INVESTMENT POLICY STATEMENT

Revised Date: February 1, 2023

This Investment Policy Statement ("IPS") outlines the goals and investment objectives for the Coastal Community Foundation Total Return Portfolio, ESG Portfolio, Unpooled Long-Term Portfolio, Short-Term Portfolio, and Third-Party Advisor Portfolios (the "Portfolios"). The Coastal Community Foundation of South Carolina, Inc. ("CCF" or the "Foundation") was established in 1974 as a non-profit corporation under the laws of the State of South Carolina and is governed by CCF's Board of Directors. CCF has been recognized by the Internal Revenue Service as exempt from federal income tax under section 501(c)(3) of the IRS Code of 1986, as amended, and is classified as a public charity. The policies described in this statement reflect the unique financial needs, circumstances, and duties regarding the Portfolios. These policies will be reviewed and revised periodically, but in no event less frequently than annually, to ensure that they adequately reflect changes that relate to the mission of the Foundation and the capital markets.

The Portfolios shall be invested in accordance with the investment objectives set forth below. In implementing those investment objectives, the Investment Committee will review appropriate considerations that will take into account the financial needs and circumstances of the Foundation. Factors to be considered will be the time horizon availablefor the investment and the cash flow required to meet the Foundation's grant commitments and objectives and its operation expenses.

INVESTMENT OBJECTIVES

The Portfolios are to be invested with prudent levels of risk and with the expectation that the long-term total returns (yield plus capital appreciation) will increase the asset base of the Foundation and provide a source of income and earnings to fund the Foundation's mission and operations.

Consistent with those objectives, the Portfolios will be invested with the following goals:

1. The Total Return Portfolio is designed to ensure long-term financial security to the communities CCF

serves and to provide an ongoing source of funding in perpetuity for CCF's activities, programs, and operating expenses. This Portfolio emphasizes total return, liquidity, and risk minimization to allow for preservation of corpus, maintenance of purchasing power, maximum granting ability, and production of fee income for CCF's operations.

2. The ESG Portfolio seeks to achieve competitive, risk-adjusted returns, maintain liquidity, and minimize risk while also considering the environmental, social and governance aspects of the investments included in the Portfolio. This Portfolio exists to enable donors to achieve financial and social returns.

3. The Unpooled Long-Term Portfolio seeks to maximize return, maintain liquidity, and minimize risk to allow for preservation of corpus and maximize granting ability for endowed and partially-endowed donor funds held outside the Total Return and ESG Portfolios.

4. The Short-Term Portfolio seeks to minimize risk and provide maximum liquidity for non-endowed donor funds.

5. Third-Party Advisors may be utilized by CCF in the administration of Trusts and are allowed for donors that create and maintain fully-endowed funds in excess of $1 million. For eligible donors, the endowments will be managed independently in a separate account by a Third-Party Advisor. In the case of Trusts, CCF has elected to engage a Third-Party Advisor to serve in an OCIO capacity for trust administration. This Third-Party Advisor manages the investments in accordance with this IPS. In addition to investment management, the Third-Party Advisor prepares required tax filings and performs distributions as required in each trust agreement. While third-party advised investments are separately managed from the other CCF Portfolios, they are subject to the limitations identified in this IPS, where identified.

DELEGATION OF AUTHORITY

The Board of Directors of the Foundation is a fiduciary and is responsible for directing and monitoringthe investment management of Foundation assets. The Board of Directors has authorized the Investment Committee to open accounts and take such other actions as are necessary to implement this IPS and work with the investment advisor and investment managers. As such, the Investment Committee is authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

1. Investment Advisor/OCIO. The advisor may assist the Board of Directors 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.
2. Investment Manager. The investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Foundation's investment objectives.
3. Custodian. The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Foundation, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchasesand 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 Foundation accounts.

4. Additional specialists such as attorneys, auditors, actuaries, retirement plan consultants,and others may be employed by the Board of Directors to assist in meeting its responsibilities and obligations to administer Foundation assets prudently. If such experts employed are also deemed to be fiduciaries, they must acknowledge such in writing.

The Board of Directors will not exercise day to day control over investment decisions to the extent they are delegated to others, with the exception of specific limitations described in this IPS. Advisors and managers will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that this IPS will hamper the advisors or investment managers, they should request modifications which they deem appropriate.

DUTIES OF THE INVESTMENT COMMITTEE

The Investment Committee is responsible for establishing and maintaining an investment policy for the Portfolios and for implementing additional policies and/or guidelines, as needed, for management of these assets, subject to the oversight and approval of the Board of Directors.

The objectives and policies incorporated in this IPS will be used as criteria for selecting and evaluating the appropriate Investment Advisor for the management of the Foundation's investments. Additional duties would include the following:

- Recommending a long-term strategic plan for investment management of the Portfolios. This would include evaluating risk tolerance and recommending a long-term asset allocation policy with a long-term investment objective.
- Monitoring and evaluating the investment performance of the Portfolios.
- Monitoring the Investment Advisor for compliance with this IPS.
- Annual Review of non-investment information of the Investment Advisor, including:
    - Team Turn Over
    - Legal and Regulatory Compliance
    - Cybersecurity Threats and Mitigation (Advisor and Custodian)
    - SAS 70/SAS 16/SOC-1 Audit of Controls
- Selecting and replacing Investment Advisors and Custodians of the Portfolios.
- Performing such other duties as may be described in this IPS and as are required by South Carolina Uniform Prudent Management of Institutional Funds Act.

