Jesuit Committee on Investment Responsibility

2015
Jesuit Committee on Investment Responsibility

2015 Review

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JCIR Mission

The Jesuit Committee on Investment Responsibility advocates for corporate behavior consistent with Catholic Social Teaching, through dialogues with corporations, shareholder resolutions and proxy voting.
Jesuit connections make the work of JCIR more fruitful. Jesuit-sponsored institutions and Ignatian colleagues can advocate for and influence corporate behavior for the common good in many ways. Below are some possibilities for collaborating with JCIR.

- Contact your Jesuit Provincial Representative. Your provincial representative can offer you more information on how to collaborate with JCIR, describe what is happening locally with Jesuit shareholder advocacy, and provide guidance on how to vote your proxies consistent with our priorities. Contact information is found in the Representatives section at the conclusion of this report.

- Establish an advocacy portfolio that mirrors JCIR’s. This is the easiest and most practical way for parishes, universities, high schools, retreat centers and other Jesuit affiliated institutions to express their commitment to shareholder advocacy. Establishing an advocacy portfolio separate from other institutional investments has emerged as a best practice for Jesuit treasurers and business managers of Jesuit institutions. At any given time, no more than five stocks would be held in your advocacy portfolio.

- Influence your investment manager. Mutual funds and other registered investment companies are required to make their proxy voting records available to their clients. Review the voting records of your investment manager and encourage them to vote your proxies according to guidelines established by the Interfaith Center on Corporate Responsibility (ICCR), an organization of nearly 300 faith-based investors, including JCIR, that works to build a more just and sustainable world by integrating faith-based values into shareholder advocacy.

- 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: the Proxy Voting Guide gives an overview of socially responsible resolutions and a guide to voting proxies; the Proxy Resolutions Book contains the texts of shareholder proposals. Visit www.iccr.org for more information.

- Co-file on a shareholder resolution led by JCIR. 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. Your provincial representative can assist you with this straightforward process as necessary.

- Stay informed and share your voice. Visit www.jesuit.org/jcir to keep up to date on JCIR shareholder initiatives and learn more about current news items and the history of the Canadian and U.S. Jesuits’ commitment to socially responsible investing.

- Recommend an engagement. See the section on “Guidelines for Proposing a New Engagement.”

- Pray. Your prayers for JCIR and for all those with whom we dialogue help to ensure that JCIR engagements advance the service of faith and the promotion of justice.
What an extraordinary time in history to be involved in corporate social responsibility! The movement continues its steady progress into the mainstream of corporate practice and culture. Companies are increasingly being analyzed on the strength of their commitments to ESG – environmental, social and governance criteria – with an understanding that these categories provide a window into a company’s long term performance and viability. Corporations are enormously influential to the well-being of communities locally and internationally – at the level of economics, to be sure, but also for the ways that they impact ecology, society, and political stability.

In the pages of this 2015 Annual Report of the Jesuit Committee on Investment Responsibility you will learn about the particular efforts of the Jesuit provinces in Canada and the United States to participate in the movement to encourage corporations to be good citizens, committed to the well-being and prosperity of the communities in which they operate. The Jesuits certainly did not invent this movement, but we have been actively engaged with faith-based organizations and other people of goodwill who have participated in the Interfaith Center on Corporate Responsibility (www.iccr.org) for over four decades.

As you can see, the JCIR takes a rather specialized and targeted approach to this work. Our current engagements include an emphasis on two specific areas related to ESG: the protection of human rights (GEO, ORA), and the sustainable use of water (BG, INGR). Focusing in on these particular aspects of corporate practices over several iterations of engagements across distinct commercial sectors (oil, gas, agriculture, private prisons, mineral extraction, etc.) has given JCIR tremendous knowledge, wisdom, and therefore credibility as we engage with companies on particular aspects of their operations. We are somewhat unique in our ability to “go deep” with a company in discussing their human rights and water policies – and we do so in a manner that demonstrates the respect that we have for their employees, as well as for all the people who are impacted by their behavior in the communities where they operate. At all times—and for the sake of maintaining a place at the table for discussion—we try to maintain the Ignatian disposition of presuming charity, that the company actually wants to do well as a corporate citizen and that we are there to support and encourage them in those efforts.

