



UNITARIAN
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ASSOCIATION

PRESENTERS:

Brian Lasher

Co-Chair, UUA CEF
Investment Committee

Eric Horvath

UUA CEF Investment
Committee

David Valentine

UUA Vice President
Finance and
Investments

Mathew Jensen CFA

Interim UUA CEF
Senior Investment
Officer

UUCEF, LLC INVESTOR CALL

Tuesday, November 19, 2024

2:00 p.m. Eastern

ZOOM MEETING

Join online:

<https://uua.zoom.us/j/91375732549>

Join by phone using any of these
numbers:

+1 646 558 8656 US (New York)

+1 312 626 6799 US (Chicago)

+1 720 928 9299 US (Denver)

+1 206 337 9723 US (Seattle)

Meeting ID: 913 7573 2549



Agenda

- Overview
- Enhancing the Team
- Delivering Results
- Acting on Values
- Questions and Answers

Diversified Investing for Congregations, the UUA and Affiliated Organizations

- *Real Capital Preservation*: manage the portfolio's risk/return relationship to attempt to maintain the real (inflation-adjusted) purchasing power over time
- *Moderate Risk*: balance long-term returns with shorter-term needs for income

Uphold and Advocate for UU Values

- **Avoid** corporations whose policies and actions pose the greatest threats to UU Values
- Use active ownership to **advocate** UU values with corporations and investment managers
- **Invest** in capital-deprived communities and people to redress long-standing imbalances and injustices
- **Seek out** investments proactively addressing global climate change and favor companies with explicit human rights principles.



Acting Within to Push Beyond

Positive Change

The UUCEF's size and resources can make meaningful and demonstrable positive change in the world.

Mobilizing for Today

For years and now more than ever, we need to mobilize as many resources as we can and align them with our UU values. Returns on the CEF are an important source of funding for many UU Congregations, the UUA and Affiliated Organizations to empower local and national missions.

Part of a Movement

We are part of a larger vanguard of values-aligned asset owners who, like us, today are trying to build the future we want for our people and planet.

Existing Within – Pushing Beyond

Living within America's historically rapacious capitalist system, we reject aspects of the economic framework that has brought us to this point. Recognizing its ubiquity, we are committed to existing within and pushing beyond this problematic paradigm towards a more just and equitable world.



Growing The Team

Dave Valentine - Vice President, Finance & Investments

- 30 years leadership in finance, operations, process, and system
- Extensive higher education and private foundation experience
- Active member of non-profit and education boards

Three New Investment Committee Members

Amrita Sankar - an MIT and Dartmouth schooled leader in Bain Capital's Environmental, Social and Governance team, with experience in shareholder activism and impact investing.

Randy Webb - a career corporate treasurer with extensive fiduciary and retirement plan oversight experience, and a long history as an active member of UU Society of Sacramento.

Lee Meinicke - a career in mission-driven nonprofit organizations applying a Masters in Sustainable Business, most recently as finance manager for the Quaker Friends General Conference. Long-time UU at congregations in Virginia and Pennsylvania.

[UUA Staff and Team](#)



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Deliver Results

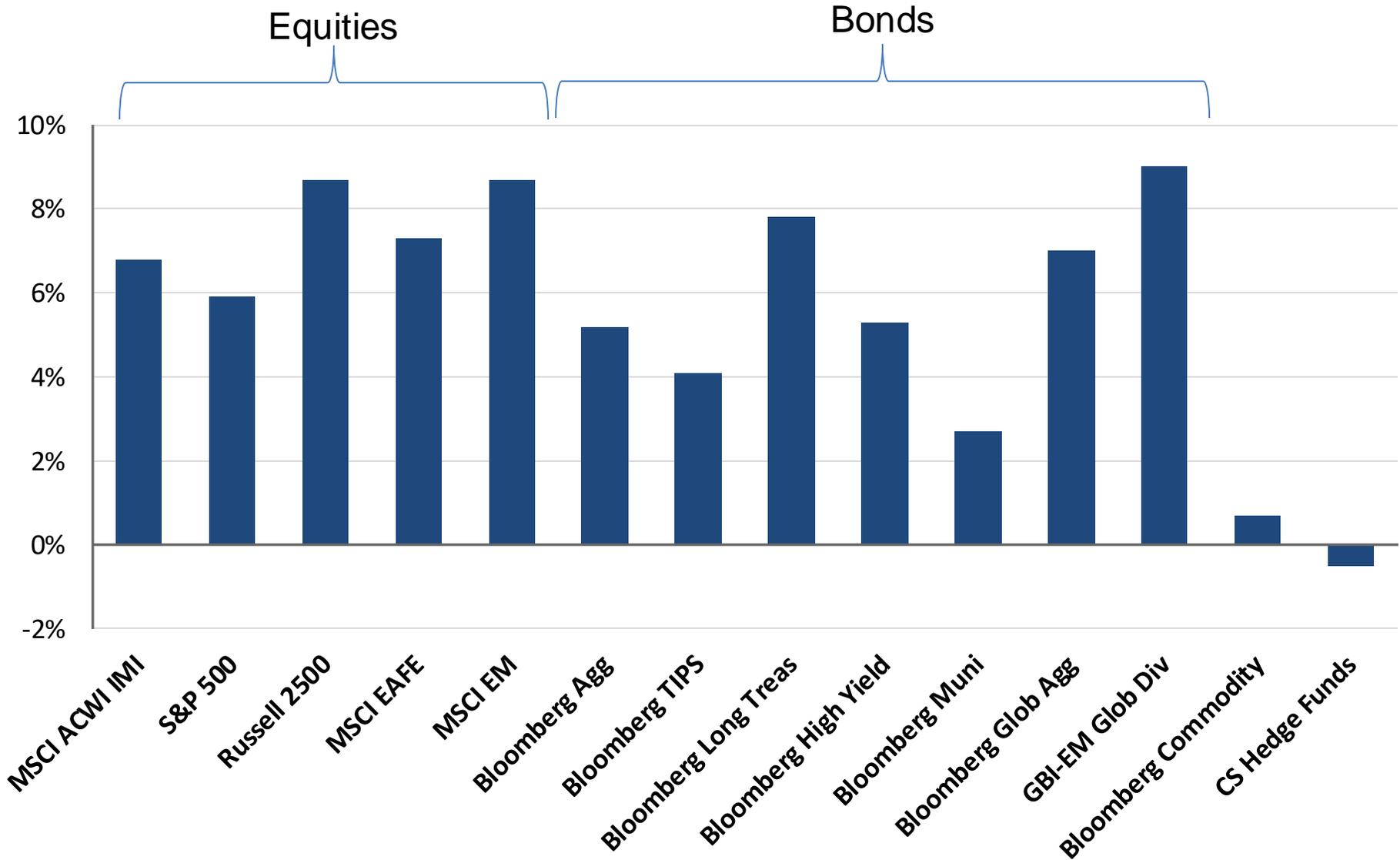


Market environment

- **Third Quarter:** Equities and fixed income rallied in the quarter, positively impacting the UUCEF portfolio
- **Equities in Q3 2024:**
 - Equities saw a broadening of the market with small cap and value stocks outperforming their large cap growth counterparts
 - The S&P 500 Index advanced 5.9%, while the Russell 2000 saw gains of 9.3%. Comparatively, the Russell 1000 Growth returned 3.4% while the Russell 1000 Value returned 9.4%
 - Outside the US, international and emerging market stocks also posted strong gains, with the MSCI EAFE up 7.3% and MSCI EM up 8.7%
- **Fixed Income Yields:**
 - After a seemingly interminable wait, the FOMC followed through with its intention to cut the Fed Funds rate by 50 basis points at its September meeting
 - Treasury yields, which continued to be volatile, welcomed the move with yields ending the quarter lower across the yield curve
- **NEPC Recommendations:**
 - They continue to recommend investors diversify their holdings of U.S. large-cap stocks with quality- and value-oriented exposures
 - They encourage duration-neutral positioning in fixed income relative to strategic targets
 - They remain steadfast in our recommendation to introduce TIPS given current real interest rates and breakeven inflation levels



