IESE Business School
University of Navarra

Endowment Management Report

2024-2025

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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 2024–25, the Endowment distributed €2.5 million, and in 2025–26 it will allocate €2.9 million, bringing the total amount dedicated to these purposes since inception to €23.2 million.

Key figures

Over €23M
distributed since inception

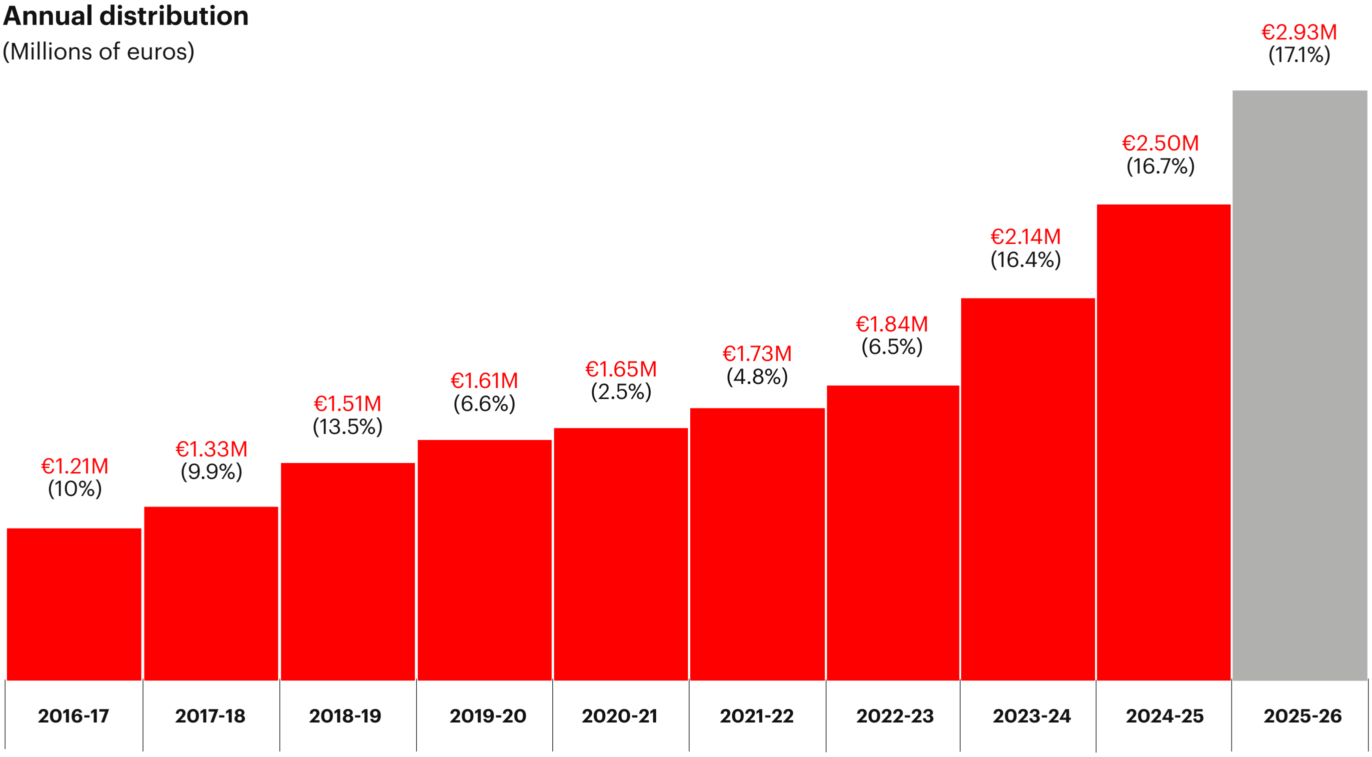
10%
annual growth in distributions

Over €14M
in 115+ research projects

+500
scholarship recipients

+55
countries of origin

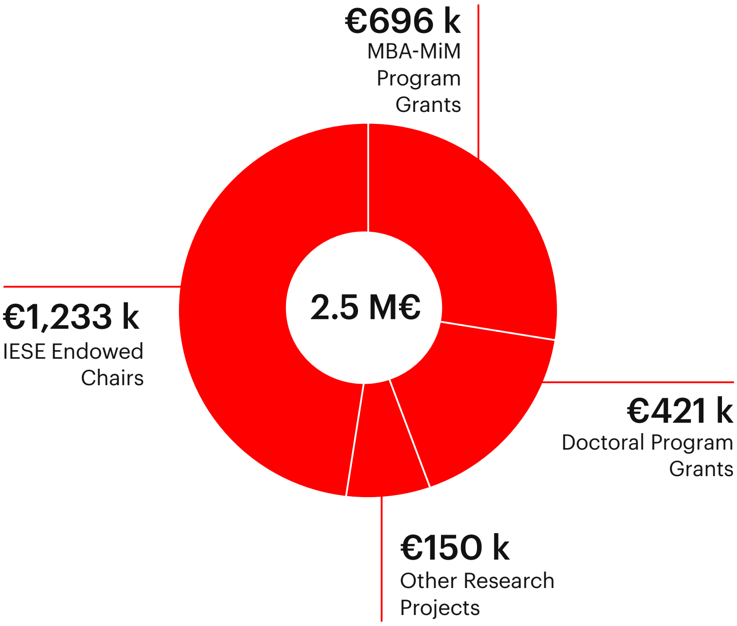
Annual distribution
(Millions of euros)



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 2024–25, €2.5 million was allocated to these purposes, representing a 16.7% increase compared to the previous year. Of this amount, 45% 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 2024-25

(Thousands of euros)



"The financial support from IESE allowed me to pursue my MBA, which in turn enabled me to create an impact-driven start-up".

Born into a military family, Charles Nweke grew up in various parts of Nigeria, which gave him a diverse education and eventually led him to study engineering.

After earning his undergraduate degree and working in the energy sector, Charles decided to pursue an MBA to prepare for his vision of contributing to Africa's development. He chose IESE because of the positive impression he received from both the faculty and the admissions team, as well as their friendliness. Without financial support, however, he might have chosen another school or postponed his studies for a year, Charles tells us.

IESE gave him the clarity and guidance he needed to launch a start-up that supports at-risk schools in Africa, which he runs alongside his consulting work in Brazil.

Charles Nweke
MBA-19 (Nigeria)

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 scholarship funds established within the Endowment include:

- Alonso-Stuyck Fund
- Amtmann Family Fund
- Bartolomé-Carreño Fund
- Bernardo Royo Fund
- Clian Holding Fund
- Desin-Disan Fund
- IESE Foundation Fund
- IESE Foundation UK Fund
- IESE Stiftung Deutschland Fund
- International Foundation for Educational Development Fund
- Jiménez Laso Family Fund
- Josep Maria Bosch Aymerich Fund
- Martínez Carrasco Family Fund
- Quimidroga Fund
- Stanley A. Motta Fund

"IESE's financial support for doctoral students democratizes access to world-class education."

Nana Yaa Gyamfi Acquaye Ann, from Accra, Ghana, says she chose the school for two reasons: the friendliness of the faculty and the strong financial support.

"The IESE doctoral program was challenging, especially at the beginning when managing the heavy workload was difficult. I had excellent learning experiences with the professors and developed a strong friendship with my academic advisor, who became one of my pillars of support."

"My experience at IESE changed my life." It is essential that IESE provides financial support to doctoral students, as it democratizes access to top-tier education.

Nana Yaa Gyamfi Acquaye
PhD-22 (Ghana)

“Knowing that someone believes in me pushes me to work even harder and make the most of this opportunity.”

“The support from the IESE Foundation was crucial,” Nana adds, as it eased her family’s financial burden and allowed her to focus fully on her studies without the distraction of a parttime job.

“Since many admitted students could have pursued careers in industry, the five years of doctoral training represent a significant time investment.”

“Financial support from the university helps reduce psychological pressure, enabling us to tackle research challenges with a more positive mindset.”

Beining Xin
MBA Student (China)

Endowed Chairs and Research Funds

Around two thirds 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, companies, and foundations actively supporting the advancement of management knowledge.

