

CEO Annual Message

2024



CBIS

Jeffrey A. McCroy

President &
Chief Executive Officer

Greetings and salutations.

It's my privilege to look back on the extraordinary work our investors have been doing to transform the world this year.

In every corner of the world, you are feeding the poor, educating the young, and caring for the sick. I speak for the entire firm when I say we are continually inspired by your service toward the most vulnerable.

For our part, we made several bold investments into the firm to better assist you in your efforts. In this year's letter, you'll hear about our decision to nearly double the firm's annual expenditure on the Catholic Responsible Investments (CRI) Team.

You'll get a glimpse of how our decision to invest in Europe enables us to truly be a global provider.

And you'll see how thoughtful CBIS is about making this firm a destination for great people.

We made these moves because CBIS — a company with more than four decades of experience managing Catholic assets — knows its path is to serve an even larger portion of the Church, including an expanded global footprint. I am confident that we have the solid governance to get us there. In much the same way that we look for sub-advisers who have specific plans for product development, innovation, performance, and people, we do the same thing in our own business.

“For our part, we made several bold investments into the firm to better assist you in your efforts.”

I do not know of any other firm in our space that has formed advisory groups like the Charisms Council and our Impact and Justice Steering Committee. We don't just ask our partners to display great governance; we do our best to demonstrate great governance ourselves.



Support Investors Can Rely On

The big news of 2024 was our decision to nearly double the firm's annual expenditure on the CRI Team. As part of the resulting financial outlay — the largest ever for CBIS — we made a calculated decision to hire one of the industry's most respected global investment consultants and solutions providers, to help us advance our mission.

This commitment immediately provided us improved access to money managers, a greater depth of investment research, and the ability to implement changes quickly and more effectively. By year-end, our expanded team and newly configured Catholic Responsible Investments Committee were overseeing solid performance from the CRI Funds and the CBIS Global Funds.

As an additional benefit of the new infrastructure, the CRI team quickly began to expand its shareholder advocacy efforts, an essential aspect of our CRI approach.



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With each team member given additional time and resources, I believe that our shareholder engagements could increase as much as three-fold, from what has historically been 20-plus engagements a year to over 60.



A Voice the Church Can Rely On

To support this effort, the CBIS Charisms Council functions as an external voice for the firm’s advocacy efforts. Advisory by design, the Council serves as a source of review and input to the CBIS Team on key initiatives that relate to the integration of Catholic teaching into the firm’s investment strategies. There is simply no collection of people in the world who know more about investing in a manner consistent with the Catholic faith than our Council members, two of whom serve on the Mensuram Bonam Steering Committee. The CBIS Charisms Council is one of the most powerful groups of people ever assembled to contemplate investing in line with Catholic social teaching.

And while the Charisms Council helps guide us from the outside, the Impact and Justice Steering Committee (IJSC) sets the tone for our advocacy efforts from the inside. Committee members representing different facets of the CBIS organization regularly



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come together to assess our resources and determine if we have the necessary skills to engage, enhance, and exclude with certain companies. The IJSC is charged with reviewing and approving the firm’s active ownership portfolio, active ownership strategies, proxy voting guidelines, and CRI exclusion screens.

Together, this extraordinary combination of experience and resources places CBIS in a special position to evangelize the good news of Mensuram Bonam, and we are. Key individuals are meeting one-on-one with investors, consultants, and advisers. We spread the message at the CBIS Global Conference in Rome. And we’ve been honored to host discussions at key conferences around the world, including the second Mensuram Bonam Conference in London.

Simply put, CBIS is doing its best to lean into the challenges and opportunities presented by Mensuram Bonam, including helping other committed Catholics seeking to answer the Vatican’s call. I can’t imagine a better way for us to serve the Church and the Catholic faithful.





Products Catholics Can Rely On

The Catholic Church and Catholic investors around the globe have been looking to CBIS for more dynamic investment products.

As a direct result of the added resources and structure, CBIS is in an excellent position to leverage its investing acumen and product delivery capabilities across additional strategies and geographies. In large part due to our access to a broader array of asset classes, we'll soon be launching a sophisticated, global multi-asset investment product built to serve Catholic investors around the world. The target date for roll-out of this exciting fund is the second quarter of 2025.

This rollout will be a confident step forward in CBIS' plan to deliver sophisticated, solutions-based strategies to Catholic investors around the world.



People The Church Can Rely On

We enthusiastically look forward to a significant increase in the number of U.S. and European-based investment professionals. In fact, we anticipate that a good portion of our investment talent — upwards of 40% — will soon be located in Europe. We have already begun a search for a European-based portfolio manager.

Meanwhile, as a well-governed company, CBIS is always thinking about succession planning.

Similar to the way our investors think about investment policy statements — with an eye for long-term, intentional plans, employing the right tools — CBIS succession planning is decisively structured.

