Influencing Companies to Act Morally

Faith Consistent Investing is investing according to one’s faith to promote peace, justice, equality, and a healthy global environment. It is a powerful way to help others. This practice is also referred to as Socially Responsible Investing and dates back centuries. Jewish, Islamic and indigenous cultures have historically established investment strategy guidelines for their community that line up with their beliefs. In the 1700s the Religious Society of Friends (Quakers) forbade their members to buy or sell slaves and the United Methodists encouraged their congregations to avoid ‘sinful’ companies engaged in the sale of alcohol, tobacco and guns.

In more modern times, between the 1960s to the early 1980s, international companies, the US and other countries avoided investing in South African companies because of the country’s apartheid policies. This campaign greatly impacted the South African economy and is seen as one of the deciding factors that ended apartheid. Today faith-based organizations continue the practice of Socially Responsible Investing using tools such as portfolio screens, divestment, and shareholder activism.

Both domestically and internationally, the reach and influence of private corporations continue to grow. This is true in the manufacture and delivery of goods and services, but also in the provision of employment and the facilitation of investment in local communities. Globalization has resulted in production that relies on international supply chains stretching across the globe. Multinational corporations produce products in low wage countries, particularly apparel, electronics, footwear and toys. Service networks are similarly globalized. Unfortunately many local supply chains have poor labor and environmental standards. Workers are paid poorly and often work in unsafe conditions.

Given these trends, the Missionary Oblates JPIC since the 1980s has partnered with non-governmental organizations and faith-based organizations in advocating for corporations to improve working conditions in supplier factories. Through our Faith Consistent Investing focus area we are working toward a more just and sustainable marketplace.

As a religious institutional investor with access to the world's largest corporations, we seek to address the pressing social, environmental and economic issues of the day. Our active shareholder advocacy is coordinated through our membership in the Interfaith Center on Corporate Responsibility (ICCR) and in partnership with other faith based and socially responsible investors. Our Oblate International Pastoral Trust (OIP) manages about $400 million of assets from more than 230 Roman Catholic congregations.
“One of the challenges for the Church is that we kind of gloss over quite often the fact that God created the world and he created everything in it, which includes the air, the animals, the human beings, the plants, but he also created the minerals that are under the subsurface. So how do we appropriately use them, how do we extract them, how much gold do we need, how much silver do we need? It is a difficult balance and they [mining corporations] are coming to the Church and the churches and they’re saying ‘can you offer us some ethical, theological, religious wisdom about how we can be better companies.’” Fr. Séamus Finn, OMI (Interview with Vatican Radio, September 2015)

### Oblate Faith Consistent Investment Program

The Oblate Faith Consistent Investment program challenges corporations to ethical standards in their social and financial policies. As Investors, we are concerned with excessive CEO compensation. The past two decades have seen an unprecedented growth in executive compensation and a dramatic increase in the ratio between the compensation of executives and their employees. Some CEOs have received enormous exit packages despite poor performance as top executives.

We call on corporations to diversify the board of directors and demand greater board independence by adopting a policy of separate CEO and chairperson of the board. Oblate FCI has engaged in corporate meetings with Apple Computer, Time Warner, Bank of America, Morgan Stanley and Citigroup.

Our current Faith Consistent Investing initiative focus on:
- Enabling Access to Capital & Financial Services
- Corporate Governance
- Access to Health
- Labor conditions
- Global Warming

We work with members of the Interfaith Center on Corporate Responsibility (ICCR) through corporate dialogues and the filing of shareholder resolutions to press companies to adopt these priorities.

Father Séamus Finn, OMI serves as the Chair of the Board of the ICCR and Chief of Faith Consistent Investing, of the OIP investment Trust. On an annual basis the OIP Investment Trust engages with 50+ companies and recent corporate engagement activity includes engagement with:
- Mining companies
- Oil and gas companies
- Financial institutions
- The food and beverage industry
- Pharmaceutical corporations
- Personal care industry
- Utility companies.

In addition to personal contact, the OIP files resolutions, co-files resolutions, attends AGMs (annual general meetings of shareholders), and meets periodically with senior management in the companies of greatest interest to our participants.

### Prayer – by Pope Pius XII

Almighty and eternal God. may your grace enkindle in all of persons a love for the many unfortunate people whom poverty and misery reduce to a condition of life unworthy of human beings.

Arouse in the hearts of those who call you Father a hunger and thirst for social justice and for fraternal charity in deeds and in truth.

Grant, O Lord, peace in our days, peace to souls, peace to communities, and peace among nations.

AMEN.

### Resources

The OIP Investment Trust manages about $400 million of assets from more than 230 Roman Catholic congregations. Read more about the work of OIP here: [http://oiptrust.org/](http://oiptrust.org/)


Interfaith Center on Corporate Responsibility (ICCR) is a membership organization of churches, religious organizations, universities, unions, banks, foundations, asset management companies and other institutions and individuals that are the committed, persistent and faithful voices for justice.

Visit ICCR’s website here: [www.iccr.org](http://www.iccr.org)