

UNIVERSITY  
OF  
CALIFORNIA

## ANNUAL ENDOWMENT REPORT

FISCAL YEAR ENDED JUNE 30, 2023



UC Regents' General Endowment Pool

UC Berkeley Foundation

UC Davis Foundation

UC Irvine Foundation

UC Los Angeles Foundation

UC Merced Foundation

UC Riverside Foundation

UC San Diego Foundation

UC San Francisco Foundation

UC Santa Barbara Foundation

UC Santa Cruz Foundation

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# 1 Purpose

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The purpose of this report is to provide the Regents' Committee on Investments with an overview of the investment portfolios of the University of California campus Foundations, as well as the Regents' General Endowment Pool (GEP) in which some of the campuses invest. Each campus Foundation publishes its own detailed investment report; however, this report is intended to provide key information for all the portfolios on a consolidated basis.

The report is prepared by an independent investment consulting firm hired by UC Investments, formerly known as the Office of the Chief Investment Officer (OCIO), on behalf of the Regents' Committee on Investments. This particular report was prepared by Mercer Investments, LLC.

The sources of information in this report are:

- Each respective campus Foundation
- UC Investments (for GEP and the campus Foundations which are 100% invested in GEP)
- Mercer Investments, LLC
- State Street Bank

# 2 Consolidated GEP/Campus Foundation Review

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The following section contains a summary of the consolidated endowment review.

Information is provided on the total investment assets, total portfolio performance, asset allocation, and spending policies for each campus Foundation.

All of the information is sourced and reconciled by each respective campus Foundation and UC Investments.

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## 2.1 Total University Assets

This table outlines the University's total assets by designation to the Regents for the benefit of the campuses, to investments in the General Endowment Pool as part of the campus Foundation allocation or to the campus Foundation.

Overall, total endowment assets increased by 12.3% over the last fiscal year. This total reflects investment returns as well as new gifts, and deposits and withdrawals in funds functioning as endowments (FFE), and the return on total endowed assets. The General Endowment Pool assets listed in the table below include annual distributions that were transferred from the account at the end of the fiscal year, but still show as pending payout in the GEP custodial accounts.

UC Investments also manages systemwide program assets of about \$2.0 billion for the benefit of education and research, support services and general administration.

### Total University Endowment Assets by Designation to Regents and Foundations (Market Values \$ Thousands)

Campus	June 30, 2023					June 30, 2022				
	Regents <sup>1,3</sup>	Foundation Investments in GEP <sup>3</sup>	Foundation Investments in STIP	Foundation <sup>2</sup>	Total Endowment Assets	Regents <sup>1,3</sup>	Foundation Investments in GEP <sup>3</sup>	Foundation Investments in STIP	Foundation <sup>2</sup>	Total Endowment Assets
Berkeley	4,460,020	-	8,508	2,906,375	7,374,903	4,260,815	-	6,950	2,641,320	6,909,085
Davis	1,494,702	520,558	29,034	128,449	2,172,743	1,423,088	464,124	10,000	160,040	2,057,252
Irvine <sup>4</sup>	562,862	328,491	415	466,978	1,358,746	528,643	289,950	4,915	429,100	1,252,608
Los Angeles <sup>5</sup>	3,832,628	9,159	58,539	3,805,363	7,705,689	3,162,677	8,557	133,890	3,418,247	6,723,371
Merced	78,344	29,640	-	-	107,984	59,419	25,454	-	-	84,873
Riverside	484,215	246,439	363	3,066	734,083	118,178	232,517	594	2,906	354,195
San Diego <sup>6</sup>	1,266,852	912,885	21,642	426,310	2,627,689	1,203,650	816,782	4,783	361,326	2,386,540
San Francisco	3,592,884	-	10,300	2,837,635	6,440,819	2,821,377	-	40,123	2,601,375	5,462,875
Santa Barbara	205,003	365,341	3,977	5,684	580,005	193,042	340,481	3,829	6,547	543,899
Santa Cruz	128,767	153,361	-	-	282,128	123,020	146,270	-	-	269,290
<b>Total Campus Endowments</b>	<b>16,106,277</b>	<b>2,565,874</b>	<b>132,778</b>	<b>10,579,860</b>	<b>29,384,789</b>	<b>13,893,909</b>	<b>2,324,135</b>	<b>205,083</b>	<b>9,620,861</b>	<b>26,043,988</b>
Systemwide Programs	2,016,556	20,910	-	-	2,037,466	1,916,583	18,913	-	-	1,935,496
<b>Total Endowment Assets</b>	<b>18,122,833</b>	<b>2,586,784</b>	<b>132,778</b>	<b>10,579,860</b>	<b>31,422,255</b>	<b>15,810,492</b>	<b>2,343,048</b>	<b>205,083</b>	<b>9,620,861</b>	<b>27,979,484</b>

<sup>1</sup> Assets managed by Regents in GEP for the benefit of the campuses excluding investment allocations to the GEP by the campus Foundations. Values provided by UC Investments.

<sup>2</sup> Assets managed by the campus Foundations excluding investment allocations to the GEP and STIP. Values provided by the campus Foundations.

<sup>3</sup> Foundation endowment assets invested in GEP and STIP provided by campus Foundations.

<sup>4</sup> The Irvine Foundation updates private equity market values with calls and distributions on a monthly basis while their third-party consultants report these values on a lagged basis. The 2023 and 2022 Foundation values, presented here, will be different from the total Foundation value represented elsewhere in the report due to this timing effect. The Irvine Foundation 2023 Regents' value includes \$1,437 invested in STIP. The Irvine Foundation's 2022 Regents' value includes \$688,399 invested in STIP.

<sup>5</sup> The Los Angeles Foundation 2023 and 2022 investment in GEP excludes \$7,012,899 and \$6,746,178, respectively, belonging to the UCLA Johnson Cancer Center Foundation. As such, GEP participant data totals, presented here, will be different from the total GEP custodied assets presented elsewhere in the report.

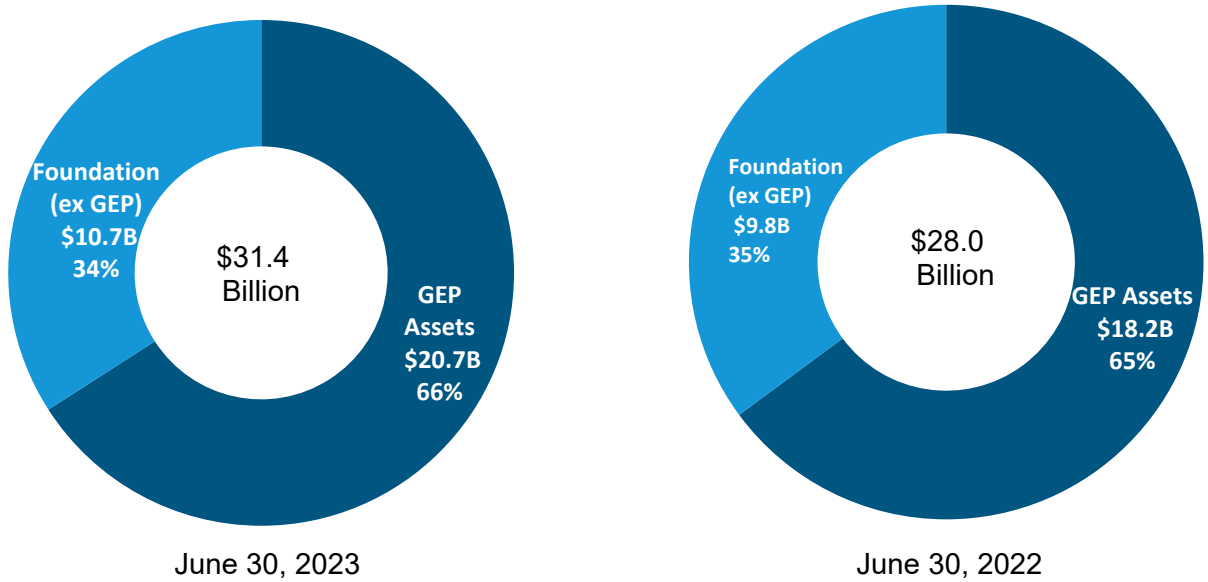
<sup>6</sup> The San Diego Foundation 2023 and 2022 investment in GEP excludes \$40,685,157 and \$52,406,742, respectively. San Diego considers these amounts, invested in GEP, to be current use funds. The San Diego 2023 Regents' value includes other endowment assets invested with the Regents that are not part of the General Endowment Pool. As such, GEP participant data totals, presented here, will be different from the total GEP custodied assets presented elsewhere in the report.

## 2.2 GEP and Campus Foundation Assets Under Management

This section of the report focuses on the endowment assets managed by the Regents' General Endowment Pool (GEP) and the campus Foundations. The assets in the Regents' GEP, which some of the campuses invest in, are managed by UC Investments. The campuses' assets are managed by internal and/or external managers.

The chart below shows the General Endowment Pool and campus Foundations (excluding GEP) managed endowment assets for fiscal years 2023 and 2022.

### Total Endowment Assets

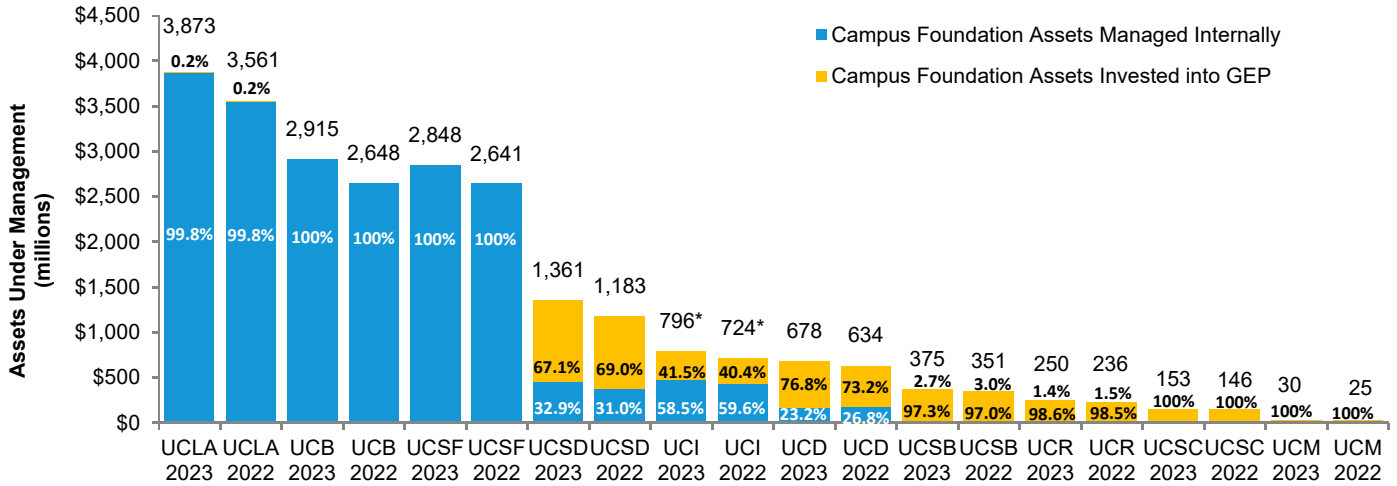


Source: Foundations and UC Investments

Total endowment assets were \$31.4 billion as of June 30, 2023. Endowment assets increased by 12.3% over the last fiscal year. These changes incorporate cash flows and investment performance.

The chart below shows the total assets under management by each campus Foundation for fiscal years 2023 and 2022.

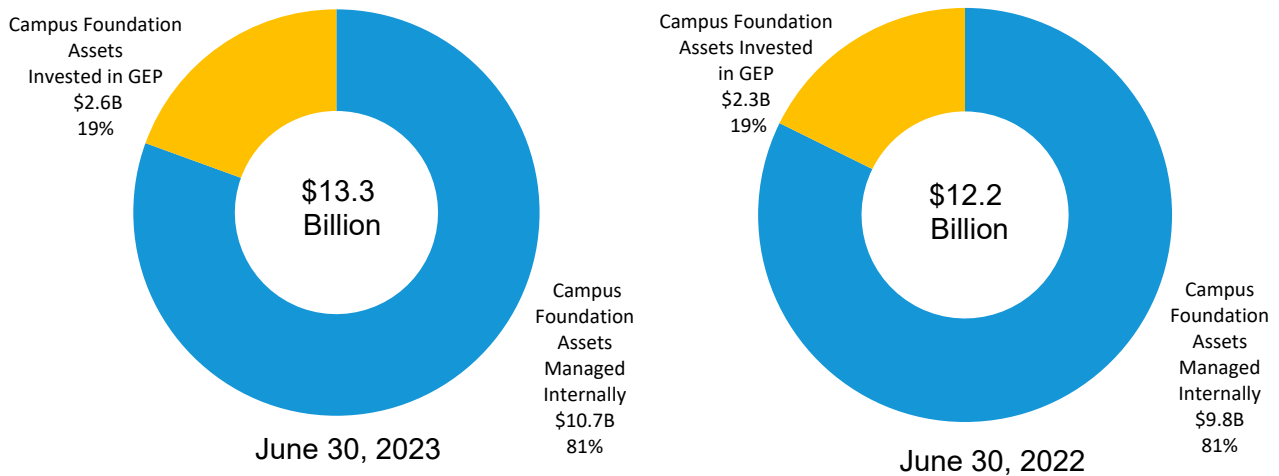
### Campus Foundation Assets Year-Over-Year



\*Irvine's private asset valuations are typically lagged between 60 and 90 days. The values reported above represent the sum of lagged asset values and cash flows that occurred after the asset values were reported by Callan.

The charts below show the total assets under management for all campus Foundations in aggregate for fiscal years 2023 and 2022.

### Total Campus Foundation Endowment Assets



Source: Foundations and UC Investments

Total campus Foundation assets were \$13.3 billion as of June 30, 2023. Foundation assets increased by 9.3% over the last fiscal year. These changes incorporate cash flows and investment performance.

## 2.3 Asset Allocation of Managed Endowment Funds

Asset allocation is the primary driver of a portfolio's total return over the long run, while sector and individual security selection typically drive short-term performance. Therefore, portfolio performance should be viewed in the context of the underlying asset allocation.

The table below shows the asset allocation for each campus Foundation and GEP as of June 30, 2023. Campus investments in GEP are included in the specific sub asset classes. The table includes the overall weighted average asset allocation of all foundation assets, as well as the net one-year total returns<sup>1</sup> and volatility by campus.

### Asset Allocation of Managed Endowment Funds As of June 30, 2023

	U.S. Equity	Non-U.S. Equity	Global Equity	U.S. Fixed Income	Non-U.S. Fixed Income	Absolute Return	Real Assets	Real Estate	Private Equity	Private Credit	Other	Cash Equiv.	Total	Fiscal Year 2023 Return	Fiscal Year 2023 Volatility
Regents' GEP	20.4%	5.0%	13.8%	7.0%	0.0%	4.7%	3.5%	13.0%	22.8%	5.3%	0.0%	4.5%	100%	8.2%	8.4%
Berkeley <sup>1</sup>	10.8%	13.2%	16.8%	3.7%	0.0%	16.1%	2.7%	3.6%	22.5%	0.0%	4.4%	6.0%	100%	9.3%	8.7%
Davis	24.0%	3.6%	2.5%	5.3%	0.0%	3.7%	5.3%	11.5%	30.7%	4.7%	0.0%	8.8%	100%	5.7%	6.2%
Davis (ex-GEP) 23% of Fdn.	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	13.7%	7.9%	69.7%	3.0%	0.0%	5.4%	100%		
Irvine	26.4%	13.7%	6.2%	7.5%	1.1%	11.3%	7.0%	0.0%	20.7%	3.9%	0.0%	2.3%	100%	9.1%	9.0%
Irvine (ex-GEP) 59% of Fdn.	30.7%	20.7%	0.0%	7.8%	2.0%	16.0%	0.1%	0.0%	19.2%	3.4%	0.0%	0.1%	100%		
Los Angeles <sup>2</sup>	0.0%	0.0%	39.8%	4.8%	0.0%	18.4%	8.6%	7.0%	21.3%	0.0%	0.3%	0.0%	100%	7.0%	7.4%
Merced <sup>3</sup>	20.4%	5.0%	13.8%	7.0%	0.0%	4.7%	3.5%	13.0%	22.8%	5.3%	0.0%	4.5%	100%	8.2%	8.4%
Riverside <sup>3</sup>	20.1%	5.0%	13.6%	6.9%	0.0%	4.6%	3.5%	12.8%	23.7%	5.3%	0.0%	4.6%	100%	8.1%	8.5%
San Diego	44.5%	3.4%	9.2%	4.7%	0.0%	3.1%	2.4%	9.2%	15.3%	3.6%	0.0%	4.6%	100%	11.3%	11.9%
San Diego (ex-GEP) 33% of Fdn.	98.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.0%	100%		
San Francisco <sup>4</sup>	0.0%	0.0%	25.1%	0.0%	0.0%	21.1%	0.0%	3.5%	35.6%	5.6%	0.0%	9.1%	100%	4.3%	4.7%
Santa Barbara <sup>3</sup>	19.9%	4.9%	13.4%	6.8%	0.0%	4.6%	3.4%	12.7%	23.3%	5.2%	0.0%	5.8%	100%	8.0%	8.2%
Santa Cruz <sup>3</sup>	20.4%	5.0%	13.8%	7.0%	0.0%	4.7%	3.5%	13.0%	22.8%	5.3%	0.0%	4.5%	100%	8.2%	8.4%
<b>Weighted Avg.<sup>5</sup></b>	<b>14.0%</b>	<b>5.8%</b>	<b>22.4%</b>	<b>5.0%</b>	<b>0.0%</b>	<b>13.2%</b>	<b>5.4%</b>	<b>6.5%</b>	<b>21.6%</b>	<b>1.5%</b>	<b>1.3%</b>	<b>3.4%</b>	<b>100%</b>	<b>7.9%</b>	<b>8.1%</b>

Returns are net of all fees. For Berkeley, Los Angeles, and San Francisco, returns are net of external investment management fees, but not internal fees incurred to manage the Foundation.

<sup>1</sup> Berkeley's Opportunistic assets are included in the Other category.

<sup>2</sup> Los Angeles' Portfolio Insurance assets are included in the Other category. The Public Equity Exposure is 34.3% after excluding the notional exposure of the derivatives position. The Cash balance is 10.3% when including collateral for the derivatives position.

<sup>3</sup> Foundation endowment assets invested primarily in The Regents' GEP and/or STIP funds.

<sup>4</sup> San Francisco's Cash Equivalents include investments in US Treasuries and STIP.

<sup>5</sup> The weighted average asset allocation excludes the GEP assets. Fiscal Year return shown above includes The Regents' GEP return in the calculation.

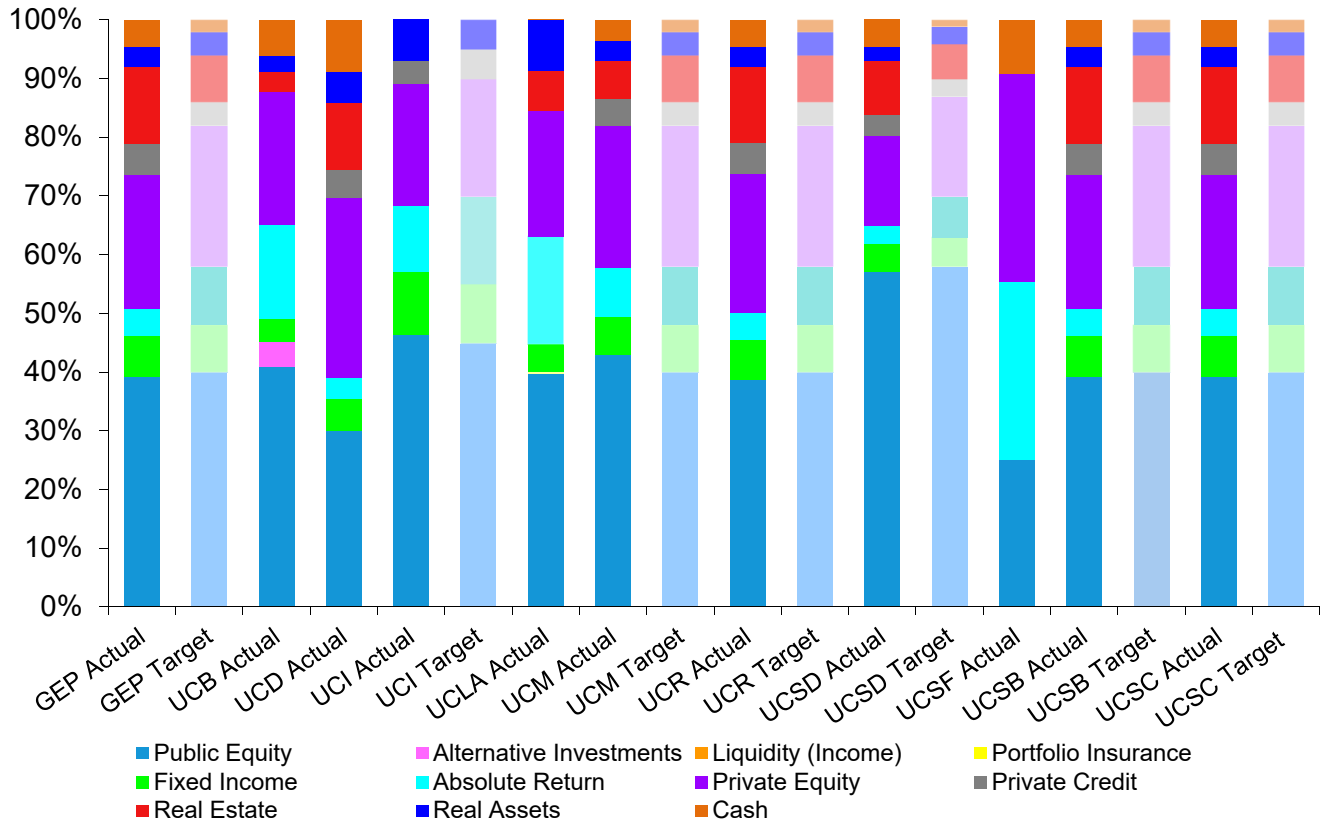
<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%.



## 2.4 Asset Allocation Policy Compliance

Merced (effective May 2004), Riverside (effective November 2019), Santa Barbara (effective July 2015), and Santa Cruz (effective September 1974) have adopted the GEP investment policies. The other six campus Foundations have implemented their own individual investment policies. As of June 30, 2023, Riverside, Santa Barbara, Davis, San Diego, and Irvine allocated 99%, 97%, 77%, 67%, and 41% respectively to GEP. An overview of the campus Foundations' actual asset allocation versus the individual targets is presented below.

**Actual Asset Allocation versus Target  
As of June 30, 2023**



Note: Allocations for UCB, UCLA, and UCSF shown above are for reference only. Their actual versus target allocations are shown on the following page.

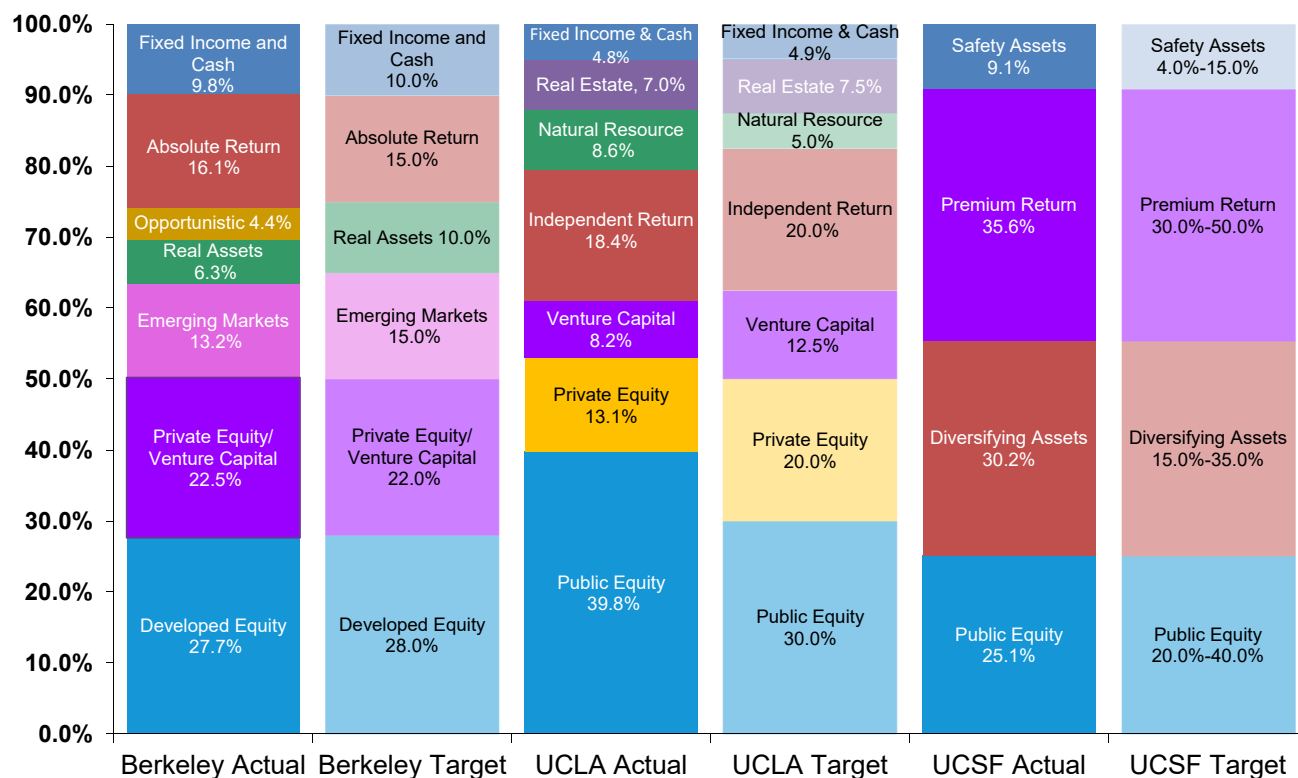
For fiscal year 2023, some Campuses elected to combine their fixed income and cash allocations into a single category called Liquidity (Income) while the Regents and some Campuses choose to show Fixed Income and Cash as separate asset classes.

Berkeley's Opportunistic assets are listed under Alternative Investments. Los Angeles has an allocation to Portfolio Insurance.

San Francisco's Diversifying Assets are listed under Absolute Return, Premium Return is listed under Private Equity, and Safety Assets are listed under Liquidity. Asset Allocation targets are ranges; dynamic weighted benchmarks are shown for indicative target.

Berkeley, Los Angeles and San Francisco use a strategy-based investment structure and have implemented multi-asset class portfolios. Their actual allocation versus the different investment types or strategies is presented in the chart below.

### Actual Asset Allocation versus Target for Endowments with Asset Management Companies As of June 30, 2023



The following benchmark allocations are implemented on total fund level:

- Berkeley
  - 28% MSCI World with USA Gross (Net) Index
  - 15% MSCI Emerging Markets (Net) Index
  - 22% Cambridge Associates Private Benchmarks (Private Equity/Venture Capital)<sup>5</sup>
  - 10% Cambridge Associates Private Benchmarks (Real Assets)<sup>5</sup>
  - 15% HFRI FoF Conservative Index
  - 10% 80% Bloomberg UST Index / 20% ICE BofA 3 Month T-Bill Index
  - 0% Policy Benchmark ex-Opportunistic<sup>5</sup>
- Los Angeles
  - 30.0% MSCI AC World Index
  - 32.5% MSCI AC World Index with 1-quarter lag
  - 20.0% MSCI AC World Index x 0.3 with 1-quarter lag

<sup>5</sup> PE/VC consists of the following Cambridge Associates private benchmarks: Buyout, Growth Equity, Control-Oriented Distressed, and Venture Capital. Real Assets consists of the following Cambridge Associates private benchmarks: Private Equity Energy, Timber, Upstream Energy & Royalties, and Real Estate. As of July 1, 2022, the Policy Benchmark transitioned from using dynamic month-end NAVs for the asset class weightings to using the long-term static targets. The Policy Benchmark also transitioned from using vintage weighted to non-vintage weighted Cambridge Associates private benchmark returns. The Opportunistic benchmark is a blend of the non-Opportunistic asset classes' benchmark returns weighted by their long-term static targets.

