



Investment Policy

Effective March 1, 2026

This statement of investment policy is set forth by the SDG Global Board to reflect the investment policy, objectives, and constraints of the entire Fund.

In general, the purpose of this statement is to outline a philosophy and attitude which will guide the investment management of assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

The Fund may allocate a portion of assets to mission-related or impact investments aligned with its charitable objectives, including investments that support the United Nations Sustainable Development Goals (SDGs).

The Fund may hold and manage illiquid or non-traditional assets, including but not limited to real estate, private securities, mineral interests, and other alternative investments, subject to appropriate due diligence and risk management.

The Fund may offer multiple investment pools or strategies to accommodate varying donor preferences, risk tolerances, and time horizons.

The Fund, at its sole discretion, may adopt a spending policy to balance current grantmaking with long-term asset preservation.

The Fund may consider environmental, social, and governance (ESG) factors in investment decisions where consistent with fiduciary duties.

Portfolios will be periodically rebalanced to maintain target asset allocations.

All parties involved in investment decisions must disclose any conflicts of interest and act in the best interest of the Fund.

Illiquid assets shall be valued periodically using reasonable and consistent methodologies.

Introduction

SDG Global Board is responsible for directing and monitoring the investment management of SDG Global's assets. As such, SDG Global Board is authorized to delegate certain responsibilities to professional experts in various fields.

The SDG Global Board maintains fiduciary oversight of the Fund's investment program and establishes the strategic framework within which assets are managed. Investment managers are granted discretion to implement investment strategies and execute transactions in accordance with the policies and guidelines established by the Board.

These include, but are not limited to:

Investment Management Consultant

The consultant may assist the SDG Global Board in: establishing investment policy, objectives and guidelines; selecting investment managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.

Investment Manager

The investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Fund's investment objectives.

Custodian

The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Fund, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold as well as movement of assets into and out of the Fund accounts.

Co-Trustee

SDG Global Board may appoint an outside individual or entity, such as a bank trust department, to be co-trustee. The Co-trustee will assume fiduciary responsibility for the administration of the Fund assets.

Additional specialists such as attorneys, auditors, actuaries, Fund consultants, and others may be employed by SDG Global Board to assist in meeting its responsibilities and obligations to administer Fund assets prudently.

Managers will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper investment managers, each manager should request modifications which they deem appropriate.

If such experts employed are also deemed to be fiduciaries, they must acknowledge such in writing. All expenses for such expenses must be customary

and reasonable and will be borne by the Fund as deemed appropriate and necessary.

Responsibility of SDG Global Board

SDG Global Board is charged by law with the responsibility for the management of the assets of the Fund. SDG Global Board shall discharge its duties solely in the interest of the Fund, with the care, skill, prudence and diligence under the circumstances then prevailing, that a prudent man, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The specific responsibilities of SDG Global Board relating to the investment management of Fund assets include:

- Projecting the Fund's financial needs relative to the anticipated spending rate of charitable giving by the Donor, and communicating such needs to the Investment Managers on a timely basis.
- Determining the Fund's risk tolerance and investment horizon, and communicating these to the appropriate parties.
- Establishing reasonable and consistent investment objectives, policies and guidelines which will direct the investment of the Fund's assets.
- Prudently and diligently selecting qualified investment professionals, including Investment Managers, Investment Consultants, and Custodians.
- Regularly evaluating the performance of the Investment Managers to assure adherence to policy guidelines and monitor investment objective progress.
- Developing and enacting proper control procedures; i.e. replacing Investment Managers due to fundamental change in investment management process, or failure to comply with established guidelines.

Responsibility of the Investment Managers

Each Investment Manager will have full discretion to make all investment decisions for the assets placed under its jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the Investment Manager include:

- Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
- Reporting, on a timely basis, quarterly investment performance results.
- Communicating any major changes to economic outlook, investment strategy, or any other factors which affect implementation of investment process, or the investment objective progress of the Fund's investment management.
- Informing SDG Global Board regarding any qualitative change to investment management organization: i.e. changes in portfolio management personnel, ownership changes, investment philosophy, etc.

- Voting proxies, if requested by the Fund Board, on behalf of the Fund, and communicating such voting records to SDG Global Board on a timely basis (unless this responsibility is reserved by the Fund Board).

Responsibility of the Investment Consultant

The Investment Consultant's role is that of a non-discretionary advisor to the Fund Board. Investment advice concerning the investment management of Fund assets will be offered by the Investment Consultant, and will be consistent with the investment objectives, policies, guidelines, and constraints as established in this statement. Specific responsibilities of the Investment Consultant include:

- Assisting in the development and periodic review of investment policy.
- Conducting investment manager searches when requested by the Fund Board.
- Providing "due diligence", or research, on the Investment Managers.
- Monitoring the performance of the Investment Managers to provide SDG Global Board with the ability to determine the progress toward the investment objectives.
- Communicating matters of policy, manager research, and manager performance to the Fund Board.
- Reviewing Fund investment history, historical capital markets performance and the contents of this investment policy statement to any newly appointed members of the Fund Board.

