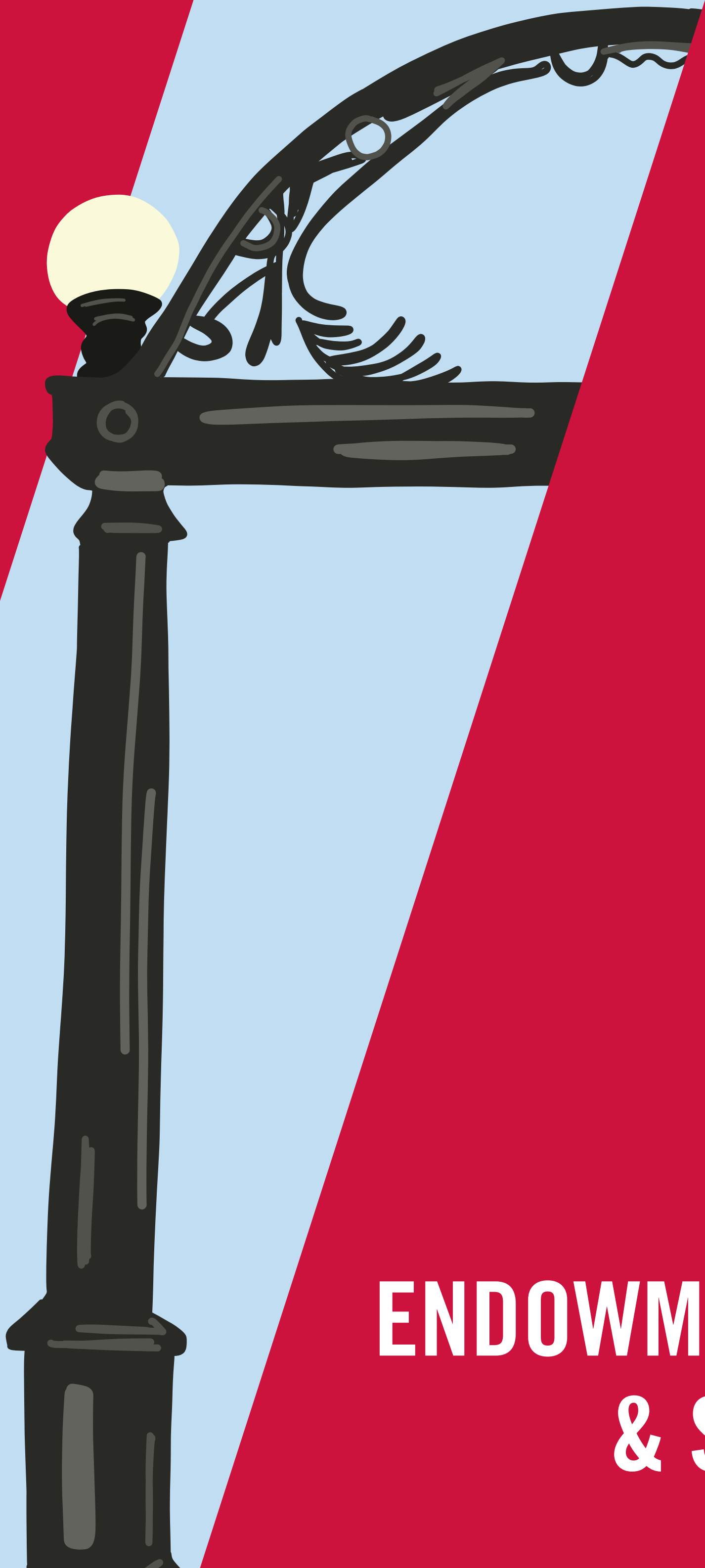


2025
ENDOWMENT POLICIES & STEWARDSHIP

UNIVERSITY OF GEORGIA
FOUNDATION

Dear Bulldog Community,

For the fiscal year that ended June 30, 2025, the UGA Foundation investment portfolio generated an 11.5% return. Over this period, public equity markets continued their rally with international stocks leading the way. Emerging markets, U.S. stocks, and public real estate investments also generated attractive returns and significantly contributed to the portfolio.

