A Message from the Director

SRIC @ 40: (Still) Looking for the Promised Land

Yes, we are still looking to create a land of promise and hope for all as we strive for Human Rights, Equity and Justice. But we took a break from these essential activities happening since 1982 to raise our spirits and recognize our supporters in celebration of our 40th Anniversary SRIC Annual Event on April 27. The stars were really shining that night as we hosted a star-studded gala.

- Honoring our Founding Congregations who, in reading the signs of their times, saw a need to promote corporate responsibility
- Welcoming especially Sr. Frances Lorene Lange, CDP and Rev. Rufus Whitley, OMI who were there at the beginnings in 1974 at the creation of Texas CRI, our parent organization
- Holding those 35 individuals in memory who had supported us through the years
- Hearing the story of SRIC History as told by Sr. Susan Mika OSB, our faithful leader for many years
- Learning about the 40-year Arc of our History as Investors from our ICCR colleagues
- Being Inspired by our colleagues formerly with TX AFL-CIO and United Farm Workers who have dedicated many years raising the voices of workers and advocating for Worker Rights

So we move forward together, challenged by new ICCR Initiatives including Climate Change and Environmental Justice, Human Rights in Global Supply Chains, Worker Rights and Racial Justice. Other key issues will include Lobbying and Political Spending, the Tech and Financial Sectors as well as Mining and Gun Safety. Although all our work touches on our local area, I will join a new group focusing on Impacts of Methane Emissions on Communities and Public Health.

Since my election to the ICCR Board of Directors, I have participated in a Board Retreat, meetings of the Personnel and Nominating Committees on which I serve and two General Meetings of the Board -- which as, you may expect, are action-packed as we guide the direction of a growing Interfaith Center on Corporate Responsibility with global influence in shareholder advocacy.

We will begin working to update and refresh the SRIC Website and we are pleased that Nina Martinez will be helping us with that project. How we present ourselves to the world is so important these days, so look for our exciting announcement about our new Internet home for SRIC in the coming days.

Ruben Lopez, our Administrative Assistant, and I remained focused on keeping SRIC thriving so I am really pleased to announce a new SRIC Institutional Member -- the Missionary Catechists of Divine Providence. We hope you will enjoy learning about the highlights of our accomplishments in the last year -- all made possible through your continued interest and support!
**SRIC Member Meeting Updates**

**SEC Rule 14a-8 — September 15, 2021**

*Tim Smith, Director of ESG Shareowner Engagement with Boston Trust Walden Company* went over the new requirements of SEC Rule 14a-8. In September 2020, the SEC imposed a new rule sharply restricting shareholders’ ability to submit proposals, asking companies to consider additional disclosures, policies, or governance changes. The new rules significantly limit investors’ ability to submit proposals by raising the thresholds of ownership both in terms of the number of shares and length of time they must be held. Before the new rule, a shareholder who has held shares in a company for at least a year needed to hold at least $2,000 in shares. Under the new rule, new purchasers of stock must hold $25,000 in shares for at least a year, or hold $2,000 in shares for at least three years.

**Human Trafficking — November 17, 2021**

*Caroline Boden, Director of Shareholder Advocacy with Mercy Investment Services Inc.*, discussed the work being done by the Human Trafficking at the Border initiative. Formed by a group of investors, this initiative hopes to work along local leaders and corporations to find solutions to eradicate the trafficking of migrants. Caroline’s presentation highlighted the importance of asking companies in the trucking and hospitality sector to adopt and disclose policies with clear commitments to combat human trafficking. She also highlighted how crucial it is to partner with leading non-governmental organizations (NGOs) to generate public awareness campaigns on this issue.

**Worker Rights — February 16, 2022**

*Nadira Narine, Senior Program Director, Strategic Initiatives with the Interfaith Center on Corporate Responsibility*, addressed a new ICCR program area – worker rights and racial justice. Nadira’s presentation covered domestic worker rights with a focus on frontline workers in United States and the need to center workers’ voices. Action emphasis for this proxy season will include paid sick leave, wages and benefits, workplace safety, and worker empowerment. Racial justice will be the lens we use to focus all our work and will be a part of all ICCR programs.

**Socially Responsible Investment Guidelines — May 18, 2022**

*Rev. Séamus Finn, OMI, Chief of Faith Consistent Investing at the Missionary Oblates of Mary Immaculate*, discussed socially responsible Catholic investing and the U.S. Conference of Catholic Bishops’ (USCCB) new Socially Responsible Investment Guidelines. Some of the significant changes in the update of the text include incorporating the teachings of Pope Benedict XVI and Pope Francis; with significant updates to areas concerning the common good and the environment; and adding new areas such as media, telecommunications, and impact investing. The updated investment guidance, in addition to its emphasis on shareholder engagement, includes expansions on environmental issues.

---

**SRIC BOARD OFFICERS**

- **Sr. Patricia Regan, CDP**
  Board President
- **W. Esther Ng**
  Treasurer
- **Sr. Susan Mika, OSB**
  Secretary
GENDER AND RACIAL PAY GAP

Black workers’ hourly median earnings are just 64 percent of that of their white peers. Meanwhile, the median income for women working full time is 83 percent that of men. Women of color face even greater pay discrimination: Black women earn 63 cents to a white male worker’s dollar while Indigenous and Latina women earn 60 cents and 55 cents respectively. Given the pervasive pay gap that exists in the U.S. between races and genders in nearly all industries, ICCR members repeated their call for reports on median pay gaps across race and gender at 10 companies, including Amazon, Apple, Chipotle and Target.

