



ETHICAL INVESTING AND FIDUCIARY DUTY

Ethical investment considerations form an integral part of the Church Investment Group's mission and witness. Through an ethical investment policy, the Church Investment Group (CIG) seeks a constructive engagement with the corporate world in order that responsible environmental and business practices and high standards of corporate behavior are encouraged and supported. The Church Investment Group is also mindful of the need to avoid undermining the credibility, effectiveness and unity of the Church's mission by profiting from, or providing capital to, activities that are materially inconsistent with Episcopal values.

The Church Investment Group wishes to invest in companies that seek to develop their businesses sustainably and successfully in the interests of shareholders. An important component of an ethical investment policy is the use of positive ethical criteria in assessing companies. In alignment with the Anglican Communion, criteria have been identified across five broad areas:

- Sustainable environmental practices
- Responsible employment practices
- Best corporate governance practice
- Conscientiousness with regard to human rights
- Sensitivity toward the communities in which businesses operate

By exercising fiduciary duty in this way, the Church Investment Group intends to meet its financial objectives and to integrate Environmental, Social and Governance (ESG) investment criteria into all of the Portfolio's investment management process.

The Church Investment Group has analyzed data and reviewed studies that the inclusion of ESG criteria in our investment management process enhances our ability to manage risk and achieve our long-term investment objectives. We have found that integrating ESG analysis in the selection process for the companies that CIG's portfolio holds provides additional insight into a company's long-term competitive edge and forward planning and helps highlight risks and opportunities that might not be identified by solely relying on traditional financial analysis.

For more information, please visit www.churchinvestment.org