

# NC State Foundation SRI Fund

NC State University, Campus Box 7207, 1210 Varsity Drive, Suite 202, Raleigh, NC 27695

Inception date: May 1, 2014

September 30, 2015

## FUND HISTORY AND PHILOSOPHY

On September 26, 2013, The Park Foundation (Donor) pledged \$50 million, at the time the largest single contribution to NC State's 126-year history, to permanently fund the university's prestigious Park Scholarship program. In addition, an agreement was entered into by the NC State Foundation and the Donor to manage these funds in a socially responsible manner. Authority to manage the investment program in accordance with this investment policy is granted jointly to the University's Vice Chancellor and Associate Vice Chancellor for Finance and Administration.

The SRI Fund is a broadly diversified portfolio with an asset allocation that is intended to achieve an average annual real total return of at least 5% per year over rolling five- and ten-year periods. Asset allocation guidelines reflect a 60-70% Equity and 30-40% Fixed Income portfolio with 15% bandwidths, with emphasis on equity-related investments to help achieve the SRI Fund's long-term return objective.

Of the initial pledge, \$10 million has been received. The market value at September 30, 2015 is \$9.6 million.

### Managers:

**Generation Investment Management:** manages 48% of the portfolio in a Global Equity Strategy that integrates sustainability research with fundamental equity analysis.

**Calvert Investments:** the fixed income allocation is invested in bond relative value strategy in which at least 80% of the assets are invested in investment grade debt securities.

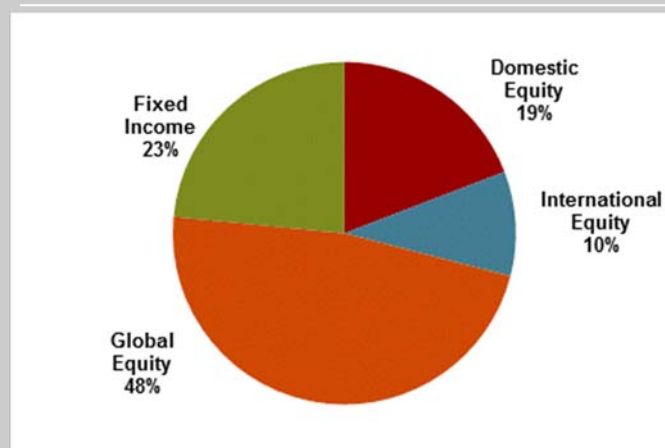
**RBC SRI Wealth Management Group (RBC):** oversees 43% of the assets in a balanced equity/fixed income portfolio including Cambiar, Apex, Wedgewood, and a portion of the Calvert fixed income fund. RBC performs due diligence on the managers and negative screening based on the NC State Foundation's ESG factors while investing in quality managers to outperform over the long run.

## PERFORMANCE

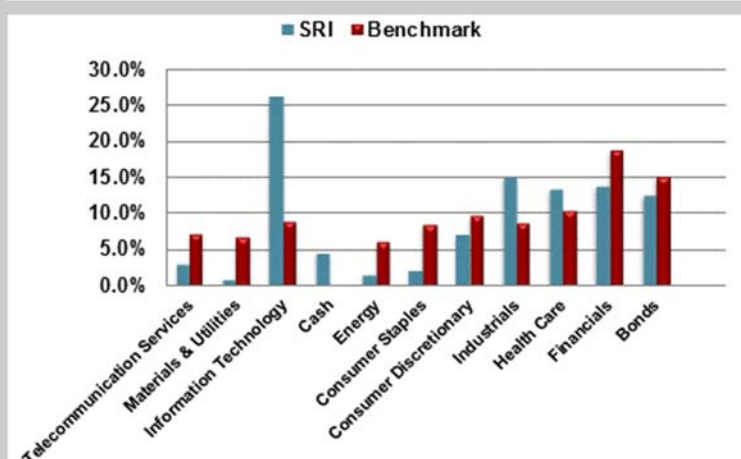
\$9.6M	Fund	Policy Index
QTD	-6.38%	-6.30%
CYTD	-3.21%	-4.52%
Since Inception	0.45%	-1.88%
Manager	QTD	CYTD
Generation	-8.02%	-3.75%
Apex*	-12.40%	-6.57%
Wedgewood*	-7.57%	-8.47%
Cambiar*	-6.47%	1.58%
Calvert Bond**	0.99%	0.67%

Policy Index: Global Index \*Managed by RBC \*\*Managed by RBC and NC State

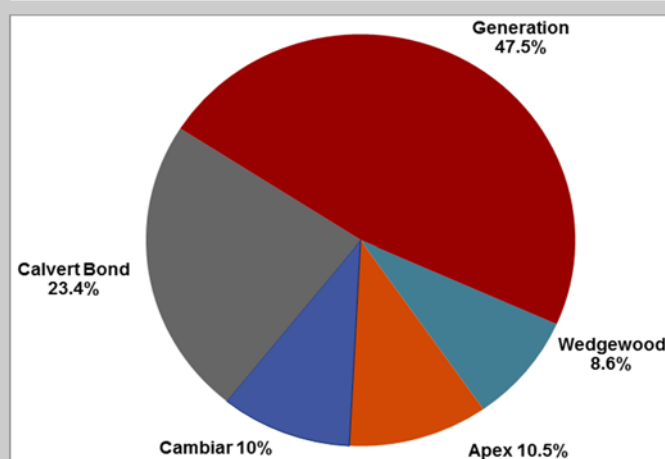
## ASSET ALLOCATION



## SECTOR ALLOCATION



## MANAGER ALLOCATION



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