

A photograph of the Radcliffe Humanities and Primary Care Building at dusk. The building is a large, multi-story structure with a mix of traditional stone and modern glass architecture. The sky is a deep blue, and the sun is low on the horizon, casting a warm glow on the building's facade. In the foreground, there are several tall, purple flowers in bloom. The overall scene is peaceful and well-lit.

Sustainability Report

OU Endowment Management Ltd
The Oxford Endowment Fund

31 December 2025

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Introduction to the OUem Sustainability Report 2025

In 2026, OUem falls in scope of the Financial Conduct Authority's (FCA) Sustainability Disclosure Requirements (SDR) for entity level as an Alternative Investment Fund with assets over £5bn. The purpose of this is to require companies and investors to provide a link between their sustainability risks and their financial performance. Therefore, we have evolved our reporting to meet the broader requirements of SDR. This includes incorporating elements of sustainability reporting wider than the TCFD and TNFD climate and nature reporting previously included on our website, alongside new elements. This has been aided by investing in our ESG data provision in late 2025.

FCA Sustainability Disclosure Requirements

SDR is the UK's core regulatory framework for sustainability-related disclosures, product labelling, and anti-greenwashing rules in financial services. The regime is led by the Financial Conduct Authority (FCA), its overarching goal is to improve transparency, comparability and trust in sustainability-related reporting.

Task Force on Climate-related Financial Disclosures (TCFD)

TCFD was convened by the Financial Stability Board (FSB) to develop a set of recommendations for consistent climate risk disclosure. Its recommendations are structured around four sections: governance, strategy, risk management, and metrics and targets. TCFD reporting enables organisations and public companies to effectively disclose their climate-related risks and opportunities.

Task Force on Nature-related Financial Disclosures (TNFD)

As a commitment to integrating nature analysis into our operations and investments, OUem is a supporter of the Task Force on Nature-Related Financial Disclosures (TNFD). This report includes voluntary disclosures on nature-related dependencies, impacts, risks, and opportunities according to the recommended disclosures developed by the TNFD.

TNFD reporting enables organisations and public companies, through a standardised framework, to effectively assess and disclose their impacts and dependencies on nature and ecosystem services in order to promote transparency and accountability in environmental stewardship to halt and reverse nature loss.

Combined Sustainability Report

This report is focused on OU Endowment Management (OUem) and the Oxford Endowment Fund (OEF or 'the Fund'). Whilst investments held in the OEF may at any given time include investments that have particular sustainability characteristics, nothing contained within this report is intended to suggest that the OEF has an explicit sustainability label. This Sustainability Report has been prepared by OUem in accordance with the relevant provisions contained in the FCA's ESG Sourcebook, the TCFD Recommendations and Recommended Disclosures, and the applicable sections of the TCFD Annex as required under ESG 2.1.6R. This is a combined report that covers OUem's compliance with the FCA's sustainability reporting requirements, against which OUem is expected to report. This includes OUem's combined SDR and TCFD entity report for OUem as well as product level TCFD reporting for the OEF. The report is being presented together in this way to reflect that the OEF is OUem's primary product and to aid the reader. For more information on the performance of the OEF, please see the [2025 OEF Report](#).

The Oxford Funds: Endowment Master (known as the Oxford Endowment Fund, the OEF or the Fund) is a collective investment scheme as defined in the Financial Services and Markets Act 2000 and an Alternative Investment Fund (AIF) under the Alternative Investment Fund Managers Directive, as implemented in the UK. The Oxford Funds: Endowment Master is a charitable unauthorised unit trust (CUUT) which operates within a master / feeder structure, with two feeder vehicles, the Collegiate Feeder and the Non-Collegiate Feeder. In the context of the master / feeder structure, in order to avoid unnecessary duplication, the information contained in this report is intended to meet the needs of investors in each feeder. This Sustainability Report adopts a 12-month reporting period that ends on 31 December of the year preceding the date of publication.

It is anticipated that OUem's approach to sustainability-related reporting will continue to evolve, particularly as climate-related data and quantification methodologies develop further. The quantitative methodologies adopted for the current report, together with the known limitations of those methodologies, are referenced in the 'Metrics and targets' section of the report.

Compliance statement

ESG 5.6.8 requires a firm's sustainability entity report to include a statement confirming that the sustainability related disclosures comply with the ESG Sourcebook, and ESG 2.2.7 requires a corresponding statement for the TCFD entity disclosures.

Accordingly, we confirm that the disclosures contained in the OUem Sustainability Report, which encompasses both SDR and TCFD requirements, are consistent with the requirements of the ESG sourcebook. This compliance statement is underpinned by OUem's internal control and governance procedures. There is an expectation that the matters disclosed in this entity report will continue to evolve in line with market practice and the ongoing development of quantification methodologies.

The Sustainability Report has been signed by Sandra Robertson, Chief Executive Officer.

OU Endowment Management

Our company mission is to be the leading provider of endowment management services for charitable investors with a long time horizon who believe in a diversified investment approach and are focused on achieving absolute real returns.

Established in 2007, we are based in Oxford and have specialist expertise in managing global, diversified portfolios for endowments and foundations.

For more information on the performance and activity of the Oxford Endowment Fund, please read the [OEF Report 2025](#).

46
investors

£7.2bn
assets under management

Pembroke College

Our history

OUem was established by the University of Oxford in 2007, when a review led by Sir Alan Budd concluded that, inspired by the world's most successful endowments and foundations, a dedicated full-time investment team would yield the best outcomes for the University, given the inherently short term nature of the investment industry.

During this period, several other capital pools across the University sought to leverage the OUem team's expertise. Amid the backdrop of the Global Financial Crisis, the founding team crafted a unique structure tailored for long term capital, secured regulatory approval from the UK Financial Conduct Authority, and established world-class infrastructure to support their strategy. On 1 January 2009, the Oxford Endowment Fund (OEF) was launched for Oxford's collegiate charities. In 2018, we expanded eligibility to include other UK foundations and endowments.

Today

Today, our dedicated team of approximately 30 people manages the Oxford Endowment Fund for 46 investors. Our enduring business model is designed to focus on intergenerational returns, supported by robust governance and oversight frameworks, and a culture that embeds sustainability into our investment philosophy.

With a 17-year track record, the OEF has consistently exceeded its investment objective of 5% after CPI, and we have grown the annual distribution per unit by 104%, against inflation of 64%. From the very beginning, we have sought out exceptional talent to manage the strategies within the OEF. Leveraging our experience, reputation, and the brand of the University of Oxford, we access capacity-constrained managers globally. Our active management, intellectual curiosity, and disciplined investment process ensure we remain flexible and resilient in a rapidly changing world.

Our values

Honest & authentic

Genuine in all that we do
Highest standard of business ethics and governance

Responsible

Act in the best interests of investors
Focused on solutions
Take ownership

Committed

To excellence, to making a difference to investors and charities
To being best in class