CEO COMPENSATION TO WEIGH WORKFORCE PAY AND OWNERSHIP

The vast gap between U.S. CEO and median employee pay continues to widen; the current reported ratio stands at 172:1. Meanwhile, inflation-adjusted wages for American workers have stagnated since the 1970s as the country experiences growing inflation. In an attempt to address this dynamic, ICCR members filed a new type of CEO pay resolution at 10 companies, calling on their compensation committees to take into consideration the pay grades, salary ranges, and stock ownership of all classes of company employees when setting target amounts for CEO compensation. Targeted companies include Bank of America, Chipotle, Bristol-Myers Squibb and Goldman Sachs.

PARIS-ALIGNED CLIMATE LOBBYING

As the climate crisis deepens, corporate lobbying activities that seek to prevent science-based climate legislation and regulation present major risks for investors. Delays in implementing the Paris Agreement’s decarbonization goals increase the physical damage of climate change and pose systemic risks to the global economy. In their campaign’s second year, our members asked 19 companies to report on if and how their lobbying activities align with the ultimate goal of the Paris Agreement to limit average global warming to 1.5°C, and to disclose their plans to mitigate risks presented by any misalignment. Companies receiving this resolution include Alphabet, Amazon, ExxonMobil, JPMorgan Chase, Meta (Facebook), and Uber among others.

PAID SICK LEAVE (PSL)

More than 26 million U.S. workers have no access to paid sick days, and millions more cannot earn and use paid sick time to care for a sick child or family member, leaving them with an impossible choice when they are sick: stay home and risk their economic stability or go to work and risk their/p the public’s health. Arguing that paid sick leave is a baseline benefit that should be available to all employees, a group of investors coordinated by ICCR has sent a letter to over 40 companies and filed shareholder proposals at CVS, Kroger, Target, and TJX. The resolutions asked the four companies to adopt and publicly disclose a policy that all employees, part- and full-time, accrue some amount of PSL that can be used after working for a reasonable probationary period.

WATER MANAGEMENT RISKS

Climate change is exacerbating global water and food security by intensifying extreme weather, droughts and flooding. Investors asked Google to report quantitative water-related metrics by location, including practices implemented to reduce climate-related water risk. They asked Kraft-Heinz to identify its total water risk exposure, and its policies and practices to reduce this risk and to prepare for water supply uncertainties associated with climate change.

ACCESS TO COVID-19 PRODUCTS

In an effort to curb the spread of COVID-19, governments made large investments in global pharma companies to spur the development of breakthrough vaccines and medicine. These same pharma companies have been accused of profiteering amidst a global vaccine shortage and fueling global inequities in vaccine distribution. Investors want to ensure that any medical breakthroughs derived from the public’s contribution will be priced in an accessible way that allows communities to benefit equally. ICCR members refiled resolutions with Merck, Pfizer and Johnson & Johnson, asking them to disclose whether and how their receipt of public financial support for the development and manufacture of COVID-19 vaccines and therapeutics will be taken into account when making decisions that affect access to such products, such as sharing intellectual property or setting prices.

REDUCE PLASTICS USE

Without immediate and sustained new commitments throughout the plastics value chain, annual flows of plastics into oceans are expected to nearly triple by 2040. To reduce plastic pollution, recycling must be coupled with reductions in use, materials redesign, and substitution. Noting that corporations face significant and growing financial risk from legislation being enacted around the globe requiring them to cover packaging waste management costs, investors asked 11 companies including Amazon, CVS Health, Kraft Heinz, McDonald’s and Tyson to reduce their use of plastics.
2022 Shareholder Resolutions Voting Results

ALPHABET, INC. – 18.97%
Paris-Aligned Climate Lobbying
Dana Investment Advisors
Missionary Oblates of Mary Immaculate

ALPHABET, INC. – 22.60%
Water Management Risks
Mercy Investment Services

ALTRIA GROUP, INC. – 62.15%
Civil Rights Audit
Mercy Investment Services

AMAZON.COM, INC. – 48.92%
Reduce Plastics Use
Dana Investment Advisors

AMAZON.COM, INC. – 40.69%
Rekognition — Facial Recognition Technology
Mercy Investment Services

AMAZON.COM, INC. – 17.50%
Tax Transparency
Missionary Oblates of Mary Immaculate

AMERICAN INT. GROUP – Withdrawn
Paris-Aligned Climate Lobbying
Mercy Investment Services

AMGEN INC. – Withdrawn
Lobbying Alignment
Mercy Investment Services
Dana Investment Advisors

ANTERO RESOURCES – Withdrawn
Direct Methane Measurement
Mercy Investment Services

ANTHEM, INC. – 41.20%
Racial Equity Audit
Mercy Investment Services

BANK OF AMERICA CORP. – 11.00%
Financing Consistent with IEA Net-Zero 2050 Scenario
Mercy Investment Services

BED BATH & BEYOND INC. – Withdrawn
Chemical Management
Mercy Investment Services

BIOGEN, INC. – Filed
Lobbying Expenditures Disclosure
Mercy Investment Services

BRISTOL-MYERS SQUIBB – 44.80%
Independent Board Chair
Mercy Investment Services

CATERPILLAR INC. – On Proxy
Human Rights Risks in Conflict-Affected and High-Risk Areas Policies
Congregation of Benedictine Sisters, Boerne TX
Mercy Investment Services