Market Environment: Quarterly total returns



Sources: MSCI, S&P, Russell, Bloomberg, JP Morgan, FactSet



Total fund performance summary

	Market Value (\$)	3 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	15 Yrs (%)
Composite	272,748,271	5.8 (41)	5.8 (41)	9.5 (81)	19.4 (69)	1.8 (92)	6.4 (80)	5.9 (80)	5.5 (85)	6.4 (86)
<i>Allocation Index</i>		6.0 (35)	6.0 (35)	12.5 (40)	21.9 (46)	4.6 (42)	7.8 (54)	6.8 (58)	6.6 (56)	7.0 (72)
<i>Policy Index</i>		5.8 (40)	5.8 (40)	13.2 (27)	23.2 (33)	5.3 (22)	8.9 (21)	7.8 (24)	7.2 (30)	7.5 (56)
<i>70% MSCI ACWI ESG Leaders Index/ 30% Bloomberg Barclays US Aggregate</i>		5.8 (42)	5.8 (42)	14.8 (5)	26.3 (6)	5.7 (15)	9.2 (14)	8.4 (10)	7.8 (13)	8.3 (27)
<i>InvMetrics All E&F < \$250mm Median</i>		5.6	5.6	11.8	21.5	4.3	8.0	7.0	6.7	7.7

- **Performance (Q3):**
 - UUCEF returned +5.8%, matching the policy index. Returns ranked in the second quartile among peers
- **Performance Causes (Q3):**
 - Select managers rebounded from Q2, with Global Equity managers providing strong relative outperformance
- **1-Year Return:**
 - **Portfolio achieved a strong +19.4% return**
 - Underperformance of Domestic Equity managers was the key driver of below benchmark results
- **Asset allocation:**
 - Portfolio closely tracks target allocations
 - Rebalance was conducted last quarter to align closer with targets



Key drivers of performance

When looking at performance, the Policy Index has performed well over the long term and has ranked well relative to the peer universe. That indicates the structure of the portfolio is sound. Being away from policy (over/underweight targets) has cost the portfolio some performance - but the far greater impact on results in the last 3 years has been the underperformance of active management in the portfolio. Key areas are noted below.

Time Period (as of 09/30/2024)	Positive Contributors	Negative Contributors
3 Months	<ul style="list-style-type: none">Global Equity managers rebounded	<ul style="list-style-type: none">Domestic Equity stock selection (Sands, Ownership, and Small Cap Managers)
1 Year	<ul style="list-style-type: none">International Developed and Emerging Markets Equity managersSlight overweight to Global Equity, which was the best performing asset class for the portfolio	<ul style="list-style-type: none">Domestic Equity stock selection (combination of underweights to top performing sectors, and underperformance within sectors)Fixed Income – slight underweight to return seeking managersPrivate Markets – select funds seeing negative returns as they're early in the lifecycle
3 Years	<ul style="list-style-type: none">Small Cap Equity performanceEmerging Market and Global Equity performanceHigh Quality Fixed Income performance	<ul style="list-style-type: none">Large Cap Equity performance (RhumbLine, Sands and Ownership)International Equity stock selection (Boston Common)Private Markets (most funds in early stages of lifecycle over last 3 years)



Performance summary

Year to date (as of 9/30/24)

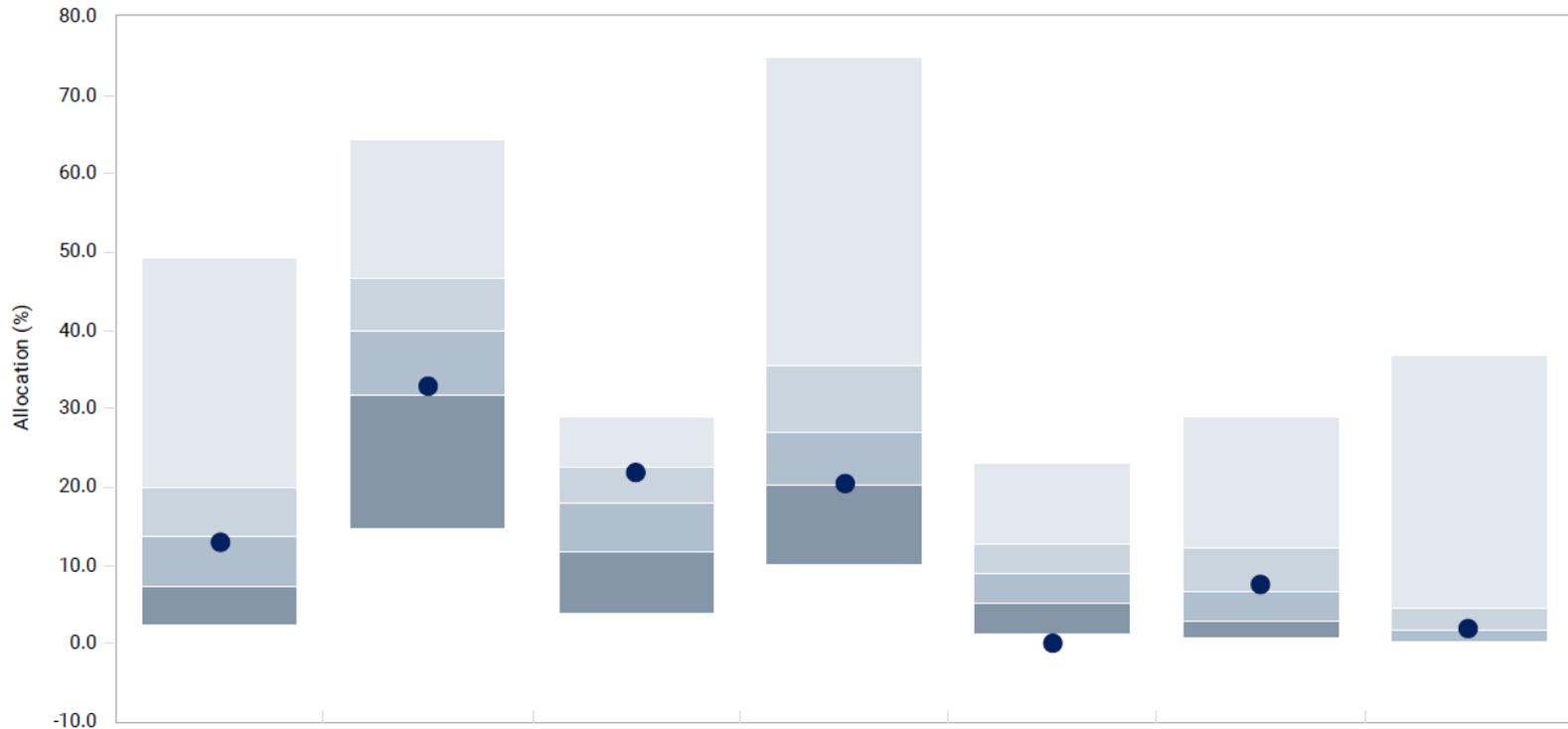
<i>We don't buy individual stocks</i>	NVIDIA 145.28%	>	S&P 500 22.08%	
<i>We don't just invest in stocks</i>	S&P 500 22.08%	>	60% MSCI ACWI / 40% Bbg Agg 12.82%	UUCEF 9.45%
<i>We have a diversified stock portfolio</i>	MAGS 47.68%	>	S&P 500 Equal Weight 15.16%	
<i>We diversify by sectors</i>	NASDAQ 100 17.47%	>	Russell 3000 13.56%	
<i>We strive to align with UU values</i>	S&P 500 22.08%	>	MSCI ACWI ESG Screened Index 19.27%	UUCEF Domestic Eq. 11.22%
<i>We invest in Alternatives</i>	Private Mkts. Custom BM 4.69%	<	UUCEF 9.45%	UUCEF Private Mkts. 0.01%
<i>We invest outside of the U.S.</i>	S&P 500 22.08%	>	MSCI ACWI Ex US 14.21%	UUCEF Int'l Equity 15.41%



Total fund allocations vs peer universe

AS OF SEPTEMBER 30, 2024

Total Fund Allocation vs. InvMetrics All E&F < \$250mm



	Global Equity	US Equity	Global ex-US Equity	Total Fixed Income	Hedge Funds	Private Equity	Cash & Equivalents
● Composite	13.0 (52)	32.9 (72)	21.8 (30)	20.5 (75)	0.0 (100)	7.6 (45)	2.0 (46)
5th Percentile	49.4	64.2	29.0	74.8	23.0	28.8	36.9
1st Quartile	20.0	46.6	22.6	35.4	12.7	12.4	4.5
Median	13.6	39.9	17.8	26.9	8.9	6.8	1.7
3rd Quartile	7.2	31.7	11.9	20.3	5.3	2.9	0.4
95th Percentile	2.3	14.6	3.9	10.1	1.2	0.7	0.0
Population	199	785	738	831	244	212	766

Above analytic does not include Community Development.



