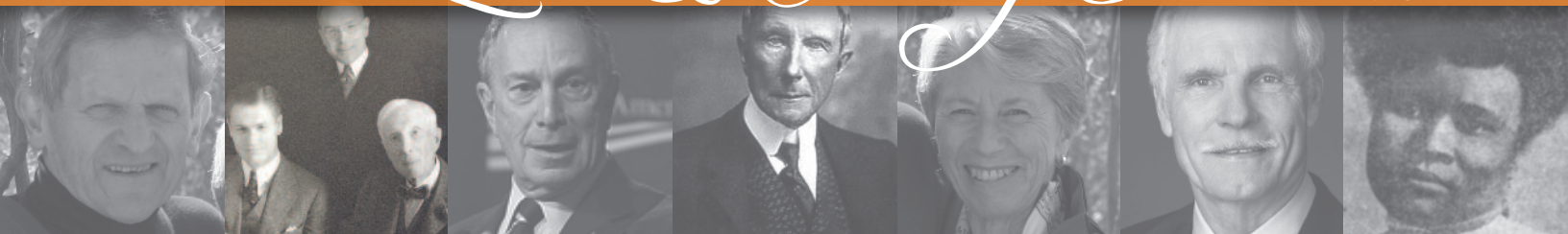


ROCKEFELLER
Philanthropy
Advisors
GREAT GIVERS

Lisa & Charly Kleissner



Pioneering

Philanthropists



GREAT GIVERS

Lisa & Charly Kleissner

When Lisa and Charly Kleissner need to make a big decision, whether it impacts family, investments, or philanthropy, they first look to their values. And, since one of their strongest values is making a positive impact with everything they do, it should not be surprising that the Kleissners have made a key decision to ensure that all their assets are working toward improving the environment and the lives of people throughout the world.

Another exceptional aspect of the Kleissners' approach is that they have integrated into the top-line mission statement of their Foundation a goal to "advocate our Foundation's impact investing strategy." So, not only are they actively engaged in running their foundation, they also ensure



their assets are invested in a way that aligns with its mission and then work diligently to share the “gospel” of impact investing with others.

HOW MUCH IS ENOUGH?

In 1999, Charly was working as a high-tech executive in Silicon Valley, and Lisa was working as an architect. Each had investments in several startups, and when those companies went public in 1999, their financial picture changed dramatically.

Charly and Lisa worked with Navitas, LLC, a values driven wealth advisory, to figure out how much their family needed to support their lifestyle. As a result, they determined that they could put 70% of their assets into charitable instruments. These instruments include a family foundation, the KL Felicitas Foundation—*felicitas* is Latin for ‘happiness’—and charitable remainder trusts.

INSPIRATION

Lisa says that her family was what originally inspired her philanthropy. “My father was a very generous man—we had a family medical business—and he was always very concerned about our customers, often providing deep discounts or free equipment for those in need with limited resources. He taught me how to be generous on a community level.”

Charly came to believe in the importance of giving through a different path. As he states, “I feel a deep understanding of the issues of sustainability, and what role we need to play in making a positive

THIS DECISION ALONE ...

... wouldn't necessarily make the Kleissners unique. However, some of the things that do make the Kleissners stand out as visionary philanthropists include:

- ❖ A highly hands-on approach: leveraging all of their assets and activities so that their time and dollars have the greatest possible impact.
- ❖ Pioneering transparency: refreshingly open about their motivations, their investments, and their grantmaking decisions.
- ❖ Collaboration as a couple and family making their philanthropy stronger, and vice versa.

contribution towards more holistic sustainability of humanity and the planet. My own journey in understanding my role in sustainability has been a motivation to positively contribute. This goes all the way from my lifestyle to my giving and investments... it's all connected."

A CLEAR VISION AND AN INCLUSIVE FAMILY APPROACH

The vision informing the Kleissner family's philanthropy was not always as focused as it is today. Initially, Lisa's giving, largely focused on the Bay Area, was separate from Charly's. Also, she had an interest in impact

investing, but had not yet found a way to incorporate this in their investment strategy.

Through a series of meetings with their philanthropic and investment advisors, a unified vision for the foundation emerged, where the couple's and the foundation's assets were aligned with their joint values and philanthropic goals. This excited the Kleissners, who were beginning to see how productive their collaborations could be. "We have very complementary skills," Charly says, "which allows us to accomplish things together that individually we otherwise could not do." They decided to focus on enabling social entrepreneurs and social enterprises worldwide to grow sustainably, with an emphasis on rural communities and families.

