

INVESTMENT THAT WILL LAST FOREVER



Vilnius
University
Foundation

MAY 2023





BRIEFLY ABOUT US

VILNIUS UNIVERSITY FOUNDATION IS THE FIRST UNIVERSITY **ENDOWMENT FUND** IN LITHUANIA.

DONATIONS ARE **INVESTED**. RETURN ON INVESTMENT IS USED TO **FINANCE VILNIUS UNIVERSITY**, AND REINVESTED.

3,44 M EUR

PORTFOLIO VALUE*

591 K EUR

RETURN ON INVESTMENT*

*ACCORDING TO 2023 Q1 REPORT (INVESTING FROM 2019 01)



WE'VE GOT GOOD NEWS AND BAD NEWS

GOOD NEWS

THE **OLDEST AND LARGEST** LITHUANIAN HIGHER EDUCATION INSTITUTION ESTABLISHED IN 1579.

VILNIUS UNIVERSITY IS LITHUANIA'S **LEADING ACADEMIC INSTITUTION**, RANKED AMONG THE **TOP 400** UNIVERSITIES WORLDWIDE (QS* RANKINGS).

>24 700

STUDENTS

15

FACULTIES

>220

STUDY PROGRAMMES

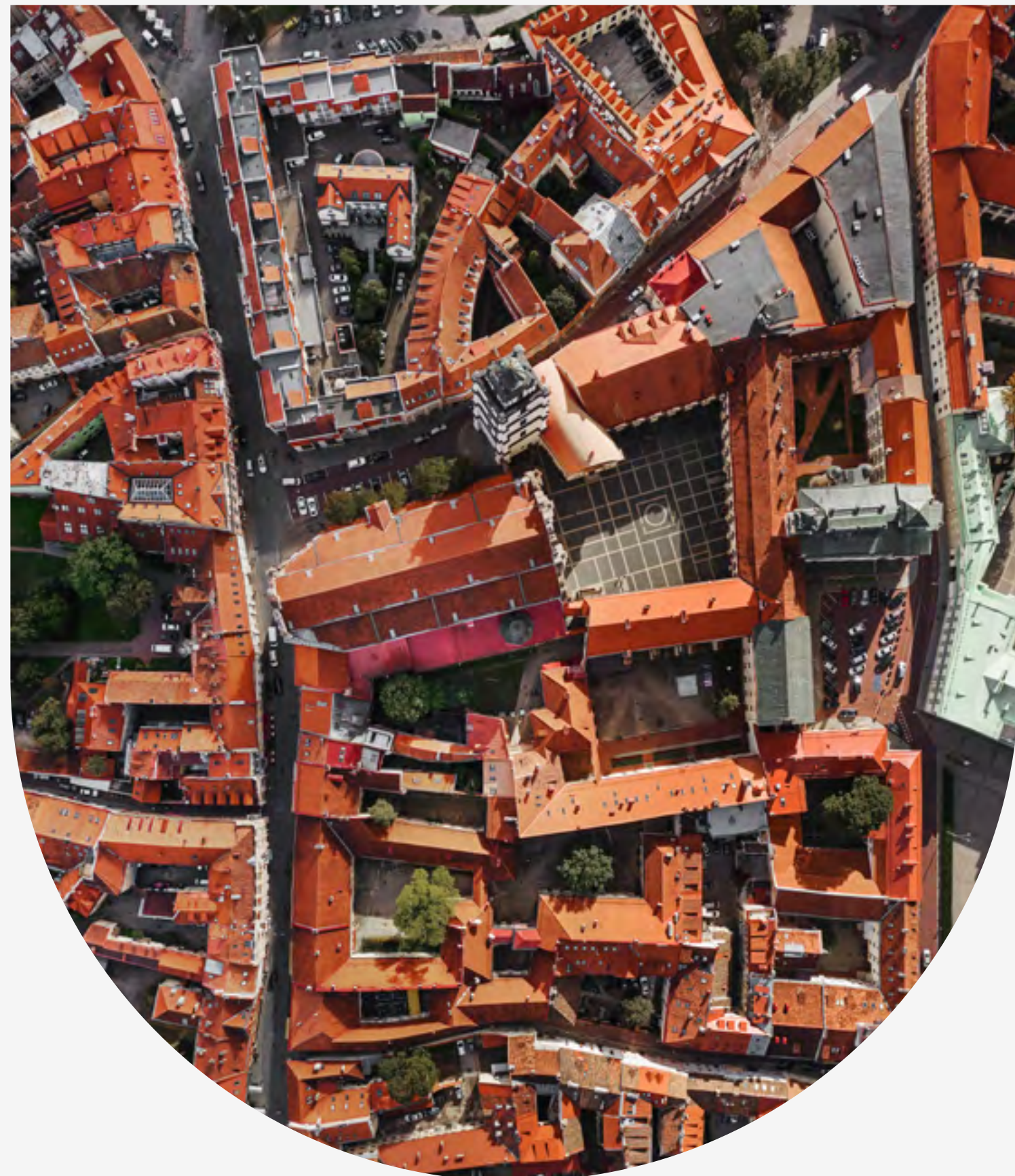
>3 000

EMPLOYEES

[MORE → VU.LT](#)

*QS – ANNUAL PUBLICATION OF UNIVERSITY RANKINGS BY QUACQUARELLI SYMONDS.





