



Charter of the Investment Subcommittee of the Finance and Audit Committee

1. **Purpose:** The Investment Subcommittee (“Subcommittee”) is established by the Finance and Audit Committee (“Committee”) of the Board (“Board”) of the Foundation for the National Institutes of Health (“FNIH”) to support the Committee and the Board in fulfilling their oversight responsibilities relating to the management of the FNIH’s investments in a manner consistent with the FNIH’s operating needs and overall goals.
2. **Members:** The Investment Subcommittee shall consist of at least three voting, independent members of the Committee and the standard term of membership shall run concurrent with the standard terms of the Finance and Audit Committee. A majority of the Subcommittee’s voting membership shall constitute a quorum to conduct business.

The Chair of the Finance and Audit Committee shall appoint the Chair and members of the Subcommittee and shall be permitted to appoint him/herself as the Chair or a member of the Subcommittee.

The Chair of the Board and the President and Executive Director shall serve as *ex officio* members.

3. **Meetings:** The Investment Subcommittee shall meet at those times and places as determined by the Chair of the Subcommittee, and normally not less than two times per year. It shall meet with the President and Executive Director, and any other Officers or employees the Subcommittee deems appropriate, to discuss and review matters contemplated by this Charter.

Reasonable notice of meetings shall be given to all Subcommittee members or may be waived in the same manner as required for meetings of the Board. Meetings of the Subcommittee may be held by means of conference telephone or other communications equipment that allow all persons participating in the meeting to hear and speak to each other.

In carrying out its role, the Subcommittee may retain outside consultants so long as it is within a budget approved by the Board for that purpose.

4. **Minutes:** The Investment Subcommittee shall maintain minutes of its meetings and regularly report to the Committee on its findings, recommendations, actions, and any other matters the Subcommittee deems appropriate or the Committee requests.
5. **Responsibilities:** The Investment Subcommittee shall from time to time unless another interval is stated:
 - Formulate, approve, implement, and at least annually review an investment policy statement and associated investment guidelines. The Subcommittee shall report on such activities to the Committee, it being understood that the Committee shall at all times retain the authority to overrule decisions made by the Subcommittee. The investment policy statement shall specify

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risk parameters, set asset allocation ranges and rebalancing rules, and contemplate related matters.

- Set and review the strategic asset allocation of the FNIH's investment portfolio.
- Monitor overall performance of the investment portfolio and update the Committee on performance and any material deviations from return objectives.
- Monitor the management of the investment portfolio's assets for compliance with investment policies and guidelines.
- Appoint and terminate investment managers, consultants, custodians, and any other relevant service providers.

Approved by the Finance and Audit Committee on May 17, 2019.