Respectful

Of each other and everyone we interact with

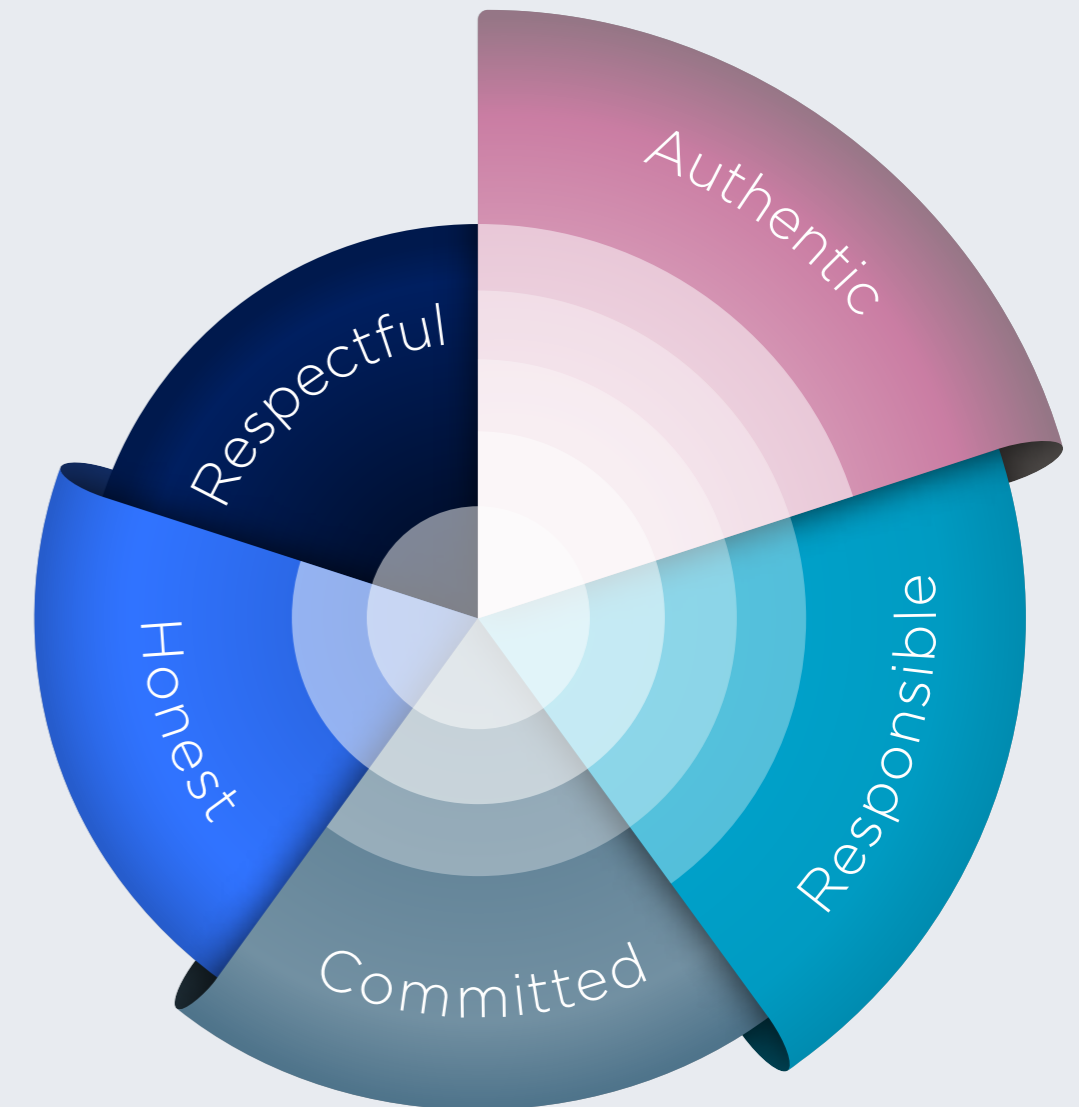
Our culture

We are

Dynamic and robust
Friendly and sociable
Straightforward and solution-focused
Collaborative problem solvers
Intellectually curious

We have

Smart people
High standards
Each other's backs



Governance

OU Endowment Management is a regulated investment manager with robust systems of governance and oversight.

We are authorised and regulated by the Financial Conduct Authority and are an Alternative Investment Fund Manager under the Alternative Investment Fund Managers Directive (AIFMD). Our primary focus is on managing permanent capital within the Oxford Endowment Fund.

Sustainability oversight and management

The Board of Directors (the Board) has overall responsibility for risk management, including oversight of sustainability risks. The Chief Executive Officer is responsible for the design of appropriate strategies to understand, identify, measure, monitor, control, and report risks and opportunities related to sustainability across investments and the business. OUem's ESG Principles are periodically reviewed by the Board and mechanisms are in place to ensure that relevant sustainability-related information is shared with the Board. OUem maintains company and fund risk registers and has implemented an operational risk management framework to identify and evaluate risks, including those relating to sustainability. The Head of Corporate Affairs and Sustainability is a member of the Leadership Team. This provides an opportunity to regularly update management on practices and initiatives relating to sustainability matters, alongside formal reporting of sustainability risks.

The Oxford Endowment Fund

OUem is the regulated investment manager of the Oxford Endowment Fund, which is an investment vehicle where the University of Oxford, members of the collegiate University, and a small number of select external UK charities, have pooled their perpetuity capital to gain the scale and expertise of a dedicated investment approach provided by OUem.

Integrated sustainability strategy

The necessity to live more sustainable lives is one of the most pressing challenges facing society today. We actively manage the Oxford Endowment Fund so that, as an investor, we are part of the solution to sustainability.

We have developed a principles based approach to integrate sustainability considerations across our investment process regardless of the sector, strategy or region. These principles are: investing in solutions, screening and due diligence, engagement and collaboration. These are overlaid with portfolio monitoring and underpinned by targets.

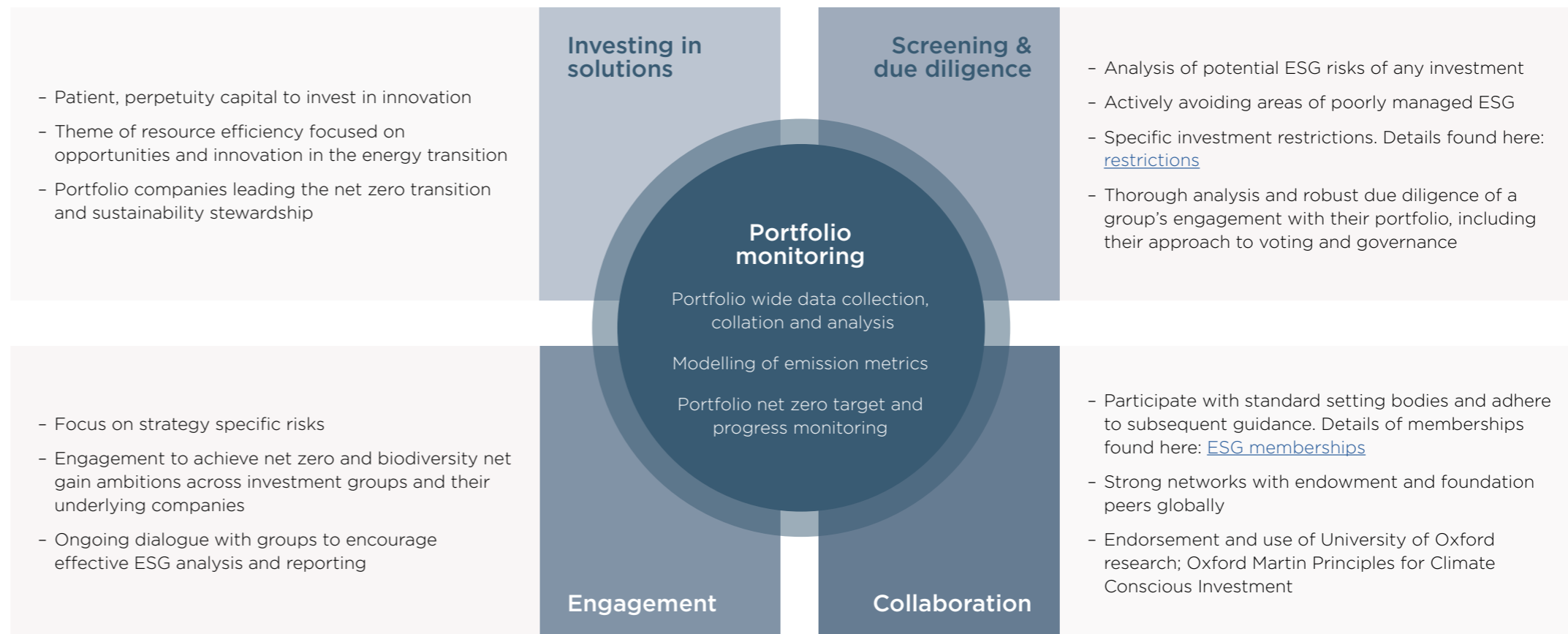
Our strategy can be summarised as:

- Identification of climate, nature and broader sustainability risks
- Investing in sustainability solutions
- Understanding, managing and mitigating specific sustainability-related risks, including climate, nature and social risks, across the portfolio, both prior to and for the duration of investments
- Engaging with and encouraging groups to incorporate sustainability linked topics such as net zero planning and biodiversity net gain into their investment analysis
- Collaborating with and joining appropriate sustainability-focused network initiatives

Further information on investment strategy can be found in the [OEF Report](#).

