



*the*  
**EPISCOPAL**  
**CHURCH** *in*  
WESTERN OREGON

# Investment Overview

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**SOCIALLY RESPONSIBLE INVESTMENT FUND**

DECEMBER 31, 2023

# Socially Responsible Investment Fund

A long-term, diversified selection of investments in major asset classes, with over 86% of the investable portfolio dedicated to socially responsible investing

<b>Investment Horizon</b>	Long-term
<b>Assets</b>	\$7.5 million
<b>Focus</b>	Socially responsible & gospel value priorities identified at 2017 Convention
<b>Inception Date</b>	9/2016

## Governed by:



**Diocesan Board of Trustees**



**Diocesan Investment Committee**

## SUPPORTED BY:



<b>Role</b>	Investment Advisor	Custodian Bank
<b>Description</b>	Full-service investment consulting firm, free from all conflicts of interest	Specialized financial institution responsible for safeguarding assets
<b>Key Services</b>	<ul style="list-style-type: none"> <li>Provides strategic investment advice and implementation</li> <li>Serves as a fiduciary to the SRIF</li> </ul>	<ul style="list-style-type: none"> <li>Provides dedicated custody and recordkeeping assistance</li> <li>Contact for account services</li> </ul>



# Investment Structure

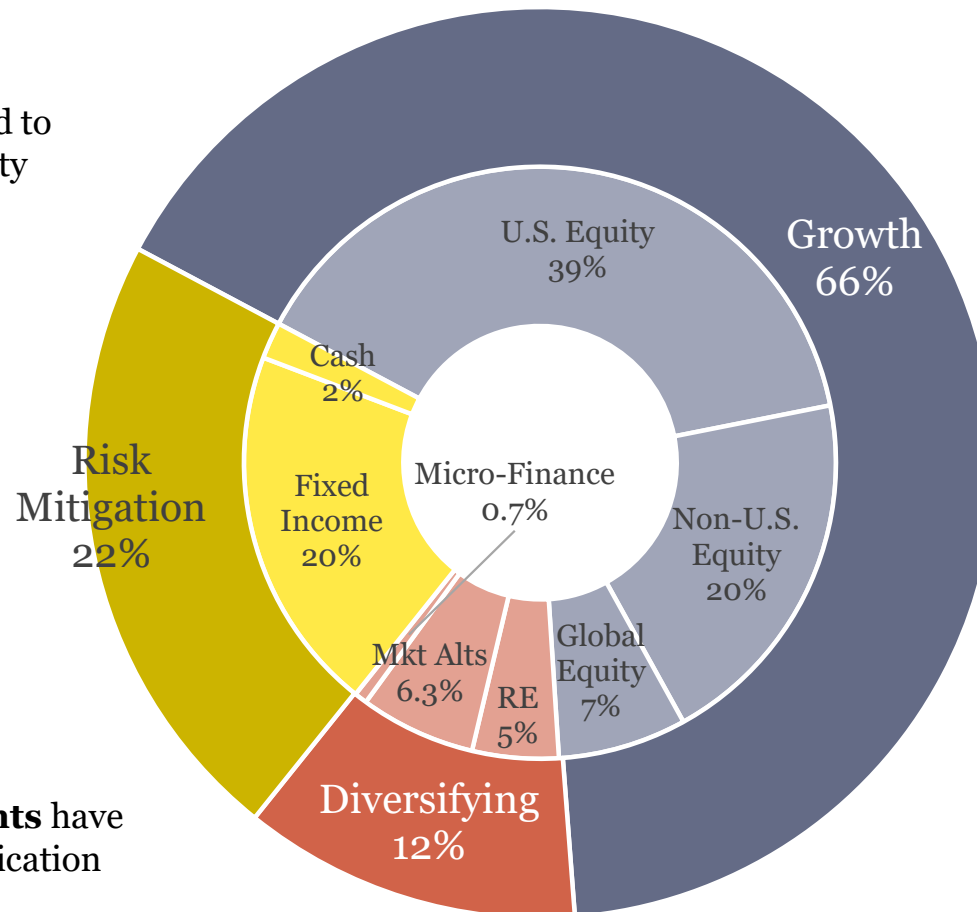


## Target Asset Allocation

### Risk Mitigation

**Investments** are expected to preserve capital when equity markets are down

**Growth Investments** are more volatile and are expected to increase assets



**Diversifying Investments** have potential portfolio diversification benefits



# Socially Responsible Objectives



## Environmental

Climate & Clean Tech  
Pollution & Toxics  
Other Environment



## Social

Community Development  
Diversity & Equal Opportunity  
Human Rights  
Sudan  
Labor Relations