CHEVRON CORP. – 98.00%
Direct Methane Measurement
Mercy Investment Services

CHEVRON CORP. – 48.00%
Racial Equity Audit
Congregation of Benedictine Sisters, Boerne TX

CITIGROUP – 34.00%
Respect for Rights of Indigenous Peoples
Missionary Oblates of Mary Immaculate

DINE BRANDS GLOBAL, INC. – 12.40%
Increase Starting Wages
Mercy Investment Services

DISNEY (WALT) COMPANY / ABC – 34.27%
Lobbying Expenditures Disclosure
Mercy Investment Services
Missionary Oblates of Mary Immaculate

DOLLAR GENERAL CORP. – Withdrawn
Improving the Company's Chemical Footprint
Mercy Investment Services

DUKE ENERGY CORP. – Withdrawn
Audited Report on Impact of IEA Net-Zero Emissions by 2050 Scenario
Mercy Investment Services

ELI LILLY AND COMPANY – 22.50%
Anticompetitive Practices
Mercy Investment Services

ELI LILLY AND COMPANY – 33.90%
Lobbying Alignment
Missionary Oblates of Mary Immaculate

EXXON MOBIL CORPORATION – 51.00%
Audited Report on Impact of IEA Net-Zero Emissions by 2050 Scenario
Congregation of Benedictine Sisters, Boerne TX
Mercy Investment Services
2022 Shareholder Resolutions Voting Results

EXXON MOBIL CORPORATION – Withdrawn
Paris-Aligned Climate Lobbying
Dana Investment Advisors

GILEAD SCIENCES, INC. – 39.30%
Anticompetitive Practices
Mercy Investment Services

GILEAD SCIENCES, INC. – 50.22%
Lobbying Alignment
Missionary Oblates of Mary Immaculate

HERSHEY COMPANY – 7.65%
End Child Labor in Cocoa Production
Missionary Oblates of Mary Immaculate

HOME DEPOT, INC. – Withdrawn
Adopt Paid Sick Leave Policy
Missionary Oblates of Mary Immaculate

J.P. MORGAN CHASE & CO. – 10.90%
Financing Consistent with IEA Net-Zero 2050 Scenario
Mercy Investment Services

JOHNSON & JOHNSON – 33.80%
Access to COVID-19 Products
Congregation of Benedictine Sisters, Boerne TX

JOHNSON & JOHNSON – 62.60%
Racial Equity Audit
Mercy Investment Services

KRAFT HEINZ COMPANY – 6.50%
Water Management Risks
Mercy Investment Services

KROGER CO. – Withdrawn
Measuring Pesticide Use in Agricultural Supply Chains
Mercy Investment Services

LOCKHEED MARTIN CORP. – Withdrawn
Paris-Aligned Climate Lobbying
Mercy Investment Services

LOWES – Withdrawn
Adopt Short, Medium, and Long-Term Science-Based GHG Reduction Targets
Mercy Investment Services

MACY'S, INC. – Withdrawn
Disclose Short, Medium & Long-Term GHG Reduction Targets - Scopes 1-3
Mercy Investment Services

MASTERCARD INC. – On Proxy
Ghost Guns
Mercy Investment Services

META (FACEBOOK INC.) – 17.30%
Child Sexual Exploitation Online
Dana Investment Advisors

META (FACEBOOK INC.) – 23.80%
Human Rights Impact Assessment
Mercy Investment Services
Missionary Oblates of Mary Immaculate

NEXTERIA ENERGY – Withdrawn
Paris-Aligned Climate Lobbying
Mercy Investment Services

NVIDIA – Withdrawn
Customer Due Diligence
Mercy Investment Services

PFIZER, INC. – 27.30%
Covid19 Vaccine Technology Transfer
Mercy Investment Services
Missionary Oblates of Mary Immaculate

STURM RUGER AND COMPANY – 68.50%
Human Rights Impact Assessment
Mercy Investment Services

TARGET CORP. – Withdrawn
Adopt Paid Sick Leave Policy
Mercy Investment Services

TYSON FOODS, INC. – Withdrawn
Racial Equity Audit
Mercy Investment Services

UNITED PARCEL SERVICE, INC. – 33.20%
Paris-Aligned Climate Lobbying
Mercy Investment Services
Missionary Oblates of Mary Immaculate

VALERO ENERGY CORP. – 47.11%
Disclose Near & Long-Term GHG Reduction Targets - Scopes 1-3
Mercy Investment Services
Congregation of Benedictine Sisters, Boerne TX

WALGREENS BOOTS ALLIANCE – 11.40%
Public Health Costs Created by the Sale of Tobacco Products
Mercy Investment Services

WALMART STORES, INC. – 13.40%
Starting Pay and Racial Equity
Congregation of Benedictine Sisters, Boerne TX
Dana Investment Advisors
Marianist Province of the United States
Mercy Investment Services
Missionary Oblates of Mary Immaculate
HUMAN RIGHTS

