ABOUT ICCR

Currently celebrating our 44th year, the Interfaith Center on Corporate Responsibility has been a leader of the corporate responsibility movement for four decades. Beginning with our calls for corporations to withdraw from South Africa in opposition to apartheid, ICCR members have been actively engaging the world’s largest companies in an effort to transform corporate practices on a host of issues from rooting out human trafficking and supply chain abuses to ensuring safe food and water, to calling for financial and health care reform to protect the world’s most vulnerable. Today our membership is comprised of 300 institutional investors with over $100 billion in invested capital. Representing faith-based communities with congregations all over the world, SRI asset management companies, unions, pension funds and a global network of allies, ICCR members are not only shareholders, but trusted partners in corporate responsibility initiatives that promote a more just and sustainable world.

We do this in a variety of ways:

• CORPORATE DIALOGUES: As active shareowners who have built productive and long-term relationships with management, ICCR members conduct hundreds of dialogues every year to advance a wide range of issues. Because we have a vested interest in a company’s success and propose realistic solutions as opposed to making demands, these dialogues often bear fruit in the form of meaningful reform and have a positive impact on long-term profitability.

• SHAREHOLDER RESOLUTIONS: When dialogues are unproductive, ICCR may issue shareholder resolutions to engage management and other investors’ attention around a specific issue.

• CSR TOOLS: ICCR’s database offers members a historical record of shareholder actions with hundreds of companies. Known for our insightful reports on emerging trends such as Invested in Change: Faith-Consistent Investing in a Climate-Challenged World, and Recruited into Slavery: How Unethical Recruiting Puts Migrant Workers at Risk for Trafficking, along with our ability to convene key stakeholders from the business, NGO, community and investor sectors, ICCR is a resource for all those working in corporate responsibility.

OUR MISSION

ICCR seeks a global community built on justice and sustainability through transformation of the corporate world by integrating social values into corporate and investor actions. We invite you to join us. We are inspired by faith and committed to action.

©ICCR, September 1, 2015
Since he first appeared on the balcony in St. Peter’s Square in March of 2013, Pope Francis has brought a freshness and simplicity to the teachings of his faith tradition about the responsibilities that we collectively and individually bear for one another and for the “common home” that we share with all species and life-sustaining resources.

He has added his voice to that of the “Green Patriarch” — the Ecumenical Patriarch Bartholomew IV of Constantinople — and other religious leaders in calling believers to revisit the core teachings of their traditions about the origins and ordering of the universe, our dependence on its perfectly calibrated orbiting relationships with the other planets, and the delicately balanced interactions that create and deliver the life-giving environment that most of us take for granted.

Pope Francis has also pushed for a re-examination of the rules by which we have ordered our lives and supported and promoted our lifestyles. He has asked us to reflect on the systems, institutions and rules that govern our communities and households, especially the priorities and criteria whereby we promote growth, development and sustainable bio regions. In raising up some core ethical questions about the impact of capitalism on the poor and on the planet, he joins Archbishop Justin Welby of Canterbury and other faith leaders in calling for a model of growth that is inclusive rather than exclusive, that is compassionate and not indifferent, and that promotes sustainable development.

ICCR members welcome these voices from diverse faith traditions. Through their active ownership of financial assets, our members have called corporations to thoughtful and impactful engagement with numerous critical issues, across a wide range of sectors.

Working together with corporations, ICCR members have identified opportunities for a more responsible approach to the production of energy, the expansion of sustainable food production, the reduction of irresponsible resource extraction, the sharing of patents and research tools to address persistent and complex diseases, and the delivery of safe and reliable financial services to foster prosperity in diverse communities, particularly those that are on the margins of most formal economic activities.

Much remains to be done and many more actors will be needed to respond to the challenges and opportunities that have arisen, including climate change and water scarcity. We remain confident that through the “care of our common home”, the corporate sector and civil society can together make a difference. Through engagement, debate, dialogue and a commitment to the discovery of innovation, solutions to the challenges we face will emerge. We need only the will and the inspiration.

Inspired by our faith and committed to action, together we can be a source of renewed strength and hope for future generations and “Mother Earth”.