The commitment to corporate social responsibility is ultimately an acknowledgement of our radical interdependence – the interdependence of the human community, to be sure, but also our institutions, our enterprises, our governments, and more than ever, with our common home the earth. In his recent social encyclical, Laudato Si, Pope Francis affirmed that interdependence and the urgency of engagement, the importance of dialogue, when he wrote “Now, faced as we are with global environmental deterioration, I wish to address every person living on this planet…I would like to enter into dialogue with all people about our common home.”

The efforts of JCIR are a fantastic example of the spirit of Pope Francis to engage with all people about our common home, our common good. In fairness, such conversations rightly include consideration of our investments – where we place our money is one powerful way that we communicate our values. By engaging in shareholder advocacy, we strive to hold the companies that we invest in to standards that promote the common good today and for future generations.
There are sincere and meaningful questions being raised today about the morality of investments in companies that extract and refine fossil fuels, that engage in prison and detention for profit, and that extract mineral resources from developing countries with little concern for environmental regulation. These are the challenges of our day, and Jesuit institutions belong in those conversations.

On a personal note, this is my final contribution to the JCIR annual report after nearly 10 years of participation in these efforts on behalf of the California and Oregon provinces. I can say without question that this shareholder advocacy work has been some of the most interesting, demanding, and ultimately fulfilling work of my life. Engaging with companies about long-term values rather than short-term profits constitutes a frontier worth exploring – and provides a new context within which to hear and respond to the Call of Christ to contribute to the building of a Kingdom that includes all of God’s creation.

In gratitude, peace, and hope for the future,

Mark Potter, Outgoing Chair

Our Strategy

The Jesuit Committee on Investment Responsibility (JCIR) promotes social change in corporate practices through shareholder engagement. In light of Jesuit apostolic preferences, JCIR 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. JCIR respectfully engages selected companies on issues in which we have proficiency, interest and capacity.

Faith-informed socially responsible investment (SRI) is a work of structural justice (GC 35, D 3, n 28). JCIR seeks to increase the participation,

“When leaders in various fields ask me for advice, my response is always the same: dialogue, dialogue, dialogue. The only way for individuals, families and societies to grow, the only way for the life of peoples to progress, is via the culture of encounter, a culture in which all have something good to give and all can receive something good in return. Others always have something to give me, if we know how to approach them in a spirit of openness and without prejudice. This open spirit, without prejudice, I would describe as “social humility”, which is what favors dialogue. Only in this way can understanding grow between cultures and religions, mutual esteem without needless preconceptions, in a climate that is respectful of the rights of everyone. Today, either we take the risk of dialogue, we risk the culture of encounter, or we all fall; this is the path that will bear fruit. “

Taken from statements made by Pope Francis at a gathering with the Brazil Leaders of Society on the occasion of the XXVIII World Youth Day, on July 27, 2013.
prayerful solidarity and awareness of SRI at Jesuit-sponsored institutions and among our friends and constituencies. As active shareholders, JCIR expresses to corporations the concern and experiences of Jesuits and religious communities who witness the social impacts of multi-national corporations both here and abroad.

A Commentary

Our Faith, Our Money & Changing the World

“Will you use the faith you’ve found, to reshape the world around, through my sight and touch and sound in you and you in me? " (From The Summons, Iona Community 1987)

I am a new grandmother with a bouncing baby granddaughter (and yes at 20 months she has learned how to bounce all over the furniture). I learn new things every time I see her and often think the way we look at how an infant learns and grows, must be how our God looks at us. I’ve enjoyed watching her learn to do a puzzle. When a piece doesn’t fit, she shakes her head ‘no’, lifts it up and starts over. When she gets it in the right place, she is overjoyed and claps. While our ‘no’ to life’s roadblocks are a little more dramatic, our challenge is the same: to look at the situation and try, try again.