Crisis in Ukraine
Heartland Initiative, a nonprofit organization that promotes the fundamental rights and freedoms of people in conflict-affected and high-risk areas, developed a signatory letter asking investors to condemn the Russian military invasion of and ongoing war of aggression against Ukraine. The letter intends to show support for the Ukrainian people, their protections under international humanitarian law, and their recognized rights to life, freedom, democracy, and territorial integrity. The letter also calls on companies across all sectors with business activities or business relationships in Ukraine, Russia, and Belarus or other conflict-affected and high-risk areas (CAHRA) to take immediate steps to align their operations with the UN Guiding Principles on Business and Human Rights (Guiding Principles) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Human Rights Impact Assessment
The Sisters of St Francis of Philadelphia and AFL-CIO submitted an investor letter to Wells Fargo urging the company to disclose the full results of its recently completed Human Rights Impact Assessment. Earlier this year, Wells Fargo published a summary of recommendations from the Human Rights Impact Assessment, but the company did not disclose the full results that were prepared by a third-party law firm. The assessment was intended to align Wells Fargo’s management of human rights with leading practices with a focus on diversity, equity and inclusion. Both, Sisters of St Francis of Philadelphia and AFL-CIO believe that Wells Fargo should release the full results of its Human Rights Impact Assessment as a matter of transparency to investors, customers, and the public.

Uyghur Forced Labor Prevention Act (UFLPA) and Laundering Cotton Report
The Coalition to End Forced Labour in the Uyghur Region asked organization’s to add their name to an open letter to Congress on the Uyghur Forced Labor Prevention Act (H.R.1155) and the report Laundering Cotton. Uyghur and other Turkic and Muslim-majority peoples in the Xinjiang Uyghur Autonomous Region (“Uyghur Region”) are subjected to systematic human rights violations, including forced labor, family separations, pervasive surveillance, mass arbitrary detention, political “re-education,” torture and sexual violence, in what the U.S. Department of State has designated as constituting a genocide and crimes against humanity. Despite increasing awareness of the crimes against humanity, major U.S. brands and retailers continue to sell products containing inputs from the Uyghur Region. The Uyghur Region is a hub for the production of raw materials, inputs, and finished goods across many different supply chains, including cotton, garment and textile, tomatoes, paper pulp, hair products, automobiles, toys, and electronics.

WORKER RIGHTS

Permanent Federal Paid Family and Medical Leave
A letter developed by the Interfaith Center on Corporate Responsibility and Trillium Asset Management called on Congress to pass a comprehensive and permanent federal paid family and medical leave program by year end. The lack of a national paid leave program in the United States leaves 80 percent of private-sector workers uncovered and creates systemic risks for our economy. Studies show that a paid leave policy has the possibility of growing our GDP by at least 5%, and paid leave also plays a critical role in stemming the tide of women leaving the workforce and fostering gender equity both at work and at home. The inclusion of this proposal in current legislative discussions happening in Congress right now means that the United States is closer to establishing a national paid leave program than ever before.

Senate Bill 62 (Durazo): Garment Manufacturing
Christian Brothers Investment Services, Inc. gathered signatories for an investor letter in support of Senate Bill 62 (Durazo) that was sent to the Governor of California, Gavin Newsom, after it passed the Legislature. Senate Bill 62 (Durazo), would establish upstream liability which holds certain garment retailers known as “brand guarantors” (i.e. those that license their brand or name for manufacturing) responsible for wage theft violations committed down the supply chain by contractors and subcontractors in the garment industry. According to Legislative findings in Senate Bill 62, “Vicious price competition” has resulted in garment workers being paid an average of $5.15 per hour; only 34% per hour as lawfully required. Companies’ purchasing practices and the prices they pay to suppliers directly impacts the amount that suppliers can pay garment workers. The downward price pressure placed by companies on their subcontractors incentivizes subcontractors to evade minimum labor standards to meet production targets. Companies can avoid liability through the system of subcontracting by claiming that they do not qualify as “garment manufacturers” and are not liable for underpayment.

GLOBAL SUPPLY CHAIN

Tackling Conflict Mineral Content in the Semiconductor Supply Chain
Stewart Investors developed a signatory letter to encourage investors to take a leadership position in the development of best practice around the sourcing of minerals in the semiconductor supply chain. Tantalum, tin, tungsten, gold and cobalt (referred to collectively as conflict minerals) are vital materials and building blocks of the semiconductor industry.
ENVIRONMENTAL ISSUES

Climate Disclosure Rule
A letter developed by As You Sow was sent to the Securities and Exchange Commission (SEC) referencing the Climate Disclosure Rulemaking. The letter underscores the importance of requiring verified Scope 1 through 3 value chain emissions reporting, with an emphasis on Scope 3 verified reporting. Reporting of greenhouse gas emissions (GHG) is the bedrock of sound investor decision making on climate and transition risk. Investors need robust, complete, and comparable disclosure of emissions data to determine which companies are aligning their business activities with Paris targets, and thereby minimizing transition risks — and which are failing to prepare for the rapidly accelerating and economy-wide transition. For the majority of issuers, including companies with carbon-intensive business models, Scope 3 emissions are the largest source of emissions and present the most significant opportunities to influence GHG emissions reductions.

Methane Regulation for the Oil and Gas Industry
The Interfaith Center on Corporate Responsibility issued an investor statement calling for Ambitious Methane Regulation for the Oil and Gas Industry. The statement is an important signal of investor concern about the need for tight management of methane emissions, a key climate forcer. Methane emissions (from all sources) are responsible for 25% of current global warming and the oil & gas sector is both the largest source of anthropogenic methane emissions, and where reductions can most easily be had. Reducing emissions from methane will give precious time for other sectors to decarbonize.

