

# FFV Scorecard®

## FFV Scorecard® Defined

A defined methodology that works similar to a quantitative fundamental stock model for investment portfolios is The Faith and Family Values Scorecard® also known as The FFV Scorecard®. It was created to introduce an industry standard for comparative purposes within the Socially Responsible, Biblically Responsible, and Faith-based investment category so that investment results would be purposeful and repeatable. Trinity Fiduciary is the creator and sponsor of the FFV Scorecard® and serves as the advisor to the Epiphany FFV® Mutual Funds.

## Practical Application and Uses

The FFV Scorecard® is used as the primary source of qualitative investment consideration by Epiphany FFV® Mutual Fund Portfolio Managers in conjunction with their quantitative research to allow them to better identify higher quality, morally responsible companies.

Consultants, institutional clients, non-profit groups, religious organizations, as well as wealthy individual clients use the scorecard to screen their investment portfolios.



## Building Blocks

The FFV Scorecard® is built on four basic pillars for moral and ethical standards:

- Life and Family Exclusions
- Human Rights /Economic Justice
- Environmental Care
- Corporate Governance

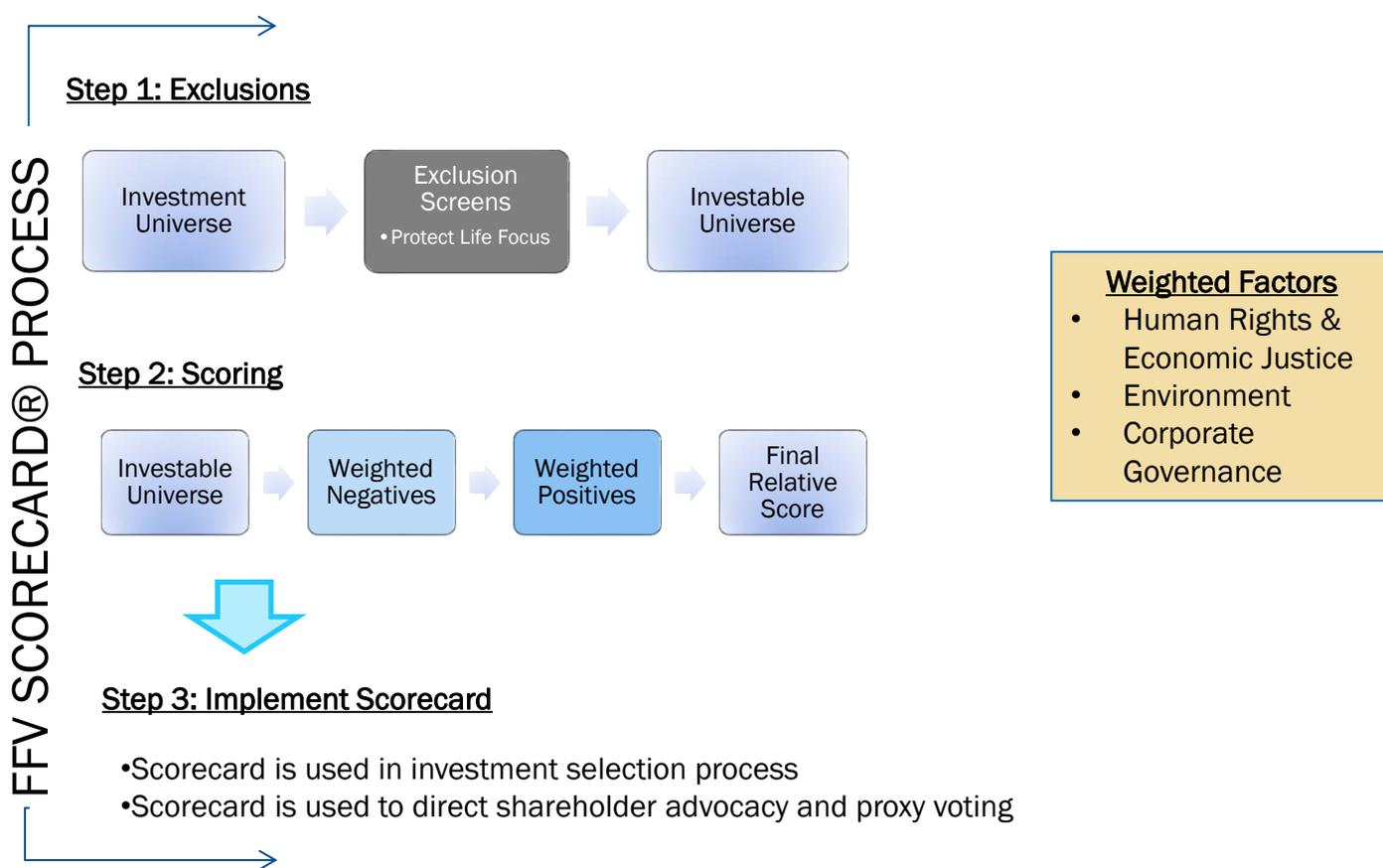
These standards are used to first exclude from the list of companies for investment that violate fundamental standards. From there, companies are given a score based on their reported activities and policies. Examples of companies that currently score well on the FFV Scorecard and may be available for investment include:



# FFV Scorecard® Screening

## Scoring the Investment Universe

The FFV Scorecard® is currently used to screen a universe of approximately 10,000 companies listed on various public stock exchanges. The list can be segregated into the Russell 3000 or S&P 500. Once the appropriate universe of stocks is chosen, companies that fail the exclusions test are eliminated. The remaining companies are scored and those receiving low scores are disregarded. The remaining list consists of companies that receive high scores without exclusions representing companies with high ethical and moral standards. The screening does not score the company's fundamentals, that analysis should be performed by the portfolio manager.



## Data Sources

Data from many different sources is aggregated into the scorecard. Data is collected internally, through public websites and other sources. Our clients also benefit from our data subscriptions which include Morningstar Office, IW Financial and others. Our growth plan is increase data sources and capabilities to meet our clients' needs. The goal is aggregated the data from many sources that can serve our clients in a streamlined format.

# Proxy Voting With Purpose

## Proxy Voting of Client Holdings

Today shareholders may find that reviewing the publicly filed annual reports and proxy statements may be cumbersome, overwhelming and very often confusing. Trinity Fiduciary provides a service to clients that allows clients the peace of mind that the companies in which they are invest are being held accountable . Each proxy statement received on behalf of the clients is reviewed and is voted in accordance with the values outlines in the Faith and Family Scorecard.

### Pooling Principle

One of the more important aspects of the proxy voting services is that it allows Trinity Fiduciary to vote the shares it represents as a block - giving each vote more impact. It allows Trinity Fiduciary to have more meaningful discussions with company management teams regarding their management practices and company policies.



## Shareholder Advocacy

Trinity Fiduciary attempts to use its voting positions to make changes where appropriate to ensure that the investments of Trinity clients continue to provide shareholder returns without failing the FFV Scorecard. Trinity uses its multiple proxies to engage in discussions with company management to try and effect changes in the corporate culture. When discussions with managements fail, Trinity will make appropriate shareholder resolutions and will seek to garner support through other shareholders and attend the annual shareholder meetings. Areas of shareholder advocacy include separation of Chairman and CEO positions, required annual reporting of all charitable donations, and environmental protection.

### Shareholder Advocacy, Proxy Voting, and the FFV Scorecard

The FFV Scorecard's guiding principles are used in determining how to vote a proxy statement. Some specific areas of focus from the 2014 Proxy Voting season include:

- Corporate Governance - Ensuring that the Board consists of a majority of impartial, qualified candidates that provide relevant experience, knowledge, and current perspectives.
- Fair Employee Practices - Careful evaluation of executive compensation practices to ensure that advisory votes are cast to promote fair compensation practices that do not result in excessive cash or stock payments to executive officers and board members.
- Political action reporting - A significant number of shareholders proposals included in the 2014 Proxy statements requesting annual reporting of all political contributions and full disclosure of all lobbying activities. Joining forces with the shareholders that have properly and legally made the proposal may potentially result in greater awareness of a companies moral and ethical tendencies.