We all face personal roadblocks and sometimes they can turn into blessings. In going off to college I dreamed of becoming a physical therapist. Somewhere mid-sophomore year the college closed the program. After many twists and turns I found myself in a master’s program in rehabilitation counseling. There I also met lifelong friends including my husband and launched a wonderful journey for a career that included running a workshop for adults with developmental disabilities, working at the Archdiocese of Detroit and now working at shareholder advocacy.

Another such time in my life was when my husband found he needed to change jobs and the move brought us to Pittsburgh. I had been in a job I totally loved running the Christian Service Dept. at the Archdiocese of Detroit. The challenges faced by the city and the Church were stressful but also exhilarating. We could see positive and negative changes happen in front of our eyes almost every day. The move caused concern, what would I do, where I would ever find a job I could enjoy and feel like I was making an impact again. After some 80 rejection letters, a position to develop and run a local AIDS care team program came my way. It was interfaith, dealing with an issue during the 90’s that local churches were having trouble addressing and seemed to pull in every con-
tact and talent I had ever experienced. AIDS changed, people lived, care teams to the dying person were no longer needed and I was again looking for how to use my gifts. This time an opportunity first with the Evangelical Lutheran Church in America and now Mercy Investment Services came my way to engage corporations through shareholder advocacy.

Throughout my career, my life has taken twists and turns that have proven useful in my current role in shareholder advocacy. Some of the just-in-time production and supply chain issues from working in the Archdiocese of Detroit are part of the toolkit I bring; some of the understanding of discrimination around HIV issues from coordinating AIDS care teams give me a whole other set of tools. We challenge corporations to change, to address an issue it has had a blind eye to, or a problem that harms vulnerable populations or our earth. We ask them to disclose information they’re uncomfortable having in the public arena. We ask them to be public about controversial positions. These are a challenge not only for the company but often for individuals within a company.

I believe God calls us to go into places and be a Holy Presence, to be the eyes, ears, voice of those not at the table and to be the hands for God’s work. That presence may be one to challenge a corporation to change its ways, but I’ve found we are a Holy Presence in these corporations in other ways:

• We help the people working in a corporation connect what they hear from the pulpit on Sunday with the issues they face on Monday. I often meet people who say “I was taught by Sisters of Mercy” or “I was born in a Mercy hospital.” It’s their way of saying, “I get who you are and what you stand for and I, too, believe.”

• We’re present in a chaplaincy role, whether meeting with companies that lost employees on September 11 or after an explosion at a well site, or even after the death of an employee shareholders related to. We’ve reached out and been the presence of God in the workplace in a way that touches all in the room.

• Corporate staff have reached out to members of our shareholder group when they face a life challenge, whether their own cancer, their wife’s Alzheimer’s, or a son’s struggle with drugs. It is a humbling privilege to be God’s hands and minister to those in corporations facing crisis.

• We can support an individual within a company that doesn’t have the authority to raise the issue to be dealt with at appropriate levels. Many CEOs would be surprised to know an employee has encouraged us to file a resolution so the issue is heard at a senior level. Once, when asking about a response to HIV in a corporation, the investor relations department said they had no issue. After shareholders filed a resolution, the investor relations staff took a trip to South Africa to investigate. They came back realizing they had an issue that must be addressed and were horrified that it had gotten stuck in the pipeline up the ladder. We often can bring the voice of the voiceless to the table.

Many ask if shareholder work has made a difference. It’s difficult to measure change on an annual basis, but over the last decade, we’ve seen progress:

• In 2000, very few companies disclosed their greenhouse gas emissions. After many resolutions and dialogues, about ¾ of the Fortune 500 companies now file sustainability reports addressing the issue. Many set reduction targets, and others report gas emissions by site.
• In 2008, no hotel chains or transportation companies addressed the issue of human trafficking. Now, all major hotel chains and most airlines have policies and access to training. Companies are examining their supply chains to address worker treatment and safety issues.

• Impacted communities often don’t have real access to the corporate table. The concept of free prior informed consent is now known in a variety of sectors, and community consultation before siting most facilities is part of the process.