Environmental Protection Agency—Methane Requirements
Methane Partners Campaign sent a signatory letter to the Environmental Protection Agency (EPA) urging them to strengthen its requirements for new oil and gas facilities as a way to substantially reduce methane and local air pollution. In a recent bi-partisan action that was supported by oil and gas operators, major utilities, and health, community, and environmental groups, Congress restored oil and gas methane protections put in place by the Obama administration. That action creates an important foundation for EPA to move forward with protective, science-based standards for both new and older sources that build from and strengthen those prior standards. In particular, since the 2016 standards were adopted, technology has advanced and major oil and gas producing states have pioneered new and innovative approaches to reducing methane emissions. Therefore, the letter suggests that strengthened EPA standards must incorporate the following advances: enhancing comprehensive requirements to find and fix leaks; leveraging technologies that can eliminate emissions and ending routine flaring.

GOVERNMENTAL POLICY

Tax Transparency and Shareholder Proposal At Amazon
Pensions & Investment Research Consultants Ltd. (PIRC), Missionary Oblates of Mary Immaculate and Greater Manchester Pension Fund wrote a signatory letter to Amazon as a way to put pressure on the e-commerce group to increase transparency on where and how much it pays in tax around the world. The investors are trying to get a shareholder resolution brought at the group’s annual meeting this year, which if passed would significantly overhaul the company’s tax public disclosures. The resolution demanding Amazon adopt a new reporting standard on tax practices was originally brought by the Missionary Oblates of Mary Immaculate and the Greater Manchester Pension Fund in December. Amazon, which has attracted criticism over its tax transparency in the past, is challenging the resolution. The shareholder resolution calls on Amazon’s board to issue a tax transparency report to shareholders, “at reasonable expense and excluding confidential information” in accordance with the Global Reporting Initiative’s (GRI) tax standard.

NUTRITION

Commitment on Antibiotics
The Benedictine Sisters of Boerne, Texas sent a letter to McDonald’s for their lack of following-through on commitments made in recent years around policies governing antibiotic use in the company’s vast meat supply chains. The COVID-19 pandemic have caused supply chain challenges and required the company to turn its attention to enhanced protections for its workforce. However, given that the pandemic is shifting into a more endemic phase, the letter urged McDonald’s to turn its attention to pre-pandemic priorities. At the top of that list is adherence to its much lauded December 2018 public commitment to eliminate the use of medically important antibiotics for routine prevention of disease in its global beef supplies. The letter also urged the company to fulfill the commitment set forth in its 2017 Vision for Antibiotics Stewardship (VAS) to set a global antibiotic use policy for pork.

Animal Welfare
As You Sow sent a signatory letter to Costco Wholesale questioning the company’s animal welfare practices in its chicken supply chains. The company was recently targeted by a number of animal welfare organizations and called out in the New York Times for egregious treatment of chickens in the company’s at a facility in its supply chain (used for the production of its popular rotisserie chickens.)
HUMAN RIGHTS—RACIAL EQUITY

Race-related shareholder proposals saw significant growth in the first half of 2022, with more proposals filed on racial issues than in all of 2021. Three types of proposals dominated the first half of the year's race-related audit proposals: racial equity audits, civil rights audits, and racial impact audits.

The National Center for Public Policy Research (NCPPR) submitted multiple shareholder proposals for civil rights audits to companies including Twitter Inc., Walmart Inc., CVS Health Corp., AT&T Inc., Levi Strauss & Co., Johnson & Johnson, and Bank of America Corp. These proposals sought a third-party audit of the targeted company’s allegedly discriminatory policies. Citigroup Inc. also received a civil rights audit proposal from NCPPR, but the proposal suggested that the company could possibly perform the audit in conjunction with the racial equity audit the company previously committed to, signaling that at least some shareholders view racial equity audits as needing an additional component.

At Johnson & Johnson shareholders submitted two proposals on racial issues this proxy season: one for a civil rights audit and another for a racial justice audit. The racial justice audit proposal submitted by Mercy Investment Services Inc. referenced the potential disparate racial impact of health care companies. J&J’s continued sales of its talcum-based powder globally, and the company’s marketing targeted toward Black and Brown women. Despite J&J urging shareholders to reject the racial justice audit proposal, it passed with 63% approval.


GLOBAL SUPPLY CHAIN—HUMAN RIGHTS DUE DILIGENCE

Mondelēz International, Inc. released its annual Human Rights Due Diligence and Modern Slavery report for 2021, demonstrating progress against its 2025 ESG (Environmental, Social and Governance) goals. The report confirms progress made toward the company’s goals to prevent, identify, and address potential human rights and modern slavery risks in its own operations and supply chains.

Through its 10-year old signature cocoa sourcing program Cocoa Life, Mondelēz International partners with almost 210,000 farmers in over 2,500 communities and has invested over USD 400M to support farmers’ livelihoods.

Preventing and addressing child labor across the West African cocoa sector requires cross-sector collaboration. In 2021, the umbrella International Cocoa Initiative (ICI) – composed of Mondelēz International and peer companies, suppliers and NGOs – reached 590,000 households across Cote d'Ivoire and Ghana with systems that help prevent and address child labor.