Actions over last year

- **Completed the semi-annual review of public equity holdings for alignment of values as of 9/30/24**
- **Approved the termination of Wellington SMID Cap Value Equity and the hiring of Denali Small Cap Value**
 - Result of semi-annual values review from earlier this year flagging Wellington
 - Denali is a Native American-owned firm, further aligning mission
- **Approved two private markets allocations, invested currently:**
 - Carlyle, which has a focus on renewable energy
 - Grosvenor, which allocates capital to diverse owned and led managers
- **Established a new US equity account with Xponance:**
 - A reallocation of ~20% of the portfolio to a BIPOC manager



Focus Areas

- **Impact and implications of New Administration on**
 - Global investing, expected returns and risk
 - DEI, ESG and Environmental Investing
 - Disclosures and reporting
- **Enhancing Future Results**
 - Reviewing international equities
 - Considering additional private market investments
- **Growing and Collaborating Just-Climate Investing ...**



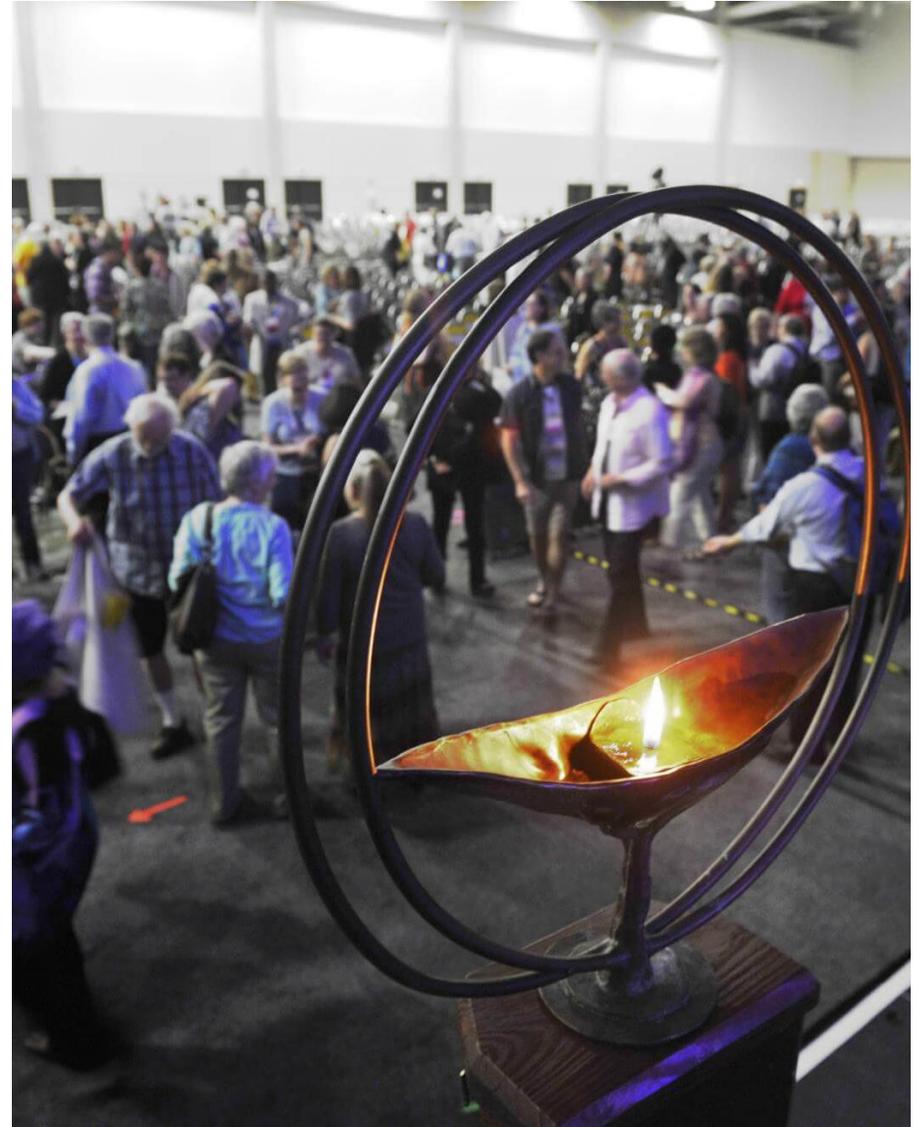
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Uphold UU Values

“We make an impact disproportionate to our size through our shareholder advocacy and community investing.”

Upholding UU Values

- **Just-Climate Investing at the Common Endowment Fund**
- **Investment Manager Values Alignment**
- **Investing in Private Markets with Impact**
- **Current Climate Themes**
- **Company Advocacy**
- **Upcoming Outreach on Just-Climate Investing**





History of Values Investing

1960s: Foundations of Socially Responsible Investing (SRI)

- **1966:** UUA joins other religious organizations to push Eastman Kodak on racial hiring disparities, marking the first shareholder resolution on social responsibility.
- **1967:** UUA General Assembly formalizes commitment to ethical investment decisions, emphasizing social justice.
- **1968:** Investment Committee established, setting the groundwork for structured SRI practices.

1970s: Expansion into Global Social Justice

- Active participation in the anti-apartheid boycott through divestment from South Africa-based companies, showcasing the potential of SRI to influence corporate and national policies.

1990s: Ethical Policy Refinement

- Creation of a "do not invest" list to formalize ethical investment criteria.

2000s: Institutionalization of SRI

- **2000:** Socially Responsible Investment Committee (SRIC) established to oversee ethical investments, community involvement, and shareholder advocacy.
- **2006** the UUA Board votes that 1% of the General Investment Fund would be used for community investments.

2010s: Environmental Advocacy

- **2014:** UUA votes to divest from fossil fuel companies listed in the Carbon Underground 200, while retaining minimal holdings for company advocacy purposes.
- **2019** the UUA Investment Committee votes to increase the upper limit of Community Investments to 5%.

Present Day: Integration and Leadership

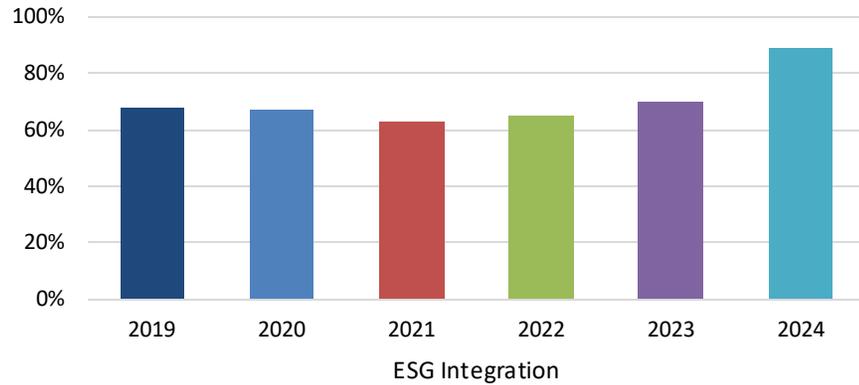
- **2022:** SRIC integrated into the Investment Committee with SRI considerations at the core the CEF portfolio.
- **2023:** Fully divested from all remaining Carbon Underground 200 companies in the advocacy portfolio.
- Active engagement in ESG investing, focusing on issues such as racial justice, climate and environmental protection, and fair labor practices.
- Continued shareholder advocacy, with about 1% of the portfolio dedicated to influencing corporate governance.

This timeline highlights UUA's evolution from foundational efforts in racial justice to its current leadership in environmental and social justice, and corporate advocacy.

