

## Socially Responsible Investment Guidelines

The Investment Committee (IC) is committed to managing the UUCEF in a manner consistent both with Unitarian Universalist values and with the achievement of our return and risk objectives.

For assets directly managed on behalf of the UUCEF, we require managers to exclude securities issued by tobacco manufacturers and companies for which the manufacture of weapons represents at least 5% of annual revenue. We also favor investments in companies that demonstrate positive environmental practices; respect for human rights, labor rights, and other legal and ethical standards; and good relationships with stakeholders including employees, customers, and communities. We seek to avoid companies that perform poorly in these areas. Specific determinations about how to apply these criteria to portfolios may be made in a variety of ways, including consultation with third-party research providers, members of the Socially Responsible Investment Committee, and managers of our portfolios.

In order to gain exposure to all the asset classes and regions of the world needed for adequate diversification of our endowment, we often invest in pooled investment vehicles, for which we cannot influence security selection. When choosing these vehicles, we query managers about their approach to responsible investment, and prefer to hire those who have demonstrated both general investment skill and an ability to incorporate environmental, social, and governance (or “ESG”) factors into investment decision-making. Investment managers may demonstrate responsible investment activity through a variety of means, including security selection, engagement with company management, and proxy voting.

One percent of the UUCEF is invested in community investment funds which promote access to capital and financial services for underserved groups. The UUCEF will accept below-market returns for these community investments.

The UUCEF also seeks to promote UU values, including environmental stewardship and social justice, through engagement with the management teams of companies whose securities it holds. The specific methods used to engage companies may include letter-writing, direct dialogue, and the filing or co-filing or shareholder resolutions on environmental, social, or governance topics. If necessary to support advocacy efforts, we may maintain small holdings in companies that would not otherwise meet our standards for directly-managed investments.