



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

## SOCIALLY RESPONSIBLE INVESTMENT FUND | EXECUTIVE SUMMARY

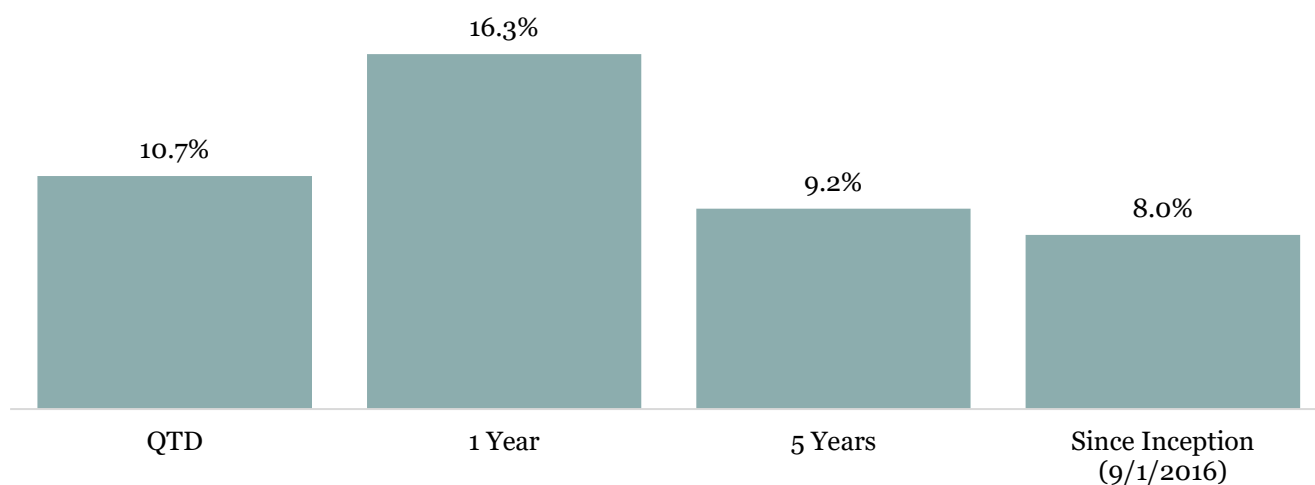
AS OF DECEMBER 31, 2023

### Portfolio Results

Pessimistic forecasts and a dour economic outlook set the stage for an unexpected stock bull market boom in 2023. Two contrasting scenarios emerged: the “soft” landing camp, anticipating minor disruptions in the economy; and the “hard” landing scenario, suggesting a recession as a necessary evil to curb inflation. In fact, neither scenario unfolded; inflation has seen significant reduction, and economic growth has proven resilient. This unexpected “no” landing translated into a stellar year for stocks, with global market indices returning over 20% in the year and investment-grade bonds returning over 5%.

The Socially Responsible Investment Fund (SRIF) posted a gain of 10.7% in the fourth quarter and amassed a robust return of 16.3% over the trailing one-year. The SRIF remains committed to a diversified asset allocation, consistent with its long-term investment horizon.

Returns as of December 31, 2023



# Gospel Value Priorities

The SRIF incorporates the top socially responsible investing (SRI) and gospel value priorities identified via dot voting at 2014 Convention, and most recently affirmed and expanded in 2017. These values encompass both positive investment and divestment. The Committee recognizes that, in isolation, each investment may not address all of the gospel value priorities, but the SRIF in whole will emphasize these priorities.

## Positive Investing

Investors direct money toward solution-oriented securities and invest in companies that have a positive social impact.



Climate & Clean Technology



Human Rights



Community Development



Diversity/Equal Opportunity

## Divestment

Investors restrict investment in certain securities based on SRI factors, excluding restricted securities from a portfolio.



Pollution & Toxics



Human Rights



Executive & Exploitative Pay



Animal Cruelty

# Investments

## Growth Investments

### U.S. Equity | 39.0%



Parametric Responsible Investing

A separately managed U.S. equity portfolio optimized to track the Russell 3000 Index and meet the SRIF's customized social screening criteria.



DFA US Social Core Eq 2 Port (DFUEX)

A mutual fund that is designed to offer a broad and diverse allocation to socially screened U.S. companies.

### Non-U.S. Equity | 17.0%



Boston Common ESG Impact Intl (BCAIX)

A mutual fund that invests in non-U.S. companies with sound governance and responsible financial management, capable of consistent profitability.



Vanguard ESG Intl Stock (VSGX)

An exchange traded fund (ETF) that replicates the FTSE Global All Cap ex US Choice Index.



DFA Int'l Social Core Eq Instl (DSCLX)

A mutual fund that is designed to offer a broad and diverse allocation to socially screen non-U.S. companies.



DFA Emg Mkts Social Core Port (DFESX)

A mutual fund that is designed to offer a broad and diverse allocation to socially screened companies in emerging markets.

### Global Equity | 10.0%



Impax Global Env Markets (PGINX)

A mutual fund sub-advised by Impax that invests globally in companies in rapidly growing Resource Optimization markets.