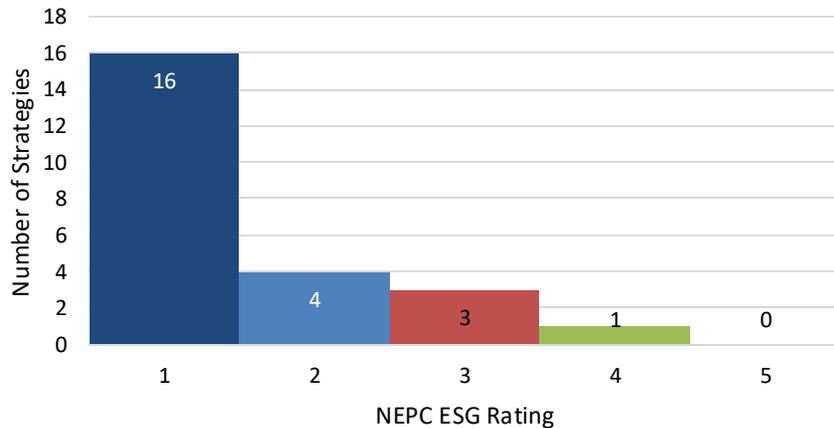


Total fund Dashboard

Characteristics
By % of Assets



Manager ESG Ratings



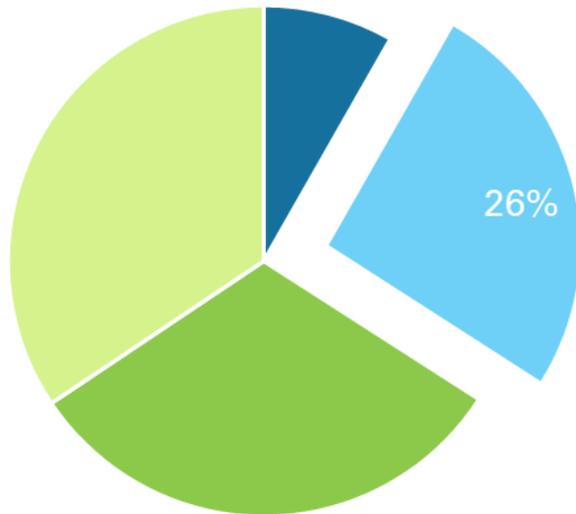
- The level of ESG Integration in the portfolio continues to improve, with **89% of the managers evaluated by NEPC rated a 3 or higher***
- Most managers are rated **1** according to the NEPC ESG Ratings Framework
 - Scale of 1-5, with 1 indicating a best-in-class approach
- The average rating of the portfolio is **1.77**

*Calculation excludes strategies not evaluated by NEPC, i.e. Cash, Community Development, etc.
Data as of September 30, 2024



Semi Annual Values Alignment Review

Asset Type Breakdown



- Values "Neutral" Funds and Accounts
- Funds that are Reviewed Semi-Annual
- Funds with Mandates Matching Our Values
- Accounts that We Control - 100% Values

Data as of September 30, 2024

■ Portfolio Review Frequency:

- Approximately 26% of the portfolio requires semi-annual review

■ Recent Findings:

- During the most recent review, one fund remained the sole violator, consistent with the last review

■ Action Taken:

- A replacement fund was voted on and approved that has more consistent values alignment



Semi-Annual Values Alignment Review

- **WCM – passed 1 / 3 questions, 5 / 5 exclusions – REVIEW ALTERNATIVES**

- **WCM Small Cap Growth** is not an SRI strategy. It does not perform negative screening or broadly exclude any industry or market segment.
- The philosophy and construction naturally tend to lead away from certain industries.
- While it does not offer a separate vehicle with exclusions, it can accommodate most client-imposed restrictions. This practice has been in place since 2019

- **Wellington – passed 2 / 3 questions, 4 / 5 exclusions – UNDER REVIEW**

- As of September 30, 2024, the portfolio held a 1.44% position in a business involved in weapons manufacturing related profit sharing.
- This accounts for less than 5% of the business's revenue.
- The portfolio offers an SMA with a \$25 million minimum that provides more custom exclusions.



Impact Summary: Private Markets

“Investments made with the intention to generate positive, measurable social and environmental impact **alongside a financial return**”. Phenix / GIIN

	NEPC ESG Rating	Thematic/ Impact	Themes	Diversity Characteristics
Private Market Managers				
HCAP Partners IV LP	1	X	Gainful Jobs & Underrepresented Communities	Diverse Owned, Hispanic & Other
HCAP Partner V LP	1	X	Gainful Jobs & Underrepresented Communities	Diverse Owned, Hispanic & Other
Generation IM SS Fund III	1	X	Sustainable Solutions	
Generation IM SS Fund IV	1	X	Sustainable Solutions	
SJF Ventures		X	Multi impact themes (venture)	
RRG Sustainable	1	X	Water and Agriculture	
Brockton Capital Fund III		X	ESG/Real Estate	
Canvas Distressed Credit Fund				Diverse Owned, Hispanic/Latino
FEG Private Opportunities Fund				
OCP Orchard Landmark	1		Fully integrated ESG - firm and strategy level	
Grosvenor Advance Fund	1	X	Diverse-Owned Multi-Manager	Diverse Managed Strategy
MPowered Capital Access Fund I, L.P.		X	DEI - Access to Capital	Diverse Owned, Female
Wellington Venture Investments I, L.P.		X	DEI - Access to Capital	Diverse Managed Strategy
Carlyle Renewable & Sustainable Energy II	1	X	Energy Transition and Renewable Energy Sources	Diverse Managed Strategy
Community Investing				
Community Development		X	Provide capital to underserved communities	



Impact Focus: Environmental / Climate Themes

- **Public:** Active engagement on long-term sustainable environmental and climate change factors
- **Private:** Seeks sustainable solutions for a low-carbon, prosperous, equitable, healthy, and safe society

	Fossil Fuel Free Mandate	NEPC ESG Rating	Thematic/ Impact	Themes	Diversity Characteristics
Equity Managers					
Ownership Capital	X	1	X	Active engagement on long-term sustainable environmental and social impact factors across portfolio holdings	
Boston Common	X	1	X	Active engagement on various ESG factors across portfolio holdings	Diverse Owned, Female
Generation Global Equity	X	1	X	Active engagement across portfolio holdings on Climate Change, DEI, and Deforestation	
Private Market Managers					
Generation IM SS Fund III	X	1	X	Seeks sustainable solutions to create a low-carbon, prosperous, equitable, healthy, and safe society	
Generation IM SS Fund IV	X	1	X	See above	
SJF Ventures	X		X	Variety of themes including clean energy and climate change mitigation, asset recovery and recycling, sustainable food and agriculture, education, health and wellness, and quality job creation	
RRG Sustainable	X	1	X	Invest capital in water and agriculture investments, looking to optimize land values and develop water rights	
Carlyle Renewable & Sustainable Energy Fund II	X	1	X	Invests in renewable and sustainable energy, including energy transition opportunities (EVs, decarbonization, etc.) And sustainability (solar, wind, battery storage)	Diverse Managed Strategy