- 7.5% S&P Global REIT Index with 1-quarter lag
- 5.0% S&P North American Natural Resources Index with 1-quarter lag
- 4.9% Citigroup 3-Month T-Bill
- 0.1% 3-Month S&P 500 put options with strike prices 15% OTM (out of the money)
- San Francisco<sup>6</sup>
  - 25.1% MSCI AC World Index
  - 9.1% U.S. 1-3 year Treasuries
  - 35.6% Cambridge Associates Private Equity Vintage
  - 30.2% HFRI Fund Weighted Composite

During the fiscal year, the following campus Foundations made changes to their investment policy statements:

- San Francisco
  - January 1, 2023 – Updated terminology for Strategic Asset Allocation (SAA) to represent a long-term view on the policy and updated terminology for Annual Asset Allocation (AAA) to represent narrower annual bands.
- Los Angeles
  - June 28, 2023 – Approved changes to long-term asset allocation policy and policy benchmark.
- Irvine
  - November 15, 2023 – Changed the public equity, private credit, and real assets benchmark components in the Policy benchmark

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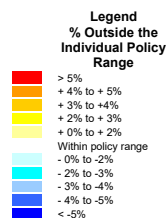
<sup>6</sup> San Francisco uses a dynamic framework for setting benchmark weights that considers both actual weights and policy range limits. These weights reflect the output of that framework on June 30, 2023.

The following table reflects the difference between the actual asset allocation as of June 30, 2023, and the target policy allocation defined in the investment policy statement for each campus Foundation. Any exposure outside the individual policy ranges is shaded, and the heat map on the right side shows by the magnitude of the breadth.

### Over-/Underweight to Individual Foundation Policy Target

As of June 30, 2023

	Public Equity	Fixed Income	Private Equity	Real Assets	Private Credit	Absolute Return	Real Estate	Cash
<b>GEP</b>	-0.8%	-1.0%	-1.2%	-0.5%	1.3%	-5.3%	5.0%	2.5%
<b>Irvine</b>	1.3%	0.9%	0.7%	2.0%	-1.1%	-3.7%		
<b>Merced</b>	-0.8%	-1.0%	-1.2%	-0.5%	1.3%	-5.3%	5.0%	2.5%
<b>Riverside</b>	-1.3%	-1.1%	-0.3%	-0.5%	1.3%	-5.3%	5.0%	2.5%
<b>San Diego</b>	-0.8%	-0.3%	-1.7%	-0.6%	0.6%	-3.9%	3.2%	3.6%
<b>Santa Barbara</b>	-0.8%	-1.0%	-1.2%	-0.5%	1.3%	-5.3%	5.0%	2.5%
<b>Santa Cruz</b>	-0.8%	-1.0%	-1.2%	-0.5%	1.3%	-5.3%	5.0%	2.5%
	Developed Equity	Emerging Markets	Private Equity	Real Assets	Opportunistic	Absolute Return		Fixed Income and Cash
<b>Berkeley</b>	-0.3%	-1.8%	0.5%	-3.7%	4.4%	1.1%		-0.2%
	Lead OCIO Customized Portfolio	Multi-Asset Class Manager						Cash
<b>Davis</b>	-3.2%	-1.1%						4.3%
	Public Equity	Independent Return	Private Equity	Natural Resource	Venture Capital	Portfolio Insurance	Real Estate	Fixed Income and Cash
<b>Los Angeles</b>	9.8%	-1.6%	-6.9%	3.6%	-4.3%	0.1%	-0.5%	-0.1%
	Public Equity	Diversifying Assets	Premium Return	Safety Assets				
<b>San Francisco</b>	0.0%	0.0%	0.0%	0.0%				



The exposures outside of the policy ranges shown on the chart above are explainable.

The GEP, Merced, Riverside, Santa Barbara and Santa Cruz have a target of 10% absolute return with a target range of 5%-15% and a target of 8% real estate with a target range of 4%-12%. The absolute return allocation was below the lower bound range as UC Investments decided winding down their allocation to this asset classes. At the same time, additional capital was invested real estate which pushed the allocation above the target range.

Similarly, Irvine has a target of 15% absolute return with a target range of 15%-25% and San Diego has a target of 7% absolute return with a target range of 5%-10%. Both of these campuses Foundations were below the lower bound range due to UC Investments decision to wind down the allocation to absolute return in GEP. Irvine and San Diego allocate 41% and 67% of their campus foundations to GEP, respectively.

## 2.5 Investment Performance

Investment performance for campus Foundations and GEP is presented net of all fees, including internal investment management company fees, with the exception of UCLA, UCSF, and UC Berkeley<sup>1,2,3</sup>. This table displays total returns for each campus Foundation and GEP and the median returns of a broad Endowments & Foundations (E&F) peer group (i.e. the Investor Metrics – All Endowments & Foundations<sup>4</sup>) for comparison. The percentile ranks reflect performance relative to the E&F peer group (1<sup>st</sup> percentile is the best, 100<sup>th</sup> percentile is the worst). The table also includes the simple weighted average returns for GEP and all campus Foundation assets.

### Net Performance Summary as of June 30, 2023

Periods over 1 Year are Annualized

% Invested in GEP		10-Year Return (%)	10-Year Universe Percentile Rank	7-Year Return (%)	7-Year Universe Percentile Rank	5-Year Return (%)	5-Year Universe Percentile Rank	3-Year Return (%)	3-Year Universe Percentile Rank	1-Year Return (%)	1-year Universe Percentile Rank
100%	Regents' GEP	8.8	3	9.6	4	8.7	3	10.2	7	8.2	65
100%	Merced	8.8	3	9.6	4	8.7	3	10.2	7	8.2	65
100%	Santa Cruz	8.8	3	9.6	4	8.7	3	10.2	7	8.2	65
99%	Riverside <sup>1</sup>	7.5	18	9.1	6	7.2	13	10.0	8	8.1	67
97%	Santa Barbara <sup>2</sup>	7.9	10	9.6	4	8.7	3	10.2	7	8.0	68
77%	Davis <sup>3</sup>	8.0	10	8.5	11	7.4	11	10.3	7	5.7	87
67%	San Diego	8.7	4	9.6	4	9.2	2	11.3	4	11.3	19
41%	Irvine <sup>4</sup>	8.2	7	9.0	7	7.9	6	11.1	4	9.1	53
0%	Los Angeles <sup>5</sup>	7.2	27	8.1	19	6.1	39	8.9	17	7.0	79
	Berkeley	7.5	19	8.5	13	7.5	10	10.2	7	9.3	51
	San Francisco	7.2	28	8.6	10	7.4	11	9.1	15	4.3	92
	Weighted Average <sup>5</sup>	8.3		9.2		8.2		10.0		7.9	
	E&F Peer Group Median	6.6		7.0		5.8		7.0		9.3	

**Dark Blue:** Outperformed the Policy Benchmark

**Light Blue:** Underperformed the Policy Benchmark

**Black:** Equaled the Policy Benchmark

<sup>1</sup> Riverside's total performance includes the GEP Unit Value, Private Equity, and Cash Accounts

<sup>2</sup> Santa Barbara's total performance includes the GEP Unit Value, Private Equity, Hedge Fund, and General Cash Accounts.

<sup>3</sup> Davis adjusted 1-year performance to reflect the audit adjustment shown in market values.

<sup>4</sup> Irvine Foundation and equity asset class performance prior to June 2019 are reported gross of fees. Net of fee performance is used thereafter. Fixed Income performance prior to January 2013 are reported gross of fee. Net of fees is used thereafter.

<sup>5</sup> Los Angeles' allocation to GEP was 0.2%.

<sup>6</sup> The weighted average returns include The Regents' GEP returns in the calculation. The weighted average 1-, 3-, 5-, 7-, 10-year returns are the same for net of fees and net of all fees.

Note: Details for the E&F Peer Group can be found on page 68 under "Performance Comparisons"

Performance over the long-term trailing periods was solid as returns have benefited from strong equity markets. While 1-year absolute returns were positive for all campus Foundations, nine out of ten underperformed their respective benchmarks.

For longer-term periods, the majority of campus Foundations exceeded the universe median return and the majority ranked in the top quartile of the universe.

<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%.

<sup>2</sup> Regents' GEP return are net of all actual fees and expenses for the periods presented.

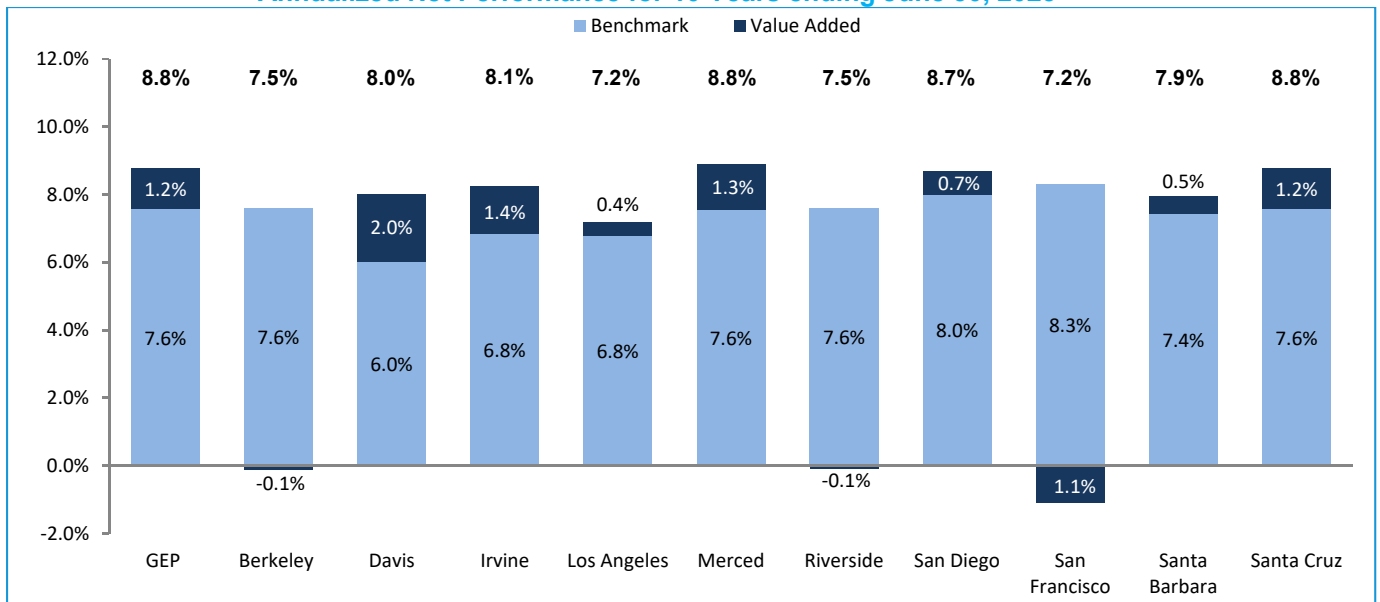
<sup>3</sup> Irvine performance prior to June 2019 is reported gross of fees. Net of all fees performance is used thereafter.

<sup>4</sup> The Investor Metrics all endowments and foundations peer group ("E&F Peer Group") is comprised of approximately 1,138 observations from a substantial endowment and foundation client base which includes information submitted by industry-leading consulting and trust/custody organizations as compiled by Investor Metrics. The E&F Peer Group returns are net of fees.

The graphs below show the absolute returns net of all fees of the campus Foundations<sup>1,3</sup> and GEP, and the value added (excess returns) versus their respective policy benchmarks for the 10-, 5-, 3- and 1-year periods ending June 30, 2023<sup>5</sup>.

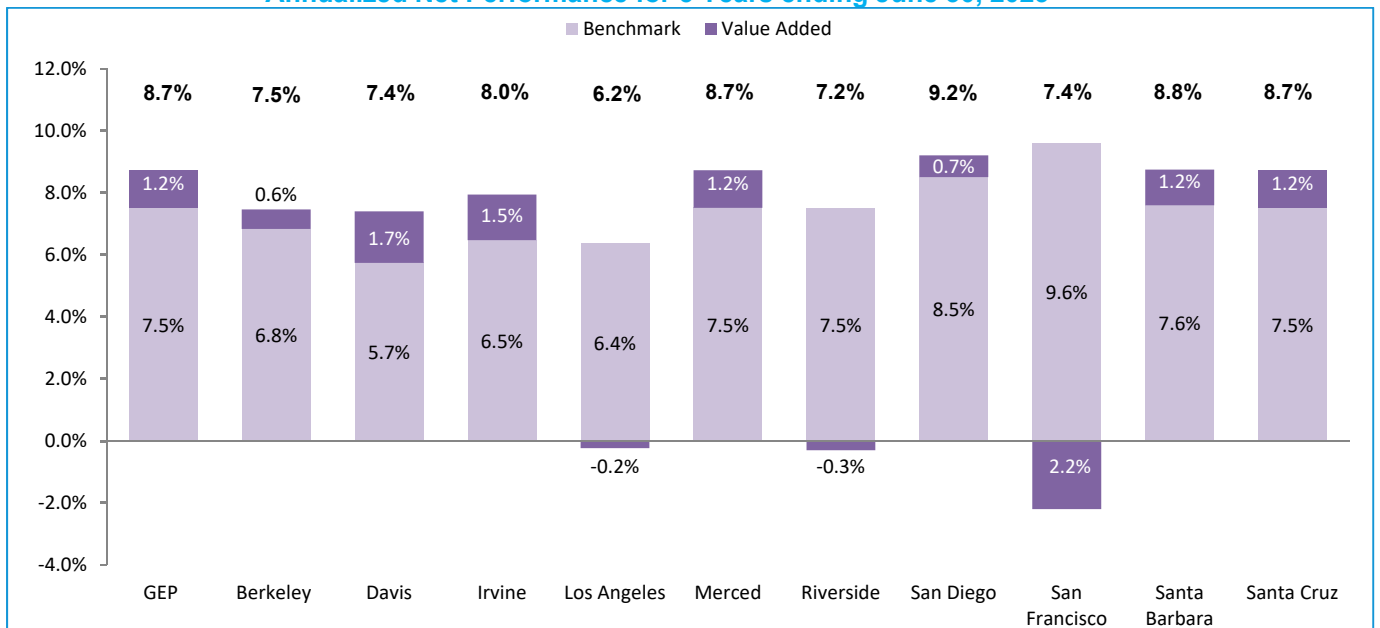
Relative returns for the 10-year, 5-year, and 3-year, were mostly positive, as most of the Foundations outperformed or matched their respective policy benchmarks over at least one of the longer-term periods. For the 1-year period, most Foundations underperformed their benchmarks.

### Annualized Net Performance for 10 Years ending June 30, 2023



Bold values represent absolute return of campus Foundation and GEP.

### Annualized Net Performance for 5 Years ending June 30, 2023



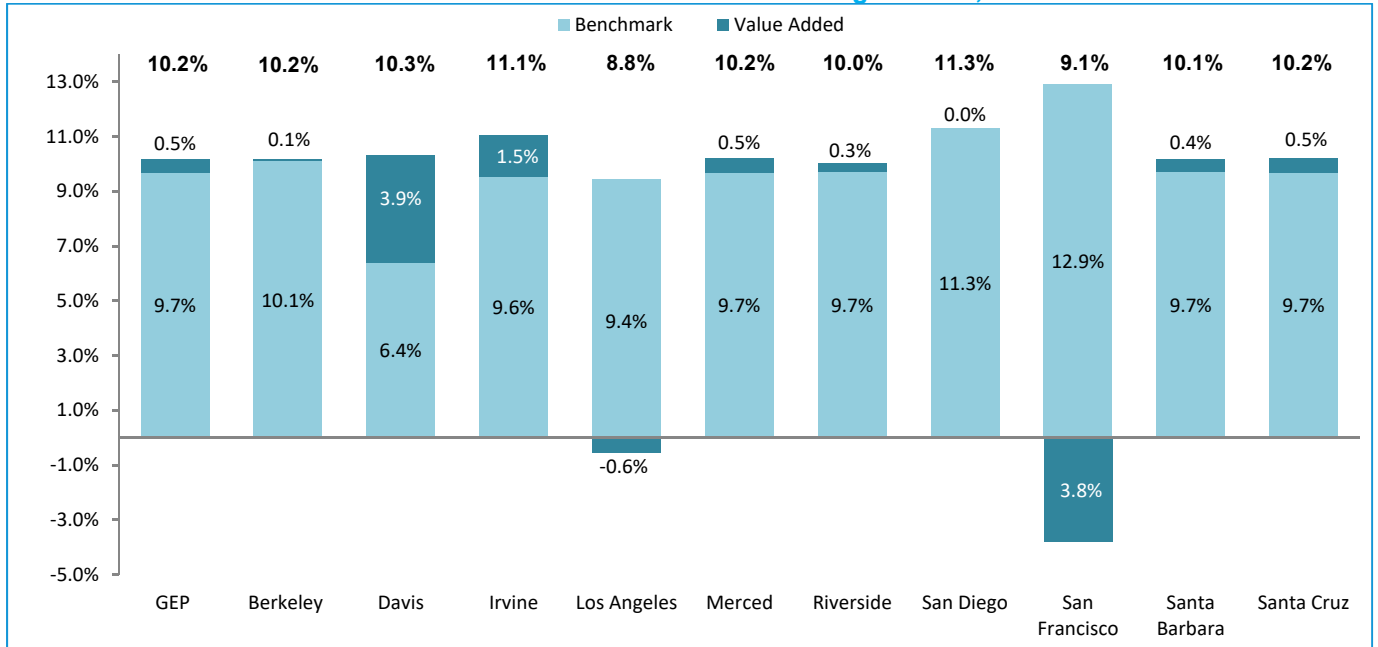
Bold values represent absolute return of campus Foundation and GEP.

<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%.

<sup>3</sup> Irvine performance prior to June 2019 is reported gross of fees. Net of all fees performance is used thereafter.

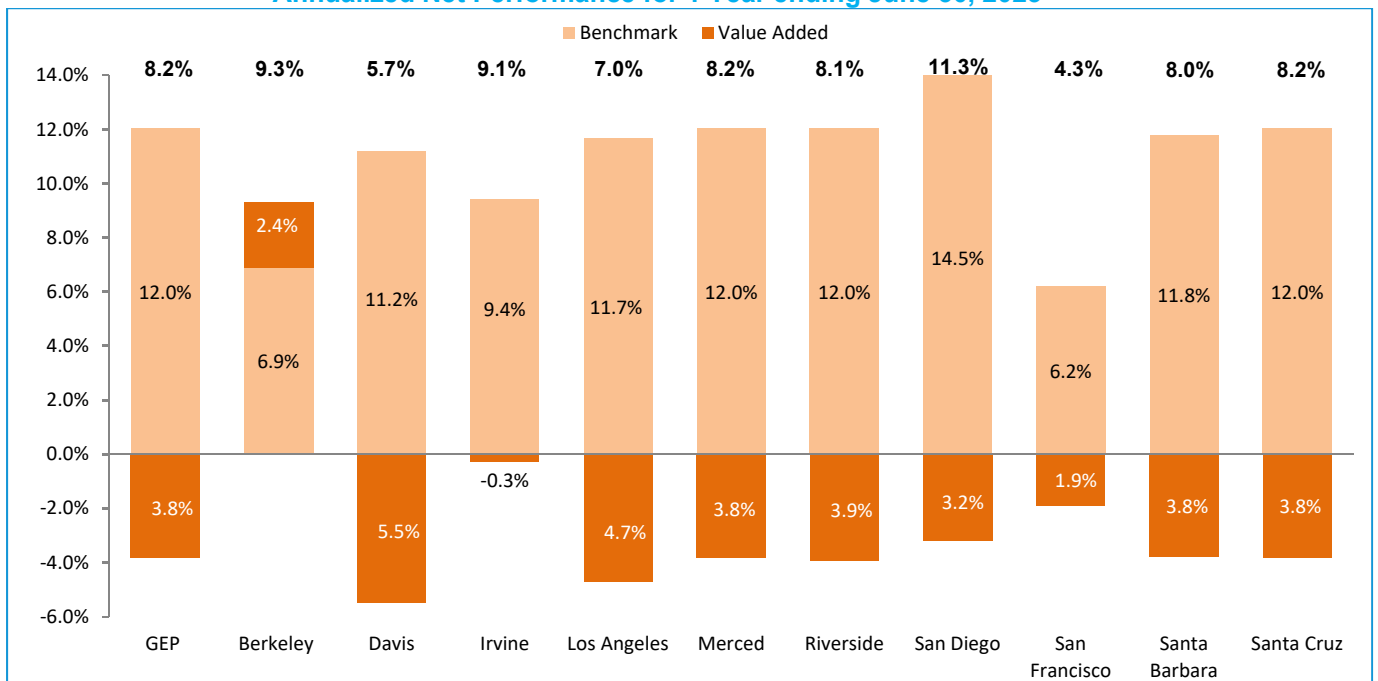
<sup>5</sup> Benchmark and excess return may not equal absolute return due to rounding.

### Annualized Net Performance for 3 Years ending June 30, 2023



Bold values represent absolute return of campus Foundation and GEP.

### Annualized Net Performance for 1 Year ending June 30, 2023



Bold values represent absolute return of campus Foundation and GEP.

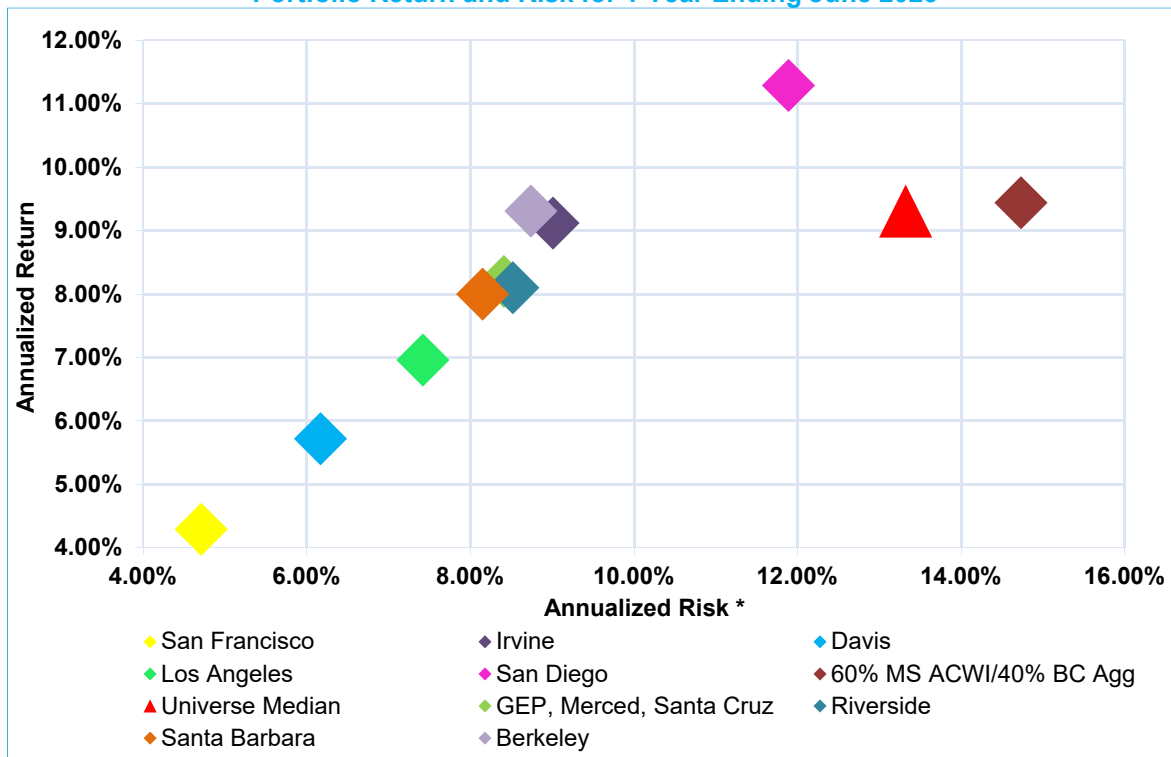
<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%.

<sup>3</sup> Irvine performance prior to June 2019 is reported gross of fees. Net of all fees performance is used thereafter.

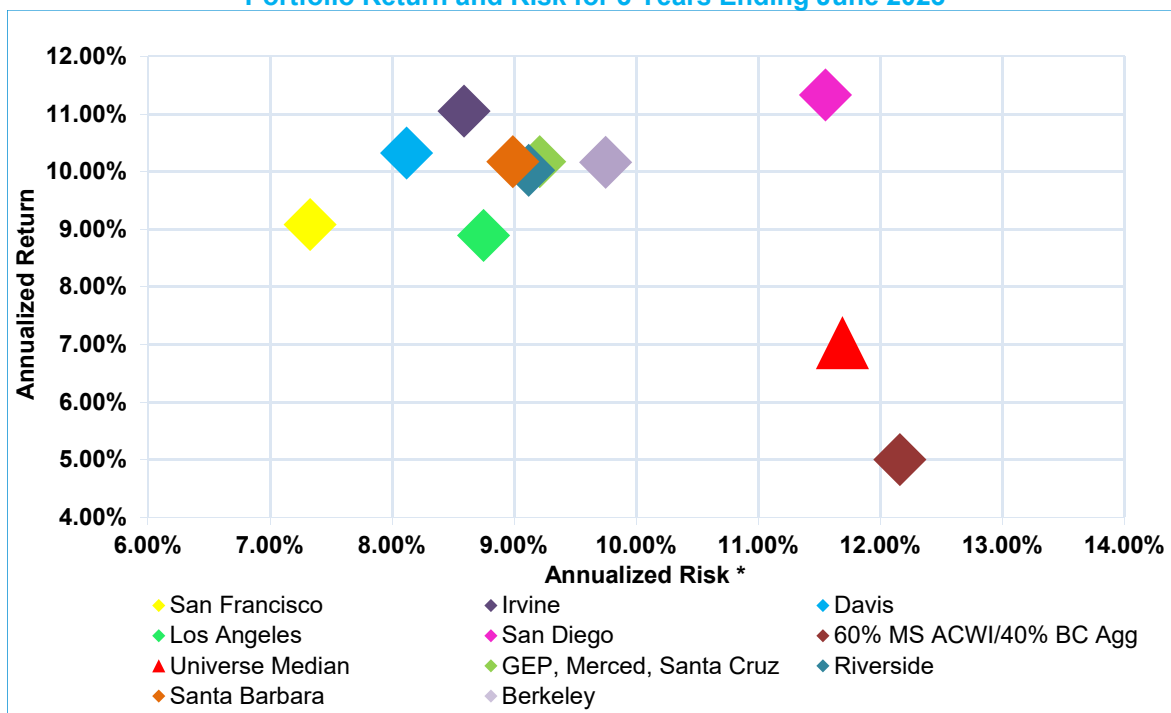
<sup>5</sup> Benchmark and excess return may not equal absolute return due to rounding.

The scatter plot charts below show the annualized net returns versus standard deviation (calculated with monthly returns) for the 1-, 3-, 5-, and 10-year periods ending June 30, 2023. Relative to the E&F peer group median (red triangle), most of the campus Foundations exhibited higher returns with lower volatility for periods of 3-years or longer.

