

THE WILSON 5 FOUNDATION CAMBRIDGE ASSOCIATES CLIENT STORY



CAMBRIDGE
ASSOCIATES



The Wilson 5 Foundation is the family foundation established in 2012 by lululemon athletica founder Chip Wilson and his wife Summer, along with their five sons, JJ, Brett, Tag, Tor, and Duke.

Chip and Summer Wilson aren't just satisfied with making a long-lasting impact. They want to make a *forever* impact.

That's what led them to make the largest private donation in Canadian conservation history in 2022. Committing \$100 million from their family foundation, The Wilson 5 Foundation, to the BC Parks Foundation, their family is focused on advancing Canada's efforts to protect 25% of the country's land and sea by 2025.

Chip and Summer were first inspired by Vancouver's most famous landmark, Stanley Park. "We look at Stanley Park and think thank goodness someone had the foresight to carve that out more than 100 years ago," says Summer. "Hopefully, another 100 years from now someone else will be saying, thank goodness someone had this insight."

Chip agrees. "I want our legacy to be that we were instrumental in putting together the biggest park in the world," he says simply.

Here they share their story about their path to philanthropy and their lessons learned along the way.

EARLY PHILANTHROPIC CAUSES

As the founder of lululemon athletica, Chip played an instrumental role in transforming the worlds of retail, apparel, and design. Recognizing they would come into significant assets when lululemon went public in 2007, Chip and Summer were intentional in identifying the area of philanthropic focus that would have impact on a global scale and be meaningful to them. Having young children at the time, they turned their attention to children and education. They researched where they could make the most impact and where there was a government that was willing to partner with an organization like theirs. This led to the creation of their first formal philanthropic venture in 2007, imagine1day, whose mission is to ensure that all Ethiopian children have access to quality education, free of foreign aid, by 2030.

"We knew that the work in Ethiopia would last for a very long time. So, we turned our thoughts to *how can we do something that will last forever?*"

SUMMER WILSON

Applying the cultural best practices from lululemon to running a charity, Chip and Summer focused on creating a leadership program in Ethiopia that allowed the organization to exponentially develop leaders, administrators, and teachers on the continent. The program has received several global developmental and educational awards. Most importantly, due to the success of the leadership program, imagine1day fulfilled its 2030 goal of being entirely run by an Ethiopian team in the spring of 2023, seven years ahead of schedule.

CREATING A FAMILY FOUNDATION

By 2012, Chip and Summer were ready to create their own family foundation and identify their next philanthropic endeavors. Thus began The Wilson 5 Foundation.

By this time, their five sons were older, and Chip and Summer wanted to make sure the boys had a voice in the foundation's

“Our family philosophy is based on the Iroquois idea of seven generations. What do we want the world to be for our great-great-great-grandchildren? Because if it works for them, it will work for everyone.”

CHIP WILSON

mission as well. So, Chip and Summer again relied on the same successful frameworks that they had created at lululemon—this time focused on goal setting—to have each family member identify their individual vision for life and values.

For everyone, family and impact were on the list.

FINDING THE FAMILY'S PURPOSE

With that guidance, the Wilson family began to collectively evaluate the philanthropic opportunities that they could feel connected to and would be more tangible and present in their lives.

