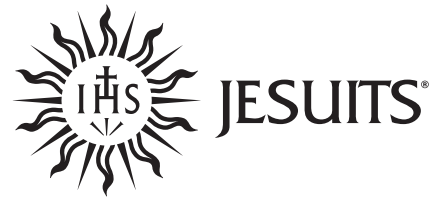


# National Jesuit Committee on Investment Responsibility

2010 Annual Report



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## NJCIR Mission

The National Jesuit Committee on Investment Responsibility advocates for corporate behavior consistent with Catholic social teaching, through dialogues with corporations, shareholder resolutions and proxy voting.



### Chairperson's Message

Greetings,

The National Jesuit Committee on Investment Responsibility is grateful for the collaboration and accomplishments that have graced our shareholder engagement efforts this past year. Our work in cultivating what Pope Benedict identifies as the "need for greater social responsibility on the part of business" (*Caritas in Veritate*, n 40, 2009) is a partnership between Jesuit provinces and institutions. It is also a broader conversation between and among people of diverse faith commitments and business leaders who have overlapping hopes and concerns for the human condition. The worldwide Society of Jesus has a unique and important voice with which to contribute to this conversation and NJCIR is privileged to be of service in this regard.

A significant achievement this year has been the progress in our human rights engagement with Chevron, one of the world's largest corporations. Six years of NJCIR collaborative research, preparation, coalition-building, dialogues and resolutions has culminated in the Company adopting a human rights policy that will apply to all its employees, contractors, and vendors.

Our engagement with OM Group has also borne fruit this year as the Company has announced its intent to develop a human rights policy related to the cobalt smelter it operates in the Democratic Republic of Congo (DRC). This is welcome news to our Jesuit partners there (CEPAS), who have been in regular communication with us regarding the safety risks associated with small scale miners around the Company's operations.

As our engagements illustrate, the best measure of NJCIR's effectiveness is a demonstrable shift in the way a company conceives of and structures itself as a force for good in the communities where it operates. Good business practices such as a comprehensive commitment to respecting and supporting human rights and ensuring sustainable water use serve to create a more just, peaceful and sustainable world. Although NJCIR will not likely file a shareholder resolution in the coming year, our work with our corporate engagements remain as important as ever.

On behalf of NJCIR, we express our gratitude to the Provincials who guide this work, to the Jesuits and lay partners who have participated in and helped us prepare for dialogues, to our invaluable consultant Anna Bradley, and to the many institutions who collaborate with us.

I invite you to join NJCIR in the ongoing conversation about what the human community most needs and deeply values through shareholder engagement. Our efforts are made much stronger by your participation (GC 35, D 6, n 29).

In gratitude and peace,



Mark Potter, Chairperson

July 31, 2010

Feast of St. Ignatius of Loyola

## Invitation to Participate

Jesuit connections make our work more fruitful (GC 35, D 6, n 29). Jesuit-sponsored institutions and colleagues can advocate for and influence corporate behavior for the common good in many ways. Below are some possibilities for collaboration.

- **Contact your Jesuit Provincial Representative.** Your provincial representative can offer you more information on how to collaborate with NJCIR or to learn more about what is happening locally with Jesuit shareholder advocacy and for guidance on how to vote your proxies consistent with our priorities. Contact information is on page 15.
- **Establish an advocacy portfolio that mirrors NJCIR's.** This is the most practical and easiest way for parishes, universities, high schools, retreat centers and other Jesuit-affiliated institutions to express their Jesuit mission through shareholder advocacy. At any given time, no more than five stocks would be held in your advocacy portfolio. Establishing a separate advocacy portfolio has emerged as a best practice for Jesuit treasurers and business managers of Jesuit institutions. Contact your provincial representative for more information about this opportunity.
- **Influence your mutual fund.** Encourage your mutual fund manager to vote your proxies according to guidelines established by the **Interfaith Center on Corporate Responsibility (ICCR)**, an organization of 275 faith-based investors that works to build a more just and sustainable world by integrating faith-based values into shareholder advocacy. Mutual funds and other registered investment companies are required to make their proxy voting records available. See page 11 for more information on how to engage your fund managers, or contact your NJCIR representative.
- **Vote your proxies.** Strong votes for shareholder resolutions are often the catalyst for dialogue and change in corporate policies and practices. Annually, ICCR publishes helpful resources: *Proxy Voting Guide* gives an overview of socially responsible resolutions and guide to voting proxies, and the *Proxy Resolutions Book* contains the texts of shareholder proposals.
- **Co-file on a shareholder resolution led by NJCIR.** A large number of co-filers demonstrate broad support for change in corporate policy. Co-filers are consulted and included regarding corporate dialogues and strategies to engage the company. While NJCIR does not anticipate filing a resolution for the coming year, your provincial representative can assist you with this straightforward process as necessary.
- **Stay informed.** Visit [www.njcir.org](http://www.njcir.org) to keep up to date on Jesuit advocacy priorities and learn more about the history of the Jesuits' commitment to socially responsible investing and current news items. The Jesuit Conference is a member of ICCR, [www.iccr.org](http://www.iccr.org), and recommends their website as another excellent source of information.
- **Pray.** Your prayers for NJCIR and for all those with whom we dialogue help to ensure that NJCIR engagements advance the service of faith and the promotion of justice.