**Portfolio Return and Risk for 1 Year Ending June 2023**

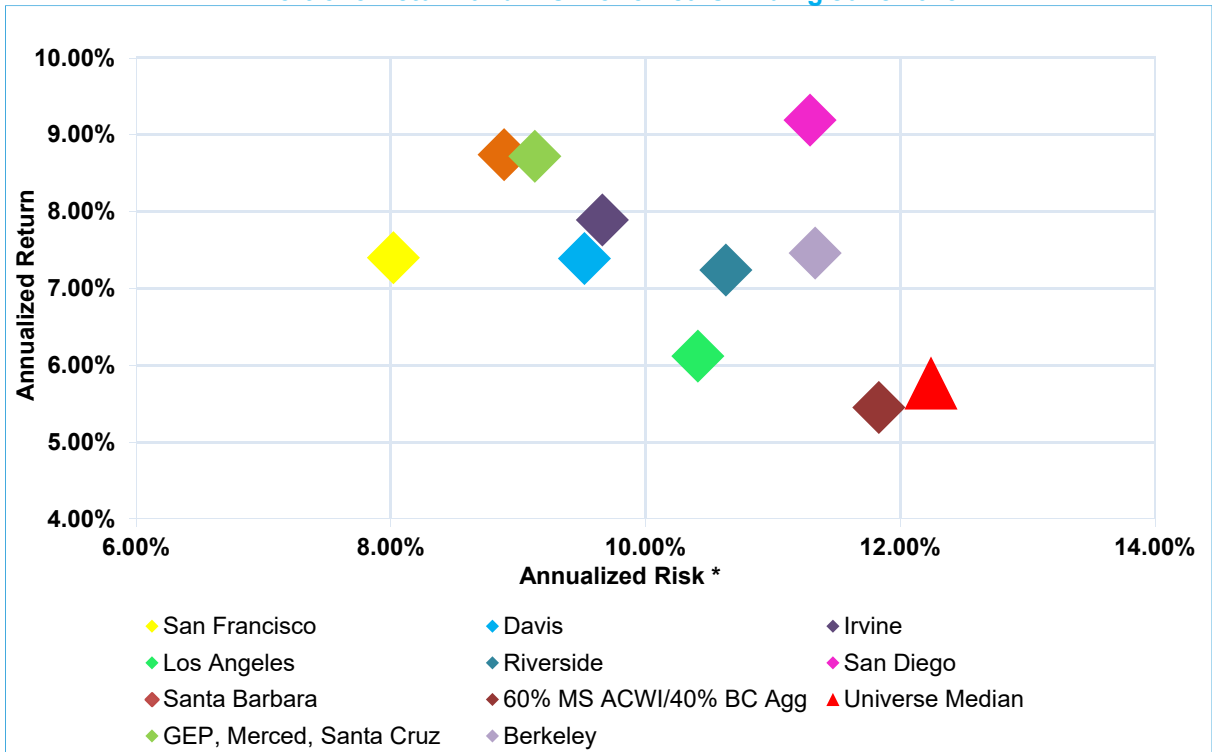


**Portfolio Return and Risk for 3 Years Ending June 2023**

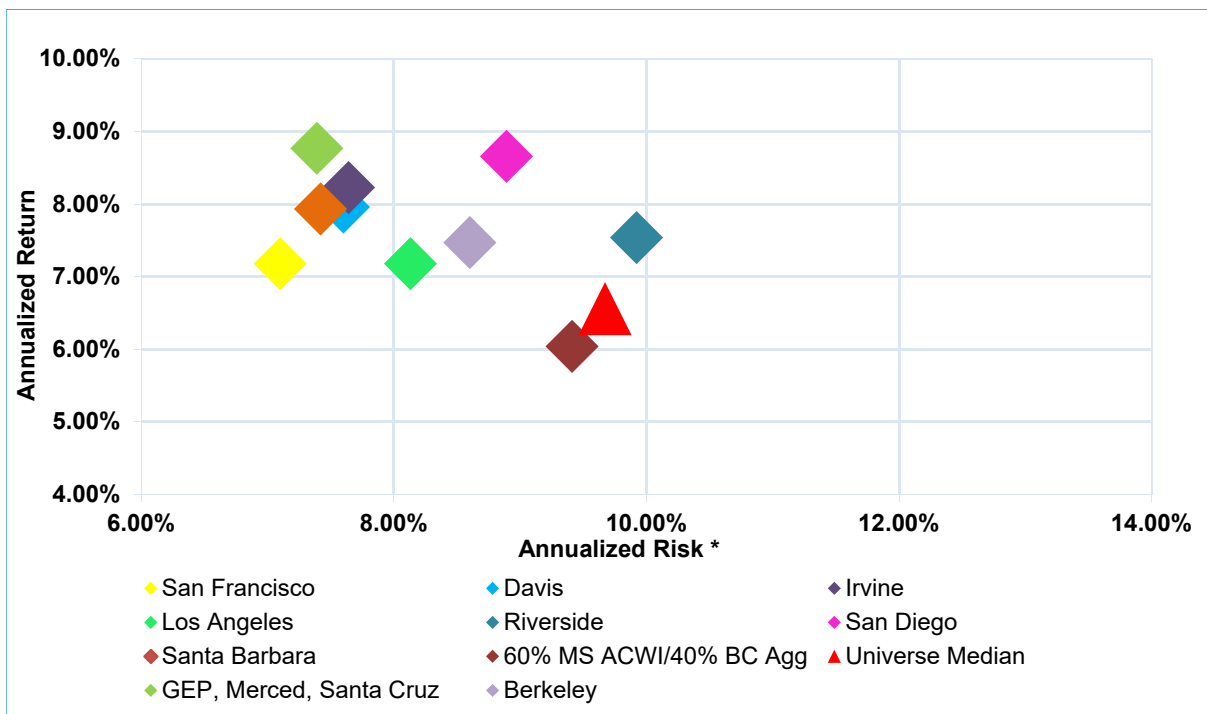




Portfolio Return and Risk for 5 Years Ending June 2023



Portfolio Return and Risk for 10 Years Ending June 2023

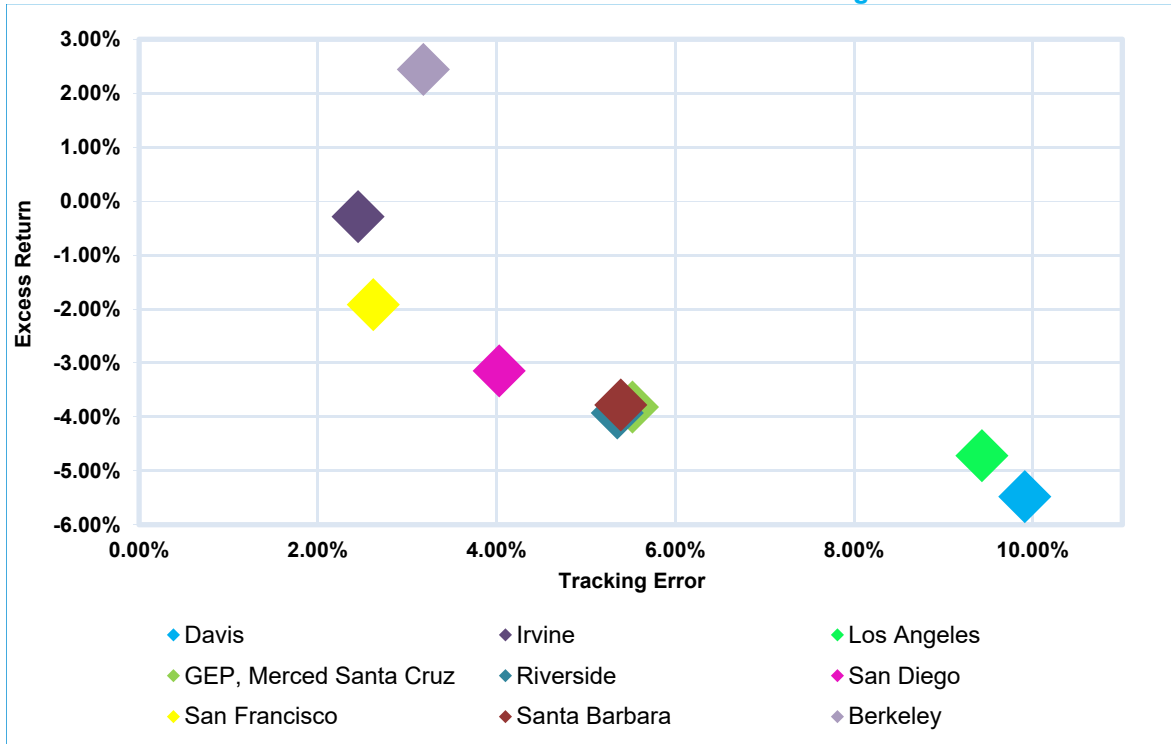


\* (Annualized) Risk is defined as the annualized standard deviation calculated using monthly observations. This evaluation may understate the risk measures for non-public assets such as private equity and absolute return strategies for the following reasons: 1.) The assets are not priced daily; 2.) Returns are reported on a lagged basis. 3.) Most of the campus Foundations have significant portions of their endowments invested in non-public assets.

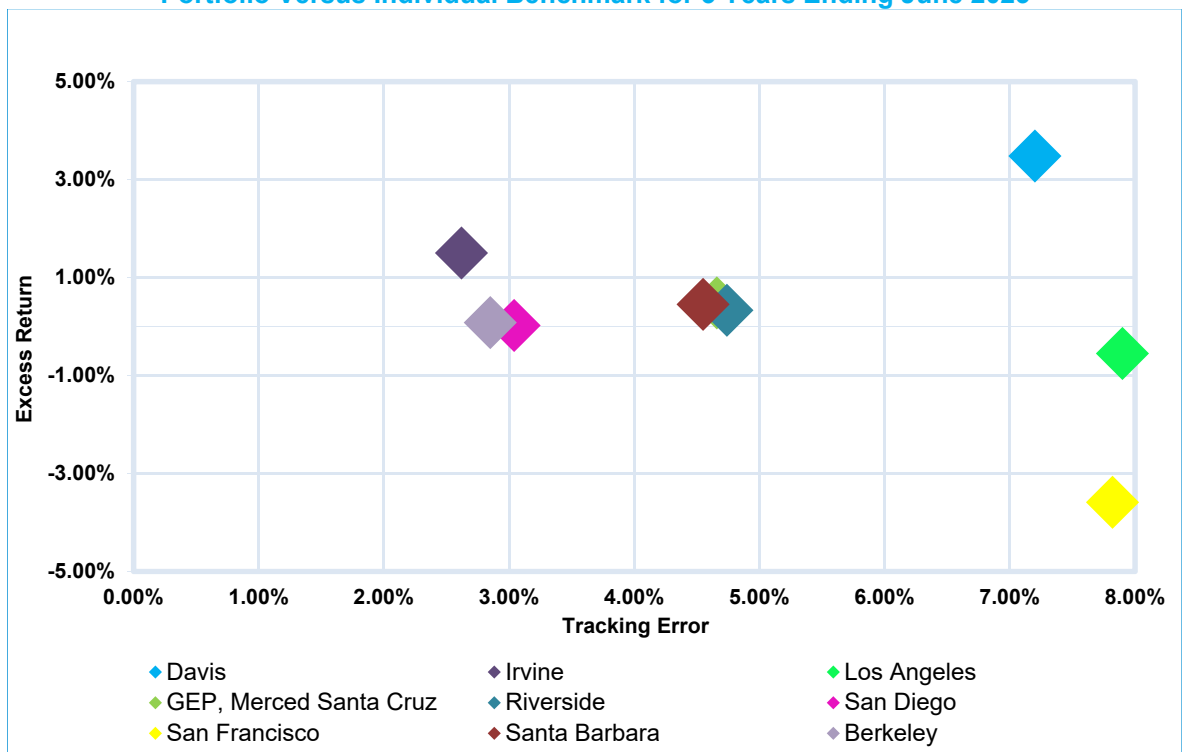
<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%.

In addition, we evaluated the portfolios' active risk, which measures how closely the portfolios follow their specified benchmarks. The graphs below reflect excess returns versus the tracking error for the individual portfolios when compared to their respective benchmarks over 1-, 3-, 5-, and 10-years ending June 30, 2023. For periods longer than 1-year, most campus Foundations outperformed their respective benchmarks.

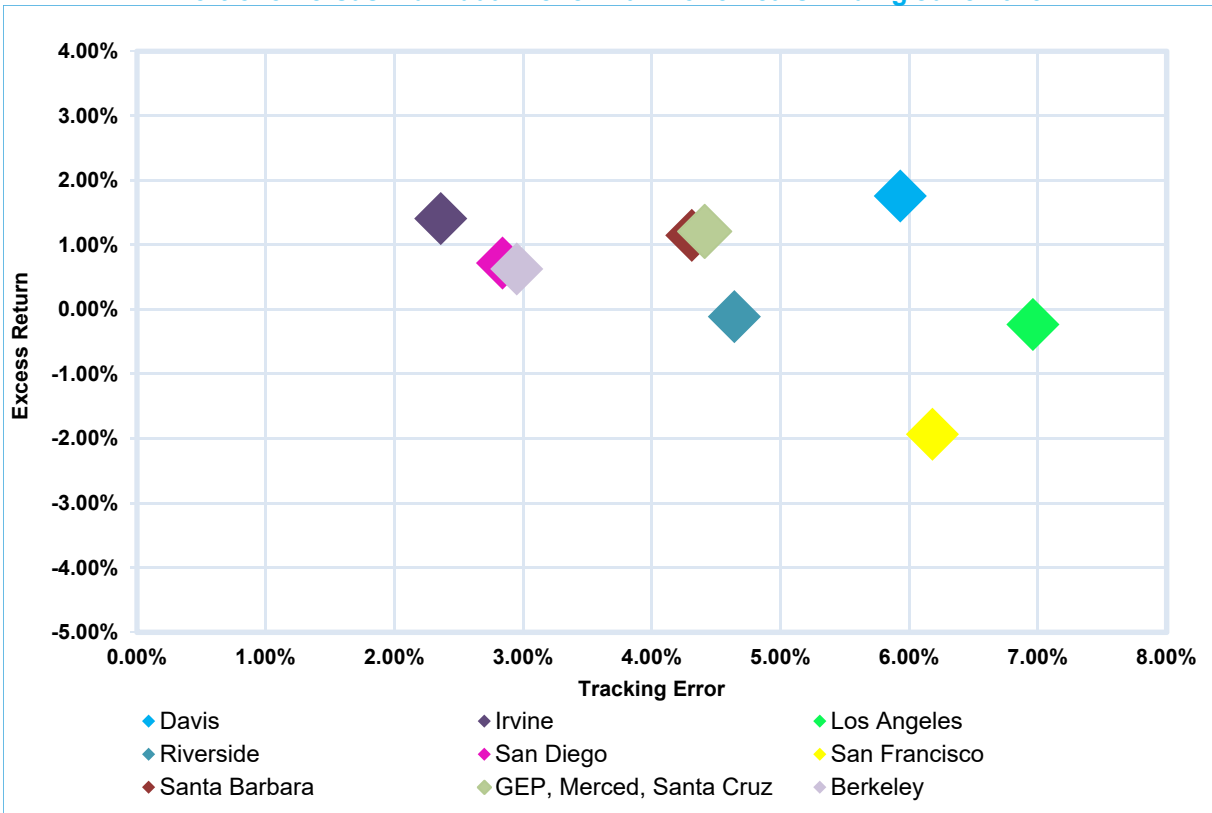
**Annualized Tracking Error and Excess Return  
Portfolio Versus Individual Benchmark for 1 Year Ending June 2023**



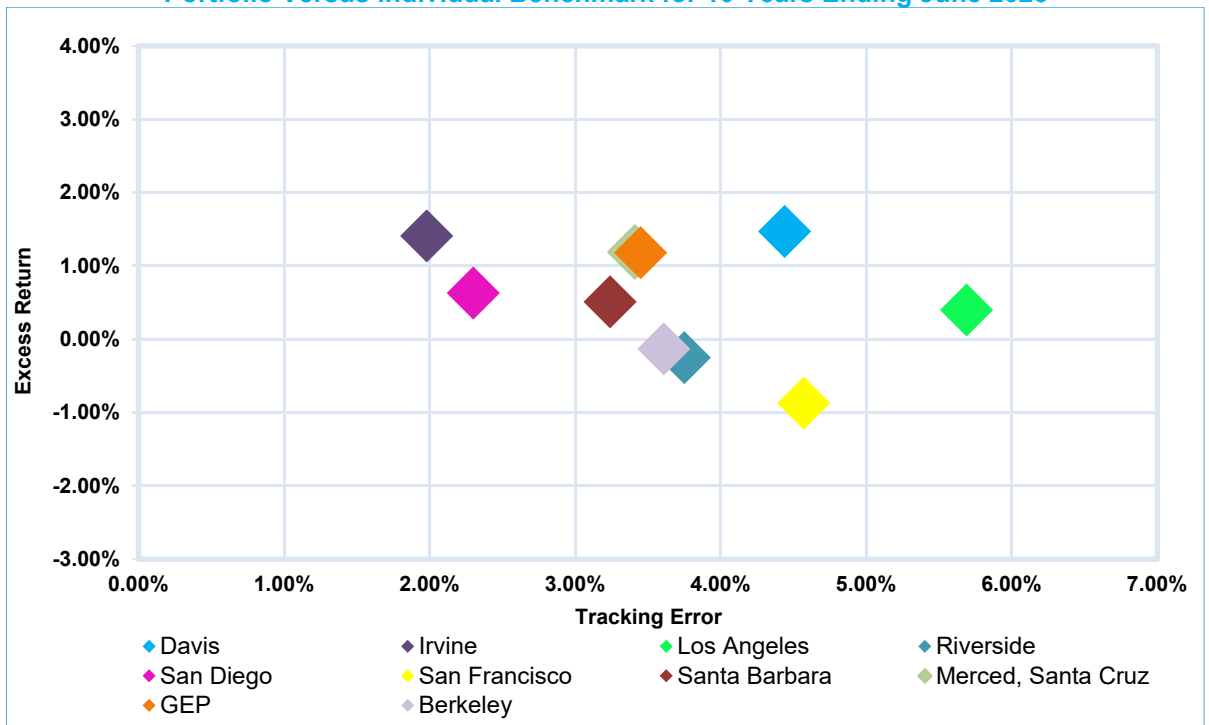
**Annualized Tracking Error and Excess Return  
Portfolio Versus Individual Benchmark for 3 Years Ending June 2023**



**Annualized Tracking Error and Excess Return  
Portfolio Versus Individual Benchmark for 5 Years Ending June 2023**



**Annualized Tracking Error and Excess Return  
Portfolio Versus Individual Benchmark for 10 Years Ending June 2023**



<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%.

## 2.6 Spending Policies

The table below shows a summary of the endowment spending policies for each campus Foundation.

### Endowment Spending Policies by Foundation

Regents' GEP	The total return expenditure (spending) policy for eligible assets in the General Endowment Pool is 4.75 percent of a 60-month moving average of the market value of a unit invested in the General Endowment Pool.
Berkeley	The Foundation's payout policy is 4.0% of a twenty-quarter (five year) moving average market value of the endowment pool. The Finance and Administration Committee, at its discretion, may recommend to the Executive Committee an alternative payout percentage, within a range of 3.5% to 4.5% for a specific payout year.
Davis	The primary objective of the UC Davis Foundation's endowment spending policy is to achieve a proper balance between present and future needs of endowed units at UC Davis. The approved spending rate for the September 2022 (FY23) payout was 4.60% of the average of the prior 60-month-end market values of each endowment fund, for the period ending March 31.
Irvine	The endowment fund spending policy allows for allocation of income equivalent to 4.5% of the moving average market value of the endowment portfolio. This average market value is computed using the previous 36 months of portfolio activity. Income earned in excess of the spending rate may be reinvested in endowment principal. Income available for expenditure is calculated according to a predetermined formula.
Los Angeles	In 2023, The UCLA Foundation endowment spending rate was 4.25% of a 12 quarter rolling average market value, calculated quarterly. The UCLA Foundation approved endowment spending policy for fiscal year 2024 is 4.25% of a 12 quarter rolling average.
Merced	The spending policy of the UC Merced Foundation is to provide 100% of the endowment earnings up to a maximum spending payout rate of 4.75% of the 60-month average unit market value for the period ending December 31st.
Riverside	The endowment spending policy applicable to FYE 2023 was to withdraw per unit 4.5% of the average unit market value of the endowment fund calculated using the closing unit market value on the last day of each of the 60 contiguous months the last of which ended on May 31, 2023.
San Diego	Endowment spending during fiscal year 2022-23 was calculated using a predetermined formula at an amount equal to 4.75% of the 60-month average unit market value of the endowment portfolio. Spending is allocated to fund holders monthly.
San Francisco	The Foundation payout policy guideline is to distribute 4.75% of the 36 month rolling average unitized market value of the Endowment Pool. The payout will not exceed 6% nor be less than 3.5% of the ending market value on the last day of the fiscal year for which it is being calculated. The payout will be reviewed annually, which may result in modification. In determining the annual payout, the Foundation will consider factors such as stability of fund flows to operations and preservation of endowment principal, in addition to the guideline formula.
Santa Barbara	Endowment spending during FYE 2023 was calculated using a predetermined formula at an amount equal to 4.0% of the 60-month average unit market value of the endowment portfolio as of December 31, 2021. To the extent requested by the Fund Administrator, spending was allocated to fund holders in September (40%) and March (60%).
Santa Cruz	The UC Santa Cruz Foundation endowment expenditure rate approved June 2022 is 4.75% of the three-year moving average of December 31 market values. In the event the market value of an endowment is below the amount of the original gift adjusted by the Gross Domestic Product (GDP) price index at December 31, the endowment expenditure rate approved June 2022 is 2.75% of the three-year moving average of the December 31 market value, unless specific language of the endowment agreement allows otherwise. The endowment expenditure formula is reviewed annually and adjusted accordingly with respect to prudent concern for campus needs, donor expectations, and current market conditions.

Note: Updates provided by the campus Foundations are reflected above up to the time this report was produced.

UC Davis increased the spending policy to 4.6% of the 60-month average unit market value for the September 2022 (FY 2023) payout from 4.5% for the September 2021 (FY 2022) payout.

## 3 Investment Profiles for Campus Foundations

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The following section contains a summary for each campus Foundation and the General Endowment Pool which includes:

- Investment Objectives
- Spending Policy
- Actual vs. Policy Target Allocations and Ranges
- Investment Performance
- Asset Allocation by Asset Class
- Rolling 1-Year Excess Return

## UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

### Regents' General Endowment Pool Investment Objective

The GEP provides a common investment vehicle, intended to generate a stable and growing income stream, for (most but not all of) the University's endowments and quasi-endowments, for which the University is both trustee and beneficiary.

The overall investment objective of the GEP is to preserve and grow the purchasing power of the future stream of endowment payout for those funds and activities supported by the endowments. GEP also seeks to maintain liquidity needed to support spending in prolonged down market environments without impairing long term growth.

### Regents' General Endowment Pool Spending Policy

The total return expenditure (spending) policy for eligible assets in the General Endowment Pool is 4.75 percent of a 60-month moving average of the market value of a unit invested in the General Endowment Pool.

### University of California, General Endowment Pool Asset Allocation June 30, 2023

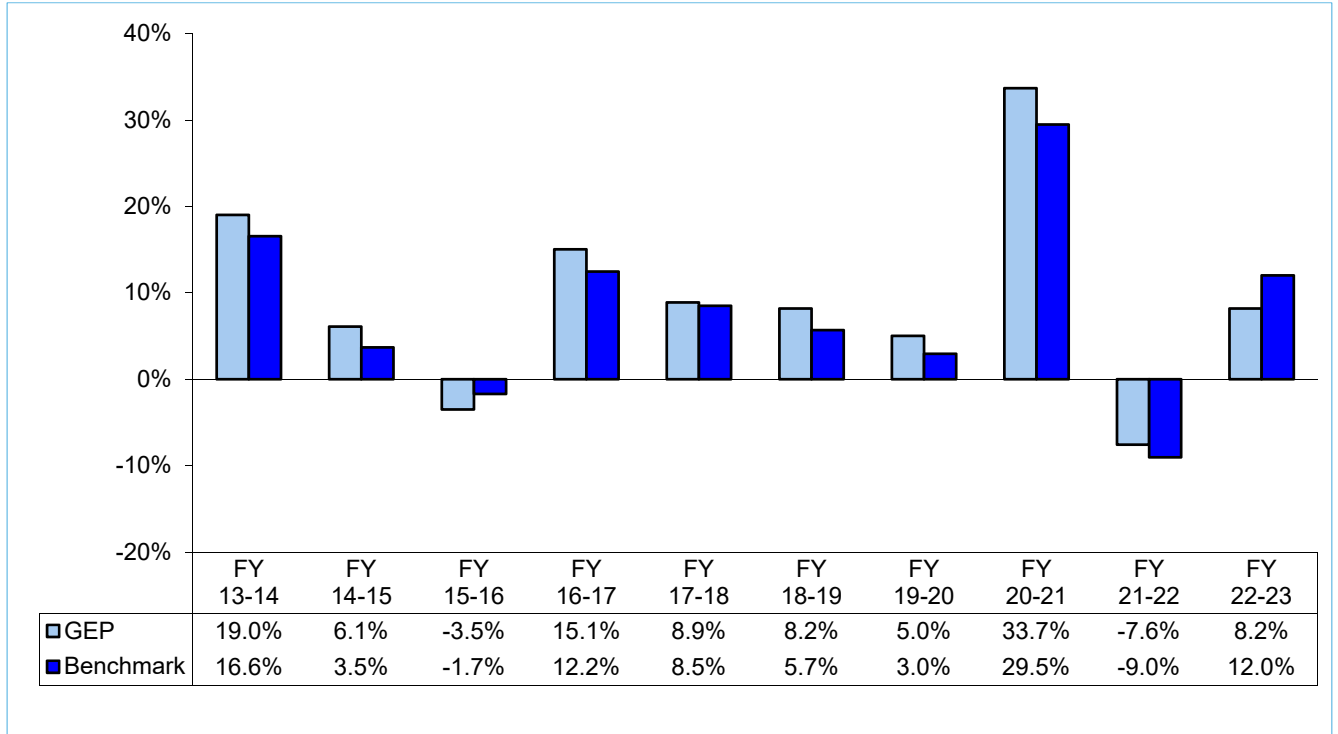
	Assets (\$M) <sup>1</sup>	Actual Allocation	Target Allocation <sup>2</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$8,129	39.2%	40.0%	-0.8%	30.0%	50.0%	Yes
Liquidity (Income)	\$1,443	7.0%	8.0%	-1.0%	5.0%	15.0%	Yes
Private Equity	\$4,723	22.8%	24.0%	-1.2%	10.0%	30.0%	Yes
Absolute Return	\$970	4.7%	10.0%	-5.3%	5.0%	15.0%	No
Real Estate	\$2,702	13.0%	8.0%	5.0%	4.0%	12.0%	No
Real Assets	\$733	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Private Credit	\$1,106	5.3%	4.0%	1.3%	0.0%	6.0%	Yes
Cash	\$935	4.5%	2.0%	2.5%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$20,741</b>	<b>100.0%</b>	<b>100.0%</b>				

<sup>1</sup> Total Regents' General Endowment Pool managed endowment assets represent GEP custodied assets.

<sup>2</sup> Tactical asset allocation as of 6/30/23.

