

2022 Investment Forum

Presenters

Fred Blackwell

SFF, CEO

Mark Doherty

SFF, Senior Director of Investments

David ibnAle

SFF Trustee & Managing Partner, Advance Venture Partners

Mike Miller

Chief Investment Officer, Crewcial Partners

Adeyemi Ajao

General Partner, Base10 Partners

DeShay McCluskey

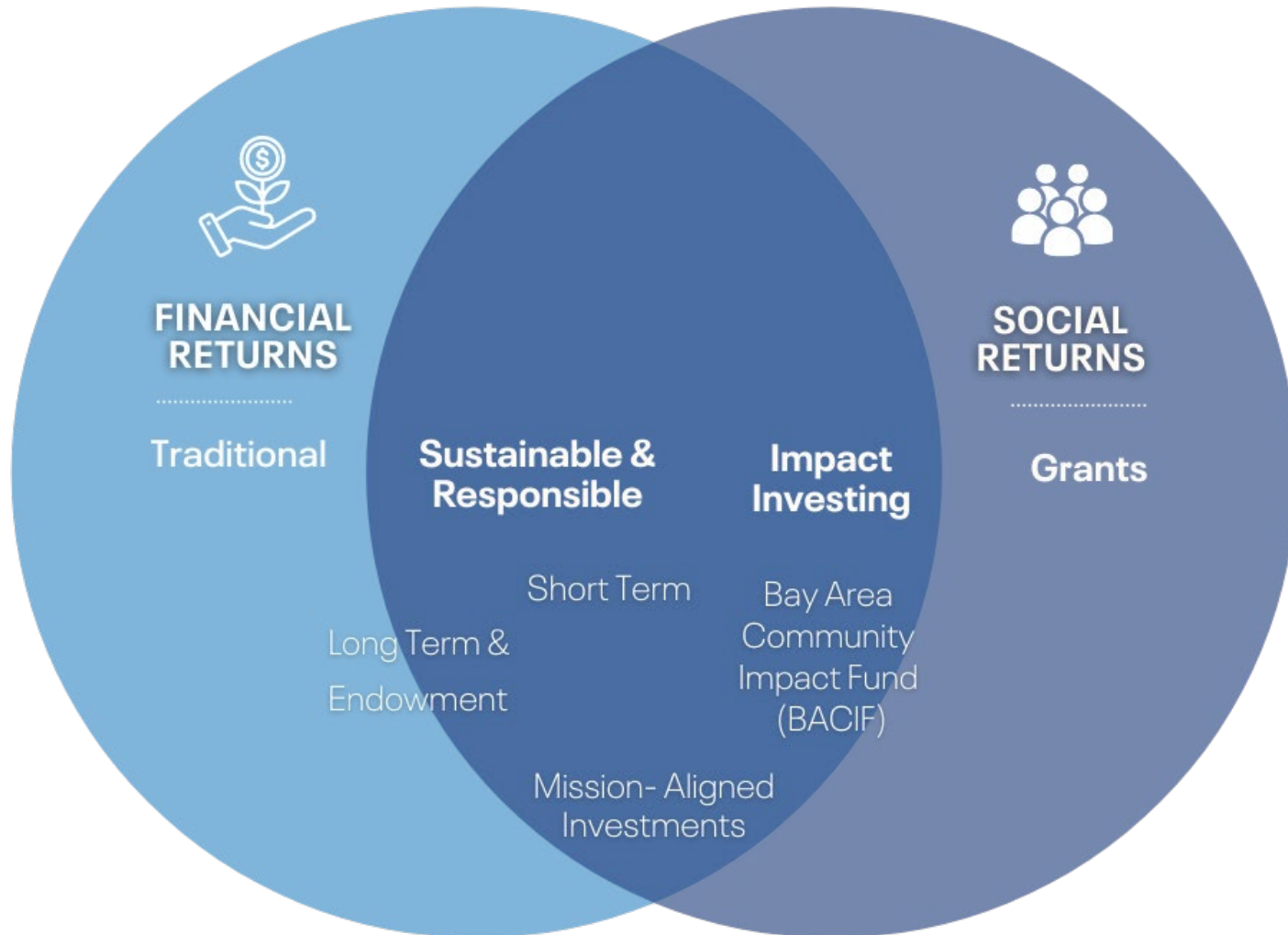
Co-Founder & Managing Partner, AltraVue Capital



**San Francisco
Foundation**

March 14, 2022

SFF Investing Spectrum



75%

**New managers in
2021 were diverse**

Diversity is Core



Engaging diverse managers leads to increased overall performance and decreased portfolio risk.