Mondelēz International is also investing CHF 3 million (~$3 million USD) towards improving children’s access to quality education in cocoa-growing regions. Mondelēz International is investing in two initiatives focused on improving access to education: The Child Learning and Education Facility (CLEF) – which brings together the government of Cote d’Ivoire, peer companies and foundations – as well as the Early Learning and Nutrition (ELAN) initiative, led by the Jacobs Foundation.


CLIMATE CHANGE—LOBBYING

Oil and gas interests spent four times as much as environmental advocacy groups and almost six times as much as clean energy firms on lobbying efforts in California between 2018 and 2021, according to a Capital & Main analysis — reflecting the intensity of the industry’s efforts to influence policy in a state whose leaders have vowed to build an energy future free of fossil fuels.

Between 2018 and 2021, lobbying organizations representing oil and gas companies spent almost $77.5 million advocating for the industry’s interests in Sacramento. That’s approximately 400% more than environmental advocacy groups, which spent roughly $15 million over that same period. And it’s 560% more than the renewable energy sector, which spent $11.6 million.

Between 2018 and 2021, Western States Petroleum Association (WSPA) spent nearly $25.5 million on lobbying efforts, making it the most well-funded group representing oil and gas interests in the state. Coming in second is the Chevron Corporation and its subsidiaries, with $21 million reported in lobbying disclosures over that same period of time. A distant third is the Marathon Petroleum Corporation and its subsidiaries, with almost $3.5 million spent.

Of the 42 registered oil and gas lobbying organizations, the top three spent roughly two-thirds of the industry total. Overall, 33 of those 42 groups — or 79% — spent more than $100,000 each on lobbying expenditures.


CLIMATE CHANGE—METHANE EMISSIONS

Four energy companies — Exxon Mobil, ConocoPhillips, Hilcorp and Occidental Petroleum — are the top sources in the U.S. of both greenhouse gas emissions in general and methane emissions, according to a report issued by environmental groups Ceres and the Clean Air Task Force.

The report, based on data submitted to the Environmental Protection Agency (EPA) from major oil and gas producers, found wide variation in emissions among companies, with the highest-emitting companies producing methane emissions nearly 24 times more intense than those with the lowest emissions.

Hilcorp led for total methane emissions in 2020, followed by Exxon, Occidental and ConocoPhillips, according to the research. The companies collectively reported more than 300,000 metric tons in methane emissions.

Methane emissions have been the subject of increased scrutiny in recent years, as the gas is both more than 80 times as potent as carbon dioxide in its first 20 years and the source of about 0.5 degrees Celsius in global warming to date. Due to its short atmospheric life relative to other greenhouse gases, climatologists have identified methane reduction as one of the easiest paths to emissions reduction and warming mitigation.

Recent News—Corporate Engagements

WORKER RIGHTS—PAID SICK LEAVE (PSL)

As the economy begins to emerge from the deepest impacts of the pandemic, investors are engaging their portfolio companies around the growing reputational, financial, and regulatory impacts associated with the lack of a comprehensive paid sick leave (PSL) benefit for all employees.

Recently, a group of investors and their representatives coordinated by the Interfaith Center on Corporate Responsibility (ICCR) published a letter sent to over 40 companies making the business case for a permanent PSL benefit for all workers. A subset of the investor group also filed related shareholder proposals at four of these companies.

Shareholder proposals were filed at CVS, Kroger, Target, and TJX asking the companies to adopt and publicly disclose a policy that all employees, part- and full-time, accrue some amount of PSL that can be used after working at the company for a reasonable probationary period. This policy should not expire after a set time or depend upon the existence of a global pandemic.

More than 26 million people working in the private sector have no access to paid sick days, and millions more cannot earn and use paid sick time to care for a sick child or family member, leaving working people in the United States facing an impossible choice when they are sick: stay home and risk their economic stability or go to work and risk their/the public’s health.


NUTRITION—FOOD AS MEDICINE

The Center for Food As Medicine and the Hunter College NYC Food Policy Center released its first-ever, academic narrative review and report of the food as medicine movement, titled "Food As Medicine: How Food and Diet Impact the Treatment of Disease and Disease Management."

There is overwhelming evidence demonstrating the impact of food and diet on health, specifically among food-related diseases. Whether or not a poor diet can cause damage to the body should no longer be debated, as evidence supports the potential causal relationships between dietary factors and diet-related diseases such as ischemic heart disease, diabetes, and certain cancers. While diet has the potential to cause disease, it is also capable of building, maintaining, and restoring health.

The report is divided into five parts: 1) background information on the history of using food to treat disease, 2) modern challenges to widespread use and acceptance of food as medicine, 3) current evidence about contemporary food as medicine practices (such as medically tailored meals, produce prescriptions), 4) literature review of food as treatment for specific disease states, and 5) recommendations to stakeholders (policymakers, health care professionals, and academics) to contribute to a healthier, more equitable health care system.


WORKER RIGHTS—WAGES

The CEOs of S&P 500 companies earned an average of $18.3 million last year — an increase of 18.2% and more than double the U.S. inflation rate, according to a new report from the AFL-CIO labor union.

The union’s annual report on executive compensation, which has become a benchmark for rising inequality in the U.S., found that the ratio between CEO pay and worker earnings reached 324-to-1 last year, up from 299-to-1 in 2020 and 264-to-1 in 2019.

