



Oregon State University
Foundation

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March 29, 2018

Mr. Jon Dorbolo
President, Faculty Senate
Oregon State University
466 Learning Innovation Center (LINC)
Corvallis, OR 97331

Dear Jon,

Thank you for the opportunity to provide an update on the OSU Foundation's investment portfolio since the Faculty Senate first approached us in 2013 regarding our fossil fuel-related holdings.

As you noted in your February letter, our Trustees initially reviewed arguments for fossil fuel divestment in 2013/14 and engaged with a number of faculty, staff, students, and community members on the topic over an 18-month period. We also put in place a formal Advisory Committee, comprised of Foundation leaders, Trustees, and alumni, to consider public input such as this about our investment holdings. The Foundation Board of Trustees decided not to divest and came to the same conclusion in 2016 following another round of conversations with faculty and students. In June 2016, the Foundation elected to begin making a "fossil fuel-free" fund available to donors and trained fundraising staff on how to present this option to interested supporters. It remains an active endowed fund at the Foundation.

When the Faculty Senate approached the OSU Foundation in 2013, our fossil fuel-related holdings stood at around 6% of our total assets. As of December 31, 2017, our fossil fuel-related holdings account for 3.75% of our total assets. More specifically, our holdings in the "Carbon Underground 200," a list of the 100 largest public coal companies and the 100 largest public oil and gas companies globally, is less than 1%.

Additionally, our fund managers benchmark our holdings against the Dow Jones Sustainability Index, which represents the top 10% of the S & P Global Float Adjusted Market Cap index based on environmental, social, and economic criteria. Over 14% of our holdings are currently in these industry-leading sustainable investments.

Finally, we remain committed to transparency in our investments and continue to fully disclose our holdings on our web site (osufoundation.org -> About Us -> Financial Information). We also participate, along with other campus units, in the annual STARS survey (Sustainability Tracking, Assessment & Rating System).

Again, thank you for following up and please let me know if you have additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Michael Goodwin".

J. Michael Goodwin
President & CEO