NJCIR promotes social change in corporate practices through shareholder engagement. In light of Jesuit apostolic preferences, the NJCIR identifies social and economic justice priorities and collaborates with other religious institutional investors to advocate for corporate social responsibility. We strive to support internationally recognized norms for community and economic sustainability, environmental justice and human rights. We present the fiduciary case that Catholic social teaching principles (such as respect for human life, environmental stewardship, sustainable development, rights of workers and communities) best serve the interest of all stakeholders and therefore preserve shareholder value. NJCIR respectfully engages selected companies on issues in which we have proficiency, interest and capacity.

**“The University of Detroit Mercy is proud to support NJCIR’s mission to advocate for corporate behavior which is consistent with the vision of both of our founding sponsors, the Society of Jesus and the Religious Sisters of Mercy.”**

*Vincent Abatemarco, Vice President  
for Business and Financial Affairs,  
University of Detroit Mercy*

Faith-informed socially responsible investment (SRI) is a work of structural justice.<sup>1</sup> The NJCIR seeks to increase the participation, prayerful solidarity and awareness of SRI at Jesuit-sponsored institutions and among our friends and public. As active shareholders, the NJCIR expresses to corporations the concern and experiences of Jesuits and religious communities who witness the social impacts of multinational corporations both here and abroad.

<sup>1</sup> General Congregation 35, D 3, n 28

### Engage Rather Than Divest

The tragic mine disaster in West Virginia and the oil spill in the Gulf have caused some investors to divest their holdings in companies with unsafe or unsound business practices. Decades ago, divestment was used to help dismantle apartheid in South Africa. However, many socially conscious investors, including NJCIR, now favor engagement as a more effective means of changing corporate behavior for the following reasons:

- Acknowledges a shared responsibility for ongoing, structural justice;
- Integrates faith commitments and business strategy to solve real world problems;
- Creates personal relationships that provide a new context within which to consider the corporation’s role in the common good;
- Provides a place at the table for the vulnerable and marginalized who would not otherwise have access to corporate decision makers;
- *Engagement works!*

## A Jesuit Reflects



Nicholas Santos, SJ

### Shareholder Engagement: A Change in Mindset

By Nicholas Santos, SJ, Visiting Scholar, Markkula Center for Applied Ethics, Santa Clara University

I have often found it ironic that, on one hand, Jesuits and Jesuit institutions are easily prone to criticize business corporations for their relentless pursuit of profit and on the other, delight in the higher returns on the investments that that same “relentless pursuit of profit” creates. In my opinion, the work of NJCIR helps bridge such a dichotomy by urging us to change our own mindset with regard to investing. From viewing our investments as mainly aimed at maximizing financial returns, we are invited to a perspective that considers these to be an investment in fostering corporate behavior that has a positive impact on society and the environment. This, of course, entails that we move from being passive investors to being those who actively engage the company on various issues. Such an approach undoubtedly is a painstaking one, as those involved with shareholder advocacy will likely attest to. However, it is one that has the greatest potential of bearing long-term fruit in terms of responsible business conduct.

