Investment Policy Statement
May 2019

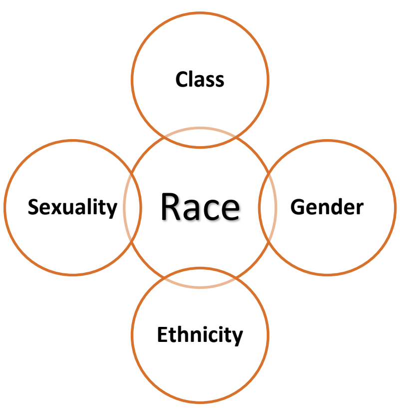
I. Preamble

The Weissberg Foundation ("Foundation") envisions a just world that recognizes inequities and builds access, opportunity, and power so that all can thrive. Through funding, amplification, capacity building, and collaboration, the Foundation advances organizations and efforts that give voice and opportunity to historically marginalized populations. The Foundation supports this mission and its operations with the assets in its Endowment Portfolio ("Endowment").

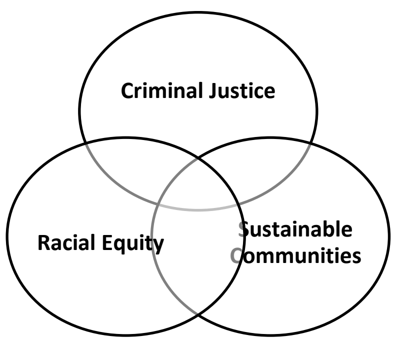
All capital has impact (positive, negative, and neutral) and the Foundation will evaluate this impact through the lens of our mission, economic opportunity, and with attention to the broader public good. We acknowledge that capital markets perpetuate structures of unequal access to opportunities, which reinforces and grows the social and economic inequities of our society. Only through intentional allocation of capital can we influence, expose, and change these existing conditions. Achieving social equity and sustainability requires alignment of our Endowment with the Foundation's mission and vision.

A fiduciary responsibility of the Foundation is to invest capital to maximize a rate of return in a way that that does not harm or detract from its mission or vision. When applicable, the Foundation will prioritize investments in the traditionally marginalized populations, opportunities, and Sustainable Development Goals (SDGs) outlined below that the Foundation aims to advance through mission and vision.

Populations



Opportunities



SDGs Alignment

Reduce inequality within and among countries	Make cities and human settlements inclusive, safe, resilient and sustainable	Promote peaceful and inclusive access to justice for all and build effective, accountable, and inclusive institutions at all levels

II. Purpose

The purpose of Investment Policy Statement ("IPS") is to set forth the objectives, policies, and guidelines that will govern the Foundation's investments. The IPS applies to all financial instruments, whether they are intended to produce above or below market rate returns.

This IPS will guide the Foundation's Board, Investment Committee ("Committee"), and Investment Advisor(s) ("Advisor(s)") in providing effective stewardship of the Endowment.

III. Roles and Responsibilities

A. Board

The Board retains ultimate discretion for the investment strategy and the selection of the Investment Advisor(s). Below are the specific responsibilities of the Board.

1. Approving the IPS and reviewing it annually.
2. Electing members of the Committee for the purpose of direct oversight of the investment strategy.
3. Retaining the Advisor(s) to assist in research, analysis, implementation, and monitoring of the investment strategy.

B. Investment Committee

As an extension of fulfilling its fiduciary responsibility, the Board delegates a portion of the day-to-day responsibility for monitoring the investment strategy to the Committee. The specific responsibilities of the Committee are:

1. Monitoring the IPS and making recommendations for modification to the Board as needed for approval (e.g. changes in distributions, asset allocation, program related investments (PRI), market conditions, etc.), at a minimum once per year.
2. Working with the Advisor(s) to set asset allocation targets within the guidelines of this IPS.
3. Working with the Advisor(s) to identify and/or review and approve appropriate Investment Managers and Direct Investments for implementing the asset allocation targets and meeting the Foundation's impact goals. For Direct Investment amounts above $100,000 including the selling, purchasing, and/or repositioning of Real Estate, the Investment Committee will make a recommendation to the Board for approval
4. Reviewing at least quarterly and ideally monthly the status of the Endowment.
5. Continuing to assess the alignment between the investment strategy, the IPS, and the Foundation's strategic plan.
6. Monitoring the Advisor(s)'s effectiveness and making recommendations to the Board as to the suitability of the Advisor(s).

