



UUCEF Investment Committee Meeting Minutes

Meeting Date: Tuesday, February 11, 2026

Time: 9:00am - 12:30pm ET

Location: Zoom

Investment Committee Members Present: Asha Mehta (Chair), Pam Sparr, David Stewart, Didier Dumerjean, Laura Payne, Lee Meinicke, Nick Sambuco, Amrita Sankar

Apologies: Savannah Johnson

NEPC: Krissy Pelletier, Alix Stewart

Staff: Dave Valentine, Mathew Jensen, Deanna Brooks, Mel Dunham

I. Overview

The UUCEF Investment Committee (IC) convened for its scheduled quarterly virtual meeting to review portfolio performance and strategic asset allocation with NEPC, discuss benchmark structure and portfolio construction, receive subcommittee updates from Faith-Based Investing, Private Investments, and Stewardship, and review progress on governance and reporting improvements. The meeting emphasized stronger institutionalization of subcommittee work, impact measurement, and clear articulation of portfolio priorities for 2026. The meeting concluded with action-item review, planning for upcoming investor calls, and closing reflections.

II. Agenda and Discussion Summary

1) Check-In, Covenant, Process Observer (9:00-9:30)

The Chair opened the meeting, welcomed participants, and noted a minor agenda adjustment: Private Investments would move earlier in the agenda following the break to accommodate scheduling needs.

The covenant was reviewed, emphasizing respectful engagement, self-care and community care, anti-oppressive participation, active listening and trust-building, and striving for consensus while recognizing majority decision-making when needed. Laura Payne volunteered to serve as Process Observer.

2) NEPC Investment Agenda (9:30-11:00)

a) Performance Review and Benchmark Discussion

NEPC presented the quarterly portfolio review, performance summary, and annual asset allocation discussion. Discussion began with the mission alignment summary and consent agenda. NEPC noted changes in ESG manager ratings following recent portfolio changes, including the addition of Axiom, termination of prior small-cap managers and Lindsell Train, and the addition of Denali.

NEPC reported that thematic commitments, including the previously approved Achieve Partners commitment, now exceeded \$53 million. Diverse ownership was reported at approximately 46%, with exposure across several diversity identifiers. Members requested that the thematic tracker include a total figure to make the materials easier to use with constituents.

The Committee revisited prior concerns regarding how the screened percentage of the portfolio is presented. Members noted that showing less than half of assets as screened could be misleading to investors if it does not capture strategies that inherently avoid certain sectors or reflect values through manager philosophy. NEPC clarified that the current figure was intended to capture assets screened at the

specific direction of UUA or through selected vehicles explicitly screening based on UU values. The Committee requested clearer communication and contextual framing for quarterly investor webinars and reporting materials.

NEPC reviewed the portfolio goals in the Investment Policy Statement, including the long-term orientation, moderate risk profile, diversified structure, professional management, and the objective of achieving returns sufficient to support a 4.5% payout plus inflation. NEPC noted that the long-term goal was approximately 7.2%, based on a 4.5% payout and projected inflation of 2.7%.

Performance discussion emphasized that the policy and allocation structure have generally been sound, but long-term underperformance relative to the CPI plus 4.5% goal has been driven primarily by active management. NEPC noted that recent portfolio changes have made implementation more benchmark-aware, including through Xponance, which is designed to track the index closely while incorporating UU values.

The Committee reviewed performance in dollar terms, noting that over the prior ten-year period the portfolio grew meaningfully even after spending draws. NEPC emphasized that the portfolio generated sufficient investment earnings to meet spending needs and grow assets, though it has not fully met the long-term CPI plus 4.5% target.

Large-cap equity discussion focused on the transition to Xponance and the implications of holding a significant portion of the portfolio with one manager. Members expressed appreciation for Xponance's process and disclosures, while also noting the need to monitor underlying holdings and the values implications of inclusion or exclusion decisions, particularly for large technology companies such as Amazon.