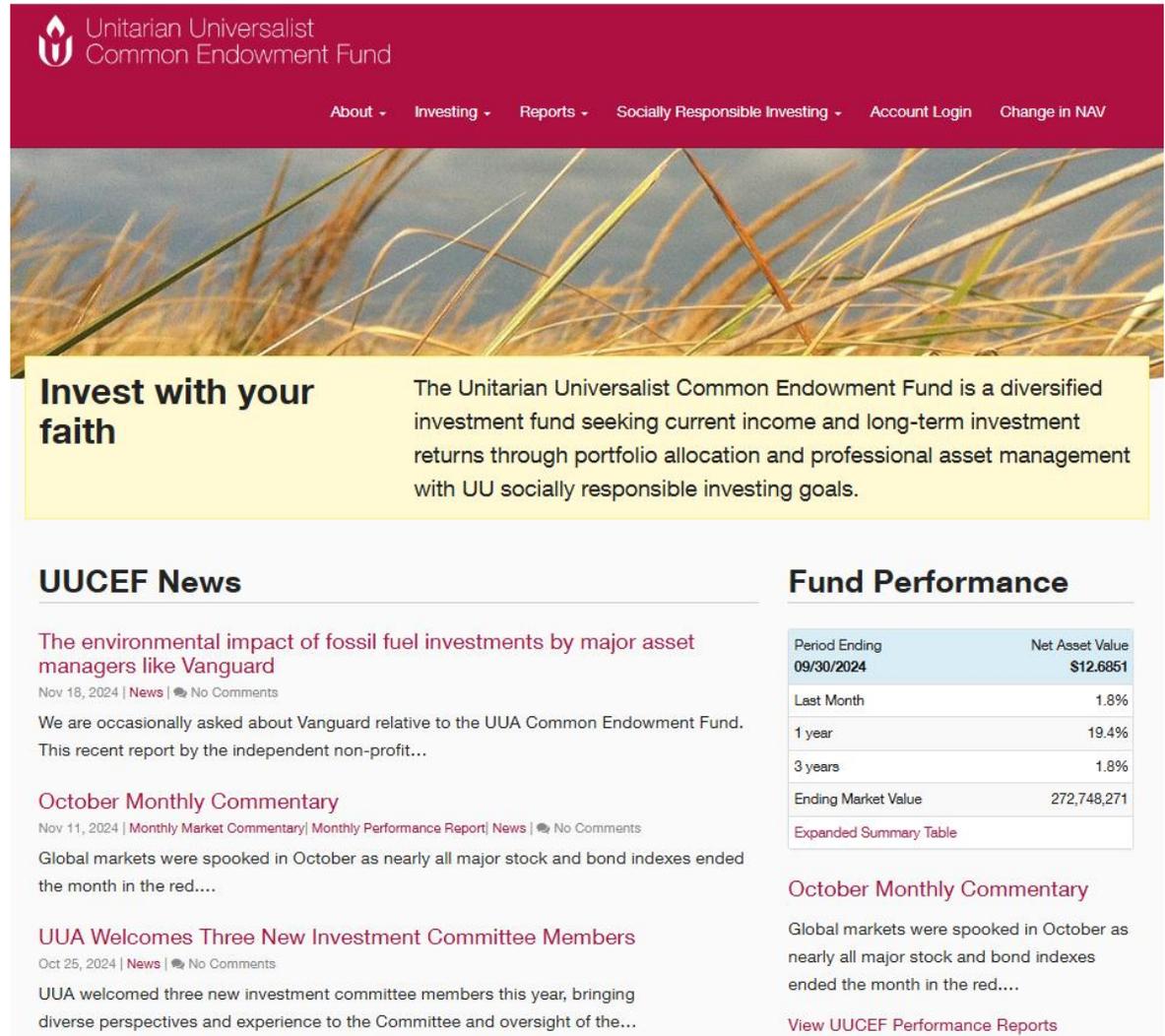
Shareholder Engagement Update

- UUA Joined the [UN Environmental Program Investor Agenda](#)
- UUA CEF Participating with CERES and ICCR on Corporate Engagement
 - Ceres is an organization focused on sustainability, engaging with companies, conducting research, and hosting convenings. They sponsor initiatives like [Climate Action 100+](#)

“Identify, engage and support 1-2 current season climate finance related company engagements via partners such as ICCR and CERES...”

Company	Issue	Partner	Status
Truist Bank	Climate Disclosure	ICCR / CERES	Response Letter
Bank of America	Transition Plan	As You Sow	Response Letter
Goldman Sachs	Transition Plan	As You Sow	Post Call Response
Regional Banks	Climate Disclosure	CERES	2025

- Visit our evolving Site!
- Performance, holdings and investment reports
- News, Q&A and updates



The screenshot shows the website for the Unitarian Universalist Common Endowment Fund. The header is dark red with the fund's logo and name. A navigation menu includes links for About, Investing, Reports, Socially Responsible Investing, Account Login, and Change in NAV. Below the header is a large image of tall grasses. A yellow callout box contains the text: "Invest with your faith. The Unitarian Universalist Common Endowment Fund is a diversified investment fund seeking current income and long-term investment returns through portfolio allocation and professional asset management with UU socially responsible investing goals." Below this are two columns: "UUCEF News" and "Fund Performance".

UUCEF News

The environmental impact of fossil fuel investments by major asset managers like Vanguard
 Nov 18, 2024 | News | No Comments
 We are occasionally asked about Vanguard relative to the UUA Common Endowment Fund. This recent report by the independent non-profit...

October Monthly Commentary
 Nov 11, 2024 | Monthly Market Commentary | Monthly Performance Report | News | No Comments
 Global markets were spooked in October as nearly all major stock and bond indexes ended the month in the red....

UUA Welcomes Three New Investment Committee Members
 Oct 25, 2024 | News | No Comments
 UUA welcomed three new investment committee members this year, bringing diverse perspectives and experience to the Committee and oversight of the...

Fund Performance

Period Ending	Net Asset Value
09/30/2024	\$12.6851
Last Month	1.8%
1 year	19.4%
3 years	1.8%
Ending Market Value	272,748,271

[Expanded Summary Table](#)

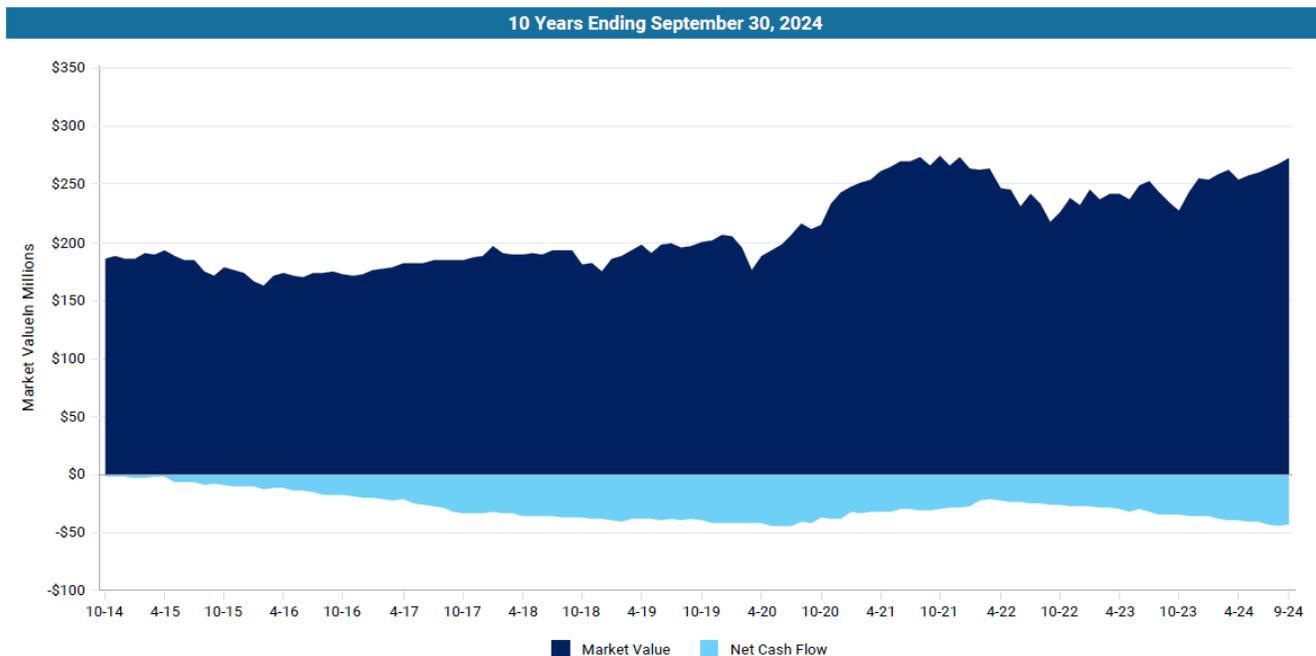
October Monthly Commentary
 Global markets were spooked in October as nearly all major stock and bond indexes ended the month in the red....
[View UUCEF Performance Reports](#)