DUTIES OF THE CFO

The Board of Directors has delegated to the CFO the following responsibilities:

- Serve as the primary contact between the Investment Advisor, Custodians and any other parties involved in the management of the Foundation's assets;

- Day to day oversight of all investible assets as covered by this IPS and any other duties as may be assigned by the Investment Committee;
- Oversee the accuracy and security of the underlying fund financial information including statements of account, fees, and Portfolio returns;
- Act as staff liaison to the Investment Committee;
- Develop reports to assist the Board of Directors in monitoring the investments, withdrawals, and risk profile of Foundation assets;
- Ensure the sale of securities gifted to the Foundation;
- Balance the Portfolios regularly to ensure accuracy and alignment with endowed and non-endowed donor fund balances;
- Provide a schedule of expected cash flow for contributions and distributions to the Investment Advisor.

DUTIES OF THE INVESTMENT ADVISOR/OCIO

The Investment Committee has retained the services of an Investment Advisor who shall have the following responsibilities:

- Assist the Investment Committee in strategic planning for the Foundation's assets. This includes providing assistance in developing an investment policy and asset allocation strategy.
- Adherence to IPS:
    - The Investment Advisor is expected to respect and observe the specific limitations, guidelines, attitudes, and philosophies stated herein, or as expressed in any written amendments or instructions; and
    - The Investment Advisor's acceptance of the responsibility to manage assets of the Foundation will constitute a ratification of this IPS, as it pertains to the assets assigned to them by the Investment Committee, affirming the belief that they are realistically capable of achieving the Foundation's objectives within the guidelines and limitations stated herein.
- Discretionary Authority:
    - The Investment Advisor will be responsible for making all investment decisions on a discretionary basis regarding all publicly-traded assets placed under its jurisdiction and will be held accountable for achieving the investment objectives indicated herein. Such discretion shall include decisions to buy, hold, and sell securities and allocate to Investment Managers in amounts and proportions that are reflective of the Investment Advisor's current investment strategy and compatible with the Foundation's investment guidelines. The Investment Advisor will be responsible for recommending private equity, diversifying strategies, and other non-publicly traded investments to the Investment Committee in support of achieving the long-term objectives of the Portfolios.
- Communication:

- The Investment Advisor will keep the Investment Committee informed on at least a quarterly basis, and more frequently as market conditions and changes within the Portfolio warrant, of Portfolio performance and major changes in its investment outlook, investment strategy, asset allocation, and other matters affecting its investment policies or philosophy.
- Provide custodial reports on a monthly basis in a timely manner.

INVESTMENT GOALS

- The absolute goal of the Foundation is to provide asset growth at a rate in excess of 5%, plus the rate of inflation, and net of fees and expenses for the Total Return, ESG, Unpooled Long-Term and Third-Party Advisor Portfolios. This goal will be reviewed annually and modified if warranted by market conditions. It is expected that an average annual return of 7.5% will be experienced over a 5-year period.
- The relative goal of the Foundation is to seek competitive investment performance versus appropriate or relative capital market measures, such as securities indices. This objective shall be measured primarily by comparing investment results over a moving annualized three-and five-yeartime period, to Portfolio benchmarks regarding asset class, investment manager performance and peer group comparison guidelines as set forth in Appendix B.
- Unique to the ESG Portfolio, CCF seeks investments that actively emphasize ESG factors in the ESG Portfolio construction. CCF will establish and monitor benchmarks , as set forth in Appendix B, for performance of this Portfolio to ensure the Portfolio emphasizes social returns as well as financial returns.
- The goal of the Short-Term Portfolio is to provide full access to liquidity at all times, with an investment return objective of 0-2% per year.

SPENDING POLICY

The distribution rate for the Portfolios is based upon a total return approach, which utilizes both income and capital withdrawn for spending. The maximum allowable spending amount (grantable amount plus Foundation fees) for fully endowed funds will target 5% (4% grantable plus 1% Foundation fees) of the average of the previous 20 quarters of the fund's market value. Where a fund has not been in existence for 20 quarters, the actual number of quarters that the fund has been in existence will be used as the divisor.

The Investment Committee and CCF Board of Directors must approve the distribution rate. The CCF Board of Directors, at its next regular meeting, must ratify the Investment Committee decisions. If the CCF Board does not ratify the Investment Committee's spending policy decisions, new guidelines must be proposed and approved as promptly as possible. This Spending Policy does not apply to those funds where the fund agreement spells out a separate spending calculation.