## Governance

Board Issues  
Executive/Exploitative Pay



## Restrictions

Alcohol  
Animal Cruelty  
Defense & Weapons  
Gambling  
Tobacco  
Special Restrictions

*gospel values*

Stewardship  
Justice  
Hope  
Abundance

Poverty Alleviation  
Homelessness  
Community  
Solidarity  
Dignity & Respect  
Diversity

Justice  
Fairness  
Polarization of  
Wealth

Justice  
Fairness  
Addiction Recovery  
Peacemaking



# Socially Responsible Priorities







Top SRI priorities identified via dot voting at the 2017 Convention:

## POSITIVE INVESTING

-  Climate & Clean Technology
-  Human Rights
-  Community Development
-  Diversity/Equal Opportunity

## DIVESTMENT











-  Pollution & Toxics
-  Human Rights
-  Executive & Exploitative Pay
-  Animal Cruelty

*Each investment in isolation may not address all priorities, but the portfolio in whole will emphasize these priorities.*



# Manager Descriptions


















Manager	Strategy	Description
U.S. Equity		
	Responsible Investing 	Parametric manages an all cap equity portfolio, optimized to meet the SRIF's customized social screening criteria. The strategy is designed to provide index-like, long-term diversified exposure to the asset class.  <i>Restrictions are customized based on priorities set by the Diocese.</i>
	U.S Social Core Equity 	A mutual fund that is designed to offer a diversified, cost-effective core allocation to socially screened U.S. stocks.  <i>Restricts alcohol, cannabis, coal, defense and weapons, gambling, tobacco, private prisons, child labor controversies and other.</i>
Non-U.S. Equity		
	ESG Impact International 	An institutional mutual fund that invests in companies with sound governance and responsible financial management that they believe are capable of consistent, visible profitability.  <i>Employs a proactive, score-based screen for key objectives.</i>
	ESG International Stock 	An exchange traded fund (ETF) that replicates the FTSE Global All Cap ex US Choice Index.  <i>Restricts adult entertainment, alcohol, tobacco, weapons, fossil fuels, gambling and nuclear power. Also excludes stocks that do not meet the labor, human rights, environmental and anti-corruption standards defined by the UN global compact principles, and companies that do not meet certain diversity criteria.</i>



# Manager Descriptions



Manager	Strategy	Description
Non-U.S. Equity cont.		
 <b>Dimensional</b>	DFA International Core Equity   	A mutual fund that is designed to offer a diversified, cost-effective core allocation to socially screened international equity.   <i>Restricts alcohol, cannabis, coal, defense and weapons, gambling, tobacco, private prisons, child labor controversies and other.</i>
 <b>Dimensional</b>	DFA Emerging Markets   	A mutual fund that is designed to offer a diversified, cost-effective core allocation to socially screened emerging markets equity.   <i>Restricts alcohol, cannabis, coal, defense and weapons, gambling, tobacco, private prisons, child labor controversies and other.</i>
Global Equity		
	Global Environmental Markets   	Impax, subadvisor to the Pax World Global Environmental Markets fund, seeks to achieve sustainable, above market returns by investing globally in companies active in rapidly growing Resource Optimization markets.   <i>Restricts animal cruelty, defense weapons, gambling, tobacco and other.</i>