C. Investment Advisor(s)

In recognition that the Board and Committee may not possess the resources, time, experience, or expertise to most appropriately guide the investment strategy; the Foundation may delegate a portion of its investment related responsibilities to an independent Advisor(s).

Specifically, the Advisor(s) shall be primarily responsible for:

1. Providing recommendations related to governance and implementation of the IPS.
2. Assisting the Board and Investment Committee in clarifying investment and impact objectives and setting the asset allocation.
3. Providing recommendations for Investment Managers and Direct Investments considered appropriate for implementing the asset allocation.
4. Providing ongoing research, performance, and due diligence on Investment Managers and Direct Investments for implementing the asset allocation targets and impact goals.
5. Providing performance reports at least quarterly for the Committee and as needed by the Board.
6. Providing ongoing education on topics relevant to investment strategy for private foundations.

D. Investment Managers & Direct Investments

The Foundation many use Investment Managers utilizing different investment structures (e.g. separate accounts, mutual funds, exchange traded funds, private placements, etc.) to buy and sell securities within the Endowment and execute on a specific investment strategy. The Investment Managers shall be primarily be responsible for:

1. Authority over a specific investment strategy
2. Accepting limited fiduciary responsibility

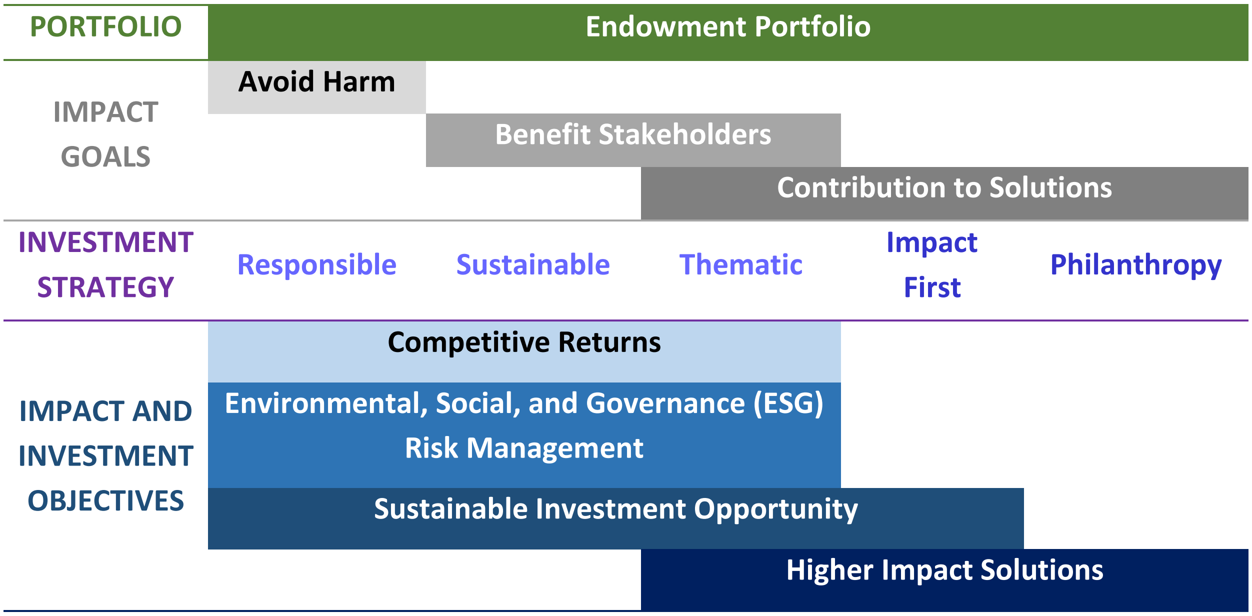
In some cases, the Foundation may establish direct relationships with a company and/or nonprofit organization investing without an intermediary (Investment Manager). These Direct Investments will be at the discretion of the Committee, subject to the restrictions of this IPS.