Their two adult children are actively engaged in the philanthropic decision-making, and the Kleissners credit this to early exposure and engagement with global issues and philanthropy. As Lisa states, "Our approach with our children

was not to talk about philanthropy, but to make it experiential while they were still a captive audience... before they went off to college!" Their exposure included travel and work abroad, and engagement with many of the family's early philanthropic investments.

"We've tried to put our arms around the metrics of it, but it's very difficult when you go out and speak to a group to know who is going to walk away with a spark that's going to mean that they go to their investment advisor and change the way they do their investments. I'm glad to say that much of the feedback we've gotten has been amazing—investors are moving dollars into this space in part due to our work."

— Lisa Kleissner

IMPACT INVESTING

Lisa always had a strong interest in socially responsible investing, and was eager to see how it could be integrated into the Foundation's work. She and Charly brought together Rockefeller Philanthropy Advisors and their investment advisor, Raul Pomares of Springcreek Advisors, to explore ways to create the broader impact they envisioned by leveraging all of their assets.

ACTIONS

In the past several years, Charly and Lisa have successfully aligned the majority of their foundation's financial assets with its grantmaking goals and their values, and have received impressive, stable investment returns while doing so.

KL Felicitas has made a variety of investments, leveraging grants, PRIs—Program Related Investments—and market investments for positive social and environmental impact.

Charly and Lisa prefer a hybrid investment approach, such as combining program-related investments with grants or mission-related investments with grants, as they realize that many systemic approaches to social issues require partial subsidies in order to reduce the risk and attract investors. These hybrid investment strategies ideally achieve an impact that could otherwise not be attained with one type of capital.

MORE THAN GRANTMAKING

As their foundation continues to evolve, Charly and Lisa have come to be viewed by many as groundbreaking leaders in philanthropy and the impact investing space, going beyond traditional grantmaking to strengthen their impact on issues they care deeply about. One passion they both share is identifying gaps in the support eco system of both impact investing and social enterprise development.

Charly and Lisa have created Toniic, an initiative to compliment GIIN (Global Impact Investing Network), to provide a new platform for impact investors. As Charly states, "There is an appetite for impact investing and it is growing globally. We are excited to be helping to develop this through our Toniic initiative, a peer impact investing network to enable access to impact deal flow."

INVESTMENTS INCLUDE:

- ❖ Pico Bonito, helping rural villages in Honduras integrate agro forestry into the local ecosystems.
- ❖ MicroVest, microfinance for small and medium business enterprises.
- ❖ Acumen Fund, a nonprofit global venture fund supporting enterprises that serve vast numbers of the poor.
- ❖ E&Co, which supports environmentally sustainable social entrepreneurs in developing countries.

To nurture innovation, Charly and Lisa have also been key drivers in the rejuvenation of the Philanthropy Workshop West, an active network of strategic philanthropists that provide a transformative executive leadership course for individual donors and families seeking to improve communities, countries, and the world. Their passion for investing in people who have innovative ideas capable of creating big change is contagious. Lisa says, “I will never cease to be amazed at the ingenuity of people we work with, entrepreneurs and other philanthropists. Great ideas, properly unleashed on the world, will make a huge change in the way we live and our quality of life.”

To scale social enterprise in developing countries, Charly and Lisa co-founded Social-Impact International. Partnering with Dasra in Bombay, India, Dasra Social-Impact provides an intensive skill building program for social entrepreneurs who have proven their concept and now need access to more funding, refinement of their business plan, mentoring and peer-to-peer exchange. This program trains 30 plus entrepreneurs a year and results in a tangible increase in their impact and ability to fund raise.

IMPACT

The Kleissners have dedicated countless hours and utilized their skills, networks and know-how to impact what they are passionate about. While their philanthropic investments are easy to measure, sometimes their personal investment of time is harder to apply metrics to. As Lisa states, “We’ve tried to put our arms around the metrics of it, but it’s very difficult when you go out and speak to a group to know who is going to walk away with a spark that’s going to mean that they go to their investment advisor and change the way they do their investments. I’m glad to say that much of the feedback we’ve gotten has been amazing—investors are moving dollars into this space in part due to our work.”

In order to measure the impact of their investments, the Kleissners have adopted the IRIS—Impact Reporting and Investment Standards—taxonomy, an effort supported by the Global Impact Investing Network. Charly clarifies, “The lack of agreed upon metrics is not an excuse for us to not measure the impact utilizing emerging standards like IRIS. We aim to show that utilizing a standard like IRIS is feasible and meaningful even for a small foundation like ours.”

The Kleissner's approach to their investments, and their capacity building of the field of entrepreneurship, social enterprise and philanthropic leadership is a highly leveraged use of their time, talent and capital. For a small foundation, they are punching well above their weight and making the world a much better place.



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