VISION AND MISSION OF VU

WE ARE A UNIVERSITY OF A LIVING TRADITION, COMMITTED TO TRUTH AND THE SOCIETY. WE WORK TOGETHER TO BE A CENTER OF A SCIENTIFIC KNOWLEDGE AND CRITICAL THINKING, **RECOGNIZED IN THE WORLD AND A FORCE OF CHANGE IN LITHUANIA.**

OUR UNDENIABLE DUTY AND THE INALIENABLE RIGHT:

- 1** STRENGTHEN THE COGNITIVE AND CREATIVE POWERS OF LITHUANIA AND THE WORLD.
- 2** FOSTER ACADEMIC AND OTHER SPIRITUAL AND SOCIAL VALUES
- 3** EDUCATE ACTIVE AND RESPONSIBLE LEADERS OF THE SOCIETY AND THE CITIZENS OF THE LITHUANIAN STATE

MORE → [VU.LT](https://vulit.vu.lt)

HINC ITUR AD ASTRA*

*FROM HERE THE WAY LEADS TO THE STARS – IS WRITTEN ON THE UNIVERSITY OBSERVATORY WALL IN LATIN.



BIOCHEMICAL
PROF. VIRGINIJUS
ŠIKŠNYS



NEUROSCIENTIST
DR. URTĖ
NENIŠKYTĖ



HISTORIAN
PROF. ALFREDAS
BUMBLAUSKAS



POLITICAL SCIENTIST
DR. MARGARITA
ŠEŠELGYTĖ



ECONOMISTS
MARIUS
DUBNIKOVAS



IMMUNOLOGIST
PROF. AURELIJA
ŽVIRBLIENĖ



PHILOSOPHER
KRISTUPAS
SABOLIUS

VILNIUS UNIVERSITY HAS GIVEN THE WORLD MANY **INTERNATIONALLY ACCLAIMED** SCIENTISTS.
LEADERS OF TODAY ARE EVOLVING AT VILNIUS UNIVERSITY.

MORE → [VU.LT](https://vu.lt)

NOT SO GOOD NEWS



LACK OF FUNDING

LITHUANIAN HIGHER EDUCATION NEEDS **SUSTAINABLE CHANGES**.
HOWEVER THAT IS NOT GOING TO HAPPEN IN THE NEAR FUTURE.

DESPITE RISING RANKINGS, THE UNIVERSITY
BUDGET **CHANGES INSIGNIFICANTLY**:



LACK OF FUNDING WEAKENS THE INTERNATIONAL COMPETITIVENESS
OF VILNIUS UNIVERSITY AND THE POTENTIAL OF LITHUANIAN SCIENCE.





WE’VE REACHED OUR LIMIT

INSUFFICIENT AND FIXED STATE FUNDING MADE
VILNIUS UNIVERSITY **REACH ITS LIMITS.** WHAT’S NEXT?

QS* 2023 RANKING	UNIVERSITY	ANNUAL BUDGET	NUMBER OF STUDENTS	SPENDING PER STUDENT
296	TARTU UNIV. (ESTONIA)	182 M EUR	13 K	14 K EUR
400	VILNIUS UNIVERSITY	154 M EUR	24 K	6.4 K EUR
420	J. GUTENBERG UNIV. (GERMANY)	481 M EUR	31 K	16 K EUR
457	TRENTO UNIV. (ITALY)	356 M EUR	13 K	27 K EUR
415	TAMPERE UNIV. (FINLAND)	315 M EUR	15 K	21 K EUR
465	ESSEX UNIV. (ENGLAND)	290 M EUR	16 K	17 K EUR

*QS – ANNUAL PUBLICATION OF UNIVERSITY RANKINGS BY QUACQUARELLI SYMONDS.



SUSTAINABLE SOLUTION



ENDOWMENT CAPITAL

THE VISIONARIES WHO BELIEVE IN THE POTENTIAL OF VILNIUS UNIVERSITY AND THE LITHUANIAN SCIENCE ESTABLISHED THE FIRST LITHUANIAN **UNIVERSITY ENDOWMENT FUND**.

DONATIONS ARE **INVESTED**. RETURN ON INVESTMENT IS USED TO **FINANCE VILNIUS UNIVERSITY**, AND REINVESTED.

RIGHT NOW:

3,44 M EUR

PORTFOLIO VALUE*

591 K EUR

RETURN ON INVESTMENT*

*ACCORDING TO 2023 Q1 REPORT (INVESTING FROM 2019 01)

A PROVEN STRATEGY

VU FOUNDATION'S INVESTMENT STRATEGY IS IN LINE
WITH THE BEST **INTERNATIONAL PRACTICE**:

- DIVERSIFIED FINANCIAL INSTRUMENTS
- RISK MANAGEMENT AND DIVERSIFICATION
- INVESTING IN A GLOBAL MARKET

LONG-STANDING ENDOWMENTS OF WORLD'S TOP UNIVERSITIES
CONTRIBUTE SIGNIFICANTLY TO THE **FUNDING OF SCIENCE**.



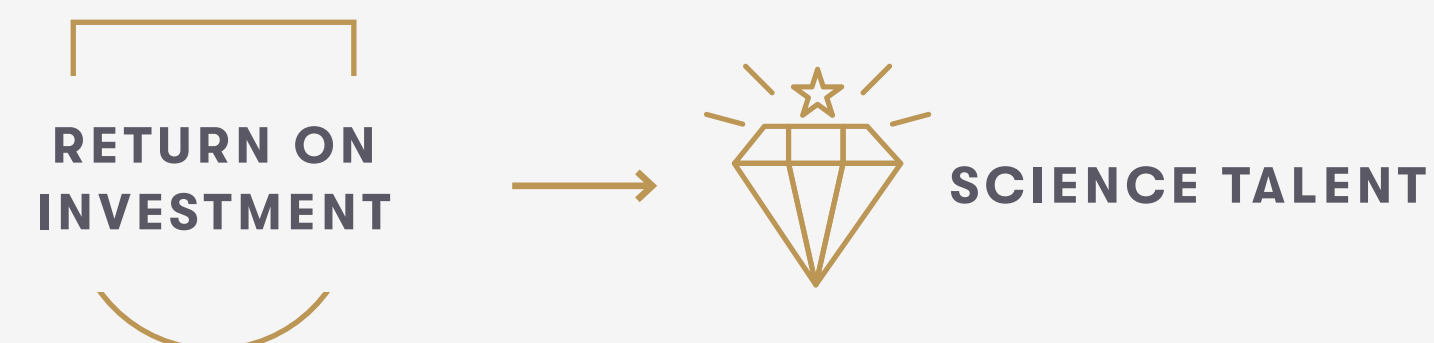
MORE → [VUF.LT](https://vuf.lt)