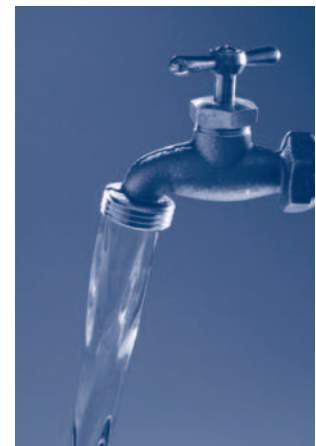
*Fr. Santos, SJ, participated in the November 2009 dialogue with Chevron as shareholder proponents advocated for the adoption and implementation of a comprehensive human rights policy. Chevron announced its policy a few weeks later.*

## Our Engagements

### Bunge Limited (NYSE: BG) Dialogue on Water Sustainability

The New Orleans Province has taken the lead for NJCIR on Water Sustainability, the NJCIR’s newest focus area, by engaging Bunge Limited, the third largest agribusiness company headquartered in the United States. Agriculture is one of the most water-intensive industries, accounting for approximately 70% of water use globally.

As the world becomes increasingly water constrained, lack of access to clean water causes many problems, from armed conflicts over access to water that affect almost 3 billion people to 1.8 million child deaths annually as a result of diarrhea. In many parts of the world where water is scarce, water allocated to multinational corporations threatens an adequate supply for individual and domestic uses especially in areas of subsistence farming.



Bunge's potential for leadership in its industry and commitment to stakeholder engagement in Brazil, where it has substantial operations, were among the reasons NJCIR selected to engage this company. Additionally, the Company was being cited for its poor environmental performance. In 2009, *Newsweek* ranked Bunge 493 out of 500 companies for green performance. Similarly, the 2010 Ceres report, ***Murky Waters? Corporate Reporting on Water Risk: A Benchmarking Study of 100 Companies*** ranked Bunge at the bottom of global food companies with a score of 9 out of 100 although the entire segment scored poorly.

According to Mary Baudouin, New Orleans Provincial Assistant for Social Ministries and NJCIR representative, "The objective of the engagement is for the Company to improve its water use, set meaningful goals for increasing water efficiency throughout its operations, and provide more systematic disclosure of water risks in its direct operations and supply chain." The engagement is off to a promising start with dialogues at the Company's White Plains, NY headquarters in October 2009 and April 2010. Additionally, three NJCIR representatives attended the annual meeting in May where they had meaningful conversations with board members and corporate executives.

Water sustainability is also a major focus for ICCR members. Joining NJCIR in this engagement are the Maryknoll Sisters; Northwest Women Religious Investment Trust; Sisters of the Holy Names of Jesus and Mary, US Ontario Province; Sisters of Mary of Oregon; Socially Responsible Investment Coalition; Calvert Investments; and Ceres (a national coalition of investors, environmental groups and other public interest organizations working with companies to address sustainability challenges).

"Investors ask for greater disclosure on how our Company is managing the many water risks associated with its global business and its impacts on the local communities where it operates. This data should drive improved water stewardship with clear goals to decrease unfavorable water impacts and mitigate challenges to shareholder value.

The Securities and Exchange Commission's interpretive guidance in January stated that "Changes in the availability or quality of water...can have material effects on companies" which need to be disclosed. For example, there are physical and reputation risks associated with agricultural runoff and wastewater from food processing facilities that may have negative impacts on local water sources and ecosystems. Additionally, there are regulatory risks of price increases associated with increased demand and competition for freshwater resources and risks of more stringent requirements for wastewater quality imposed on food processing facilities.

We also ask that our Company join PepsiCo and Intel to affirm the Human Right to Water. This is a commitment to ensuring sustainable access to water resources that "entitle everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses." The World Health Organization estimates that 2.6 billion people lack this. In this context, Pope Benedict XVI reminds us that "the right to food, like the right to water, has an important place within the pursuit of other rights, beginning with the fundamental right to life" (*Caritas in Veritate*, no. 27, 2009)."

*Mark Hallinan, SJ, NJCIR Representative  
for New York and Maryland Provinces,  
speaking at the 2010 Bunge Annual Meeting,  
May 21, 2010*

## Chevron Corporation (NYSE: CVX) Dialogue on Implementing and Monitoring Human Rights Policy

With Chevron's announcement in late December 2009 that it had adopted a human rights policy, 42 filers led by the Wisconsin Province withdrew the resolution that had been on the proxy for the last four years. The human rights policy provides clearer guidance and accountability for employees, security providers, community engagement personnel and suppliers, and will be phased in over a four-year period with full implementation intended by 2013.