The typical CEO is bolstering their pay with compensation through stock options, restricted stock and non-equity incentives. For instance, the average CEO salary stood at about $1.2 million last year, but the typical restricted stock award amounted to almost $10 million.

The top-earning CEO last year among S&P 500 corporations was Expedia’s Peter Kern, whose pay was more than $296 million, according to the AFL-CIO’s calculations. In second place was Amazon CEO Andrew Jassy, with compensation of more than $212 million.

The AFL-CIO singled out Amazon as having the highest gap between CEO-to-worker pay, at 6,474 to 1. While Jassy’s compensation stood at more than $212 million last year, the typical Amazon worker earned less than $33,000 annually in 2021, the union said.

Aimee Picchi. (2022, July 18). Americans’ wages are lagging inflation — except for CEOs, whose pay jumped 18%. CBS News.

PHARMA—HEALTH EQUITY

Novartis and the Novartis US Foundation have announced an expansion of its Beacon of Hope program, a 10-year collaboration with 26 historically black colleges and universities (HBCUs), medical schools, the Thurgood Marshall College Fund (TMCF), and the National Medical Association. The collaborative effort is set on creating programs that address the root causes of disparities in health and education, and improving diversity, equity, inclusion, and trust along the research and development pipeline.

The company and foundation are working with Howard University College of Medicine, Meharry Medical College, and Charles R. Drew University of Medicine and Science to establish Clinical Trial Centers of Excellence at each school, in order to run trials by investigators and trial managers of color among participants from underrepresented communities. Together, the institutions will work to strengthen clinical trial capabilities and improve the quality and inclusivity of studies to help both improve health outcomes for communities of color and restore trust in the healthcare system.

In addition to Novartis, Merck and Sanofi have signed on to the Beacon of Hope to run trials through the four Clinical Trial Centers of Excellence. The Center of Excellence is evaluating disparities in health and education, and improving diversity, equity, inclusion, and trust along the research and development pipeline.

We began as the Texas Coalition for Responsible Investment (CRI). Many meetings took place in 1981, including an introductory workshop by Fr. Mike Crosby and Tim Smith. We began with Fr. Rufus Whitley and Fr. Tom Byrne attending the June 1982 Interfaith Center on Corporate Responsibility (ICCR) Meetings in New York. Sr. Theresa Billeaud and I attended the September 1982 ICCR meetings. We said we would not come back – everyone there spoke in acronyms, and we had nothing to report. Luckily, Tim Smith from ICCR intervened and said we should come back for one more meeting.

Texas CRI had the office in Boerne with the Benedictines for the first two years. Then our groups decided to become a program of Camino la Paz, an intercongregational justice and peace group being formed within Texas. Camino put together an office at Oblate School of Theology and opened in the fall of 1984. When Camino board decided in 1997 their mission was fulfilled, the CRI group stepped forward to become its own 501-c-3. A new name, the Socially Responsible Investment Coalition (SRIC) reflected that its scope was beyond Texas, that its members were interfaith and looked much like our national group.

Over all these years, our Executive Directors were Sr. Susan Mika OSB, Linda Southers, Fr. Warren Brown OMI, Mike Hess, Jim Donovan and now we are ably led by Anna Falkenberg for the past 9 years. Each one brought his or her gifts and strengths to SRIC.

When we started, ICCR was working on Infant Formula, apartheid in South Africa and the environment – as the major areas. We, too, started to work on those areas. Boycotts were important – some groups did not own stock, but we all were consumers. We boycotted Nestlé’s because they were promoting their infant formula over breast feeding, especially in vulnerable areas of our world where clean water was often an issue.

We participated in boycotts all these years – whether it was because of how lettuce, grapes, strawberries were grown or harvested and with companies like Nestlé’s, General Electric, Coca Cola or Campbell’s.

ICCR worked to end apartheid from 1971 (that’s when ICCR was formed) until 1994. This, again, show how long some of these struggles take so as to see progress.

Our members founded and pledged monies to begin the Berakah Alternative Investment Fund in 1988, making loans to groups that needed start-up funds or funds to expand services. Later, Wall Street co-opted the term “alternative investments” to mean derivatives. Today, some of our groups are involved in “impact” investments.

We have hosted ICCR’s national June AGMs meetings in 1988, 1989, 2000 and 2015. These preparations take an enormous amount of time and effort. I don’t think any other CRI group has hosted this many national meetings. Many of these meetings also included trips to the US Mexico border with Martha Ojeda or fracking trips led by Sr. Elizabeth Riebschlaeger from the San Antonio Sisters of Charity of the Incarnate Word.

We have participated in ICCR’s decision-making … in the early days, every ICCR member had several persons named to the Board. I co-chaired and then chaired the ICCR Board from 1988-1992 – there were usually around 100 at the meetings. Rev. Séamus Finn, OMI also chaired the Board of ICCR for a number of years. In 2021, Anna was elected to the 15 member ICCR Board of Directors. This is quite an honor.

We have held educational events – so many, we could not come up with a number. The topics have ranged from health care to housing to environment to workers’ concerns.

In 2013 and 2015, we worked with many groups including NETWORK, the Texas AFL-CIO and the Center for Public Policy Priorities (now known as Every Texan) to encourage the Medicaid Expansion in Texas which was envisioned as part of the Affordable Care Act. We were not successful in accomplishing this … even to this day.