WE FUND TALENT

COMPETITIVE CONDITIONS ARE NEEDED TO UNLEASH SCIENTIFIC TALENT, THAT'S WHY WE ALLOCATE THE RETURN ON INVESTMENT TO FUND **PROMISING RESEARCHERS** AND **TALENTED STUDENTS**.



AS THE VALUE OF OUR ENDOWMENT REACHES AT LEAST **20 M EUR** WE WILL ALSO PROVIDE FUNDING FOR:

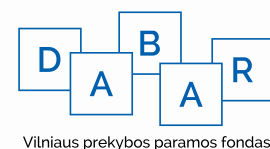
- STUDY PROGRAMMES
- SCIENTIFIC RESEARCHES
- INFRASTRUCTURE PROJECTS

HOW ARE WE DOING?





ZABOLIS PARTNERS



SUPPORT AND ENDORSEMENT

WE ARE SUPPORTED AND ENDORSED BY **PHILANTHROPISTS** WHO BELIEVE THAT **HIGHER EDUCATION** HAS A CRUCIAL IMPORTANCE FOR LITHUANIA'S WELL-BEING.

>3 150

DONATIONS FROM **INDIVIDUALS**

>45

DONATIONS FROM **COMPANIES**



Alumni

VU FOUNDATION IS ACTIVELY SUPPORTED AND ENDORSED BY VU **ALUMNI** COMMUNITY.

MORE → [VUF.LT](https://vuf.lt)

FUNDING OF VU PROJECTS

WE'VE ALREADY ALLOCATED **OVER EUR 0,8 M** FROM THE RETURN ON INVESTMENT AND TARGETED DONATIONS TO FUND **17 PROJECTS**.

249 K EUR

RETURN ON INVESTMENT

658 K EUR

TARGETED DONATIONS

WE ALLOCATED THE RETURN ON INVESTMENT TO CO-FINANCE TALENT COMING TO VILNIUS UNIVERSITY:

- **5 PROMISING RESEARCHERS**
- **18 TALENTED MASTER'S DEGREE STUDENTS**

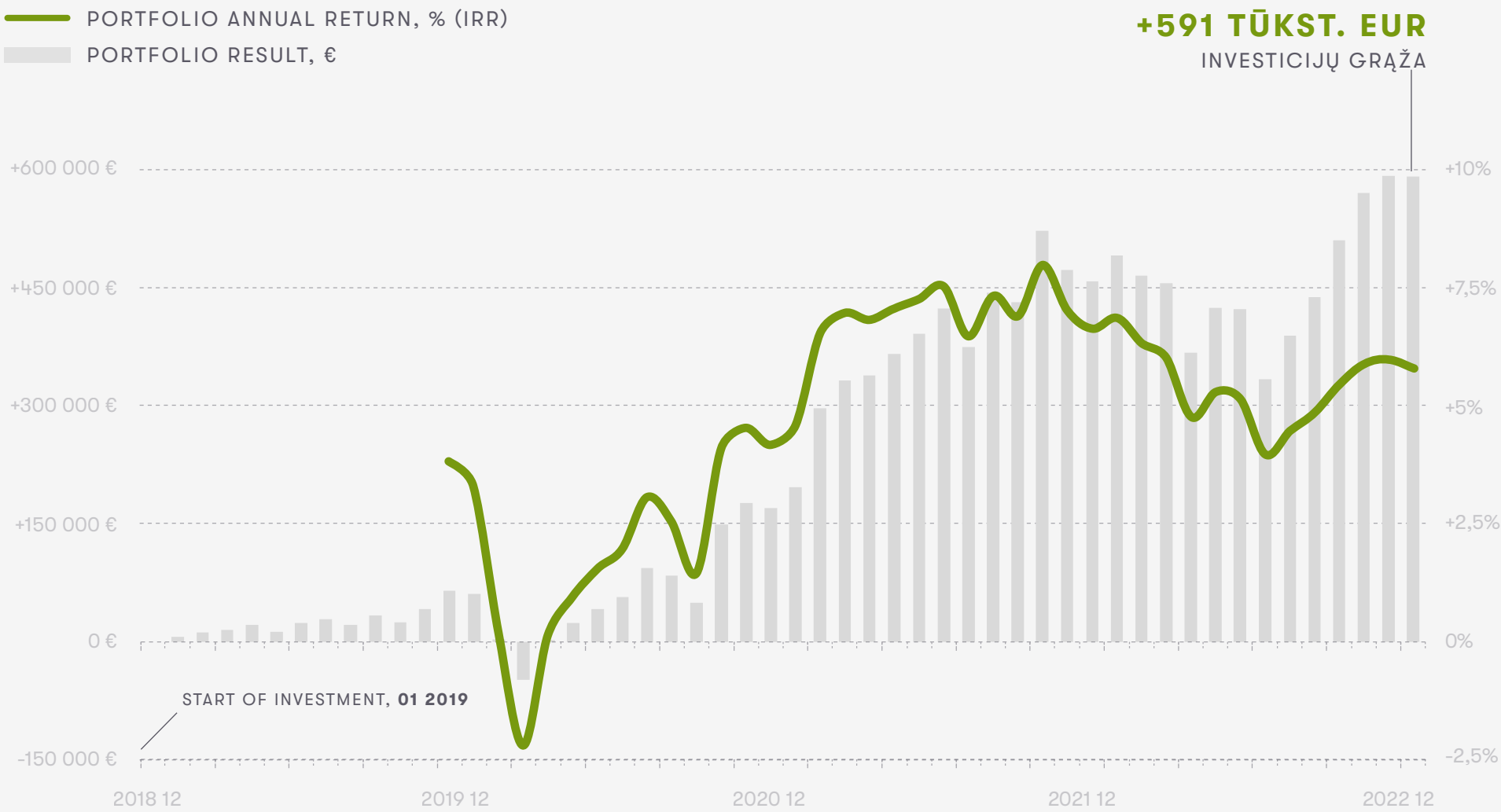
MORE → [VUF.LT](https://vuf.lt)