This policy comes after six years of dialogue with the country's second largest energy and oil company. In recent years, NJCIR sought to gain more leverage in the dialogue with Chevron by increasing the number of co-filers on the human rights resolution. As a result, by 2009, the Jesuit-led human rights resolution had become the largest engagement among ICCR's membership. The 2009 resolution received over 357 million shares voted in favor of establishing a human rights policy which represented almost 30% of the shares voted.

Reflecting on the long history of this dialogue, Wisconsin Province NJCIR representative John Sealey counted "over 140 co-filers over six years, ten dialogues, five resolutions, and two challenges at the SEC to exclude the resolution, to get to one policy. Our colleagues at ICCR and among Jesuit secondary and higher education are to be commended for their steadfastness to this dialogue. It is noteworthy that John Watson begins his term as Chairman and CEO with this strengthened commitment to human rights."

"Chevron's new human rights policy is a good beginning, yet much work still remains," commented John Kleiderer, Acting Secretary for Social and International Ministries of the Jesuit Conference. "With the proper follow through, Chevron has an opportunity to be an industry leader in human rights – not only in words, but in practice." Shareholder advocates have consistently noted that this leadership will be rewarded by improved relationships with host communities and the importance of avoiding of human rights incidents.

The tragic killing of two contractors in Nigeria in January heightens the importance of avoiding human rights incidents and working to improve relationships with host communities. Our colleagues at the Center for Social and Corporate Responsibility in the Niger Delta alerted NJCIR to unresolved community grievances related to this tragic incident at the Escravos facility. NJCIR met with Company officials regarding improvements the Company will make in training security, employees and contract workers as well as allowing greater access to information to local community groups.

**"Chevron recognizes that companies have a responsibility to respect human rights and can play a positive role in the communities where they operate. To reinforce Chevron's commitment to respecting human rights, we adopted a comprehensive policy in 2009 that enhances our awareness and capabilities to manage human rights issues. Our engagement with the Jesuits and the Interfaith Center on Corporate Responsibility provided us with valuable insight to help us address emerging human rights issues relevant to our business."**

*Rhonda Zygocki, Vice President  
Policy, Government and Public Affairs  
Chevron Corporation*

The Company has committed to remaining in dialogue with shareholders as the policy is being implemented throughout the 100+ countries where it operates. This allows investors to advocate for greater transparency and independent verification of human rights performance.

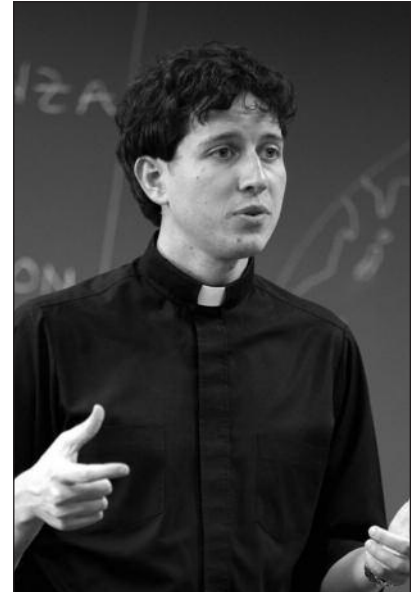
## Monsanto Company (NYSE: MON)

### Dialogue on Implementing and Monitoring Human Rights Policy

For the last five years, the Jesuits of the Missouri Province have led the shareholder dialogue with Monsanto to adopt and implement the Company's Human Rights Policy which has focused on eradicating child labor in India. At the Company's Annual Meeting on January 26, 2010, Michael Rozier, SJ, an instructor in the School of Public Health at St. Louis University, presented the following issues of concern to the Company on behalf of faith-based investors:

- the Company's water use;
- commitment to sustainability;
- tensions between biotech and traditional agriculture;
- human rights risks within global operations.

During the May 7 dialogue in St. Louis, Sean Agniel, then Missouri Province Assistant for Social Ministries and NJCIR representative, led the discussion on broadening the Company's human rights framework and policy. Shareholders asked the Company to affirm the Human Right to Water whereby the Company would operate to ensure sustainable access to water resources that "entitle everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses" (UN General Comment 15 on right to water).