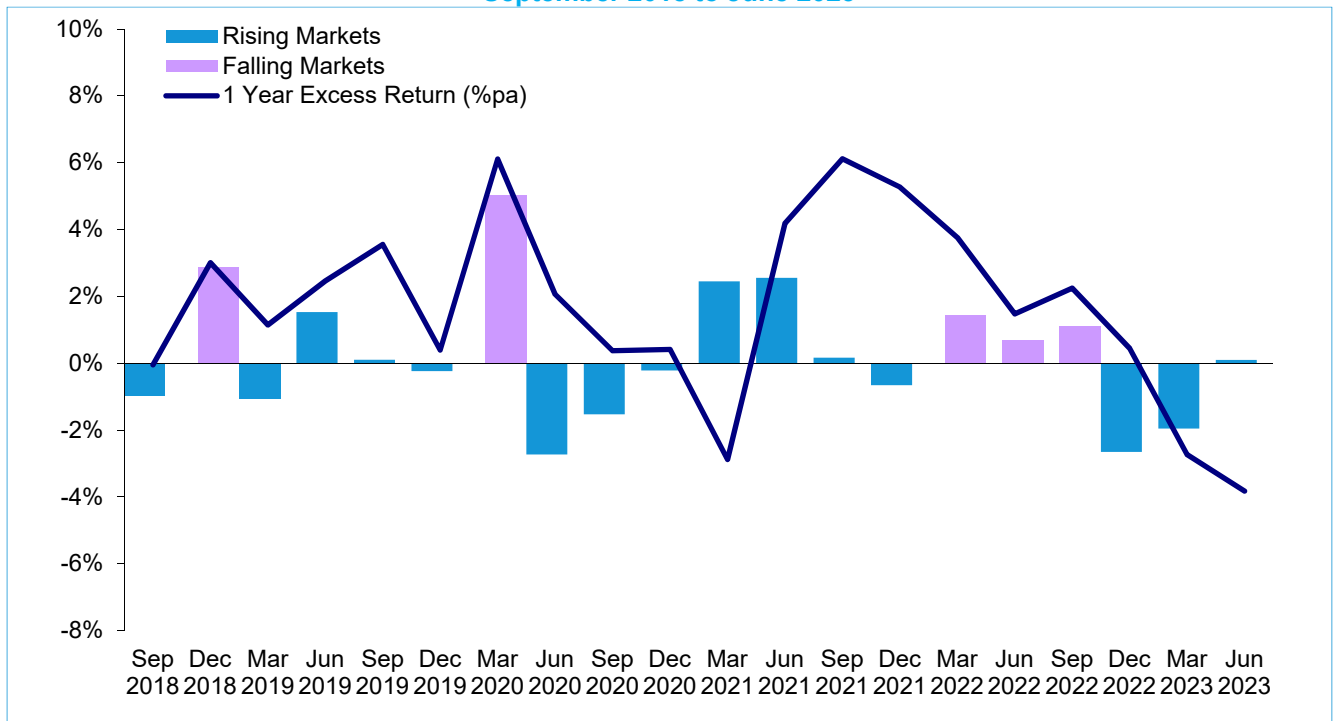
# UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

Annual Endowment Returns for Fiscal Years  
General Endowment Pool – Portfolio and Benchmark



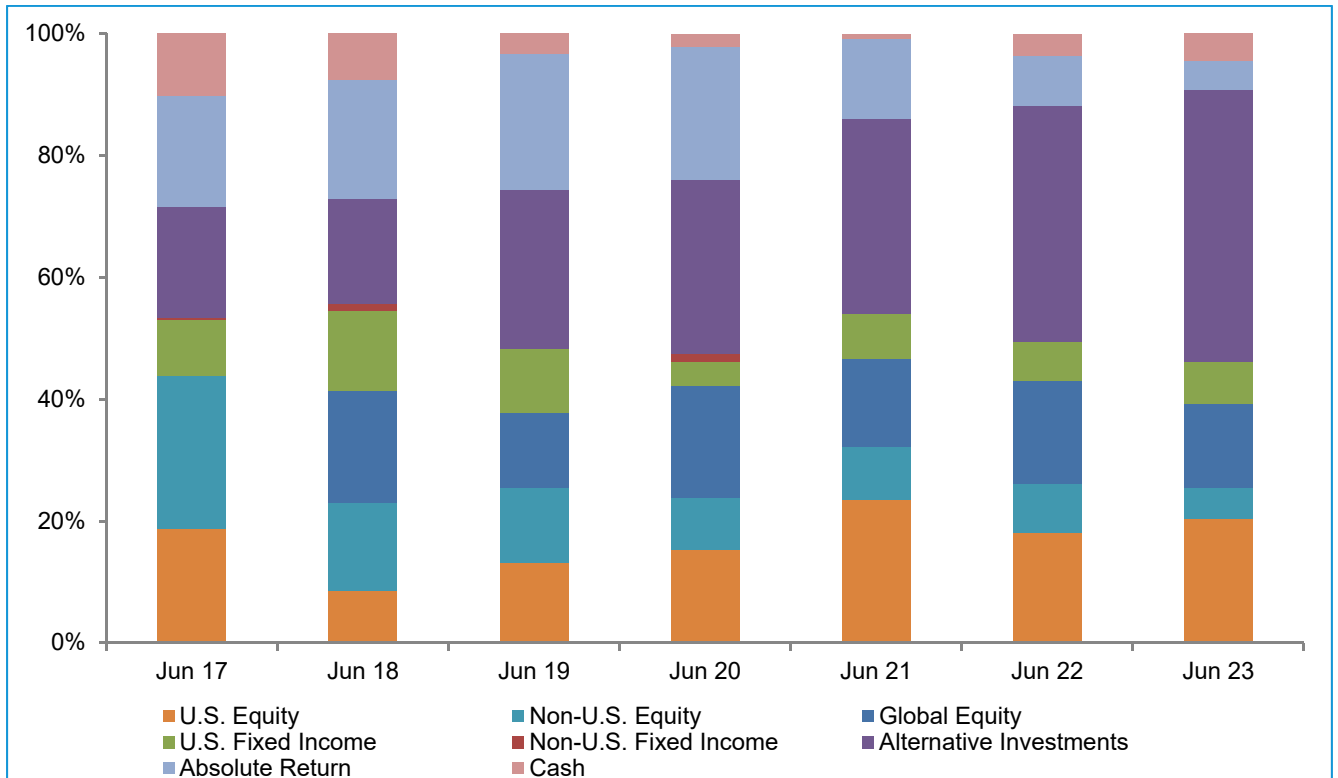
Annual benchmark performance used for external reporting is shown.

Excess Return GEP Unit Value Portfolio versus Benchmark  
September 2018 to June 2023



# UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

## GEP Managed Endowment Funds by Asset Class



Note: During fiscal year 2019, the UC Regents combined U.S. Equity and Non-U.S. Equity into the Global Equity bucket and it is UC Investments' policy asset allocation to not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.



## UC BERKELEY FOUNDATION

### Endowment Investment Objective

The primary objective of the UC Berkeley Foundation ("UCBF") endowment pool is to generate returns sufficient to meet UCBF's desired financial support to UC Berkeley over the long term, while maintaining real purchasing power, sufficient liquidity, and acceptable volatility. The General Endowment Pool ("GEP") also seeks to generate results after all relevant expenses that match or exceed the returns of a representative mix of investable assets, known as the Total Portfolio Benchmark, over rolling periods in excess of 10 years.

### Endowment Spending Policy

The Foundation's payout policy is 4.0% of a twenty-quarter (five-year) moving average market value of the endowment pool. The Finance and Administration Committee, at its discretion, may recommend to the Executive Committee an alternative payout percentage, within a range of 3.5% to 4.5% for a specific payout year.

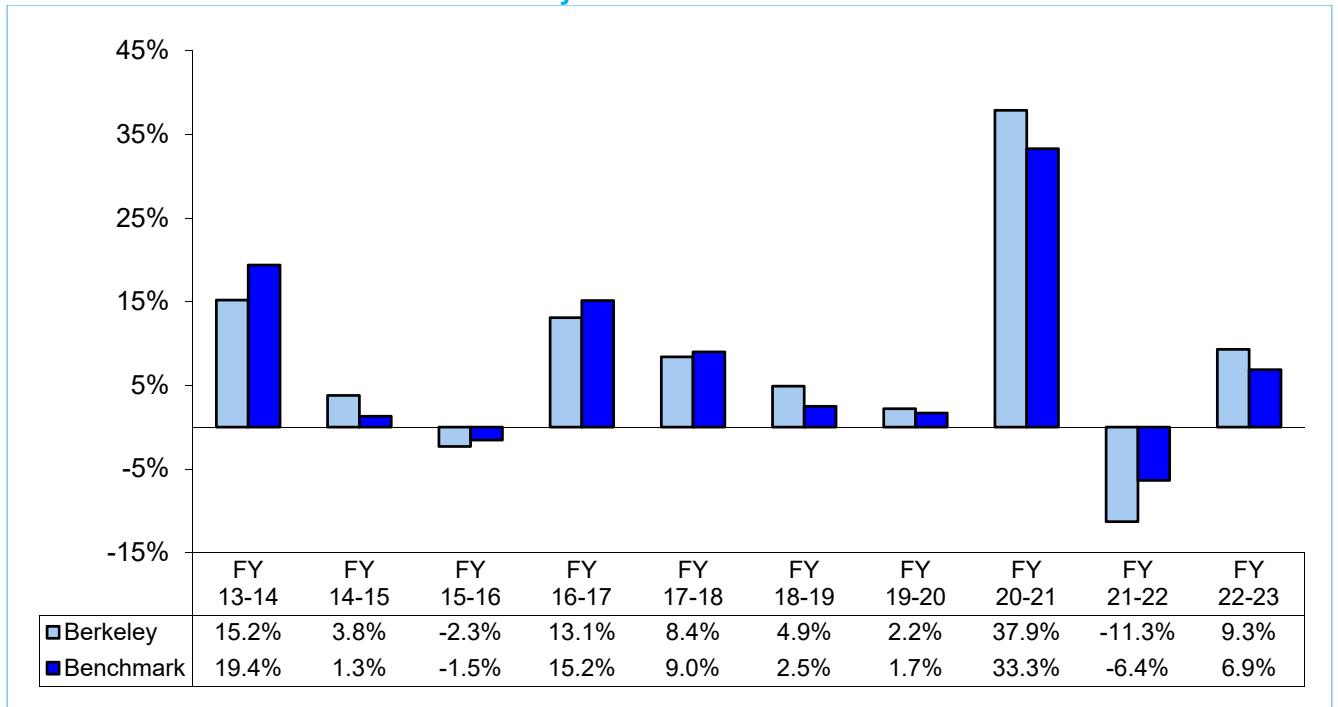
### University of California, Berkeley Foundation Portfolio Asset Allocation June 30, 2023

	Assets (\$M)	Actual Allocation	Target Allocation <sup>1</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Developed Equity	\$806	27.7%	28.0%	-0.3%	20.0%	50.0%	Yes
Emerging Markets Equity	\$385	13.2%	15.0%	-1.8%	5.0%	20.0%	Yes
PE/VC	\$657	22.5%	22.0%	0.5%	0.0%	30.0%	Yes
Real Assets	\$184	6.3%	10.0%	-3.7%	0.0%	15.0%	Yes
Opportunistic	\$127	4.4%	0.0%	4.4%	0.0%	15.0%	Yes
Absolute Return	\$471	16.1%	15.0%	1.1%	5.0%	20.0%	Yes
Fixed Income	\$285	9.8%	10.0%	-0.2%	5.0%	20.0%	Yes
<b>Total Assets</b>	<b>\$2,915</b>	<b>100.0%</b>	<b>100.0%</b>				

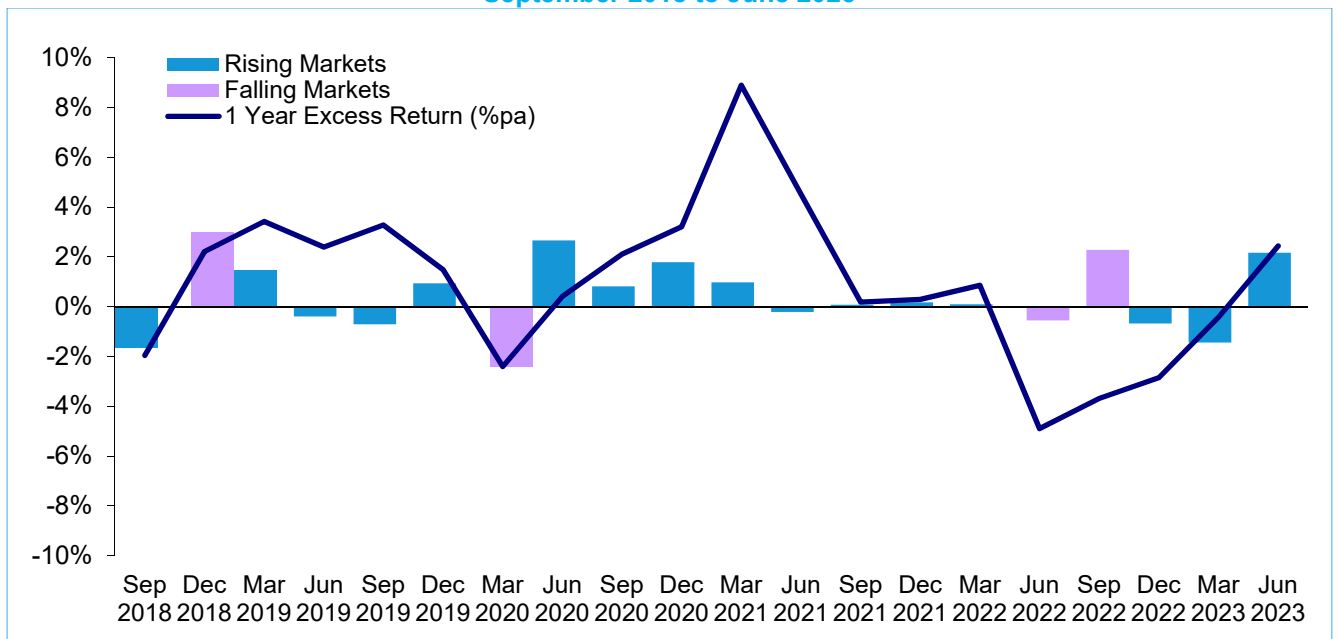
<sup>1</sup> UC Berkeley Foundation's Asset Allocation framework was adopted effective January 1, 2019. Target policy allocations are the long-term targets.

# UC BERKELEY FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Berkeley – Portfolio and Benchmark



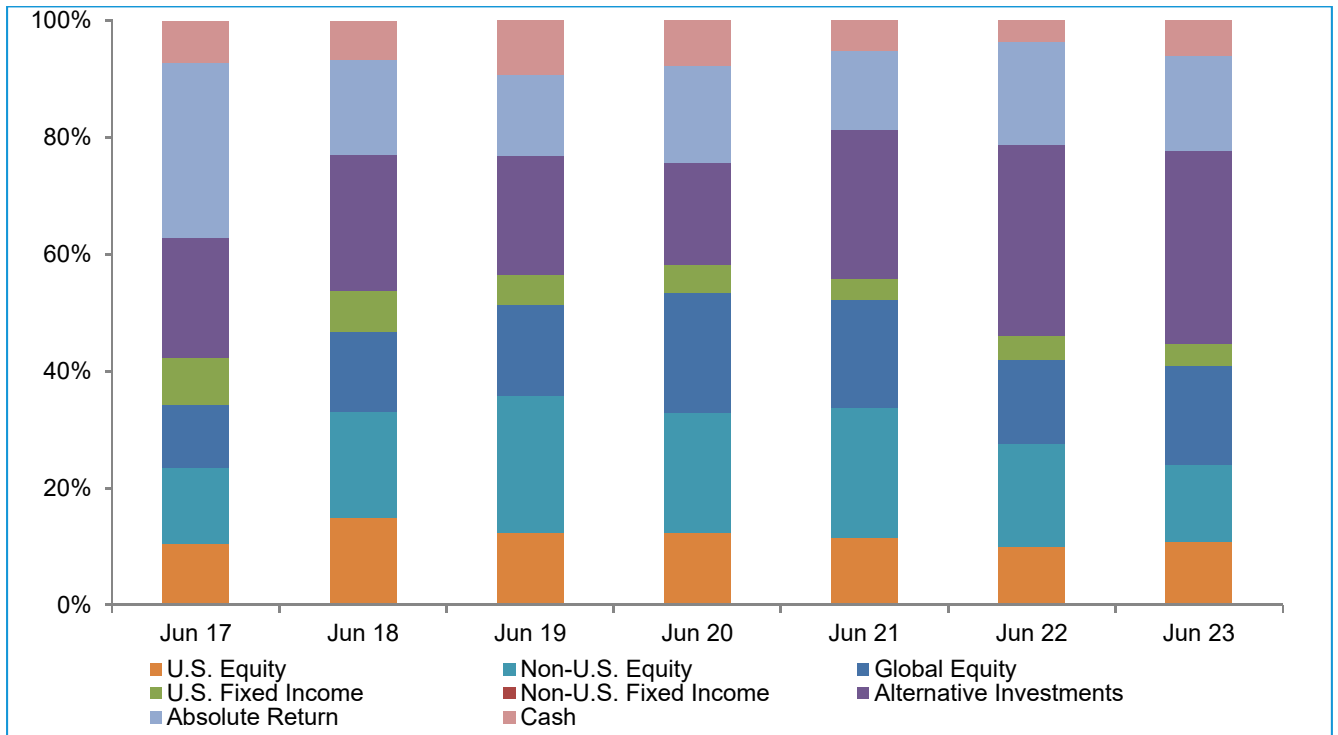
## Excess Return UC Berkeley Portfolio versus Benchmark September 2018 to June 2023



Returns are fees net of external investment management fees, but not internal fees incurred to manage the Foundation. For fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%.

# UC BERKELEY FOUNDATION

## UC Berkeley Managed Endowment Funds by Asset Class



# UC DAVIS FOUNDATION

## Endowment Investment Objective

The Fund seeks future long-term growth of investments, at an acceptable risk level, sufficient to offset reasonable spending plus normal inflation, thereby preserving the purchasing power of the Fund for future generations.

## Endowment Spending Policy

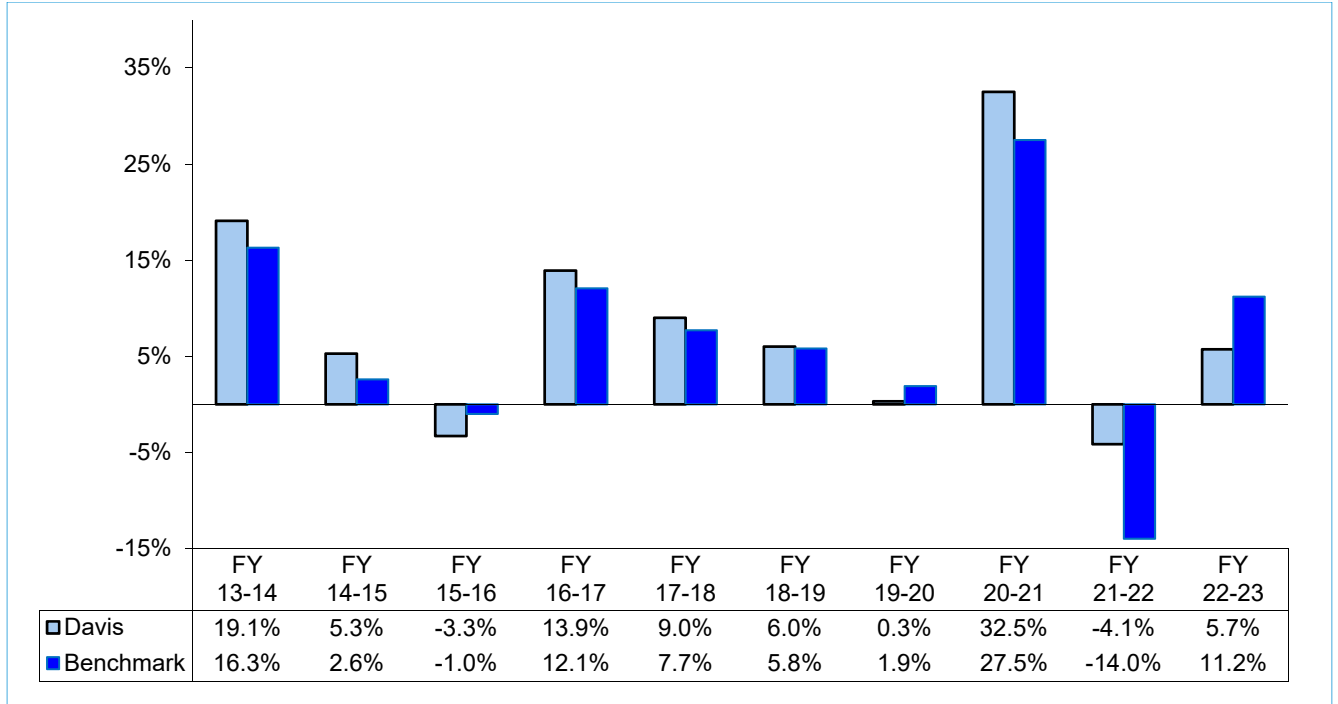
The primary objective of the UC Davis Foundation's endowment spending policy is to achieve a proper balance between present and future needs of endowed units at UC Davis. The approved spending rate for the September 2022 (FY23) payout was 4.60% of the average of the prior 60-month-end market values of each endowment fund, for the period ending March 31.

### University of California, Davis Foundation Portfolio Asset Allocation June 30, 2023

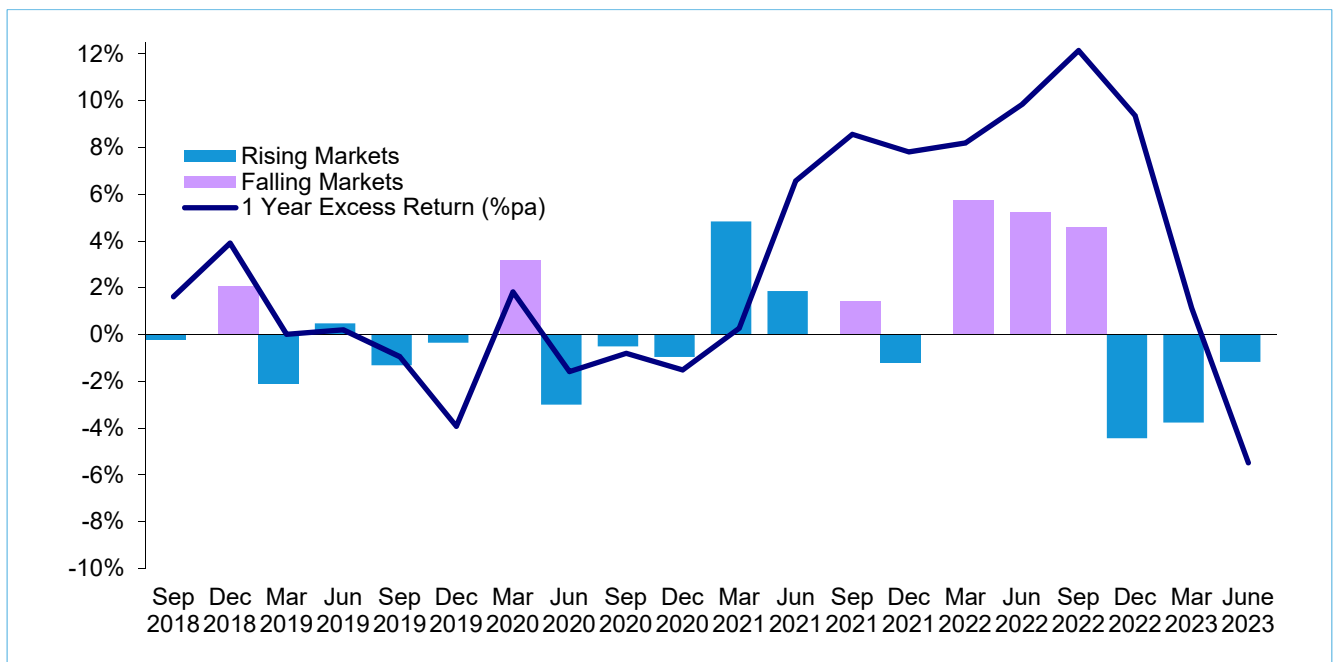
	Assets (\$M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Lead OCIO Customized Portfolio	\$521	76.8%	80.0%	-3.2%	50.0%	100.0%	Yes
Multi-asset class managers	\$128	18.9%	20.0%	-1.1%	0.0%	50.0%	Yes
Cash	\$29	4.3%	0.0%	4.3%	0.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$678</b>	<b>100.0%</b>	<b>100.0%</b>				

# UC DAVIS FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Davis – Portfolio and Benchmark

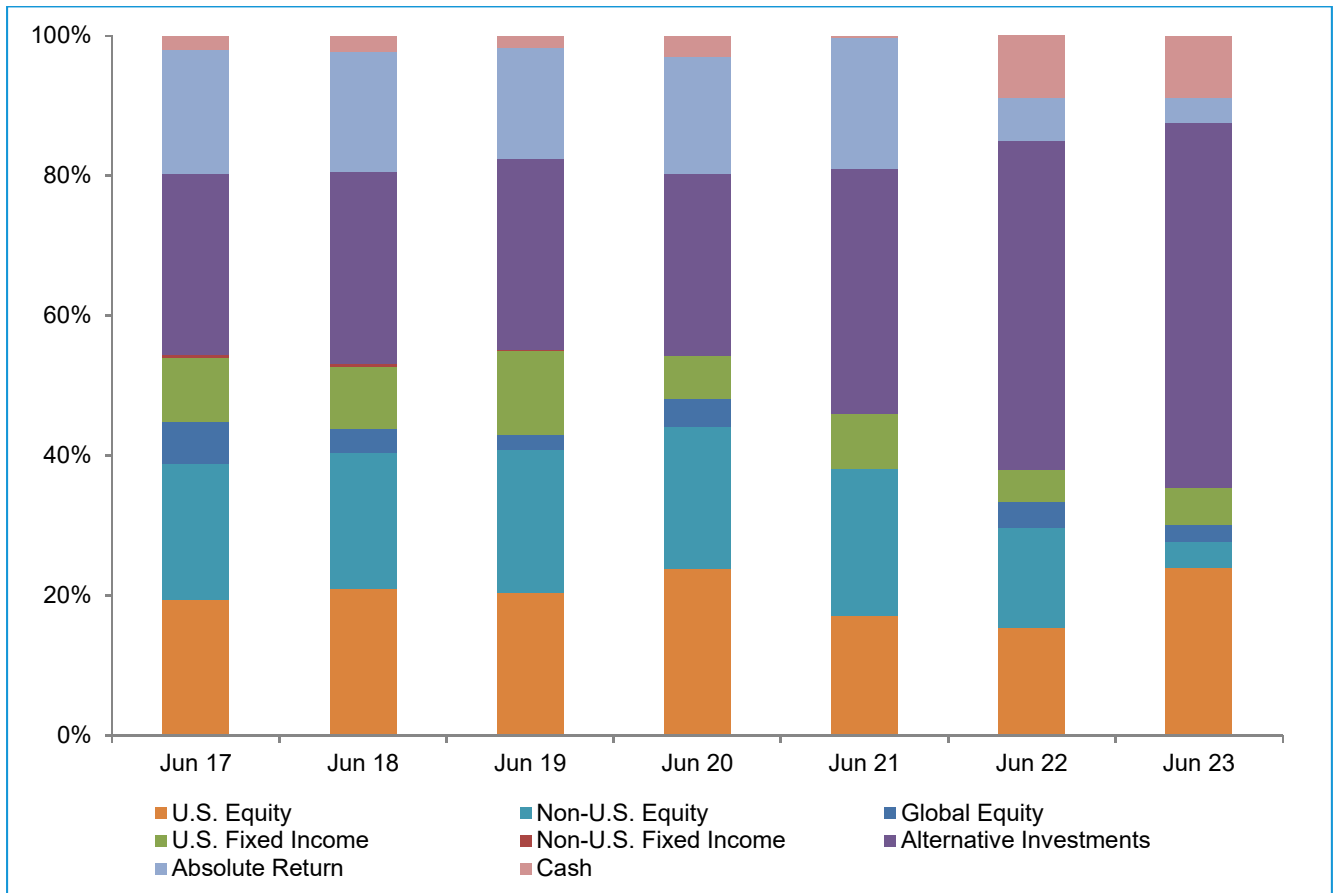


## Excess Return UC Davis Portfolio versus Benchmark September 2018 to June 2023



# UC DAVIS FOUNDATION

## UC Davis Managed Endowment Funds by Asset Class



# UC IRVINE FOUNDATION

## Endowment Investment Objective

The Foundation's goals are to preserve the real value of the endowment corpus by achieving a growth rate equal to or greater than the spending rate plus inflation, to meet or exceed a custom total fund benchmark reflective of the asset allocation policy, net of fees, over a full market cycle of five to ten years. The Fund has a long-term time horizon consistent with the perpetual nature of the funds. Consistent with prudent standards for preservation of capital and maintenance of liquidity, the goal of the Fund is to earn a competitive total rate of return consistent with the Fund's tolerance for risk as determined periodically by the Committee.

## Endowment Spending Policy

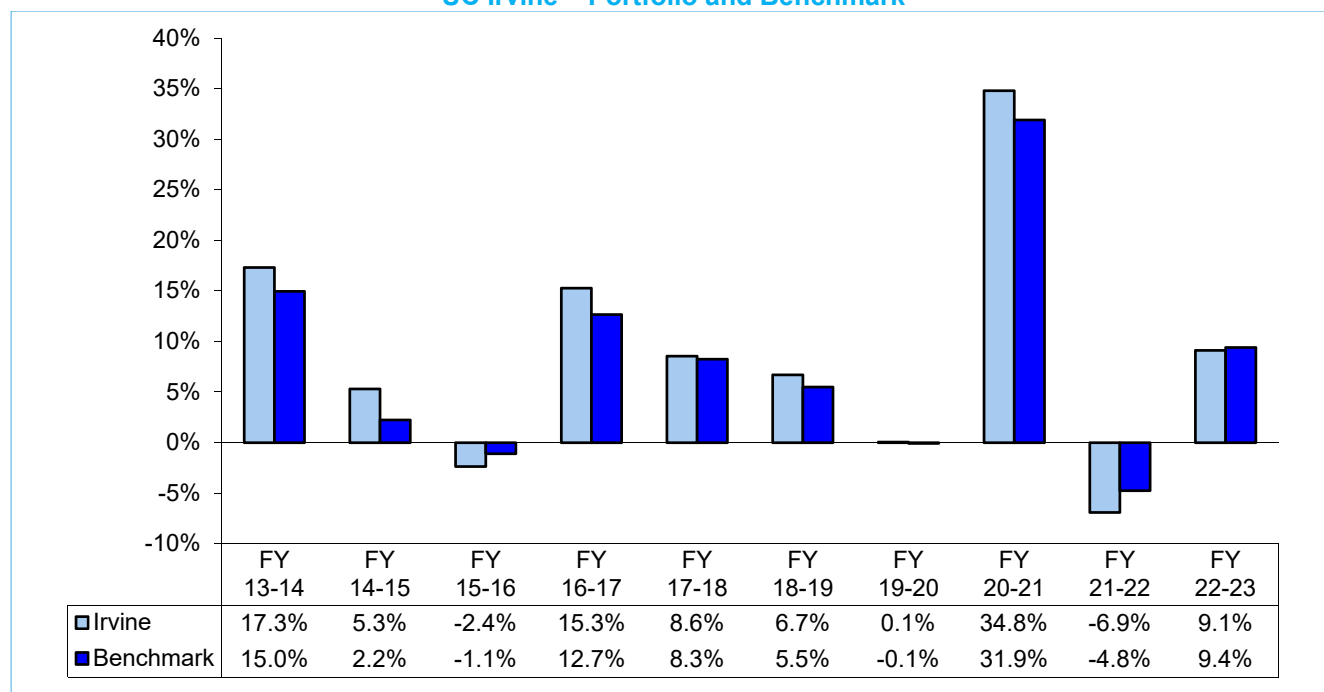
The endowment fund spending policy allows for allocation of income equivalent to 4.5% of the moving average market value of the endowment portfolio. This average market value is computed using the previous 36 months of portfolio activity. Income earned in excess of the spending rate may be reinvested in endowment principal. Income available for expenditure is calculated according to a predetermined formula.