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 of Emerging Markets
- Jaime Grego Chair of Global Healthcare Management
- Bertrán Foundation Chair of Entrepreneurship
- Joaquim Molins Figueras Chair of Strategic Alliances
- CaixaBank Chair of Sustainability and Social Impact
- José Felipe Bertrán Chair of Governance and Leadership in Public Administration
- Carl Schroeder Chair in Strategic Management
- Carmina Roca and Rafael Pich-Aguilera Women and Leadership Chair
- Juan Antonio Pérez López Chair
- CELSA Chair of Competitiveness in Manufacturing
- Molins Figueras Foundation Chair of Business Leadership and the Future of Work
- Chair of Family-Owned Business
- Nissan Chair of Corporate Strategy and International Competitiveness
- Chair of Business Ethics
- Puig Chair of Global Leadership Development
- Cobas AM Chair for Savings and Pensions
- Rafael Termes Chair of Corporate Finance
- Creand Entrepreneurship and Banking Chair
- Eurest Chair of Excellence in Services
- Schneider Chair of Sustainability and Business Strategy
- Grupo Santander Chair of Financial Institutions and Corporate Governance
- SEAT Chair of Innovation

Current Research Funds include:

- Artificial Intelligence Fund
- "Entrepreneurship and Innovation Center" Fund
- "Center for International Finance" Fund
- Mango Fund
- Dean's Fund (Antonio Valero Chair)
- Sustainable Leadership Institute Fund

“The IESE Endowment allows us to anticipate the type of leadership that organizations will need in the future.”

“In an environment of rapid change, technological pressure, and new ways of working, middle management is being challenged more than ever. However, this project demonstrates that they remain key to organizational transformation. Positioned between senior management and operational teams, they translate strategy into action, drive innovation, and maintain cohesion in uncertain contexts. Analyzing the evolution of their roles helps build organizations that are more adaptable, human, and effective.”

Anneloes Raes

Professor and Head of Managing People in Organizations Department. Director of the Puig Chair of Global Leadership Development.

“Thanks to the IESE Endowment, we have been able to dedicate sustained effort to this line of research.”

“Studying public pension systems requires time, resources, and independence from political noise. The sustainability of pensions may not be a trending topic, but it is one of the greatest long-term challenges. Thanks to COBAS and its fund in the IESE Endowment, we have been able to dedicate sustained effort to research that combines economic modeling, policy analysis, and institutional design. While its impact is gradual, it is essential for providing rigorous solutions to this important public policy dilemma.”

Javier Díaz-Giménez

Professor in the Department of Economics. Director of the COBAS AM Chair of Savings and Pensions.

Selected research projects

Once again, IESE has dedicated significant effort this academic year to research with strong impact on the present and future of organizations and societies. Thanks to the IESE Endowment, Professor Anneloes Raes has conducted a study on the role of middle management in transforming organizations, while Professors Javier Díaz-Giménez and Julián Díaz-Saavedra have analyzed the sustainability of pension systems and proposed innovative measures to ensure their long-term viability.

Are middle managers heroes or villains?

In Heroes or Villains? Recasting Middle Management Roles, Processes, and Behaviours (Journal of Management Studies), Professor Anneloes Raes reexamines how we understand middle managers in today's rapidly evolving organizations. Rather than viewing middle managers as obsolete or dispensable, the study demonstrates that they remain essential —though their functions are changing. The article provides a new framework illustrating how these professionals contribute through their organizational roles, coordination processes, and proactive behaviors, particularly in environments characterized by technological change, flatter hierarchies, and growing complexity. By highlighting their capacity to drive innovation, connect teams, and manage uncertainty, the study offers a foundation for rethinking leadership from the heart of organizations and guiding the design of future organizational structures.

