University of Nebraska Foundation

FY25 FOUNDATION ENDOWMENT REPORT

AS OF JUNE 30, 2025

Brian Neale

Message From the Chief Investment Officer

The University of Nebraska Foundation's endowment must balance sustained growth to meet the needs of future generations against the needs of the university today. Established in 1936, it is a permanent endowment, with an investment horizon of "forever." Given the long-term horizon, we primarily measure performance based on five-year annualized periods.

Our five-year annualized return for the year ending June 30, 2025, was 10.4%, trailing our benchmark of 11.4%. The one-year return for the fiscal year was 9.0%, falling short of the benchmark return of 11.4%. Underperformance compared to our benchmark was primarily driven by our private investment portfolio, which returned 2.5% versus its benchmark of 8.7%. We measure our private investments against a blended benchmark of public market indices plus 3.0%. The philosophy is that on a long-term basis, in exchange for the illiquidity of private investments, we should expect to earn at least a public market equivalent plus an additional 3.0% annually. During fiscal year 2025, the private investment portfolio did not outpace extraordinarily strong public markets fueled in large part by the "Magnificent Seven." While it is disappointing to see short-term underperformance, on a longer-term basis, private investments have outpaced their benchmarks and added gains to the overall portfolio. The private investment portfolio outperformed its benchmark by nearly 1.0% over the annualized 10-year period.

We continue to maintain a disciplined and consistent approach to our investment management and emphasize asset allocation as the key driver of returns. Amid the current unpredictable economic climate, we believe the portfolio is strategically balanced to pursue new opportunities while managing potential volatility.

Foundation Endowment Performance (Net of Investment Fees and Expenses)

	1 YEAR	5 YEAR	SINCE INCEPTION
Foundation Endowment	9.0%	10.4%	8.5%
Benchmark	11.4%	11.4%	8.3%

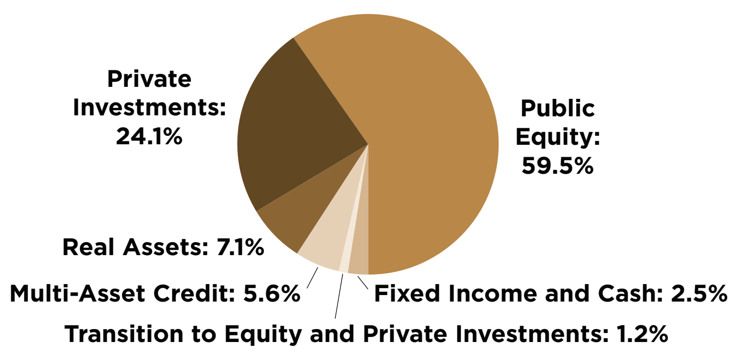
$2,335,488,472

Foundation Endowment Market Value

7,059

Total number of endowed funds, including 187 created in FY25

FOUNDATION ENDOWMENT ASSET ALLOCATION



Investment Objective

The primary objective of the foundation's endowment is to earn an annualized return of at least 6.5% plus the Consumer Price Index net of investment management fees, oversight expenses and transaction costs, when measured over five-year rolling periods.

For more information, contact: Brian Neale, Chief Investment Officer | 402-458-1114 | brian.neale@nufoundation.org