

UC Berkeley Foundation ESG Principles

Board approved, May 2016

The University of California, Berkeley Foundation is dedicated to supporting UC Berkeley's core mission of teaching, research and public service, sustaining Berkeley's core values of excellence and access, and ensuring the university's continued leadership as one of the world's preeminent institutions of higher learning.

As investors, we seek to translate these values into a set of principles, articulated below, that govern our investment approach. We recognize that these principles may at times be in conflict with each other, and in those cases we will be guided by evidence, focus, judgment and practicality as we weigh and balance the principles, integrating Environmental, Social and Governance (ESG) factors into our investment management, toward the ultimate goal of supporting UC Berkeley.

- **Maximum Returns:** Our primary investment objective is to seek maximum levels of return, consistent with prudent risk levels, over the long term.
- **Ethical:** We prioritize support of businesses and investments that operate within the law, are ethical in their pursuits and operations, treat people fairly, and do not cause substantial social injury.
- **Active Trustees:** We aim to be active Trustees, exercising our governance responsibilities, while at the same time seeking long-term productive partnerships with external investment managers to meet our investment goals.
- **Stewardship:** We seek to steward the resources that have been entrusted to us. In doing this, we aim to be open, responsive and accountable to our many diverse constituencies including faculty, students and donors. We expect the same level of openness, responsiveness and accountability from our investment partners.
- **Sustainability:** We favor investments that do not cause disproportionate harm to the global environment, and that meet the needs of the present without compromising future generations' ability to meet their own needs.