

Partners Fund Briefing

February 2022



1693 Partners Fund

Investment Strategy and Objectives

- Investment Strategy
 - To pool together the endowment assets that support William & Mary and to invest those assets in a portfolio of forward-looking, high-performing investment management organizations, diversified among asset class, strategy and geography to achieve its investment goals and objectives
- Investment Objectives
 - Maintain the inflation adjusted value of the Fund in perpetuity (intergenerational equity), net of spending
 - Provide a steady, predictable (and growing) stream of income to the individual endowment account
 - Achieve competitive investment results that exceed public market benchmarks over a medium-term time horizon

1693 Partners Fund

Governance and Administration

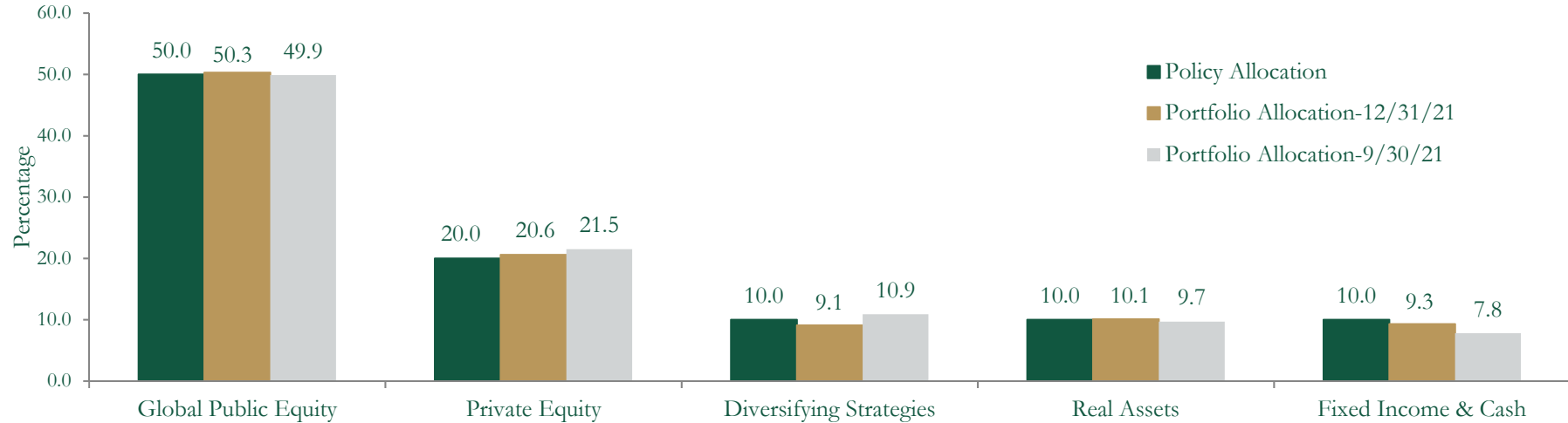
- **Governance**
 - The Fund is managed by a team of highly capable, experienced professional investors along with seasoned operations executives at the 1693 Management Company (a wholly-owned subsidiary of the William & Mary Foundation)
 - Governance oversight from the 1693 Partners Fund Board
- **Key Administrative Features**
 - Each Partner receives the same exposure to all asset classes and the same access to all investment managers
 - Each Partner determines its own spending policy
 - The Fund does not charge a participation fee; Partners pay their pro-rata share of oversight expenses

1693 Partners Fund

Core Investment Principles

- Maintain a long-term perspective
- Manage risk through diversification
- Partner with world class investment managers
- Keep an independent mindset
- Pursue a value-oriented investment approach
- Seek sensible concentration within individual investment manager portfolios

