

UWC-USA Investment Committee Meeting, via Zoom

September 9, 2021.

Attending: Steve Dichter, Taylor Gantt, Christian Janssen, Victoria Mora, John Morris, Jon Schneider, Subitha Subramaniam, Michael Taylor

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M Taylor offered a brief review of the UWC portfolio, valued at \$154.4 million in the second week of September. With equity markets up since the last June review, the portfolio has gained in value.

M Taylor mentioned the August 2021 vote 6-2 in favor of newly adopting an asset allocation document, with Garcia and Morris opposed. The allocation calls for primary targets of 75/20/5 to Equity/Fixed Income/Alternatives, and secondary targets of 60/20/20 US/Developed/Emerging geographical allocation and 70/30 Large Cap/Small Cap targets. S Subramaniam noted that any asset allocation for the College needs to remain responsive to a margin of safety and available liquidity in the event of a prolonged market downturn.

M Taylor mentioned the August 2021 vote 8-0 in favor of adopting a new document, Investment Committee Terms of Reference. C Janssen urged the committee to review the document periodically, to keep it robust and up-to-date.

M Taylor mentioned the August 2021 vote 7 in favor, with M Blum abstaining, of a schedule of divestiture from the Davis NY Venture Fund, consisting of \$1.5 million per month in October, November, and December 2021. V Mora asked the committee to communicate as clearly as possible in the coming weeks and months its intention with respect to this fund, as she will be in touch with the Davis family and would like to keep them abreast of any decisions. S Dichter urged the committee to be systematic and transparent about whatever decisions it makes.

The committee resolved by consensus to form a working group. The group will review all Davis funds to consider for future investment. The group would also consider at what pace, if any, divestiture from the NY Venture Fund would or would not continue in 2022.

M Taylor raised the topic of ESG (Environmental, Social, Governance) within the investment committee. S Subramaniam argued that this is standard among European investment firms. J Morris agreed it is also standard among US endowments. V Mora further asked for the discussion, in the interest of clear communication among constituents.

The committee resolved by consensus to form a working group. The group will examine outside best practices and bring the issue to a discussion among the full investment committee, in coming months.

M Taylor updated the committee on requesting data and support from two currently-engaged investment advisory firms, Asset Strategy Consultants and UBS. Committee members were invited to set up personal access to the UBS website through T Gantt.

With a plan to seek volunteers to form two working groups in the short-term to address ESG and Davis fund investments, the meeting adjourned.