

The Trustees for the Episcopal Diocese of Western Massachusetts

Resolution

One of the Five Marks of Mission developed by the Anglican Consultative Council is

“..to strive to safeguard the integrity of creation and sustain and renew the life of earth.”

Scripture tells us that all the world is God’s precious creation, and our place within it is to respect and care for its health. We therefore have a spiritual and moral obligation not to profit from damage inflicted on God’s creation by the production and use of fuels that hurt the environment, and a corresponding obligation to seek out and invest in ways to promote its healing and health.

The following resolution is a first step in developing an investment strategy that reduces our investment in companies that produce fossil fuels and redirects those funds into companies that emphasize the development of energy from renewable resources.

WHEREAS

The Trustees for the Episcopal Diocese of Western Massachusetts is a corporation organized in 1902 to receive, manage and dispose of monies, funds and real estate not only of the Diocese but also for those parishes that have entrusted funds to the care of the Trustees.

WHEREAS

The Trustees’ Investment Policy dated February 2012 states “The assets of the Fund are to be invested in a manner that provides the safeguard and diversity that a prudent investor would adhere to. The general instruction is that the investment manager(s) shall exercise such judgment as persons of prudence, discretion, and intelligence exercise in the management of their property and affairs, not in regard to speculation, but in regard to the management of their capital for long-term investment purposes, giving consideration both to the protection of current and future income and the need to preserve the purchasing power of the principal and income therein.” [language based on the Prudent Man Rule, *Harvard College vs Amory*, 9 Pick 446, 461 (1830)] The Investment Policy conforms to Massachusetts General Law (MGL) governing eleemosynary organizations, specifically (MGL) Chapter 180A.

WHEREAS

MGL Chapter 180A defines “Charitable Purpose” as the relief of poverty, the advancement of education or religion, the promotion of health, the promotion of a governmental purpose or the promotion of any other purpose the achievement of which is beneficial to the community. In Section 3 of the Uniform Prudent Management of Institutional Funds, one of the seven factors to be considered is “the purposes of the institution and the endowment fund.” In Section 4 of the Uniform Prudent Management of Institutional Funds are the words “consistent with the purposes of the institution and the institutional fund.” (In July 2009, Massachusetts adopted the Uniform Prudent Management of Institutional Funds, developed by the National Conference of Commissioners on Uniform State Law and published in July 2006, as Massachusetts Law.)

WHEREAS

Since initiating its study and discussion in February 2013, followed by the first meeting of the Task Force on Climate Change and Care for God's Creation in September, the Trustees have confirmed that our responsibility as Christians and stewards of God's creation is consistent with our fiduciary duty as Trustees. We have further concluded that climate change can and ought to be addressed in ways that maintain and enhance long-term investment objectives.

RESOLVED

The Board of Managers, mindful that responding to climate change will be an ongoing process and that specific strategies will evolve over time, immediately takes the following steps to align our investments more closely with our faith and values:

- Allow the Finance Committee, with the assistance of our investment consultant, to replace the Vanguard Group Institutional Index Fund and the American EuroPacific Fund with similar funds that are fossil-fuel free.¹ This action will be accomplished before the November 12, 2014 Board of Managers Meeting.
- Amend the Investment Policy Statement to allow the Finance Committee, with the assistance of our investment consultant, to reduce fossil fuel exposure² and to invest in renewable energy projects as objectives for our portfolio going forward. The Finance Committee will report progress toward these objectives to the Trustees at least annually.
- Share our climate change research, articles and links with the Missioner of Creation Care, Episcopal Diocese of Western Massachusetts.
- Request that the Chair of the Task Force on Climate Change and Care for God's Creation make available copies of all documentation of the process and research used to arrive at this resolution and that they be retained as record of the due diligence process.

August 27, 2014

¹ Entities that own proven reserves of fossil fuels and are actively engaged in extracting them

² Entities that own proven reserves of fossil fuels and are actively engaged in extracting them