The future of pensions

Javier Díaz-Giménez and his coauthor Julián Díaz-Saavedra have conducted two complementary studies on the sustainability of public pension systems, using Spain as a case study —though their conclusions are relevant for any country with a pay-as-you-go system. In the first study, they show that if the share of labor income in GDP continues to decline, pension system deficits will rise substantially as workers' absolute earnings decrease. In the second study, published in the European Economic Review, they propose a pension system reform that balances financial sustainability, social equity, and political feasibility. Key measures include automatic adjustment mechanisms, using the full working life to calculate pensions, raising contribution caps, and providing targeted compensation for workers negatively affected by the reform Simulations indicate that this model not only stabilizes the system and encourages longer careers but also improves long-term welfare. While both studies focus on Spain, they offer a roadmap for many European countries facing similar demographic and fiscal pressures.

“Providing support is a win-win situation.”

Ahmed Tuma, the youngest of four siblings, was born to an Iraqi family in Abu Dhabi (United Arab Emirates). In 2005, as a teenager, his family returned to Iraq, where he completed high school and earned a degree in electrical engineering from the University of Technology, Baghdad.

The IESE Foundation scholarship was crucial for him to continue his studies, as Iraq’s complex economic system makes obtaining educational loans difficult, especially for those aiming to work outside the public sector.

“It is essential that IESE provides scholarships to students like me to maintain diversity, which is a crucial part of the IESE experience,” Ahmed explains.

“There are outstanding students around the world who want to join the IESE family but cannot due to financial limitations. In this sense, providing support is truly a win-win situation.”

Ahmed Tuma
MBA Student (Iraq)

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.
- 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, 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 of the IESE International Foundation

León Bartolomé - MBA '84
CEO of Alcarama

Francisco García Paramés - MBA '89
Chair of Cobas AM

Pablo González - MBA '90
CEO of Abaco Capital

Jordi Gual
Professor of Economics, IESE Business School

Christopher Ivey - MBA '01
Head of European Private Client Practice, Cambridge Associates

Rob Johnson
Venture Capitalist
Visiting professor at IESE

Penny McDermid - MBA '01
CFO of Advanced Biofuel Solutions

Alonso Torre de Silva - MBA '02
Managing Director of Ares Management for Spain

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. They also understand 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, torture, deprivation of liberty, corruption, forced labor and the worst forms of child labor, etc.

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 external 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 an informal 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.

"It is a pleasure and an honor to give back to society through a program that provides others the opportunity to live the same MBA experience ."

"I remember the intense class debates and the dedication of our professors, always willing to guide our business ideas. The education and on-campus experience gave me a solid foundation to pursue ventures across various sectors. It is a pleasure to help others experience this same MBA journey. I encourage future generations to take full advantage of the school's resources and continue growing our global community."

Max Friedman (MBA-07)
Founder & CEO, Mandri Capital.

"Supporting IESE's mission is essential to building a society that values integrity and is more committed to business ethics."

"As an IESE graduate, supporting its mission in artificial intelligence is especially important, particularly regarding ethics and integrity. We collaborate with Prof. Nueno in the Chair on Changing Consumer Behavior, which addresses shifts driven by new technologies. At Intent HQ, we are excited by the predictive power of data, but it is crucial to address biases in the data that feed AI to develop strategies that respect people."

Jonathan Lakin (GEMBA-03)
CEO of Intent HQ. Intent HQ Chair on Changing Consumer Behavior

Endowment Performance

The Endowment's long-term average annual return, which has ranged between 5.1% and 8.7% depending on the time horizon, allows IESE to meet its annual distribution commitments without eroding purchasing power.

Historical performance

For the twelve-month period from September 1, 2024, to August 31, 2025, the IESE Endowment achieved a net return of 5.1%, in line with the Benchmark of 5.4%.