Thanks you for joining us in this important mission.
When I reflect on ICCR’s work this past year, I see it bracketed by Pope Francis’s powerful statements of faith in action. The first was the final statement on the Global Common Good by the Pontifical Council for Justice and Peace issued in July of 2014. It was a powerful statement on the toxic impact of global inequality and a challenge to find real solutions. The second was the groundbreaking papal encyclical, Laudato Si’, challenging humanity to address the environmental degradation that threatens our continued existence. The sweep and scope of those two documents reinforced the spiritual, intellectual and practical work that the entire ICCR community has done with compassion and persistence for 44 years.

This year is no exception.

In addition to having the best operating results in our entire history, ICCR made significant strides in strengthening our voice and influence through the publication of Invested in Change: Faith-Consistent Investing in a Climate-Challenged World, as well as our first regional seminars held in Cincinnati, Ohio for a sold-out audience. Our work combatting modern day slavery and human trafficking made significant strides by continuing to focus on sectors with the most egregious practices, pressing for commitments to stop trafficking at every source, including the labor recruitment phase. And our work to stem the childhood obesity epidemic continues to initiate authentic change, contributing to promising results reported by leading public health agencies.

As we go to print with this 2014-15 edition of ICCR’s annual report, I will add that it has been a privilege to serve this organization as its Executive Director since 2007. ICCR has grown and blossomed, during a period when many advocacy organizations have been challenged. I am grateful for every bit of support and guidance you shared during my nine-year apprenticeship in this role.

As I look forward to the next phase of my professional career, the lessons I’ve learned from the ICCR community will always be a part of my work. And, as we pass the mantle to a new generation of ICCR leaders, I am reminded of a wonderful quote from Pearl S. Buck, “To find joy in work is to discover the fountain of youth”. I definitely leave ICCR more joyful and perhaps more youthful too!

Although ICCR’s work can be arduous at times, I wish you all the blessing of finding joy as you continue to contribute to ICCR’s much-needed mission, building “a more just and sustainable corporate world”.

Sincerely,

Laura Berry
Laura Berry is retiring this fall after nine years of faithful service to ICCR.

Laura’s deep understanding of the SRI space from her years as an investment practitioner at Citi Group, combined with a personal commitment to social justice and powerful gift for oratory, made her a success with the faith, investment, NGO and corporate communities during her time at ICCR.

While the nonprofit community was seriously challenged during the recent economic downturn, under Laura’s careful stewardship ICCR managed not just to retain, but to double our revenue base since 2007, as well as significantly expand our global influence to the benefit of our growing membership.

During her nine years at ICCR, Laura led our organization through two strategic planning and issue prioritization cycles and implemented numerous systems and protocols to help guide and enhance our work. A passionate and seemingly inexhaustible promoter of our work in shareholder advocacy, Laura was a gifted ambassador for ICCR as she traveled the world to share our story and recruit new allies and supporters.

One of Laura’s capstone moments as Executive Director was her representation of ICCR at the Vatican’s seminar on the Global Common Good in July of last year which brought together leading economists, central bankers, Nobel Prize winners, faith leaders, and heads of international and intergovernmental organizations to discuss the growing economic inequality at the root of so many social justice ills. The above photo is proof positive of her charisma and diplomatic skill.

We are deeply grateful to Laura for her service, commitment and advocacy on our behalf, and wish her joy and success in her continuing journey.
Access to Nutrition

As a subset of its members’ work with companies to promote a safe and sustainable food system, ICCR’s Access to Nutrition initiative focuses on ensuring equitable access to healthy and affordable food, particularly for children.

795 million people – one in nine – are under-nourished because healthy alternatives are either unaffordable or unavailable. At the same time, childhood obesity, fueled by the consumption of fast, cheap food, is a growing public health threat. According to the Centers for Disease Control and Prevention, some 170 million children worldwide are overweight; childhood obesity has lasting health repercussions, putting children at higher risk for a range of diseases and chronic illnesses.

In recent years, there has been increasing consensus among public health experts that food and beverage marketing is a major factor influencing the diets and health of children and youth. Further, according to the UConn Rudd Center, companies target marketing for nutritionally poor foods directly to black and Hispanic youth, exacerbating health disparities. Working in partnership with groups like MomsRising and the Center for Science in the Public Interest, ICCR’s Access to Nutrition initiative closely examines the marketing practices and product portfolios of 22 retailers and food, beverage, and media companies.