### University of California, Irvine Foundation Portfolio Asset Allocation June 30, 2023

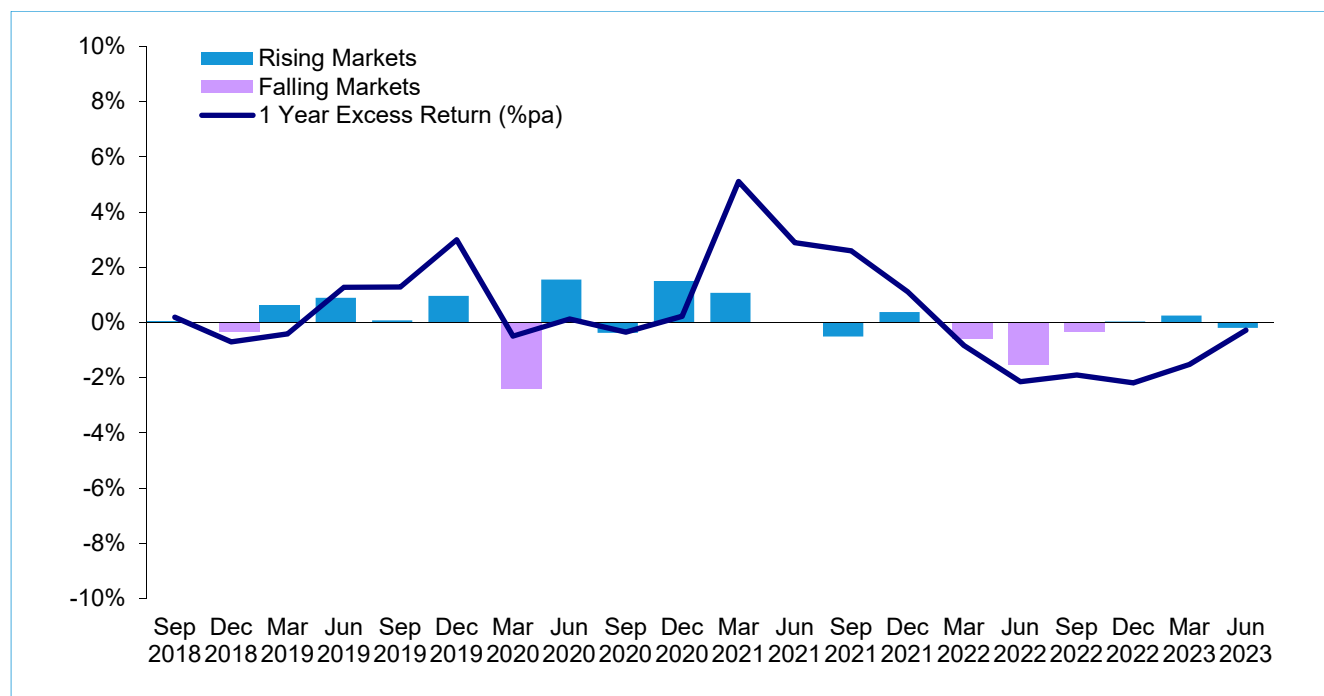
	Assets (\$M)	Actual Allocation	Target Allocation <sup>1</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$366	46.3%	45.0%	1.3%	30.0%	50.0%	Yes
Liquidity (Fixed Income + Cash)	\$86	10.9%	10.0%	0.9%	5.0%	15.0%	Yes
Absolute Return	\$89	11.3%	15.0%	-3.7%	15.0%	25.0%	No
Private Equities	\$164	20.7%	20.0%	0.7%	10.0%	30.0%	Yes
Real Assets	\$55	7.0%	5.0%	2.0%	0.0%	8.0%	Yes
Private Credit	\$31	3.9%	5.0%	-1.1%	0.0%	10.0%	Yes
<b>Total Assets</b>	<b>\$792</b>	<b>100%</b>	<b>100%</b>				

# UC IRVINE FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC Irvine – Portfolio and Benchmark**



**Excess Return UC Irvine Portfolio versus Benchmark  
September 2018 to June 2023**

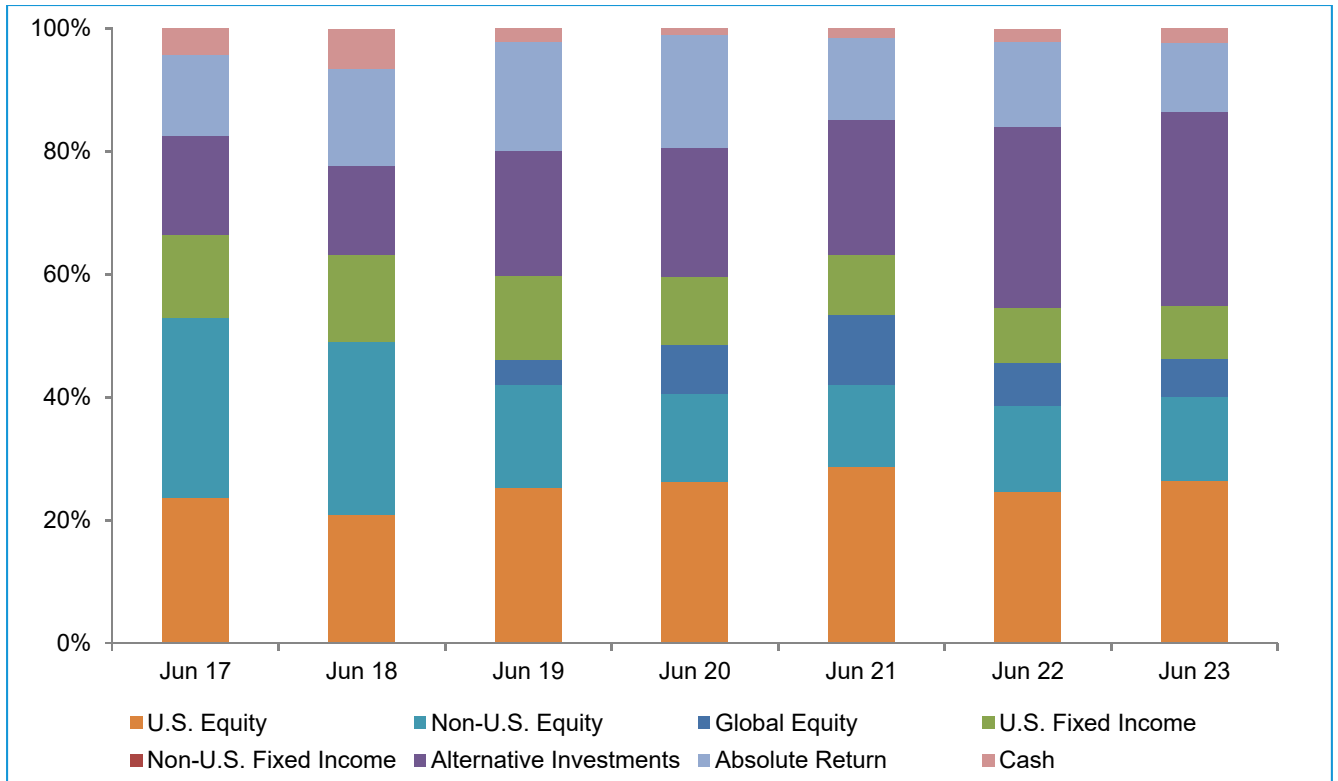


Irvine's performance prior to FY 2018 was reported net of fees. FY 2019 and FY 2020 composite return is a blend of gross and net performance (returns for private equity, alternatives, mutual funds, GEP and Vintage year funds are net of fees).



# UC IRVINE FOUNDATION

## UC Irvine Managed Endowment Funds by Asset Class



# UC LOS ANGELES FOUNDATION

## Endowment Investment Objective

The primary investment objective of the Endowment is to earn an annualized real total return necessary to cover the spending rate adopted by the Foundation over the long term, net of cost and inflation.

## Endowment Spending Policy

In 2023, The UCLA Foundation endowment spending rate was 4.25% of a 12 quarter rolling average market value, calculated quarterly. The UCLA Foundation approved endowment spending policy for fiscal year 2024 is 4.25% of a 12 quarter rolling average.

### University of California, Los Angeles Foundation Portfolio Asset Allocation June 30, 2023

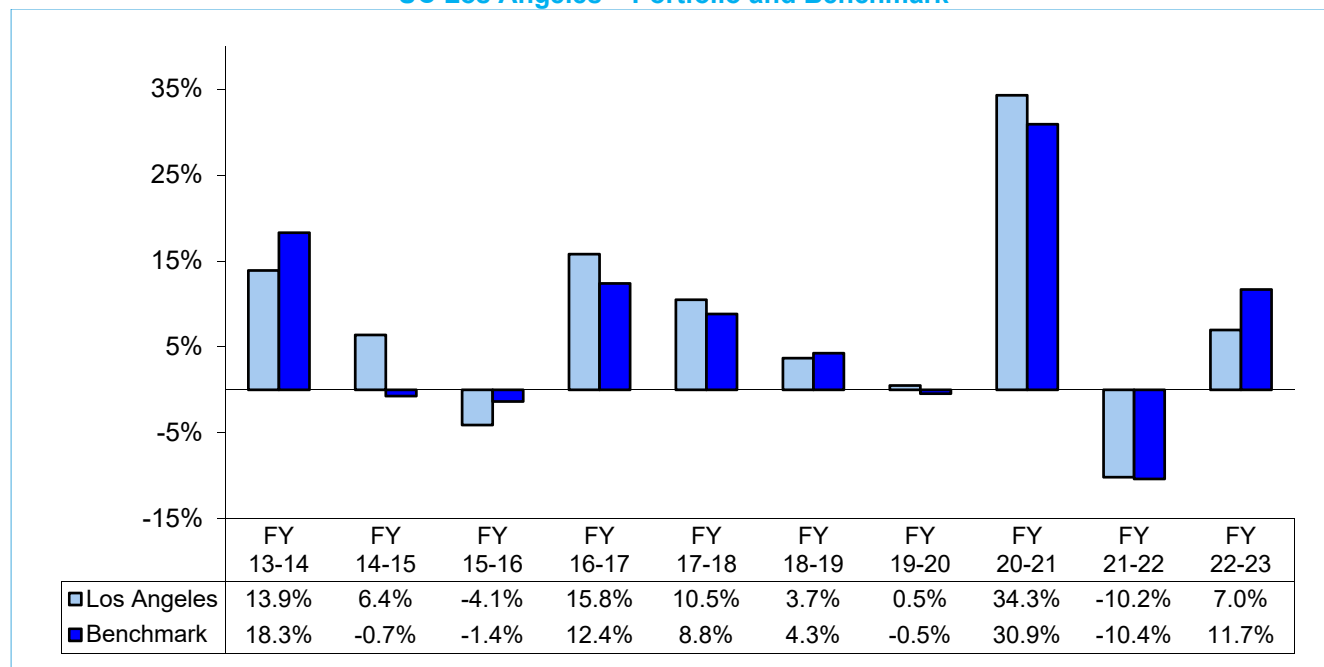
	Assets (\$M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity <sup>1</sup>	\$1,540	39.8%	30.0%	9.8%	15.0%	45.0%	Yes
Private Equity	\$509	13.1%	20.0%	-6.9%	10.0%	30.0%	Yes
Venture Capital	\$316	8.2%	12.5%	-4.3%	5.0%	20.0%	Yes
Independent Return	\$711	18.4%	20.0%	-1.6%	10.0%	30.0%	Yes
Real Estate	\$270	7.0%	7.5%	-0.5%	5.0%	15.0%	Yes
Natural Resource	\$332	8.6%	5.0%	3.6%	0.0%	10.0%	Yes
Cash/Short Duration <sup>2</sup>	\$186	4.8%	4.9%	-0.1%	0.0%	10.0%	Yes
Portfolio Insurance	\$10	0.3%	0.1%	0.1%	0.0%	3.0%	Yes
<b>Total Assets</b>	<b>\$3,873</b>	<b>100%</b>	<b>100%</b>				

<sup>1</sup> The Public Equity Exposure is 34.3% after excluding the notional exposure of derivative positions and derivative related strategies.

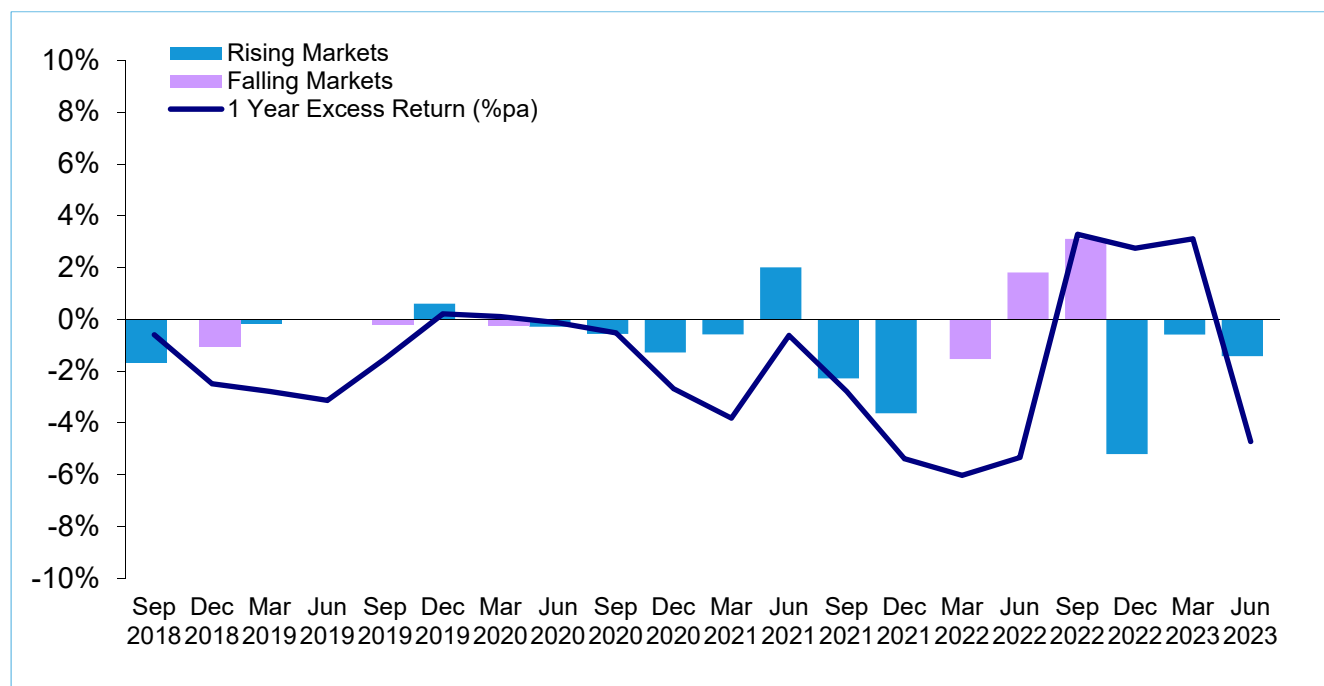
<sup>2</sup> The Cash and Fixed Income allocation is 10.3% when including the collateral of derivative positions and derivative related strategies.

# UC LOS ANGELES FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC Los Angeles – Portfolio and Benchmark**



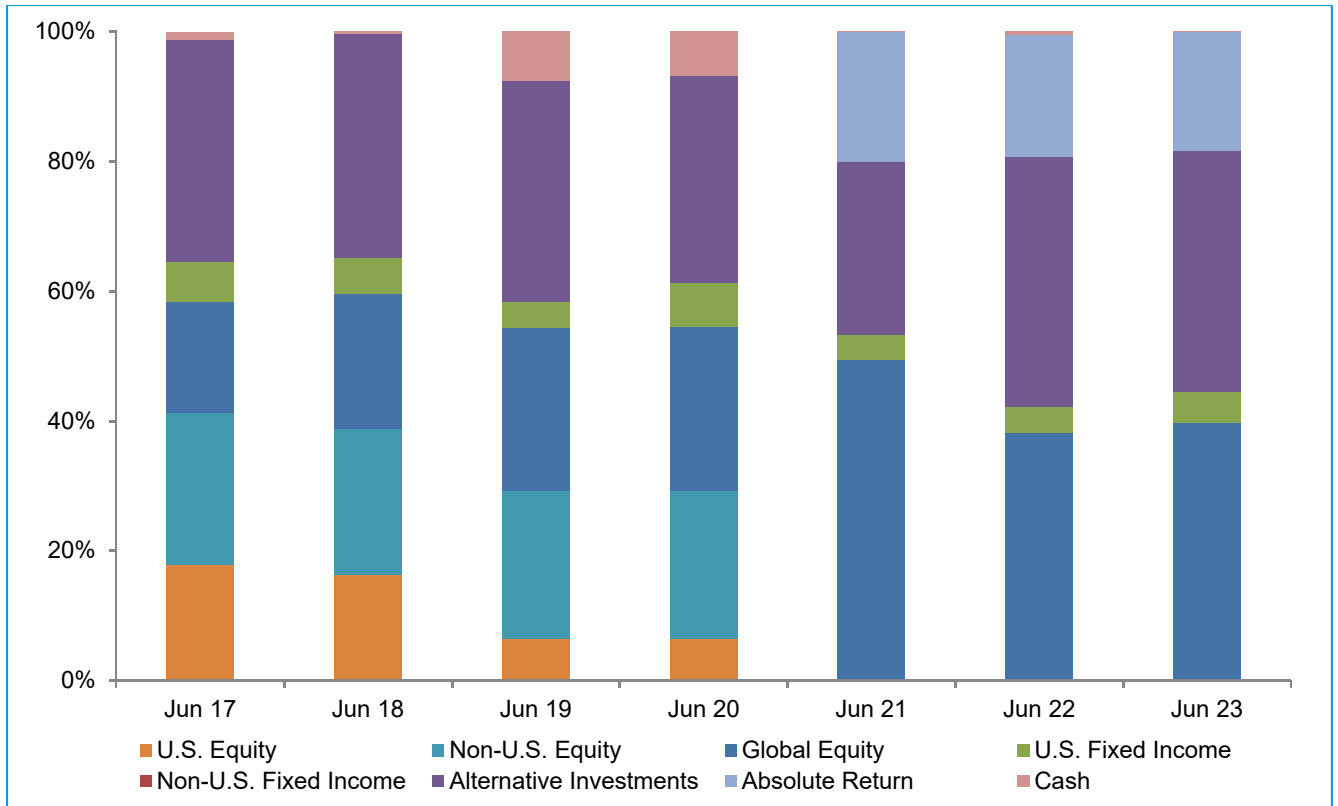
**Excess Return UC Los Angeles Portfolio versus Benchmark  
September 2018 to June 2023**



Returns are net of fees excluding internal investment management company fees. For fiscal year 2023, Los Angeles' estimated internal investment management company cost was 0.199%. UCLA Investment Company was founded in 2011. The historical returns used as the starting point are provided by each campus and are net of investment manager fees.

# UC LOS ANGELES FOUNDATION

## UC Los Angeles Managed Endowment Funds by Asset Class



Note: "Alternative Investments" includes real assets, real estate, private equity, commodities, and multi-strategy.

## UC MERCED FOUNDATION

### Endowment Investment Objective

UC Merced Foundation's investment objectives are: (1) provide investment earnings adequate to secure the benefits promised and the financial obligations created by the endowment, and (2) secure, preserve, and increase the inflation-adjusted value of the Fund.

### Endowment Spending Policy

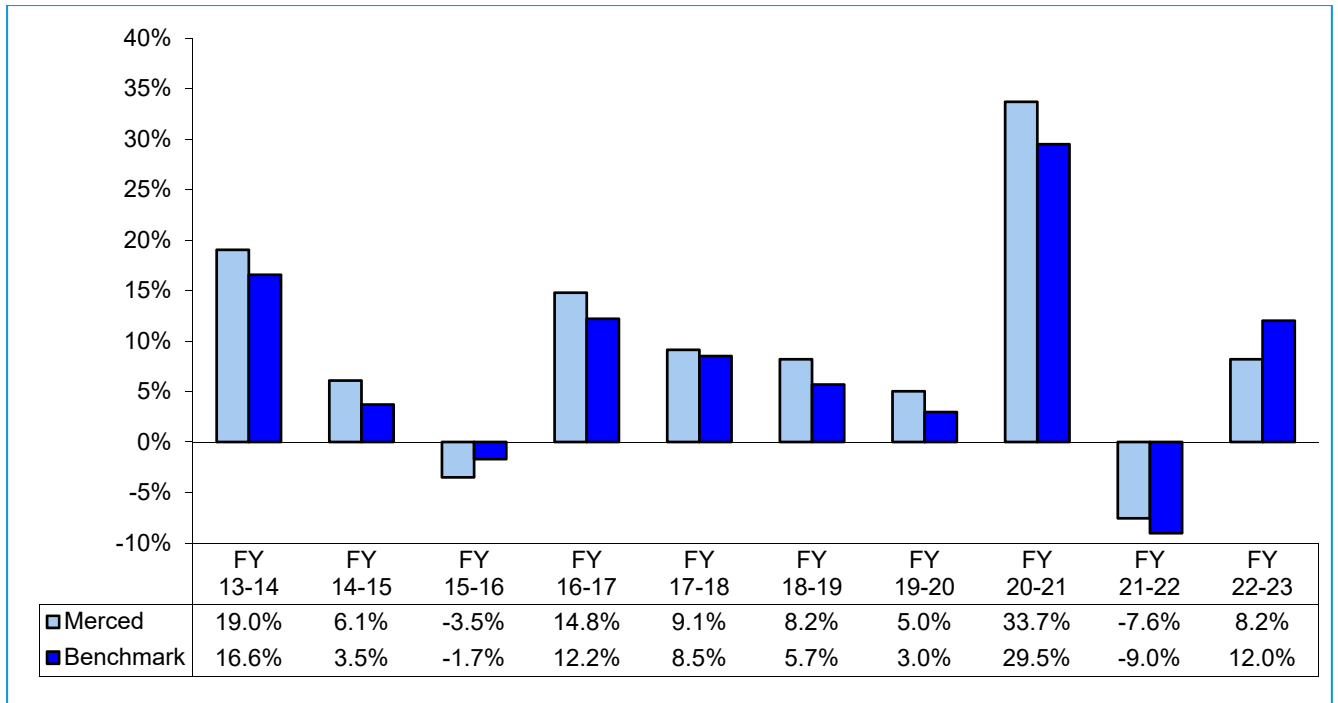
The spending policy of the UC Merced Foundation is to provide 100% of the endowment earnings up to a maximum spending payout rate of 4.75% of the 60-month average unit market value for the period ending December 31st.

### University of California, Merced Foundation Portfolio Asset Allocation June 30, 2023

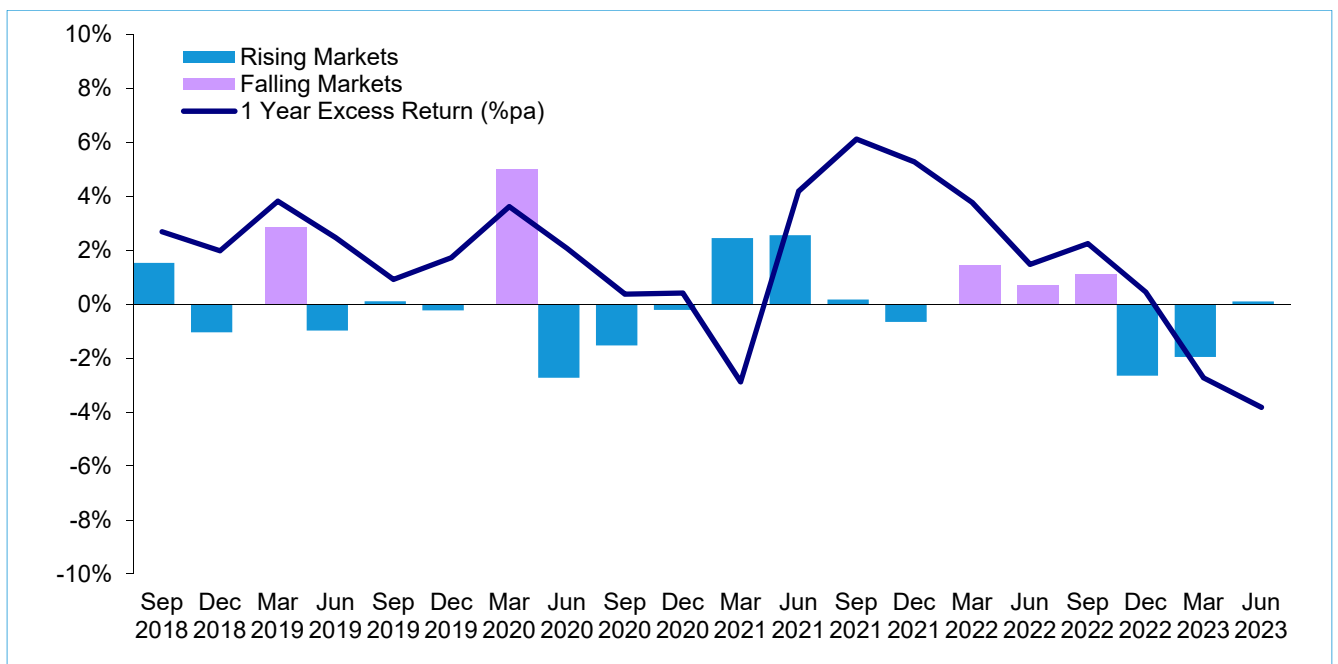
	Assets (\$M)	Actual Allocation	Target Allocation	Over/Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$12	39.2%	40.0%	0.8%	30.0%	50.0%	Yes
Liquidity (Income)	\$2	7.0%	8.0%	-1.0%	5.0%	15.0%	Yes
Private Equity	\$7	22.8%	24.0%	-1.2%	10.0%	30.0%	Yes
Absolute Return	\$1	4.7%	10.0%	-5.3%	5.0%	15.0%	No
Real Estate	\$4	13.0%	8.0%	5.0%	4.0%	12.0%	No
Real Assets	\$1	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Private Credit	\$2	5.3%	4.0%	1.3%	0.0%	6.0%	Yes
Cash	\$1	4.5%	2.0%	2.5%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$30</b>	<b>100.0%</b>	<b>100.0%</b>				

# UC MERCED FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC Merced – Portfolio and Benchmark**

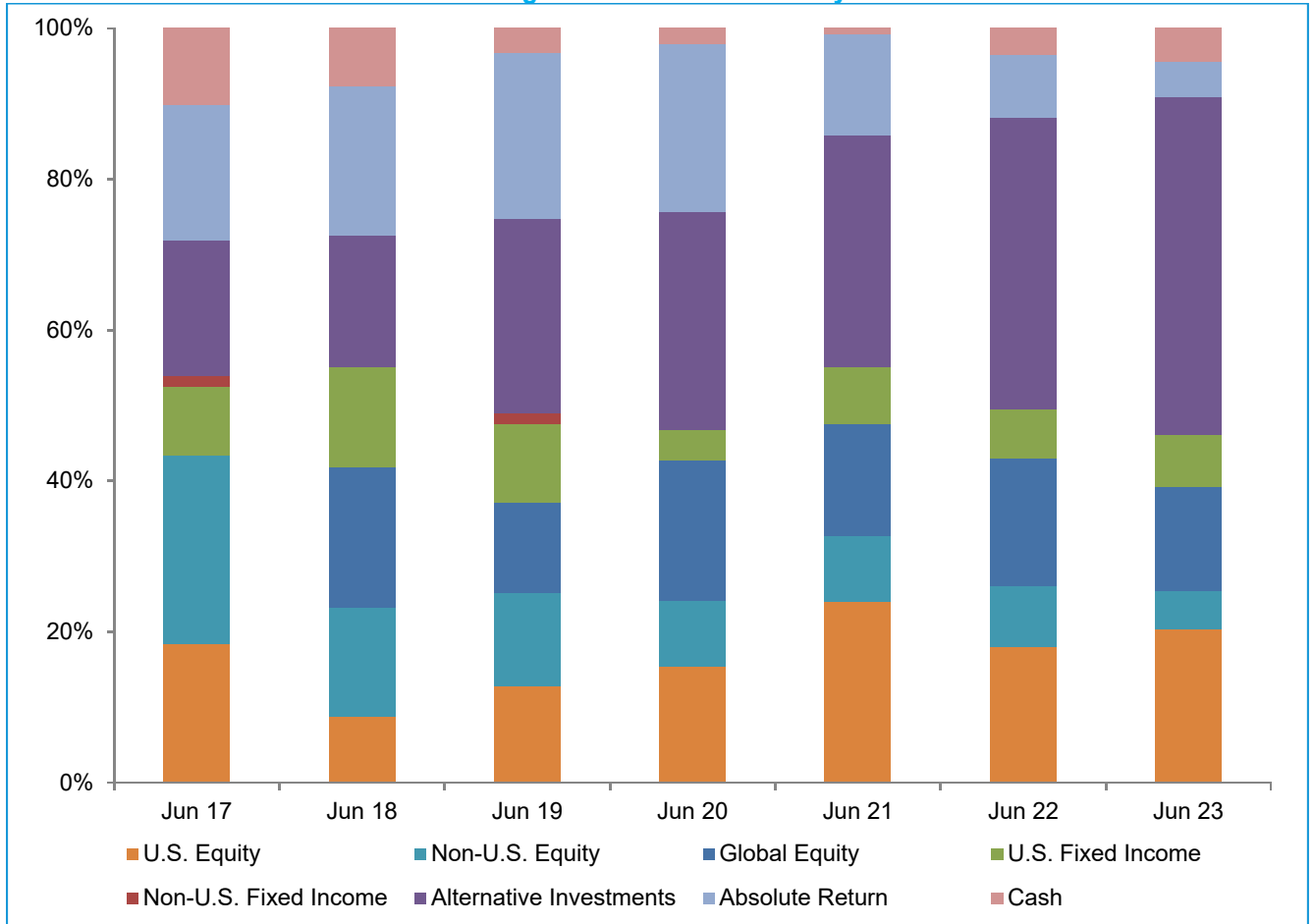


**Excess Return UC Merced Portfolio versus Benchmark  
September 2018 to June 2023**



# UC MERCED FOUNDATION

UC Merced Managed Endowment Funds by Asset Class



Note: The UC Merced Foundation is primarily invested in the Regents' General Endowment Pool. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

## UC RIVERSIDE FOUNDATION

### Endowment Investment Objective

The investment objective of the endowment fund is to earn a multi-year average rate of return on its investments that meets or exceeds annual distributions (spending) plus inflation. To do this, the Foundation seeks to maximize the investment return within a level of risk deemed appropriate taking all these objectives into account. The spending objectives of the endowment fund are to pay out amounts that are relatively predictable and stable, sustainable in real terms (i.e., on an inflation-adjusted basis), and as large as possible. To meet these objectives, both the spending per unit and the unit market value after spending must grow over time at least as fast as the general rate of inflation.