Michael Rozier, SJ. Photo courtesy of St. Louis University.

### The Right to Water

This **resource** from the World Health Organization outlines the scope and content of the legal definition of the Human Right to Water and its relationship to other civil, cultural, economic, political and social rights and examines its implications on the roles and responsibilities of various stakeholders.



The Right to Water is integral to attaining other human rights enshrined in international covenants. For example, respecting the right to water is necessary to produce food, to ensure personal hygiene, for securing livelihoods and is essential for livable housing. Accordingly, the various dimensions of the Right to Water are the foundation for advocating for the Company's human rights policy to become more comprehensive by incorporating social and cultural rights.

## Occidental Petroleum Corporation (NYSE: OXY) Dialogue on Implementing and Monitoring Human Rights Policy

Since the adoption of its Human Rights Policy in December 2004 as a result of the leadership of the California Province and NJCIR, Occidental Petroleum has shown consistent progress in implementing the policy and in reporting to stakeholders. NJCIR met in Houston on May 25 with the Company's Vice President for Health, Environment and Safety and five other key staff who are responsible for making the policy effective throughout company operations.

NJCIR was pleased to learn that the Company's social impact assessments for human rights, previously conducted on international projects, will be applied to domestic operations as well. This expanded application of the Company's social assessments to domestic operations is hoped to become an industry standard and best practice. Moreover, Company representatives communicated a particular commitment and attention to respecting the human rights of communities in the most high risk regions of the world where it operates.

"We commend the Company for exploring the establishment of an external advisory council on Oxy's social responsibility programs and reporting," commented Mark Potter, NJCIR representative for the California Province. Moving forward in our conversations with Oxy, NJCIR will be engaging the Company on topics such as revenue transparency via the publication of all payments and transfers to governments worldwide, and in seeking independent verification of human rights performance.

NJCIR is grateful that Oxy's corporate leadership is committed to regular and ongoing shareholder engagement through dialogue. By leveraging our relationship with the Society of Jesus worldwide, such as with the Jesuit Center for Popular Education (CINEP) in Colombia, NJCIR will continue to provide the Company with valuable feedback about the implementation and effectiveness of their human rights policy.

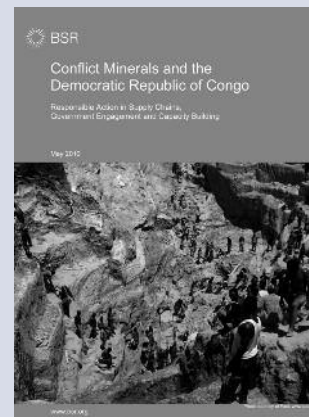
## OM Group, Inc. (NYSE: OMG) Engagement on Promoting Human Rights

As a result of NJCIR's February 24 dialogue with the OM Group Corporate Secretary, the Company notified NJCIR that it will develop a human rights policy. Carrie Nantais, NJCIR representative for the Chicago and Detroit Provinces which has led this engagement, commented: "This is significant for remediating unsafe conditions around its cobalt smelter in the Democratic Republic of Congo (DRC) which will protect small scale miners and shareholder value."

NJCIR has engaged OM Group for three years with the assistance of the Jesuit-run Center for Social Action (CEPAS) in Kinshasa and the Jesuit European Office (OC�PE). The capability to receive reports on local action will be enhanced when CEPAS opens the Arrupe Center, its satellite social research center, in Lubumbashi later in 2010.

The Company's size distinguishes it among the other Jesuit-led engagements, which led the Committee to learn how to present requests appropriate for a smaller enterprise. Last year, the Company recorded sales of \$872 million and also had a market capitalization at that level. By contrast, revenues at the each of the four other NJCIR-led dialogues exceeded \$11.7 billion while market capitalizations ranged from \$8 billion to \$156 billion. While the Company had been reluctant to meet with socially conscious investors, NJCIR continued to build relationships with key executives and board members by attending the annual meetings since 2008 and sending periodic resources to educate on the benefits of shareholder dialogue.