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ADDITIONAL INFORMATION

Total fund asset growth summary



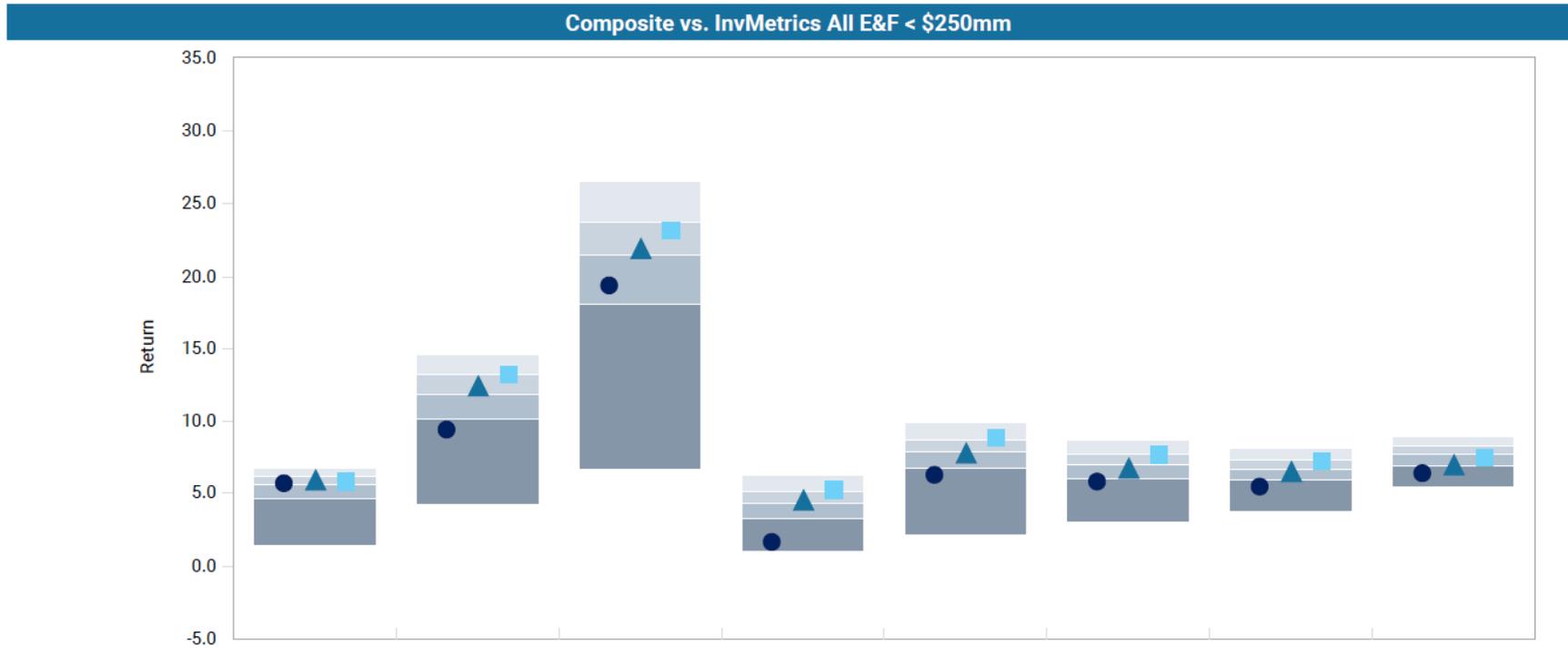
	Last Three Months	FYTD	Year To Date	1 Year	3 Years	5 Years	10 Years
Beginning Market Value	260,095,314	260,095,314	255,518,288	234,655,104	266,953,603	197,342,238	187,139,442
Net Cash Flow	-2,418,202	-2,418,202	-7,812,623	-9,385,008	-13,157,065	-4,894,520	-43,157,547
Net Investment Change	15,071,159	15,071,159	25,042,606	47,478,175	18,951,733	80,300,553	128,766,376
Ending Market Value	272,748,271						
Net Change	12,652,957	12,652,957	17,229,983	38,093,168	5,794,668	75,406,033	85,608,829

- **Successfully met spending needs while consistently growing the Endowment over the long term**
 - **\$43 million distributed** to the UUA and Congregations
 - Remarkably **generated an impressive \$85 million** net of cash flows from investment results
 - This sustained performance underscores the UUCEF's resilience and the IC's strategic approach to investment management



Total fund return vs peer universe - net

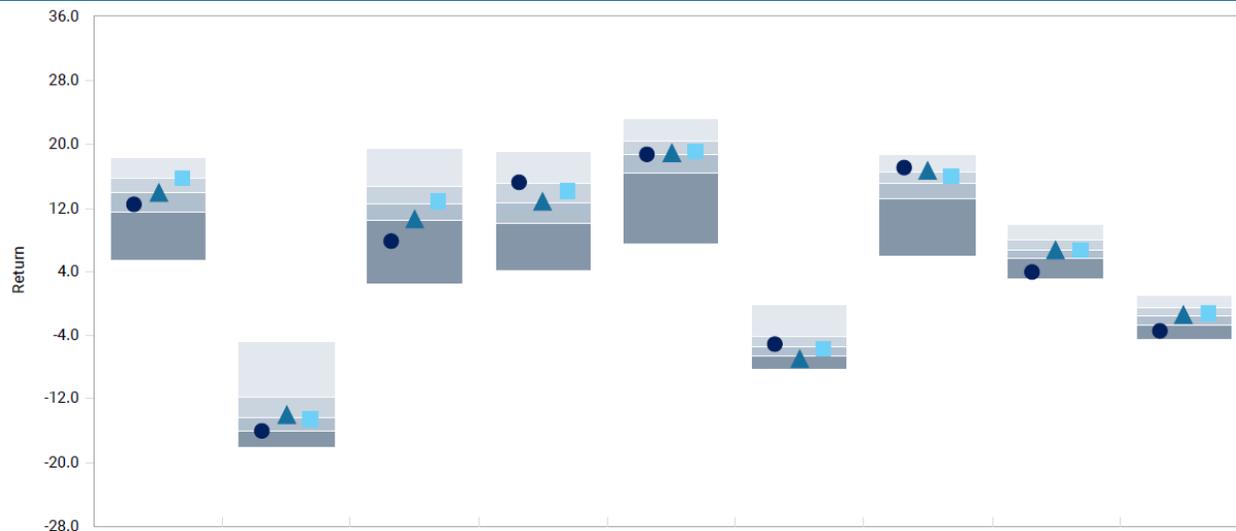
AS OF SEPTEMBER 30, 2024



	Quarter	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years
● Composite	5.8 (41)	9.5 (81)	19.4 (69)	1.8 (92)	6.4 (80)	5.9 (80)	5.5 (85)	6.4 (86)
▲ Allocation Index	6.0 (35)	12.5 (40)	21.9 (46)	4.6 (42)	7.8 (54)	6.8 (58)	6.6 (56)	7.0 (72)
■ Policy Index	5.8 (40)	13.2 (27)	23.2 (33)	5.3 (22)	8.9 (21)	7.8 (24)	7.2 (30)	7.5 (56)
5th Percentile	6.8	14.7	26.6	6.3	9.9	8.8	8.2	9.0
1st Quartile	6.2	13.3	23.8	5.2	8.7	7.7	7.4	8.3
Median	5.6	11.8	21.5	4.3	8.0	7.0	6.7	7.7
3rd Quartile	4.7	10.1	18.2	3.4	6.8	6.1	6.0	6.9
95th Percentile	1.5	4.3	6.7	1.1	2.2	3.1	3.8	5.5
Population	686	673	667	606	549	471	367	204

Total fund return vs peer universe

Composite vs. InvMetrics All E&F < \$250mm



Over the past 7 years, the portfolio's performance has fluctuated, influenced by market conditions and manager outcomes

	2023	2022	2021	2020	2019	2018	2017	2016	2015
● Composite	12.6 (66)	-16.0 (75)	7.8 (88)	15.2 (24)	18.7 (52)	-5.1 (41)	17.2 (16)	3.9 (92)	-3.4 (87)
▲ Allocation Index	13.9 (53)	-13.9 (46)	10.7 (73)	12.9 (48)	18.9 (49)	-7.0 (82)	16.8 (20)	6.8 (52)	-1.4 (48)
■ Policy Index	15.9 (25)	-14.5 (53)	12.9 (46)	14.1 (34)	19.2 (45)	-5.6 (52)	16.1 (32)	6.7 (54)	-1.3 (45)
5th Percentile	18.3	-4.8	19.5	19.2	23.1	0.0	18.7	9.9	1.1
1st Quartile	15.8	-11.8	14.8	15.0	20.4	-4.0	16.5	8.1	-0.4
Median	14.1	-14.3	12.5	12.7	18.8	-5.5	15.1	6.8	-1.5
3rd Quartile	11.5	-16.0	10.4	10.2	16.4	-6.6	13.2	5.7	-2.6
95th Percentile	5.5	-18.0	2.5	4.2	7.5	-8.3	6.0	3.1	-4.5
Population	1,179	1,319	1,461	1,722	1,493	1,338	1,326	1,261	1,189

- **2017-2018:** Demonstrated good results relative to benchmarks
- **2019-2020:** Strong absolute returns
- **2021-2023:** More challenged on both absolute and relative basis due to market dynamics (e.g., energy, private markets) and the impact of the “Magnificent 7.” Domestic Equity underperformance played a significant role.
- **2024 YTD:** Continue to face similar recent headwinds