The Committee discussed whether current benchmarks appropriately reflect the portfolio's strategic objectives and the complexity of values-based implementation. Members noted that benchmarking remains challenging where manager-specific screening affects investable universes, values constraints create structural deviations from standard indices, and stewardship and values alignment create outcomes not captured in traditional benchmarks. The Committee requested a fuller benchmark review from NEPC to ensure benchmarks remain decision-useful and properly reflect portfolio construction choices.

b) Asset Allocation Review

NEPC led the Committee through its annual strategic asset allocation review. Discussion centered on maintaining discipline around long-term allocation targets, balancing private markets growth with liquidity needs, the relationship between mission alignment and manager selection, and ensuring that allocation changes remain tied to strategic conviction rather than short-term market movements.

The Chair noted this remains one of the Committee's most important annual discussions because it connects fiduciary responsibility and values implementation. No formal allocation changes were approved during this session; the focus was review, framing, and preparation for future recommendations.

NEPC then reviewed their recommendation on the Global Equity allocation, and reasoning for retaining the allocation and the use of active managers. The Committee had many questions and request further research on the impact of global equities on the Fund's expected risk and return, relative to no global equity allocation, along with a review call with remaining global equity manager Generation. It was agreed that the global equity decision would be revisited following this body of work at the May Investment Committee meeting.

3) Faith-Based Investing Subcommittee Update

The Faith-Based Investing Subcommittee reported continued progress on work related to interfaith collaboration, shareholder advocacy priorities, and alignment with broader UU climate justice commitments. The subcommittee discussed opportunities to strengthen external partnerships and continue building shared advocacy frameworks with peer faith investors.

The Committee discussed how faith investor collaboration could support stronger stewardship, shared learning, and strategic advocacy across the portfolio. There was continued support for integrating stewardship priorities more visibly into broader IC work rather than treating them as a separate workstream.

4) Private Investments Subcommittee (Moved Earlier Due to Scheduling)

a) Institutionalizing Governance and Reporting

Amrita Sankar and Nick Sambuco presented private investments work and ongoing governance improvements. The subcommittee emphasized significant progress in formalizing reporting standards, investment governance, clearer investment selection criteria, and stronger alignment between subcommittee diligence and full IC preferences.

Members discussed the importance of clear impact reporting alongside financial reporting and ensuring the Committee can consistently articulate its investment priorities to managers and consultants. The subcommittee noted that the goal is for its representatives to serve as stronger ambassadors of the full Committee's values and preferences when evaluating opportunities with NEPC and fund managers.

b) 2026 Priority Themes and Committee Survey

The subcommittee proposed a short survey for IC members to help clarify preferred impact themes for 2026, key diligence priorities, risk-return expectations for private investments, and whether subcommittee representatives are accurately reflecting Committee values. This was viewed as an important tool to improve decision quality and portfolio coherence. The Committee supported the survey approach.

5) Stewardship and Subcommittee Expansion

The Committee discussed expanding participation opportunities across subcommittees and the possibility of non-IC members joining certain working groups where additional expertise would be helpful. Members noted strong inbound interest from volunteers and recognized the value of thoughtfully expanding participation while maintaining governance clarity.

Pam Sparr confirmed that this flexibility could be helpful, and David Stewart noted that the mechanism for non-IC participation should be clarified in future discussions.

III. Motions / Approvals

- No formal investment approvals were taken during this meeting, yet an agreement was made for Asha, Mathew and NEPC to subsequently meet to confirm interim asset allocation positioning in light of the pending global equity decision at the May IC Meeting.
- The Committee reached consensus to proceed with a formal benchmark review with NEPC.
- The Committee supported circulation of the Private Investments survey for 2026 impact themes and diligence priorities.



V. Closing Reflections

Participants reflected positively on the strength of the subcommittee model and the significant progress made in moving detailed work into those structures while preserving strategic oversight at the full IC level.

The Chair noted that reducing quarterly meetings from full-day sessions to more focused half-day meetings reflects meaningful operational improvement and better use of volunteer time.

Members expressed appreciation for the combination of fiduciary rigor, stewardship values, and community-centered engagement that continues to define the Committee's work.