

### **INVESTMENT COMMITTEE CHARTER**

*Adopted April 20, 2011 / Effective April 20, 2011*

#### **I. Purpose**

The purpose of the Investment Committee (the “Committee”) of the Board of Trustees (the “Board”) of the Robert Wood Johnson Foundation (the “Foundation”) is to oversee the activities of the Investment department in the management of the Foundation’s investment portfolio, ensuring alignment with the investment policies and guidelines established by the Committee, and to periodically review the performance of the Foundation’s investments and investment personnel.

#### **II. Responsibilities and Duties**

The Committee shall have the following responsibilities:

- Periodically review and approve the Foundation’s investment policies and guidelines, including asset allocation targets, in light of the Foundation’s fiduciary obligations, taking into consideration volatility, risk, performance, liquidity, duration, yield and all other factors the Committee deems appropriate.
- Oversee and periodically review the Investment department’s activities, including its key investment processes, such as manager selection, retention and monitoring; decisions within asset classes; risk management, liquidity and operations; manager and peer institution relationships; internal relationships with other departments of the Foundation, and other activities the Committee deems appropriate.
- Evaluate the performance of the Foundation’s investments, including comparing results to performance benchmarks and the Foundation’s needs, and considering the impact of management fees and investment expenses and the Foundation’s investment policies and guidelines on performance.
- Periodically review and evaluate, in conjunction with the president and chief executive officer, the structure, approach, capabilities and effectiveness of the Foundation’s Investment department, both organizationally and individually, including the performance of, and allocation of responsibilities between, Foundation personnel and third-party advisers, and matters related to the performance and compensation of the Foundation’s investment personnel.
- Establish policies and procedures to determine how equity securities held by the Foundation are to be voted in any proxies.
- Approve those investments for which investment authority has not been delegated by the Committee pursuant to Section III below.

**III. Delegation of Authority**

The Committee may delegate investment functions to the Foundation's investment personnel and to external managers, as it deems appropriate. The Committee also may form, and delegate its authority to, subcommittees, as it deems appropriate.

**IV. Composition**

The Committee shall consist of not fewer than three members of the Board, appointed annually by the Board, at least one of whom shall also be a member of the Finance Committee of the Board. In addition, the president and chief executive officer shall be a member of the Committee without voting rights. The Foundation may not pay compensation to any of the members of the Committee (other than any Committee members who are employees of the Foundation) except the fees that they receive for service as a member of the Board or any committee thereof. The Board may appoint the Committee's chairperson, but if the Board has not appointed a chairperson, the Committee shall elect a chairperson from among its members.

**V. Meetings**

The Committee shall meet at least quarterly and more frequently as circumstances require or as the chairperson or as any two Committee members may request. The chairperson shall set the agenda for each meeting in consultation with the chief investment officer. The Committee may request that any Trustees, officers, employees, agents or advisers of the Foundation, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee and/or provide such pertinent information as the Committee requests.

**VI. Outside Advisers**

The Committee shall have the authority to obtain advice and assistance from internal or external legal, investment or other advisers and to take such other action as it may deem appropriate. All fees and expenses authorized by the Committee shall be promptly paid by the Foundation.