As the U.S. economy experiences significant policy shifts, we continue to focus on the fundamentals of American businesses and human ingenuity around the world. Entrepreneurs will still be starting companies, corporate executives will still seek innovative ways to serve their customers a better product at a lower cost, and global competitive forces will continue to drive consumer and corporate behaviors to support these innovative companies.

The Foundation remains committed to a long-term strategy that benefits our students, faculty, and programs. Support for scholarships, professorships, and program initiatives has reached record levels. This success is driven by the careful, long-term management of our investment portfolio — and, most importantly, by your remarkable generosity. Your support makes this transformative impact across campus possible.

Thank you for your unwavering support of the University of Georgia.

Go Dawgs!

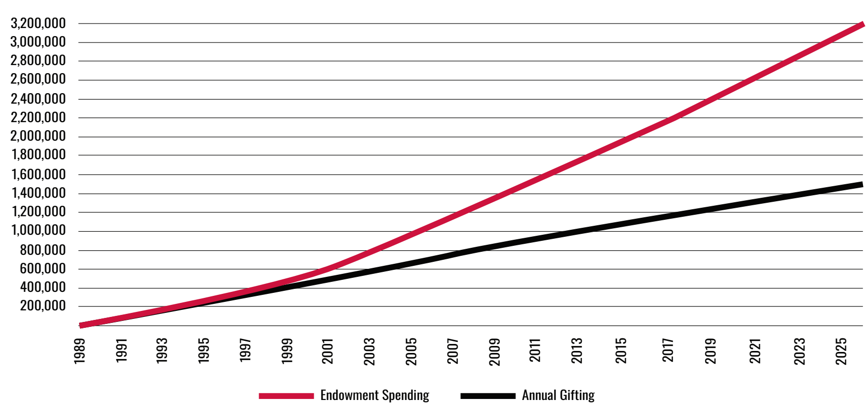
Jason Bull
Chief Investment Officer
UGA Foundation

WHY AN ENDOWMENT?

A bright future for the University of Georgia means a bright future for our state, nation and world, and endowments are critical to secure that future. Gifts made to endowments are invested rather than spent, and the University of Georgia Foundation works to maximize the return on investment and create income that funds specific areas as designated by the endowment's creator. Over time, investment appreciation of an endowed gift has a powerful impact on future spending amounts distributed by the endowment.

The graph below illustrates an endowment's cumulative spending using our spending rules and actual annual portfolio returns over the past several decades versus a $40,000 gift made every year over the same time period. As you can see, cumulative spending generated from an endowment has the potential to provide significantly more financial support to UGA than spending the same annual gift each year.

Cumulative Impact of Spending from a $1mm Endowment vs. $40k Annual Gifting



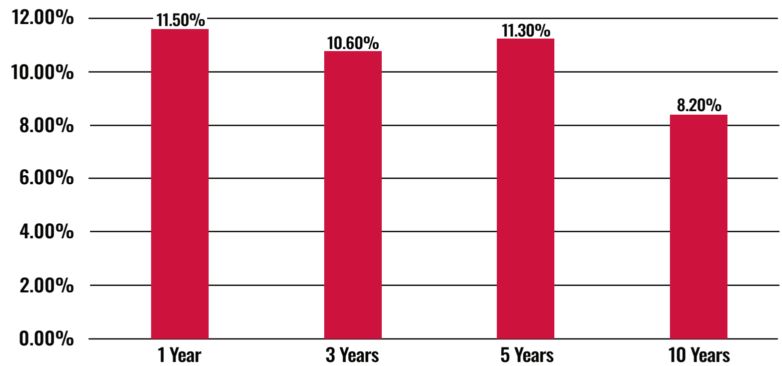
ENDOWMENT INVESTMENT AND SPENDING

The Foundation's investment objective is to preserve and grow its purchasing power while providing a continuing and stable funding source to bolster its mission of support to the University of Georgia. To accomplish this objective, the goal of the Foundation is to generate a total return that will exceed spending, investment, expenses, and inflation.

