IRE INVESTMENT GUIDELINES
Adopted at JUNE 2025 IRE Board Meeting

PURPOSE AND OBJECTIVES

Statement of Purpose

The Investment Guidelines provide a framework for the management and oversight of the investment of the general endowment (the "Endowment") assets of Investigative Reporters and Editors, Inc. (IRE), along with any other IRE investment assets or funds the Board applies this philosophy to.

Objective of the Endowment

The Endowment provides financial support to the long-term mission of IRE. Accordingly, the primary objective of the Endowment is to maintain intergenerational equity to support our mission– this includes adoption of the principle that equity should be preserved across generations of beneficiaries– in a manner that preserves or grows the real spending power of the endowment over time. Therefore, the investment performance of the Endowment must at least keep pace with its spending rate plus inflation over the long term in order to maintain the purchasing power of the Endowment in perpetuity.

INVESTMENT PHILOSOPHY AND ASSET ALLOCATION

Investment Philosophy

The Endowment has a long-term, perpetual investment horizon, and allocates its assets accordingly. It is recognized that a strategic long-term asset allocation plan implemented in a consistent and disciplined manner is critical to the Endowment's long-term investment performance.

The Endowment seeks to preserve intergenerational equity and spending power, and in so doing, recognizes the principle that varying degrees of investment risk are generally rewarded with compensating returns. In order to minimize risk, it is the philosophy of IRE to only invest Endowment assets in traditional investments (equities and fixed income instruments). IRE will not invest assets of the Endowment in so-called "alternative investments," such as real estate or private equity investments, without approval of the full board.

The primary investment goal for the Endowment is to implement a conservative total return strategy that balances long-term growth with capital preservation. The strategy seeks to preserve and grow the real (inflation-adjusted) value of the endowment over time while providing a sustainable stream of financial support for IRE's mission.

The portfolio seeks to balance income generation (i.e., dividends and interest) with capital appreciation and overall market gains. IRE will invest across asset classes with the objective of preserving purchasing power, while reducing volatility through broad diversification of investments, avoiding over allocations in any individual stock or fixed income security.

With respect to fixed income instruments, IRE will invest only in Investment grade instruments (rated BBB-/Baa3 or higher) and will not invest in so-called "junk bonds" (BB+/Ba1 or lower). IRE also seeks to diversify its fixed income strategy so that it balances its fixed income investments in both corporate bonds and those issued by the U.S. Treasury/ U.S. government. Core fixed income instruments should reduce the overall volatility of the Endowment's assets.

The Finance Committee will review annually (at a minimum) both the organization's Asset Allocations (overall percentage of equities vs. fixed income instruments) *and* the makeup of assets within each of those categories to ensure compliance with this Investment Philosophy.

Asset Allocation Targets and Ranges

The Endowment's asset allocation policy targets will be reviewed annually at a minimum, or at any time the Finance Committee wishes. At launch, these guidelines will direct our investment advisor to seek out a portfolio with the follow allocation: 50% equities and 50 % fixed income securities, so long as that allocation is also made up of individual investments that are in accordance with the goals of our Investment Philosophy, including holding well-diversified portfolios that aim for both capital appreciation and investment income.

The Finance Committee will seek written guidance from IRE's investment advisor, at least once a year (before it prepares its required annual report on investments to membership) regarding 1) Whether to adjust our asset allocation and 2) a report on the latest available information or annual market surveys regarding asset allocation trends at similarly-sized nonprofits.

Rebalancing Policy

The purpose of rebalancing the Endowment is to control portfolio risk and maintain the asset allocation within the policy ranges. Portfolio allocations will be monitored regularly and rebalanced as needed, and in a cost-effective manner, to remain in compliance with the Investment Guidelines.

ROLES & RESPONSIBILITIES

Duties of the Board

- Approve the Investment Guidelines, along with any subsequent revisions.
- The Board retains the full right at all times to adjust investment strategies and guidelines in any manner, and as it sees fit, so long as the Board complies with all provisions related to the Endowment as described in IRE's Code of Bylaws.

Duties of the Finance Committee

In accordance with Article 10 of IRE's Code of bylaws, the Finance Committee (among other duties) monitors the Endowment Funds and advises the Board on investment practices. The committee meets with IRE's financial adviser at least once every year, and it prepares a report that is presented at the annual membership meeting and posted online. The committee recommends strategy to the Board, but does not pick individual investments. The committee also monitors the performance of IRE's financial advisor and will, at least once every five years, consider making a request for proposal, seeking competitive bids for the role of investment advisor, even if IRE is happy with the performance of its advisor (who can be invited to re-apply).

<u>Duties of Management and Staff</u>

In the management of IRE's assets, Management and its Staff ("***Management***") will:

- Execute any documents necessary to facilitate the implementation of the Investment Guidelines, including but not limited to contracts with an investment advisor
- Provide overall monitoring of the Investment Advisor, ensuring they conform to the terms of their contract(s) and that performance monitoring systems are sufficient to provide Management with timely, accurate and useful information
- In accordance with Board policies, staff will provide the chair of the Finance Committee monthly investment reports detailing the performance of IRE's various investment accounts, which they can disseminate confidentially to the Finance Committee.

<u>Duties of the Investment Advisor</u>

The Investment Advisor will manage the assets of the Endowment in a manner consistent with the Investment Guidelines and IRE's Investment Philosophy.

The advisor will provide monthly statements to IRE staff showing investment performance and annually provide guidance on IRE's asset allocation, along with allocation trends across similarly sized nonprofits.