Portfolio Asset Allocation



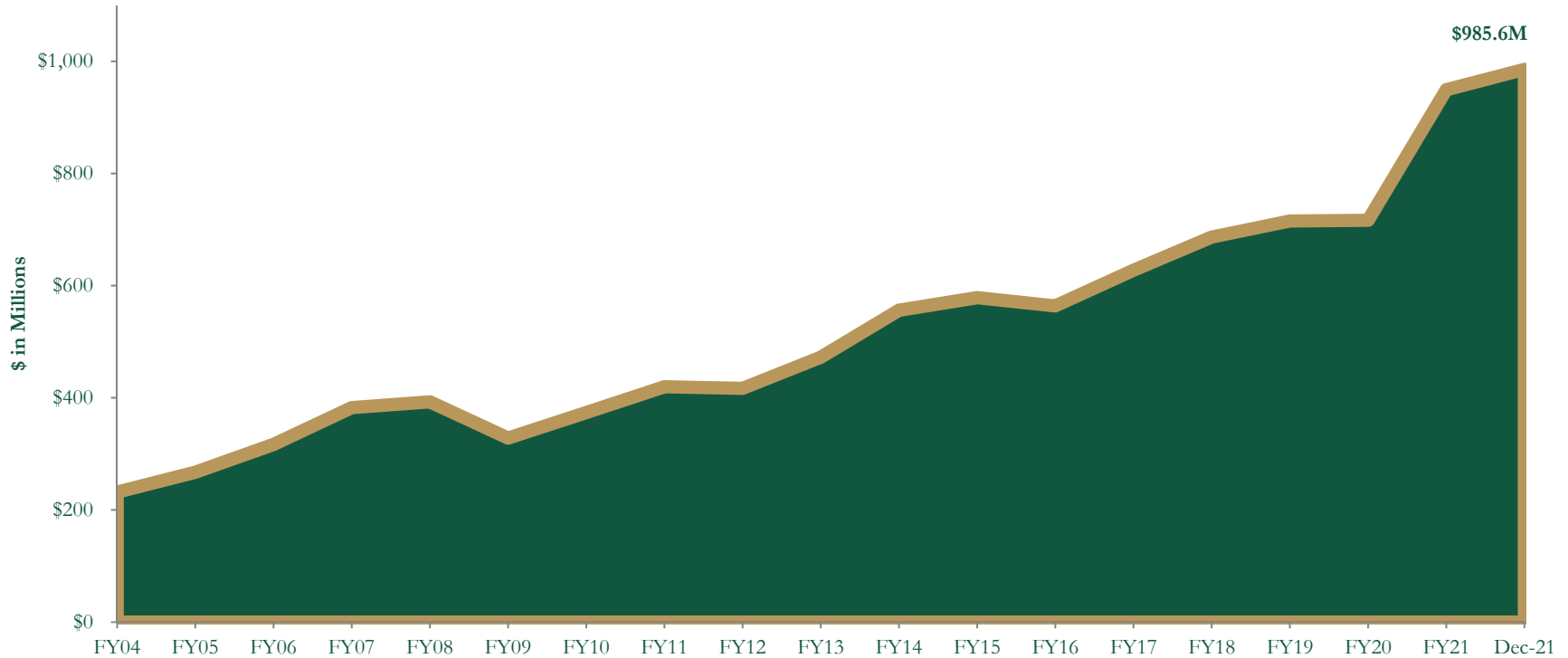
Asset Allocation Range

<u>Global Public Equities</u>	<u>Private Equity</u>	<u>Diversifying Strategies</u>	<u>Real Assets</u>	<u>Fixed Income & Cash</u>
30%-70%	15%-25%	5%-15%	5%-15%	5%-15%

The portfolio also includes a 0.6% and 0.2% weighting to transition assets (holdbacks, side pockets and distributed securities) as of December 31, 2021, and September 31, 2021, respectfully

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Growth in Pooled Endowment Assets



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Investment Performance

as of June 30, 2021

<i>Numbers in %</i>	<u>Fifteen Years</u>	<u>Ten Years</u>	<u>Seven Years</u>	<u>Five Years</u>	<u>Three Years</u>	<u>One Year</u>
1693 Partners Fund ¹	7.51	8.60	8.89	12.14	13.04	36.75
Policy Benchmark ²	6.36	7.53	7.55	11.31	11.88	35.41
Value Add	1.15	1.07	1.34	0.83	1.16	1.34

Performance footnotes are in the Appendix

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Investment Portfolio

Globally Diversified Active Manager Roster

<i>As of December 31, 2021</i>	<u>Investment Managers</u>	<u>Individual Funds</u>
Global Public Equities	11	11
U.S. Equity	3	3
Developed International	7	7
Emerging Market Equity	1	1
Private Equity	13	43
Fixed Income	1	2
Diversifying Strategies	12	23
Real Assets	10	24
Total	47	103
Active Exposure through Managers	82.0%	
Passive Exposure via ETFs	9.0%	

The portfolio also has 10 legacy managers and 17 legacy fund investments, representing approximately 3.3% of assets. The portfolio has 5.7% in cash equivalents at the end of the reporting period.

Key Third Party Relationships

<u>Function</u>	<u>Vendor</u>
Auditor	Deloitte & Touche
Legal Counsel	Hirschler
Tax Advisor	Deloitte Tax
Global Custodian	The Northern Trust Company
Consultant (Retainer)	Cambridge Associates
Information Technology Resources	Total Portfolio Data & Analytical Platform- Caissa
	Database Management- BackStop Solutions
	Performance Monitoring & Evaluation- eVestment & Privatei
	Financial Market Information- Bloomberg