Investment Objectives

General Investment Principles

- The Fund shall be invested with the care, skill, prudence and diligence under the circumstances then prevailing, that a prudent man, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims.
- Investment of the Fund shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
- SDG Global Board may employ one or more investment managers of varying styles and philosophies to attain the Fund's objectives.
- Cash is to be employed productively at all times, by investment in short-term cash equivalents to provide safety, liquidity, and return.
- A separate Cash account not less than 10% of total assets shall be maintained at all times for all funds separated from funds held in custody by any outside manager.
- Consistent with their respective investment styles and philosophies, investment managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.
- Understanding that risk is present in all types of securities and investment styles, SDG Global Board recognizes that some risk is necessary to produce long-term

investment results that are sufficient to meet the Fund's objectives. However, the investment managers are to make reasonable efforts to control risks, and will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment styles and objectives.

- Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

Specific Investment Strategies and Goals

Absolute real return of 4.00%

Return in excess of market index by 1.00%

The investment goal(s) above are the objectives of the aggregate Fund, and are not meant to be imposed on each investment account. The goal of each investment manager, over the investment horizon, shall be to:

- Meet or exceed the market index, or blended market index, selected and agreed upon by SDG Global Board that most closely corresponds to the style of investment management.
- Display an overall level of risk in the portfolio which is consistent with the risk associated with the benchmark specified above. Risk will be measured by the standard deviation of quarterly returns.

Specific investment goals and constraints for each investment manager, if any, shall be incorporated as part of this statement of investment policy. Each manager shall receive a written statement outlining his specific goals and constraints as they differ from those objectives of the entire Fund.

Risk and Liquidity

Definition of Risk

SDG Global Board realizes that there are many ways to define risk. It believes that any person or organization involved in the process of managing the Fund assets understands how it defines risk so that the assets are managed in a manner consistent with the Fund's objectives and investment strategy as designed in this statement of investment policy. SDG Global Board defines risk as **the probability of not meeting the fund's spending rate.**

Liquidity Requirements

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required payment, SDG Global Board will periodically provide investment counsel with an estimate of expected net cash flow. SDG Global Board will notify the

investment consultant in a timely manner, to allow sufficient time to build up necessary liquid reserves.

To maintain the ability to deal with Fund cash requirements that might arise, SDG Global Board requires that a minimum of 10.00% of Fund assets shall be maintained in cash or cash equivalents, including money market funds or short-term U.S. Treasury securities.

After considering the Fund's longer-term objectives and liquidity requirements, SDG Global Board requires at least 90.00% of Fund assets to be invested in other securitized or equity assets. From time-to-time SDG Global Board may amend these definitions and requirements as needed.

Diversification of Investment Managers

SDG Global Board does not believe it is necessary or desirable that securities held in the Fund to represent a cross section of the economy. However, in order to achieve a prudent level of portfolio diversification:

- the securities of any one company or government agency should not exceed 15.00% of the total Fund.
- there is no required level of diversification for industries.
- there is no required level of diversification for individual Treasury securities.
- there is no required level of diversification for total allocation to Treasury securities.

Guidelines for Fixed Income Investments and Cash Equivalents

Fund assets may be invested in all rated fixed income securities (Moody's/Standard & Poor's).

Money market funds selected shall contain securities whose credit rating at the absolute minimum would be rated investment grade (BBB- by Standard & Poor's or Baa3 by Moody's). The Executive Director has the authority to accept any asset on a case-by-case basis, in accordance with the Gift Acceptance Policy.

Asset Allocation

Aggregate Fund Asset Allocation Guidelines

SDG Global Board may employ investment managers whose investment disciplines require investment outside the established asset allocation guidelines. However, taken as a component of the aggregate Fund, such disciplines must fit within a defined asset allocation guideline established by SDG Global Board. Such investment managers will receive written direction from SDG Global Board regarding those specific objectives and guidelines.

In the event that the above aggregate asset allocation guidelines are violated, for reasons including but not limited to market price fluctuations, SDG Global Board will instruct the Investment Managers to bring the portfolios into compliance with these guidelines as promptly and prudently as possible.

In the event that any individual Investment Manager's portfolio is in violation with its specific guidelines, for reasons including but not limited to market price fluctuations, SDG Global Board expects that the Investment Manager will bring the portfolio into compliance with these guidelines as promptly and prudently as possible without instruction from the Fund Board.

Investment Guidelines

Investment Guidelines shall be designed on an individual Fund basis, as many Funds may desire a unique strategy for investment and impact. In the event that an Investment Manager determines that there is a benefit or a need to execute transactions in exchanges other than those initially approved upon engagement, written approval is required from the Fund Board.

Definitions and Benchmarks

Russell 1000

A domestic equity benchmark that measures the performance of the 1,000 largest companies in the Russell 3000 Index and represents approximately 92% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization

Russell 2000

A domestic equity benchmark that measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization.

MSCI EAFE

A market capitalization weighted equity index composed of companies representative of the market structure of 20 Developed Market countries in Europe, Asia (including Australia) and the Far East.

LB Aggregate

A fixed income benchmark composed of securities from the Lehman Brothers Government/Corporate Bond Index (investment grade bonds with maturities greater than 1 year), Mortgage-Backed Securities Index (fixed-rate securitized mortgage pools by GNMA, FNMA and the FHLMC), and the Asset-Backed Securities Index (credit card, auto and home equity loans). Total return comprises price appreciation/depreciation and income as a percentage of the original investment.

T-Bill (90 Day)

A fixed income benchmark composed of 3-month United States Treasury Bills purchased at the beginning of each of three consecutive months.