the Responsible Investment Policy includes an exhaustive list of sample questions to use in the screening of managers.

As a management school, IESE should provide the business world, and society in general, with practical solutions to the most pressing problems of the moment, including those related to the energy transition and other aspects of ESG. In this sense, faced with the alternative of divestment or engagement (getting involved in the search for solutions), IESE prefers to commit to the search for solutions that solve problems in a practical way, in line with justice and social inclusion. In this sense, IESE expects managers to engage with companies through a sensible and transparent use of the right to vote granted by the ownership of shares (active ownership), and to open a dialogue with their directors in order to promote ethical conduct and better management of ESG risks and opportunities.

IESE has earned the prestigious international "STARS Gold" certification awarded by AASHE. It is a member of the United Nations Global Compact and a signatory of the Principles for Responsible Management Education (PRME) of the United Nations.

“IESE’s mission has never been more essential than now.”

“I have witnessed firsthand—across Latin America and beyond—the profound impact its graduates can have through the school’s philanthropic projects. Sustaining this impact requires a strong endowment that supports scholarships, faculty excellence, and initiatives that extend IESE’s reach. I am proud to support this effort and invite the business community and alumni to join in strengthening an institution that helps secure a more responsible and sustainable future for business and society.”

Stanley A. Motta

Chairman, Motta International & Member
IESE International Advisory Board Panama
Sponsor and donor of the Stanley A. Motta Fund



“IESE thrives on an active community willing to open doors, especially for those most in need.”

“We created an MBA-04 scholarship to mark our class’s 20th anniversary, guided by a simple conviction: IESE changed our lives, and we wanted to give that same opportunity to someone who might not otherwise have access. In collaboration with IESE, we funded a scholarship for Lucas Santana, a student with extraordinary talent and a deep commitment to creating social impact. When IESE community mobilizes, the ripple effect is powerful—and that spirit is what makes IESE truly unique.”

Elena Betés (MBA-04)

CEO of Emooti
Sponsor and donor of the MBA-04 Scholarship



Endowment Performance

The Endowment’s average annual return, which has ranged between 6% and 12%, depending on the time horizon, is enabling it to meet its established annual distribution policy while honoring its commitment to future generations without eroding purchasing power.

Historical performance

For the twelve-month period from September 1, 2025, to August 31, 2026, the IESE Endowment achieved a net return of 18.4% above the Portfolio Benchmark of 16%.

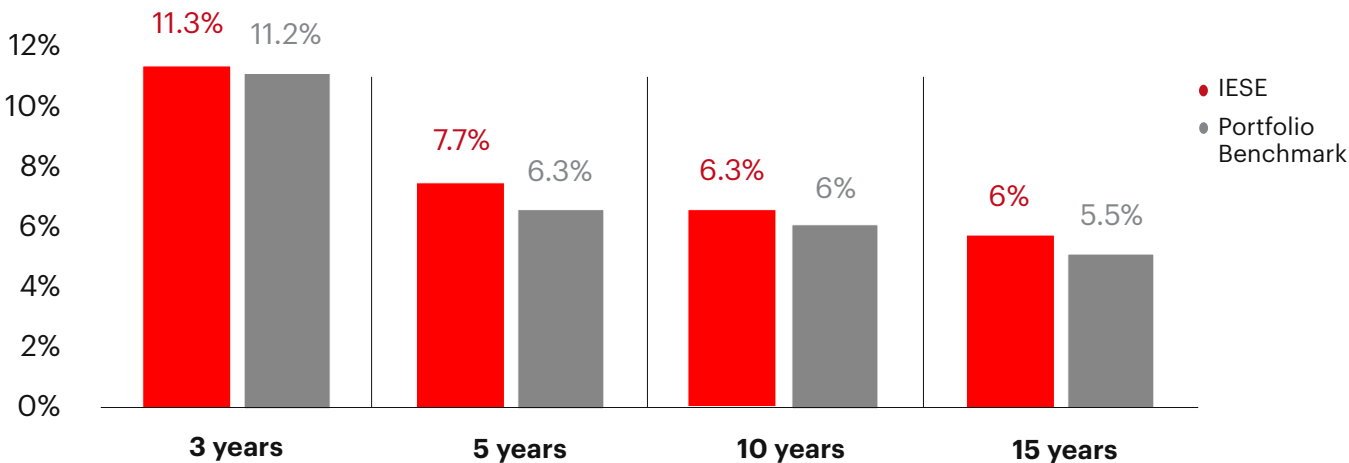
The average annual return over the last 3, 5, and 10 years has been 11.3%, 7.7%, and 6.3%, respectively, compared with 11.2%, 6.3%, and 6% for the Portfolio Benchmark.