# Manager Descriptions

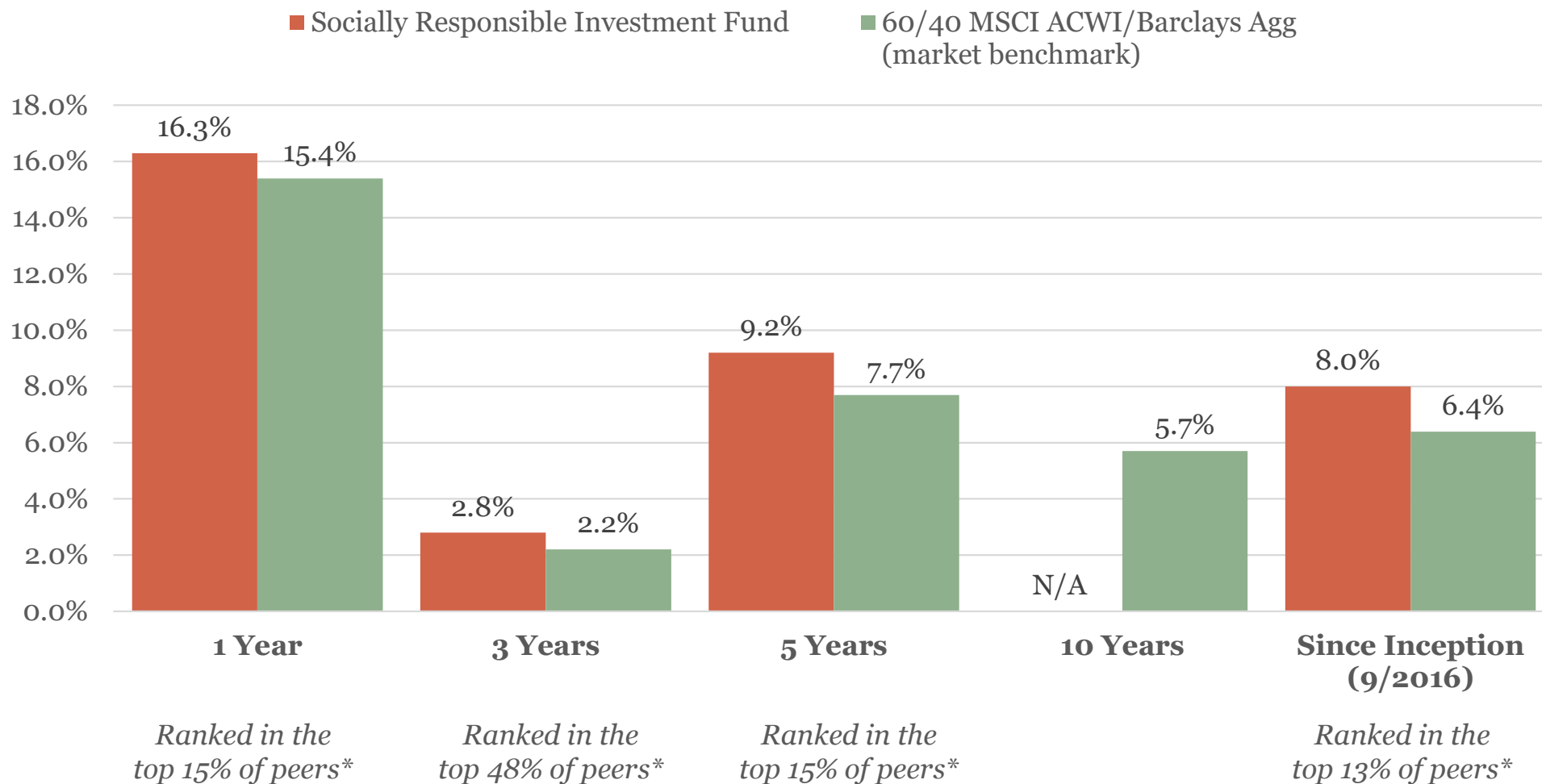


Manager	Strategy	Description
Real Estate		
<b>Dimensional</b>	Global Real Estate	An institutional mutual fund that invests in a broad range of securities of U.S. and non-U.S. companies in the real estate industry, including companies in developed and emerging markets, with a focus on real estate investment trusts or companies that are REIT-like entities.
Marketable Alternatives		
<b>PIMCO</b>	All Asset	An institutional mutual fund with a “real return” strategy that invests tactically across underlying PIMCO mutual funds to outperform inflation by 5% over the long-term.
<b>BlackRock</b>	Multi-Asset Income	Institutional mutual fund that tactically invests globally in income-oriented strategies.
<b>craft3</b>	Micro-Finance Loans	A nonprofit community development loan fund serving communities in OR and WA.
Fixed Income		
<b>Dimensional</b>	Social Core Fixed Income 	A mutual fund that is designed to offer a diversified, cost-effective core allocation to socially screened U.S. bonds. <i>Restricts alcohol, cannabis, coal, defense and weapons, gambling, tobacco, private prisons, child labor controversies and other.</i>
<b>TIAA</b>	Core Impact Bond 	Mutual fund that invests in a diversified portfolio of U.S. fixed income securities, focusing on undervalued, investment-grade and proactive social investments. <i>Restricts alcohol, defense and weapons, gambling, tobacco and other.</i>
Cash		
<b>Federated Hermes</b>	Government Money Market	An institutional mutual fund that seeks to obtain a high level of income while maintaining a stable \$1 NAV and a very short average maturity.





# Returns as of December 31, 2023



\* The SRIF is ranked in a national universe of plan sponsors with up to \$50 million in assets.



# Why Consider the SRIF?



We employ a carefully controlled investment process, monitored by experienced investment professionals.

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## 1. SOCIALLY RESPONSIBLE

The SRIF dedicates over 86% of its portfolio to socially responsible and gospel value priorities identified at 2017 Convention.