TRANSPARENCY AND EFFICIENCY

INVESTMENT MANAGEMENT IS ENSURED BY **PROFESSIONALS** AND BASED ON THE BEST **INTERNATIONAL PRACTICE**. WE PUBLISH **QUARTERLY REPORTS** AS WELL AS OTHER DOCUMENTS ONLINE.



MORE → [VUF.LT](https://vuf.lt)

TEAM OF VISIONARIES

THE CORE OF OUR SHAREHOLDERS IS A TEAM OF LITHUANIAN **BUSINESS LEADERS, PHILANTHROPISTS AND VISIONARIES** WHO APPRECIATE THE IMPORTANCE OF A **COMPETITIVE UNIVERSITY** AND **PROGRESSIVE HIGHER EDUCATION** FOR THE SOCIETY.



**ARVYDAS
ANDRIJAUSKAS**
SHAREHOLDER



KĘSTUTIS JASIŪNAS
REPRESENTS
“EKSPLA”



**KRISTINA
PISKARSKAITĖ**
REPRESENTS
“LIGHT CONVERSION”



NERIJUS NUMA
SHAREHOLDER



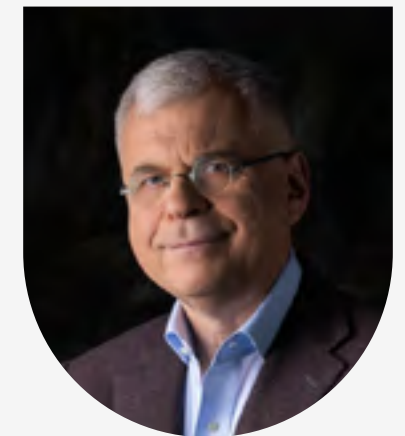
**DANAS
TVARIJONAVIČIUS**
SHAREHOLDER



**GEDIMINAS
VAITIEKŪNAS**
SHAREHOLDER



DARIUS ZUBAS
SHAREHOLDER



**ALVYDAS
ŽABOLIS**
SHAREHOLDER



- THE **CEO** AND THE **INVESTMENT BOARD** IMPLEMENT PROFESSIONAL INVESTMENT MANAGEMENT.
- THE **INTERNAL CONTROL COMMITTEE** SUPERVISES, MONITORS AND EVALUATES ACTIVITIES, ENSURING TRANSPARENCY.
- THE **BOARD OF TRUSTEES** ADVISES ON STRATEGY AND DEVELOPMENT.

MORE → [VUF.LT](https://vuf.lt)



OUR GOAL IS ONE BILLION EUROS

SUSTAINABLE UNIVERSITY BUDGET

THE RETURN ON INVESTMENT OF AT LEAST ONE BILLION EUROS WOULD **INCREASE VU BUDGET SIGNIFICANTLY.**



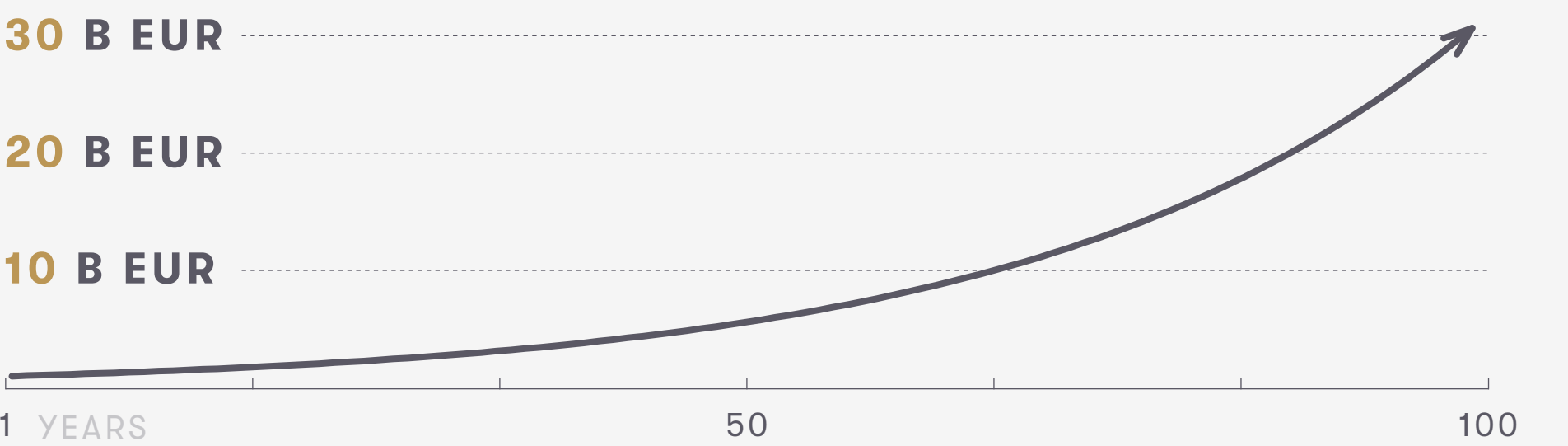
GREATER FINANCIAL INDEPENDENCE AND A SUSTAINABLE BUDGET WILL ENSURE **LONG-TERM FUNDING** FOR STRATEGIC AREAS.