Total fund performance detail – net (2)

AS OF SEPTEMBER 30, 2024

	Allocation			Performance (%)								
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
International Equity Composite	59,552,461	21.8	22.0	7.5	15.4	26.0	3.3	7.8	6.5	5.8	6.3	Jul-02
<i>MSCI AC World ex USA (Net)</i>				8.1	14.2	25.4	4.1	7.6	5.4	5.2	6.6	
International Equity	37,677,496	13.8	14.0	7.7	11.8	25.7	2.5	7.5	6.5	6.2	7.3	Jul-12
<i>MSCI EAFE (Net)</i>				7.3	13.0	24.8	5.5	8.2	6.0	5.7	7.4	
Massachusetts Financial Services International Concentrated Equity	21,064,691	7.7		8.2	11.9	27.3	5.2	8.9	8.2	7.8	7.7	Apr-13
<i>MSCI EAFE (Net)</i>				7.3	13.0	24.8	5.5	8.2	6.0	5.7	6.2	
Boston Common International Equity	16,612,804	6.1		7.3	11.7	23.7	-1.2	5.8	4.2	4.6	5.3	May-10
<i>MSCI EAFE (Net)</i>				7.3	13.0	24.8	5.5	8.2	6.0	5.7	6.2	
Emerging Market Equity	21,874,965	8.0	8.0	7.2	20.4	27.0	4.9	8.3	6.3	4.8	5.0	Jul-12
<i>MSCI Emerging Markets (Net)</i>				8.7	16.9	26.1	0.4	5.7	3.7	4.0	4.3	
Acadian Sustainable Emerging Markets Equity EX- Fossil Fuel Fund LLC	21,874,965	8.0		7.2	20.4	-	-	-	-	-	25.1	Dec-23
<i>MSCI Emerging Markets (Net)</i>				8.7	16.9	26.1	0.4	5.7	3.7	4.0	21.4	
Global Equity	35,350,466	13.0	12.0	9.1	15.0	30.9	9.5	-	-	-	9.7	Apr-21
<i>MSCI AC World Index (Net)</i>				6.6	18.7	31.8	8.1	12.2	10.2	9.4	8.8	
Lindsell Train Global Equity LLC	14,885,775	5.5		8.3	15.5	26.1	4.1	-	-	-	3.2	May-21
<i>MSCI World Index (Net)</i>				6.4	18.9	32.4	9.1	13.0	11.1	10.1	8.9	
Generation Global Equity Fund	20,464,691	7.5		9.6	14.6	35.0	-	-	-	-	19.2	Jun-22
<i>MSCI World Index (Net)</i>				6.4	18.9	32.4	9.1	13.0	11.1	10.1	14.9	

Total fund performance detail – net (4)

AS OF SEPTEMBER 30, 2024

	Allocation			Performance (%)								
	Market Value (\$)	% of Portfolio	Policy (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Markets	20,763,372	7.6	7.5	-0.4	0.0	-2.0	-1.1	5.3	5.8	6.4	6.6	Jun-14
<i>Private Markets Custom Benchmark</i>				1.2	4.7	5.2	6.6	15.3	14.5	11.6	11.9	
Impact Funds	17,451,906	6.4		-0.1	1.0	-2.1	-0.8	9.1	8.0	-	7.9	Jul-15
HCAP Partners IV, L.P.	1,060,281	0.4										
Generation IM Sustainable Solutions Fund III (A), L.P.	1,769,642	0.6										
SJF Ventures IV, L.P.	2,674,490	1.0										
RRG Sustainable Water Impact Fund-B, L.P.	1,607,353	0.6										
Brockton Capital Fund III, L.P.	2,615,817	1.0										
GCM Grosvenor Advance Fund, L.P.	1,963,789	0.7										
HCAP Partners V, L.P.	1,512,274	0.6										
MPowered Capital Access Fund I, L.P.	617,462	0.2										
Generation IM SS Fund IV	1,851,252	0.7										
Wellington Venture Fund I	840,732	0.3										
Carlyle Renewable and Sustainable Energy Fund II	938,814	0.3										
Non Impact Funds	3,311,466	1.2		-2.0	-5.2	-4.3	-2.1	1.7	3.4	4.8	5.1	May-14
Canvas Distressed Credit Fund, L.P.	977,004	0.4										
FEG Private Opportunities Fund, L.P.	1,087,391	0.4										
OCP Orchard Landmark	1,247,071	0.5		-3.1	-3.6	-3.6	-1.0	1.0	-	-	3.1	Nov-17
<i>JPM CEMBI Broad Index</i>				4.4	8.3	14.1	-0.4	1.7	2.6	3.5	2.6	
Community Development	6,106,123	2.2	3.0	0.5	0.5	0.5	0.8	1.0	1.1	1.1	1.5	Jul-07
<i>90 Day U.S. Treasury Bill</i>				1.4	4.0	5.5	3.5	2.3	2.2	1.6	1.2	
Cash and Other	5,452,530	2.0	1.0									
Cash Account	4,306,802	1.6										
UUA Socially Responsible Investing	1,145,728	0.4										

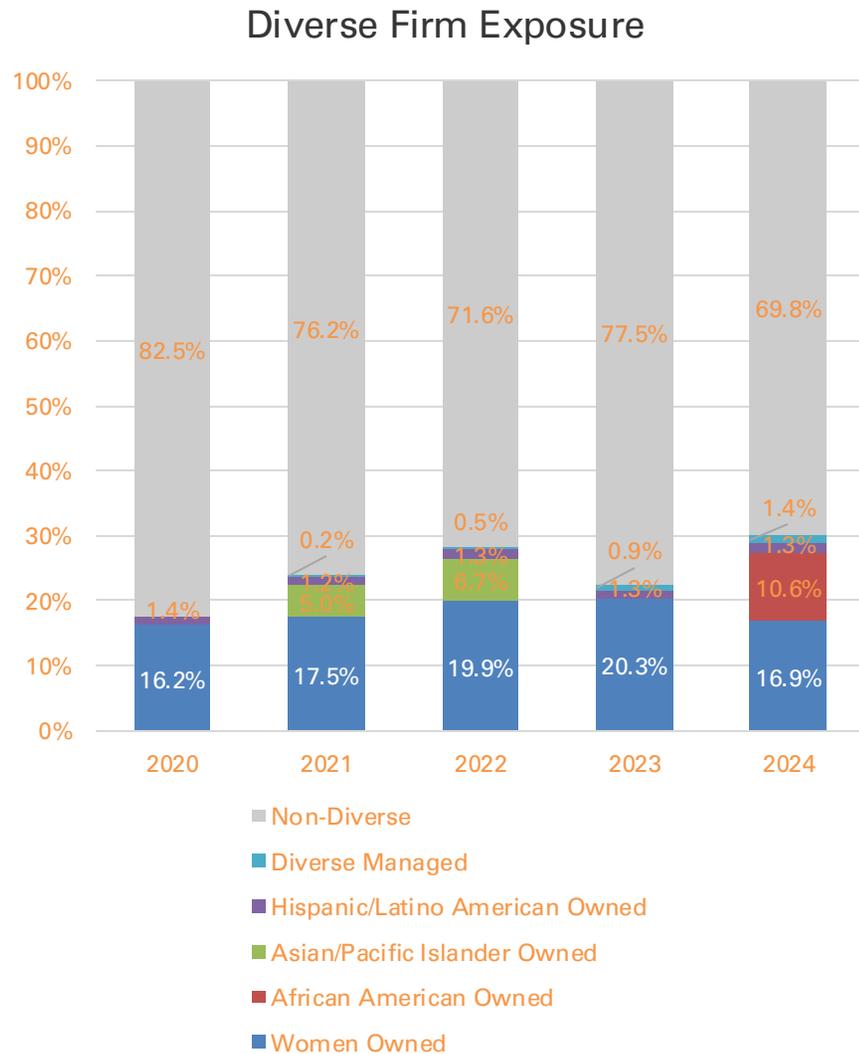
- Fiscal Year End: 6/30; Net returns for the UUCEF Composite incorporate both investment management fees and UUA administrative fees/expenses.

- As of 4/1/2022, the Policy Index is comprised of 27% Russell 1000, 6% Russell 2000, 14% MSCI EAFE, 8% MSCI Emerging Markets, 12% MSCI ACWI, 17% Bloomberg US Aggregate, 6% 90 Day T-Bills, and 10% Private Markets Custom Benchmark.