IV. Investment and Impact Objectives

The Foundation will manage its investments in order to optimize both traditional investment objectives and impact goals. Investing in enterprises that use inclusive and sustainable practices can reduce both financial and impact risks while also taking advantage of economic opportunities.

The Foundation seeks to build an Endowment that influences and/or benefits stakeholders including the Foundation's Endowment, the grantee partners, our investment partners, and the broader societal goals of reducing inequities. The Foundation's Endowment has four interlocking goals:

1. FUND investments that signal that impact matters,
2. AMPLIFY the Foundation's voice and the voices of others through advocacy and engagement,
3. BUILD initiatives and grow new investment opportunities, and
4. through COLLABORATION, build partnerships and co-investment opportunities.



A. Investment Objectives

The Foundation's assets will be in the following portfolio that reflects the risk profile, time horizon, and investment and impact objectives of the monies assigned therein.

Portfolio	Purpose	Objective	Horizon	Risk Profile
Endowment	Funds for the long term sustainability of the Foundation	Long Term Growth	Perpetuity	Aggressive

<u>Endowment</u>
The Foundation's current investment strategy is to maintain and grow the market value of the Foundation's investments in perpetuity while allowing for appropriate grant expenditures as defined by the IRS. The long-term investment objective for the Foundation is to earn a minimum of Consumer Price Index ("CPI") + 5% over a full market cycle. <u>Exhibit I</u> details the Foundation's spending policy.

By no later than 2024, 100% of the Endowment will incorporate the impact investment strategies outlined above (responsible, sustainable, and thematic). The Foundation will carve out up to 10% of the Endowment for impact first and program related investments as defined in the asset allocation guidelines.

B. Impact Goals

Avoid Harm	Benefit Stakeholders	Contribution to Solutions
Prevent negative outcomes by prohibiting investments in categories that conflict with the Foundation's mission and vision as defined in this IPS as causing social harm.	Proactively investing to promote positive outcomes that support the Foundation's mission and vision.	Contributing to positive outcomes through thematic aligned investments that impact the Foundation's identified mission and vision goals.

C. View of Risk

The Foundation wishes to mitigate and manage all risk, both financial and impact, in the Endowment and will seek to achieve this through the following measures.

1. Asset Class Diversification
   The Foundation strives to diversify its asset class exposure in such a manner as to pursue its target return objective with reasonable volatility. Such asset class diversification should also reflect an attention to other investment risks such as risks due to interest rate fluctuation, limited liquidity or transparency, sector or security concentration, currency and other macro-economic factors, and geopolitical and catastrophic event risk.

2. Environmental, Social, and Governance Integration
   Similar to the UN Principles of Responsible Investing, the Foundation believes that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Thereby, it is the Foundation's hypothesis, based on research, that investing in companies with good governance, integrity and accountability to both people and planet have alongside rigorous financial analysis lower risk and even outperformance over the medium to long term.

3. Diverse Investment Managers and Management Teams
   Extensive studies from McKinsey, Harvard, etc. have shown that diverse teams have better financial outcomes. The Foundation will evaluate all strategies based on the diversity of the investment team and/or management. The Foundation will also engage with Investment Managers to advocate for diversity on their teams and in the companies in which they invest.

4. Avoiding Investment Manager Concentration
   The Foundation also considers the risk of concentrating assets with a single Investment Manager. In general, the Foundation strives to allocate no more than 15% of the Endowment to any one Investment Manager. At the discretion of the Committee, the Foundation may exceed the 15% threshold if the Investment Manager is implementing a passive strategy that mimics the performance of specified market index.

D. Fiduciary Duty

By moral and legal imperative, the board's fiduciary duty encompasses three central obligations:

- Duty of care to facilitate prudent stewardship of the Foundation's capital, and to extend that duty of care to beneficiaries by providing capital to enterprises that are aligned with the mission and contribute broadly to society;
- Duty of loyalty to ensure the impartial execution of all of Foundation's dealings; and
- Duty of obedience to benefit the public and the mission of the Foundation, as declared in the mission statement and vision.