Last fall, members of ICCR filed a shareholder resolution with fast food retailer Wendy’s, calling on the company to remove sodas from its kids’ meals. In a key victory, in January, Wendy’s agreed to remove sodas, and to end the marketing of unhealthy foods to children under 12. The company’s decision was quickly followed by similar actions at Burger King and Dairy Queen, part of a growing trend toward healthier offerings for children by fast food retailers.

This year at ICCR’s urging, Mondeléz adopted its first goals for reducing the sugar, salt, and fat content of its foods and committed to expanding its “Better Choices” product portfolio. In addition, Target formed its first Food Social Responsibility Group in response to investor concerns.

In the coming months, ICCR will also be expanding its campaign to protect children’s privacy on the internet and social media channels, a right established by the UN Convention on the Rights of the Child. Facebook has responded to pressure from shareholders and groups like the Center for Digital Democracy by offering assurances that it won’t act on publicly reported plans to open its service to children under 13. A coalition of 13 ICCR members is also pressing Google over the company’s new ad-supported YouTube Kids’ app, which features program-length commercials for products by fast food and candy companies.

795 million people – one in nine – are under-nourished because healthy alternatives are either unaffordable or unavailable.
Investor efforts to mitigate corporate impacts on climate change took on renewed importance during 2015 as the issue rose to national prominence in light of the upcoming World Climate Summit in Paris this fall. In addition, 2015 saw the publication of an environmental encyclical from Pope Francis, Laudato Si’, where the mandate for urgent action to protect our common home for future generations was made resoundingly clear, and the private sector was specifically called upon to do its part.

In our historic and ongoing campaigns, faith-based and responsible investors made progress on many fronts, and succeeded in encouraging multiple corporations to set the standard on sustainability for their peers. In addition, ICCR published “Invested in Change: Faith-Consistent Investing in a Climate-Challenged World”, a white paper which both memorializes past work and outlines strategies for our climate work going forward. “Invested in Change” is meant as a guide for responsible investors as they evaluate the many strategies available to proactively address climate change and promote green energy solutions through the management of their portfolios.

This April, ICCR, along with Xavier University, hosted a two-day event in Cincinnati that built local capacity to tackle climate change among members of the faith, investment, philanthropic, NGO and academic communities. The event, Climate, Capital and the Power of Collaboration, consisted of a panel discussion with local thought leaders and a workshop where participants explored how they could best leverage their talents and resources to make an impact on climate change.

This year ICCR members filed 67 climate change-related resolutions with companies in a variety of sectors including energy producers/providers, and energy consumers, including the agricultural and food industries, big box retailers, and the financial services sector, which underwrites energy projects. These proposals contain a variety of “asks” including the settings of quantitative GHG reduction targets, the development of climate risk assessments and climate management plans, and reviews of banks’ lending portfolios to mitigate carbon emissions and promote investments in green energy. In addition, companies were asked to disclose their lobbying and political spending activities to ensure that these investments don’t conflict with stated policies regarding climate change.

Achievements from this proxy season include commitments from several companies for the responsible sourcing of palm oil, a management-supported shareholder proposal addressing climate impacts at European fossil fuel companies Shell, BP and Statoil, and a record number of companies leaving the American Legislative Exchange Council amid shareholder pressure due to its anti-environmental lobbying.

On the policy front, ICCR members voiced support for the EPA’s Clean Power Plan and its recent proposed regulations on methane emissions.
Domestic Health

While the Affordable Care Act (ACA) has made great improvements in the provision of affordable health care for millions of Americans since its passage in 2010, 29 million people in the U.S. still lack basic health care coverage and the nation ranks last among 11 developed nations in terms of quality and access.

ICCR members advocate for health care as a basic human right, and for more than 20 years have called for a more efficient, equitable and sustainable domestic health care system. Through engagement with pharmaceutical, insurance, and medical device companies, and some of the nation’s leading employers, ICCR members are playing an important role in ensuring implementation of ACA.