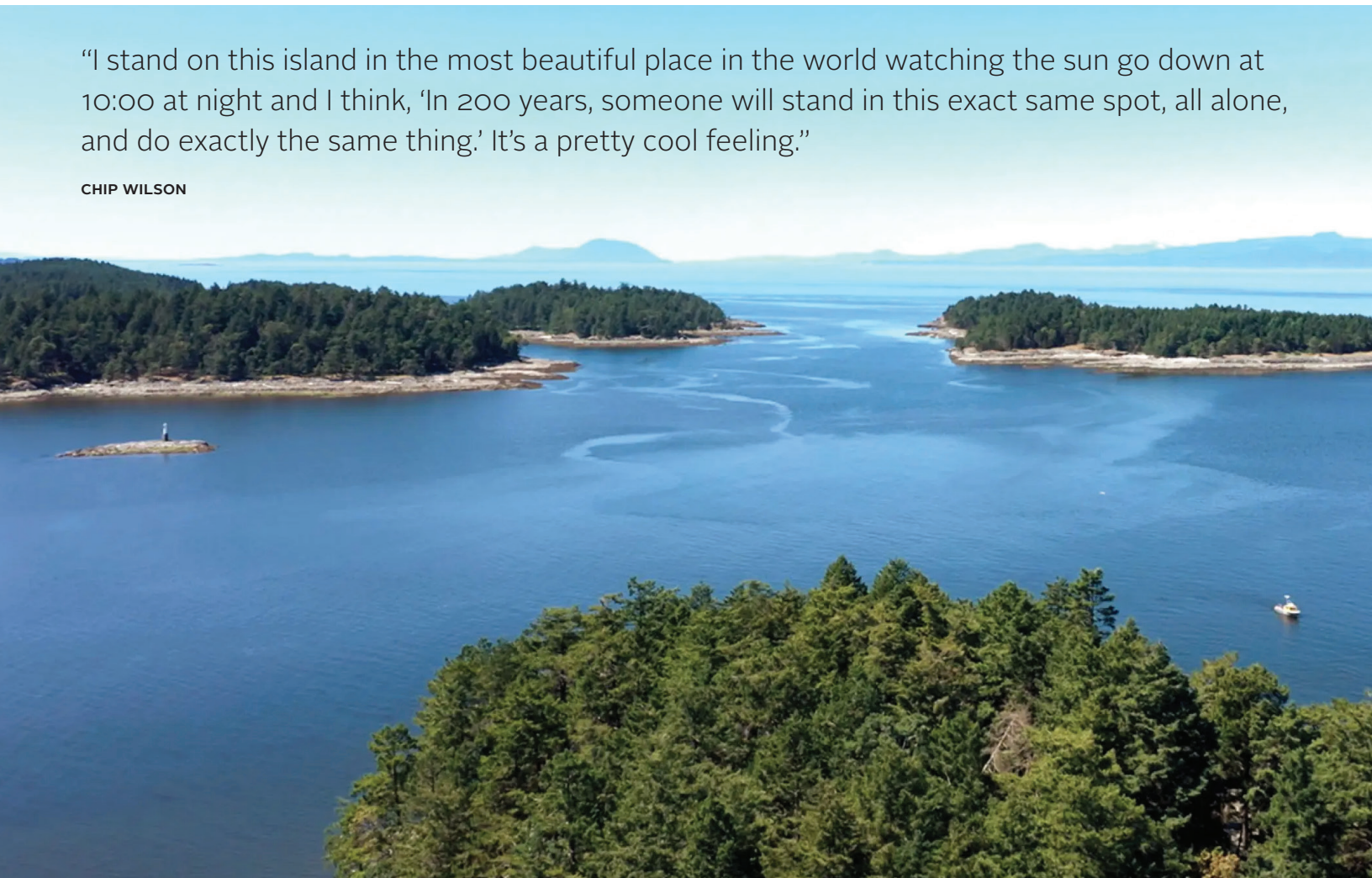
Knowing that the work they were doing in Ethiopia was focused on impact on a global scale, they decided to turn closer to their home province of British Columbia, where they had built their business and their family, to give back to the place where they were able to thrive.

Next was figuring out how they could make the biggest impact in British Columbia.

At the time, the family had been spending a lot of time hiking around the world, from the Camino de Santiago trails in Spain, to the Anti-Atlas in Morocco, to the Sun Gate in Machu Picchu.

“I stand on this island in the most beautiful place in the world watching the sun go down at 10:00 at night and I think, ‘In 200 years, someone will stand in this exact same spot, all alone, and do exactly the same thing.’ It's a pretty cool feeling.”

CHIP WILSON



Spending so much time together in nature and appreciating the importance of protecting land from overdevelopment, the family began to realize that the way to best maximize their impact was to focus their efforts on initiatives that would stand the test of time.

That's when they turned their focus to land conservation in British Columbia.