Oxford Botanic Garden

An integrated approach



2035

Paris-aligned net zero plans across the Oxford Endowment Fund

Zero FF ✓

No direct investments in fossil fuel extractors

Net zero ✓

Engagement with residual fossil fuel exposure on net zero planning

2025 ✓

Carbon neutrality of OUem

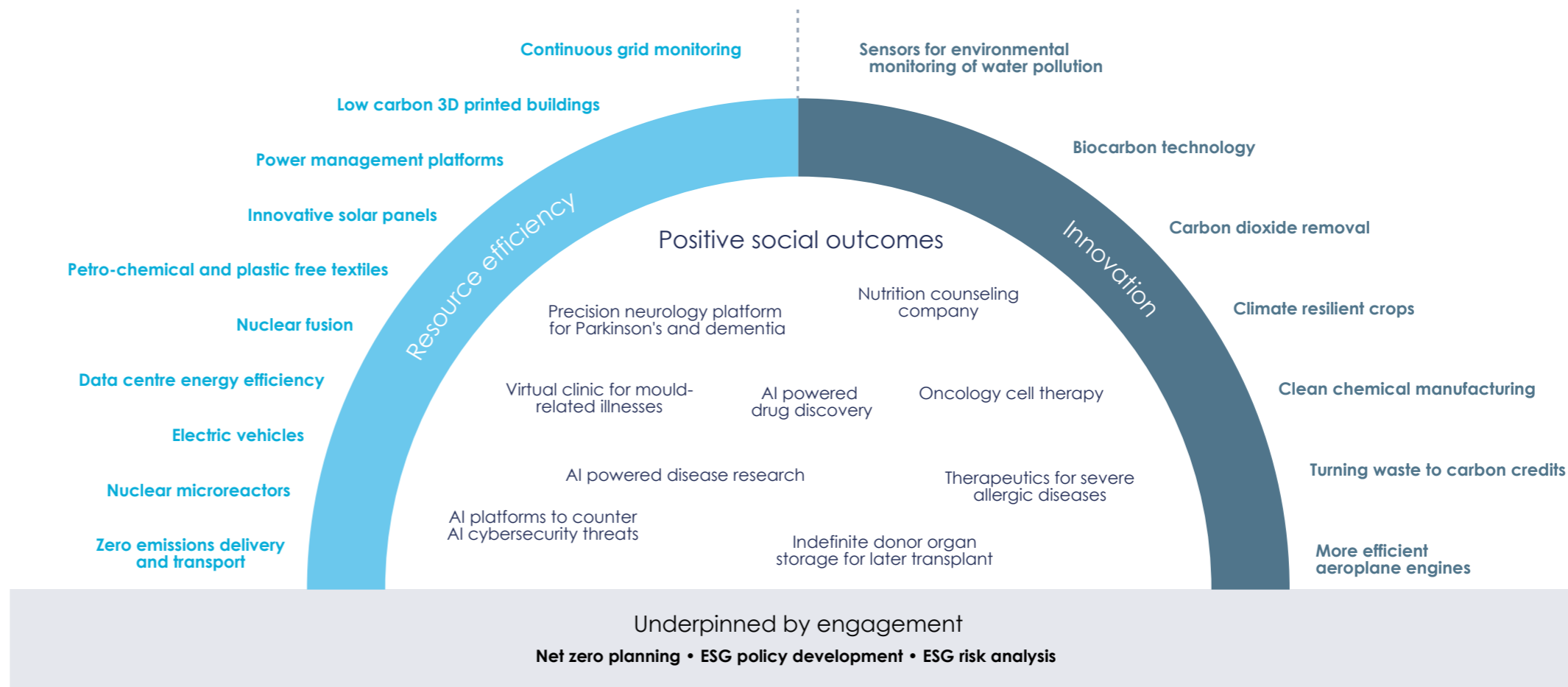
Investing in solutions

Managing perpetuity capital allows us to identify long term investment themes. This has enabled investments with positive outcomes for the climate, nature and wider society.

Since 2010, OUem has pursued investment in line with the broad themes of resource efficiency and innovation. We believe that being guided by our investment philosophy and investing in these themes places us well to continuously adapt and remain resilient in an ever changing world.

Dorothy Crowfoot Hodgkin Building

OEF's investments in solutions



Social innovation

We have seen continued investment in social innovations, particularly by our Venture Capital managers, dedicated to benefiting society as a whole. There has been a notable uptick in these types of investments with the rise of AI, in particular innovations in healthcare, around disease prevention and drug discovery, as well as cybersecurity and customer privacy advancements.

Climate and nature-related opportunities

In 2010, we became the first institutional investor to back a group focused on analysing companies' resource metrics, assuming those which minimise their water, waste and energy will outperform less prudent peers. Several OEF Venture managers are active in areas focusing on positive impacts and sustainable dependencies on nature, for example agritech, sustainable food and supply chains; and nature data providers in the sustainability space.

Natural Capital

We have a Natural Capital strategy involving substantial rural land investments in the UK. This is concerned with protecting and enhancing natural resources over the long term and aims to create value and generate new income streams through the delivery of ecosystem services. Management activities within this initiative are focused upon biodiversity and peatland restoration, which are detailed on the next page.

Investing in solutions: natural capital

In November 2020 the OEF acquired an upland estate in central Scotland as a natural capital investment. The natural capital strategy is concerned with optimising natural resources to promote biodiversity and seeks to add value through the provision of ecosystem services, such as carbon sequestration and flood mitigation.

The estate spans 7,500 acres of predominantly heather moorland and peatland. The strategy currently involves peatland restoration, long term habitat restoration and eco-tourism. Carbon modelling of the estate is used to determine areas for improved carbon sequestration services.

Stream dissecting the peatland

Peatland restoration

An eight-month peatland restoration project was completed in late 2024. The project initially identified existing areas of peatland in varying states of degradation. The analysis suggested that, prior to the OEF's purchase, peatland habitat across the estate had been significantly altered from its near natural condition and had been emitting carbon dioxide over the majority of areas surveyed.

A restoration plan was drawn up and actioned, the purpose of which was to reduce loss of peat and stored carbon from the site and to re-wet and restore the peatland to a bog ecosystem able to sequester carbon from the atmosphere and support a wide range of flora and fauna. Restoration activities included artificial drain blocking and the installation of leaky dams to slow down the flow of water, and the reprofiling and revegetating of actively eroding peatland. These actions have resulted in approximately 800 acres of restored peatland now on the road to recovery. Key species in the restored peatland include sphagnum moss, deer grass, and cotton grass.

A recent carbon audit of the wider natural capital project at the estate has shown that, in terms of land based emissions, the peatland restoration has significantly reduced emissions. While the peatland is not yet a net carbon sink as the project was only completed in late 2024, it is expected to continue to regenerate and continue to act, along with other woodland and tree sequestration on the estate, as a significant carbon sink into the future.

Long term habitat restoration and eco-tourism

Extensive surveys have been undertaken to record, monitor and enhance the biodiversity of the estate. OUem is currently implementing a data management framework to quantify the ongoing impact of restoration initiatives on the estate's ecosystems. The estate has been awarded Wildlife Estate Scotland (WES) accreditation.

Long term habitat restoration not only offers significant potential for positive biodiversity gain through an integrated wildlife and habitat management plan, but can also have a positive social impact through enhanced public access and eco-tourism. OUem has also been working closely across departments at the University of Oxford to enable academics and researchers to travel to the estate for research and writing retreats.