Mission-Aligned Investments Pool



3 Years

Third
Anniversary



70

Donor
Advised
Funds
allocated



\$50M

From
Endowment



\$120M

As of
Dec. 31, 2021



Mission-Aligned Investments Pool



For donors who want to align investments with their values



Additional \$493 million invested along MAI principles



No predatory lenders, private prisons or tobacco companies; avoid retailers of assault weapons to the general public and fossil fuel companies



Up 14.9% since inception March 2019; 2% over benchmark



Bay Area Community Impact Fund



\$24M

Pooled
Fund



26

Loans
Approved



\$26.5M

Approved
Since
Inception



\$0

Lost

BACIF & People Pathway: Advancing Economic Inclusion

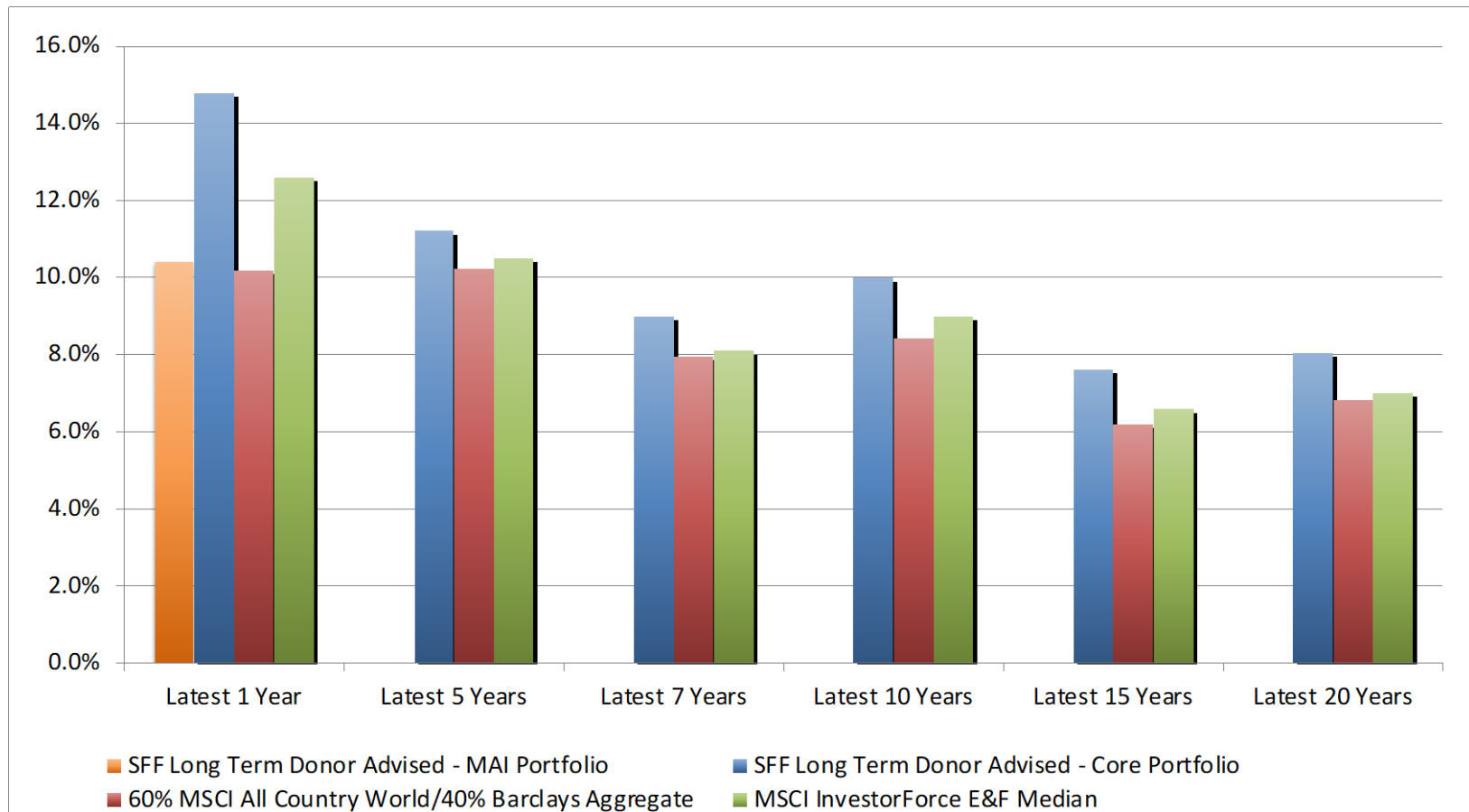
Firebrand Artisan Breads

- Founded in Oakland, CA
- Hires workers with barriers to employment—refugees, formerly incarcerated or homeless, and at-risk youth.
- Perpetual purpose trust ownership model
- Investments from two BACIF borrowers



Long-Term Donor Advised Pool Returns Relative to Benchmarks

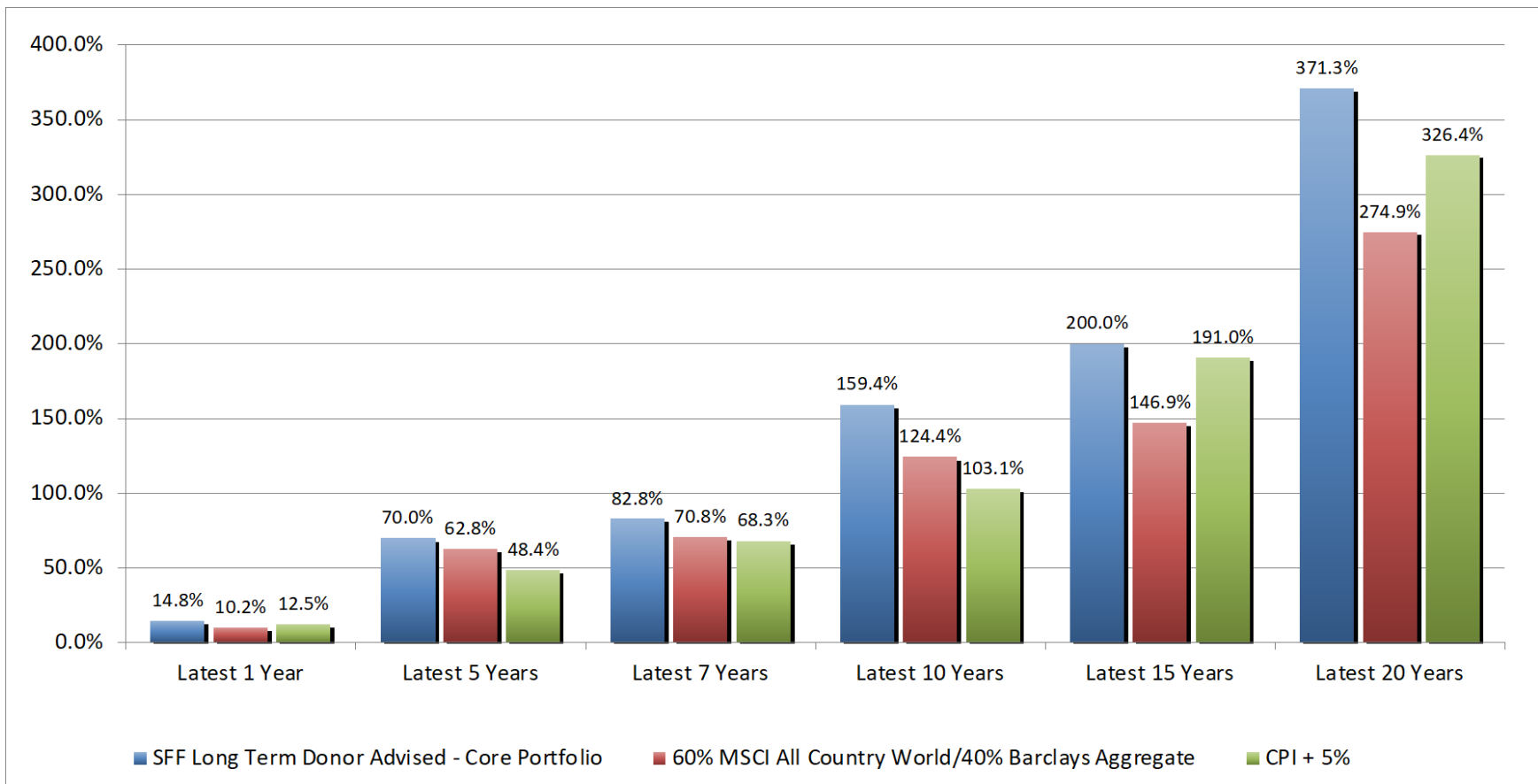
Annualized Returns - All Periods Ending 12/31/21



