

▶ CATHOLIC RESPONSIBLE INVESTING

U.S. Conference of Catholic Bishops Updates its Socially Responsible Investment Guidelines

On November 17, 2021, the U.S. Conference of Catholic Bishops (USCCB) approved new [Socially Responsible Investment Guidelines](#), the first update since 2003. While the Guidelines are intended to direct the USCCB’s investments and other activities related to corporate responsibility, they serve as an inspiration that helps inform the investment decisions of many religious communities, dioceses, universities, healthcare organizations, and Catholic foundations, at their discretion.

The Guidelines were developed over two years and drafted by the USCCB staff under the leadership of a Bishops’ Working Group, chaired by the USCCB Treasurer. The Working Group’s efforts began with a survey of U.S. Bishops and included meetings with external subject matter experts as well as ESG research providers. CBIS was honored to serve as Project Manager on this thorough and all-encompassing review and update of the Guidelines, as we did with the 2003 revision.

In the following pages, we provide a summary of new investment restrictions and active ownership efforts under the updated Guidelines.





A HOLISTIC POLICY APPROACH

The new Guidelines, which incorporate teachings of Pope Benedict XVI and Pope Francis, emphasize a holistic approach to the Guidelines where five major categories of policies are integrally connected.

From a Catholic perspective, ethical and socially responsible investing, as the strategy has come to be known, requires us to evaluate specific investments in terms of how those companies or entities protect life, promote human dignity, act justly, enhance the common good, and provide care for the environment.

—USCCB 2021 GUIDELINES

REVIEWING THE RELEVANCE

The Guidelines are to be reviewed every three years for relevance. As part of the review, the USCCB may request its investment advisors to report on how they implement the Guidelines.

It also calls for the USCCB to work with their advisors to create goals that measure progress and apply common sense and prudence in carrying out investment strategies.

A REAFFIRMATION AND EXTENSION OF INVESTMENT STRATEGIES ON RESTRICTIONS/ACTIVE OWNERSHIP

The Guidelines reaffirm and significantly extend the USCCB’s investment strategies to “Avoid Doing Harm” and to “Actively Work for Change” as an investor.

They continue to require a refusal to invest in companies whose products and/or policies are counter to the values of Catholic moral teaching or statements adopted by the USCCB. Most new investment restrictions also contain requirements for companion active ownership.



Additionally, the Guidelines extend the prior requirement to use the USCCB's position as a shareholder and active owner to influence a company's business policies and practices. A number of new active ownership efforts were added and several were reinforced. They emphasize that the USCCB will **engage companies** through dialogue with management, voting at corporate meetings, and supporting shareholder resolutions.

EXPANDS POSITIVE INVESTMENT STRATEGY

The USCCB also expands on positive investing to "Promote the Common Good" by seeking investment opportunities in companies owned by people of color and women, and companies whose practices or business relationships demonstrate diversity and racial justice. Calls for collaborating on impact investing and to actively invest in companies that are consistent with the emission reduction goals of the Paris Agreement are also new.

START A CONVERSATION

Have questions about how to implement the updated USCCB Guidelines? We welcome the opportunity to discuss with you. Contact us at 877-550-2247 or info@cbisonline.com.



The following summary is not exhaustive; please reference the USCCB Guidelines for the full update.

SUMMARY OF SIGNIFICANT NEW UPDATES		
Policy Area	USCCB Guidelines on Investment Restrictions	USCCB Guidelines on Active Ownership
Abortion, Euthanasia, and Assisted Suicide	✓	✓
In Vitro Fertilization	✓	
Embryonic Stem Cell and Fetal Tissue Research; Human Cloning	✓	
Access to Drugs and Vaccines		✓
Human Rights	✓	✓
Discrimination		✓
Pornography and Commercial Sexual Exploitation	✓	✓
Human Trafficking and Forced Labor		✓

SUMMARY OF SIGNIFICANT NEW UPDATES

Policy Area	USCCB Guidelines on Investment Restrictions	USCCB Guidelines on Active Ownership
The Human Person		
Marriage, Sexual Integrity, and Family		
Contraceptives		
Reducing Arms Production		
Addictive Materials or Harmful Habitual Behaviors		
Media and Telecommunications		
Labor Standards		
Affordable Housing/ Banking		

SUMMARY OF SIGNIFICANT NEW UPDATES

Policy Area	USCCB Guidelines on Investment Restrictions	USCCB Guidelines on Active Ownership
Climate Change	✓	✓
Biodiversity	✓	✓
Water and Natural Resources	✓	✓
Technology		✓
Environmental Impact	✓	

In presenting these guidelines, it is hoped that, by following them, we can actively work toward developing a just, trustworthy economy that promotes the common good of all.

—USCCB 2021 GUIDELINES

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