Community engagement

In October 2025, OUem hosted a community engagement event near the estate aimed at sharing ideas, hearing community views on land management matters and exploring opportunities for further natural capital activity and development on the estate. OUem will continue to facilitate ongoing liaison and engagement with local residents.



Woodland on the estate

Sustainability across the Property portfolio

OUem continues to drive sustainability across its direct property estates. Sustainability reports have been produced for rural holdings and a new social value assessment was prepared. The final report assessed the social value currently derived from these properties and offered some estate specific recommendations to strengthen community engagement, improve wellbeing, and potentially support economic resilience.

Sustainability risk management

Sustainability risks are integrated in our broader investment risk management approach. This is underpinned by:

- Diversification across asset groups, geographies and sectors. Through active management, we have the ability to avoid sectors with our investment decisions.
- We are agnostic to benchmarks, so we can avoid high risk areas as opposed to being forced to own them.
- An explicit focus in our investment process on identifying and partnering with investment talent enables us to engage with managers on a wide range of risks, including those relating to sustainability.

Our ongoing dialogue with third party managers ensures we have the best possible understanding of the assets held and the potential risks within the portfolio, including those relating to sustainability.

Due diligence

During due diligence and in ongoing engagement with investment groups, we take time to understand what risks could arise on a case by case basis. These will vary depending on the strategy; however, we incorporate considerations such as reduction of resource use and pollution prevention, climate transition strategies and net zero planning, biodiversity risks, disclosure of environmental data, human rights, labour practices, community engagement and data privacy & security. This informs ongoing engagement.

Engagement

The OEF predominantly owns interests in funds, rather than investing in companies directly, so engagement activities are carried out with the investment managers of those funds. We have a disciplined approach to the number of active relationships with investment groups in the portfolio and an exceptionally high information flow from these groups.

Aligned with our broader evaluation of groups, we maintain direct lines of contact with our investment managers, who update us on sustainability related risks and opportunities as and when they arise. We supplement this communication by effective monitoring of underlying positions from both online sources and third party sustainability data feeds.

Each year OUem writes to investment groups regarding climate, nature, net zero and broader sustainability matters. Investment groups are asked to use the Oxford Martin Principles for Climate Conscious Investment, engage portfolio companies on net zero targets, share net zero and emissions analysis, share their approach to nature-related impacts and dependencies, and for public managers, update us on voting practices.

Engagement by voting

The OEF predominantly owns interests in funds, rather than investing in companies directly, so engagement activities are carried out with the investment managers of those funds, rather than through voting. Understanding a manager's own approach to engagement is a key area of due diligence and ongoing evaluation. OUem will enact any voting rights ascribed under the ownership structure.

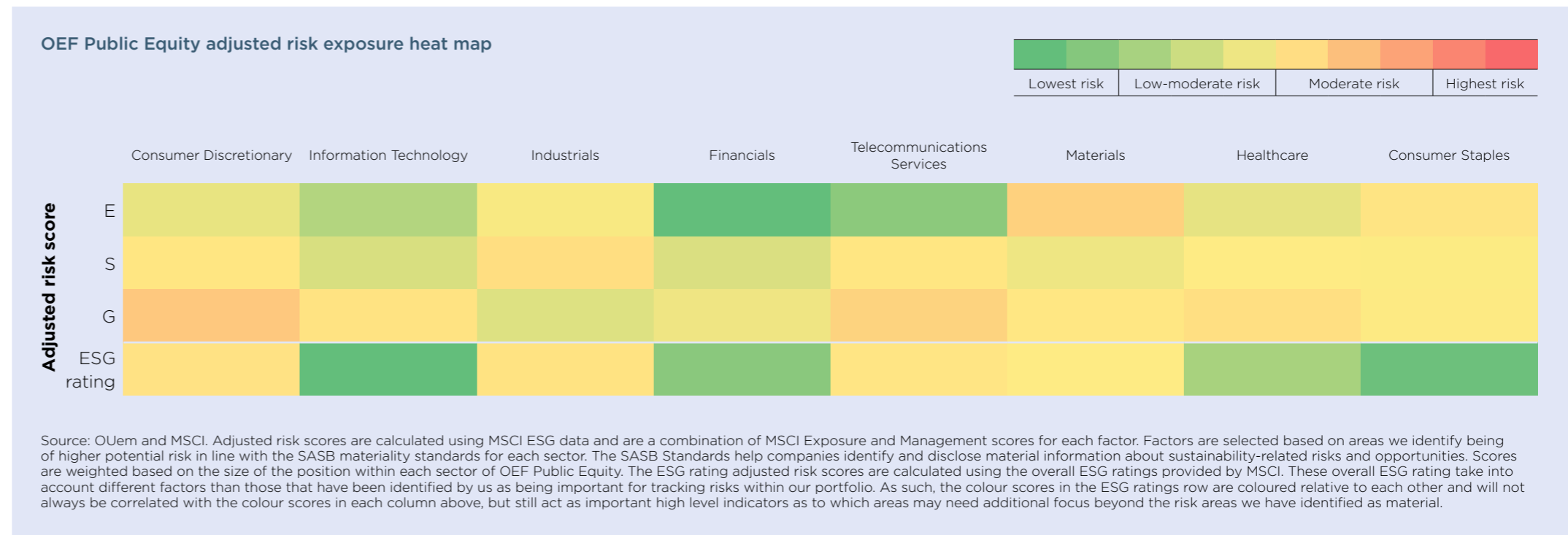
OUem is also a member of the Investor Forum, an organisation established to facilitate collective engagement between institutional investors and UK listed companies, to encourage good stewardship of public companies.

Sustainability risk tracking

Ouem uses several methods to identify, track and log sustainability engagements, risks and news across the portfolio.

Identification of topics for manager engagement

Our primary tool for risk identification is our thorough due diligence and ongoing engagement with managers. We supplement this with third party data to assess sustainability risk exposure across the indirect Public Equity portfolio and identify areas of relatively higher risk. This analysis helps us highlight sectors and managers where environmental, social or governance risks may be more pronounced and where engagement is most relevant. Overall, our analysis indicates that the portfolio has relatively low exposure to sustainability risks as categorised by the Sustainability Accounting Standards Board (SASB), as illustrated by the portfolio-level risk exposure heat map below.



St Edmund Hall

Climate and nature risks

Under the FCA's TCFD reporting requirements we are required to disclose how we identify, manage, and oversee climate-related risks and opportunities, in the long, medium and short term.

Over the long term we see opportunities by investing in innovative sustainability solutions; with these investments also having the potential to generate returns over short to medium time frames. We consider the best way to manage climate and broader sustainability-related risks over the short, medium and long term to be through engagement with our managers.

Ouem has systems in place to identify and assess climate and nature risks relevant to the company and investments. While specific risks are considered to be low in these areas, we take a number of steps to monitor and mitigate. We comply, and will comply, with all existing emerging regulatory requirements related to climate change and sustainability more broadly.

Christ Church Meadow

Specific climate and nature risks

We have spent time reviewing the potential for systemic climate and nature risks across the portfolio. It is widely accepted that limiting global warming and mitigating climate change is intricately linked with the protection and promotion of biodiversity and ecosystem services. As such, OUem's approach to identification of nature-related risks is broadly in line with that of climate risks.

We have identified several global macro risks from climate change. Some examples of these include: increased prevalence of natural disasters, increased conflict and displacement, changing consumer preferences, increased spending by governments to fund climate mitigation, increased taxation and debt burdens to fund fiscal expense, increased operating costs of industry and property to facilitate mitigation strategies, further regulation including carbon pricing, and potential climate litigation. As with all macro risks, these are a challenge both to measure and mitigate against.

All investments are thoroughly analysed for potential environmental and social risks. Due to our active approach to investment management, and long term themes such as resource efficiency, specific climate and nature micro risks are limited.