EXPONENTIAL GROWTH

BY **REINVESTING** UP TO 50% OF ROI WE WILL BE INCREASING THE VALUE OF THE ENDOWMENT CAPITAL **EXPONENTIALLY** OVER THE YEARS.



BASED ON THE ASSUMPTION: 7% ANNUAL RETURN ON INVESTMENT, OF WHICH 3.5% IS DISTRIBUTED ANNUALLY AND 3.5% IS REINVESTED.

RETURN ON INVESTMENT ALLOCATED TO VILNIUS UNIVERSITY WILL ALSO **INCREASE EXPONENTIALLY** OVER THE YEARS.

The background is a close-up photograph of green, feathery leaves, likely from a Mimosa pudica plant. The leaves are arranged in a dense, overlapping pattern. A white line graphic is overlaid on the image, consisting of a vertical line segment on the left, a horizontal line segment at the top, and a large, sweeping arc on the right side, forming an open rectangular shape. The text "LET'S PROSPER TOGETHER" is centered horizontally across the middle of the image.

LET'S PROSPER TOGETHER



SUSTAINABLE GIVING

SUPPORT OUR MISSION BY CONTRIBUTING TO VILNIUS UNIVERSITY **ENDOWMENT FUND** AND **SUBFUNDS**.



IF YOU WISH TO MAKE A **CHARITABLE BEQUEST** OR DONATE A **NON-CASH GIFT** (REAL ESTATE, LAND, STOCKS, BONDS, ETC.), WE WILL BE HAPPY TO HELP YOU.

[DONATE](#) [CONTACT](#)



DONOR RECOGNITION

WE ACTIVELY SPREAD THE WORD ABOUT THE PHILANTHROPY AND CARE DEEPLY ABOUT **RECOGNIZING OUR DONORS.**

LITHUANIAN
NATIONAL PATRON



FROM **1 M** EUR

VILNIUS CITY
PATRON



FROM **250 K** EUR

VILNIUS UNIVERSITY
PATRON



FROM **300 K** EUR

WITH THE CONSENT OF THE EXISTING SHAREHOLDERS,
≥300 K EUR SUPPORT WILL GRANT YOU THE RIGHTS OF THE
SHAREHOLDER OF VILNIUS UNIVERSITY FOUNDATION.

PHILANTHROPIC COMMUNITY

WE BUILD A **GROWING COMMUNITY** OF PHILANTHROPISTS.

OUR MAJOR DONORS ARE GIVEN THE **OFFICIAL PATRON NAMES** OF THE CITY OF VILNIUS AND VILNIUS UNIVERSITY.



DANAS
TVARIJONAVIČIUS



ARVYDAS
ANDRIJAIKAS



ROMUALDAS
DANIELIUS



DARIUS ZUBAS



ALVYDAS
ŽABOLIS



RIMANTAS
KRAUJALIS



Vilnius
University
Foundation



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VILNIUS UNIVERSITY FOUNDATION

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VUFONDAS@VUF.LT +370 5 219 3000

COMPANY REGISTRATION CODE → 304222713

BANK ACCOUNTS

ENDOWMENT CAPITAL ACCOUNT:
LT61 7300 0101 4641 2795 (SWEDBANK)

ACCOUNTS FOR PROJECTS AND SUBFUNDS
ON THE INTERNET → VUF.LT/EN/CONTACTS

DONATE

CONTACT

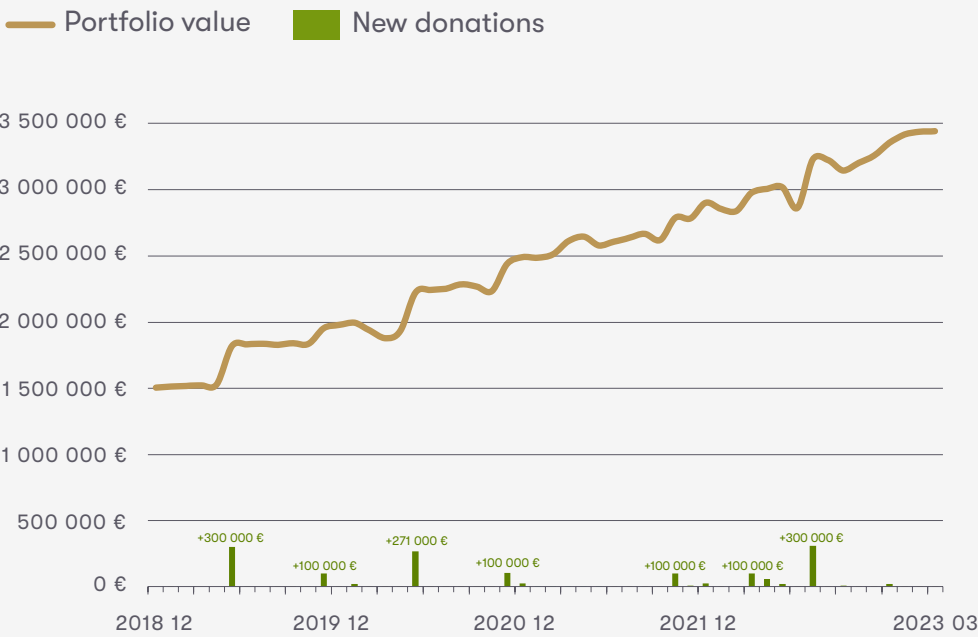
INVESTMENT THAT
WILL LAST FOREVER



GENERAL INFORMATION

Founded	2016 04
Endowment capital formed	2017 05
Investments started	2019 01
Endowment capital size	3 027 798 €
Investment results since 2019 01	+591 167 €
Allocated to finance Vilnius University	-181 752 €
Portfolio value	3 437 213 €
Portfolio investment return since 2019 01	+29,1 %

