

## **Socially Responsible and Mission Investing: Edward W. Hazen Foundation**

*Downloaded in May 2019 from [Edward W. Hazen Foundation website](#).*

While the primary tool for achieving the Foundation's mission is and will continue to be grants, since 2004, Hazen has sought to align its investment activities with its mission and goals. Steps to do so have included:

- Identifying conflicts between the Foundation's mission and investments,
- Hiring a manager that adheres to socially responsible investment practices to manage core equity and fixed income investments,
- Developing and adopting an investment policy statement that articulates social screening and shareholder engagement principles,
- Identifying and retaining an investment consultant with particular expertise in socially screened portfolios,
- Aligning the entire portfolio of investments with the principles and guidelines delineated in the Investment Policy Statement by screening all investments in all classes and sectors,
- Utilizing a Community Development Financial Institution for the Foundation's banking and cash management,
- Joining in shareholder engagement campaigns that correspond with the Foundation's principles of engagement.

By taking these actions, the Foundation seeks to insure that our investment practices do not undermine our values and goals and can contribute to achieving our vision of a just society. However, believing that there may be opportunities to invest in projects and activities that will have a direct, beneficial impact on our mission, Hazen has decided to take a more proactive approach to mission related investing.

Potential investments will be screened for their ability to address larger policy or practical outcomes for communities and youth of color as well as direct benefit to the health and sustainability of Hazen grantee organizations and organizations that meet the Foundation's criteria for support. Hazen will consider the following criteria in determining whether to make a direct impact mission investment:

1. Directly contributes to the financial and organizational sustainability of grantee organizations and/or other organizations not receiving grants but meeting Hazen's criteria for support
2. Has the potential for impact on the communities in which our grantees and their constituencies reside, go to school, and live, or in communities with similar demographics
3. Contributes to the economic empowerment of communities of color
4. Contributes to providing products or services that have a positive impact on communities of color

5. Contributes to improving educational outcomes for young people of color
6. Has the potential to drive structural change that will increase racial equity and justice

The investment can have a below market rate return or be a market rate return. In either case the investment will be evaluated for both its risk adjusted return potential as well as its potential impact. We will consider investments in the following asset classes:

1. Credit Guarantees
2. Promissory Notes (both unsecured and secured)
3. Deposits
4. Community Investment intermediaries
5. Private Equity Funds
6. Real Estate Investments
7. Public Equity
8. Public Debt