



**John W. Geissinger, CFA**  
*Chief Investment Officer*



**Julie B. Tanner**  
*Managing Director*

## ***A Conversation with Chief Investment Officer John Geissinger and Julie Tanner, Managing Director – Catholic Responsible Investments***

**The first quarter of 2022 represents an extraordinary period in history. How has the CBIS team dealt with the challenges?**

**Mr. Geissinger:** First, we have to acknowledge the humanitarian crisis in Eastern Europe. The good people of Ukraine are in our prayers.

How the current world events are affecting us from an investment perspective, I believe we're doing okay. You can never avoid the large macro forces in the short term, of course, but our investment philosophy is really built for these kinds of markets.

**Ms. Tanner:** Regrettably enough, we have experience dealing with companies in conflict

zones. Twenty years ago, we dealt with Burma's repression of human rights. We've dealt with the Sudan. We're currently dealing with Myanmar. We'll have a formal response to the Ukraine crisis soon.

**You say CRI is built for these kinds of markets. How so?**

**Mr. Geissinger:** Because we relentlessly focus on investing, not speculating. Investing in good quality companies in a strong, competitive position, you can come out of periods like these even stronger.

***"...we relentlessly focus on investing, not speculating.."***

**– John W. Geissinger**

**What are the longer-term market implications of Russia's war on Ukraine?**

**Mr. Geissinger:** The Russian economy represents less than 3% of the global GDP, maybe 1% of the MSCI ACWI Index.





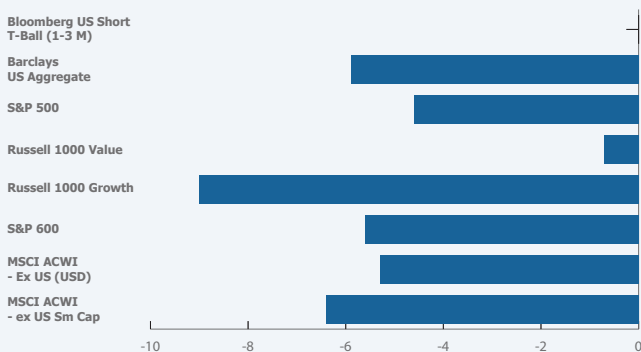
From an economic and financial standpoint, Russia itself doesn't matter much. There are real economic implications from Russia's behavior. Western Europe's dependence on Russian oil distorted the commodity markets.

**Ms. Tanner:** There's a growing list of energy companies – BP, Shell, ExxonMobil – to leave Russia, an oil-rich country. We just met with Chevron regarding their presence there.

**Consumer prices just hit a 40-year-high, and by all appearance, are still rising. Won't this reduced oil production exacerbate the inflation problem?**

**Mr. Geissinger:** Higher oil prices are certainly going to hurt, but energy, like food, is a restrictive component of inflation. There's a much larger risk that an economy will go into a recession as a result of higher commodity prices. In the United States, the endpoint for the Federal Reserve, at least in terms of raising interest rates, will be lower because we're going to have this governor on growth through oil and other commodity prices.

## Q1 2022 Market Performance



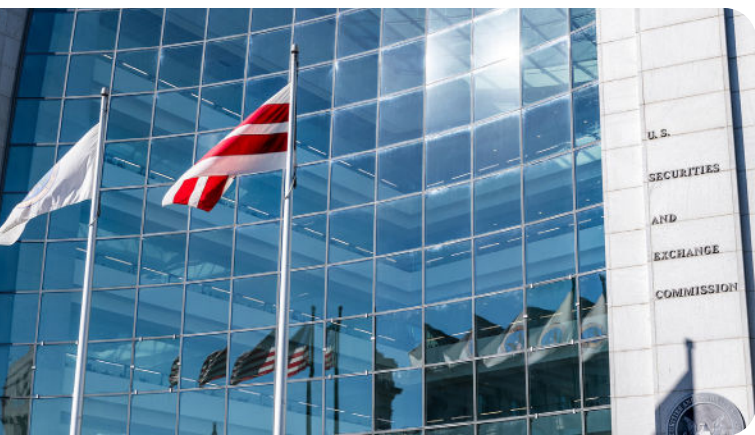
Source: FactSet  
As of 3/31/22

*“Our goal is to help investors incorporate climate risks into investment decisions.”*

– Julie B. Tanner

**You mentioned Chevron, what other companies or sectors is the Impact and Justice Team working on?**

**Ms. Tanner:** We're still working with ExxonMobil in particular, the whole energy sector in general, on providing financial disclosure around climate-related risks.



We were pleased to see the SEC's proposed rules to require publicly-traded companies to provide more information on how their operations affect the climate and the formation of carbon emissions.

We're seeing good progress in the information and communication technology (ICT) sector. We had productive meetings with all the ICT companies where we lead engagements, specifically Apple, Verizon, and AT&T.

We're beginning to focus a lot of attention on the apparel sector. Concerns about forced labor in China continue to be problematic. We sent a letter to Hugo Boss asking for information on their efforts to manage risks related to supply chains connected to Xin Xiang.

## How do you see the second quarter shaping up?

**Mr. Geissing:** For a money manager, it still comes down to quality investing versus trying to trade the market. I can't imagine an investment philosophy better prepared for this environment than ours.

**Ms. Tanner:** For our part, we'll continue to work on behalf of investors to encourage companies to improve their policies and practices. We'll all be praying for a miracle in Ukraine.



## Contact Us

**We want to hear from you!**  
If you have questions please reach out to our Catholic Responsible Investments<sup>SM</sup> team at:

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 **(877) 550-2247**

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