## Diversifying Investments

### Real Estate | 5.0%



DFA Global Real Estate (DFGEX)

A mutual fund that invests in a broad range of securities of U.S. and non-U.S. companies in the real estate industry, including developed and emerging markets, with a focus on REITs.

### Marketable Alternatives | 6.3%



PIMCO All Asset Inst (PAAIX)

A mutual fund with a "real return" strategy that invests tactically across underlying PIMCO mutual funds.



BlackRock Multi-Asset Income (BIICX)

A mutual fund that tactically invests globally in income-oriented strategies.

### Micro-Finance | 0.7%

Craft3 (two notes)

A non-profit community development loan fund that serves communities in Oregon and Washington states.

## Risk Mitigation Investments

### Fixed Income | 20.0%



DFA Social Fixed Income Inst (DSFIX)

A mutual fund that is designed to offer a diversified, cost-effective core allocation to socially screened U.S. bonds.



TIAA-CREF Core Impact Bond (TSBIX)

A mutual fund that invests in U.S. bonds, focusing on undervalued, investment-grade securities and proactive social investments.

### Cash | 2.0%

United Nations Principals of Responsible Investing signatories



Fossil free investment

# SRI Stakeholder Advisory Committee

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

Members	Parish	Contact	
Sue Hall, Convenor	Christ Church, Lake Oswego	sue@climateneutral.com	541-490-2860
Jan Childs	St. Johns, Milwaukie	janwch@comcast.net	503-701-8124
Madeline Moore	St. David of Wales, Portland	madmoore47@gmail.com	503-502-0405
Diane Pinney	Trinity Cathedral, Portland	dianepinney@gmail.com	503-467-8589
Rev. Jaime Sanders	Christ Church, St. Helens	motherjaime@gmail.com	503-997-1651
Keith Walters	Trinity Cathedral, Portland	waltersk@pdx.edu	512-294-6438

## Diocesan Investment Committee

Members	Parish	Contact
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
Bill Gellatly	Church of the Good Samaritan, Corvallis	503-867-6514
Kathy Gordon, Treasurer	Diocese of Oregon	503-485-2425
Rick Grimshaw	St. Michael & All Angels, Portland	503-221-7616
Jeffrey Krum	Ascension, Portland	503-704-5699
Michael Montgomery	St. Philip the Deacon, Portland	503-278-0388
Ginger Dietzman	St. Gabriel the Archangel, Bethany	530-945-0859
Kate Kenemer	Grace Memorial, Portland	503-358-7974

### *SRI Stakeholder Advisory Committee Representative*

Madeline Moore	St. David of Wales, Portland	503-502-0405
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### **Ex-Officio Resources**

Anne Marie Lowe, Canon for Finance & Property	Diocese of Oregon	971-204-4115
Ashlee Moehring, Investment Advisor	Sellwood Consulting LLC	503-596-2885

**Asset Allocation vs Policy**

	Current (%)	Policy (%)	Difference (%)	Policy Range (%)	Within Range
<b>Growth</b>	<b>66.3</b>	<b>66.0</b>	<b>0.3</b>	<b>47.0 - 79.0</b>	<b>Yes</b>
<b>Equity</b>	<b>66.3</b>	<b>66.0</b>	<b>0.3</b>	<b>47.0 - 79.0</b>	<b>Yes</b>
Parametric Responsible Inv (SA)	31.7				
DFA US Social Core Equity 2 Portfolio (DFUEX)	7.0				
Boston Common ESG Impact Intl (BCAIX)	6.1				
Vanguard ESG Intl Stock ETF (VSGX)	6.1				
DFA Int'l Social Core Equity Instl (DSCLX)	5.1				
DFA Emg Mkts Social Core Port (DFESX)	3.0				
Impax Global Env Markets (PGINX)	7.3				
<b>Diversifying</b>	<b>12.0</b>	<b>12.0</b>	<b>0.0</b>	<b>6.0 - 18.0</b>	<b>Yes</b>
<b>Real Estate</b>	<b>5.1</b>	<b>5.0</b>	<b>0.1</b>	<b>3.0 - 7.0</b>	<b>Yes</b>
DFA Global Real Estate (DFGEX)	5.1				
<b>Marketable Alternatives</b>	<b>6.2</b>	<b>6.3</b>	<b>-0.1</b>	<b>3.0 - 9.0</b>	<b>Yes</b>
PIMCO All Asset (PAAIX)	3.1				
BlackRock Multi-Asset Inc (BIICX)	3.1				
<b>Micro-Finance</b>	<b>0.7</b>	<b>0.7</b>	<b>0.0</b>	<b>0.0 - 2.0</b>	<b>Yes</b>
Craft3 Note - 1.75% due 1/23/2026	0.3				
Craft3 Note - 1.5% due 9/12/2024	0.4				
<b>Risk Mitigation</b>	<b>21.7</b>	<b>22.0</b>	<b>-0.3</b>	<b>15.0 - 28.0</b>	<b>Yes</b>
<b>Fixed Income</b>	<b>19.6</b>	<b>20.0</b>	<b>-0.4</b>	<b>15.0 - 23.0</b>	<b>Yes</b>
DFA Social Fixed Income Inst (DSFIX)	9.8				
TIAA-CREF Core Impact Bond (TSBIX)	9.8				
<b>Cash Equivalents</b>	<b>2.1</b>	<b>2.0</b>	<b>0.1</b>	<b>0.0 - 5.0</b>	<b>Yes</b>
Federated Hermes Gov't Obln Fund (GOIXX)	2.1				
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		