These aren’t perfect solutions and we can’t sit back and clap our hands as my granddaughter does. Instead, we realize that while some concerns have been addressed, more work remains. Blessed with opportunities that I never could have guessed, I’ll continue to “use the faith I’ve found, to re-shape the world around, through my sight and touch and sound in you and you in me.”

For more than a decade, Pat has worked in the area of Corporate Responsibility. She began this work with the Evangelical Lutheran Church in America and now also works with Mercy Investment Services. Pat also serves as a board member for the Interfaith Center for Corporate Responsibility, Residential Care Services, and GoodWeave International.

Our Engagements on the Sustainable Use of Water

Bunge Limited (NYSE: BG)

Since the Jesuits began our engagement with Bunge in 2009, we have seen through our dialogues and the company’s actions continuous progress in the critical issue of responsible water stewardship and sustainable sourcing. The company has demonstrated a growing appreciation of the importance both play in long term corporate success. The year 2015 saw three major company initiatives that solidified their commitment to addressing issues of water sustainability.

First, in June, Bunge signed on to the United Nations CEO Water Mandate, a unique public-private initiative launched by the UN Secretary General in 2007 to assist companies in the development, implementation and disclosure of water sustainability policies and practices. Bunge CEO Soren Schroder made the company’s public commitment clear in his letter to the UN Global Compact Office:

“I am writing to endorse the CEO Water Mandate and commit Bunge Limited to adopting and implementing a comprehensive approach to water management that incorporates, over time, all...elements of the CEO Water mandate. We understand that as part of this commitment, Bunge Limited will develop annually a “Communication on Progress - Water” per the Transparency Policy of the CEO Water mandate.”
Bunge is the second largest agriculture company to take this important step.

Second, Bunge has established a board level Sustainability and Corporate Responsibility committee led by Carol Browner. Browner served as Director of the White House Office of Energy and Climate Change Policy in the Obama administration from 2009 to 2011, and as Administrator of the Environmental Protection Agency (EPA) during the Clinton administration from 1993 to 2001. Ms. Browner attended our January 2015 dialogue with Bunge.

Finally, Bunge has continued to demonstrate their commitment to transparency in reporting on sustainability practices through the CERES Global Initiative for Sustainability Ratings (GISR). This index provides companies, investors and the general public with a non-commercial, generally accepted sustainability ratings standard that meets high standards of technical excellence, independence and transparency. Not only did Bunge develop their report for the GISR – a task which takes a considerable amount of time and effort– but their ranking alongside other companies was very good.

In future dialogues, JCIR investors look forward to reviewing the company’s plans for fulfilling the CEO Water Mandate commitment, which we hope will include a strong company water and human rights policy linked to their current Environmental Policy. Investors also want to develop a deeper understanding of Bunge’s long-term, comprehensive sustainable sourcing strategy, including sustainable sourcing of grains and key commodities.

**Ingredion (NYSE: INGR)**

After 4 years of dialogue with Ingredion, an agricultural products company that transforms corn, tapioca and other starches into ingredients for the food, beverage, brewing and pharmaceutical industries, 2015 marked an important year in our efforts to deepen Ingredion’s response to water scarcity in communities around the world where the company operates. Ingredion’s Sustainability Report, released in April 2015, outlined a revised and systematic approach to addressing sustainability issues including water. For the first time, Ingredion developed and communicated to customers, investors and other stakeholders concrete goals to reduce internal water use, committing to a reduction of water used in their manufacturing processes by 10% over a 10-year period.

The Sustainability Update also highlighted Ingredion’s wide range of work in sourcing sustainable agricultural products from farmers around the world. Already a member of the Sustainable Agriculture Initiative Platform, Ingredion joined Field to Market in 2015. Membership in these groups ensures that Ingredion is dialoguing with farmers, non-profits, and agribusinesses to create methods and tools to define, measure and advance sustainability across the agriculture supply chain.

