

## I&J QUARTERLY REVIEW

# Q3 2022



**Lisa Cox**  
*Director*

### ***A conversation with Lisa Cox, Director, Catholic Responsible Investments***

Lisa Cox joined the CBIS Catholic Responsible Investments team in 2021 with over 20 years of experience working on rule of law and access to justice issues. As a human rights attorney and as part of CBIS' Active Ownership Program, Ms. Cox's work revolves around encouraging corporate behavior that positively impacts people and the planet. One of Lisa's current areas of focus is the apparel sector.

**Given the negative attention the industry's been receiving lately, it must be keeping you busy.**

**Ms. Cox:** That's true. Today, we're working to improve human rights, due diligence and responsible sourcing with portfolio companies such as Inditex, Ross Stores, Abercrombie and Fitch and Hermés International. CBIS has actually focused on the apparel sector for many years, calling on portfolio companies to provide workers safe jobs and lives with dignity.

**What makes the apparel sector so important and problematic?**

**Ms. Cox:** Despite the enormous profits made by the industry, which employs 60-75 million workers worldwide, many workers are vulnerable to exploitation and abuse, including forced labor and human trafficking. Catholic teaching emphasizes the importance of protecting and promoting the rights of these vulnerable workers.

And, while the industry has always been rife with risks, the COVID-19 pandemic laid bare the inequities in global apparel supply chains. Apparel companies are always looking for ways to cut costs, and their biggest cost is usually labor. Consequently, they often put tremendous pressure on suppliers to pay the lowest possible wages while demanding more from workers at the bottom of the supply chain.





*“Catholic teaching emphasizes the importance of protecting and promoting the rights of these vulnerable workers.”*

– Lisa Cox

### **Are you seeing any progress?**

**Ms. Cox:** Yes. Major brands now recognize they need to know where their products are being made, who’s making them and how these workers are being treated. Meanwhile, there are proposed laws in the U.S. and EU that will hold brands accountable for their suppliers’ employees. Recently, [SB62 Act](#) in California was passed to do just that.

### **The apparel industry is just one of countless areas you and the team could focus on. How do you pick specific sectors?**

**Ms. Cox:** We try to be responsive to our investors’ interests and focus where there is the greatest opportunity for change. Generally, that means operating at the industry rather than company level. CBIS’ approach is reinforced by the Socially Responsible Investment Guidelines for The United States Conference Of Catholic Bishops, which highlights active ownership as a way to protect and promote human rights and supply chain transparency.

### **The team must be thinking about all this in aggregate regularly.**

**Ms. Cox:** Every year we step back and say, “Are there critical sectors and new human rights issues facing companies that demand our attention?” World issues change and we need to change with the world.



**There are four of you on the Impact & Justice team. How do you manage your efforts toward such a large universe of issues?**

**Ms. Cox:** We start by making sure we are not investing our investors' money in companies that go against Catholic values. To that end, we have a complex system for determining which companies to screen versus engage. Ultimately, our work is guided by our particular expertise. To extend our reach we also regularly build coalitions with like-minded investors, including The Interfaith Center for Corporate Responsibility, which includes over 300 members leveraging their investments to create positive social change.



***“I believe we can help build stronger companies.”***

**– Lisa Cox**

**In the end, do you think CBIS and its partners can change corporate behaviors over time?**

**Ms. Cox:** Absolutely. Think about it – given our 40-year history we have ideas and expertise that can benefit companies. If we can make the business case as to how they can mitigate risk while protecting the rights of workers, I believe we can help build stronger companies. In the end, we are an investment firm, and making money for our investors by investing in companies that align with their values is of critical importance.

**Suggested Read:**

[CBIS featured in Bloomberg.com](https://www.bloomberg.com)

## 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:

 **CRI@cbisonline.com** or

 **(877) 550-2247**

## Important Information

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.

The securities identified and described do not represent all of the securities purchased, sold or recommended for CRI Funds, CBIS Global Funds, and separate managed accounts. The reader should not assume that an investment in the securities identified was or will be profitable. Visit our website for a complete list of securities offered during the period.