Employer-sponsored insurance is an important avenue of coverage for many Americans, yet there is a push currently underway to revise the federal definition of full-time work from the current 30 to 40 hours a week, making it easier for employers to avoid providing insurance. Over the past 12 months, ICCR members have engaged Kohl’s, Macy’s, McDonald’s, Target, Walmart, and Yum! Brands – large employers with many part-time and low-wage workers – and encouraged them to either include these part-time employees in their company plans, or help them find coverage. Both Walmart and Target confirm that they now offer assistance to all employees. The proportion of Macy’s associates who are now enrolled in the company’s plans has increased from 60% to 64%, and the proportion of Walmart employees who are enrolled in the company’s plan has increased from 70% to 74%.

ICCR members also encourage insurers UnitedHealth Group, Wellpoint, and Aetna to expand their coverage to more states, and provide more and better options, as competition generally results in lower prices for consumers. For instance in 2013, UnitedHealth Group was reluctant to enter into the individual markets, but by 2014, reversed course and expanded into 23 states. It has also established Accountable Care Organizations in multiple states in an effort to improve health outcomes and reduce costs by facilitating the delivery of more coordinated care for Medicare beneficiaries.

Members are asking leading pharmaceutical companies AbbVie, Bristol-Myers Squibb, Eli Lilly, Johnson & Johnson, Merek, Pfizer, and Roche for transparency regarding their pricing strategies, to undertake comparative effectiveness research to substantiate patient health outcomes, and to publically support ACA, Medicaid expansion, and funding for the Children’s Health Insurance Program (CHIP).

Price transparency is a concern ICCR members also bring to medical device manufacturers such as Johnson & Johnson and Boston Scientific. Members have also called for medical device manufacturers to stop lobbying for the repeal of ACA’s medical device excise tax, as all stakeholders share responsibility for the equitable financing of our health care system.

ICCR members advocate for health care as a basic human right, and for more than 20 years have called for a more efficient, equitable and sustainable domestic health care system.
Financial Practices

During 2015, ICCR member work with the nation’s top seven banks centered on risk management and responsible lending, areas of concern ICCR analyzed in its 2013 report “Ranking the Banks”. In a series of ongoing engagements, members asked bank management to put in place formal systems to ensure ethical behavior on the part of their employees. Using Goldman Sachs’ Business Standards Committee Impact Report as a template, ICCR members urged Bank of America, Bank of New York Mellon, Citigroup, Goldman Sachs, JPMorgan Chase, Morgan Stanley and Wells Fargo to assess operational and policy gaps which may have led to the 2008 financial crisis. JPMorgan Chase, which continues to pay millions in fines and penalties for its fraudulent practices, was at the top of the list.

Responding to ICCR concerns, this year JPMC released “How We Do Business”, a report which includes significant commitments to strengthening JPMC internal audits and accountability mechanisms, with the aim of reining in risky financial practices such as dark pools, derivatives, and fraudulent mortgage lending. Jamie Dimon, JPMorgan Chase’s CEO, conceded that ethical lapses by his bank prior to 2008 had led to broad societal repercussions and damaged the company’s reputation, and made commitments to reform its practices.

ICCR members also reached an agreement with Bank of America to publish a report similar to JPMC’s in 2016. In addition, after consultation with shareholders, Citi created a new committee on ethics and culture, acknowledging “the pervasive public perception that many members of this industry do not behave ethically.”

Collectively, the seven banks are beginning to take prudent steps to address enormous operational risks, which shareholders believe will further increase the stability of the global financial markets.

ICCR members also made significant progress during 2015 in encouraging banks to de-carbonize their lending portfolios, and increase their impact investing in green energy solutions. As a result, Bank of America, Citi and Goldman Sachs introduced well-developed programs to address climate change, including green energy bonds, to accelerate the transition away from damaging fossil fuels.

In 2015, the Global Alliance for Banking on Values (GABV) was established to create systemic change in the sector and foster economic stability. The GABV is an independent network of progressive, independent banks mainly headquartered outside the U.S. that brings sustainable development to underserved communities. GABV members are setting the standard for a more sustainable financial system, and serve as a reminder of banks’ original social purpose. Over the coming 12 months, ICCR members will be working strategically with GABV as they seek to embed a culture of ethics and transparency within the financial services sector.

