

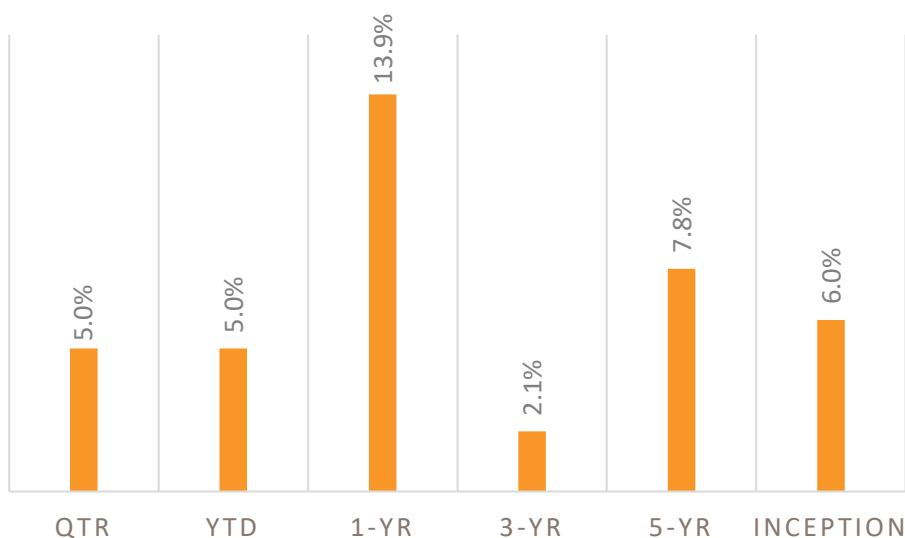
# Environmental, Social, Governance (ESG) Pool Summary

As March 30, 2024

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	37%
❖ International Stocks	21%
❖ Core Fixed Income	28%
❖ Infrastructure	5%
❖ Real Estate	4%
❖ Diversified Mutual Funds	4%

\*Inception: 11-2017

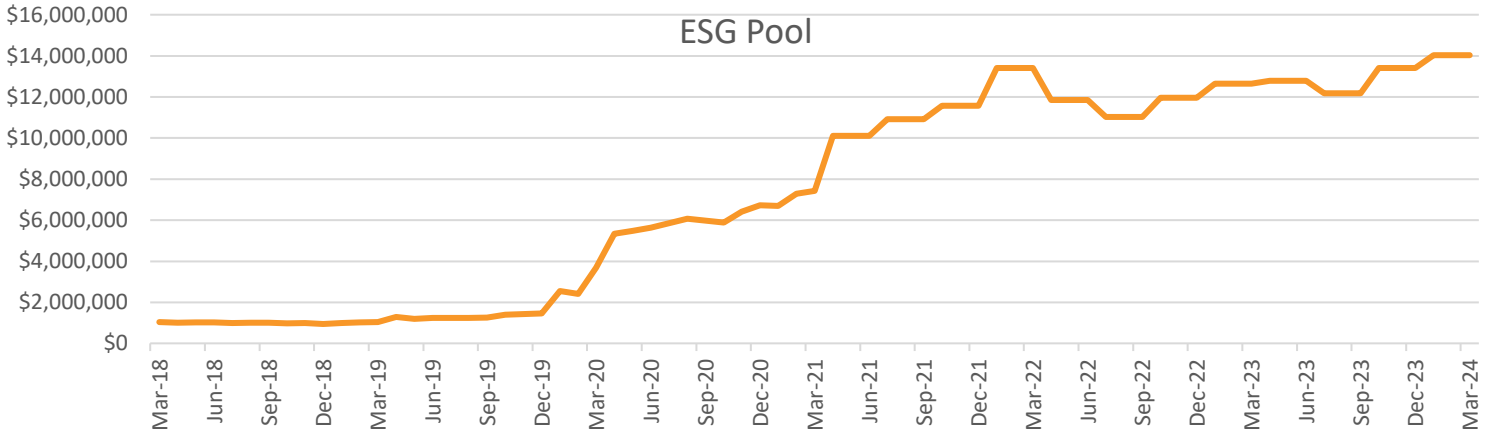


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## GROWTH OF ASSETS OVER TIME



Risk assets were rewarded in the first quarter of 2024 as the S&P 500 Index—advanced to a record high and credit risk premiums tightened to near record lows. These gains humbled stock market bears who raised alarm bells in recent months due to historically elevated valuations, stubbornly elevated inflation, an unsustainable U.S. fiscal trajectory, and an unsettling geopolitical stage. For the quarter, the majority of large cap’s gains came from the growth stocks, while small and microcap companies continued to lag, albeit still posting solid returns. International equities lagged domestic, as regional conflicts in Eastern Europe and the Middle East, helped weigh on investor sentiment. Performance in the bond market was mixed, with rate-sensitive sectors like investment-grade credit and Treasuries witnessing declines.

## 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/>

If you have questions, please contact:

**Arthur Kim**

**Development Officer**

**319.200.4409 Arthur.Kim@gcrf.org**