From the CEO and Board of Directors to regional operations directors, Ingredion has approved and disseminated these concrete goals to reduce water use in their internal operations and to increase sustainably sourced crops. Future performance reviews, goal setting and compensation will, in part, be tied to achieving these sustainability goals.

Ingredion still has significant work to do on disclosing detailed data to investors and stakeholders on assessments of water risk in both the company’s facilities and the agriculture supply chain. We will continue to encourage the company to respond to the Carbon Disclosure Project’s Water Questionnaire over the coming year.
Our Engagements on Promoting Human Rights

The GEO Group, Inc. (NYSE: GEO)

Our dialogue with the GEO Group, a company that operates private prisons, focuses on the adoption, integration, and evaluation of a comprehensive human rights policy that GEO formally adopted— at the urging of JCIR and other investors—in February 2013. Over the past three years of dialogue, the faith-based investor coalition continues to contend that a robust and verifiable implementation of a human rights policy will mitigate the risks of human rights abuse in GEO facilities, and improve its corporate reputation and value in the eyes of investors, while also benefiting the overall well-being of the thousands of people in the company’s custody, care and control.

Despite initial progress in this dialogue, in particular the step forward the company made when they introduced the Global Human Rights Policy, investors remain concerned that the policy has not yet been operationalized throughout GEO’s business. Additionally aspects of GEO’s operations continue to raise red flags for investors. A recently released report by GEO’s chief client, ICE found GEO’s failure to ensure adequate medical access and care at a facility in California resulted in the death of an immigrant detainee. A former staff member of GEO Group recently gave testimony to Congress about having been told to alter medical records, and about systematic denial of medical care at the Karnes County Residential Detention Center. Finally, the US Commission on Civil Rights (a government body) issued a scathing report on U.S. immigration detention, specifically highlighting GEO’s troubling record and questioning the federal government’s continued relationship with the company in light of documented issues arising from poor access to medical care and alleged mistreatment of hunger strikers at its facilities.

One of the unique challenges of the dialogue with GEO is strategically discerning how and where our advocacy efforts can be most effective. The US government is responsible for the policy of detaining immigrant women and children in Texas and Pennsylvania facilities, a policy the Jesuit Conference and the US Conference of Catholic Bishops have decried as inhumane and a per se violation of the human rights of these women, children and babies. The advocacy of the Jesuit Conference before the US Government will continue until the government abolishes the practice of incarcerating non-criminal immigrants who are no danger to society. JCIR’s advocacy focuses not on the US government policy elements of this question, but rather the conditions of detention in GEO facilities. We are also committed to continuing to raise with the company our contention that a fully operationalized human rights policy should inform The GEO Group’s business choices, particularly when children’s lives and well-being are involved. In the meantime, we are committed to an ongoing dialogue with the GEO group in the hopes that our interventions and encouragement can improve the treatment of people in their care, custody and control. Shareholders’ continued concerns about the practical implementation of the Global Human Rights Policy at GEO, now a nearly three-year-old policy, led faith-based investors, with the leadership of the California Province of the Society of Jesus, to file a resolution on the company’s proxy in November 2015. The Resolution for Human Rights Policy Implementation and Performance requests that The Geo Group provide an independent Human Rights report to its investors, published on its website annually beginning in May 2016.
Thanks to a generous grant from the Langeloth Foundation to the Jesuit Social Research Institute at Loyola University New Orleans to promote the protection of human rights in the private prison industry, the dialogue includes the participation of subject matter experts including Fr. George Williams, SJ, Catholic chaplain at San Quentin State Prison and Richard Subia, former Director of the California Department of Corrections and Rehabilitation.

**Monsanto Company (NYSE: MON)**

After careful discernment, JCIR made a decision to “end” our shareholder engagement with Monsanto. In the last 10 years Jesuits and shareholder colleagues have seen Monsanto address and set up risk management practices and assessments on human rights and environmental concerns within the company and in their sphere of influence in 35 countries. These concerns included child labor, forced labor, compensation, working hours, and discrimination among others. Monsanto implemented a robust communications and training plan on human rights with their employees, their business partners and other external shareholders. Over the decade-long engagement, Monsanto continued to show transparency about their progress in the area of human rights and commitment to investigate and find solutions to the serious concerns raised by investors.