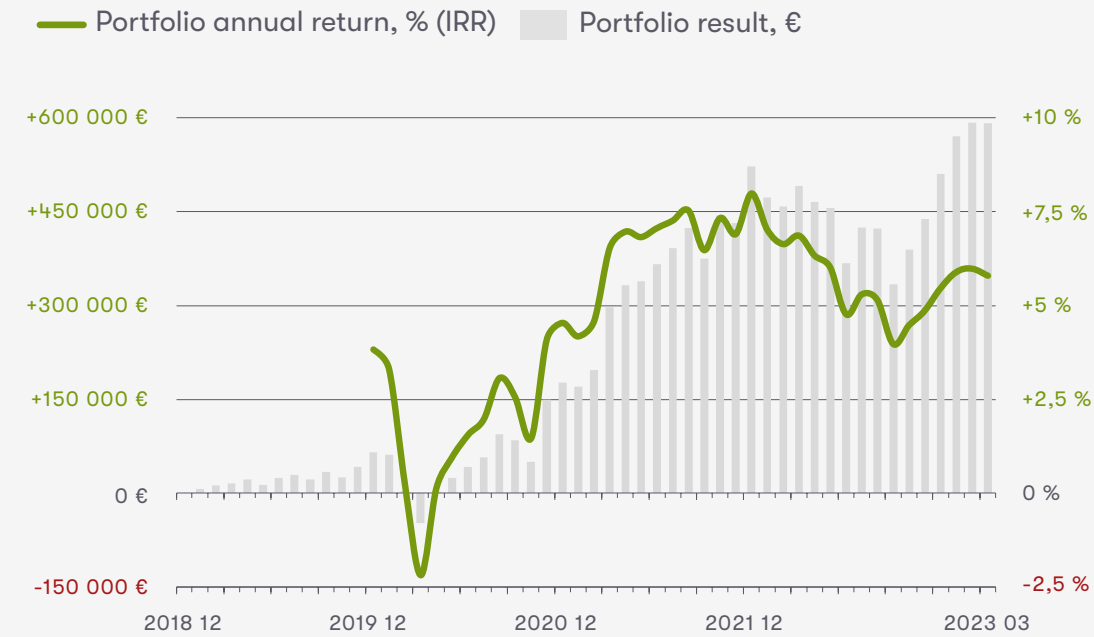
PORTFOLIO GROWTH



PORTFOLIO & RESULTS BY ASSET CLASS

Asset class		Allocation 2023 03 31	Return 2023	Annualised return since 2019 01
Equity	European	16%	+7,9%	+10,6%
	World	19%	+4,8%	+11,6%
	Emerging markets	-	-	-
Bonds	Euro-zone governments	11%	+1,0%	+1,7%
	Investment grade corporates	13%	+1,6%	+5,4%
	High yield	6%	+2,8%	+7,8%
Alternative investments		31%	+0,0%	+9,0%
Investments		97%	+2,6%	+8,6%
Cash and equivalents		3%	-	-
Portfolio		100%	+2,4%	+5,8%

PORTFOLIO RETURN



COMMENTARY BY INVESTMENT BOARD

The VU Foundation’s move to gradually increase the number of shares in the portfolio from the end of 2022 has paid off. In the first quarter of this year, the main financial markets showed positive returns, despite the failure of several large banks.

In the US, equity markets were supported by significant appreciation of large technology sector companies’ shares, while in Europe the warm winter helped many companies to beat earnings expectations.

Central banks continued to raise base interest rates in an effort to reduce inflation. However, market participants speculate that by the end of this year central banks will be forced to cut interest rates in the year ahead, which is why we

saw a rise in the price of low-risk bonds in the first quarter.

Despite the Fund’s slight increase of investments in equity markets, the overall allocation to this asset class remains fairly conservative. In recent quarters, we have invested more in fixed income assets with a long-term return that is in line with the Fund’s objectives. Accordingly, the Fund has now effectively invested virtually all cash.

The Fund is also looking for opportunities and has been consistently increasing its long-term investments in private equity funds, following the long-standing practice of the world’s major endowment funds.

CEO

JUSTINAS NOREIKA, CFA
CEO
✉ justinas.noreika@vuf.lt
☎ +370 655 25106

INVESTMENT BOARD

ALIUS JAKUBĖLIS
CHAIR

TOMAS KRKAUSKAS

ŠARŪNAS BARAUSKAS

PAULIUS KUNCINAS

MINDAUGAS MAŽEIKIS, CFA

KONSTANTINAS PILECKAS

Information about endowment capital investments of Vilnius University Foundation in this document is provided for informative purposes only. Information is not audited and is provided based on the best knowledge of the foundation’s management. Investment returns is related to risks, its value can decrease or increase, historical positive investment returns of similar asset classes do not imply return in the future, thus there is no guarantee that investment return targets of the foundation will be reached. Information cannot be interpreted as a recommendation to buy or sell financial instruments. The fund is not for individual investments – the goal of the foundation is to invest the collected donations and use investment returns to improve Vilnius University activities.

