March 31, 2018

Investment Philosophy

The Campanile Foundation’s endowment is invested with professional money managers. The asset allocation is intended to provide diversification and moderate risk with a focus on long-term investment return. The investment performance, compared to investment return expectations, of each money manager is monitored closely by an independent investment advisor and reviewed quarterly by the Finance and Investment Committee of the Campanile Foundation Board.

The Campanile Foundation’s current distribution policy is to provide an annual 4.0% payout of the previous 3 year rolling average of the fund’s unitized balance in the endowment pool, for the programs and scholarships of San Diego State University. In the event that the fair market value of an individual true endowment fund, at any one quarter, drops below the permanently restricted amount of the endowment, the distribution rate will not exceed the amount of interest and dividends earned by the endowment in that quarter. The annual distribution rate will be determined each year by the Board of Directors.

Investment Advisor: Meketa Fiduciary Management

Endowment Performance*
For period ending March 31, 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>The Campanile Foundation Actual</th>
<th>Policy Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>7.8%</td>
<td>5.5%</td>
</tr>
<tr>
<td>3 Years</td>
<td>9.0%</td>
<td>6.4%</td>
</tr>
<tr>
<td>5 Years</td>
<td>8.6%</td>
<td>6.5%</td>
</tr>
<tr>
<td>10 Years</td>
<td>6.0%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

Asset Allocation Policy as defined by the Finance and Investment Committee

- Growth Assets: 50%
- Risk Mitigation: 28%
- Inflation Hedges: 14%
- Credit: 8%

$289 Million as of March 31, 2018

Investment Funds

Growth Assets
- Vanguard Developed Markets Index
- Vanguard Total Stock Market Index
- GQG Partners Global Equity
- WCM Quality Global Growth
- Artisan Global Value
- First Eagle Global Value Equity
- Rhumbline QSI Index
- Kopernik Global All Cap Fund
- First Eagle Gold

Credit
- Beach Point Leveraged Loan
- Nomura High Yield
- Payden Emerging Markets Debt

Inflation Hedges
- UBS Trumbull Property Fund
- Vanguard Inflation-Protected Securities
- SSGA S&P Global LargeMidCap Natural Resources Index
- Vanguard Short-Term Inflation-Protected Securities

Risk Mitigation
- Vanguard Total Bond Market Index
- BH-DG Systematic Trading
- TSE Capital Offshore Fund, Ltd.
- 36 South Kohinoor Series Three
- First American Prime Obligation Fund Y

*Performance of individual funds may vary from the total pool return due to the timing of contributions and endowment management fees.