What issues has SRIC brought to our national group?

- The issue of workers’ wages and working conditions, especially in the maquilas, was one that we all raised on the ballots of corporate America for over a decade. In 1999, the Securities and Exchange Commission (SEC) ruled that the issue was ordinary business and would not be allowed on the proxy.
- The codes of conduct that are now front and center for Human Rights Policies.
- The importance of listening to worker’s voices and incorporating their concerns into our dialogues, resolutions and mindsets.
- Our members have appeared as shareholders at many annual corporate meetings – Valero, ATT, Luby’s, Church’s Chicken, Houston Industries, Walmart, ExxonMobil, Chevron, Texas Instruments … just to name a few.
- Environmental issues of Eagle Ford Shale.


Many of these with our long-term goals of a world where justice and peace prevail. Many groups – parishes, religious orders, universities – are in a seven-year process to respond to and implement these in their lives and communities. We could spend our whole evening just brainstorming on how we together can bring about these goals.

Greta Thunberg often challenges us – what kind of world are you, adults, leaving to us? Very thought provoking question …

When we started in 1982, the Dow Jones Average stood at 777. Today, it is over 33,000. We have been through many ups and downs over all these years. This is just a small snippet of our history together. My own hope is that all the stories could be compiled … this group was and is amazing. Only with time we will know fully about of our lasting influence on the history of corporate responsibility in this country and beyond.
SRIC @ 40: (Still) Looking for the Promised Land
Celebrating 40 Years of Shareholder Advocacy

From left to right: Wingsheung Esther Ng; Sr. Susan Mika, OSB; Monica Hatcher; Sr. Frances Lorene Lange, CDP; Sr. Esther Guerrero, MCDP; Sr. Geraldine Klein, SHSp; Sr. Elizabeth Riebschlaeger, CCVI; and Fr. Rufus Whitley, OMI

Recognition awards given out to SRIC’s Founding members during the 40th anniversary celebration

Event attendees gathered together to celebrate SRIC’s anniversary at the Whitley Theological Center in San Antonio, Texas

Founding Members 1982
Congregation of Divine Providence
Missionary Catechists of Divine Providence
School Sisters of Notre Dame
Sisters of Charity of the Incarnate Word – San Antonio
Missionary Oblates of Mary Immaculate
Sisters of the Sacred Heart of Jesus
Benedictine Sisters – Boerne, TX
The Society of St. Teresa of Jesus
Sisters of Charity of the Incarnate Word – Houston
Congregation of the Holy Spirit

Lead Donors
Harvester
Congregation of Divine Providence/Providence Trust
Sisters of the Holy Spirit and Mary Immaculate

Cultivator
David M. Schilling, Senior Advisor, ICCR
Sisters of Charity of the Incarnate Word–Houston, Texas
Sisters of Charity of the Incarnate Word–San Antonio, Texas
Wingsheung Esther Ng, SRIC Board Treasurer

Seed Sower
Benedictine Sisters of Boerne, Texas
Brigidine Sisters
Mercy Investment Services, Inc.
Sisters of the Incarnate Word and Blessed Sacrament
Timothy Smith, Senior ESG Advisor, Boston Trust Walden

Event Program
Arc of our History as Investors
Donna Meyer
PhD from University of Texas School of Public Health
Fellow of the American College of Healthcare Executives

Timothy Smith
Senior ESG Advisor Boston Trust Walden Company
Sr. Susan Mika, OSB
Benedictine Sister of Boerne, TX,
Director of the Benedictine Coalition for Responsible Investment (CRI)

Worker Rights Through the Lens of the Pandemic
Becky Moeller
Former President of Texas AFL-CIO
Arturo Rodriguez
Former President of United Farm Workers
Nadira Narine
ICCR’s Senior Program Director, Strategic Initiatives
Rev. Seamus Finn, OMI
Chief of Faith Consistent Investing at the Missionary Oblates of Mary Immaculate
Join Socially Responsible Investment Coalition in creating a more just and sustainable world through corporate responsibility. We can reach our goals with your financial support!

About Us
SRIC is an exempt organization as described in Section 501(c)(3) of the Internal Revenue Code; our Tax ID is 74-2846727. All contributions are tax deductible. For more information, please contact Anna Falkenberg, Ph.D., Executive Director by phone at (210)-344-6778 or by email at afalkenberg@sric-south.org. Visit our website: https://www.sric-south.org/

Our Goals
- To educate members about social issues relating to corporate accountability and responsibility.
- To effect changes in corporate policy through a variety of strategies, including dialogue and filing shareholder resolutions.
- To use networks provided by membership in Interfaith Center on Corporate Responsibility (ICCR) for research information, analysis, and action strategies.
- To direct inquiries toward resources for monitoring portfolios for selected issues of concern.

Membership Services
Our services include assisting members with their corporate shareholder engagements through dialogues and resolution filling assistance, based on the support level. We also provide corporation research, reports & updates on our focus areas, an annual educational event and networking opportunities.

Our Membership Levels
- Institutional Supporters
- Associate Organizations
- Individual Members

Our Focus Areas
- Climate Change and Environmental Justice
- Health Equity
- Human Rights/ Global Supply Chains
- Worker Rights
- Racial Justice

All donations to support our essential work are welcomed