
Woka Foundation Investment Policy Statement

1. Mission, Principles and Priorities

Mission:

To help create a just world that values environmental vitality and recognizes the dignity of all peoples.

Guiding Principles:

- Mother Earth, ecological vitality, and all species are sacred and interdependent, and they have the right to be free from ecological destruction.
- Each human person has dignity and value.
- Benefits and burdens shall be shared equally among peoples.
- The aspirations and needs of people of all genders shall be considered and valued equally.
- All peoples have a fundamental right to political, economic, cultural and environmental self-determination.
- All workers have a right to a safe and healthy work environment.
- Education has the power to transform.
- An adequate educational program includes social and environmental issues and an appreciation of our diverse cultural perspectives.
- Everything is connected in ways that are profoundly complex and beautiful, and no one part of a system can change by itself. To heal a system, connect more of it to itself.

Guiding Priorities:

- Addressing harms caused by human activities.
- Addressing underlying causes rather than treating symptoms.
- Supporting self-sustaining solutions rather than cause dependencies.
- Supporting the transition from a consumption-based economic society based on growth and the exploitation of resources toward a low-waste empathic society based on the sacredness of all life.

Note: The foregoing principles and priorities reflect the Founders' deliberations and draw partially from the writings of Paul Hawken, the Polyglot group, the Mary Robinson Foundation and the First National People of Color Environmental Leadership Summit.

2. Investment Purpose and Philosophy

The purpose of this Investment Policy Statement is to establish guidelines for the Foundation Endowment Portfolio (“Portfolio”). The following investment beliefs reflect Woka Foundation values and contain the guidelines by which it wishes to create the Portfolio.

- Investments create the future and therefore the Portfolio should contribute to Woka Foundation’s mission and be aligned with its principles and priorities.
- The Portfolio is invested for the long-term, and the Foundation will evaluate its success with that timeframe in mind.
- In order to achieve Woka Foundation’s goals, it is necessary to take some risks.
- Sustainability is both a Portfolio risk mitigator and return enhancer.

3. Roles and Responsibilities

The Board of Directors will have the following responsibilities regarding the Portfolio:

- Approve Investment Policy Statement (IPS)
- Ensure the Portfolio is invested in accordance with the asset allocations and diversification criteria outlined in Appendix A
- Ensure the Portfolio is invested in accordance with the impact guidelines outlined in Appendix B
- Approve investment selections
- Hire, evaluate, and terminate investment consultants and advisors as necessary
- At the Annual Board Meeting, review:
 - The IPS
 - Portfolio asset allocations
 - Portfolio diversification
 - The performance of the Portfolio
 - The impact areas addressed in the Portfolio
 - Investment management fees and expenses to ensure they are appropriate and reasonable
 - How well the Portfolio achieves the goals outlined in Section 5 over a five-year running period

4. Legal, Regulatory and Ethical Issues

No investment may be made that places in jeopardy Woka Foundation's tax-exempt status or causes Woka Foundation to incur penalties under the Internal Revenue Code.

In creating the Portfolio, the Board will consider the charitable purposes of Woka Foundation and the purposes of the Portfolio and act in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. Management and investment decisions about an individual asset will be made in the context of the Portfolio as a whole and as part of an investment strategy with risk and return objectives reasonably suited to Woka Foundation's needs.

5. Investment/Impact Goals and Risk Management

The Portfolio has a 30-year time horizon. Over the long term, Woka Foundation is expecting a blended return sufficient to preserve capital and pay out up to 5% per year. The investment goal is to ensure the needs of the Foundation, to preserve the corpus, and to achieve social and environmental impact via the Portfolio investments. The Portfolio strategies will balance growth, income, capital preservation, and impact.

6. Spending Policy

The spending level, comprised of grants and operating expenses, will be determined annually by the Board of Directors. The spending levels will be up to 10% of the Portfolio value. The spending policy amount will be calculated each year based on the previous year's average market value calculated in accordance with IRS guidelines.

7. Due Diligence Process

Each investment in the Portfolio will be evaluated for its ownership structure, operations, key persons, investment philosophy and process, performance, and ESG criteria and/or impact approach.

Woka Foundation will seek to maintain low investment management fees and expenses.

Appendix A

Asset Allocation and Diversification: Targets and Ranges

The following asset allocation table contains target percentages, at market value, of the Portfolio's total assets to be invested in various asset classes. Actual allocations may deviate from target percentages at any specific time due to market conditions, including the gradual implementation of the Portfolio.

Asset Class	Target	Range	Benchmark
Public Equity	70%	60-80%	(Russell 1000 * 0.85 + Russell 2000 * 0.15) * 0.6 + (MSCI EAFE) * 0.3 + (MSCI EM) * 0.1
Alternatives	15%	10-20%	TBD
Fixed Income	15%	10-20%	Bloomberg Barclays U.S. Aggregate Bond Index
Cash	0%	0-5%	
Total	100%		

The following tables contain target percentages, at market value, of the Portfolio's Public Equity assets to be invested in the noted geographic regions and market capitalizations. Actual allocations may deviate from the target percentages at any specific time due to market conditions, including the gradual implementation of the Portfolio.

Public Equity Geographic Diversification	Target	Range
US	60%	50-70%
Foreign	30%	20-40%
Emerging	10%	5-15%
Total	100%	

Public Equity Market Capitalization Diversification	Target	Range
Giant/Large Cap	55%	45-65%
Mid Cap	30%	20-40%
Small/Micro Cap	15%	10-20%
Total	100%	

Appendix B

Impact Guidelines

Impact Guidelines

The Board has established impact guidelines for the portfolio reflecting the mission of Woka Foundation.

Impact Theme Requirement

All investment vehicles in the portfolio shall have some meaningful impact theme that is aligned with these guidelines, so that each investment is inherently making the world a better place as part of its business model. The only permitted exception shall be a money market mutual fund used for the purpose of accessing needed cash within 24 hours.

Tilts Towards Our Values

Investment vehicles shall align with these Woka priorities as closely as possible:

- Climate change mitigation and adaptation, including renewable energy, and regenerative agriculture
- Human rights and fair labor
- Gender equity, to include sharing leadership across genders
- Community wealth building and financial inclusion

Exclusionary Screens

Absolute Avoidance

All investment vehicles must be 100% completely free of:

- The entire fossil fuel energy sector

Strict Avoidance

Investment vehicles shall meet as many of these exclusionary screens as possible:

- Adult Entertainment
- Agri-Chemical Companies
- Anti-LGBTQ policies
- Banks providing excessive or irresponsible support to the fossil fuel energy sector
- Deforestation issues such as palm oil production
- Factory Farming
- Fur
- GMOs
- Gambling
- Mining Industry
- Predatory lending and products/services

- Private Prisons
- Tobacco
- From time to time individual companies may be excluded upon review of separately managed account holdings upon the Investment Consultant's recommendation and at the discretion of the Board

Shareholder Advocacy:

Select managers and funds that vote proxies in accordance with Environmental, Social and Governance guidelines based on the Impact Guidelines listed in this Appendix B.

Take advantage of opportunities offered by some account managers to directly participate in shareholder initiatives, such as co-sponsoring or endorsing shareholder resolutions or signing onto shareholder letters, that promote change in corporate practices to better align with the values expressed in this Appendix B.