Collectively, the seven banks are beginning to take prudent steps to address enormous operational risks, which shareholders believe will further increase the stability of the global financial markets.
**Food Justice**

Modern agriculture requires massive amounts of water, land, and energy to feed the world’s 7.3 billion people and, as a result, produces unintended environmental and social impacts. A good example is livestock production which is responsible for almost 15% of annual global greenhouse gas emissions, and nearly one half of domestic water consumption.

In their engagements with food and agricultural companies, ICCR members advocate for “agroecology”, i.e., sustainable production practices that minimize environmental and social impacts, and urge the adoption of policies that respect the universal right to food, and the responsible sourcing of commodities.

Meat production frequently uses extraordinary methods to increase yield, such as the routine, non-therapeutic use of antibiotics – medicines essential to human health. In the fall of 2014, the Congregation of Benedictine Sisters of Boerne filed a resolution asking McDonald’s to prohibit the use of antibiotics used in human medicine for purposes other than control of veterinarian-diagnosed illness. The company made a first step and adopted a new policy prohibiting its poultry suppliers’ routine use of antibiotics.

ICCR members also seek to decrease and eventually eliminate industrial reliance on pesticides, herbicides, and fungicides, which threaten human and environmental health. A coalition of a dozen ICCR members engaged Dow AgroSciences regarding their concerns about the company’s Enlist Duo, a mixture of glyphosate and 2,4-D, whose adverse health impacts include cancer. As a result, Dow has agreed to monitor and report annually on grower compliance with protocols for the use of Enlist, leading to safer use of pest-resistant seed.

Neonicotinoid (“neonic”) pesticides are thought to be exacerbating alarming declines in honeybees and the other pollinators that support our global food system. ICCR member Domini Social Investments filed a shareholder resolution asking Lowe’s to conduct a risk assessment of its neonic-containing products; as a result, Lowe’s agreed to phase out sales of neonic-treated plants and flowers.

Palm oil is a ubiquitous ingredient found in a host of food products and cosmetics, and its production is rife with forced/child labor and mass deforestation, a major driver of climate change. Yum! Brands had been particularly slow to address these critical environmental and social issues, and so Trillium Asset Management filed a shareholder resolution. As a result, the company agreed in March to commit to sourcing 100% of its palm oil from responsible and sustainable sources by 2017. In addition, Sysco released one of the most progressive sustainable palm oil sourcing policies in its industry. Panera Bread also plans to issue its first palm oil policy after a year of dialogue, while International Flavors & Fragrances will commence public reporting on its efforts to source sustainable palm oil.
Global Health

Over 28 million people are infected with HIV and need treatment, yet only 12.9 million are receiving it. Meanwhile, non-communicable diseases like diabetes and Hepatitis C kill 38 million people a year, with 82% of these “premature” deaths occurring in low- and middle-income countries. Neglected tropical diseases like malaria and tuberculosis that predominantly impact the poor have also not been eradicated.

The pharmaceutical industry, however, has focused inordinate resources on the development and marketing of expensive drugs for consumers living in industrialized countries, creating a global gap in access to medicines. ICCR members advocate for access to health care as a basic human right, and for more than 20 years have worked to increase access to medicines and promote a more equitable and sustainable global health system.

In their dialogues, ICCR members encourage pharmaceutical companies to collaborate with public health organizations in creating innovative research and development models to create medicines that address global health burdens — especially neglected tropical diseases — that impact the most vulnerable.

ICCR members also encourage collaboration with the Medicines Patent Pool (MPP), established in 2010 as a vehicle to make name-brand AIDS drugs available for generic production. These patent-sharing agreements are speeding the manufacture and delivery of low-cost medicines to countries where the majority of those with HIV live. To date, the MPP and its partners have distributed 2 billion HIV pills in 117 countries — as a result, millions of lives have been improved and extended.

ICCR members were crucial in leading Bristol-Myers Squibb, Gilead Sciences, Roche, and ViiV Healthcare to enter the Pool. ICCR also recently helped persuade Gilead to expand its license of a critical fixed-dose combination drug to increase access in more countries, including some middle-income countries. AbbVie and Merck also agreed to place drug patents in the Pool in order to accelerate the development of much-needed pediatric drug formulations. In addition, Johnson & Johnson has now agreed to work alongside the Pool to help support the development of new pediatric AIDS treatments.

