

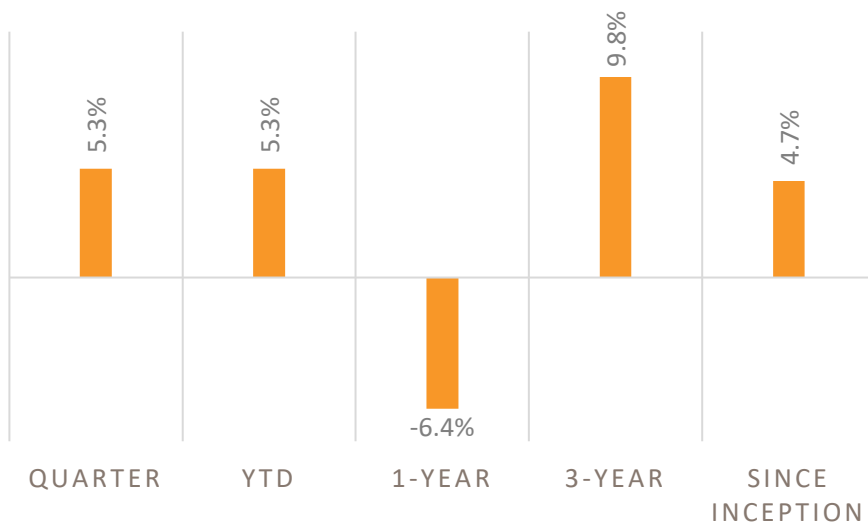
# Environmental, Social, Governance (ESG) Pool Summary

As March 31, 2023

The ESG (Environmental, Social, Governance) Pool is designed for investors that seek alignment of mission and values while seeking market rate returns commensurate with a globally diversified portfolio. The ESG pool is long-term in nature and capital appreciation is the primary goal. The ESG pool invests in daily liquid investments only. This Pool is for permanent endowments, where the time horizon is in perpetuity. The portfolio is allocated across:

- ❖ **Asset class** (stocks, bonds, diversified mutual funds)
- ❖ **Region** (U.S., developed international, emerging markets)
- ❖ **Market Cap** (large, mid, and small size companies)
- ❖ **Style** (value and growth)
- ❖ **Liquidity** (public investments)
- ❖ **Mission** (climate, labor concerns, gender and racial diversity, hunger, education, clean water, air and soil)

## PERFORMANCE



## ASSET ALLOCATION

❖ Domestic Stocks	32%
❖ International Stocks	23%
❖ Core Fixed Income	31%
❖ Infrastructure	5%
❖ Real Estate	4%
❖ Diversified Mutual Funds	4%
❖ Cash	1%

\*Inception: 11-2017



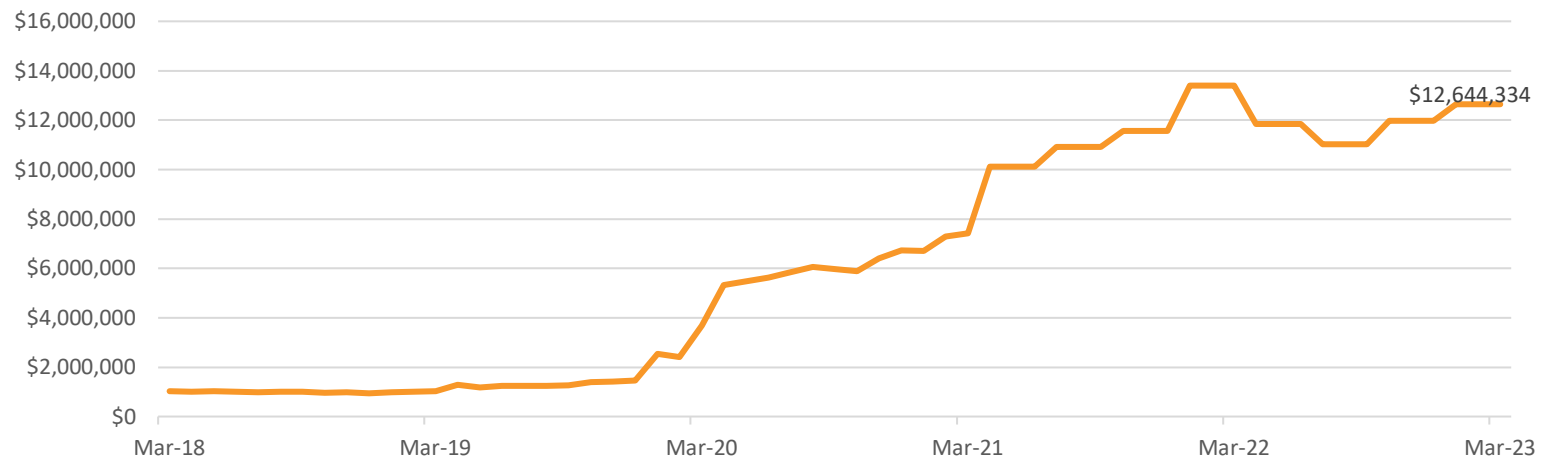
**Fund Evaluation Group**<sup>®</sup>  
investment advisors



GREATER CEDAR RAPIDS  
**COMMUNITY  
FOUNDATION**

## GROWTH OF ASSETS OVER TIME

### ESG Pool



## QUARTERLY COMMENTARY

The first quarter of 2023 handed global investors much to digest. The year started with the erratic market performance of January and February, with the former witnessing broadly positive performance across most major asset classes and the latter generally the opposite. Then March's banking system turmoil took center stage. By the time the quarter concluded, however, strong gains had been generated for the breadth of the major global financial indices, despite lingering banking system concerns and a Federal Reserve (Fed) that reaffirmed its commitment to restoring price stability through a 25-basis point hike to the policy rate and hawkish near-term forward guidance.

## FROM OUR INVESTMENT PHILOSOPHY

The Foundation recognizes that constituents of the Community have an interest in allocating charitable dollars in a fashion that is consistent with their ethics and values. Further, the Foundation and their consultant recognize the growing amount of research that suggests that incorporating ESG factors into the security selection process can help uncover unaccounted risk and return characteristics that can benefit the portfolio. For these reasons, the Foundation elected to provide an additional investment option for potential donors that desire ESG characteristics in their portfolio.

The pool will have the majority of its assets invested in public equity, with the remainder in fixed income and diversified mutual funds. The ESG pool seeks to hold little to no holdings principally involved in alcohol, tobacco, gambling, adult entertainment, civilian firearms, for-profit prisons, fossil fuel extraction, genetically modified foods, predatory lending, and non-gender diversified Boards while emphasizing investment in companies that hold positive ESG characteristics. The pool also focuses a portion of the assets to address concerns within the Greater Cedar Rapids community.

For further information regarding investment management please visit our website:

<https://www.gcrf.org/about/investment-management/>

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