This report was written to provide background information and resources for the May 12-13 *DRC Conflict Minerals Forum* in Washington, DC, in which NJCIR participated. The report has a particular focus on identifying opportunities for company involvement in addressing DRC conflict mineral issues. The Forum was jointly convened by Business for Social Responsibility (BSR) and the Responsible Sourcing Network, a project of As You Sow. Cover photo courtesy of Pact: [www.pactworld.org](http://www.pactworld.org).



While the Company had been reluctant to meet with socially conscious investors, NJCIR continued to build relationships with key executives and board members by attending the annual meetings since 2008 and sending periodic resources to educate on the benefits of shareholder dialogue.

NJCIR will remain engaged with the OM Group to give input on the policy and its implementation and is also working on other initiatives to eradicate conflict minerals from the supply chains of electronics companies. The Committee is a signatory on the Investor Statement on Conflict Minerals in the DRC that has been signed by 60 institutional investors who collectively manage in excess of \$195 billion in assets. The letter asks companies to identify where the raw materials in their products originate, to ensure that conflict minerals are not entering their supply chain and to work with NGOs, industry associations, investors and other stakeholders to support various diplomatic, political and economic strategies that will help end the root causes of the ongoing conflict in the DRC.

## Prospecting for Change

### NJCIR Invites Input for Its Next Engagements

NJCIR established a Discovery Committee in 2009 to identify prospective new engagements in anticipation of NJCIR concluding dialogues that have matured to the point that significant progress has been made.

NJCIR is open to considering suggestions from Jesuit provinces and works worldwide for its next engagements on either Human Rights or Water Sustainability. NJCIR will deliberate on new engagements during this next year.

Winston Rye, SJ, NJCIR representative for the Jesuits in English Canada, notes that "the work of the Discovery Committee is a useful way to look at how corporations impact social and environmental issues of concern to the global Society or that impact Jesuits in a particular part of the world." He noted that NJCIR's engagements with Monsanto and Occidental Petroleum were a result of Je-

suits in Colombia expressing concerns about the companies. As a result of NJCIR's engagement, both adopted human rights policies that they are implementing worldwide.

NJCIR's engagement with OM Group is another instance of responding to issues of concern to the global Society, notably the apostolic preference for Africa. Since 2007, NJCIR has joined with the Jesuit-run Center for Social Action (CEPAS) in the Democratic Republic of Congo and the European Jesuits Center (OCIPE) in Brussels to bring attention to human rights issues at the Company's cobalt smelter in Lubumbashi.

## Guidelines for Proposing a New Engagement

1. The company should be a U.S. based multinational that is publicly traded on the New York Stock Exchange, American Stock Exchange or NASDAQ.
2. Be specific about the adverse impacts of the corporation and what needs to be remedied. For example, human rights concerns include but are not limited to violations of the rights of indigenous populations or labor rights, abuses by armed security, pollution and other environmental damage including adverse health impacts on affected communities.
3. Identify local institutions or individuals, preferably Jesuit-related if possible, capable of providing reliable information to NJCIR.
4. Send suggestions to NJCIR at [njcir@jesuit.org](mailto:njcir@jesuit.org).

The success that NJCIR has had with Chevron, Monsanto, Occidental Petroleum, and OM Group illustrates the value of having reliable information from local Jesuit social research centers that are able to monitor conditions in affected communities. Just as important is the opportunity for NJCIR to facilitate relationships between local research centers and local company representatives. This past year, the Colombian Jesuit-run Center for Popular Education (CINEP) met twice with officials of Occidental Petroleum to discuss the Center's concerns with increasing paramilitary activity in Colombia's oil producing areas.

## A Jesuit Reflects

### Ninety Minutes and a Train Ride



Mark Mossa, SJ

By Mark Mossa, SJ, Doctoral Candidate, Historical Theology, Fordham University

As we sat down to our meeting with the agribusiness company, Bunge Limited, there were visions of the film *Michael Clayton* dancing through my head. Yet thankfully, the only coincidence was the industry we were dealing with. Tilda Swinton's ruthless corporate villain was not sitting at the table with us. Instead, there was a rather amiable group of company representatives, each willing to listen to our concerns.

Though I am not so expert in the issues as my colleagues at the NJCIR and its partner organizations, I had no difficulty getting behind our efforts for ensuring clean and healthy water in the world. Our in-

terlocutors at Bunge were certainly not unsympathetic. My sense was that our responsibility was simply to make them more aware of issues that might be neglected in their attention to the bottom line. We were also there to draw their attention to local issues with water sustainability in the various places affected by their growing global operations.