## 2. ACCESS TO INVESTMENTS

The investments retained by the Diocese for the SRIF are typically only available to institutional investors.

## 3. COMPETITIVE FEES

Projected annual expenses are 0.8%\* including all management, custody and consulting service fees, and will decrease as the SRIF grows.

## 4. PRUDENTLY MANAGED

The Committee consists of experienced investment professionals and is supported by practiced and respected custody and consulting specialists.

\* Expenses are projected using the SRIF's target allocation.



# How Do I Learn More?

## I want to:

- Explore how to put my gospel values to work for my parish via the SRIF portfolio
- Examine detailed questions regarding the broader Diocesan investment program  
*DIF, SRIF and STIF portfolios*
- Review general investment information and resources

## Resource:



SRI Stakeholder  
Advisory Committee



Diocesan Investment  
Committee



Diocesan Finance Office



# Socially Responsible Investing Stakeholder Advisory Committee

A Committee supporting the Diocesan Board of Trustees and its Investment Committee with respect to the Socially Responsible Investment Fund

**Sue Hall, Convenor**

sue@climateneutral.com  
541-490-2860

**Madeline Moore**

St. David of Wales, Portland  
madmoore47@gmail.com  
503-502-0405

**Rev. Jaime Sanders**

Christ Church, St. Helens  
motherjaime@gmail.com  
503-997-1651

**Jan Childs**

St. Johns, Milwaukie  
janwch@comcast.net  
503-701-8124

**Diane Pinney**

Trinity Cathedral, Portland  
dianepinney@gmail.com  
503-467-8589

**Keith Walters**

Trinity Cathedral, Portland  
waltersk@pdx.edu  
512-294-6438





# Which Investment is Right for You?



Will you need this money in the next 12 months?

Yes

## DIOCESAN SHORT-TERM INVESTMENT FUND (STIF)

**Investment horizon:** short-term

**Assets:** \$5.2 million

**Projected Annual Expenses:**

0.2% investment management

0.1% custody services

0.3%

**Focus:** traditional, low duration investments

**Inception date:** 2/2010

## DIOCESAN INVESTMENT FUND (DIF)

**Investment horizon:** long-term

**Assets:** \$31.3 million

**Projected Annual Expenses:**

0.4% investment management

0.4% custody & consulting services

0.8%

**Focus:** traditional, diversified investments

**Inception date:** 1/1992

## DIOCESAN SOCIALLY RESPONSIBLE INVESTMENT FUND (SRIF)

**Investment horizon:** long-term

**Assets:** \$7.5 million

**Projected Annual Expenses:**

0.4% investment management

0.4% custody & consulting services

0.8%

**Focus:** socially responsible criteria & gospel value priorities identified at 2017 Convention

**Inception date:** 9/2016

FOR MORE INFORMATION

(503) 636-5613 | Finance Office  
[www.ecwo.org/investments](http://www.ecwo.org/investments)



## Diocesan Investment Committee

A committee of and  
reporting to the  
Diocesan Board of  
Trustees

Mike Penfield, Convenor  
St. John the Baptist, Portland  
503-939-5898

Dick Anderson  
Christ Church, Lake Oswego  
503-635-2568

Rev. Brendan Barnicle  
St. Francis of Assisi, Wilsonville  
503-901-4908

James Baxendale  
Trinity Cathedral, Portland  
503-919-0087

Ginger Dietzman  
St. Gabriel the Archangel, Bethany  
530-945-0859

Bill Gellatly  
Church of the Good Samaritan, Corvallis  
503-867-6514

Kathy Gordon, Treasurer  
503-485-2425

Rick Grimshaw  
St. Michael & All Angels, Portland  
503-221-7616

Kate Kenemer  
Grace Memorial, Portland  
503-358-7974

Jeffrey Krum  
Ascension, Portland  
503-704-5699

Michael Montgomery  
St. Philip the Deacon, Portland  
503-278-0388

Madeline Moore  
**SRI Stakeholder Advisory  
Committee Representative**  
St. David of Wales, Portland  
503-502-0405

### ex-officio resources:

Anne Marie Lowe  
Canon for Finance & Property  
971-204-4115

Ashlee Moehring  
Sellwood Consulting LLC  
503-596-2885



# Investment Restrictions



## Contributions

- \$10,000 initial deposits
- Quarterly contributions
- Requests due by the 15<sup>th</sup> of the month prior

## Withdrawals

- Monthly liquidity
- Requests due by the 15<sup>th</sup> of the month prior





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