ICCR members also continue to monitor the work of Eli Lilly’s NCD Partnership, which is bringing a model of shared value, working with local public health professionals for the prevention, diagnosis and treatment of diabetes in Mexico, Brazil, India and South Africa.

ICCR members believe that the pharmaceutical industry has a pivotal role to play in protecting the human right to health and will continue its work to help close the accessibility and affordability gap in the global health care system.
Human Trafficking

ICC members continue to educate our constituents and corporate contacts about trafficking and slavery risks in global supply chains and advocate for the passage of anti-trafficking legislation as a critical corporate responsibility tool for consumers, investors, and, most importantly, those made victims by human traffickers.

In issuing Executive Order (E.O) 13627, President Obama made the eradication of human trafficking and modern day slavery from the supply chains of companies doing business with the government a top priority. In addition, the Federal Acquisition Regulation (FAR) covers some 350,000 companies and requires all government contractors to adopt zero-tolerance trafficking and forced labor policies that cover their entire supply chains. ICCR members engaged publicly traded companies with government contracts to ensure that their compliance plans are a serious mapping of human rights risks that assess and address the systemic causes of modern slavery.

This summer, The Business Supply Chain Transparency on Trafficking and Slavery Act of 2015 was introduced into both the House of Representatives and the Senate. The new law would require corporate public disclosures to the SEC regarding auditing and verification procedures, risk assessments, training, remediation plans and accountability mechanisms that address trafficking and slavery risks. ICCR, Calvert Investments and Christian Brothers Investment Services released a statement, signed by a broad segment of the investment community, in support of the legislation and to encourage co-sponsorship.

Members of the Bangladesh Investor Initiative, who advocate for companies to join the Accord for Fire and Building Safety, this year celebrated the announcement by the Rana Plaza Donor’s Fund, valued at $30 million, that 5,000 claimants will receive awards. The awards will be used to compensate workers who suffered grave injuries during the collapse as well as the families that were impacted financially due to the loss of income from those who perished. In addition, investors sent letters to member companies of the Alliance for Worker Safety and to select member companies of the Accord for Fire and Building Safety asking what they are doing to ensure that suppliers and factory owners have the financial capacity they need to address remediation requirements and that suppliers fully participate in the formation and functioning of democratically-elected occupational health and safety committees.

As a result of member engagements Choice Hotels signed the ECPAT Code of Conduct meant to curb sex trafficking in the travel and tourism sector, and American Airlines continued the human trafficking awareness-building program begun by U.S. Airways.

The Business Supply Chain Transparency on Trafficking and Slavery Act of 2015 would require corporate public disclosures to the SEC regarding auditing and verification procedures, risk assessments, training, remediation plans and accountability mechanisms that address trafficking and slavery risks.
Each year millions of vulnerable workers, mainly migrants crossing borders in pursuit of meaningful work, become trapped in slavery through the actions of unscrupulous labor brokers. ICCR’s “No Fees” initiative, a project funded by Humanity United, seeks to prevent labor exploitation in global supply chains.

Labor recruitment serves as a vital link in the labor markets of many countries, and helps connect workers with employers in a wide range of industries. At the same time, it is a complex and shadowy system; unscrupulous brokers often exploit workers by charging exorbitant fees in exchange for jobs, by not providing work contracts or by changing contract terms, and by pocketing illegal wage deductions. It is not uncommon for workers to become indentured or debt/bonded as they struggle to repay fees and deductions.

ICCR’s goal is to minimize the risk of these human rights abuses by raising corporate awareness, pushing for implementation of formal, “no-fees” recruitment policies, and increasing transparency via corporate reporting on policy implementation.

The risk of trafficking within a given industry is influenced by several factors: the ways workers gain employment (whether or not recruiters are involved), the length of their employment (industries dominated by seasonal or short-term work are especially at risk), whether workers have job security, and whether they have freedom of association on the job.

Corporations have a responsibility to ensure that human rights are respected throughout their supply chains, and that none of their suppliers are contributing directly or indirectly to slavery. ICCR helps companies develop and implement formal human rights policies, and seeks to create industry leaders that can serve as examples to their peers.