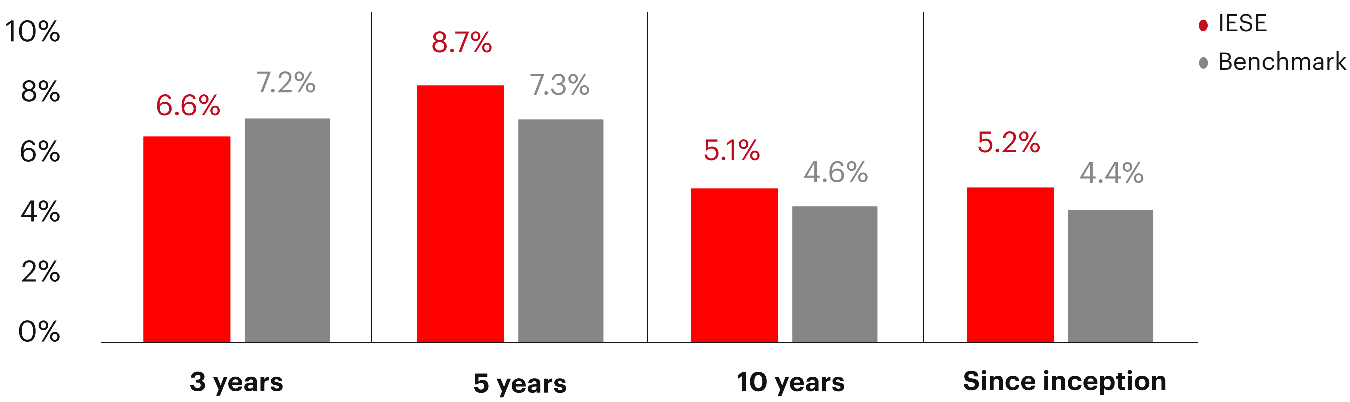
The average annual return over the last three, five, and ten years has been 6.6%, 8.7%, and 5.1%, respectively, compared with 7.2%, 7.3%, and 4.6% for the Benchmark.

Asset Allocation as of August 31, 2025

Asset Class	Status as of August 31, 2025		Target
Equities	47,071	60%	60%
Fixed Income	12,352	16%	18%
Absolute Return	7,938	10%	10%
Real Assets	7,570	10%	10%
Cash	2,403	4%	2%

(Thousands of euros)

Average annual return of the Endowment vs benchmark



""By providing financial support, IESE ensures a diverse student body."

Eva Laurincova
MiM-22 (Slovakia)

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 5% of the Endowment, with a target of 15% by 2030. This increase will be achieved by gradually reducing public equity exposure from the current 55% to 45%.

The equity portfolio achieved a 7.3% return in 2024–25, compared with 8.7% for the asset class benchmark, the MSCI ACWI Index measured 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 exposure from 18% to 15%.

The fixed income portfolio achieved a −0.3% return in 2024–25, compared with 0.7% for the asset class benchmark, the Barclays Global Aggregate Bond 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 −1.7% return in 2024-25, compared with −1.9% for the asset class benchmark, the HFRX Absolute Return Index.

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.

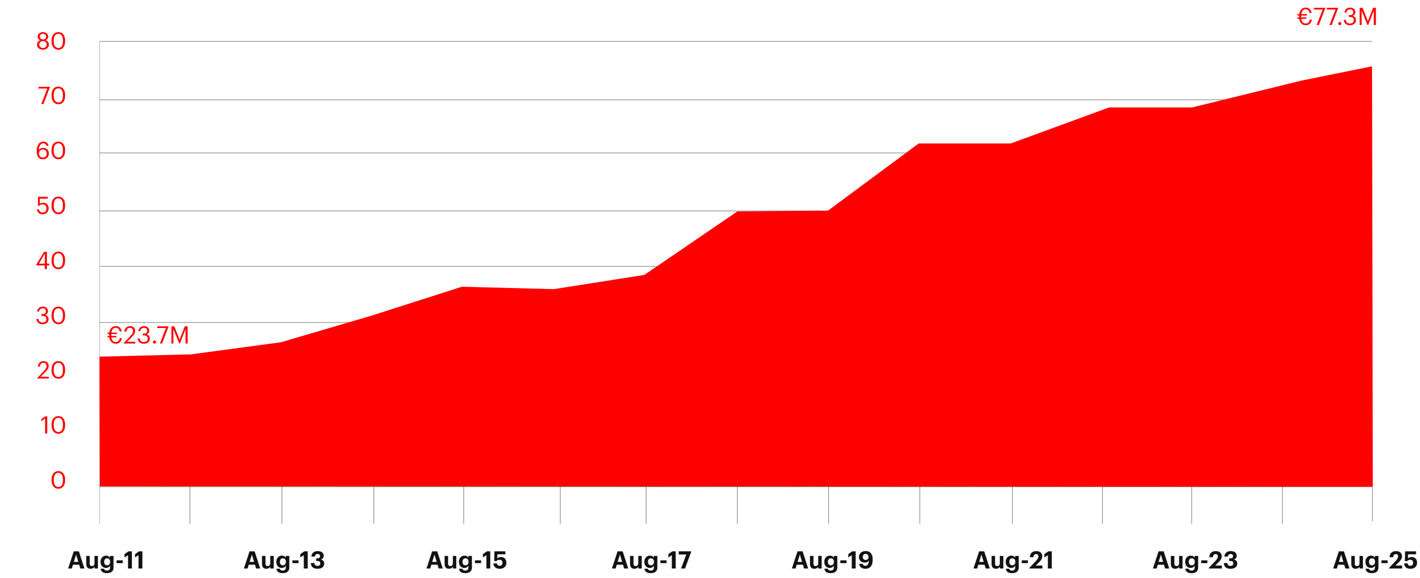
The Real Assets portfolio achieved a 8.7% return in 2024-25, compared with −0.7% for the benchmark, which is calculated by combining equal parts of the Euronext REITE Index and the Bloomberg Commodity Index.

