



Principles for  
the  
responsible  
distribution of  
returns

25. October

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University of Helsinki and University of Helsinki  
Funds

## 1 Introduction

Since the 18th century, the University of Helsinki Group has recorded private donations as endowment funds, of which there are now more than 400. The assets of these funds constituted the investment capital for the University of Helsinki Group until the entry into force of the Universities Act in 2010. As of 2010, the Finnish government has provided capital to the University of Helsinki in the form of matched funding to encourage private donations. Governmental matched funding is usually conditional on the capital being retained.

Annually stable returns have been recorded for the endowment funds of the University of Helsinki Group. As a rule<sup>1</sup>, the committees of the endowment funds have been responsible for the distribution of returns in accordance with the rules of each individual fund.

### 1.1 Goals and framing

The goal of the *principles for the responsible distribution of returns* is to guide the distribution of income associated with the securities investments of the University of Helsinki Group. These principles are determined by the Board of the University of Helsinki.

Liquidity portfolios in accordance with the *principles for finances* of the University of Helsinki Group are not covered by this document.

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<sup>1</sup> In the case of the Future Development Fund, the responsibility lies with the rector.

## 2 Principles for the responsible distribution of returns

The University of Helsinki Group currently manages investment assets of approximately €640 million in market value, of which the capital of endowment funds constitutes a little over a third.<sup>2</sup> The University of Helsinki manages roughly two-thirds of the capital of the endowment funds, the University of Helsinki Group the remaining third.

Endowment funds can annually allocate a sum corresponding to 3% of their value for the purposes set out in their rules.<sup>3</sup> Responsible distribution of returns supports the University's financial stability, for example, by enabling the distribution of income even in unstable environments, thus promoting intergenerational fairness.

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<sup>2</sup> Source: JAY Solutions, University of Helsinki, 31 August 2023, monthly report, investment assets

<sup>3</sup> The annual return recorded for endowment funds is 4%.