A number of leaders are emerging. This year, the Electronic Industry Citizenship Coalition (EICC) integrated a critical “no fees” component into its code of conduct that will help protect electronics industry workers. Apple, an EICC member, has adopted a policy that prohibits the hiring of workers who have had to pay fees, and has committed to reimbursing workers for fees that they previously paid.

In January, ICCR convened a multi-stakeholder roundtable on ethical recruitment which brought together over 60 participants for a discussion of best practices. ICCR released a report summarizing key findings emerging from the roundtable, and in April 2015 published “Recruited into Slavery” which presented field research conducted in Thailand during August of 2014.

ICCR has been working with 40 companies to create and implement “no fees” policies, and after a number of successes with corporations in the seafood, agriculture and tobacco sectors, including Coca Cola and ADM, will be expanding to address trafficking in the travel and tourism, automotive, and apparel industries.
During 2015, ICCR members continued to focus on corporate water stewardship in high-impact sectors including food and agri-business, energy production, automotive, mining, apparel and chemical companies. In these dialogues we urge corporations to measure and report on their water consumption and impacts, including water contamination and risks to affected communities, and seek to embed sustainability in corporate water policies and global supply chains.

Our members ask companies to assess their water performance within the context of the UN guidelines on the human right to water. As the impacts of climate change increase - particularly in already water-stressed communities - industrial water use is coming under greater scrutiny, and corporations are learning the importance of proactive measures to minimize global water stress.

This year, members asked Tyson Foods, a leading meat and feed producer, to assess the water impacts of its extensive operations. Tyson produces feed for over 41 million livestock per week, creating nitrogen and phosphorus-laced runoff which is harmful to the environment. Tyson is facing an ongoing federal criminal investigation as well as extensive EPA fines from wastewater discharges at a poultry processing plant in Missouri, yet has thus far resisted implementing a sustainable water policy. Recently, the Tri-State Coalition for Responsible Investment filed a shareholder proposal calling on Tyson to adopt and implement a water stewardship policy covering Tyson-owned and contracted facilities.

As a result of dialogues with ICCR members, in August of this year Bunge Limited, a global agri-business, formally endorsed the CEO Water Mandate. Launched in July 2007 by the UN Secretary-General, the CEO Water Mandate is a unique public-private initiative that helps companies develop water sustainability policies.

Members cultivate strategic relationships with NGOs working on water, including the CEO Water Mandate, CDP, World Resources Institute and Ceres. These organizations provide valuable tools and reporting mechanisms to assist companies interested in understanding and addressing their water risks.

Also this year Monsanto agreed to increased water disclosure through CDP, although members are still seeking quantitative goals on water withdrawal reductions, as well as reductions in contaminants via wastewater discharges.

Campbell’s is working with ICCR members on implementation of its formal human right to water policy and is examining how it can better assess community water risk and set reduction goals for wastewater and agricultural runoff/nutrient pollution.

In a follow-up to a legacy ICCR engagement begun in the 1980s about clean-up of PCB contamination, members are sending a letter to General Electric urging the company to fulfill its EPA-mandated commitment to fully restore the Hudson River and surrounding ecosystems.

As the impacts of climate change increase - particularly in already water-stressed communities - industrial water use is coming under greater scrutiny, and corporations are learning the importance of proactive measures to minimize global water stress.
Meet Our Members

For more information on how to become a member of ICCR please contact Kyle Cheseborough at kcheseborough@iccr.org / 212-870-2936

Panelists Andrea Guajardo (CHRISTUS), Bess Evans (White House Office of Public Engagement) and Anne Dunkelberg (Center for Public Policy Priorities) with ICCR members at our June AGM.

Malayvanh Khamhoang, Project Issara, Anti-Slavery International, with member Judy Byron and staff person Valentina Garney.

ICCR members share a lighthearted moment at the 2015 AGM in Texas.