Growth of the Endowment

The Endowment was established in 2012 and has since more than tripled in value to €77M. This annual growth of 9.4% has been made possible thanks to the generosity of donors and the performance of the investments.

In 2024-25, it received new contributions totaling €7.5M.

Market value of the Endowment
(Millions of euros)



"To train leaders committed to social development around the world, we need professionals with integrity and adequate financial resources."

"As an IESE alumnus, I feel deeply committed to the mission of developing competent leaders who make a positive impact in business. The scholarships and projects we support through the Foundation channel the social impact of the Endowment, so every donation not only helps educate individuals but also strengthens society as a whole."

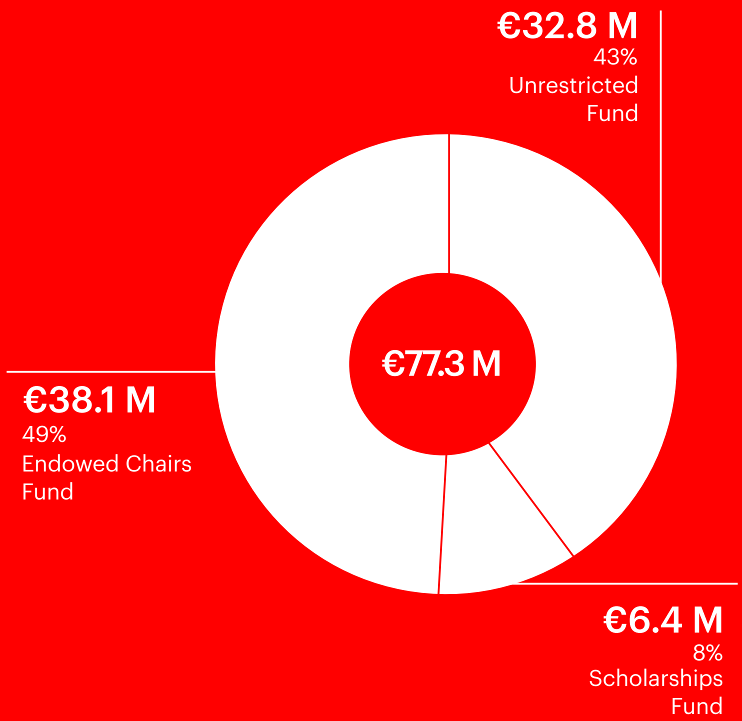
Eusebio Días-Morera
(MBA-69) Trustee of the IESE International Foundation

Composition of the Endowment

There are currently more than 50 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; and 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 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, 2025)
(Millions of euros)



Key figures

€77.3 M
Value of the Endowment as of August 31, 2025

43%
Of the total is unrestricted

+9.4%
Net annual growth since inception

+50
Perpetual nominative funds

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