Asset Allocation as of August 31, 2026

Asset Class	Status as of August 31, 2026		Target
Equities	57,775	58%	60%
Fixed Income	17,411	18%	18%
Absolute Return	7,761	8%	10%
Real Assets	12,053	12%	10%
Cash	4,075	4%	2%

(Thousands of euros)

Average annual return of the Endowment vs benchmark



“The friendliness of the faculty and the financial support made IESE the right choice for me.”

Nana Yaa Gyamfi Acquaye
PhD-22 (Ghana)



Comments by asset class

Equities

This class generates returns through capital appreciation and, where applicable, dividends. Traditionally, these types of assets have delivered higher long-term returns than other asset classes, albeit with higher levels of volatility.

Equities also include holdings in various Private Equity strategies, which currently account for 6% of the Endowment, with a target of 15% by 2030. This increase will be achieved by gradually reducing public equities to maintain a 60% allocation to equities at all times.

The equity portfolio achieved a 24.9% return in 2025–26, compared with 22.5% for the asset class benchmark, the MSCI ACWI Index, in Euros.

Absolute Return

The Investment Committee currently assigns this asset class the primary function of diversification. Within the range of hedge fund strategies available in the market, only defensive and market-neutral strategies have been selected. These provide both decorrelation to equities at a reasonable price and liquidity during periods of good opportunities, avoiding in any case directional strategies.

These hedge funds were incorporated following a rigorous selection process, including meetings with managers and thorough due diligence, to ensure proper alignment of interests.

The Absolute Return portfolio achieved a 7.1% return in 2025–26, compared with 3.2% for the asset class benchmark, the HFRX Absolute Return Index, in Euros.

Fixed income

Investment Grade bonds and debt instruments provide diversification relative to equities while delivering moderate returns. High Yield debt offers higher returns, though with less diversification.

This asset class also includes Private Credit investments, which currently account for 1% of the Endowment, with a 2030 target of 3%. This increase will be achieved by gradually reducing public fixed income to maintain an 18% allocation to fixed income at all times.

The fixed income portfolio achieved a 7.1% return in 2025–26, compared with -0.9% for the asset class benchmark, the Barclays Global Aggregate Bond Index, in Euros.

Real Assets

Real assets are physical or tangible assets with intrinsic value, which can be bought or sold. Investments in real estate and infrastructure provide value not only through capital appreciation but also via ongoing income streams generated by rents. Commodities are raw physical goods produced in the mining sector (e.g., precious or industrial metals) or agriculture, whose prices are primarily determined by supply and demand and are affected by geopolitical and weather-related factors. Real assets provide effective inflation protection.

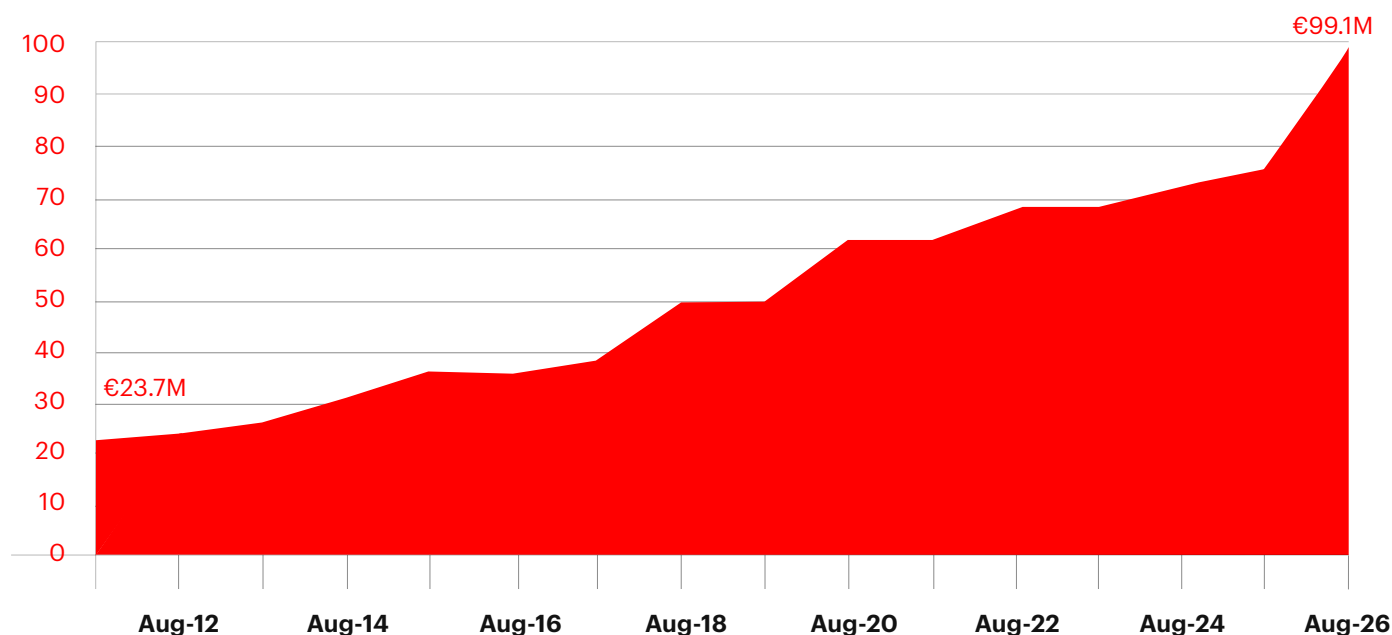
The Real Assets portfolio achieved a 17.5% return in 2025–26, compared with 25.9% for the benchmark, which is calculated by combining equal parts of the Euronext REITE Index and the Bloomberg Commodity Index, in Euros.