Sr. Susan Mika celebrates McDonald’s antibiotics decision with fellow members Marie Gaillac and Tom McCaney.
ICCR’s Governing Board

Chair: Séamus P. Finn, OMI
Missionary Oblates of Mary Immaculate

Vice-Chair: Byrd Bonner
United Methodist Church Foundation

Secretary: Kathryn McCloskey
United Church Funds

Treasurer: Tim Brennan
Unitarian Universalist Association

Susan Baker
Trillium Asset Management

Alison Bevilacqua
1919 Investment Counsel

Lauren Compere
Boston Common Asset Management

Anita Green
Wespath Investment Management

Barbara Jennings
Midwest Coalition for Responsible Investment

Jeffery Perkins
Friends Fiduciary

Brian Reavey
Marianist Province of the United States

Frank Sherman
Seventh Generation Interfaith Coalition for Responsible Investment (formerly WIMCRI)

Julie Tanner
Christian Brothers Investment Services

Nichea Ver Veer Guy
United Methodist Women

Pat Zerega
Evangelical Lutheran Church in America

How We are Governed

ICCR operates on a five-year strategic cycle and although the financial reporting follows the calendar year, ICCR’s work follows an operating year that runs from June AGM to the following June. In addition to the organizational discipline of strategic planning, ICCR member work revolves around two cycles; one is the annual cycle of corporate shareholder meetings, and the other is an established internal process to identify the issues of greatest priority to our membership, a five-year cycle staggered with the strategic planning process.

ICCR’s overall strategic direction is set by a Governing Board, which is elected by our faith-based members from among two of ICCR’s three membership groups – our full, faith-based member institutions and our associate member institutions. The Board has an Executive Committee, comprised of the Chair, Vice-Chair, Secretary and Treasurer. The Governing Board oversees the Executive Director, approves strategic plans and budgets and determines policy.

Each Director serves a three-year term and may serve no more than three consecutive terms. Elections are held on an annual basis. Director terms are staggered, meaning director terms expire at different times.

ICCR’s work is further guided by four standing committees – the Finance Committee, the Development Committee, Personnel Committee, and the Nominating Committee, each of which contain between 5 and 8 members.
Standing Committees

FINANCE
Tim Brennan – Chair
Sr. Barbara Aires, SC
Susan Smith Makos
Sr. Susan Mika, OSB
Jeffery Perkins
Mark Regier
*Gail Shamilov

NOMINATING
Sr. Kathleen Coll, SSJ – Co-Chair
Chris Meyer – Co-Chair
Sr. Mary Ellen Gondeck, CSJ
James Gunning
Tom McCaney
Colleen Scanlon

PERSONNEL
Robert Koppel – Chair
Anita Green
Kathryn McCloskey
Margaret Weber
Patricia Zerega

Note: Board Chair Séamus Finn, OMI and Executive Director Laura Berry serve in an ex officio capacity on all committees. * Indicates ICCR staff.
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2014

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<tr>
<td>Property and equipment</td>
<td>18,948</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,668,535</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$82,900</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>136,825</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>219,725</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted net assets</td>
<td></td>
</tr>
<tr>
<td>Board designated</td>
<td>63,588</td>
</tr>
<tr>
<td>Undesignated</td>
<td>(129,841)</td>
</tr>
<tr>
<td><strong>Total unrestricted net assets</strong></td>
<td>(66,253)</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>643,313</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>871,750</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>1,448,810</strong></td>
</tr>
</tbody>
</table>

| Total Liabilities and Net Assets            | **$1,668,535** |

**STATEMENT OF ACTIVITIES**  
Ended December 31, 2014

<table>
<thead>
<tr>
<th>REVENUE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Member dues</td>
<td>$937,377</td>
</tr>
<tr>
<td>Contributions</td>
<td>70,622</td>
</tr>
<tr>
<td>Grants</td>
<td>466,833</td>
</tr>
<tr>
<td>Events and conferences</td>
<td>493,768</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>60,762</td>
</tr>
<tr>
<td>Investment Income</td>
<td>45,665</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>2,075,027</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenses</td>
<td>1,383,874</td>
</tr>
<tr>
<td>Management and general</td>
<td>515,487</td>
</tr>
<tr>
<td>Fundraising</td>
<td>118,802</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>2,018,163</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Net Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>56,864</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets - January 1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1,391,946</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets - December 31</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$1,448,810</strong></td>
<td></td>
</tr>
</tbody>
</table>
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