Approved

GOVERNANCE COMMITTEE
September 17, 2025

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

APPROVAL OF INCENTIVE COMPENSATION FOR FISCAL YEAR 2024-25 FOR JAGDEEP SINGH BACHHER AS CHIEF INVESTMENT OFFICER AND SENIOR VICE PRESIDENT – INVESTMENTS, OFFICE OF THE PRESIDENT AS DISCUSSED IN CLOSED SESSION

Recommendation

The Committee recommends approval of a Short Term Incentive award of $1,975,588 for Plan Year 2024-25, under the Office of the Chief Investment Officer Annual Incentive Plan (AIP), for Jagdeep Singh Bachher as Chief Investment Officer and Senior Vice President – Investments, Office of the President. The recommended incentive award represents 200 percent of the base salary that Mr. Bachher received during the plan year, which was $987,794.

The incentive compensation described above shall constitute the University's total commitment regarding incentive compensation until modified by the Regents or the President, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Background to Recommendation

The President of the University requests approval of an incentive award of $1,975,588 payable in three annual installments for Jagdeep Singh Bachher, Chief Investment Officer (CIO) and Senior Vice President – Investments, Office of the President, for the 2024-25 Plan Year. This award falls under the annual Short Term Incentive (STI) component of the Office of the Chief Investment Officer (OCIO) Annual Incentive Plan (AIP).

The proposed STI award of $1,975,588 has been reviewed by the President, as well as approved by the Administrative Oversight Committee (AOC) that oversees the OCIO AIP. The current AOC members are the Executive Vice President – Chief Financial Officer, Executive Vice President – Chief Operating Officer, Vice President – Systemwide Human Resources, and Associate Vice President – Total Rewards.

As Mr. Bachher reports directly to the Regents and the President, the payment of Mr. Bachher's award requires Regental approval in addition to approval by the AOC.

Assets under management by the Office of the Chief Investment Officer total $198 billion for the Plan Year ending June 30, 2025, which is an increase of $18 billion over the prior plan year. This was driven by strong growth in the UC Endowment of 13 percent and the Pension of 12.7 percent.

The AIP is a performance-based incentive plan that places a certain amount of pay at risk for each participant and pays out only if certain investment and other performance standards are met or exceeded. Performance-based, at-risk incentives are a typical component of total cash compensation for investment professionals, including those at the California State Teachers' Retirement System (CalSTRS), the California Public Employees' Retirement System (CalPERS), and other large public pension funds and endowment funds. Investment results for STI award calculations are based on a rolling three-year assessment against pre-established performance standards. The plan directs a portion of STI awards to be deferred for payout in subsequent years to help retain staff and focus efforts on adding longer-term value. The opportunity levels and weighting of performance measurements serve to motivate individual, asset class, and/or total entity performance as part of a competitive total cash compensation package.

Committee vote: Regents Anguiano, Cohen, Leib, Milliken, Reilly, and Sarris voting "aye."

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Komoto, Leib, Makarechian, Milliken, Myers, Reilly, and Sarris voting "aye" and Regents Brooks, Kounalakis, and Wang abstaining.