These duties, taken together, underlie the Foundation's IPS and are applicable across all investees. Thus, Endowment's performance on impact goals is no less important to fulfilling the Foundation's fiduciary duty than the Endowment's performance on investment objectives.

V. Investment Guidelines

A. Asset Allocation Asset Bands

The Foundation and its Advisor(s) shall consider the asset classes (outlined below). Additionally, the Foundation and its Advisor(s) shall respect the asset class constraints described below for each broad asset class.

ASSET ALLOCATION BANDS

	Endowment	
ASSET CLASS	**Min (%)**	**Max (%)**
Global Equities (US and Non US)	50%	80%
Global Fixed Income (>3 yrs.)	10%	40%
Short Term Fixed Income (< 3 yrs.)	0%	10%
Real Assets*	0%	20%
Impact First & Program Related Investments	0%	10%
Alternative Investments	0%	25%
Cash and Cash Alternatives (< 1 yr.)	0%	5%

*See Section VII, C: Real Assets

B. Target Asset Allocation

At all times, the Foundation and its Advisor(s) shall define a target asset allocation(s) consistent with the Foundation's investment objectives for the Endowment and the guidelines presented in this IPS.

The target allocation(s) shall be documented as Exhibit II to this IPS. As the target allocation(s) is modified by the Committee, it shall be updated in Exhibit II without requiring a re-approval of these investment policies.

Monthly and quarterly reports shall document the Foundation's target allocation the Endowment and compare it to the actual allocation.

C. Rebalancing

At least quarterly, the Investment Advisor(s) shall provide the Foundation a comparison of the actual asset allocation to the target asset allocation for the Endowment as defined in Exhibit II of this document.

Should the actual allocation to any asset class deviate by more than 10% from the target allocation for that asset class, then the Committee shall discuss the appropriateness of rebalancing that asset class in light of both macro-economic factors and the Foundation's activities as well as impact goals.

When the Foundation makes significant withdrawals or deposits to the Endowment, the Investment Advisor(s) shall provide a recommendation of how those monies should be deposited or withdrawn in order to further align the Endowment with the target allocation(s) in Exhibit II.

VI. Investment Strategy Guidelines

A. Strategies

In an effort to use the Foundation's assets to fund, amplify, build, and collaborate, the Foundation will incorporate the investment strategies detailed below when constructing the Endowment. The Committee will decide which investment strategies best meet the impact objectives of the Foundation.

ENDOWMENT PORTFOLIO			
Exclusionary Screening	**ESG Integration**	**Thematic/Lens Investing**	**Impact First**
• Predatory Lending • Private Prisons • Human Rights Controversies • Human Trafficking • Weapons Producers	Targeting investments best positioned to benefit from the integration of ESG factors and broad based macro trends	Focus on issue areas where social and/or environmental needs offer commercial growth opportunities for market rate return	Emphasis on the optimization of social and/or environmental needs (e.g. PRI) which may result in financial trade off

B. Shareholder Activism

The Foundation will amplify the voices of others and the Foundation by using equity stakes in companies to attempt to influence its management and policies. The issue areas the Foundation will address are labor rights, equal pay, employee practices, and workforce diversity, and trade practices. The Foundation may also work in coalition with others, pushing to influence corporate behavior from within.

VII. Asset Allocation Guidelines

Investment Managers in each asset class will be evaluated within the context of the investment strategies outlined above.

A. Equity

Equity strategies generally will focus on traditional "long-only" equity; however, there may be strategies considered by the Foundation that use short sells, restricted stock, options, futures, or other hedging or derivative-based techniques. The Advisor(s) shall disclose to the organization when managers use these "non-traditional" strategies or if they are under consideration for or in the Endowment.

B. Fixed Income

Fixed income consists of government, corporate, municipal, asset-backed, and collateralized mortgage securities. The duration of global fixed income is intermediate with maturities ranging from 5 – 7 years. Short-term fixed income has a duration of 5 years or less.

Traditional fixed income managers may purchase unrated bonds and bonds rated below investment grade if the average credit rating of their portfolios is "BBB" or better as rated by the major credit rating agencies.

Maturity, return, and duration shall be a consideration in the selection of fixed income Investment Managers.

