



THE AMERICAN NATIONAL RED CROSS BOARD OF GOVERNORS

CHARTER OF THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND

I. PURPOSE

Section 9 of the Congressional Charter of The American National Red Cross (the "Corporation") provides for the endowment fund of the Corporation (the "Endowment Fund") to be kept and invested under the management and control of a board of trustees (the "Board of Trustees of the Endowment Fund" or "Board of Trustees") elected by the Board of Governors (the "Board") of the Corporation.

The purpose of the Board of Trustees is to (1) oversee the endowed investment assets of the Corporation and (2) exercise and otherwise discharge its powers, duties and responsibilities as are provided in the Congressional Charter and, to the extent not inconsistent with the Congressional Charter, such powers, duties and responsibilities as may be delegated and assigned to the Board of Trustees in the Bylaws of the Corporation or by the Board.

II. COMPOSITION

The Board of Trustees shall be composed of at least three but not more than five members of the Board. All members of the Board of Trustees shall be appointed and subject to removal by the Board in accordance with the Corporation's Bylaws and shall meet the independence standards adopted by the Board.

III. AUTHORITY AND RESPONSIBILITIES

In furtherance of the purpose of the Board of Trustees, the Board of Trustees shall have the following authority and responsibilities:

1. Oversee the management and control of the Endowment Fund.
2. Delegate to the Chief Executive Officer of the Corporation or his or her designee, for further delegation to a Discretionary Outsourced Chief Investment Office Manager ("Discretionary OCIO Manager") authority and responsibility for the selection and retention of investment managers and for the investment, sale, reinvestment and management of monies and properties in the Endowment Fund, which shall be kept, sold, invested and reinvested in accordance with such investment policies and objectives, as shall from time to time be directed by the Board of Trustees, subject, in all cases, to compliance with any limitations or restrictions imposed by the donor of such money or property.
3. Determine and approve investment policies for the Endowment Fund and make regular reports of such matters to the Board. The investment policies shall include the following:

- i. a strategic target allocation with allowable ranges that is consistent with the investment objectives and guidelines of the Corporation;
 - ii. risk guidelines regarding issues including but not limited to liquidity, aggregate private investment commitments, concentration by investment manager, and use of derivatives consistent with the investment objectives and guidelines of the Endowment Fund and consistent with the Omnibus Corporate Derivatives Policy established by the Board;
 - iii. suitable benchmarks for asset/strategy composite and total Endowment Fund performance.
4. Adopt a spending policy for the Endowment Fund and review and recommend Board approval of the annual spending distribution for the Endowment Fund and any special distributions each as proposed by management of the Corporation.
5. Monitor the investment performance of the Endowment Fund including performance relative to benchmarks and spending requirements, and make regular reports to the Board.
6. On an annual basis, review the investment policies including strategic target allocation, allowable allocation ranges, and benchmarks to ensure that the objectives are practical and reflect the goals of the Corporation.
7. Monitor the process for the selection of investment managers for the Endowment Fund.
8. Monitor expenses and fees of the Endowment Fund.
9. Keep minutes of its meetings and report its actions to the Board regularly and as requested, and present to the Board such reports as are requested by the Board or as are deemed necessary or advisable by the Board of Trustees.
10. Retain such outside counsel, experts and other advisors as the Board of Trustees may deem necessary or advisable. The Board of Trustees shall have authority to approve related fees and retention terms.
11. Have such other authority and responsibilities as may be provided in the Bylaws of the Corporation or may otherwise be assigned to the Board of Trustees by the Board, in each case, to the extent they are not inconsistent with the Congressional Charter, the Bylaws of the Corporation or this Charter.
12. Perform any other activities consistent with this Charter, the Bylaws of the Corporation and applicable law, as the Board of Trustees deems necessary or advisable.

IV. MEETINGS

The Board of Trustees shall meet as often as it determines is appropriate to carry out its responsibilities. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the meetings and shall set agendas consistent with this charter.

V. QUORUM

A majority of members of the Board of Trustees shall constitute a quorum. The act of a majority of the Board of Trustees members present at a meeting at which a quorum is present shall be an act of the Board of Trustees.

VI. EVALUATION OF BOARD OF TRUSTEES

The Board of Trustees shall conduct an annual evaluation and report the results of such review to the Board. In connection with the annual review, the Board of Trustees may also recommend to the Governance and Board Development Committee for approval by the Board any modifications of this Charter that the Board of Trustees deems necessary or appropriate.

Reflects Board Actions through March 7, 2019