

# CBIS at Forefront as Climate Fight Escalates

Investors delivered a powerful message to oil and gas industry leaders in 2Q, forcing votes on an historic series of shareholder initiatives pushing for urgent action on climate change. That included a shareholder resolution CBIS sponsored at ExxonMobil, which received a near-majority vote of 49% at the company’s virtual annual meeting.

CBIS’ proposal, the first of its kind, urged Exxon to issue an audited report on financial risks from the global transition to a low-carbon economy.

These developments served as a powerful reminder that boards of directors work for shareholders, not management. They also underscored the opportunity—and obligation—we have to push for positive change that advances our Catholic Responsible Investments<sup>SM</sup> objectives.

For more on our Exxon proposal, visit the [CBIS website](#).

**90%**

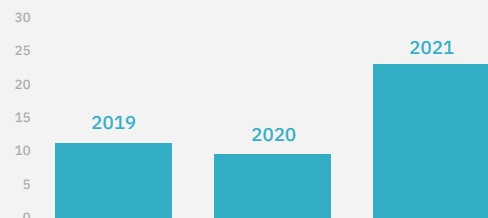
of the world’s largest economies are calling for net-zero emissions by 2050

**\$350bn**

total AUM of faith and SRI investors  
CBIS led in filing the Exxon proposal

## INVESTOR PRESSURE INTENSIFIES

Climate-Related Shareholder Proposals Filed at Public Companies



Source: Pensions & Investments/ISS

*“I think this proxy season really reminded everyone that the shareholders are the owners. I think what we saw is shareholders of the company not only have a right, but a responsibility to speak out.”*

—CBIS CIO JOHN GEISSINGER,  
PENSIONS & INVESTMENTS, 6/28/21

## CORPORATE ENGAGEMENT & PUBLIC POLICY ADVOCACY

Direct engagement with large companies can set standards that influence other companies, industries and policymakers.



### A VIRTUOUS CYCLE



Public policy advocacy can yield regulations that influence large companies, industries and other states and countries.

# Harnessing the Power of Public Policy

Working with lawmakers and regulators to influence public policy in a principled, non-partisan way is a core strategy in our active ownership toolkit. These efforts support our direct engagements with CBIS portfolio companies and vice versa. With both approaches, our objective is the same: positively influencing corporate behavior.

Not all asset managers seek to impact policy, but CBIS believes this work is critical—especially since it can effect change industry-wide, not just at the company level. CBIS has been extremely active on this front in 2021, joining forces with like-minded investors to amplify our voice in speaking out on a diverse range of issues across the globe.

### CBIS POLICY ADVOCACY:

## 4 Guiding Principles

- Always principled, non-partisan
- Advance our business goals for portfolio companies
- Align with our active ownership priorities
- Amplify the voice of the Catholic investor

## 2Q Public Policy Advocacy

CBIS urged all governments worldwide to commit to net-zero emissions by 2050, safeguard workers and communities impacted by decarbonization, and mandate companies disclose financial risks from climate change. In addition, we worked with policymakers and influencers at the national and sub-national levels as outlined below.
















# Active Ownership: 2Q Successes

Through our holistic approach to active ownership, CBIS engages dozens of portfolio companies throughout the year to drive change in alignment with Catholic social teaching. Some initiatives focus on a particular company, while others address issues of concern on an industry-wide basis.

## CATHOLIC SOCIAL TEACHING PILLARS

ECONOMIC JUSTICE    CARE FOR CREATION    HUMAN DIGNITY

COMPANY/ISSUE	2Q ACTIVITY		
	<p>Engaged management on:</p> <ul style="list-style-type: none"> <li>Strengthening child protections involving internet searches</li> <li>Preventing livestreaming of child sexual abuse</li> </ul>		
	<ul style="list-style-type: none"> <li>Sought time-bound commitments for increasing nutritious plant-based and alternative protein offerings</li> </ul>		
	<ul style="list-style-type: none"> <li>Urged management to improve employees' ability to report workplace risks</li> <li>Encouraged seeking worker input on reducing the company's environmental impact</li> </ul>		
<b>Protecting Apparel Industry Workers</b>	<ul style="list-style-type: none"> <li>Served as a panelist for an Interfaith Center on Corporate Responsibility webinar on forced labor</li> <li>Quoted in a press release announcing KnowTheChain's new report benchmarking corporate efforts to fight forced labor</li> </ul>		
<b>Promoting Economic Empowerment for Women &amp; Youth</b>	<ul style="list-style-type: none"> <li>Spoke at the High Water Women Foundation, which provides financial literacy training and other resources for women and children</li> </ul>		
<b>Increasing Transparency Around Carbon Risks</b>	<ul style="list-style-type: none"> <li>Engaged the auditor of major oil and gas producers to amplify concerns outlined in our Exxon resolution</li> </ul>		

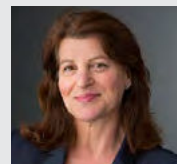
## Contact Us

We want to hear from you! If you have questions or want more information on any of our engagements, please reach out to our Catholic Responsible Investments<sup>SM</sup> team at:

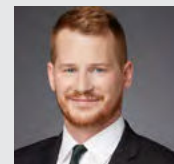
**CRI@cbisonline.com or (800) 592-8890**



**John Geissinger, CFA**  
Chief Investment Officer  
jgeissinger@cbisonline.com



**Julie Tanner**  
Managing Director  
jtanner@cbisonline.com



**Lucas Schoeppner**  
Director  
lschoeppner@cbisonline.com



**Raymond Burnell**  
Director  
rburnell@cbisonline.com

### Important Disclosures

The securities identified and described do not represent all of the securities purchased, sold or recommended for CUIT Funds, CBIS Global Funds and separate managed accounts. For a complete list of securities please contact CBIS. The reader should not assume that an investment in the securities identified was or will be profitable.

All material of opinion reflects the judgement of Adviser at this time and are subject to change. This material is not intended as an offer or solicitation to buy, hold or sell any financial instrument or investment advisory services.