The last concern that JCIR and investors presented to Monsanto dealt with glyphosate - a Monsanto-produced herbicide – which has been used to eradicate drug crops in Colombia. Jesuits and other human rights groups in that country were acutely concerned because of the devastating economic and physical harm that aerial spraying of this herbicide has caused to farmers and their families. Monsanto assured investors that they were not selling the herbicide to the government or other entities for aerial spraying. Company officials also provided investors with helpful information and contacts within their sphere of influence to help address this issue at different levels. Although the aerial spraying program no longer exists, JCIR will continue to monitor matters in Colombia through the Jesuits and our other colleagues in that country and will remain committed to the issues that impact the people there.

Even though the human rights dialogue has been sunned, the Jesuits of the US Central and Southern Province will join with the Midwest Coalition for Responsible Investment and other religious congregations to work with Monsanto on issues related to social and environmental responsibility, particularly the issue of water sustainability.

**Aura Minerals Inc. (TSX:ORA)**

JCIR’s newest dialogue with the Toronto-based Aura Minerals (TSX: ORA) developed after consultation with Honduran Jesuits working for human rights in an alarmingly violent society. In addition to widespread criminality, the world’s highest murder rate (90.4/100,000) and massive family displacement, Honduras enacted a new mining law in 2013 which relaxes oversight of the mining sector. A coalition of Honduran environmental groups describes the law as “disaster capitalism” and cites some of the most worrisome aspects of the new law which include: weakened protections for community and civil society voices; denied access to technical and financial aspect of projects; weakened water protections for communities; late-term consultation only after contracts
are signed; and full permission for open pit mining despite opposition to the practice by 91% of Hondurans.

In this context, simply following the letter of Honduran mining law, which itself is largely unenforced, will be insufficient for any company that takes seriously its responsibility to safeguard the human rights of communities that live near industrial mines. Therefore shareholders need to urge extractive companies to protect and preserve environmental safeguards and the human rights of workers and communities, by demonstrating that these incremental investments will serve the company’s long-term self-interests. This is all the more true in areas of weak governance, as companies have a significant potential to play a positive (or negative) role since government services are so limited and regulations so lax.

Our first year yielded two productive 4-hour dialogues at Aura corporate headquarters in Toronto which allowed the company and the shareholder advocates to build relationships and better understand one another’s human rights perspectives. In addition to the Corporate Secretary and the Vice President for Corporate Social Responsibility, the President and CEO Mr. Jim Bannantine also met with our group for a portion of each dialogue. Interestingly but perhaps not surprisingly given the breadth of the Jesuit network, Mr. Bannantine also conveyed that his two great-uncles were Jesuits. In fact they are very well known (Frs. Francis Wade of Marquette and William Wade of St Louis University) whose legacies both continue in the form of an honorary lecture series at their respective institutions.

In addition to the immediate members of JCIR and provincial staff, our diverse dialogue team includes two Jesuit University faculty (Marquette and Loyola University Maryland) and two representatives from Mercy Investment Services (of the Sisters of Mercy).

In the coming year, shareholders and the company are both committed to move forward on drafting a strong human rights policy. For our part, that means a policy which aligns with the UN Guiding Principles on Business and Human Rights; the Millennium Development Goals (MDGs) and Sustainability Development Goals (SDGs) and a strong interpretation of the Free Prior and Informed Consent (FPIC) principle to protect the rights of local communities to full and appropriate participation throughout the project’s life cycle.
When first tell my friends that I engage in dialogue with Monsanto on the behalf on the Jesuit Committee on Investment Responsibility the most common response is either surprise or horror. For good or for ill Monsanto has become synonymous with GMOs, pesticides, and the end of family owned farms. In many ways Monsanto has earned its less than favorable reputation because of questionable business practices and its enormous size and annual profit. Knowing this, why would a Jesuit or any religious, want to dialogue or have shares in a company with a tarnished public image? What possible good could come from engaging with Monsanto?