MANAGEMENT

The UGA Foundation Investment Committee is responsible for the oversight and management of the Long-Term Fund on behalf of the Foundation's Board of Trustees. The Committee sets the investment policy of the Foundation including asset allocation, manager selection, and spending policy. The Committee currently employs a Chief Investment Officer (CIO) within the Foundation to provide strategic advice on asset allocation, for investment manager selections, and to oversee daily operations associated with managing the investment portfolio. The Foundation's CIO is supported by an internal investment team and may use outside consultants as part of the management of the assets. Prime Buchholz is currently engaged by the Foundation in this role.

Investment Return as of June 30, 2025



PERFORMANCE

The Long-Term Fund is managed with a perpetual time horizon and the investment objective of preserving purchasing power while providing a continuing and stable funding source to support the University of Georgia. Performance is calculated on a total return basis (income, dividends, gains and losses) net of manager fees.

Investment Return Ending June 30, 2025

	1 year	3 years	5 years	10 years
UGAF	11.50%	10.60%	11.30%	8.20%
70/30 Index	13.20%	12.80%	9.30%	7.70%

The 70/30 Index represents a benchmark that is composed of 70% global stocks, as measured by the MSCI All-Country World Index, and 30% bonds, as measured by the Bloomberg US Aggregate Bond Index. This mixture of stocks and bonds most closely resembles the annual volatility, or approximate risk, of the investment portfolio.

ALLOCATION

All endowed gifts are pooled for purposes of investment and are invested across the managers in the Long-Term Fund. More than 70 underlying investment managers are currently in the Fund across these asset classes.

Asset Class	Allocation Ranges	Asset Characteristics
Publicly Traded Equities	30-60%	Capital appreciation, global diversification, highly liquid
Fixed Income & Cash	0-30%	Capital preservation and income, highly liquid
Private Equity	10-40%	High return potential, illiquid
Flexible Capital	10-20%	Moderate return potential with low volatility
Real Estate	5-10%	Inflation hedge and income generation

SPENDING

The Foundation calculates endowment spending using a method which reduces volatility each year by placing more emphasis on prior year spending amounts versus annual investment performance.

Before a spending budget is calculated, each fund must be invested for one full year, have positive investment appreciation, and meet the minimum gift requirement.

ENDOWMENT MANAGEMENT FEE

The expenses of the University of Georgia Foundation are paid, in part, through the assessment of a support fee from each endowment fund. Under current policy, the support fee is charged quarterly at the annual rate of 1% of the fund value. This covers direct expenses associated with the administration of the fund and a reasonable general overhead charge that permits the Foundation to recover the cost of other institutional resources that are essential to the accomplishment of the overall institutional and charitable purposes of the Foundation and the University, but which cannot practicably be traced to the individual fund’s activities.

FREQUENTLY ASKED QUESTIONS

What is the minimum gift amount that can create an endowment?
The endowment minimum depends on the type of support the endowment will provide. UGA has several endowment options available at the $50,000 level. A list of standard endowment minimums may be found here:

- UGA Endowment Requirements: *https://t.give.uga.edu/endowment-minimums*

How long do I have to reach the endowment minimum?
To establish an endowment immediately, you may have up to five years to make gifts to meet the endowment minimum. You may also make plans to establish an endowment at a later date via a deferred gift such as a bequest or trust or by making the Foundation a beneficiary of a retirement account or life insurance policy. For more information on making a gift, contact your development officer.

When will my gift start making an impact?
Your endowment may start generating an annual spending allocation once the fund agreement is signed by all parties, the endowment minimum is met, and the money has been invested for one year. If the fund agreement has been signed by all parties, you may provide a current year gift (or gifts) to be spent before the endowment minimum is met. The current year gift(s) will not count toward reaching the endowment minimum.

If I make a gift to the spendable account associated with my endowed fund, is it reflected on my financial endowment report?
Yes. Each year, endowment reports are provided to show all activity in your endowed fund. This includes gifts for investment as well as any spendable gifts provided for immediate support.