Target Current

■ Growth

■ Diversifying

■ Risk Mitigation

**Socially Responsible Investment Fund**

As of December 31, 2023

	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	2022 (%)	2021 (%)	2020 (%)	Inception (%)	Inception Date
<b>Socially Responsible Investment Fund</b>	<b>100.0</b>	<b>10.7</b>	<b>16.3</b>	<b>2.8</b>	<b>9.2</b>			<b>-17.3</b>	<b>13.2</b>	<b>15.4</b>	<b>8.0</b>	<b>Sep-16</b>
60/40 MSCI ACWI/Bloomberg Agg		9.4	15.4	2.2	7.7	5.7	7.4	-16.0	10.2	13.5	6.4	
All Trust Funds <\$50mm Net Rank		6	15	49	16			89	35	23	14	
<b>Total Equity</b>	<b>66.3</b>	<b>12.1</b>	<b>21.0</b>	<b>5.2</b>	<b>12.6</b>			<b>-18.6</b>	<b>18.3</b>	<b>20.5</b>	<b>10.7</b>	<b>Sep-16</b>
Parametric Responsible Inv (SA)	31.7	12.3	26.2	9.7	15.6			-16.6	25.5	19.4	13.3	Sep-16
DFA US Social Core Equity 2 Portfolio (DFUEX)	7.0	13.6	25.9	9.7	14.8	10.0	13.2	-18.0	27.9	15.7	13.6	Oct-23
Boston Common ESG Impact Intl (BCAIX)	6.1	11.1	11.5	-3.4	5.8	2.7		-21.8	3.5	18.6	4.8	Sep-16
Vanguard ESG Intl Stock ETF (VSGX)	6.1	10.7	15.6	0.3	7.0			-18.6	7.3	13.0	-3.5	Sep-21
DFA Int'l Social Core Equity Instl (DSCLX)	5.1	11.6	18.5	3.9	7.8	4.2		-16.6	13.4	7.5	11.6	Oct-23
DFA Emg Mkts Social Core Port (DFESX)	3.0	8.0	14.6	-0.9	5.2	3.6	7.5	-18.5	4.2	13.0	8.0	Oct-23
Impax Global Env Markets (PGINX)	7.3	14.1	16.9	3.5	12.4	7.6	10.6	-22.4	22.2	26.0	9.5	Sep-16
<b>Real Estate</b>	<b>5.1</b>	<b>17.1</b>	<b>9.3</b>	<b>2.5</b>	<b>3.7</b>			<b>-24.2</b>	<b>30.0</b>	<b>-8.3</b>	<b>2.1</b>	<b>Sep-16</b>
DFA Global Real Estate (DFGEX)	5.1	17.1	9.4	3.0	5.2	5.9	9.1	-23.8	31.0	-6.7	1.6	Sep-22
<b>Marketable Alternatives</b>	<b>6.2</b>	<b>7.4</b>	<b>9.8</b>	<b>2.5</b>	<b>5.5</b>			<b>-11.1</b>	<b>10.5</b>	<b>7.6</b>	<b>5.0</b>	<b>Sep-16</b>
PIMCO All Asset (PAAIX)	3.1	6.8	8.6	3.5	6.2	4.3	6.4	-11.5	15.6	8.4	5.4	Sep-16
BlackRock Multi-Asset Inc (BIICX)	3.1	8.0	11.1	1.7	5.0	4.0	6.9	-11.6	7.2	6.6	4.0	Mar-19
<b>Fixed Income</b>	<b>19.6</b>	<b>6.6</b>	<b>5.9</b>	<b>-3.8</b>	<b>1.0</b>			<b>-15.0</b>	<b>-1.0</b>	<b>8.2</b>	<b>0.9</b>	<b>Sep-16</b>
DFA Social Fixed Income Inst (DSFIX)	9.8	6.6	7.2	-3.0	1.8			-13.1	-2.2	9.3	4.4	Jul-23
TIAA-CREF Core Impact Bond (TSBIX)	9.8	6.5	6.0	-3.4	1.1	2.3		-14.0	-1.0	7.4	1.0	Sep-16
<b>Cash Equivalents</b>	<b>2.1</b>	<b>1.3</b>	<b>5.0</b>	<b>2.1</b>	<b>1.7</b>			<b>1.5</b>	<b>0.0</b>	<b>0.4</b>	<b>1.5</b>	<b>Sep-16</b>
Federated Hermes Gov't Obln Fund (GOIXX)	2.1	1.3	5.0	2.2	1.8	1.2	0.8	1.5	0.0	0.4	4.7	Oct-22

**Growth of a Dollar  
Beginning September 1, 2016**