Growth of the Endowment

The Endowment was established at the end of 2012 and has since more than quadrupled in value to nearly €100M.

This annual growth of 10% has been made possible thanks to the performance of the investments, but above all, to the generosity of donors: alumni, partner companies and others.

Market value of the Endowment (Millions of euros)



“IESE empowers leaders to advance ethical business for lasting global impact .”

“I am honored to serve on the IESE US Foundation Board and to participate in the crucial process of supporting humanistic business values in a fast-changing world. As an IESE Alumnus with a career in higher education and business, I see the positive impact that a sustained commitment to business education, research advancement, and institutional development can have on the broader society. The work of the foundation deepens this commitment by supporting a management approach based on ethics, social responsibility, and human dignity.

William Layton

(MBA-95) Trustee of the US IESE Foundation
Senior Sponsored Research Administrator, Harvard University

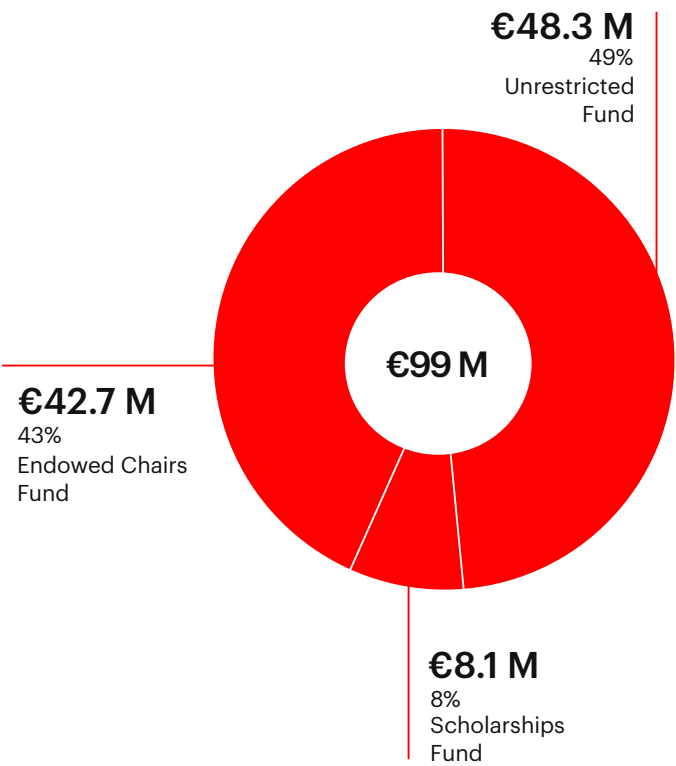
Composition of the Endowment

There are currently more than 60 nominative funds within the Endowment, which are grouped into three sub-funds:

- The Endowed Chairs Fund, which includes the endowments of the various IESE Chairs and other permanent funds of Research Centers.
- The Scholarships Fund.
- The Unrestricted Fund, whose income can be used for any purpose that is consistent with the Endowment mission.

The minimum endowment required to establish a nominative perpetual fund is €0.3–0.5M for scholarship funds, depending on the program, and €1.5M for Chairs, although these can be established with donations over several years.

Main funds in the Endowment (as of August 31, 2026)
(Millions of euros)



Key figures

€99 M
Value of the Endowment
as of August 31, 2026

49%
Of the total is
unrestricted

+10%
Net annual growth
since inception

+60
Perpetual nominative
funds

+€27
Distributed since
inception





www.iese.edu

Barcelona
Madrid
Munich
New York
São Paulo



IESE

Business School
University of Navarra

A Way to **Learn** . A Mark to **Make** . A World to **Change** .