Over the short, medium and long term, climate risks specific to the portfolio are considered to be low. The impacts of climate change on the business strategy and financial planning of the OEF are therefore currently considered to be low, although these remain under review. We believe this to be the case in a range of scenarios, from current modelling of 2°C or lower.

We have identified the following areas as potential for heightened climate and nature risks; although the OEF is not exposed to high risk sectors in any concentrated form.

High carbon emitting and biodiversity impact sectors

The OEF has lower exposure to mature, heavily regulated and capital intensive sectors such as energy, materials and utilities than the MSCI ACWI. These sectors, as well as consumer staples, are recognised to have the highest potential for biodiversity impact. At the sector level, the OEF is weighted towards less climate and nature intensive sectors than the MSCI ACWI.

Other climate risks

There is no direct exposure and de minimis through investment funds to physical infrastructure. Exposure to property and catastrophe risk is very low, with no explicit insurance strategies or catastrophe bonds.

Property and land use

One of the main sources of GHG emissions and drivers of impacts on nature comes through the production of food. The Fund has invested in sustainable food systems and agritech and has avoided exposure to the industrial meat and dairy industry. The OEF's property and land investments are not in areas exposed to high physical risks of climate change, with the majority of rural land in the UK and assessed for nature and flood risk prior to investment.

Deforestation

The OEF's exposure through funds to companies on Global Canopy's Forest 500 list is low and risks are currently perceived to be minimal, although exposures will continue to be monitored and managers engaged as appropriate.

Fossil fuels review and engagement

The OEF has a restriction on direct investment in fossil fuel companies and has no direct holdings in these companies. The restriction does not extend to fossil fuel companies held through investment groups. Where there is 'look through' exposure, we communicate the restriction to investment groups, and request that they avoid investing in fossil fuels, both prior to investing and throughout the lifetime of the investment. In the Private Equity portfolio, this is requested in a side letter, prior to investing.

Ouem's active approach to investment management and long term themes such as resource efficiency means the investment groups we work with often have no exposure to fossil fuel companies. Since 2008, exposure to fossil fuels via funds has reduced from an estimated 7% to de minimis exposure of 0.2% at the end of 2025. Of the 0.2% residual fossil fuel exposure via funds approximately a third of this indirect holding as a percentage of NAV has a carbon transition target. Wherever there is exposure we will engage with the investment manager and ask that they use the OM Principles for Climate-Conscious Investment to engage on net zero with the fossil fuel company. Further information on this can be found at: [Approach to Net Zero](#). Alongside regular dialogue with investment groups, OUem has asked all groups to use the Oxford Martin Principles for Climate-Conscious Investment, as a reference for engagement with portfolio companies, to help plan for a net zero world.

Oxford Endowment Fund climate-related metrics and targets

The Oxford Endowment Fund aims to preserve and grow the value of charitable endowments, while providing a sustainable income stream.

In this section we disclose the metrics and targets used to assess and manage relevant climate risks and opportunities to the Oxford Endowment Fund. For performance and activity please see the [OEF Report](#).

The OEF has three initial climate-related targets:

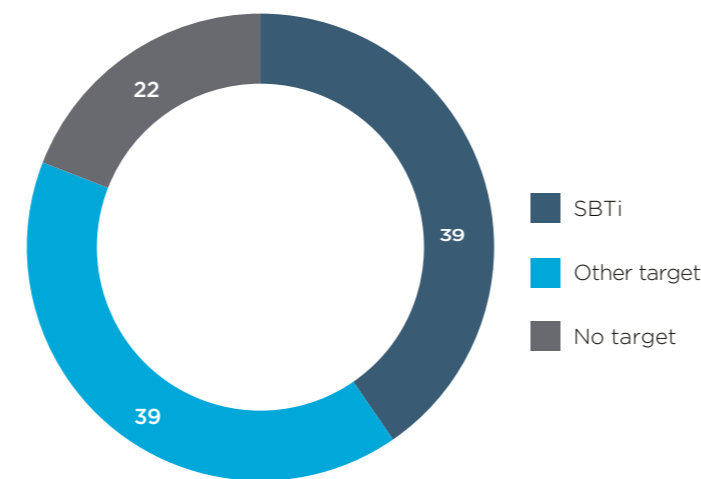
- 1 No direct investments in fossil fuel extractors
- 2 Engagement with any residual fossil fuel exposure on net zero planning
- 3 Paris-aligned net zero plans by 2035

Corpus Christi College

We monitor net zero planning across the portfolio by tracking the percentage of OEF managers that are taking steps towards net zero. We also measure the percentage coverage of underlying holdings with net zero aligned targets. Net zero targets are currently more readily available for large publicly listed companies, and our measurement is often reliant on information reported by these companies. Annually, we ask all of the investment managers in the OEF to engage with their underlying portfolio companies to plan for a net zero world. We have also chosen to support organisations encouraging disclosure of climate metrics and targets where appropriate.

Looking through our managers' investments, we have assessed the coverage of net zero aligned targets across the portfolio. This year, the information is derived from 50% of the OEF with the inclusion of some available data from the Private Equity portfolio. We will continue to work to improve this proportion going forward. Using this sample, as in the figure below, 39% have targets related to net zero and emissions reductions, with 39% committing to or setting a target using the Science Based Targets initiative (SBTi).

Figure 1: Underlying holdings' coverage with net zero aligned and emissions reduction targets %

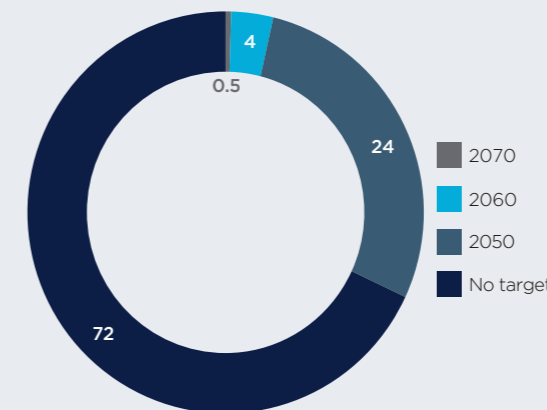


Source: OUem, MSCI and zerotracker.net. Note: data gathered from 50% of the underlying portfolio.

Net zero targets by geography

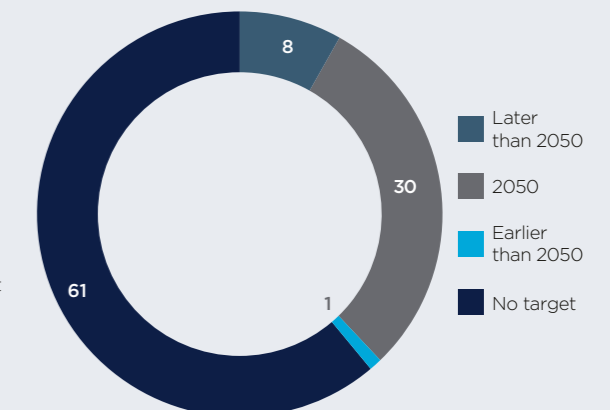
We are keeping abreast of the substantial regulatory and policy changes around the net zero transition. We believe that net zero targets, at the highest level, are an appropriate signal that companies and investors are reducing their GHG emissions. In the two pie charts below, we have mapped our managers and their investments globally, then grouped these by countries' net zero targets. We have used Net Zero Tracker to understand the status of countries' targets. Last year saw a significant shift in the distribution of net zero targets among the geographies we have invested in, almost solely linked to the fact that the USA has withdrawn from the Paris Agreement. Given our exposure to managers and underlying investments based in the US, this has significantly skewed the two graphs below. We will continue to monitor this situation and highlight the fact that despite the situation changing at the national level, our overall underlying holdings coverage with net zero aligned and emissions reductions targets remains encouraging.

Figure 2: Date of net zero target by manager location, as a % of NAV



Source: OUem and zerotracker.net.