INVESTMENT GUIDELINES AND LIQUIDITY

The Foundation recognizes that risk (i.e., the uncertainty of future events), volatility (i.e., the potential for variability of asset values), and the possibility of loss in purchasing power (due to inflation) are present to some degree in all types of investment vehicles. While high levels of risk are to be avoided,the assumption of some risk is warranted in order to allow the Investment Advisor the opportunity to achieve satisfactory long-term results consistent with the objectives of the Foundation.

The Portfolios are part of the assets of a tax-exempt Community Foundation and all attempts should be made to reasonably avoid taxation on Unrelated Business Taxable Income (UBTI).

All investments are to be highly liquid and marketable unless otherwise approved by the Investment Committee.

RISK METRICS

The following risk metrics will be reviewed quarterly for the Total Return portfolio.

Beta < 1.20

Alpha >0.0

Sharpe Ratio

Standard Deviation

ASSET ALLOCATION STRATEGY

In line with the return objectives and risk parameters of the Foundation, the mix of assets in the Portfolios should be maintained as defined in Appendix A stating asset class targets and ranges. The Investment Advisor will have discretion within the ranges established in Appendix A as to the asset allocation decisions for the Portfolio assets.

ASSET REBALANCING PROCEDURES

The Investment Advisor/OCIO will monitor and manage the asset allocation structure of each Portfolio within the ranges allowed for each asset category. If a Portfolio moves outside of a range, the Investment Advisor/OCIO will rebalance the related asset classes.

The CFO will notify the Investment Advisor/OCIO of any asset rebalancing needs, as determined by recent incoming contributions to and distributions from donor fund assets and anticipated liquidity needs. The CFO will develop a plan of action for the allocation of significant new gifts received into the Portfolio.

INVESTMENT PERFORMANCE REVIEW AND EVALUATION

Performance results for the Portfolios and each investment strategy will be measured on a quarterlybasis relative to absolute and relative benchmarks as outlined in Appendix A and Appendix B. Consideration shall be given to the extent to which the investment results are consistent with theinvestment objectives, goals, and guidelines as set forth in this IPS. The Investment Committee intends to fairly evaluate the Investment Advisor's performance, including portfolio performance, on a regular basis.

CONCLUSION

It is understood that this IPS will be reviewed by the Investment Committee no less frequently than annually. If needed, the Committee will recommend revisions to the Board of Directors for approval.

APPENDIX A

ASSET ALLOCATION RANGES AND TARGETS

Total Return, Unpooled Long-Term and Third-Party Advisor Portfolios:

ASSET CATEGORY	TARGET	RANGE
Global Equity	67.0%	45 - 75%
Global Fixed Income	12.0%	10 - 30%
Diversifying Strategies	21.0%	0 – 25%
Cash and Cash Equivalents	0.0%	0 – 10%

ESG Portfolio:

ASSET CATEGORY	TARGET	RANGE
Global Equity	70.0%	55 - 75 %
Global Fixed Income	30.0%	20 – 35%
Diversifying Assets	0.0%	0-10%
Cash	0.0%	0 – 10%

Short-Term Portfolio:

ASSET CATEGORY	TARGET	RANGE
Intermediate Fixed Income	90.0%	90 – 100%
Cash & Cash Equivalents	10.0%	0 – 100%

APPENDIX B

TOTAL RETURN PORTFOLIO*
PERFORMANCE COMPARISONS

Target Policy Benchmark:

Asset Class	Target	Range	Benchmark	Peer Group
Large Cap Equity	55%	30% - 60%	S & P 500	Pure Large Cap Core
Mid Cap Equity	5%	5% - 14%	Russell Mid Cap	Mid Cap
Small Cap Equity	7%	0% - 15%	Russell 2000	Broad Small Cap
International Developed	5%	5%-15%	MSCI - EAFE	Broad Int'l Equity
International Emerging	2%	2%-10%	MSCI – Emerging Mkts	Int’l Emerging Equity
Hedge Funds	10%	10%- 30%	HFR Fund of Funds Index	
Commodities	0%	0-5 %	Dow Jones UBS Commodity Index	
Real Estate – U.S.	3%	0% - 10%	NAREIT Equity	US REIT
Real Estate – Non-U.S.	0%	0% - 10%	DJW Global ex-U.S. Real Estate	Global REIT
Private Equity	8%	0% - 10%	PE Benchmark	PE Peer
Fixed Income	5%	0% - 20%	Barclays Agg Index	US Aggregate Fixed
Cash	0%			
	100%			

*Also applies to Unpooled Long-Term and Third-Party Advisor Portfolios

Total Return Broad Policy Benchmark*:

WEIGHT	INDEX
70%	MSCI AC World Index
30%	Barclay’s Global Aggregate

ESG Broad Policy Benchmark:

WEIGHT	INDEX
70%	MSCI AC World Index
30%	Barclay’s Global Aggregate

Short-Term Portfolio Policy Benchmark:

WEIGHT	INDEX
90%	Barclays Intermediate G/C
10%	91-day T-Bills

ESG Specific Policy Benchmark:

WEIGHT	INDEX
70%	ESG Global Equity
30%	ESG Fixed Income