FORMING A PERMANENT LEGACY

Through the Wilson 5 Foundation, Chip and Summer began their commitment to land conservation by purchasing two islands off the Pacific coast of British Columbia. A part of a larger group of islands that were already owned by the Nature Trust of British Columbia (BC), the two remaining islands created a fully protected park when Chip and Summer purchased them and handed them over to the BC Parks Foundation, creating an "ocean kayaker's paradise."

Soon after, the BC Parks Foundation launched an initiative known as 25x25, committing to protecting 25% of British Columbia's land as national parks by 2025.

Pleased with the outcome of their original donations to the BC Parks Foundation, Chip and Summer decided to donate \$100 million to the 25x25 initiative from the Wilson 5 Foundation's \$500 million portfolio in 2022. To date, it is the largest private donation in Canadian conservation history.

BUILDING A PORTFOLIO FOR GROWTH AND SPEND

Meeting the family's philanthropic goals requires an investment portfolio built to meet the dual objectives of growth to maximize their giving, with ample liquidity to fund the significant donations they want to make.

The Wilsons entrusted the investment portfolio to Cambridge Associates in 2015. Julia O'Brien, the Foundation's outsourced CIO, emphasized venture capital in combination with more liquid strategies. As entrepreneurs, Chip and Summer recognized that venture capital supports innovation and company formation, which has historically led to strong returns relative to public markets.

"My job is to build and manage an investment portfolio that grows the foundation's assets so they have more to give, while also making sure the money is accessible when they want to donate it," says Julia. "It's a balance that requires a thoughtful and trusting partnership."

LOOKING AHEAD

Chip and Summer plan to donate the remaining money in the Wilson 5 Foundation portfolio by 2030, aware that their estate plan accounts for significant charitable giving as well.

While Chip and Summer are still responsible for most of family's work for the Foundation, they are beginning to think about succession. As their boys get more settled in their own lives, they will wait to see if one of them is more naturally drawn to running the Foundation and continuing its legacy. Another option they will consider is assigning "terms" to each of their sons for a set amount of time so that each one shares the responsibility for the family.

For now, they are focused on being present with their family, enjoying the parks and the tangible rewards of the work they are doing.



The Wilson 5 Foundation partnered with the Nature Trust of BC to purchase and re-naturalize an infill property at the mouth of the Englishman River Estuary on Vancouver Island that flows into the Salish Sea.

ADVICE FOR FAMILIES ESTABLISHING A FAMILY FOUNDATION

In the decade since creating their family foundation, Chip and Summer have learned a lot about running a successful family foundation. Here they share some tips.



IDENTIFY YOUR CAUSE

Foundations that thrive are most often the ones in which the family has a personal or meaningful connection to the cause they are supporting.

“Make sure it’s something you are passionate about. You spend a lot of time thinking and talking about it, whether you are running it or simply funding it. So, it needs to be authentic to you and meaningful to your family.” **SUMMER**

DECIDE WHAT IMPACT YOU WANT TO MAKE

Be clear in how you want to give of your money or your time and what best meets your needs. That means having a good sense of how many causes you want to support and how far reaching you want your impact to be.

“At first we gave a little bit to everyone. Then we decided, ‘What’s the one thing we’re going to do and be the best in the world at?’ For us, it made us more proud to do one thing really well.” **CHIP**

UNDERSTAND THE TYPE OF INVOLVEMENT YOU WANT UP FRONT

Be mindful of the role you want to play in the organization, recognizing the commitment it takes for the different roles you might play.

“Decide upfront how you want to spend your time. Do you want to be running the foundation? Do you want to be an implementor or a funder? Oftentimes you still have businesses and families to run, so make sure you understand how much time you want to spend managing this.” **SUMMER**

REMEMBER YOUR STRENGTHS

Very often, the same traits that made you successful in your business will make you successful with your foundation.

“We’re more starters of things. It was important for us to realize in ourselves that once we get those things off the ground, it’s time to hand it over to someone else and have us move on to the next area.” **CHIP**

ABOUT CAMBRIDGE ASSOCIATES

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We deliver a range of portfolio management services, including outsourced CIO, non-discretionary portfolio management, investment staff extension, and asset class mandates. Cambridge Associates maintains offices in major financial centers around the globe.



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