Figure 3: Date of net zero target by underlying investments' location, as a % of NAV



Our managers invest internationally, hence are exposed to countries beyond their own. By underlying investments location, approximately 61% of the OEF now lies in countries without a target, since the US withdrew from the Paris Agreement for a second time. Full geographic exposure can be found in the [OEF Report](#).

Estimated emissions

The Oxford Endowment Fund is predominantly invested in pooled vehicles. Data is limited with mapping of the portfolio's underlying emissions reliant on estimations and modelling.

The metrics we have chosen to report have been deemed as the most suitable considering our investment approach and accounting for the limitations of the data available to us. This has been done to reduce the potential for erroneous estimations from a limited dataset. The gaps in the limited underlying data cannot be addressed using proxy data or assumptions without the resulting disclosure being misleading.

Year on year changes to metrics in this section could reflect a number of different variables. This might include changes to the mix of assets, the availability of data and changes in calculation methodologies as examples.

Brasenose College

Modelled emissions

We consider climate risks specific to the portfolio to be low given our active approach to investment management and long term themes such as resource efficiency. We have shared our key defences to climate change within our strategy and risk management sections, which we believe would be the most appropriate frameworks in a range of climate scenarios; although we currently do not have the data to model this.

The Weighted Average Carbon Intensity (WACI) of the OEF has been calculated for 39% of underlying holdings in the portfolio, where emissions are reported or estimated from public sources. The WACI is calculated at 31 December for scope 1 & 2 emissions, as tCO₂e/\$M revenue.

Table 1: WACI of the OEF and MSCI ACWI

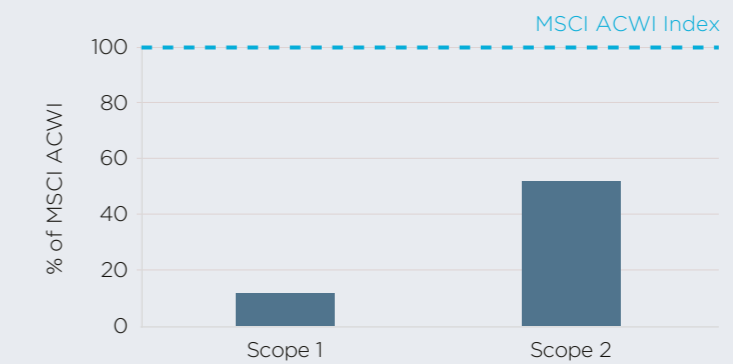
	OEF	MSCI ACWI
2022	72.9	161.0
2023	44.1	129.0
2024	45.1	117.4
2025	29.5	109.6

Source: OUem, MSCI, Bloomberg.

The OEF predominantly invests in pooled vehicles and accurate mapping of emissions is challenging. As such, we are reliant on evolving datasets, modelling and estimates. Our solution currently is to map and compare the OEF's greenhouse gas emissions, at the portfolio level and by sector, to that of the MSCI ACWI. Figure 4 alongside shows the carbon footprint of the OEF's public companies (tCO₂e/\$M invested) relative to the MSCI ACWI. The OEF's public companies' total carbon footprint is approximately 19% of the MSCI ACWI's. This is broken down into scope 1 and 2 footprints. Figure 5 highlights the fact that the OEF is weighted towards less GHG intensive sectors than the MSCI ACWI.

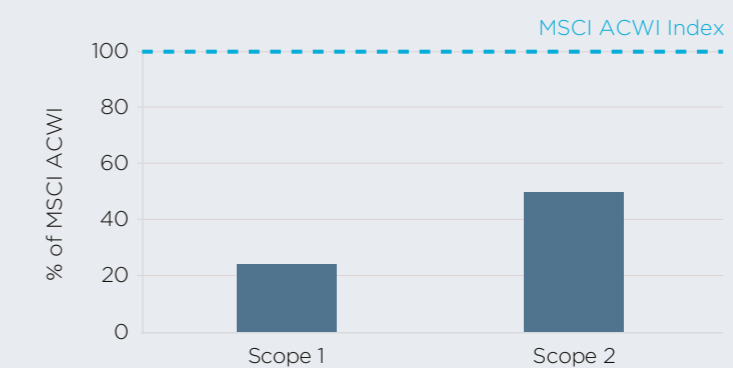
Please note that while the results presented in this section are encouraging, the modelled analyses may not accurately reflect GHG emissions. This is due to incomplete look through data and estimated emissions for underlying companies, where the latter, in particular, may not accurately track companies' decarbonisation from one year to the next. When data becomes available, we will explore reviewing long term trends over year by year comparisons.

Figure 4: Modelled OEF carbon footprint (tCO₂e/\$M invested)



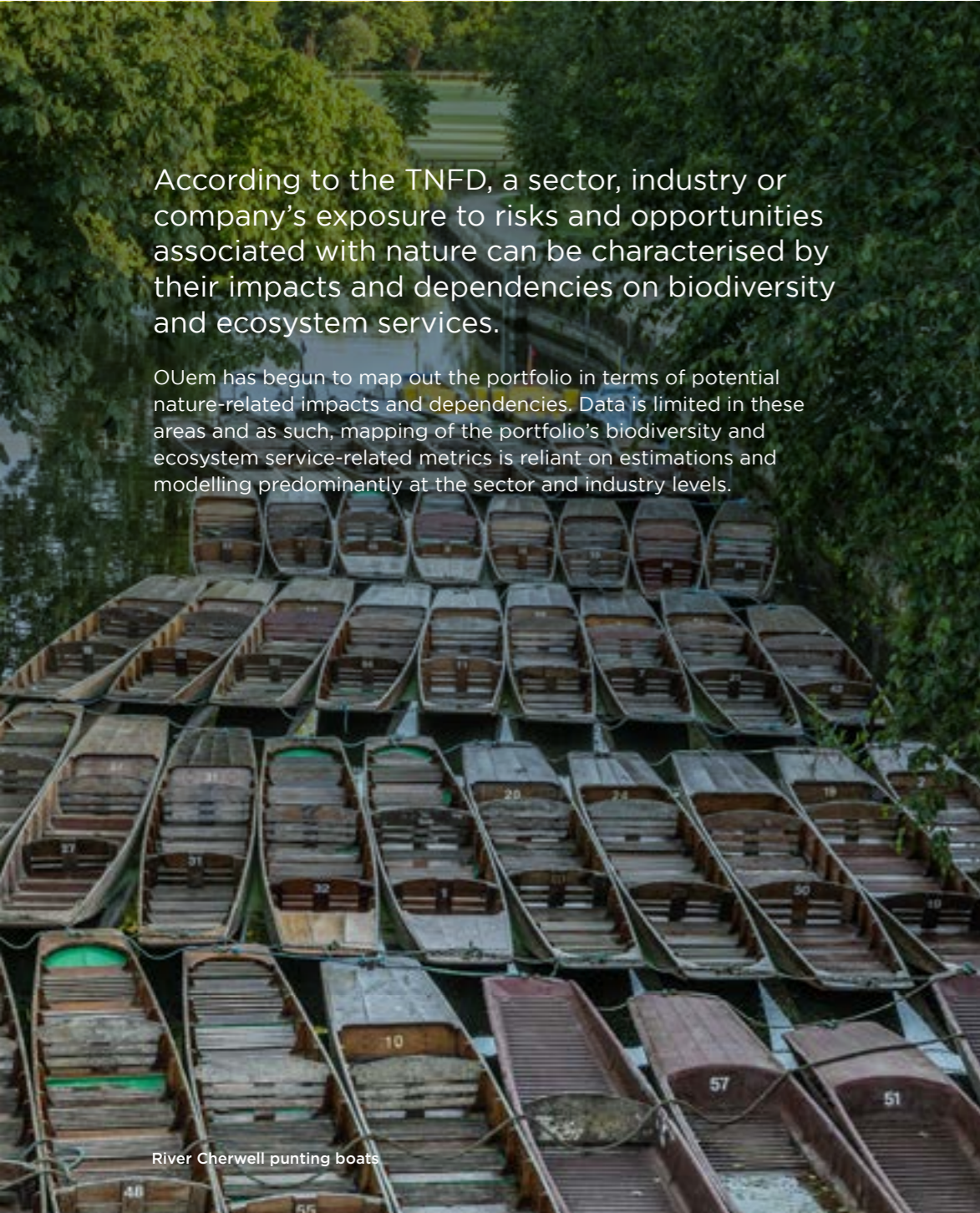
Source: OUem, MSCI. Note: Scope 1 = All direct greenhouse gas (GHG) emissions that an organization emits from sources it owns or controls directly. Scope 2 = Indirect GHG emissions from consumption of purchased electricity, heat or steam.

