



ADDING VALUES TO STRONG PERFORMANCE.

Board of Directors Statement on Socially Responsible Investing

Our standards and judgments in socially responsible investing are guided by Friends testimonies and values. These are broadly shared among our diverse constituent base. Friends Fiduciary embraces the widely held Quaker desire that investments should be made in companies that serve a beneficial purpose to society and contribute positively to a peaceful, sustainable world. As in all our experiences, the judgment of what is beneficial to society and the path to and definition of sustainability changes over time in both degree of certainty and importance. Friends Fiduciary recognizes this challenge as well as that of investing in companies involved in a global economy where they face complex issues of diverse cultures and political and economic environments.

While we employ highly qualified professional money managers to make recommendations, screening of possible investments for social responsibility is performed internally by experienced Friends on our board of directors and by our investment committee and staff. We operate by patient threshing, the emergence of broad consensus and a “sense of the meeting” when examining the products, policies and practices of a possible investment. In making these judgments for each particular company, we strive to consider the totality of the circumstances. In the areas where Friends may not be in unity around a particular issue or concern we may choose to invest in a company and then proactively engage that company around the areas of our concern, such as human rights, the environment, sustainability and governance. There are, of course, some companies whose products or services Friends simply cannot support - for example, our absolute prohibition of investing in weapons producers.

Friends Fiduciary acknowledges this very important responsibility on behalf of our constituent investors and recognizes that investment activity is not passive. Working within real world constraints, our intentions are not only to “be” but also to “do” and, thus, make the world a better place.

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