DIVERSIFIED ALLOCATION OF THE INVESTMENTS OF THE ENDOWMENT CAPITAL

Asset Class	Long-term Asset Breakdown	Breakdown Limit		Benchmark
		Min.	Max.	
European Shares	25%	15%	30%	Stoxx Europe 50, EUR
World Stocks	20%	10%	30%	MSCI World, EUR
Emerging Market Equities	5%	0%	10%	MSCI Emerging Markets, EUR
Eurozone Government Bonds	25%	10%	40%	Bloomberg Barclays Euro Treasury Bond Index
Corporate Bonds	10%	10%	30%	Bloomberg Barclays Euro Corporate Bond Index
High Yield Bonds	5%	0%	10%	Markit iBoxx Euro Liquid High Yield Index
Alternative Investments	10%	0%	35%	EURIBOR 6M + 3%
Money Market Instruments	0%	0%	10%	EURIBOR 6M

As the endowment capital fund grows, investment management will intensify and the level of risk-taking will gradually increase in line with the international practice.

In order to achieve an investment return and contribute to the development of the VU community opportunities, the future alternative investments may be directed to the VU-related objects, such as:

- start-ups or young businesses that have been developed by the VU community and have high added value potential;
- infrastructure projects that improve the academic process (e.g. student dormitories);
- other projects.

INVESTMENT OBJECTIVES

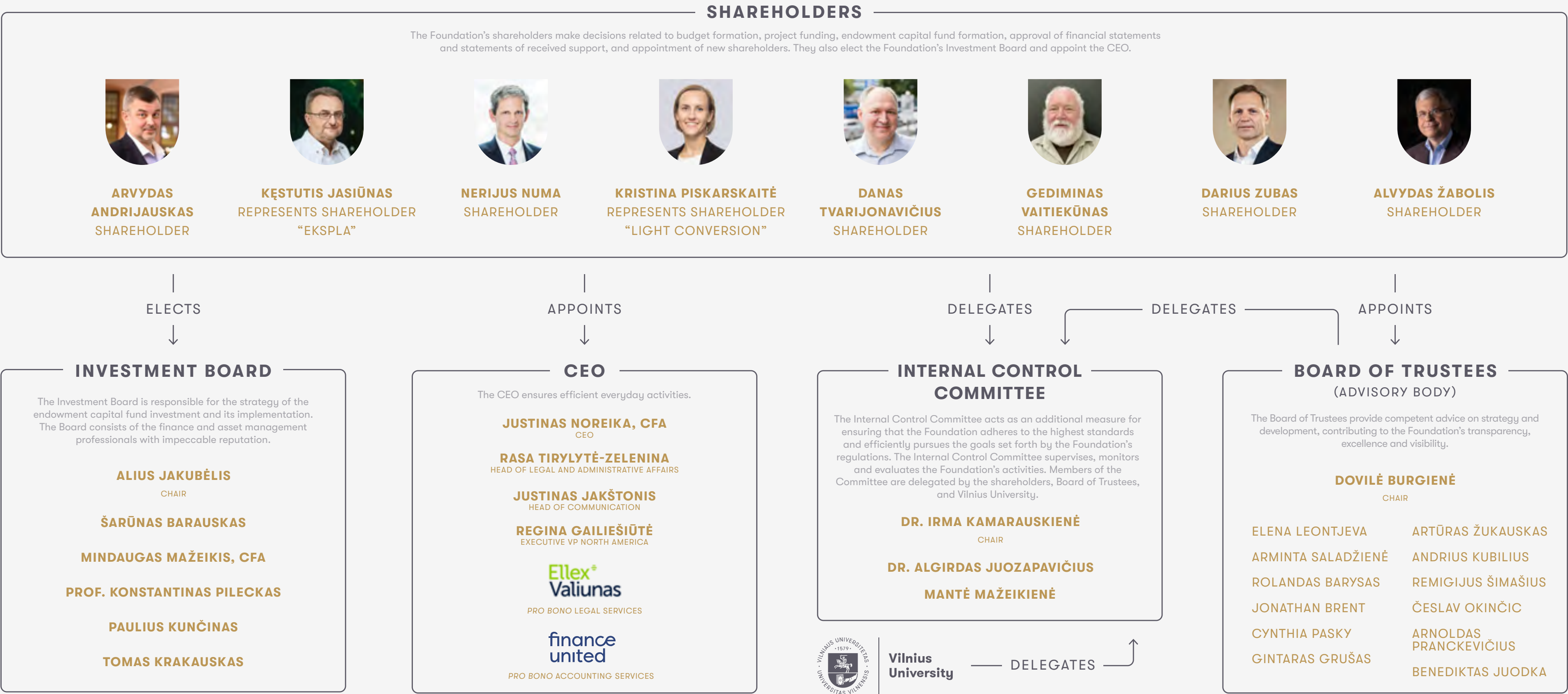
- To seek a long-term growth of the endowment capital fund value by actively investing in diversified financial instruments.
- The minimum target net return over the medium term must exceed the consumer price inflation of the Euro Zone.
- The target return is based on the current structure of the investment portfolio and the relevant benchmark indices.

INVESTMENT PHILOSOPHY

- An unlimited term. A long-term investment strategy. An opportunity to take risks in stock markets and less liquid investments.
- The return on investment is directly proportional to the risk taken. Investing is the management of various risks rather than the management of returns.
- Risk diversification is an important part of the investment strategy.

INVESTMENT STRATEGY

- In the global market and are not limited to securities distributed in Lithuania.
- Foreign investment is mainly focused on developed markets with strong economies, low political risk and high corporate governance standards.
- The maximum investment in one investment object is 20% of the endowment capital fund value (restriction does not apply to deposits).
- The base currency is Euro, but investments are also possible in other currencies. Share of investments in foreign currency should not exceed 50% of the endowment capital fund value.
- Efficient management of entrusted assets by optimizing investment, storage and management costs.



