



Statement of Responsible Investing

Maine Community Foundation (MaineCF) brings people and resources together to build a better Maine. MaineCF is committed to diversity, equity and inclusion, and to ensuring that Maine is a safe, welcoming and accepting place for everyone. This commitment extends to the management of the community foundation's investment assets.

One of the most important responsibilities of MaineCF's board of directors is oversight of our investment program through the Maine Community Foundation Investment Committee. The board recognizes that MaineCF's values and goals must be reflected in its investment program. The marriage of values, goals and investing is what MaineCF defines as "responsible investing."

The financial objective of MaineCF's investment program is to preserve and grow the real value of its assets in perpetuity to provide a sufficient rate of return to fulfill philanthropic purposes of the community foundation and its donors. At the same time, the board recognizes the role that non-financial factors can play in creating or potentially limiting value for investors. These include environmental, social, governance, diversity, equity and inclusivity (ESG & DEI) considerations.

MaineCF is committed to partnering with investment managers who demonstrate constructive engagement with ESG and DEI factors. In partnership with its investment consultant, Monticello Associates, the investment committee will undertake the following oversight of its program.

- The investment committee will evaluate its investment managers' ESG-related policies and assess firm culture. Direct investments will be subject to the same intensity of ESG-related scrutiny as investment managers.
- The investment committee will report annually on its investment managers' ESG policies and procedures.
- The review process for any new investment manager will include an evaluation of the manager's ESG policies and procedures. If manager does not have a policy, we will strongly encourage the manager to establish one prior to investing.

- MaineCF recognizes that diversity of thought, experience and perspective is a critical element of investment performance, and the community foundation is committed to broadening and deepening the diversity of its investment managers. Each year investment managers will be asked to report on women and minority representation in the following categories of their organization: firm owners, executive management, investment professionals and employees. MaineCF also will conduct a review of investment manager policies and procedures related to diversity, equity and inclusion.
- Each year the investment committee will examine the ESG and DEI policies and procedures of its support service providers (banks, custodians, consultants, etc.)
- As part of its ongoing assessment of investment manager performance, the investment committee will evaluate each manager's corporate citizenship to ensure alignment with MaineCF's objectives and fiduciary responsibilities. The evaluation may include an assessment of the manager's efforts to ensure gender parity, to promote women and minority professionals, corporate actions related to ESG and any malfeasance or misbehavior.
- The "E" in ESG includes factors related to climate. The investment committee will closely examine climate change factors, including the role of carbon in the community foundation's investments.
- Over time, the investment committee intends to evaluate selected opportunities for indirect and direct "impact investments" after careful consideration of all risks, returns, liquidity, and community impact.

MaineCF will endeavor to adapt to societal and market developments to ensure that it realizes its aim of responsible investing.

For questions about MaineCF's Statement of Responsible Investing, contact **Brendon Reay**, vice president for investment and chief investment officer, at (207) 412-2016.