SFF Returns Presented Net of Investment Management Fees

Multi—Decade Compounding is Exceptionally Important

Cumulative Returns - All Periods Ending 12/31/21



SFF Returns Presented Net of Investment Management Fees

How Was This Accomplished?

- Pursuit of straightforward strategy that relies on decisions with a high probability of long-term success
- Collaborative model - Exceptional Investment Committee and Foundation Management combined efforts with Crewcial Partners
- Utilize natural advantages of scale and duration to access atypical investments



Strategic Asset Mix – Core and Mission-Aligned Pools

Asset Class	Core Portfolio Target	Mission-Aligned Portfolio Target
Global Equity	48.0%	65.0%
Hedge Funds	22.0%	0.0%
Private Assets	10.0%	5.0%
US Inv. Grade Fixed Income	15.0%	30.0%
Global Fixed Income	5.0%	0.0%
TOTAL	100.0%	100.0%

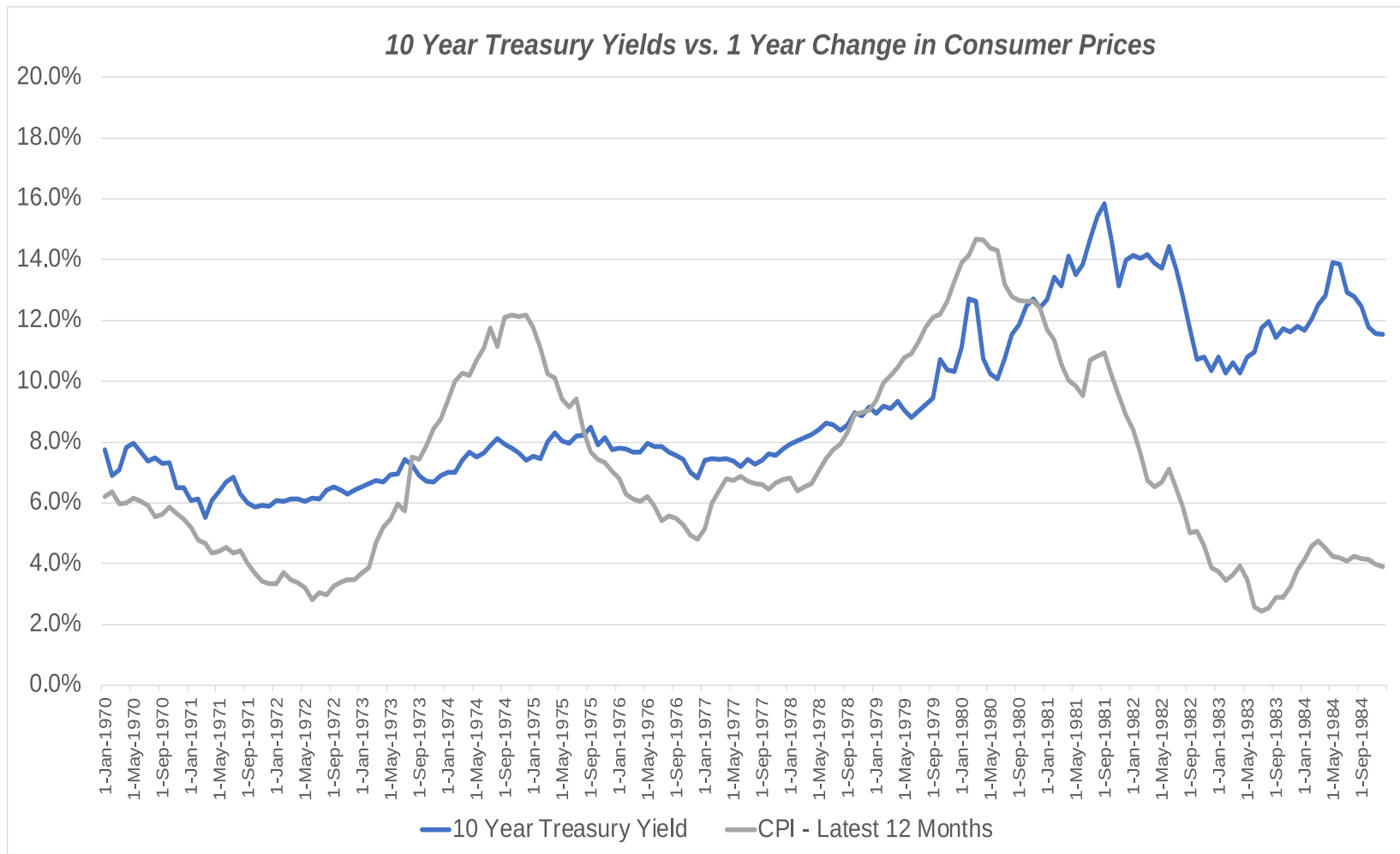
- Emphasis on high return asset classes
- Broadly diversified
- Willing to accept market volatility
Expect compelling compensation

