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NCCF GGP Allocation Policy

approved by the NCCF Board of Directors on June 24, 2025

global fixed income asset class approved by the NCCF Board of Directors on August 26, 2025

Two targets serve as driving forces behind the Global Growth Portfolio (GGP) allocation process:

- 1) Target GGP Philanthropy Expenditures
- 2) Target GGP Asset Allocation

Target GGP Philanthropy Expenditures

The President/CEO of NCCF shall maintain an ongoing estimate of the anticipated GGP philanthropy expenditures (grants and scholarships) for 12 months and up to 30 months.¹

The SVP and Investment Manager will allocate GGP monies to cover the Targeted GGP Philanthropy Expenditures. The targeted expenditures for the coming year will be allocated to cash or a fixed income fund that does not invest beyond 1 year; the remainder, if required, will be allocated to a fixed income fund with a duration of between 0 and 2 years.

Target GGP Asset Allocation

The remaining assets will be allocated according to the percentages and ranges specified on an ongoing basis by the NCCF Investment Committee (IC). While these positions and thresholds are subject to change by the IC, they currently are set at the levels described in the table below.

¹ Historically, 30 months is the assumed maximum time required for NCCF to react to extraordinary market stress, such as a large market downturn, a withdrawal of funding, or a change in regulations. That time would allow for the determination of the overall impact to liquidity, formulate a response, communicate it to and receive approval from all relevant stakeholders, and implement a plan. This short-term liquidity requirement is reviewed and updated quarterly and currently stands at 9% plus an emergency reserve “cushion” of between 0% and 4%, currently set at 3%.

| Recommended Asset Allocations ² | | | | | | |
|---|--------------|---|--------------------|--------|-----------------|-----------------|
| | Type | Description | Current Ticker | Target | Lower Threshold | Upper Threshold |
| 1 | Equity | Total World | VTWIX | 60.0% | 54.0% | 66.0% |
| 2 | Equity | Small Cap U.S. | DFSCX | 6.0% | 5.4% | 6.6% |
| 3 | Equity | Small Cap Int'l | DFISX | 6.0% | 5.4% | 6.6% |
| 4 | Equity | Emerging Markets | DEMSX | 5.5% | 5.0% | 6.1% |
| 5 | Fixed Income | Short-Term – Cash & Cash Equivalents ³ | VBIRX, DFIHX, CASH | 10.5% | 7.5% | 11.5% |
| 6 | Fixed | Global ⁴ | DFGBX | 3.0% | 2.7% | 3.3% |
| 7 | Fixed Income | Intermediate Term | VBTLX | 5.0% | 4.5% | 5.5% |
| 8 | Fixed Income | Long-Term | VBLAX | 4.0% | 3.6% | 4.4% |
| <i>Note: These allocations may be changed by the Investment Committee Should the IC change these asset allocations and targets, this Policy will be updated to reflect the changes.</i> | | | | | | |

Adjustment Procedure

Movements in asset values may lead to divergence from the Target Allocations. At least on a bi-monthly basis (the first business day of February, April, June, August, October and December) – or when environmental changes call for a re-examination – the SVP and Investment Manager will compare Existing Allocations to Target Allocations; the differences that fall short of the low threshold or exceed the high threshold (see current thresholds listed above), will be remedied using the following methodology:

- 1) Calculate existing % allocations;
- 2) If the existing % allocations are within the thresholds for each and every asset, there is no need for re-allocation;
- 3) If any existing calculation is outside the thresholds for any asset,
 - a. calculate the difference between the existing and target allocations for each asset;
 - b. identify the asset with the largest absolute difference from target ('asset a');

² Approved by the Investment Committee (IC) at its quarterly meeting on May 21, 2025.

³ Short Term Cash & Cash Equivalents = Target Philanthropic Expenditures (currently 7.5%) + Emergency Reserve or cushion to cover temporary fluctuations in cash needs (currently 3%) = 10.5%.

⁴ Approved by the Investment Committee (IC) at its quarterly meeting on August 19, 2025 and by the NCCF board on August 26, 2025.

- c. select the asset with the largest absolute difference in the opposite direction ('asset b'); for 'asset b', purchase / sell enough to bring 'asset b' to its % target while using the deficit / proceeds to bring 'asset a' as close to its % target allocation as the transaction allows;
- d. Return to Step 1.

The result will leave some assets exactly at their target allocations and the remaining assets within their thresholds.

The SVP will inform the IC – and provide relevant details – whenever an adjustment takes place according to this Policy. Additionally, at the quarterly IC meetings, the SVP and Investment Manager will report the beginning and final allocations and whether there was any change to the Short-Term Cash & Cash Equivalent requirement.