These questions were on my mind as I sat with several nuns representing their various religious orders (part of the Mid-West Coalition for Responsible Investment) at the annual shareholder’s meeting. I was given the opportunity to address the gathered shareholders and the members of Monsanto’s board. As I arrived there was a small but vocal group protesting Monsanto’s unethical business practices. A part of me wondered whether it would be more appropriate to join the protest than attend the meeting. After the meeting was called to order I read a short statement decrying the aerial spraying of Glyphosate in Colombia and the negative impact it has on subsistence farmers. What I found most surprising is that I had the attention of the room. Shareholders, board members, the CEO and Chairman, were listening. When I sat down I realized the unique opportunity our small amount of shares had granted me, it allowed me to be heard without a filter and speak directly to those who make decisions. I have no doubt that my words fell on some deaf ears, or that many people dismissed me before I spoke, but there had to be at least a few that really considered what I had to say. When the meeting concluded I was approached by several people, including Monsanto employees, who thanked me for being there and for speaking.

I do not expect that Monsanto will entirely halt business practices which many find reprehensible. It is likely that they will always have to be reminded that as a company they have moral obligations. However, I am hopeful that little by little our combined efforts will change the way this massive company conducts itself. Monsanto is not a bogeyman, but rather a group of individuals who have hearts, intellect, and a conscience. Our goal throughout this engagement has been to urge Monsanto leaders to integrate respect for human dignity and rights into their business practices. This is a process of conversion. Conversion is often a slow process, but one that is not to be avoided because of adversity. Shareholder advocacy gives voice to justice in places where it would otherwise lie silent. The work is often slow and the changes are often small and incremental. Yet, despite being small these changes bring us closer to our goal of morally responsible companies. As a Jesuit, I am called to the frontiers and tasked to bring the message of the Gospel to places that are difficult for others to reach. Multinational companies, like Monsanto, are a frontier in need of the Gospel message. Jesuits are uniquely placed and, I believe, have the responsibility to bring the message of the Gospel to multinationals in the hopes of profound and lasting change.

Sean Hagerty, SJ is a Jesuit of USA Northeast Province and is currently working on his Masters in Philosophy (Ethics) at Saint Louis University.
Guidelines for Proposing a New Engagement

Dialogues with companies are an effective way to address negative impacts of company operations on local communities. JCIR’s current or recent engagements with Monsanto, GEO Group, Inc., OM Group (2007-2013), and Occidental Petroleum (2003-2010) were initiated because of concerns by Jesuits in Colombia, the U.S. and the Democratic Republic of the Congo. As a result of JCIR’s actions, each company has adopted a human rights policy which provides a foundation to remediate local concerns. JCIR welcomes suggestions for new engagements that reflect the following guidelines.

1. The company should be a U.S. or Canadian based multinational that is publicly traded on the Toronto Stock Exchange, 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 when possible, capable of providing reliable information to JCIR.
4. Contact us at Kvernon@jesuits.org.

Secretary’s Message:
Jesuit Conference Secretary for Social and International Ministries; Rev. William Kelley, SJ

It is a pleasure to report to you on the progress made during the past year through JCIR’s work of shareholder engagement. First, let me thank you for your continued interest in and support of JCIR’s ministry. As you can see by reviewing the company dialogue updates, JCIR has been busy advocating for best practices in corporate environmental stewardship and human rights. Our work in these areas reflects our profound commitment to the people and the communities that are affected by the activities carried out by the corporations with whom we engage. We believe that, when corporations operate at both their highest performance level and their highest ethical level, they and the communities where they operate will benefit.

As we look to the coming year, the promotion of human rights for prisoners and immigrant detainees will certainly remain a high priority for JCIR. While some progress has been achieved, there is still much work to be done in this area. Likewise, assessment and implementation of best environmental practices within corporations, especially related to water stewardship and extractives practices, will continue to be an important focus of our work.

I continue to be optimistic that the corporations we engage with will endeavor to embrace better human rights and environmental stewardship practices. I look forward to reporting to you next year on our continued progress.