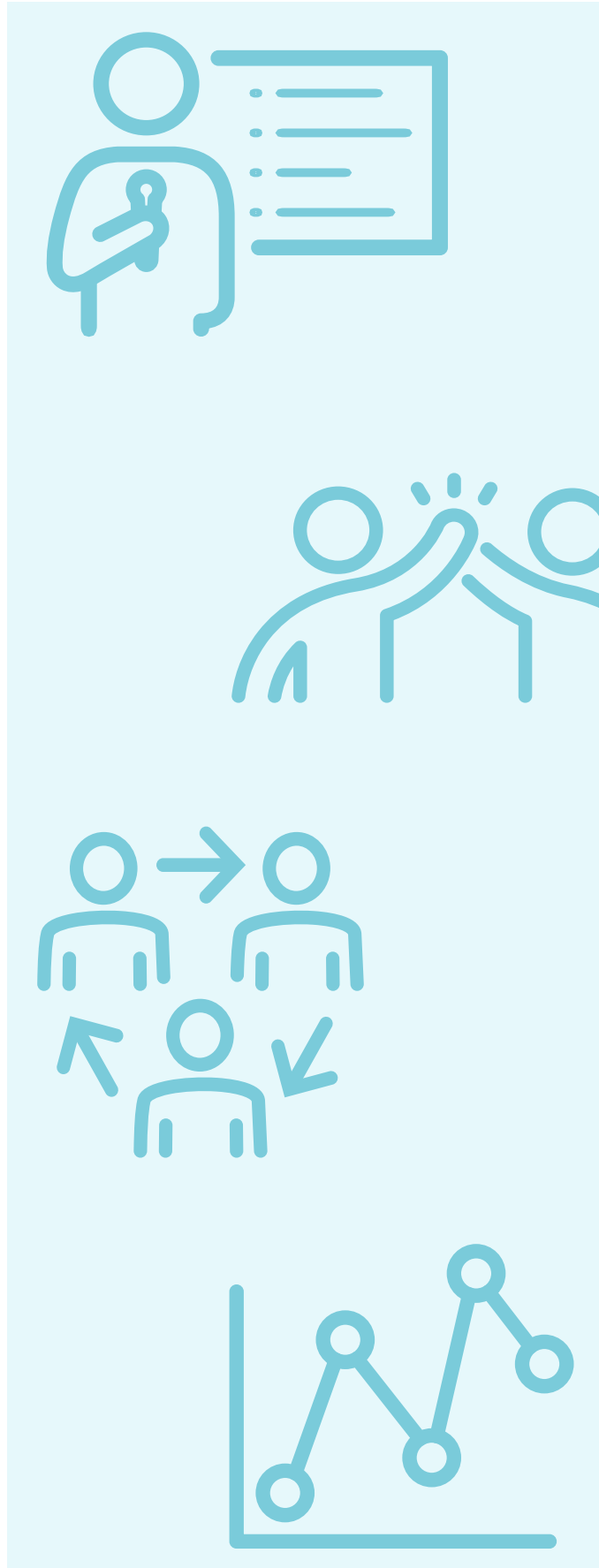
This is why I can announce here that John Geissinger will be stepping into a well-deserved retirement on July 1, 2025.

Truth be known, John and the executive team at CBIS have been planning for his retirement for more than five years.

It was no accident that Tom Digenan, CFA, CPA, joined our firm in July 2024 to work side-by-side with John as co-CIOs.

I can't say enough how pleased I am that a highly sought-after executive like Tom Digenan accepted our invitation to lead CBIS' investment efforts. With some 37 years of investment industry experience, including the design and implementation of investment solution strategies for UBS and Brinson Partners, Tom has been overseeing the re-shaping of the CRI Team since his arrival and plans to add an additional U.S.-based portfolio manager to the team. With a level of energy that I admire, he still finds time to serve as an adjunct professor at DePaul University.

So, while there's no denying that John Geissinger will be missed by a great number of people, CBIS and all its investors can be entirely confident in Tom Digenan's ability to seamlessly take the reins of the CRI Team as CIO and lead it into the future.





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Tom has had the opportunity to meet many CBIS investors already, and he and John are looking forward to spending time with many more of you in the first half of the year.



Final Thoughts

This is an incredibly optimistic time for CBIS, and not just because of our firm’s prospects. We’re part of a monumental change where the Vatican is calling all people of faith to come together.

Especially since CBIS — a company populated by exceptionally kind, competent people who genuinely care about transforming the world — is prepared for this moment. I truly believe that, amongst the large universe of firms in our space, we are unique in our approach.

How can I not be optimistic?

We are a group of one, I say, and I look forward to leading this great company for years to come.

Please know that CBIS understands the challenges you face matching a faith-based mission with moral investment choices. I also want you to know how thankful we are for the inspiration you provide. Your task remains a great one, but so too does the promise of meaningful reward.

We are honored to serve you in your efforts to fulfill your charisms.

Peace

Important Information

This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding the funds.

Contact Us

We want to hear from you!

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