C. Real Assets

Real assets represent tangible assets such as real estate, natural resources, or collectables. The Advisor(s) shall consider the suitability of such investments based on the investments ability to meet the return and risk management objectives of the Endowment. In addition, the Advisor(s) will consider liquidity, transparency, fees, regulatory oversight, the use of leverage, and other potential liabilities.

*The Foundation currently owns real estate donated by the Founder that is not included in this asset allocation. At such time that any real estate property is converted to cash, that cash will then be subject to the asset allocation bands. Until the real estate ownership of the Foundation is significantly reduced to less than 10%, no additional real estate assets will be added without Committee and Board approval.

D. Program Related & Impact First Investments

The Foundation will follow the IRS guidelines for program related investments, which are:

- The primary purpose of the investment is to further the Foundation's charitable purpose.
- The production of income or asset appreciation is not a significant purpose (below market rate return).
- The investment will not be used to influence legislation or take part in political campaigns.

The intention is for the program related investments to fill financing gaps, address market failures, and promote innovative ideas in the areas of the Foundation's strategic priorities, thereby filling a role that traditional capital may consider too risky or otherwise does not meet the criteria for traditional market funding.

For impact first investments, the Foundation's primary consideration for the investments will be to address the key priorities as identified in the Foundation's mission and vision but could also have an above market rate return.

The Committee may consider the financing instruments outlined below in each asset class for both program related & impact first investments. All investments will be made with the expectation of full repayment (return of principal).

Grant Support	Equity	Debt		Cash	Guarantees
		Sub Loans	**Senior Loans**		
	Direct equity	Flexible loans (direct)	Flexible loans (direct)	CDs	Loan guarantees
Recoverable grants	Equity funds	Debt funds	Debt funds	Deposits	Fund guarantees
	Convertible Equity	Line of Credit Facilities			

E. Alternative Investments

The Advisor(s) may consider for recommendation the inclusion of strategies to improve risk management and help strive to meet return objectives. Such investments might include hedge funds strategies, strategies based on financial futures, currencies, rates, derivatives, equities, fixed income, arbitrage, or other niche trading strategies. Prior to investment in such strategies, The Advisor(s) will consider liquidity, transparency, fees, regulatory oversight, the use of leverage, and other potential liabilities.

F. Cash

Cash investments will achieve a competitive return while maintaining liquidity, high credit quality, and stability of principal.

VIII. Endowment Investment Manager Search and Selection

A. Investment Manager Selection

The Advisor(s) will evaluate the following criteria for each Investment Manager and Direct Investment. When evaluating impact for program related and impact first investments, the Advisor(s) and Staff will assess the same metrics and standards used in the grant-making portfolio.

- Company/Fund Manager (e.g. impact intent, financial sustainability, stage of company, company-wide alignment)
- Team (e.g. compelling leadership/diversity, support of strategy, ethical conduct, implementation ability/continuity)

- Strategy (e.g. measured impact, profitable proposition, business model + opportunity set, sound and repeatable strategy)
- Impact (e.g. impact thesis or purpose, measurement & reporting, path to achieving impact, mission perception and drift)
- Performance (e.g. history of adding risk-adjusted value, repeatable & consistent returns, investment instrument, operational expenses
- Investment Structure (e.g. seniority, investment terms, liquidity and exit potential, cost)

B. Investment Review

Investments shall go on "Review" when the Advisor(s) is concerned about a material change in any of the following factors:

- Company (e.g. changes in ownership, new strategic direction, loss of assets)
- Team (e.g. new portfolio manager, high analyst turnover, lack of succession plan)
- Strategy (e.g. change in methodology, deviation in implementation, no longer relevant)
- Impact (e.g. thesis changes, mission drift, impact no longer relevant or declining)
- Financial Condition (e.g. deteriorating financial ratios, lack of repayment, declining cashflow)
- Performance (e.g. persistently poor security selection, failure to compensate for risk, delinquency)

When an investment is on "Review," the Advisor(s) shall work to monitor the ongoing suitability of the investment in question, both on its own merits and in relation to other investment in the same asset style that may be more suitable.