### Endowment Spending Policy

The endowment spending policy applicable to FYE 2023 was to withdraw per unit 4.5% of the average unit market value of the endowment fund calculated using the closing unit market value on the last day of each of the 60 contiguous months the last of which ended on May 31, 2023.

### University of California, Riverside Foundation Portfolio Asset Allocation June 30, 2023

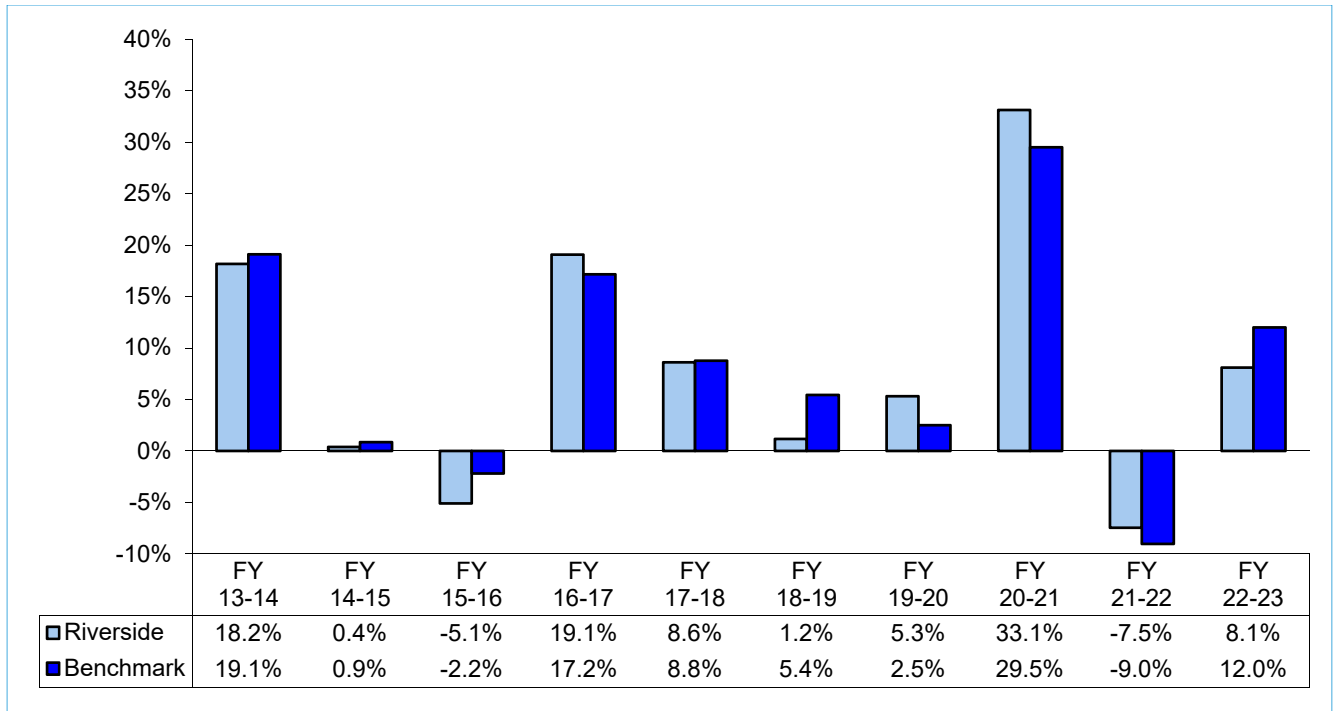
	Assets (M)	Actual Allocation	Target Allocation	Over/Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$97	38.7%	40.0%	-1.3%	30.0%	50.0%	Yes
Liquidity (Income)	\$17	6.9%	8.0%	-1.1%	5.0%	15.0%	Yes
Private Equity	\$59	23.7%	24.0%	-0.3%	10.0%	30.0%	Yes
Absolute Return	\$12	4.7%	10.0%	-5.3%	5.0%	15.0%	No
Real Estate	\$13	13.0%	8.0%	5.0%	4.0%	12.0%	No
Real Assets	\$32	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Private Credit	\$9	5.3%	4.0%	1.3%	0.0%	6.0%	Yes
Cash	\$11	4.5%	2.0%	2.5%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$250</b>	<b>100.0%</b>	<b>100.0%</b>				

The UC Riverside Foundation utilizes the GEP Policy Benchmark.

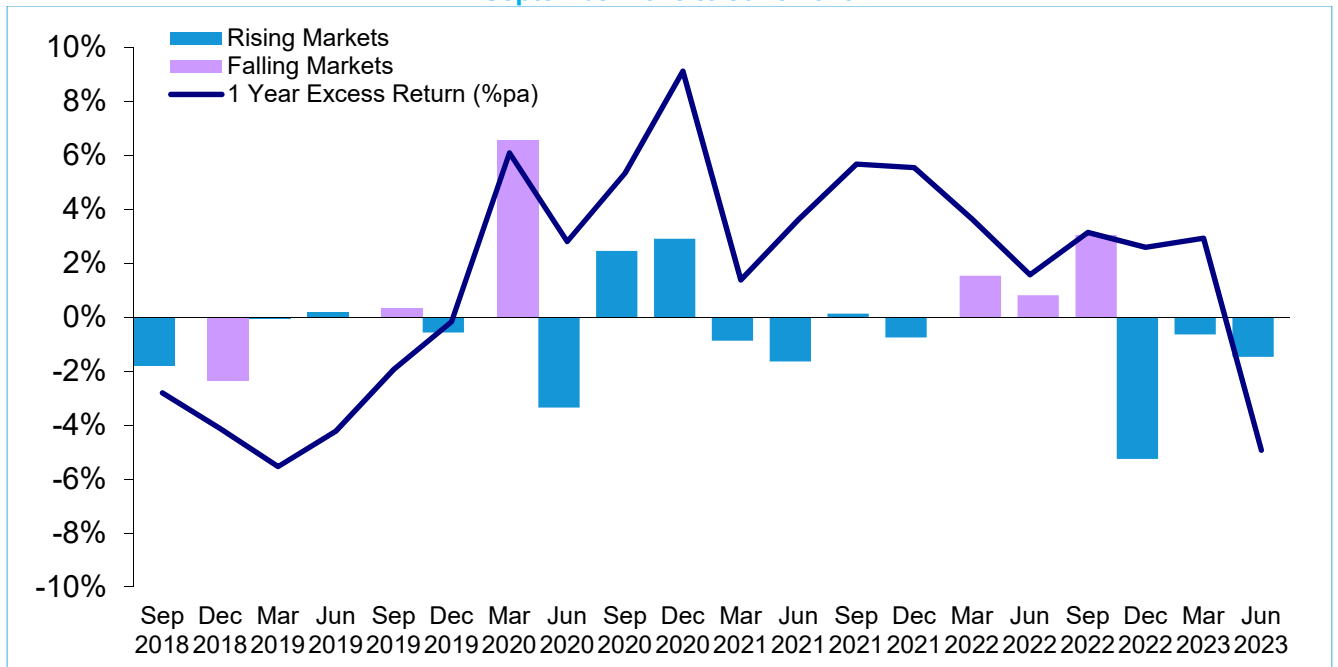


# UC RIVERSIDE FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC Riverside – Portfolio and Benchmark**

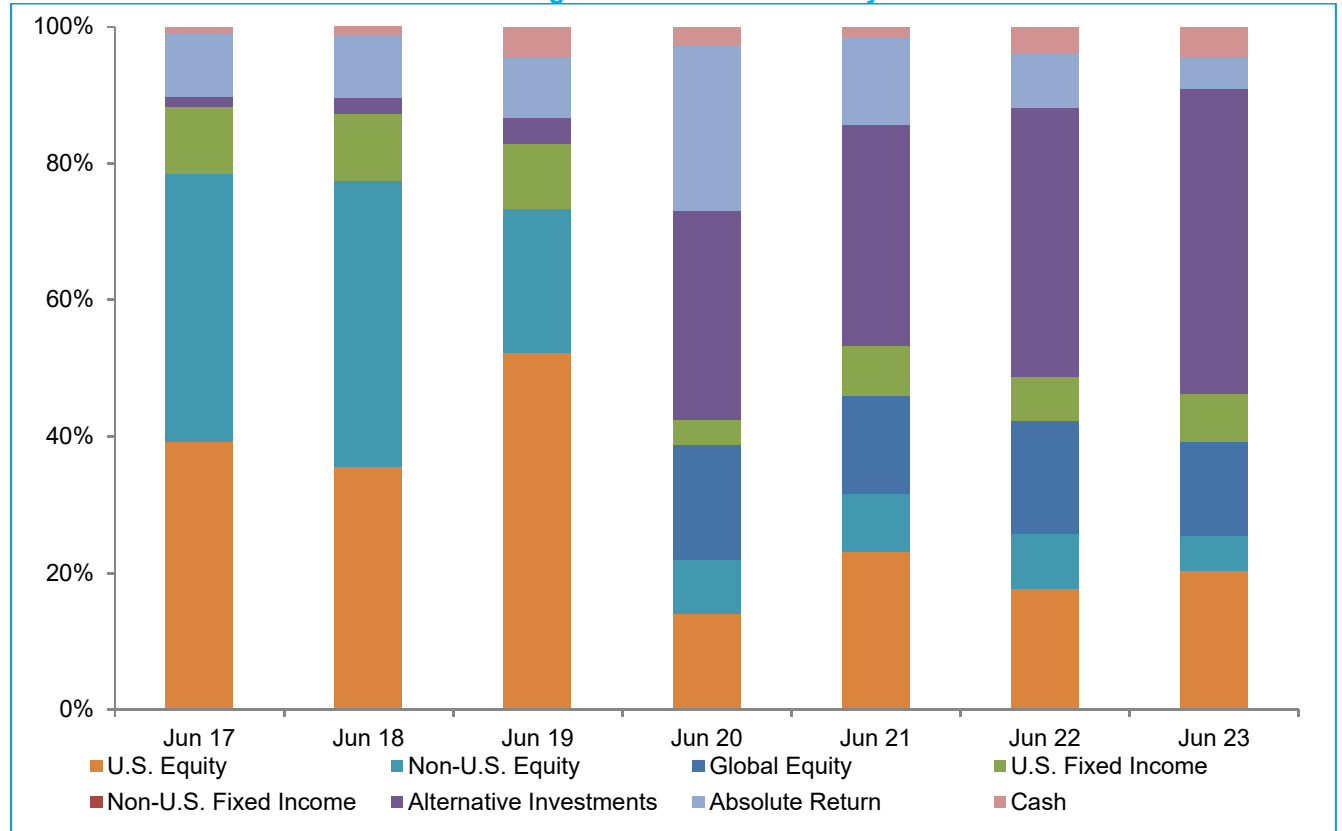


**Excess Return UC Riverside Portfolio versus Benchmark  
September 2018 to June 2023**



# UC RIVERSIDE FOUNDATION

UC Riverside Managed Endowment Funds by Asset Class



Note: The UC Riverside Foundation is primarily invested in the Regents' General Endowment Pool, effective 11/1/2019. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

# UC SAN DIEGO FOUNDATION

## Endowment Investment Objective

The primary investment objective for the Endowment is to preserve or enhance the real value of the Endowment and, thus, the purchasing power of the endowment spending released. The Foundation seeks to maximize the return on endowed pool assets, within a prudent level of risk for a portfolio with a perpetual time horizon, by utilizing a diversified portfolio of securities that delivers return in the form of primarily asset appreciation with some income. Effective July 1, 2021 the investment policy target asset allocation is 58% Public Equities 17% Private Equity, 7% Absolute Return, 6% Real Estate, and 5% Fixed Income, 3% Real Assets, 3% Private Credit, 1% Cash. The Foundation aims to achieve this target by investing approximately 70% of its portfolio in the UC General Endowment Pool, and 30% in an ETF tracking the S&P 500.

## Endowment Spending Policy

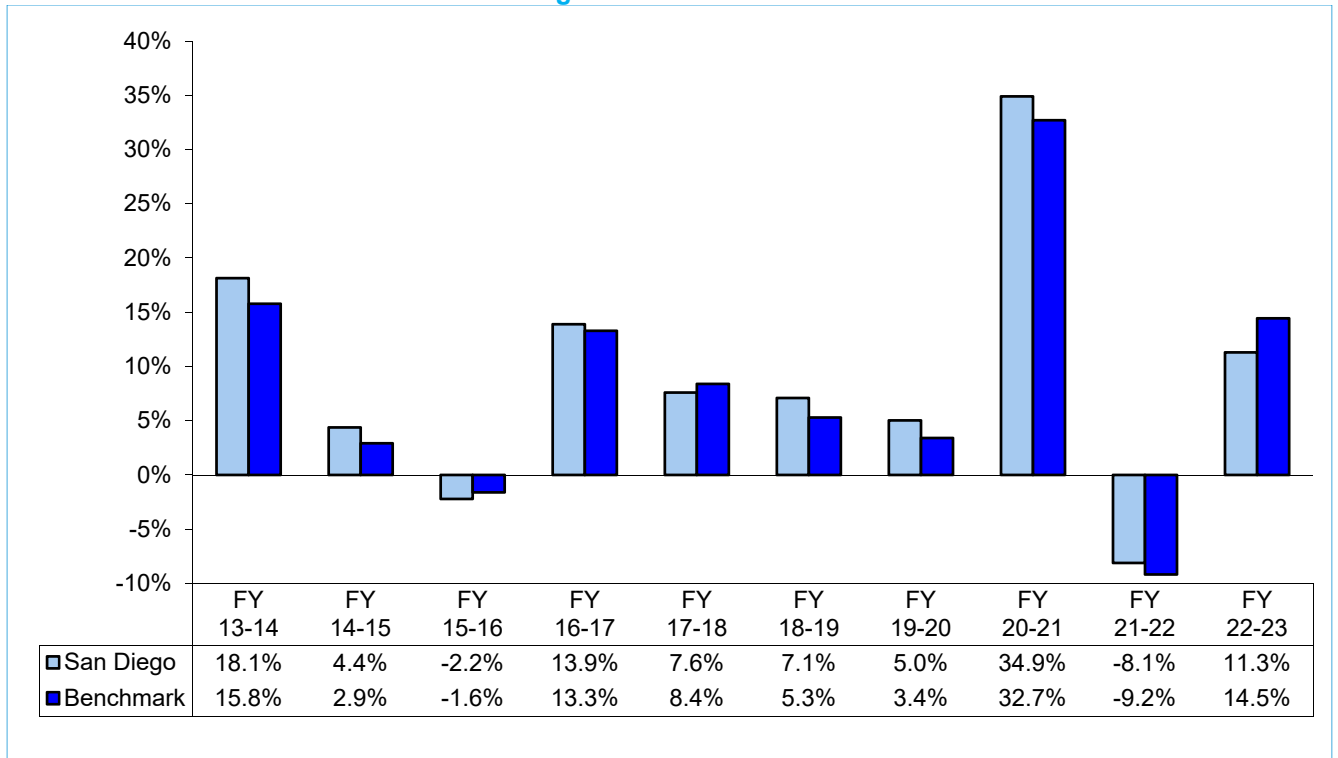
Endowment spending during fiscal year 2022-23 was calculated using a predetermined formula at an amount equal to 4.75% of the 60-month average unit market value of the endowment portfolio. Spending is allocated to fund holders monthly.

### University of California, San Diego Foundation Portfolio Asset Allocation June 30, 2023

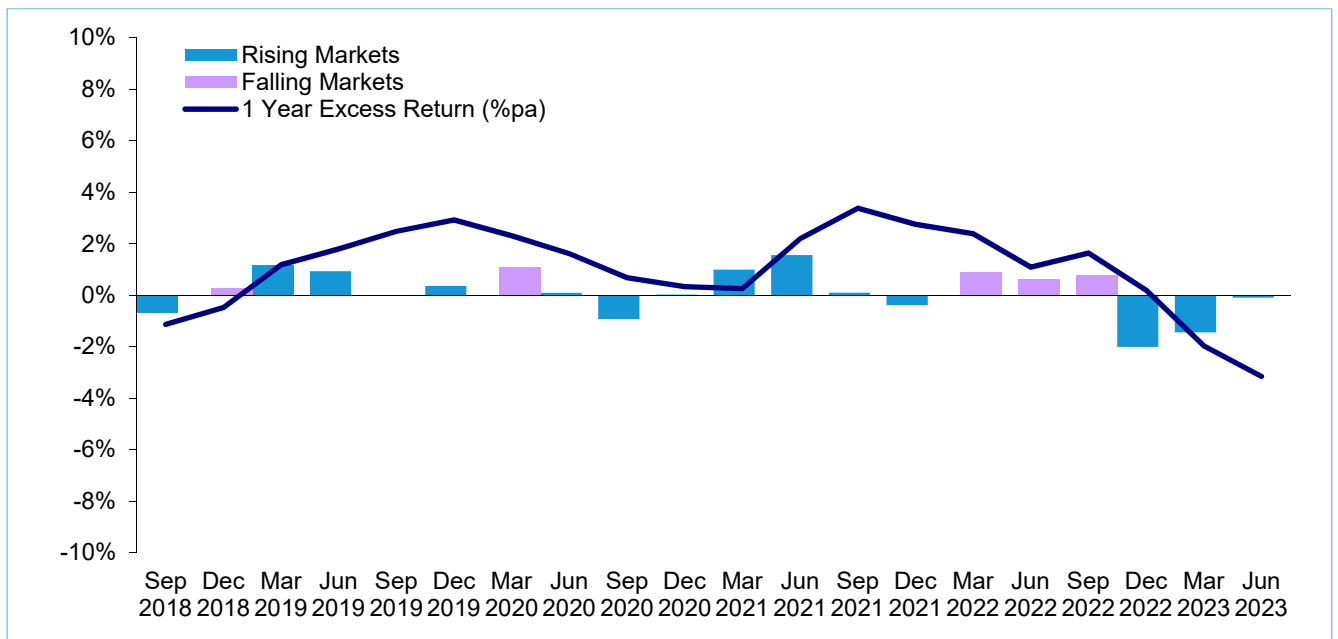
	Assets (\$M)	Actual Allocation	Target Allocation	Over/Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equities	\$778	57.2%	58.0%	-0.8%	50.0%	75.0%	Yes
Private Equity	\$208	15.3%	17.0%	-1.7%	5.0%	20.0%	Yes
Absolute Return	\$43	3.1%	7.0%	-3.9%	5.0%	10.0%	No
Real Estate	\$125	9.2%	6.0%	3.2%	0.0%	10.0%	Yes
Real Assets	\$32	2.4%	3.0%	-0.6%	0.0%	10.0%	Yes
Private Credit	\$49	3.6%	3.0%	0.6%	0.0%	10.0%	Yes
Fixed Income	\$63	4.7%	5.0%	-0.3%	0.0%	10.0%	Yes
Cash	\$63	4.6%	1.0%	3.6%	0.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$1,361</b>	<b>100.0%</b>	<b>100.0%</b>				

# UC SAN DIEGO FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC San Diego– Portfolio and Benchmark**

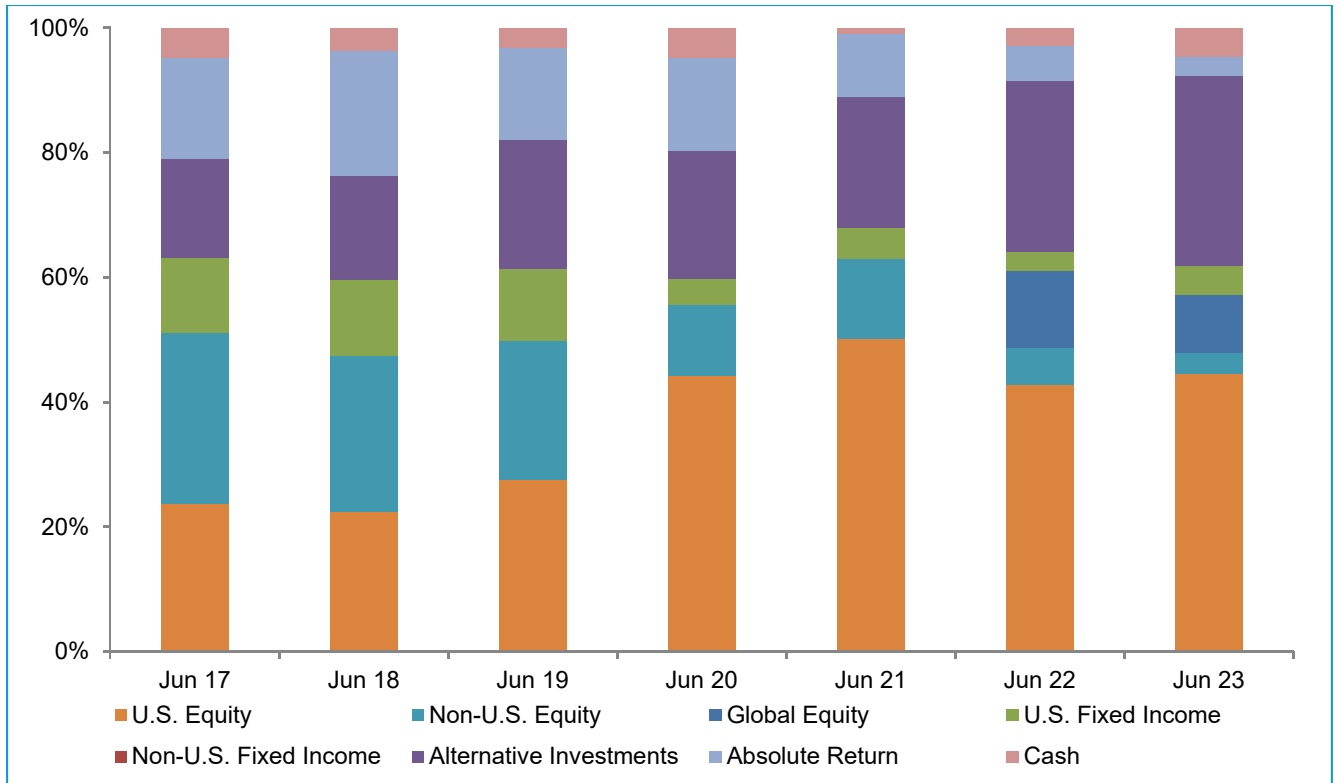


**Excess Return UC San Diego Portfolio versus Benchmark  
September 2018 to June 2023**



# UC SAN DIEGO FOUNDATION

## UC San Diego Managed Endowment Funds by Asset Class



# UC SAN FRANCISCO FOUNDATION

### Endowment Investment Objective

The San Francisco Foundation’s primary investment objective for its endowment portfolio is growth of principal sufficient to preserve purchasing power and to provide income to support current and future University activities. Over the long term, it is the goal of the Foundation that the total return on investment assets should equal the rate of inflation, plus the payout rate (which is used to support current activities), plus an amount reinvested to support future activities.

### Endowment Spending Policy

The Foundation payout policy guideline is to distribute 4.75% of the 36 month rolling average unitized market value of the Endowment Pool. The payout will not exceed 6% nor be less than 3.5% of the ending market value on the last day of the fiscal year for which it is being calculated. The payout will be reviewed annually, which may result in modification. In determining the annual payout, the Foundation will consider factors such as stability of fund flows to operations and preservation of endowment principal, in addition to the guideline formula.

