



UNIVERSITY OF SOUTHERN CALIFORNIA

Board of Trustees

Statement on Investment Responsibility

One of the most important responsibilities of the Board of Trustees is to oversee the management of the Endowment with an objective to maximize returns at an appropriate level of risk. The Endowment provides vital financial support in perpetuity to the academic and research missions of the University for current and future students.

As part of this duty, the Board recognizes the importance of stewardship criteria in safeguarding and promoting the Endowment's long-term economic interests. Environmental, social, and governance (ESG) factors may impact future economic growth and the underlying fabric of a society. While the specific issues explored will vary by asset class and investment strategy, the Board recognizes that ESG factors can meaningfully influence the outcome of the Endowment's investments. The consideration of ESG factors is also consistent with USC's mission and unifying values.

The purpose of this Statement is to set forth a commitment to responsible investing and to establish an Advisory Committee on Investment Responsibility to help the University act in furtherance of this commitment.

Advisory Committee on Investment Responsibility

Engagement and open communication with the USC community can both promote awareness of ESG and improve investment decisions.

To that end, the Board endorses the establishment of an Advisory Committee on Investment Responsibility ("ACIR") to serve as a liaison between the Board and the university community. More specifically, the ACIR will serve as a resource for the Investment Committee or Investment Office to gain additional perspectives and analysis with respect to particular investments and as a vehicle for the USC community to discuss, analyze, and advance ESG concerns. The ACIR's function, membership and role are specified in its charter.