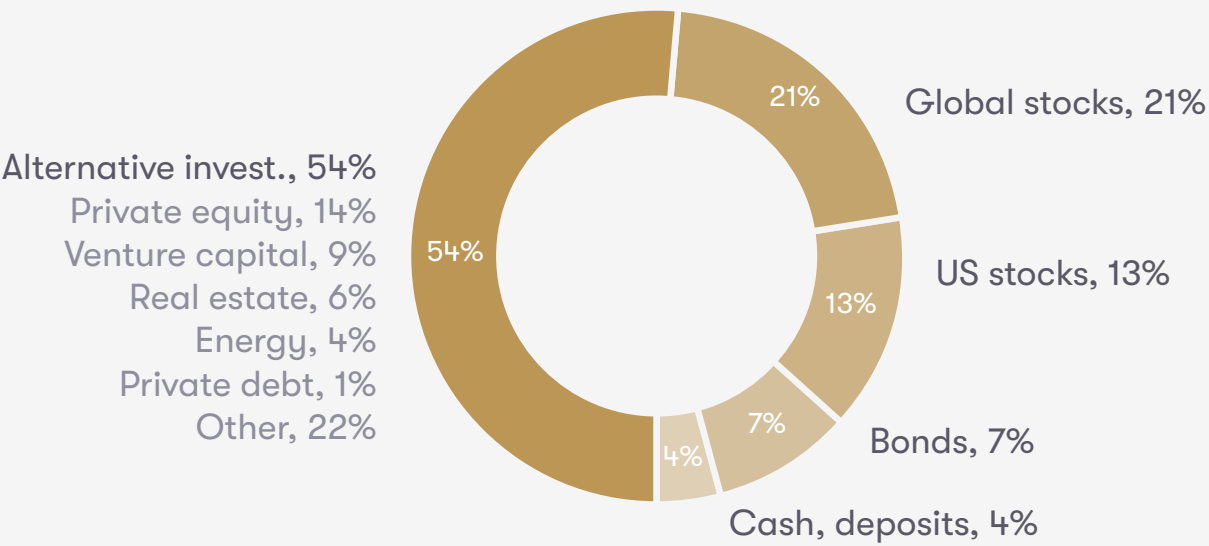
DATA FROM 774 COLLEGES AND UNIVERSITIES

Period	Avg. return rate (after tax)
1 Y (2020)	1,8%
5 Y (2016-2020)	5,1%
10 Y (2011-2020)	7,5%
10 Y (2008-2017)	4.6%

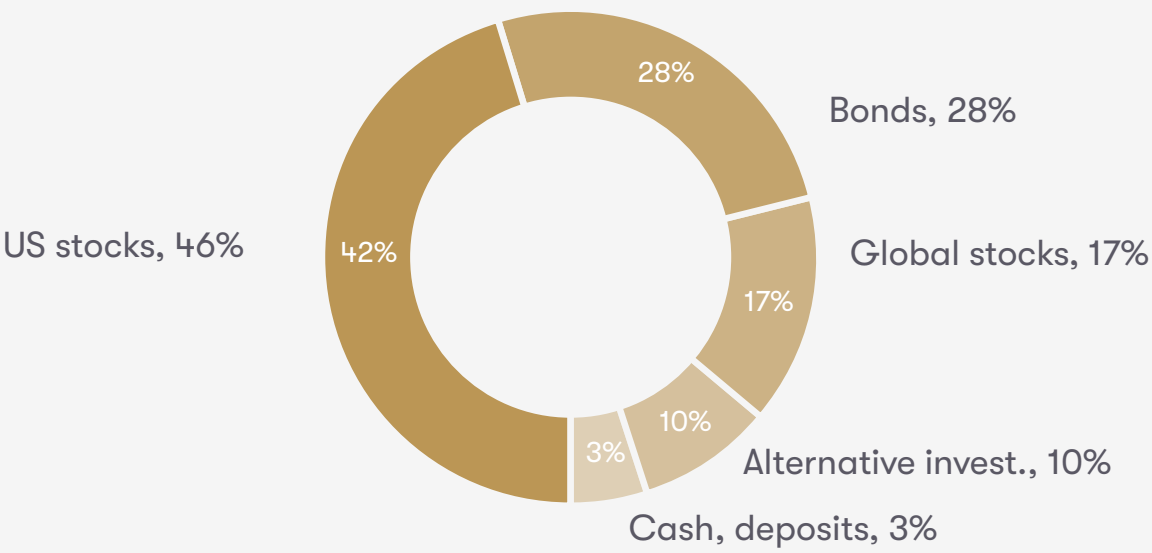
Year	Avg. spending rate (% from assets)
2018	4,4%
2019	4,4%
2020	4,6%

Source: 2020 NCSE research (NACUBO-CommonFund)
** Correlation: the higher asset value, the higher spending rate

AVG. ASSET ALLOCATION FOR ALL FUNDS



AVG. ASSET ALLOCATION FOR \$<25 M FUNDS



BIGGEST UNIVERSITY ENDOWMENTS IN US

US university endowment	Value, \$
Harvard	\$ 53.2 B
Yale	\$ 42.3 B
Stanford	\$ 37.8 B
Princeton	\$ 37.7 B
Pennsylvania	\$ 20.5 B
MIT (Massachusetts Institute of Technology)	\$ 27.4 B
Notre Dame	\$ 13.3 B
Columbia	\$ 14.3 B
Northwestern	\$ 16.1 B
Vanderbilt	\$ 10.3 B

European university endowments

European university endowment	Value, €
Cambridge (UK)	€ 5.6 B
Oxford (UK)	€ 5.3 B
Aalto (Finland)	€ 1.3 B
CEU (Central European University, Hungary)	€ 0.9 B
Edinburgh (UK)	€ 0.4 B