A Slow-Moving Crash: The Worst Risk for Philanthropic Capital

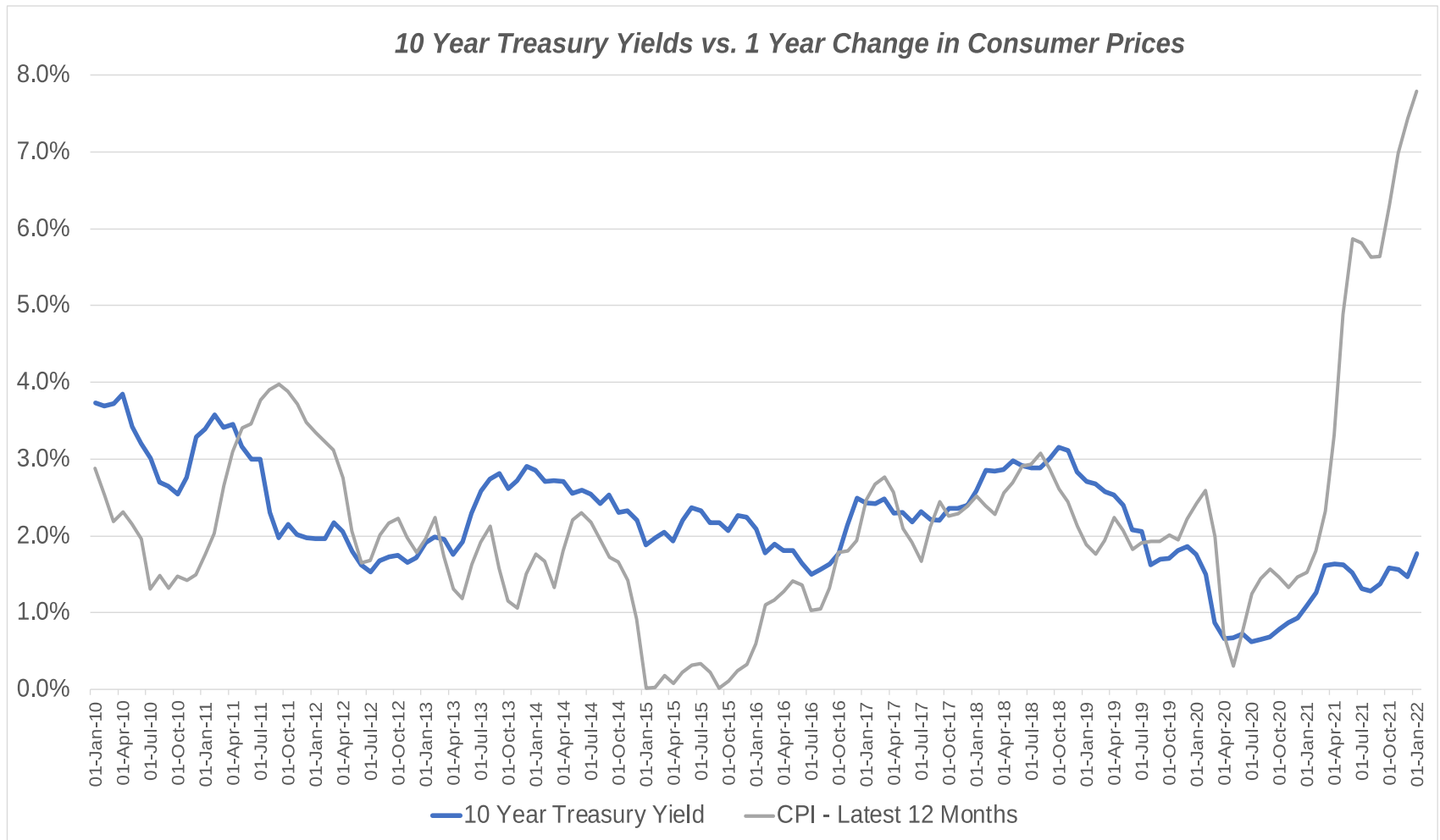


- Rising – Higher Sustained Inflation?
- Low-Interest Rates and Very Expensive Equity Index Prices
- Huge Trap Set for Those Who Ignore Price
- Market Speculation Was Frightening – Now Receding

Interest Rates & Inflation – 1970s/early 1980s

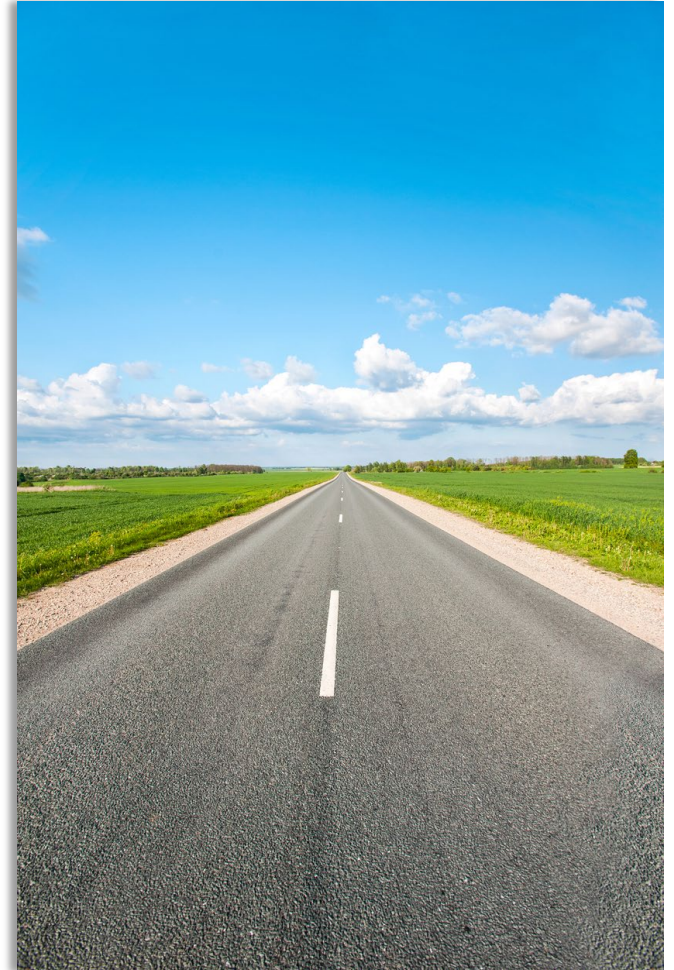


Interest Rates & Inflation – Since 2010



Strategy Looking Ahead

- Overcome difficult climate with contrarian investments & avoidance of ideas where we have no edge
- Patience and long-time horizon generates larger return premiums during challenging periods.
- Capitalize on Foundation's reputation and scale to invest opportunistically and to access top managers across a diversified asset mix



Fireside Chat

Presenters

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