



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (FUND)
2.1 - GOVERNANCE PRINCIPLES OF THE RHCTF BOARD

- 1) Board members shall carry out their duties with the highest standards of ethics, integrity, and fiduciary duty.
- 2) The Board's approach to governance will be proactive rather than reactive; that is, the Board will attempt to address issues of importance before they become urgent.
- 3) Board and staff roles must be clear and distinct from one another; the Board's role is to set policy and oversee the Fund, while staff's role is to provide administrative support for the Board.
- 4) The Board will devote the majority of its attention to items that have the potential to significantly impact the success of the Fund.
- 5) The Board shall hold itself and its staff accountable for meeting high standards of fiduciary excellence.
- 6) To be effective, the Board must work towards developing its own knowledge regarding managing Fund assets.
- 7) The Board's role extends to both investments and Fund administration.
- 8) The governance of the Fund will be treated as an important duty.
- 9) The Board's governance policies will be modified as needed.
- 10) With respect to the Fund, Board members do not have power as individuals, but only as part of the Board as a whole.
- 11) The role of committees is to perform in-depth discussion and review of Board business, or serve as a forum for education, and to enable the full Board to make informed final decisions in an efficient manner.

Review

The Board shall review these governance principals at least every two (2) years.