1693 Partners Fund Board Members

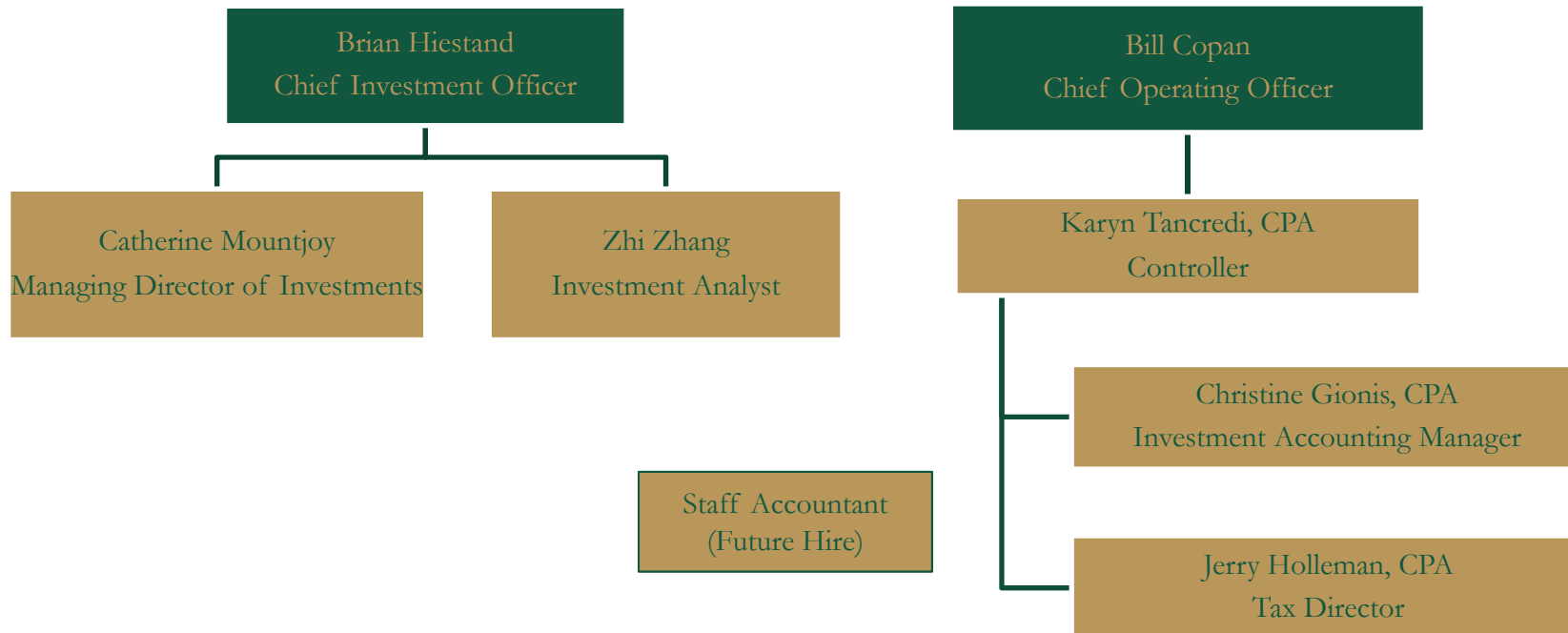
- Elizabeth Jennings, '85, Chair
- Jody Forsyth, P '15, Vice Chair
- Dave Covin, P '21
- Andrew Horrocks, '87
- David Jallits, P '12
- Darpan Kapadia, '95
- Jim Mallory, '88
- Scott Perkins, '89
- Cliff Fleet, '91
- Karim Ahamed '79
 - Business School Foundation Representative
- Paul Eckert, JD '96
 - Law School Foundation Representative

1693 Management Company

Investment & Operations Professionals

Board Members:

- Michael Foradas, Chair
- Louis Dudney
- Michael Sapnar



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APPENDIX

Performance Reporting Footnotes

1. Fund-level investment performance is presented net of investment manager fees and gross of internal operating expenses.
2. Policy Benchmark: 56% MSCI All Country World Index, 24% Bloomberg Barclays Aggregate Index, 2% Bloomberg Barclays U.S. Credit Index, 8% Bloomberg Barclays U.S. High Yield Index, 10% Bloomberg Commodity Index; Beginning January 1, 2017: 50% MSCI All Country World Index, 15% Russell 2000 Index, 10% Bloomberg Barclays Aggregate Index, 15% HFR Fund of Funds Index, 5% MSCI U.S. REIT Index, 5% S&P North American Natural Resources Index
3. Private Equity Benchmark: Russell 3000 Index until January 1, 2017; Thereafter Russell 2000 Index
4. Real Asset Benchmark: Bloomberg Commodity Index until January 1, 2017; Thereafter 50% MSCI U.S. REIT and 50% S&P North American Natural Resources Index
5. Investment performance is at the fund, Exchange Traded Fund (ETF) or composite level and not the direct experience of the Partners Fund.
6. Partners Fund Domestic Equity total historical performance includes performance from Highfields Capital, Hound Partners and GMO Quality Fund, Royce
7. Partners Fund Developed International total historical performance includes performance from Mondrian Investment Partners
8. Partners Fund Emerging Markets Equity total historical performance includes performance from Arisaig Africa Consumer Fund, Albizia ASEAN Opportunities Fund, TBC Emerging Markets Fund, Sloane Robinson, Monsoon Capital, Tiger Asia, GMO Domestic Opportunities Fund, GMO Emerging Markets Fund, Proa Partners & Edgbaston Investment Partners
9. Partners Fund Fixed Income total historical performance includes performance from Convexity Capital, Commonfund High Quality Bond Fund and PIMCO Total Return Bond Fund
10. Partners Fund Diversifying Strategies total historical performance includes performance from Greywolf Capital, GMO Benchmark-Free Fund, Protégé Partners, Paulson & Co., Convexity Capital, Commonfund and King Street Capital