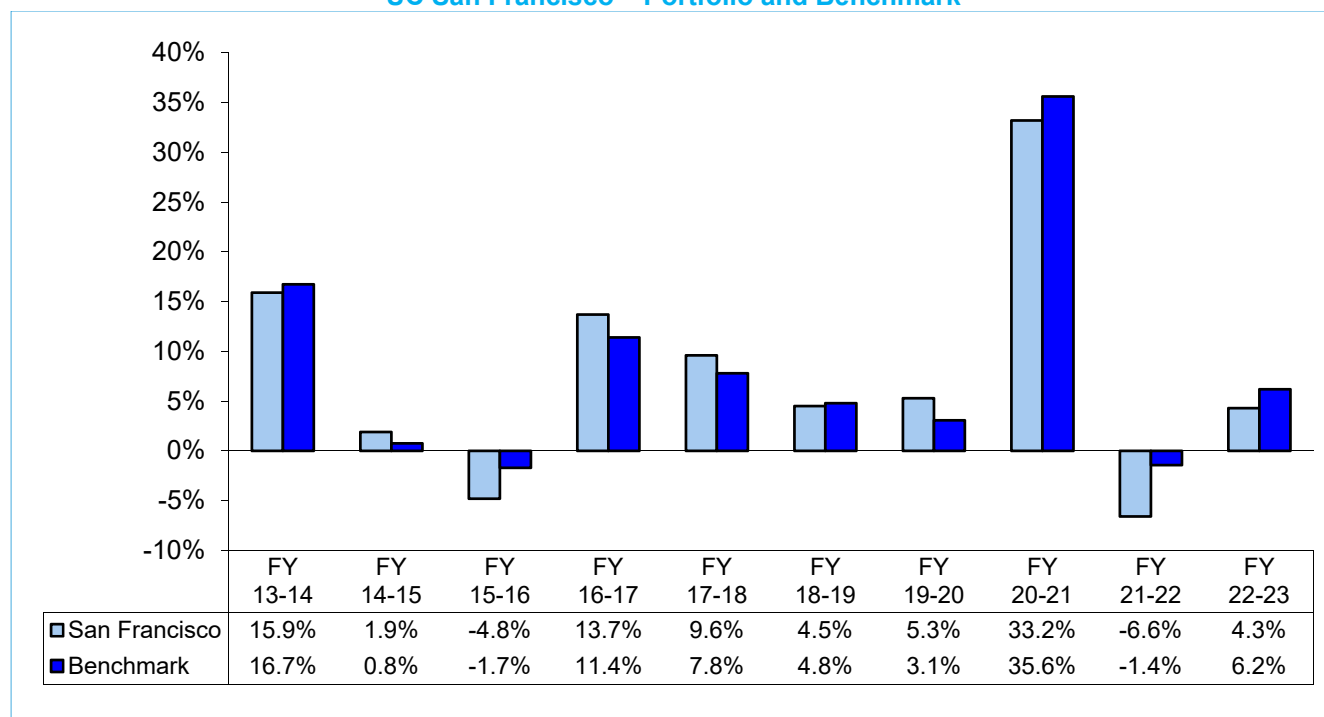
## University of California, San Francisco Foundation Portfolio Asset Allocation June 30, 2023

	Assets (\$M)	Actual Allocation	Target Allocation <sup>1</sup>	Over/ Underweight Relative to Target <sup>2</sup>	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$716	25.1%	25-35%	0%	20.0%	40.0%	Yes
Diversifying Assets	\$860	30.2%	20-30%	0%	15.0%	35.0%	Yes
Premium Return	\$1,013	35.6%	35-45%	0%	30.0%	50.0%	Yes
Safety Assets	\$260	9.1%	5-10%	0%	4.0%	15.0%	Yes
<b>Total Assets</b>	<b>\$2,848</b>	<b>100.0%</b>					

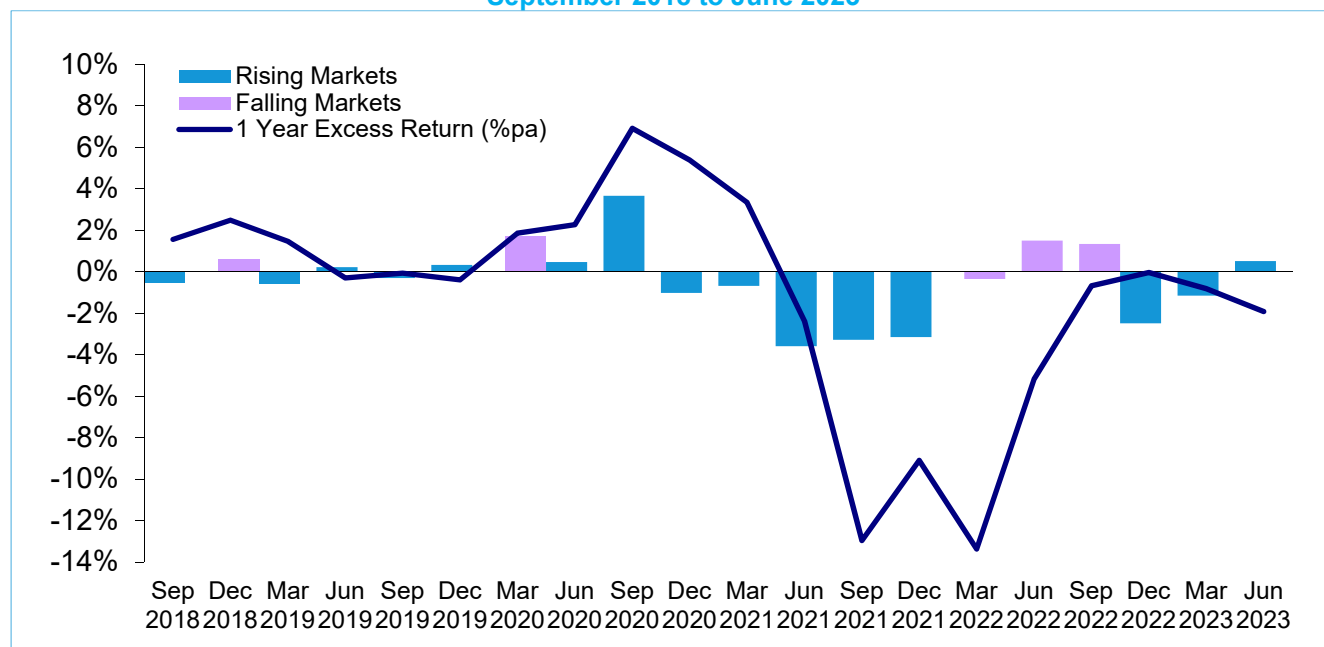
<sup>1</sup> Represents target policy ranges.  
<sup>2</sup> Represents variance from target policy ranges.

# UC SAN FRANCISCO FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC San Francisco – Portfolio and Benchmark**



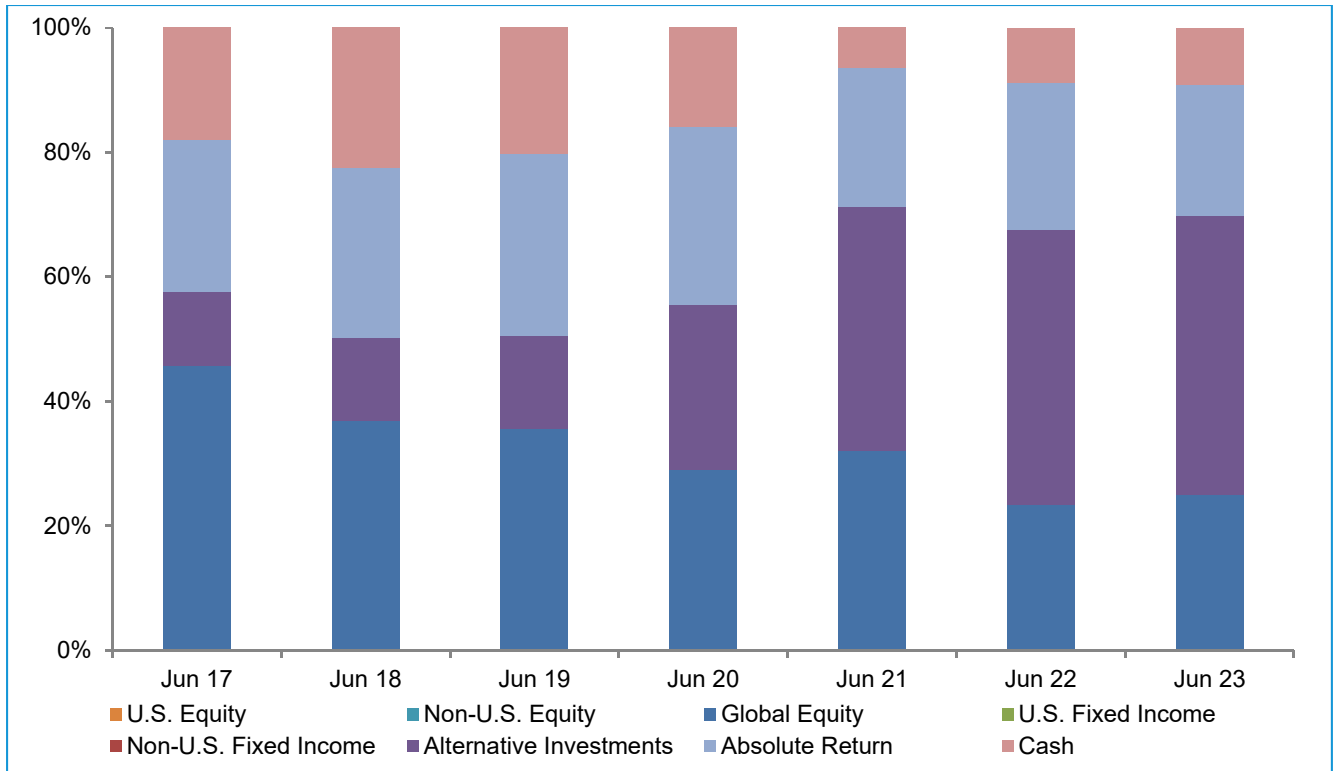
**Excess Return UC San Francisco Portfolio versus Benchmark  
September 2018 to June 2023**



Returns are fees net of external investment management fees, but not internal fees incurred to manage the Foundation. For fiscal year 2023, San Francisco’s estimated internal investment management company cost was 0.24%. UCSF Foundation Investment Company was founded in 2015.

# UC SAN FRANCISCO FOUNDATION

## UC San Francisco Managed Endowment Funds by Asset Class



Note: During fiscal year 2017, UC San Francisco combined U.S. Equity and Non-U.S. Equity into the Global Equity bucket as this is how they view their asset allocation.



## UC SANTA BARBARA FOUNDATION

### Endowment Investment Objective

A. The primary long-term financial objective for the Foundation's Long Term Investment Policy (LTIP) is to preserve the purchasing power of the LTIP's principal, while providing a relatively stable and growing source of funding for endowment and trust beneficiaries. The LTIP is held primarily in the Regent's GEP with minimal investments held with Goldman Sachs, Lexington and Farallon.

B. The primary long-term investment objective of the LTIP is to earn an average annual real (i.e., after adjusting for inflation) total return on a risk-adjusted basis that is at least equal to the LTIP's total spending rate, net of consultant and management fees, over long time periods (i.e., rolling ten-year periods). Over shorter time periods (i.e., rolling five-year periods), the LTIP will seek to meet or exceed an appropriate composite of market indices reflecting the LTIP's asset allocation policies. The LTIP is held primarily in the Regent's GEP with minimal investments held with Goldman Sachs, Lexington and Farallon.

### Endowment Spending Policy

Endowment spending during FYE 2023 was calculated using a predetermined formula at an amount equal to 4.0% of the 60-month average unit market value of the endowment portfolio as of December 31, 2021. To the extent requested by the Fund Administrator, spending was allocated to fund holders in September (40%) and March (60%).

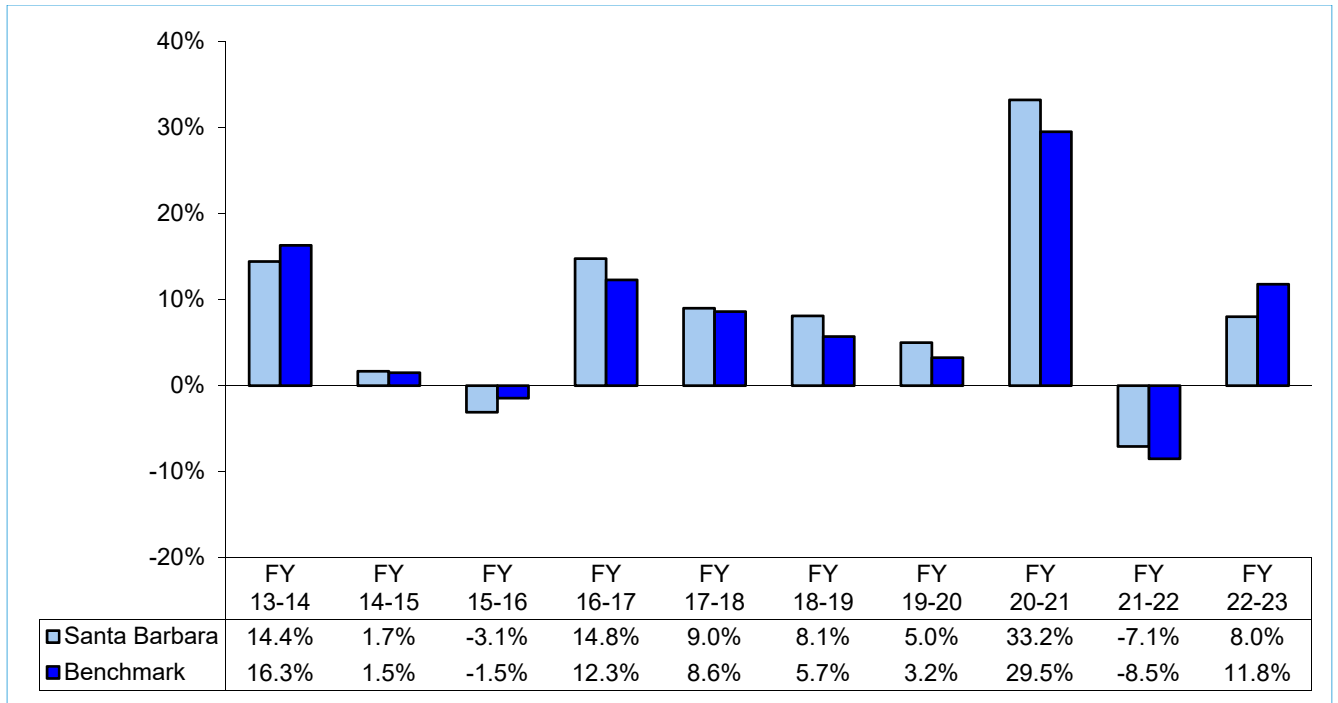
### University of California, Santa Barbara Foundation Portfolio Asset Allocation June 30, 2023

	Assets (M)	Actual Allocation	Target Allocation	Over/Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$144	38.3%	40.0%	-1.7%	30.0%	50.0%	Yes
Liquidity (Income)	\$25	6.8%	8.0%	-1.2%	5.0%	15.0%	Yes
Private Equity	\$87	23.3%	24.0%	-0.7%	10.0%	30.0%	Yes
Absolute Return	\$17	4.6%	10.0%	-5.4%	5.0%	15.0%	No
Real Estate	\$48	12.7%	8.0%	4.7%	4.0%	12.0%	No
Real Assets	\$13	3.4%	4.0%	-0.6%	0.0%	8.0%	Yes
Private Credit	\$19	5.2%	4.0%	1.2%	0.0%	6.0%	Yes
Cash	\$22	5.8%	2.0%	3.8%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$375</b>	<b>100.0%</b>	<b>100.0%</b>				

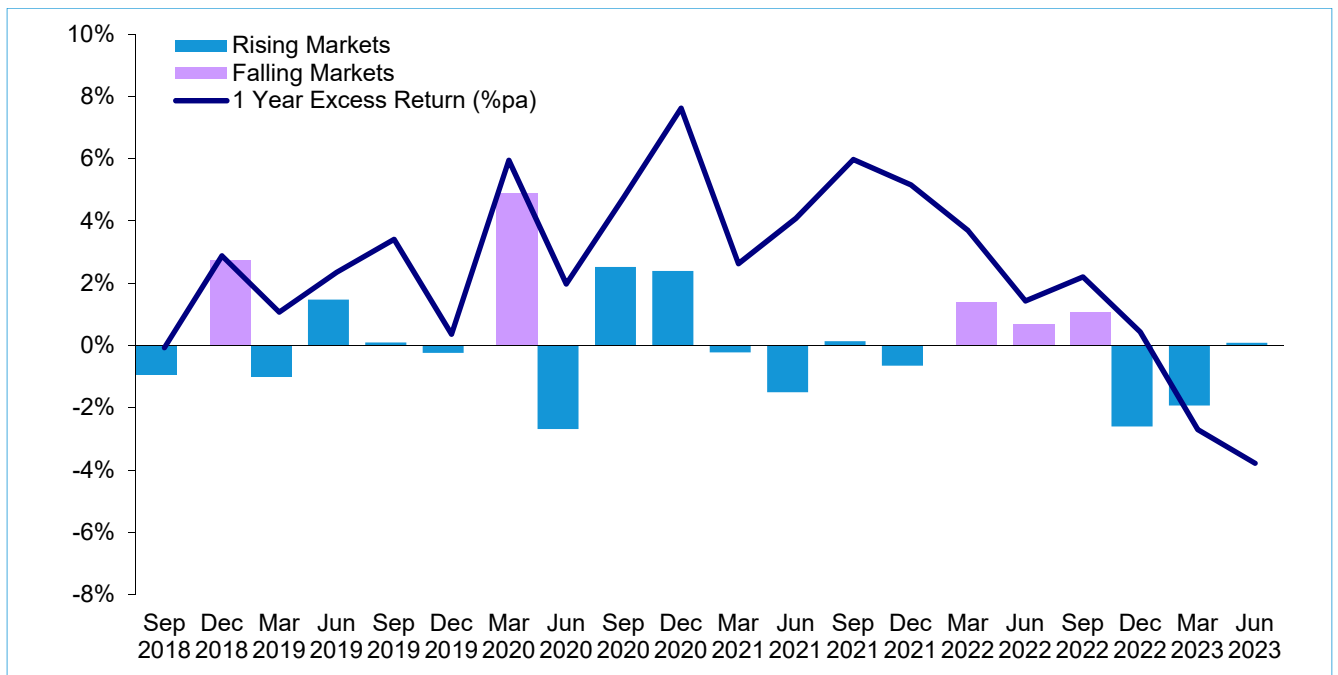
The UC Santa Barbara Foundation utilizes the GEP Policy Benchmark.

# UC SANTA BARBARA FOUNDATION

Annual Endowment Returns for Fiscal Years  
UC Santa Barbara – Portfolio and Benchmark

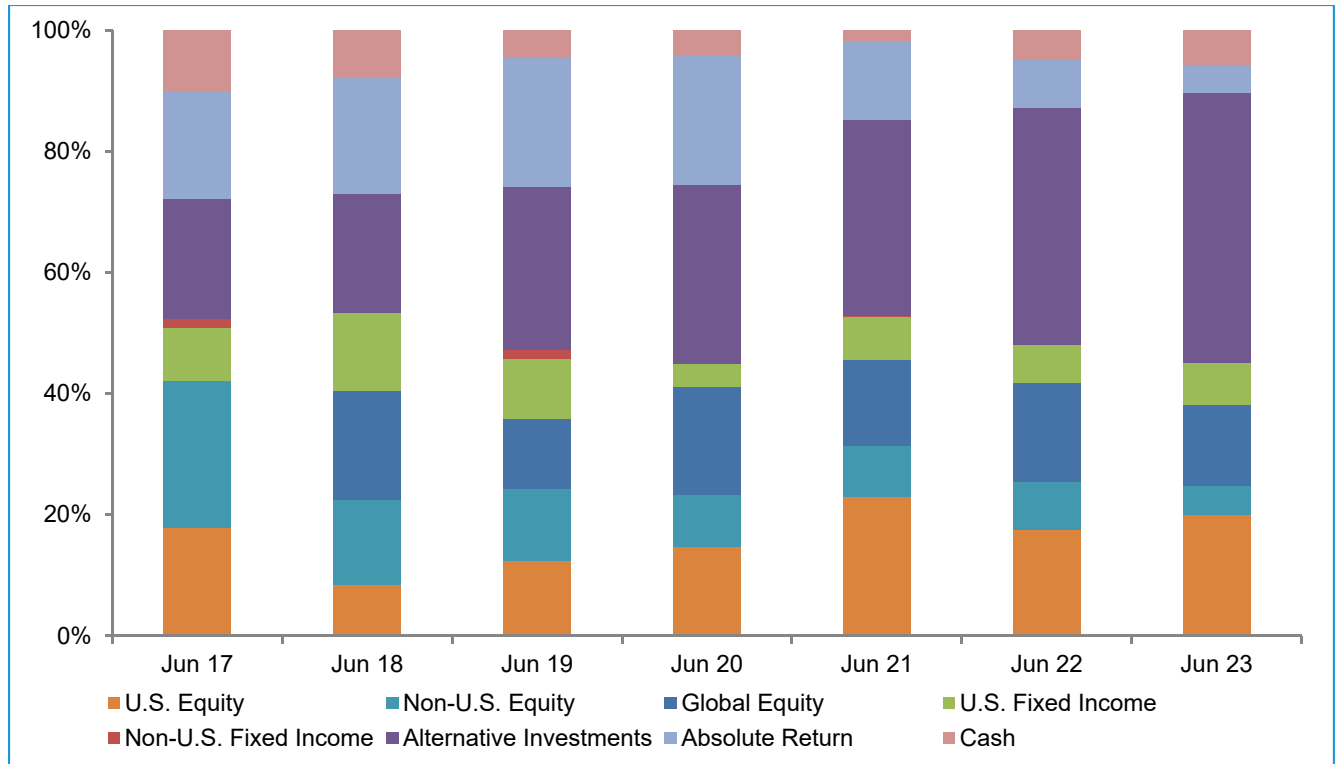


Excess Return UC Santa Barbara Portfolio versus Benchmark  
September 2018 to June 2023



# UC SANTA BARBARA FOUNDATION

UC Santa Barbara Managed Endowment Funds by Asset Class



Note: The UC Santa Barbara Foundation is primarily invested in the Regents' General Endowment Pool. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

# UC SANTA CRUZ FOUNDATION

## Endowment Investment Objective

The UC Santa Cruz Foundation's investment objective for its endowment portfolio is to maximize long-term total return with a prudent level of risk, to provide inflation protection through reinvestment of an appropriate level of realized and unrealized earnings, and to maximize the real rate of return over the long term. The investment policy matches that of the General Endowment Pool.

## Endowment Spending Policy

The UC Santa Cruz Foundation endowment expenditure rate approved June 2022 is 4.75% of the three-year moving average of December 31 market values. In the event the market value of an endowment is below the amount of the original gift adjusted by the Gross Domestic Product (GDP) price index at December 31, the endowment expenditure rate approved June 2022 is 2.75% of the three-year moving average of the December 31 market value, unless specific language of the endowment agreement allows otherwise. The endowment expenditure formula is reviewed annually and adjusted accordingly with respect to prudent concern for campus needs, donor expectations, and current market conditions.

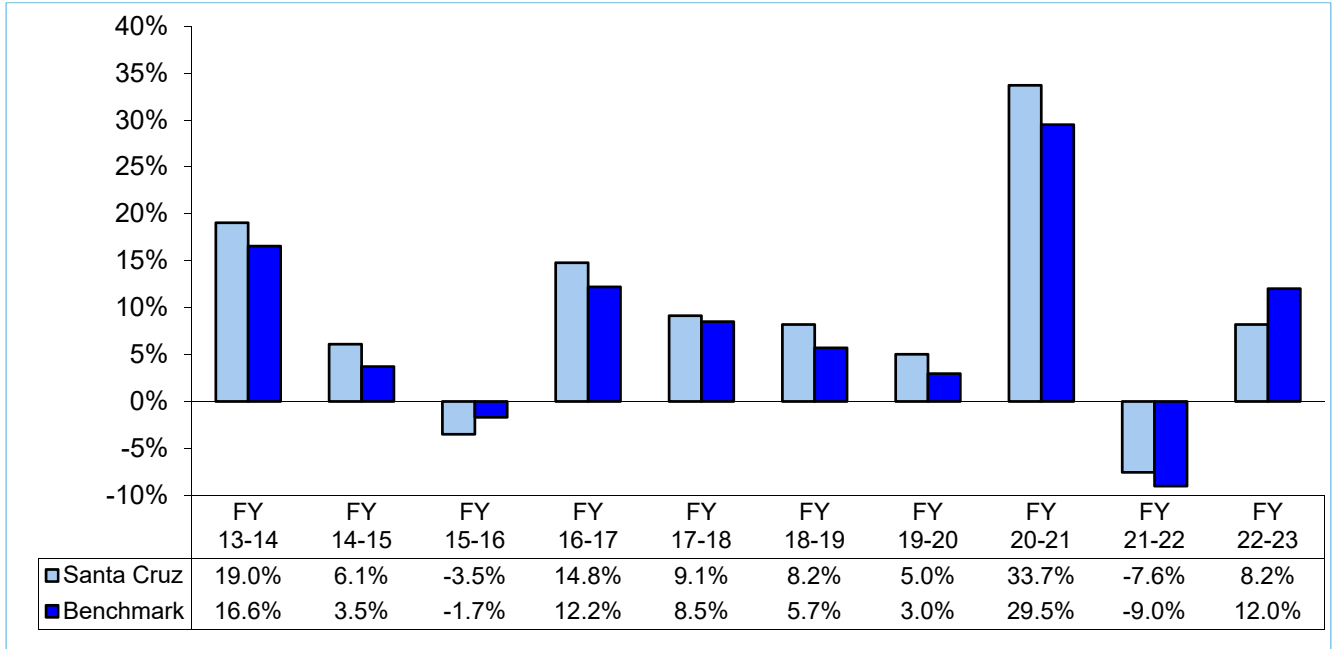
### University of California, Santa Cruz Foundation Portfolio Asset Allocation June 30, 2023

	Assets (M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$60	39.2%	40.0%	-0.8%	30.0%	50.0%	Yes
Liquidity (Income)	\$11	7.0%	8.0%	-1.0%	5.0%	15.0%	Yes
Private Equity	\$35	22.8%	24.0%	-1.2%	10.0%	30.0%	Yes
Absolute Return	\$7	4.7%	10.0%	-5.3%	5.0%	15.0%	No
Real Estate	\$20	13.0%	8.0%	5.0%	4.0%	12.0%	No
Real Assets	\$5	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Private Credit	\$8	5.3%	4.0%	1.3%	0.0%	6.0%	Yes
Cash	\$7	4.5%	2.0%	2.5%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$153</b>	<b>100.0%</b>	<b>100.0%</b>				

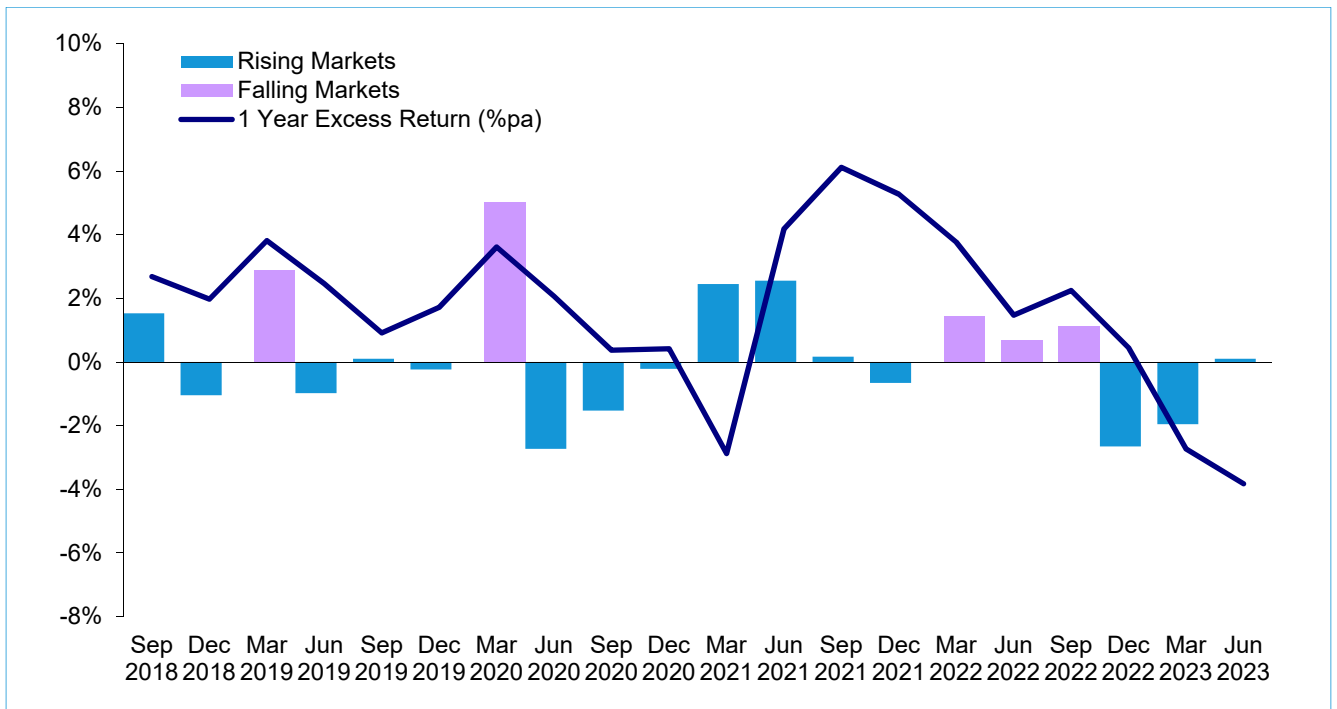
The UC Santa Cruz Foundation utilizes the GEP Policy Benchmark.