How do I know the fund is being spent in accordance with my intentions and objectives?
The UGA Foundation is required to use your gift as intended. The intent should be clearly stated and agreed upon by all parties. A fund agreement is created to describe the purpose of the gift and to document the mutual approval of the donor(s), the Dean of the benefitting school or college, the University of Georgia, and the UGA Foundation. A fund agreement serves as a guide to ensure gifts are deposited correctly, spent appropriately, and stewarded accordingly.

May I choose the award recipient of my endowed fund?
In order for your gift to be considered tax-deductible by the IRS, you must relinquish all control over the gift. However, you may include criteria in the fund agreement to help guide the selection committee when choosing the recipient. The criteria must be ascertainable and must be allowable by federal and state laws and regulations and UGA policy.

STEWARDSHIP

The University of Georgia is fortunate to be supported by loyal donors whose gifts make a meaningful difference for our students, faculty and staff, and the communities they serve. Stewardship through reporting and recognition shows our sincerest appreciation to those who help our university improve lives for years to come.

ENDOWED FUND REPORTING

Financial endowment reports are generated annually. Reports are personalized to provide a summary of each fund's balance, disbursement, investment return, and fees within the previous fiscal year (July 1–June 30). In addition to financial reporting, donors may receive special messages of gratitude from students, faculty and staff who have benefited from the gift, but this cannot be guaranteed. It is possible to add recipients of this type of stewardship so that family members, honorees, and other major donors can see the fund's annual impact on the university.

GIVING SOCIETIES

Cumulative Giving Societies
Three giving societies recognize donors whose cumulative generosity has made a significant impact on our university: Crystal Arch Society, Abraham Baldwin Society, and 1785 Society. These societies recognize donors whose gifts have reached $10 million, $5 million, and $1 million, respectively.

As part of the university's recognition of their considerable giving, members of these societies receive a welcome packet with a presidential letter, an invitation to the annual Presidents Club Reception, a listing on the historic donor wall in the Presidents Garden at Old College on North Campus, and additional stewardship that may occur from the schools and colleges that the donor supports.

> *Qualifying Gifts — Recognition into a Cumulative Giving Society is calculated by university-wide lifetime giving and includes gifts made to Athletic Ticket Priority funds. Open pledge balances and documented planned gifts do not qualify donors for Cumulative Giving Society membership. Planned gifts qualify upon realization.*

Presidents Club

Presidents Club honors alumni and friends whose annual support makes an immediate impact at UGA. The Presidents Club recognizes donors who give $1,500 or more each fiscal year. The Presidents Club recognizes donors at four levels: Bronze ($1,500-$4,999), Silver ($5,000-$9,999), Gold ($10,000-$24,999) and Platinum ($25,000 and above). Their collective commitment empowers UGA to tackle the most pressing issues of our time—for the world, for Georgia, for generations.

As part of the university's recognition of their giving, all Presidents Club members receive a Presidents Club lapel pin and decal, a bi-annual digital newsletter detailing the impact of the Presidents Club's generosity, information on the Signature Lecture Series, and an invitation to the Presidents Club Reception.

> *Qualifying Gifts — Recognition into Presidents Club is calculated by university-wide annual giving during the fiscal year (July 1-June 30) and does not include gifts made to Athletic Ticket Priority funds. Open pledge balances and documented planned gifts do not qualify donors for Presidents Club membership.*

Heritage Society

Heritage Society recognizes the generosity of alumni and friends of the university that have documented a deferred gift to benefit the University of Georgia, University of Georgia Foundation, or one of its affiliated organizations. Heritage Society membership demonstrates that deferred giving is a superb avenue through which to support the university, its students, and its faculty in perpetuity.

> *Qualifying Gifts — Individuals are automatically welcomed into Heritage Society once they have documented a commitment through any of the following gift vehicles: bequest, retirement plan beneficiary designation, life insurance beneficiary designation, irrevocable life insurance gift, charitable gift annuity, pooled income fund, charitable remainder unitrust, charitable lead trust, or life estate reserved (real property).*

Revised October 2025