- MSCI Kousai is the MSCI World Index excluding Japan.

- WCM Investment Management returns include Kennedy Capital returns from January 2018 to February 2019

DEI dashboard & thematic Commitments



Data as of June 30, 2024

■ Diversity Prioritization:

- We review and prioritize specific diversity, equity, and inclusion identifiers
- Our goal is to increase the share of diverse managers in the Fund
- The Investment Committee (IC) aims for 20% of UUCEF assets to be managed by BIPOC firms

■ Xponance Addition:

- The change of Xponance added a new BIPOC manager to the portfolio
- Portfolio diverse ownership exposure is now at 30.2%

Equity Summary

- **Fossil Fuel-Free Mandates:**
 - The majority of equity investments adhere to Fossil Fuel-Free mandates.
- **NEPC Ratings:**
 - With recent changes, all funds are now rated in the highest categories by NEPC.
- **Active Management Focus:**
 - Active management is most pronounced in Small Companies and Global Equities.

	Fossil Fuel-Free Mandate	NEPC ESG Rating	Thematic/Impact	Themes	Diversity Characteristics
Equity Managers					
Wellington SMID		2		Active Management: Mid-Cap Value US Equity	
WCM Investment Management	X	2		Active Management: Small Cap Growth US Equity	
MFS International Concentrated		1		Fully integrated ESG - firm and strategy level	
Acadian Emerging Markets Fossil Fuel Free Equity Fund	X	1	X	Emerging Markets Fossil fuel free	
Lindsell Train Global Equity		2		Active Management: Concentrated portfolio of global equities	

Total UUCEF Holdings: **\$272,748,271**

<https://uucef.org/files/2024/10/Holdings-as-of-9-30-2024-1.pdf>

Equities held for Engagement: **\$1,145,728 (0.4% of \$272MM)**

<https://uucef.org/files/2024/10/Advocacy-Holdings-as-of-9-30-2024.pdf>

Private Markets & Fixed Income Summary

- **Private Equity Investing:** The UUCEF has recently started private equity investing, which takes years to see benefits.
- **Thematic Focus:** The UUCEF’s private markets investments emphasize themes rather than risky venture capital.
- **Historical Context:** Other endowments have long had larger allocations to private equity, resulting in incremental returns and stability over the last three years.
- **Fixed Income Managers:** Fixed Income Managers exhibit a range of impacts, from neutral to heavy. Stone Castle FICA for Impact is particularly influential.
- **Community Development:** Community Development fully expresses our values.

	Fossil Fuel Free Mandate	NEPC ESG Rating	Thematic/ Impact	Themes	Diversity Characteristics
Private Market Managers					
HCAP Partners IV LP		1	X	Gainful Jobs & Underrepresented Communities	Diverse Owned, Hispanic & Other
HCAP Partner V LP		1	X	Gainful Jobs & Underrepresented Communities	Diverse Owned, Hispanic & Other
Canvas Distressed Credit Fund					Diverse Owned, Hispanic/Latino
FEG Private Opportunities Fund					
OCP Orchard Landmark		1		Fully integrated ESG - firm and strategy level	
Grosvenor Advance Fund I & II		1	X	Diverse-Owned Multi-Manager	Diverse Managed Strategy
MPowered Capital Access Fund I, L.P.			X	DEI - Access to Capital	Diverse Owned, Female
Wellington Venture Investments I, L.P.			X	DEI - Access to Capital	Diverse Managed Strategy
Carlyle Renewable & Sustainable Energy II		1	X	Energy Transition and Renewable Energy Sources	Diverse Managed Strategy
Fixed Income Managers					
Stone Castle FICA for Impact			X	Community banking	
SSGA U.S. TIPS Indx NL CTF		3		US Treasury Bonds - TIPS	
SSGA U.S. Treasury Index NL CTP		3		US Treasury Bonds	
Brandywine Global Opportunistic		1	X	Fully integrated ESG - firm and strategy level	
Loomis Multi Sector		2	X	ESG is a material factor in the investment process	
Community Development					
Community Development			X	Provide capital to underserved communities	

Asset Allocation Targets (effective 11-2024)

Asset allocation targets and ranges:

Asset Class	Interim Target Commitment %	Long Term Targets	Range %
<i>Public Equity</i>	67%	67%	40 - 80%
<i>Domestic Equity</i>	33%	33%	23 - 43%
Large Cap	27%	27%	
Small/Mid Cap	6%	6%	
<i>International Equity</i>	22%	22%	12 - 32%
International Dev.	14%	14%	
Emerging Market	8%	8%	
<i>Global Equity</i>	12%	12%	6 - 18%
<i>Fixed Income</i>	23%	17%	10 - 30%



Fund Oversight

- **UUA Board of Trustees** – ultimate fiduciaries
- **Investment Committee** – includes investment professionals
- **UUA Treasurer** – management, rebalancing
- **Investment consultant** – NEPC
- **Specialized investment managers**
- **Custodian** – US Bank
- **Reporting** – HWA International
- **Auditors** – CBIZ Tofias/Mayer, Hoffman, McCann



Glossary

Allocation Index: The average benchmark return for all of the asset classes in the portfolio weighted according to the actual weights of the assets in the portfolio at a given time. This measures the effect of actual allocation decisions.

= ACTUAL ASSET WEIGHTS X INDEX RETURNS

Benchmark: For each asset class, the appropriate index return against which a particular strategy can be evaluated. For example, a benchmark for large US companies is the S&P 500.

Composite Return: The total, blended return for the portfolio. Measures actual performance.

= ACTUAL ASSET WEIGHTS X ACTUAL RETURNS

ESG – Environmental, Social, Governance:

Incorporating ESG factors into the investment process takes investors beyond purely financial analysis and provides added insight into the quality of a company's management, culture, risk profile and other characteristics. For further details, you can review ESG definitions here:

<http://www.investopedia.com/terms/e/environmental-social-and-governance-esg-criteria.asp>

Policy Index: The average of the benchmark returns for all of the asset classes in the portfolio weighted according to the target weights of the assets in the portfolio at a given time. Measures policy allocation decisions.

= TARGET ASSET WEIGHTS X INDEX RETURNS

SRI – Socially Responsible Investing: Socially responsible investing, or SRI, is ensuring that our investments are aligned with our values. For more information on the UUA's approach to SRI, see: <http://uucef.org/socially-responsible-investing/about-sri/>.

UN PRI – United Nation Principles for Responsible Investment: The PRI is the world's leading proponent of responsible investment. It supports its international network of investor signatories, now with \$59 trillion in assets, in incorporating ESG factors into their investment and ownership decisions. For more information see: <https://www.unpri.org/about>



NEPC ESG Rating Scale

Rating	Explanation
1	The firm and strategy fully integrate ESG into their processes, going above and beyond their peers. They have fully integrated ESG into their processes, both at a firm and strategy level, and have likely been doing so for an extended period of time. They have shown true commitment to ESG through their investment actions, and view ESG as part of a holistic investment process, even where a short term benefit is not available.
2	ESG has been identified as a material factor in the investment decision-making process and the firm has likely developed policies and procedures to foster ESG is integrated into its investment strategies. ESG may not be fully integrated across all strategies but the firm has established robust policies to ensure adoption over time. The strategy has likely demonstrated a detailed approach to incorporating ESG into its process supported by thorough internal analysis and/or external data.
3	The firm and/or strategy have made solid efforts to incorporate ESG and/or explicitly accepting the materiality of ESG factors. They have likely made numerous commitments to understanding ESG and formalizing its integration practices; however, they may not be fully integrated across both the firm and the strategy or are early on in its adoption. Further, they may have focused on efforts that have more immediate short-term benefits, such as meeting client demand, over the long-term role of ESG integration.
4	The firm and/or strategy have begun to make efforts to incorporate ESG. They have likely made some investments in ESG in areas that sounds impressive on the surface, but may not ultimately entail very much effort, such as signing the UN PRI, purchasing data from a third party provider, appointing ESG personnel, or creating blanket policies. The efforts may represent a true commitment, but likely have not existed long enough to truly determine the intent of the firm and strategy.
5	The firm and strategy have made no effort to incorporate ESG. Any point gained here is incidental, and should not be seen as a true effort to implement ESG.



Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
- This report is provided as a management aid for the client's internal use only. Information contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



Contact Information

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