# UC SANTA CRUZ FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Santa Cruz – Portfolio and Benchmark

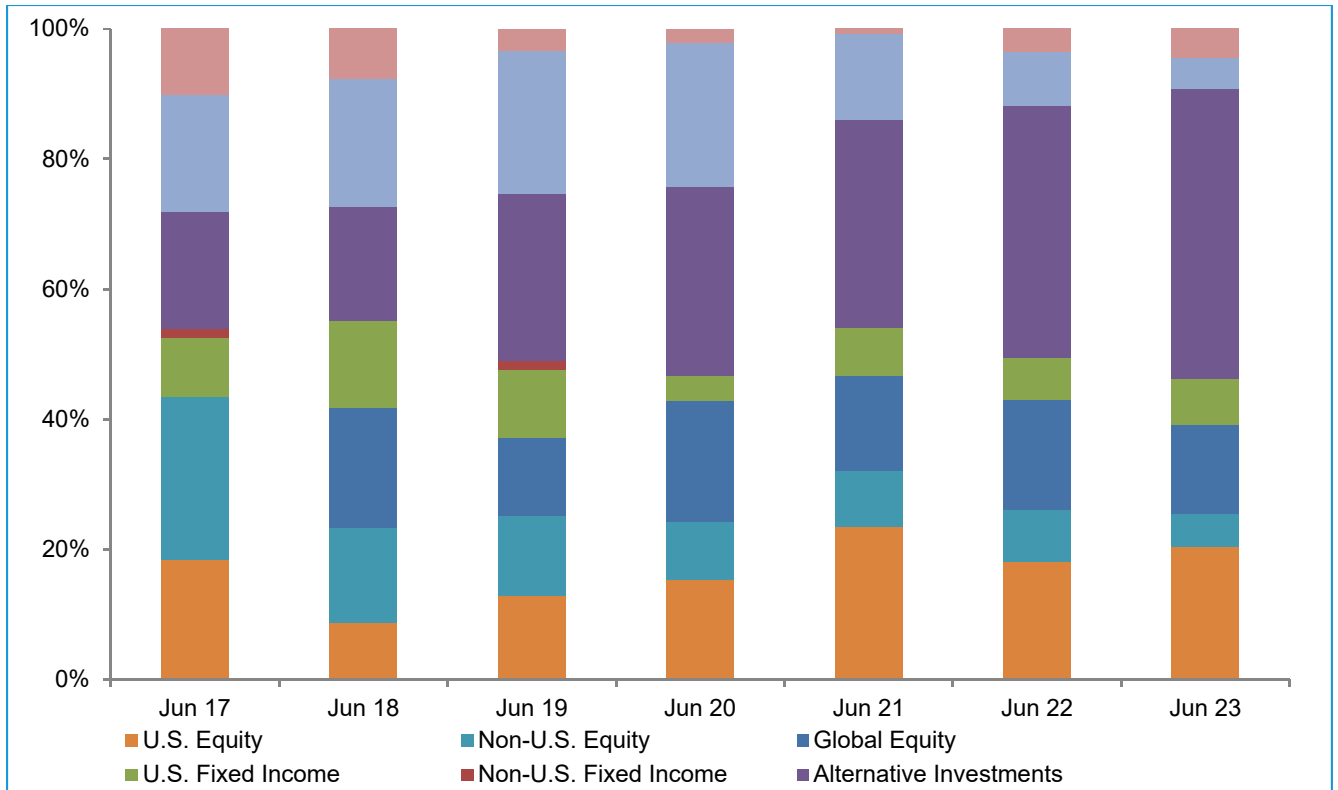


## Excess Return UC Santa Cruz Portfolio versus Benchmark September 2018 to June 2023



# UC SANTA CRUZ FOUNDATION

## UC Santa Cruz Managed Endowment Funds by Asset Class



Note: The UC Santa Cruz Foundation is primarily invested in the Regents' General Endowment Pool. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

## 4 Appendix

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# 4.1 Historical Foundation Investment Performance

## Historical Fiscal Year Foundation Investment Performance

### Annual Total Returns - Foundation

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2023	9.3%	5.7%	9.1%	7.0%	8.2%	8.1%	11.3%	4.3%	8.0%	8.2%	8.2%
2022	-11.3%	-4.1%	-6.9%	-10.2%	-7.6%	-7.5%	-8.0%	-6.6%	-7.1%	-7.6%	-7.6%
2021	37.9%	32.5%	34.8%	34.3%	33.7%	33.1%	34.9%	33.2%	33.2%	33.7%	33.7%
2020	2.2%	0.3%	0.1%	0.5%	5.0%	5.3%	5.0%	5.3%	5.2%	5.0%	5.0%
2019	4.9%	6.0%	6.7%	3.7%	8.2%	1.2%	7.1%	4.5%	8.1%	8.2%	8.2%
2018	8.4%	9.0%	8.6%	10.5%	9.1%	8.6%	7.6%	9.6%	9.0%	9.1%	8.9%
2017	13.1%	13.9%	15.3%	15.8%	14.8%	19.1%	13.9%	13.7%	14.8%	14.8%	15.1%
2016	-2.4%	-3.3%	-2.4%	-4.1%	-3.5%	-4.1%	-2.2%	-4.8%	-3.1%	-3.5%	-3.5%
2015	3.8%	5.3%	5.3%	6.4%	6.1%	0.4%	4.4%	1.9%	1.7%	6.1%	6.1%
2014	15.2%	19.1%	17.3%	13.9%	19.0%	18.2%	18.1%	15.9%	14.4%	19.0%	19.0%
2013	12.8%	11.7%	11.5%	15.5%	12.0%	11.5%	12.0%	10.9%	10.1%	12.0%	12.0%
2012	-1.0%	-0.4%	0.4%	-1.4%	-0.7%	-2.6%	-0.6%	-0.9%	-3.4%	-0.7%	-0.7%
2011	18.8%	18.7%	19.5%	16.7%	20.2%	21.5%	21.7%	18.3%	20.1%	20.2%	20.2%
2010	11.7%	11.3%	11.0%	11.8%	11.3%	11.8%	12.7%	14.4%	15.4%	11.3%	11.3%
2009	-20.6%	-17.9%	-20.6%	-21.1%	-18.2%	-22.1%	-20.4%	-16.5%	-20.7%	-17.7%	-18.2%

### Average Annualized Total Returns- Foundation

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2023	9.3%	5.7%	9.1%	7.0%	8.2%	8.1%	11.3%	4.3%	8.0%	8.2%	8.2%
('22-'23)	-1.5%	0.7%	0.8%	-2.0%	0.0%	0.0%	1.2%	-1.3%	0.2%	0.0%	0.0%
('21-'23)	10.2%	10.3%	11.0%	8.9%	10.2%	10.0%	11.4%	9.1%	10.2%	10.2%	10.2%
('20-'23)	8.1%	7.7%	8.2%	6.7%	8.9%	8.8%	9.7%	8.1%	8.9%	8.9%	8.9%
('19-'23)	7.5%	7.4%	7.9%	6.1%	8.7%	7.2%	9.2%	7.4%	8.7%	8.7%	8.7%
('18-'23)	7.6%	7.6%	8.0%	6.8%	8.8%	7.5%	8.9%	7.8%	8.8%	8.8%	8.8%
('17-'23)	8.4%	8.5%	9.0%	8.1%	9.6%	9.1%	9.6%	8.6%	9.6%	9.6%	9.6%
('16-'23)	7.0%	7.0%	7.5%	6.5%	7.9%	7.2%	8.1%	6.8%	7.9%	7.9%	7.9%
('15-'23)	6.6%	6.8%	7.3%	6.5%	7.7%	6.4%	7.7%	6.3%	7.2%	7.7%	7.7%
('14-'23)	7.5%	7.9%	8.2%	7.2%	8.8%	7.5%	8.7%	7.2%	7.9%	8.8%	8.8%
('13-'23)	7.9%	8.3%	8.5%	7.9%	9.1%	7.9%	9.0%	7.5%	8.1%	9.1%	9.1%
('12-'23)	7.2%	7.5%	7.8%	7.1%	8.2%	7.0%	8.1%	6.8%	7.1%	8.2%	8.2%
('11-'23)	8.0%	8.3%	8.7%	7.8%	9.1%	8.0%	9.1%	7.6%	8.1%	9.1%	9.1%
('10-'23)	8.3%	8.6%	8.8%	8.1%	9.3%	8.6%	9.4%	8.1%	8.6%	9.3%	9.3%
('09-'23)	6.1%	6.6%	6.6%	5.9%	7.2%	6.2%	7.1%	6.3%	6.3%	7.2%	7.2%

### Cumulative Total Returns- Foundation

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
('22-'23)	-3.1%	1.3%	1.6%	-3.9%	0.0%	0.0%	2.4%	-2.6%	0.4%	0.0%	0.0%
('21-'22)	33.7%	34.3%	36.9%	29.1%	33.7%	33.2%	38.1%	29.8%	33.7%	33.7%	33.7%
('20-'23)	36.6%	34.7%	37.0%	29.8%	40.4%	40.2%	45.0%	36.7%	40.7%	40.4%	40.4%
('19-'23)	43.3%	42.8%	46.2%	34.6%	51.9%	41.9%	55.3%	42.9%	52.1%	51.9%	51.9%
('18-'23)	55.3%	55.6%	58.8%	48.7%	65.8%	54.1%	67.1%	56.6%	65.7%	65.8%	65.5%
('17-'23)	75.7%	77.3%	83.0%	72.2%	90.4%	83.5%	90.4%	78.1%	90.2%	90.4%	90.4%
('16-'23)	71.6%	71.4%	78.7%	65.1%	83.7%	74.1%	86.2%	69.5%	84.3%	83.7%	83.7%
('15-'23)	78.2%	80.5%	88.2%	75.7%	94.9%	74.8%	94.3%	72.7%	87.4%	94.9%	94.9%
('14-'23)	105.3%	114.9%	120.8%	100.1%	132.0%	106.6%	129.6%	100.2%	114.4%	132.0%	132.0%
('13-'23)	131.6%	140.0%	146.2%	131.1%	159.7%	130.3%	157.2%	122.0%	136.0%	159.7%	159.8%
('12-'23)	129.3%	138.9%	147.0%	127.8%	158.0%	124.4%	155.7%	120.1%	128.1%	158.0%	158.0%
('11-'23)	172.5%	183.5%	195.2%	165.8%	210.0%	172.7%	211.1%	160.2%	173.9%	210.0%	210.1%
('10-'23)	204.4%	215.6%	227.5%	197.3%	245.1%	215.7%	250.6%	197.7%	216.1%	245.1%	245.2%
('09-'23)	141.6%	159.0%	160.0%	134.6%	182.4%	145.9%	178.9%	148.6%	150.5%	183.9%	182.4%

For Berkeley, Los Angeles and San Francisco, returns are net of investment manager fees excluding internal investment management company fees. For fiscal year 2023, Berkeley's estimated internal investment management company cost was 0.23%, Los Angeles' estimated internal investment management company cost was 0.199%, and San Francisco's estimated internal investment management company cost was 0.24%. Berkeley Endowment Management Company was founded in 2009. UCLA Investment Company was founded in 2011. UCSF Foundation Investment Company was founded in 2015.

Returns shown above prior to 2006 and after 2015 were provided by the individual Foundations.

Returns for the period from 2006 through 2015 were provided by State Street Bank, except in extraordinary circumstances.



## 4.2 Historical Benchmark and Active Performance

### Historical Fiscal Year Benchmark and Active Performance

#### Annual Total Returns- Benchmarks

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2023	6.9%	11.2%	9.4%	11.7%	12.0%	12.0%	14.5%	6.2%	11.8%	12.0%	12.0%
2022	-6.4%	-14.0%	-4.8%	-10.4%	-9.0%	-9.0%	-9.2%	-1.4%	-8.5%	-9.0%	-9.0%
2021	33.3%	27.5%	31.9%	30.9%	29.5%	29.5%	32.7%	35.6%	29.2%	29.5%	29.5%
2020	1.7%	1.9%	-0.1%	-0.5%	3.0%	2.5%	3.4%	3.1%	3.2%	3.0%	3.0%
2019	2.5%	5.8%	5.5%	4.3%	5.7%	5.4%	5.3%	4.8%	5.7%	5.7%	5.7%
2018	9.0%	7.7%	8.3%	8.8%	8.5%	8.8%	8.4%	7.8%	8.6%	8.5%	8.5%
2017	15.2%	12.1%	12.7%	12.4%	12.2%	17.2%	13.3%	11.4%	12.3%	12.2%	12.2%
2016	-1.5%	-1.0%	-1.1%	-1.4%	-1.7%	-2.2%	-1.6%	-1.7%	-1.5%	-1.7%	-1.7%
2015	1.3%	2.6%	2.2%	-0.7%	3.5%	0.9%	2.9%	0.8%	1.5%	3.5%	3.5%
2014	19.4%	16.3%	15.0%	18.3%	16.6%	19.1%	15.8%	16.7%	16.3%	16.6%	16.6%
2013	13.5%	11.4%	9.7%	10.6%	10.1%	11.3%	12.0%	10.3%	11.7%	10.1%	10.1%
2012	-3.3%	-2.0%	-0.6%	-1.3%	-2.4%	-2.1%	-1.1%	-0.7%	-2.0%	-2.4%	-2.4%
2011	17.1%	18.2%	19.6%	15.7%	17.9%	22.2%	19.6%	20.7%	22.5%	17.9%	17.9%
2010	10.2%	9.1%	9.2%	10.0%	9.1%	11.5%	10.7%	10.9%	18.3%	9.1%	9.1%
2009	-15.6%	-13.1%	-16.1%	-19.0%	-13.1%	-19.4%	-18.3%	-19.5%	-18.3%	-13.1%	-14.0%

#### Annual Active Returns (Foundation minus Benchmark)<sup>1</sup>

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2023	2.4%	-5.5%	-0.3%	-4.7%	-3.8%	-3.9%	-3.1%	-1.9%	-3.8%	-3.8%	-3.8%
2022	-4.9%	9.9%	-2.1%	0.2%	1.5%	1.6%	1.2%	-5.2%	1.4%	1.5%	1.5%
2021	4.6%	5.0%	2.9%	3.4%	4.2%	3.6%	2.2%	-2.4%	4.1%	4.2%	4.2%
2020	0.5%	-1.6%	0.1%	1.0%	2.1%	2.8%	1.6%	2.3%	2.0%	2.1%	2.1%
2019	2.4%	0.2%	1.2%	-0.6%	2.5%	-4.2%	1.8%	-0.3%	2.4%	2.5%	2.5%
2018	-0.6%	1.3%	0.3%	1.7%	0.6%	-0.2%	-0.8%	1.8%	0.4%	0.6%	0.4%
2017	-2.0%	1.9%	2.6%	3.4%	2.6%	1.9%	0.6%	2.3%	2.5%	2.6%	2.9%
2016	-0.8%	-2.3%	-1.3%	-2.8%	-1.8%	-2.9%	-0.6%	-3.1%	-1.6%	-1.8%	-1.8%
2015	2.5%	2.7%	3.1%	7.1%	2.6%	-0.5%	1.5%	1.1%	0.2%	2.6%	2.6%
2014	-4.2%	2.8%	2.4%	-4.4%	2.5%	-0.9%	2.4%	-0.8%	-1.9%	2.5%	2.5%
2013	-0.7%	0.3%	1.8%	4.8%	1.8%	0.1%	0.0%	0.6%	-1.7%	1.8%	1.9%
2012	2.3%	1.6%	0.9%	-0.1%	1.8%	-0.4%	0.5%	-0.1%	-1.4%	1.8%	1.7%
2011	1.8%	0.5%	-0.1%	1.0%	2.3%	-0.7%	2.0%	-2.4%	-2.5%	2.3%	2.3%
2010	1.6%	2.3%	1.8%	1.8%	2.3%	4.3%	2.0%	3.5%	-2.9%	2.3%	2.2%
2009	-5.1%	-4.9%	-4.6%	-2.0%	-5.1%	-2.8%	-2.1%	3.0%	-2.4%	-4.7%	-4.2%

#### Average Annual Active Returns (Foundation minus Benchmark)<sup>2</sup>

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2023	2.4%	-5.5%	-0.3%	-4.7%	-3.8%	-3.9%	-3.1%	-1.9%	-3.8%	-3.8%	-3.8%
('22-'23)	-1.6%	2.9%	-1.3%	-2.0%	-0.9%	-0.9%	-0.8%	-3.6%	-1.0%	-0.9%	-0.9%
('21-'23)	0.1%	3.5%	-0.1%	-0.6%	0.5%	0.3%	0.1%	-3.3%	0.4%	0.5%	0.5%
('20-'23)	0.2%	2.2%	-0.1%	-0.1%	0.9%	1.0%	0.5%	-1.9%	0.8%	0.9%	0.9%
('19-'23)	0.6%	1.8%	0.2%	-0.2%	1.2%	-0.1%	0.7%	-1.5%	1.1%	1.2%	1.2%
('18-'23)	0.4%	1.7%	0.2%	0.1%	1.1%	-0.1%	0.5%	-1.0%	1.0%	1.1%	1.1%
('17-'23)	0.1%	1.7%	0.5%	0.5%	1.3%	0.2%	0.5%	-0.5%	1.2%	1.3%	1.3%
('16-'23)	0.0%	1.2%	0.3%	0.1%	0.9%	-0.3%	0.3%	-0.9%	0.8%	0.9%	0.9%
('15-'23)	0.3%	1.3%	0.6%	0.9%	1.1%	-0.3%	0.5%	-0.6%	0.8%	1.1%	1.1%
('14-'23)	-0.1%	1.5%	0.8%	0.4%	1.2%	-0.4%	0.7%	-0.7%	0.5%	1.2%	1.2%
('13-'23)	-0.2%	1.4%	0.9%	0.8%	1.3%	-0.3%	0.6%	-0.6%	0.3%	1.3%	1.3%
('12-'23)	0.0%	1.4%	0.9%	0.7%	1.3%	-0.3%	0.6%	-0.5%	0.2%	1.3%	1.3%
('11-'23)	0.2%	1.3%	0.8%	0.7%	1.4%	-0.3%	0.7%	-0.6%	0.0%	1.4%	1.4%
('10-'23)	0.3%	1.4%	0.9%	0.8%	1.4%	0.0%	0.8%	-0.4%	-0.2%	1.4%	1.4%
('09-'23)	-0.2%	0.9%	0.4%	0.6%	0.9%	-0.3%	0.5%	-0.1%	-0.4%	0.9%	1.0%

Returns shown above prior to 2006 and after 2015 were provided by the individual Foundations.

Returns for the period from 2006 through 2015 were provided by State Street Bank, except in extraordinary circumstances.

<sup>1</sup> Arithmetic difference

<sup>2</sup> Annualized geometric difference

## 4.3 Investment Policy Benchmark

	Asset Class	Benchmark Component	Percentage
<b>UC Berkeley<sup>1</sup></b>	Developed Equity	MSCI AC World with USA Gross (Net)	28.0%
	Emerging Markets Equity	MSCI Emerging Markets Index (Net)	15.0%
	Private Equity/Venture Capital	Cambridge Associates Private Benchmarks (Private Equity/Venture Capital)	22.0%
	Real Assets	Cambridge Associates Private Benchmarks (Real Assets)	10.0%
	Opportunistic	Policy Benchmarks ex-Opportunistic	0.0%
	Absolute Return	HFRI FoF Conservative Index	15.0%
	Fixed Income and Cash	80% Bloomberg UST Index / 20% ICE BofA 3-Mo T-Bill Index	10.0%
<b>UC Davis</b>	GEP *	GEP Benchmark	80.0%
	GEM	GEM Policy Index	20.0%
<b>UC Irvine</b>	Public Equity	MSCI All Country World Index IMI (Gross Dividend)	45.0%
	US Fixed Income	Bloomberg Aggregate Bond Index	10.0%
	Private Equity	Russell 3000 + 3%	20.0%
	Hedge Funds	HFRI Fund of Funds Diversified Index	15.0%
	Private Credit	50% Credit Suisse High Yield/50% LSTA Leverage Loans	5.0%
	Real Assets	Real Asset Portfolio + NCREIF ODCE Index	5.0%
<b>UC Los Angeles</b>	Public Equity	MSCI All Country World Index	30.0%
	Private Equity	MSCI All Country World Index with 1-quarter lag	20.0%
	Venture Capital	MSCI All Country World Index with 1-quarter lag	12.5%
	Independent Return	MSCI All Country World Index x 0.3 with 1-quarter lag	20.0%
	Real Estate	S&P Global REIT Index with 1-quarter lag	7.5%
	Natural Resource	S&P North American Natural Resources Index with 1-quarter lag	5.0%
	Cash/Short Duration	Citigroup 3 Month Treasury Bill Index	4.9%
	Portfolio Insurance	3-month S&P 500 put options with strike prices 15% out of the money	0.1%
<b>UC Merced</b>	GEP *	GEP Benchmark	100.0%
<b>UC Riverside</b>	GEP *	GEP Benchmark	100.0%
<b>UC San Diego</b>	UCSDF Public Equities	S&P 500 Index	30.0%
	GEP Public Equities	MSCI All Country World Index (ACWI) Investable Market Index (IMI) Tobacco and Fossil Fuel Free – Net Dividends	28.0%
	Real Assets	Actual Real Assets Portfolio Returns	3.0%
	Fixed Income	Bloomberg 1-5 Year US Government/Credit Index	5.0%
	Private Credit	75% Credit Suisse Leverage Loan Fossil Free Index + 25% Merrill Lynch High Yield BB-B Fossil Free Index + 1.5%	3.0%
	Absolute Return Strategies	HFRI Fund of Funds Composite	7.0%
	Private Equity	Russell 3000 + 3%	17.0%
	Real Estate	NCREIF Fund Index – Open End Diversified Core Equity (ODCE) non-lagged	6.0%
	Cash	Bank of America 3-Month US Treasury Bill Index	1.0%
	<b>UC San Francisco<sup>3</sup></b>	Public Equity	MSCI ACWI
Diversifying Assets		HFRI Fund Weighted Composite	30.2%
Premium Return		CA PE Vintage	35.6%
Safety Assets		US 1-3 Year Treasuries	9.1%
<b>UC Santa Barbara</b>	GEP *	GEP Benchmark	100.0%
<b>UC Santa Cruz</b>	GEP *	GEP Benchmark	100.0%
<b>* GEP</b>	Public Equity	MSCI All Country World Index (ACWI) Investable Market Index (IMI) Tobacco and Fossil Fuel Free – Net Dividends	40.0%
	Fixed Income	Bloomberg Barclays 1-5 Year US Government/Credit Index	8.0%
	Private Equity	Russell 3000 Index + 3.0%	24.0%
	Absolute Return	HFRI Fund of Funds Composite	10.0%
	Private Credit	75% Credit Suisse Leveraged Loan Fossil Free Index / 25% Merrill Lynch U.S. High Yield BB-B Constrained Fossil Free Index + 1.5%	4.0%
	Real Estate	NCREIF Fund Index – Open End Diversified Core Equity (ODCE) non-lagged	8.0%
	Real Assets	Actual Real Assets Portfolio Return	4.0%
	Cash	Bank of America 3-Month US Treasury Bill Index	2.0%

<sup>1</sup>As of July 1, 2022, the Policy Benchmark transitioned from using dynamic month-end NAVs for the asset class weightings to using the long-term static targets. The Policy Benchmark also transitioned from using vintage weighted to non-vintage weighted Cambridge Associates ("CJA") private benchmark returns. PE/VC consists of the following CJA private benchmarks: Buyout, Growth Equity, Control-Oriented Distressed, and Venture Capital. Real Assets consists of the following CJA private benchmarks: Private Equity Energy, Timber, Upstream Energy & Royalties, and Real Estate. The Opportunistic benchmark is a blend of the non-Opportunistic asset classes' benchmark returns weighted by their long-term static targets.

<sup>2</sup> GEM Policy Index is comprised of 42% MSCI AC World Index, 26% CSFB / Tremont Hedge Fund Index, 22% Real Assets Policy Index (70% NCREIF Property Index QTR LAG, 15% MSCI US REIT Index, 15% Bloomberg Commodity Index TR), and 10% Barclays Treasury Index.

<sup>3</sup> San Francisco uses a dynamic framework for setting benchmark weights that considers both actual weights and policy range limits. These weights reflect the output of that framework on June 30, 2023.

Note: Policy benchmark composition shown for each campus is as of the current fiscal year-end and may have been different in prior periods, unless otherwise specified.

## 4.4 Glossary

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### CURRENT ASSETS

Assets for use in the near term to support the overall operations of the Foundation, where the donor may, or may not, have restricted their use. These assets typically include cash, accounts receivable, notes receivable, deferred charges, amounts due, prepaid expenses, etc.

In accordance with the Support Group Policy, endowed gifts or restricted assets must be transferred to the University to be spent in accordance with the donors' terms. However, the existing policy does not specify the timing and/or frequency of transfers. Consequently, the timing/frequency decision varies among the Foundations.

### ENDOWMENT ASSETS

True endowments, established to provide a permanent source of income, and Funds Functioning as Endowments (FFE), established to provide income but principal may also be expended.

### GENERAL ENDOWMENT POOL (GEP)

Established in 1933 and unitized in 1958, the General Endowment Pool is The Regents' primary investment vehicle for endowed gift funds. It is comprised of over 5,875 individual endowments that support the University's mission. It is a balanced portfolio of equities, fixed-income securities, and alternative investments in which all endowment funds participate, unless payout needs require otherwise.

### SHORT TERM INVESTMENT POOL (STIP)

The Short Term Investment Pool is a cash investment pool established in fiscal 1976 by the Regents, in which all University funds groups participate, including retirement and endowment funds as well as campus endowment funds. Cash to meet payrolls, operating expenses, and construction funds of campuses and University teaching hospitals are the major funds invested in the pool. The cash remains invested until expended by the campuses and University teaching hospitals. Pension, endowment, and defined contribution funds awaiting permanent investment are also invested in the pool until transferred. The STIP participants are able to maximize returns on their short-term cash balances by taking advantage of the economies of scale of investing in a large cash pool.

### TRUSTS/LIFE ANNUITIES

Assets donated by individuals or organizations, with the institution agreeing to pay a specific level of income to the donor, or designated beneficiary, for his or her lifetime. Subsequent to the beneficiary's death, the institution gains complete ownership of the donated assets. The donor may or may not have restricted the assets'

## 4.5 Foundations Reporting Background

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### BACKGROUND

The history of reporting total University and Foundation endowments dates back to October 1978 when The Regents' Committee on Educational Policy adopted a policy for University Support Groups. In subsequent years, The Regents charged the Office of the Chief Investment Officer (CIO) (formerly called the Office of the Treasurer) with obtaining pertinent information regarding the UC Foundations' investments and presenting an annual report to The Regents. The annual report includes the investment philosophy, policies and performance of each Foundation's endowment assets, as well as the performance of The Regents' endowment assets. In compliance with The Regents' Policy 6201 Investment Policy for the University of California Campus Foundations, this report is created by an investment consulting firm which reports any issues found to The Regents.

As of fiscal year 2016, State Street is no longer the book of record for the campus Foundations. Starting in 2016 (for reporting as of the fiscal year ended June 30, 2016), information used to create this report is collected and reviewed by the investment consultant, with the campus Foundations providing a review of the report before it is finalized.

## 4.6 Data Sources and Responsibilities

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This report was prepared by Mercer Investments, LLC. (Mercer). Information contained herein has been obtained from a range of third party sources. While the information is believed to be reliable, Mercer has not sought to verify it. As such, Mercer makes no representations or warranties as to the accuracy of the information presented and takes no responsibility or liability (including for indirect, consequential or incidental damages), for any error, omission or inaccuracy in the data supplied by any third party. Information was provided by each individual campus Foundation and UC Investments.

### DATA SOURCES AND RESPONSIBILITIES

UC Investments hired the investment consultant, Mercer Investments, to create this report. Mercer collected all information<sup>1</sup> directly from each campus Foundation and UC Investments (for GEP and the campus Foundations which are 100% invested in GEP). The data and reports provided by the campus Foundations originate from a variety of third party sources including each campus Foundation, the foundations' investment consultants, and auditors. Information in this report for periods between 2006 and 2015 was provided by State Street Bank as the University's former official "book of record". Foundation performance results in this document prior to 2006 were provided by each foundation and was neither audited nor calculated by UC Investments or State Street Bank.

For the purpose of reporting investment performance, each foundation received the same exhibit formats and guidance, and any inconsistencies in definition and reporting are noted in the charts, tables and discussion. The Investor Metrics – All Endowments & Foundations Net data cannot be reproduced or redistributed without the express written consent of Mercer.

### PERFORMANCE COMPARISONS

The Investor Metrics all endowments and foundations peer group ("E&F Peer Group") is comprised of approximately 1,138 observations from a substantial endowment and foundation client base which includes information submitted by industry-leading consulting and trust/custody organizations as compiled by Investor Metrics. The E&F Peer Group returns are net of fees.

Benchmark: For details regarding each individual foundation's benchmark, see Section 4.3

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<sup>1</sup> Returns for Berkeley, Los Angeles and San Francisco throughout this report are estimated by subtracting their respective investment management company fees (estimated in basis points). Beginning in FY 2020, the respective fiscal year annual fees are used and for prior years, FY 2020 fees are used for the historical returns going back to the date of inception of each campuses' investment management company. Berkeley Endowment Management Company was founded in 2009. UCLA Investment Company was founded in 2011. UCSF Foundation Investment Company was founded in 2015. The historical returns used as the starting point are provided by each campus and are net of investment manager fees.

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