

Investment Beliefs



As a fiduciary, Wespath Benefits and Investments assists The United Methodist Church (UMC) benefit plan sponsors, plan participants, and affiliated institutional investors in achieving their investment objectives through products and services aligned with the principles of the UMC. Our investment approach is grounded on a core set of the following ten Investment Beliefs.

Investor Focus

- Investment decisions and activities must support the financial well-being of our participants and the missions of our institutional investors.
- We safeguard the assets under our care to provide financial stability and security to our investors. We do so in a transparent manner.

Low-Carbon Transition

- A global transition to a low-carbon economy is underway driven by the world's assessment of environmental risks. We believe public policies, emerging technologies and physical impacts associated with concerns about climate change are creating winners and losers across companies, industries and countries, impacting investment returns. As prudent fiduciaries, we must assess these global risks and opportunities in the management of our funds.

Optimistic Worldview

- Economic integration across the globe will continue to increase and, for the foreseeable future, the world will experience modest sustainable growth led by the emerging economies of Asia, Latin America, Africa and Eastern Europe.

Sustainability

- Our sustainable investment approach honors the values, mission and traditions of the UMC.
- The intentional integration of environmental, social and governance (ESG) factors in the selection and management of investments positively affects long-term performance. Engagement with corporations is a powerful process.

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Long-Term Perspective

- Financial market returns tend to revert to long-term averages; thus, our dedicated focus on long-term risk-adjusted performance will benefit our investors.
- A long-term focus best aligns investment returns and risks with investor needs, and supports the management of plan liabilities.
- We have an obligation to cooperate with other like-minded investors to mitigate systemic financial risk.

Diversification

- Global diversification across a broad range of asset classes, investment styles and asset managers improves risk-adjusted returns to our investors.
- We provide our investors with access to a wide range of asset classes in an efficient manner.

Culture

- A culture that encourages open dialogue in an environment that embraces mutual respect leads to better investment decisions.
- We strive to reach decisions through the consideration of opinions from a team representing a diversity of backgrounds and life experiences.

Active Management


- Inefficiencies exist in financial markets; therefore, active management adds value through long-term strategic asset allocation decisions and fund construction.

Stewardship

- Closely monitoring and controlling costs and fees to our participants and institutional investors positively contributes to long-term investment returns.
- Strong processes and controls are essential to achieving desired outcomes.

Expertise

- Highly-qualified employees and external asset managers/vendors are required to achieve strong risk-adjusted fund performance.
- Employee-owned, or closely held, firms provide attractive opportunities to invest, as their interests are more aligned with the interests of our investors.
- A rigorous due diligence process ensures that we select external asset managers that align with our beliefs and interests.



“To care for those who serve by providing investment and benefit services that honor the mission and principles of The United Methodist Church.”

—WESPATH BENEFITS AND INVESTMENTS’ MISSION