

commonfund

Governance Structure and Philosophy

The Common Fund for Nonprofit Organizations and its consolidated subsidiaries (collectively, “Commonfund”) provides investment management products and related services exclusively to nonprofit organizations, their related entities, pension funds, family offices and other select long-term investors. Since its inception in 1971, Commonfund has grown into an organization that is one of the largest managers of endowment and nonprofit assets in the world. Our core mission is to enhance the financial resources of the nonprofit community through fund management, investment advice, and educational activities.

The parent company of the organization, The Common Fund for Nonprofit Organizations (“TCF”), is a nonprofit membership corporation whose membership is limited to certain categories of educational institutions and their supporting organizations. TCF was organized to manage commingled investment pools for its members (“TCF Funds”). However, through TCF’s subsidiaries and affiliates, the Commonfund organization has expanded its mission to serve all types of nonprofit organizations, as well as certain other types of clients.

THE BOARD OF TRUSTEES

TCF is governed by a Board of Trustees, whose members are elected by TCF’s member institutions (one member, one vote) at TCF’s annual meeting (generally held in December of each calendar

year). The Board has fiduciary responsibility with respect to the investment programs of the TCF Funds, and is responsible for oversight of all aspects of the business and operations of TCF (including all other investment funds operated by TCF's subsidiaries), the compensation of TCF's senior officers, and general oversight of the business and prospects of TCF, including its subsidiaries and proprietary assets.

The TCF Board, capped by TCF's By-laws at a maximum of 18 members, is currently comprised of nine Trustees (including TCF's President, who is an ex officio member of the Board). Trustees are elected to serve three-year terms after which they are reviewed by the Governance Committee of the Board to assess whether they will be recommended to the Board and the membership for re-election for an additional three-year term.

The full Board of Trustees holds four regular meetings per year; each meeting, with related committee meetings, requires between one and two days of time. In addition, Trustees are expected to spend time between regular meetings consulting with management and other members of the Board, and working with committees to which they are assigned.

The Board as a whole exercises general supervisory authority with respect to investment matters. With respect to the TCF Funds, the Board has delegated to TCF's subsidiary Commonfund OCIO, Inc. the authority and responsibility to select managers, allocate assets to selected managers, and to terminate managers, subject to the oversight of the Board. With respect to all other funds maintained by TCF's subsidiaries, the Board exercises comparable oversight in its capacity as the governing body of the entity that owns and controls those subsidiaries.

In addition, the Board as a whole is responsible for reviewing and approving the operating budget of TCF and for overseeing the financial management of the Commonfund organization.

The boards of directors of the various subsidiaries of TCF are staffed with members of management, with the exception of CF Private Equity, Inc. which has a Board of Directors that includes members who are independent of Commonfund management.

INDEPENDENCE

At the most fundamental level, the Board of Trustees maintains independence with respect to Commonfund's senior management in that the Trustees are elected by TCF's member institutions. The sole exception is that the President is an ex officio member of the Board. It has historically been

the case that no member of Commonfund Group's management (other than the President) has served as a Trustee while so employed.

It is also the Board's policy that no member of management serves on any of its Committees, other than the President in his or her role as a member of the Executive Committee. In addition, other than in exceptional circumstances, no Trustee may serve on the Governance Committee for more than four consecutive years. The Governance Committee establishes standards of independence that prevent Trustees from serving on the Audit and Risk Management Committee if they have any material relationship with Commonfund Group; the Executive Committee establishes such standards for the Governance Committee.

AUDIT AND FINANCIAL MATTERS

The Audit and Risk Management Committee of the Board of Trustees is charged with oversight of financial reporting and audits thereon, including nomination of the organization's independent accountants. The Committee is charged with reviewing Commonfund's selection of auditors periodically, normally once every seven years.

All members of the Audit and Risk Management Committee must be independent. In addition, it is the Board's policy that the Audit and Risk Management Committee include members with the requisite financial and accounting expertise. The Audit and Risk Management Committee meets regularly with Commonfund Group's independent accountants, including in executive session without the presence of management.

NOMINATION MATTERS

Nominations of candidates to be elected as members of TCF's Board of Trustees are made by the Board's Governance Committee. Members of the Governance Committee are independent of management and other than in exceptional circumstances, no Trustee may serve on the Governance Committee for more than four consecutive years. It is the current practice of the Governance Committee to engage an independent search firm to assist it in identifying possible nominees to serve as Trustees. The Governance Committee follows the practice of encouraging candidate interviews with the President.

The Governance Committee is also responsible for selecting the membership of the Board's Executive and Audit and Risk Management Committees, and in determining the independence criteria that apply to such selections. The membership of the Governance Committee is selected by the Executive Committee.

The Board's Audit and Risk Management Committee is charged with nominating the organization's independent accountants, a choice that must be ratified by TCF's members at its annual meeting.

OFFICERS AND SENIOR MANAGEMENT

The President and Chief Executive Officer of Commonfund Group is selected, and may be terminated, by the Board of Trustees. The President, in consultation with the Board's Compensation Committee, appoints the other administrative officers of TCF, which may include one or more Executive Vice Presidents, a Treasurer, and a Secretary.

Other members of senior management (including the senior management of TCF's various subsidiaries) are appointed by the President, or by the respective boards of directors of such subsidiaries, as the case may be. It is the practice of the organization that the Compensation Committee of the TCF Board of Trustees must be kept informed of such appointments. Senior managers of the firm are members of the Operating Committee.