Figure 5: Modelled OEF emissions by sector



Source: OUem, Bloomberg.

Oxford Endowment Fund nature-related impacts and dependencies



According to the TNFD, a sector, industry or company's exposure to risks and opportunities associated with nature can be characterised by their impacts and dependencies on biodiversity and ecosystem services.

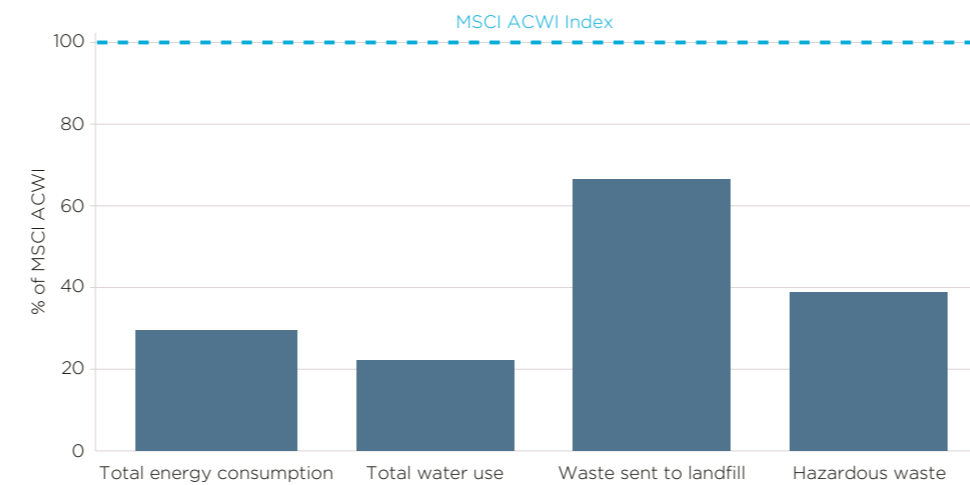
Ouem has begun to map out the portfolio in terms of potential nature-related impacts and dependencies. Data is limited in these areas and as such, mapping of the portfolio's biodiversity and ecosystem service-related metrics is reliant on estimations and modelling predominantly at the sector and industry levels.

Ouem has reviewed several data sources and industry papers on mapping biodiversity impacts and dependencies and the OEF scores well against these measures.

Modelled OEF water use and waste sent to landfill

As with climate related data, accurate mapping of impacts and dependencies on nature is challenging. Again, we are reliant on evolving datasets, modelling and estimates. Currently, we map and compare the OEF's energy consumption, water use, waste sent to landfill and hazardous waste, by sector, to that of the MSCI ACWI. The figure below shows the Fund to be weighted, at the sector level, towards less water and waste intensive sectors than the MSCI ACWI.

Figure 6: Modelled OEF energy use, water use and waste by sector

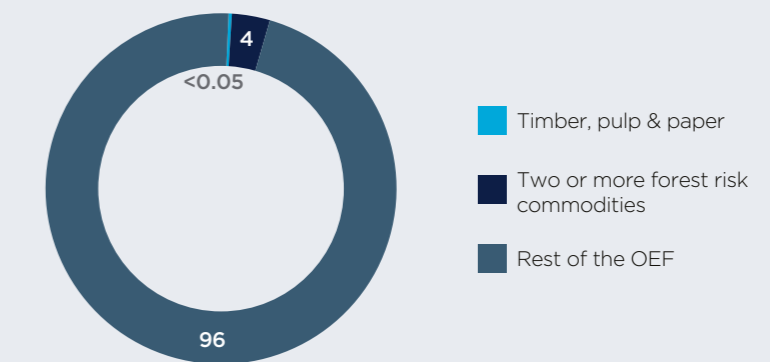


Source: Ouem, Bloomberg.

Forest risk commodity exposure

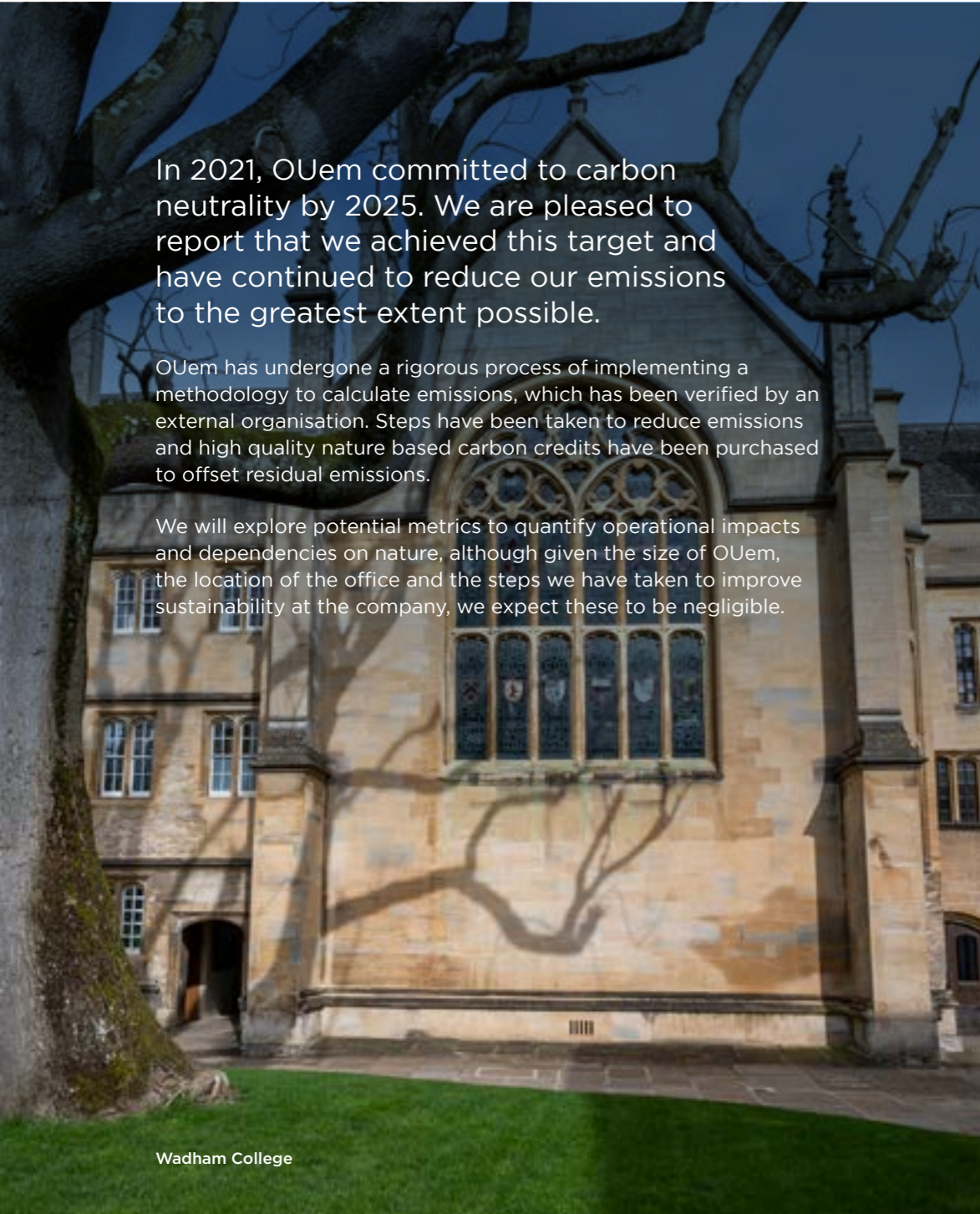
Less than 5% of the OEF is indirectly exposed to the 350 companies involved in either the manufacture, trade or retail of forest risk commodities included in Global Canopy's Forest 500 list. Of the OEF's exposure to these companies, the majority is through a small number of consumer facing retailers operating across two or more of these commodities. We will continue to monitor our look through exposure to these areas.

