The UC San Diego Foundation, pursuant to its Endowment Investment Policy and Guidelines and the Uniform Prudent Management of Institutional Fund Act (or any subsequent governing laws or regulations), combines endowment funds for investment purposes and deducts annual costs of administration from the endowment portfolio total return. Each endowed fund holds units in the combined portfolio. New gifts to an endowment fund are added to the principal of the fund and invested the pooled portfolio.

The Endowment “Spending Policy” (or payout) is set from time-to-time by the UC San Diego Foundation’s Board of Trustees. The payout is the amount of expendable distribution made available to the endowment fund holder or endowment chair holder on an annual basis from the endowment. The payout is used by the fund holder or chair holder for the purpose intended by the donor, subject to the appropriate university policies.

### UC San Diego Foundation Endowment Investment Pool Asset Mix

- U.S. Equity: 17%
- Non U.S. Equity: 21%
- Global Equities: 15%
- Fixed Income (U.S. & Non U.S.) + TIPS: 11%
- Real Estate: 7%
- Absolute Return: 11%
- Private Equity Funds: 8%
- Other Alternatives: 6%
- Cash & Equivalents: 4%

### Endowment Total Returns

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1 Yr</th>
<th>3 Yr</th>
<th>5 Yr</th>
<th>10 Yr</th>
<th>1986 *</th>
</tr>
</thead>
<tbody>
<tr>
<td>UC San Diego Foundation</td>
<td>(0.7)</td>
<td>(2.7)</td>
<td>6.0</td>
<td>6.1</td>
<td>5.3</td>
</tr>
<tr>
<td>GEP</td>
<td>(2.3)</td>
<td>(3.0)</td>
<td>6.5</td>
<td>6.3</td>
<td>5.5</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>1.4</td>
<td>1.8</td>
<td>11.8</td>
<td>11.6</td>
<td>7.0</td>
</tr>
</tbody>
</table>

* Inception of UC San Diego Foundation unitized endowment pool
Percentage by Manager
Market Value at 3/31/16

Regents General Endowment Pool (GEP) - 56.2%
Vanguard Institutional Index - 9.3%
State Street MSCI EAFE Index - 9.1%
Metropolitan West Total Return Bond I - 4.7%
GMO Benchmark Free III - 4.4%
Cohen & Steers Real Estate Securities - 2.6%
Vanguard Small-Cap Index Fund Institutional Shares - 2.3%
Brandes Emerging Markets Equity Portfolio II - 2.1%
Harding Loevner Instl Emerg Mkts I - 2.0%
Regents' Absolute Return Fund - 1.8%
Vanguard High-Yield Corporate Fund Admiral Shares - 1.5%
Vanguard Mid-Cap Index Fund Admiral Shares - 1.5%
Regents Real Estate Fund (2007 year) - 0.9%
Regents' Vintage Equity Fund (2007 year) - 0.9%
Contrarian Distressed Real Estate Debt Fund II (3) - 0.6%
Regents STIP - 0.1%
Regents' Vintage Equity Fund (2003 year) - 0.0%

Large Cap US Equities 64,331,188 12% 13% 15.0%
Mid/Small Cap US Equities 24,771,423 5% 3% 5.0%
U.S. Equity 89,102,611 17% 16% 20.0% 10% - 30% 15.5%
Developed Non U.S. Equities 67,990,617 13% 15% 15.0% 10.0%
Emerging Market Equity 40,376,494 8% 6% 8.0% 6.0%
Non U.S. Equity 108,367,111 21% 21% 23.0% 15% - 25% 16.0%
Global Equities (1) 78,331,754 15% 8% 7.0% 0% - 10% 10.0%
Total Equities 275,801,475 53% 45% 50.0% 35% - 55% 41.5%
Fixed Income (U.S. & Non U.S.) 57,192,813 11% 10% 12.0% 5% - 20% 12.5%
Real Estate 39,550,383 8% 7% 10.0% 5% - 10% 6.8%
Private Equity Funds 41,600,818 8% 7% 8.0% 5% - 10% 9.0%
Absolute Return 57,288,205 11% 16% 13.0% 10% - 20% 27.5%
Other Alternatives (2) 29,718,381 5% 7% 7.0% 0% - 15% 2.8%
Alternative Investments 168,157,786 32% 37% 38.0% 20% - 45% 46.1%
Cash & Equivalents (3) 20,525,636 4% 7% 0.0% 0% - 2% 0.0%
Total Portfolio 521,677,711 100% 100% 100.0% 100% 100.0%

Notes:
(1) GEP's global equities components were re-allocated to other assets class in previous reporting.
(2) Includes Regents GEP Real Assets Composite, GEP's AR CAC composite, GMO, and Contrarian. GEP's "Opportunistic Public Equity" is reflected above as "Global Equities".
(3) $20.2M of total cash held at 3/31/16 is from GEP's internal allocation as they intentionally hold cash to pursue investing opportunities, as compared to $15.3M at 3/31/15.