I appreciated their efforts not only to be hospitable, but also upfront both about what they were doing or failing to do. Indeed, the executive in charge of global agriculture with whom we met in the first meeting conceded that while perhaps they were not taking these matters seriously enough, he also thought that we might be taking some things too seriously. This was not said in a confrontational way, but in a spirit of honesty. And, certainly, our first meeting ended quite amicably. One of our number even noted, "First meetings usually don't go that well."

Our second meeting was similarly pleasant and we made some progress, but it was clear by the end that there is still much to do.

I always thought that if I were advocating for such things, I'd be living beside the poor in a third world country, not sitting at a corporate conference table in White Plains, NY. Our corporate responsibility efforts are certainly less visible and less romantic than advocating for refugees on the borders of Africa, but no less important. In the midst of doctoral studies and teaching at Fordham University, it is nice to know that 90 minutes of my time and a train ride to White Plains can make a contribution to human rights and environmental justice in other parts of the world.

*Fr. Mossa, SJ, was a representative of the New Orleans Province for the October 2009 and April 2010 dialogues with Bunge. New Orleans is the lead province for this engagement.*

Guest Editorial

## Influencing Mutual Funds to Accelerate Change

By Laura Berry, Executive Director, Interfaith Center on Corporate Responsibility

In a recent meeting of the National Jesuit Committee on Investment Responsibility, a committee member asked "How long would it take before all companies were ready to report on their compliance with best practice standards as regards Human Rights?" Although progress is being made, largely through the kinds of engagement in which the NJCIR participates, answering the question is an inexact science. However, there are some steps that all endowed organizations can take to accelerate the process and bring attention to the work being done to improve conditions around the globe. In working with mainstream investment consultants, asset managers and pooled accounts, those of us concerned about justice need not accept "mainstream" responses to questions regarding proxy voting practices.

The Securities and Exchange Commission requires that pooled accounts make reports of proxy votes available to any investor seeking this information.

In asking the following questions, treasurers, finance officers and others will raise awareness of human rights issues among those who provide financial services. Over time this will accelerate

the pace of change in the industry and transform corporate behavior, making a meaningful difference to communities around the globe.

**Investment Consultants:** What are your policies regarding voting of proxies? Do you default to voting with management? How do you screen the asset managers you recommend to your clients?

**Asset Managers:** What are your policies regarding voting of proxies? Do you default to voting with management? What proxy advisory services to you subscribe to? Are you willing to take instruction from clients regarding portfolio votes? How have you voted on a particular issue (in this case Human Rights performance and reporting)? Are you aware of proxy filings led by the NJCIR and other socially conscious investors affiliated with the Interfaith Center on Corporate Responsibility?



Laura Berry (center), Executive Director of the Interfaith Center on Corporate Responsibility speaks with Michael Linden, SJ (left) and Winston, Rye, SJ (right) during the March 4, 2010 NJCIR meeting in New York City.

**Pooled Accounts:** What are your policies regarding voting of proxies? Do you default to voting with management? Per the SEC rules, may we have a report of the previous year's proxy voting?

## Featured Resources

### Internet Empowers Shareholders to Make Change

MoxyVote.com is a free on-line proxy voting service and interactive community for individual investors, a segment of the investing population that owns 30% of shares. By educating investors and simplifying the proxy voting process by allowing shareholders to view advocates' positions, its objective is to help investors cast smart votes. Investors can have their proxies delivered to the website so that they can vote directly from the site. While oriented to individual investors, this can also be a useful proxy management tool for endowments that vote their shares.

<http://www.moxyvote.com>



## Responsible Endowments Coalition

The Responsible Endowments Coalition ([www.endowmentethics.org](http://www.endowmentethics.org)) fosters social and environmental change by making responsible investment common practice among colleges and universities. Resources on *Integrating Environmental, Social and Governance Issues into Institutional Investment: A Handbook for Colleges and Universities* and *Maximizing Returns to Colleges and Communities: A Handbook on Community Investment* can be downloaded free from REC's website.