IX. Review Procedures

A. Review and Modification of Investment Policy Statement

The Board and the Committee shall review the IPS at least once a year to determine if modifications are necessary or desirable.

B. Meetings with Investment Advisor(s)

The Advisor(s) is expected to meet at least quarterly with the Committee to review market strategy, portfolio structure, and investment results. If requested the Advisor(s) will meet more often with the Board or Committee.

Additionally, on a timely basis, the Advisor(s) is expected to proactively inform the Committee in writing of any significant changes to an Investment Manager's ownership, portfolio management process, or style, or if other material concerns have become evident. For Direct Investments, the Advisor(s) will proactively inform the Committee when the recent performance of the investment and/or financial condition of the investee indicates the investee's inability to service the investment.

C. Board Reports

The Committee will give an update to the Board at every Board meeting highlighting any significant changes to the investment portfolio.

D. Performance Measurement

The Committee requires a quarterly performance report on the performance the Endowment versus appropriate market asset class benchmarks and on the performance of individual Investment Managers versus their stated market benchmarks, or the stated return objective of the Direct Investment

E. Impact Measurement

The Committee requires a quarterly impact report, which shows the Endowment's holdings in the Impact Management Project Matrix, and how it aligns with MSCI's ESG Sustainable Impact Metrics.

Exhibit I
Spending Policy

I. Purpose

The spending policy represents the guidelines and the administration of the annual distribution that is withdrawn from the Endowment and made available for grant making ach year. It provides a means for staff, board, and committee members to follow a consistent path for meeting the needs of the Foundation's mission, vision, and granting partners.

II. Annual Distribution

It is the policy of the Foundation to meet the minimum IRS-mandated annual distribution requirement by spending five percent of assets each year on grants and administrative expenses in order to last into perpetuity.

There may be times when grantee needs supersede the perpetuity requirement of the endowment and/or the economy is in a downturn . The Investment Committee in consultation with the Executive Committee can bring to the board for approval grant and/or charitable expenses in amounts that may exceed the 5% payout obligation.

Exhibit II
Gift Approval Policy

All gifts of cash or Securities greater than $500,000 or real assets (real estate, art, collectables, etc.) are subject to review by the Executive Committee, in consultation with the Investment Committee and legal advice or other consultants as required.

III. Purpose

The Weissberg Foundation accepts gifts/contributions to help the organization fulfill its mission. This policy governs the acceptance of gifts made to the Weissberg Foundation for the benefit of its grantmaking.

IV. Governance

Gifts - Generally Accepted

The following gifts will be accepted by the Foundation without review of the Executive Committee, Investment Committee and/or legal counsel. The Investment Committee will determine whether or not to sell the gifts based on the Weissberg Foundation's investment and impact strategy and liquidity needs.

- Cash $500,000 or less.
- Marketable Securities (e.g. stocks, bonds, mutual funds, exchange traded funds, separately managed accounts) in amounts of $500,000 or less.

Restrictions on Gifts

The Weissberg Foundation will not accept gifts that (a) would result in violating its corporate charter, (b) would result in losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences or (e) are for purposes outside of the mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Committee, in consultation with the Investment Committee and legal and other consultants as required.

The Foundation Endowment was formed and continues to grow from Marvin Wiessberg's generous contributions of cash, equities, and real estate. Gifts of his partnership percentage of the real estate assets require a different level of evaluation both from a legal and value perspective. Staff in conjunction with the Investment Committee will determine governance compliance to rule out, Self-Dealing issues, UBTI implications, debt, and other tax or foundation regulations acceptance of the gift could violate. The value assessment includes evaluating market location and long term fundamentals, property age, carry cost, vacancy, cash reserves, liquidity and any other site specific characteristic prior to forming a recommendation for the EC. The mission compatibility of the property should also be considered.

Prior to acceptance of any gift of real assets, the Weissberg Foundation may consider the following guidelines:

- Is the asset useful for the organization's purposes?
- Are the assets readily marketable?
- Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the assets?
- Are there carrying costs (including insurance, security, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
- If not readily marketable, does the Foundation have the liquidity to support the illiquid asset and still maintain the appropriate 5% annual distribution as required by the IRS?