Figure 7: OEF exposure to companies that are involved in either the manufacture, trade or retail of forest risk commodities



Source: Ouem, Global Canopy. Note: OEF indirect exposure to companies that are involved in either the manufacture, trade or retail of forest risk commodities. Forest risk commodities include palm oil, soy, beef and timber, pulp & paper. The majority of the OEF's exposure is through consumer facing retailers of two or more of these commodities. There is <0.05% of the OEF exposed to companies only involved in timber, pulp & paper.

Operational metrics and targets

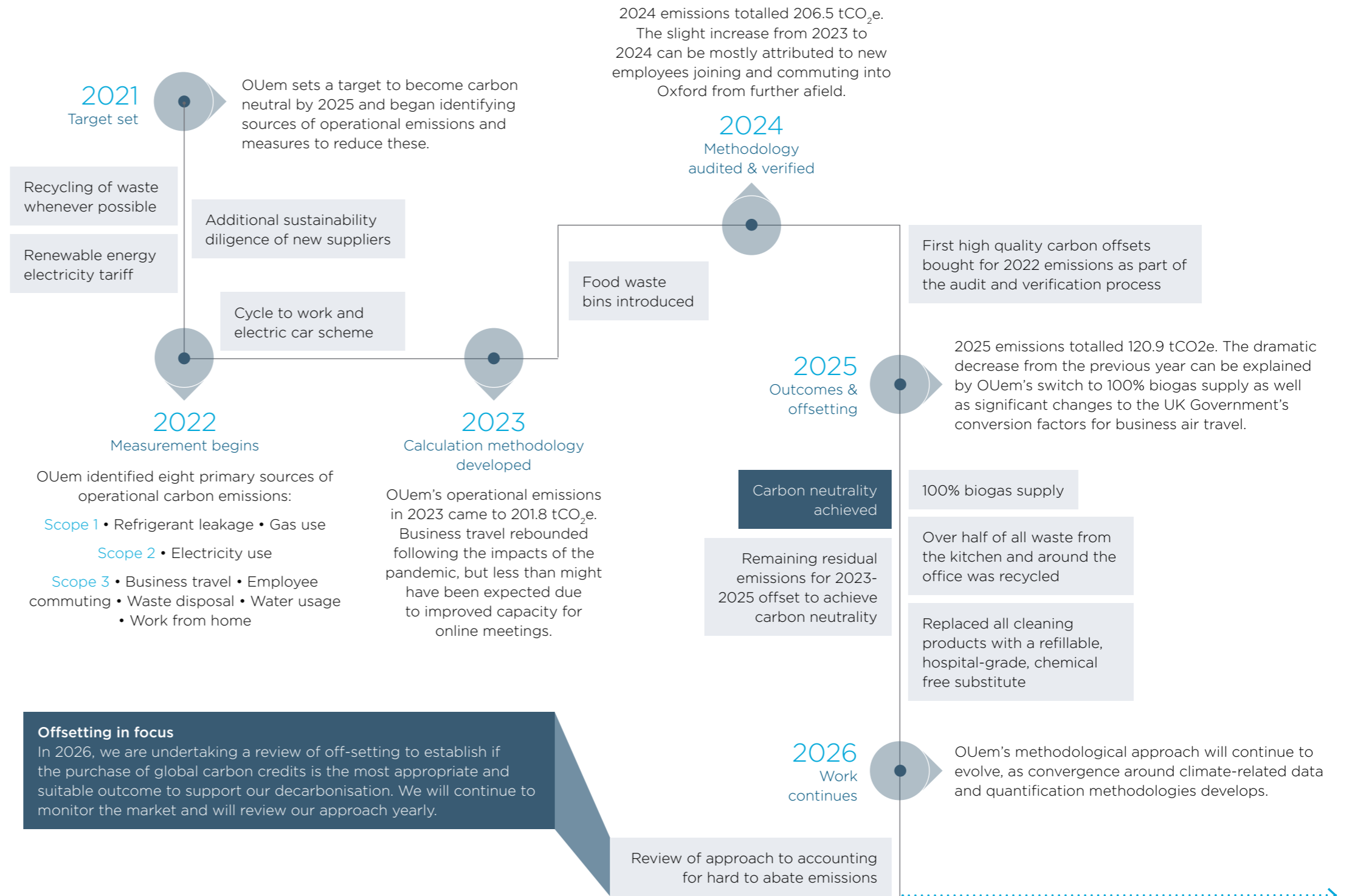


In 2021, OUem committed to carbon neutrality by 2025. We are pleased to report that we achieved this target and have continued to reduce our emissions to the greatest extent possible.

OUem has undergone a rigorous process of implementing a methodology to calculate emissions, which has been verified by an external organisation. Steps have been taken to reduce emissions and high quality nature based carbon credits have been purchased to offset residual emissions.

We will explore potential metrics to quantify operational impacts and dependencies on nature, although given the size of OUem, the location of the office and the steps we have taken to improve sustainability at the company, we expect these to be negligible.

Wadham College



Operational metrics and targets

OUem is a small company based in Oxford. Through initiatives undertaken so far, we have reduced our operational scope 1 and 2 emissions to near zero. Beyond our operational emissions, this page outlines how we have approached broader sustainability at the company.

Sustainability of suppliers

Prior to engaging a new material service provider, we include analysis of approach to sustainability as part of our due diligence. This includes engaging and improving our understanding of a group's transition to net zero.

Collaboration to improve our processes

We have signed up to several organisations and initiatives. These network memberships and initiatives increase our understanding of policy changes across the industry and keep us abreast of new developments or initiatives that may be useful for us in our ongoing pursuit of sustainability at OUem. We also have access to some of the most eminent climate research and academics in the world.

Employee engagement

Wherever possible, recycling and reduction of food waste is encouraged. We also promote more sustainable employee commuting through the cycle to work and electric car schemes.

Identification of climate and nature risks

OUem is a small business and climate risks to the operating entity are currently considered to be low. Due to its size and location, physical climate-related risks are likely to be small. We have identified the following transition risks which could contribute to a risk of potentially higher operating costs; however, none of these risks are deemed material:



Increased cost of carbon emissions and increased emissions reporting obligation; both risking higher operating costs.



The need to switch to lower emissions technologies contributing to potentially higher operating costs.

Nature risks to the operating entity are also currently considered to be low, and OUem's operational impacts on nature are likely to be negligible. OUem's dependencies on nature are also expected to be low as a result of our overall approach to operational sustainability discussed in this section.

Impact of and resilience to climate risks and opportunities

Given the limited climate risks that OUem faces at the company level, we do not foresee any material impacts on the operational business, strategy or financial planning regardless of current modelled scenarios of 2°C or lower. In order to meet our climate targets, additional costs to the business are expected. For example, sustainable suppliers may be more costly and there is a cost to offsetting carbon emissions.

Climate and nature risk management

As a small company, operational climate and nature risks are perceived to be low. We have developed a Sustainability Hub available through the company's intranet, to all employees. This is a space to share new sustainability initiatives and track our sustainability progress as a company over time.

More than

50%

of office waste recycled in 2025

Scope 1 & 2 emissions reduced to

<0.1tCO₂e

through renewable electricity and biogas supply



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All photos provided by John Cairns Photography, with the exception of the natural capital estate photos by Alexander Baxter

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