Rev. William Kelley, SJ
Secretary for Social and International Ministries
“Because of you I do not fear death…”

Fr. Schlegel’s leadership and support for human rights, solidarity and Catholic Social Teaching resonates with the work of the JCIR.

As a new president of the University of San Francisco where he served from 1991-2000, Fr. Schlegel was among the university signatories to the Sullivan Principles, a code of conduct to support economic, social and workplace justice by companies where they do business. The principles were developed by Rev. Leon Sullivan, an African-American minister and member of the board of General Motors to apply economic pressure on South Africa to protest its system of apartheid.

After USF, Fr Schlegel became president of Creighton University from 2000-2011. In 2006, he approved Creighton University to become the first Jesuit University to co-file a JCIR-led Human Rights resolution with Chevron. Over the following years a growing number of Jesuit universities and high schools similarly joined JCIR’s efforts which led to the eventual adoption of a human rights policy in 2010.

After his presidency at Creighton, Fr. Schlegel went onto serve as publisher of America Magazine and most recently as pastor of the Gesu Parish in Milwaukee. An Oxford University PhD in Inter-
national Relations, Fr. Schlegel also taught and administered at Marquette, Rockhurst and John Carroll Universities.

Fr. Schlegel was diagnosed with inoperable pancreatic cancer in February 2015. He elected to forego chemotherapy. In March 2015 he had the opportunity to meet Pope Francis.

In a letter to friends and family sharing the news of his illness, he asked for prayers for the canonization of Jesuit Fr. Pedro Arrupe, who is synonymous with the contemporary Jesuit mission to serve faith and promote justice. The letter also conveys to his companions, “I have taught you (and you me), married you, baptized your children, buried your loved ones, and picked your pockets; at the same time we skied, hiked, golfed, played racquetball, cooked, listened to opera and drank wine….God is indeed a gracious and generous God. Because of you I do not fear death.”

When I hand-delivered the 2014 JCIR annual report to Fr. Schlegel at the Gesu Parish office, he again expressed his appreciation for the importance of shareholder advocacy. JCIR is grateful for Fr. Schlegel’s strong support of our work and his encouragement to Jesuit institutions to utilize their investments for good.

On November 15, 2015 Fr. Schlegel died peacefully in hospice care in Omaha and 700 friends celebrated his life at a Funeral Mass at St. John’s church, located on the Creighton campus.

Jesuit Fr. Joseph Brown, Professor of Africana Studies at Southern Illinois University and friend of Fr. Schlegel since their novitiate days, preached the homily. Fr. Brown closed his reflection by singing “I Want Jesus to Walk With Me” and said of his departed, longtime friend: “If that song is not the life that that man lived, then I don’t know who he was.”
A Note of Gratitude

JCIR is thankful for the collaboration of Jesuit Provinces and institutions and ICCR colleagues that strengthened our shareholder initiatives this past year. We look forward to our work ahead as we continue in our efforts to engage and inform corporations on issues impacting the lives of people and resources relevant to our world.

A Welcome to New JCIR Members and a Thank You to Departing JCIR Leaders

Mr. Mark Potter concluded his service as Provincial Assistant for Social Ministries for the Oregon and California Provinces. A professional opportunity for Mark’s wife necessitated a family move to the Northeast. For almost ten years, Mark served as a strong advocate for corporate social responsibility bringing both great passion and problem solving to some of the most pressing corporate social justice issues impacting our society.

Stephen Privett, SJ, incoming Provincial Assistant for Social Ministries and Higher Education, will serve as the new JCIR representative for the California and Oregon Provinces. Fr. Privett served as President of the University of San Francisco for 14 years from 2000 to 2014 and continues to serve the USF community as Chancellor. We are very excited to have Fr. Privett’s leadership and experience as an advocate help advance the work of JCIR.
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Ad Maiorem Dei Gloriam
The Jesuit Committee on Investment Responsibility advocates for corporate behavior consistent with Catholic Social Teaching, through dialogues with corporations, shareholder resolutions and proxy voting.