REC also has an organizing handbook for student-initiated campus organizing to promote responsible investment of university endowments that can also be downloaded free from its website. The organization also hosts regional and national conferences for students and has participated in Ignatian Solidarity Network teach-ins.

## New Appointments



Kafarhire  
Murhala, SJ

Kafarhire Murhala, SJ, a doctoral student at Loyola University Chicago, was appointed to the University's Shareholder Advocacy Committee. A Jesuit from the Democratic Republic of Congo (DRC), Fr. Murhula has been an integral part of the OM Group engagement, including giving remarks at the last two annual meetings to educate the Board on the human rights risks of their operations in the DRC and how adopting and implementing a comprehensive human rights policy could mitigate risks.



J. Daniel Daly, SJ

J. Daniel Daly, SJ, is the new NJCIR Representative from the Missouri Province where he was also recently appointed Socius. Fr. Daly has a Ph.D. in Accounting from the University of Michigan and previously taught at Regis University and Boston College. His research interest in performance targets and incentives will be especially beneficial to NJCIR's engagements. He is also the Treasurer of the Apostleship of Prayer.

## A Note of Gratitude

NJCIR appreciates the collaboration of the many Jesuit provinces and sponsored institutions that supported our shareholder initiatives this year and for the many other ways they contribute to creating “a more human business culture” (GC 35, D 3, n 28).

California Province  
Chicago Province  
Detroit Province  
Maryland Province  
Missouri Province  
New England Province  
New Orleans Province  
New York Province  
Oregon Province  
Wisconsin Province  
English Canada Province  
China Province

Association of Jesuit Colleges and Universities  
Creighton University  
Loyola University Chicago  
Loyola University New Orleans  
Regis University  
Rockhurst University  
University of Detroit Mercy  
University of San Francisco  
University of Scranton

Creighton Preparatory School  
Jesuit College Preparatory School of Dallas  
Jesuit High School, Sacramento  
Marquette University High School  
Regis High School, New York City  
St. Louis University High School

“To respond today to the pressing needs of our complex and fragile world, many hands are surely needed. Collaboration in mission is the way we respond to this situation: it expresses our true identity as members of the Church, the complementarity of our diverse calls to holiness, our mutual responsibility for the mission of Christ, our desire to join people of good will in the service of the human family, and the coming of the Kingdom of God. It is a grace given to us in this moment, one consistent with our Jesuit way of proceeding.”

*GC 35, D 6, n 30*

Center for Research and Popular Education (CINEP), Colombia  
Center for Social Action (CEPAS), Democratic Republic of Congo  
Ignatian Solidarity Network  
Jesuit European Center (OCIPE), Brussels

## Committee Contacts

Mark Potter\*  
California Province  
mpotter@calprov.org

Carrie Nantais  
Chicago and Detroit Provinces  
sim@jesuits-chgdet.org

J. Winston Rye, SJ  
English Canada Province  
wrye@jesuits.ca

J. Daniel Daly, SJ  
Missouri Province  
jddaly@jesuits-mis.org

Michael Linden, SJ  
New England Province  
mlinden@sjnen.org

Mary Baudouin\*\*  
New Orleans Province  
mbaudouin@norprov.org

Mark Hallinan, SJ  
New York Province  
and for Maryland Province  
hallinan@nysj.org

Matthew Johnson, CPA  
Oregon Province  
mjohnson@nwjesuits.org

John Sealey  
Wisconsin Province  
jsealey@jesuitswisprov.org

John Kleiderer\*\*  
Jesuit Conference Liaison  
jkleiderer@jesuit.org

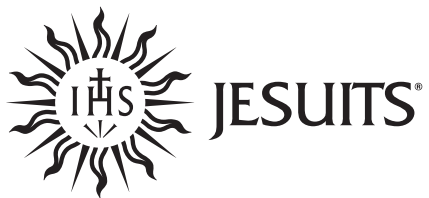
Anna Bradley\*\*  
Socially Responsible Investing Consultant  
abradley@jesuit.org

\*Chairperson  
\*\*Executive Committee





Ad Maiorem Dei Gloriam



National Jesuit Committee on Investment Responsibility  
Jesuit Conference, 1016 16th Street, NW, Suite 400  
Washington, DC 20036  
(202) 462-0400  
[www.njcir.org](http://www.njcir.org)

