



Endowment Overview

The **University of New Hampshire** and the UNH Foundation deeply appreciate your interest in supporting the University of New Hampshire. The UNH Foundation takes very seriously the financial management of all donated funds, and especially its endowed funds which support UNH scholarships, faculty, programs, research and facilities. The Foundation maintains an investment policy which guides the actions of the Board of Director's Investment & Finance Committee. A summary of the policy may be found at:

www.unh.edu/give/endowment-info.

A critical element of the investment policy is the determination of annual payouts from each endowed fund.

The first type of payout is **payout to purpose** — money given to the area of UNH that a donor wants to support. This percentage, typically around 4 to 4.25%, is set each year by the UNH Foundation Board of Directors and takes into account economic considerations such as inflation, budgets, investment performance and economic outlook. Because of the generosity of our donors, more than \$17 million was paid out to purpose in the current fiscal year.

The second type of payout is **payout for administration**. It's an annual distribution of 1% that helps defray costs associated with the management, growth and oversight of the investment portfolio of about 1,200 endowed funds at UNH.

We appreciate that you are considering creating an endowed fund at UNH. These funds are crucial to our students and faculty, ensuring a meaningful, transformative experience for current and future Wildcats. Such long-lasting support also builds permanent legacies on behalf of our generous benefactors. Should you choose to establish an endowed fund, we look forward to celebrating with you the success you'll make possible.



Sustainability: A Core Value at UNH

Sustainability is integral to our mission as a university community. With these values in mind, the UNH Foundation established the Environmental, Social and Governance Endowment Pool in 2015. Examples of sustainable investing strategies that fund managers may use in the Foundation's portfolio:

- positive screening (finding companies which score more positively on ESG factors)
- negative screening (avoiding companies in certain industries, generally those judged to be harmful to the environment and/or society)
- full ESG integration into financial analysis (forecasting financial outcomes based on the impact of ESG-related decisions)
- shareholder advocacy (proactively supporting corporate decision-making to increase ESG considerations and improve ESG outcomes)

Benefits of Sustainable Investing

In addition to providing an opportunity for the donor to align his or her personal values and investment philosophy, sustainable investing may offer a number of financial benefits. Companies with higher ESG standards may have better operational performance, innovation, risk management and reputations, leading to reduced costs. In many studies, sustainable investing has been linked to better financial performance, with positive correlations between sound sustainability practices and stock price performance.

According to PricewaterhouseCoopers, "Sustainability is emerging as a market driver with the potential to grow profits and present opportunities for value creation — a dramatic evolution from its traditional focus on efficiency, cost, and supply chain risk."

In recent years, the sustainable investing industry has been growing faster than the overall market and comprises more than 30% of all assets under management.

UNH's ESG Investments

While no investment approach is guaranteed to be successful, the UNH Foundation's Board of Directors invests ESG-screened assets with a long-term view and monitors all of its investments of the ESG pool with the same care and expertise as the Main pool. As of June 30, 2021, ESG-qualified investments comprised more than 47% of the Foundation's total portfolio assets of \$295.7 million, and the ESG pool totaled \$52.4 million.

CONTACT

Erik Gross, Treasurer, UNH Foundation
Erik.Gross@unh.edu | (603) 862-1584



University of New Hampshire

