

***A Conversation with CBIS Co-Chief Investment Officers
Thomas Digenan, CFA, CPA, and John W. Geissinger, CFA***



Thomas Digenan, CFA, CPA
Co-Chief Investment Officer



John W. Geissinger, CFA
Co-Chief Investment Officer

We understand the volume of work in your active ownership efforts is expanding. Is it because you're engaging with more companies outside the U.S.?

Mr. Geissinger: It is. Which is why for the last two years or so we've been focusing on providing more structure and intentionality to our global engagement process. We're articulating clearly up front why we're talking with a company and what specific milestones the CRI Team is looking to achieve and can monitor and adapt the workflow to a specific end.

Mr. Digenan: The end result of that structure is we're able to increase the number of engagements. We've become much more effective in engaging with a company around a theme and expanding our efforts to other companies that might have similar issues.

Along the way, we've become better collaborators with like-minded investors.

With your growing number of global engagements, are you experiencing more overlap among CBIS' three pillars of engagement?

Mr. Geissinger: I think of Pope Francis's comment on integral ecology. Throughout *Laudato Si*, he says, "Everything is connected." When you're engaging in one area, there will be implications for all the others.

"When you're engaging in one area, there will be implications for all the others."

— John Geissinger



Can you give us an idea of the scope of your engagement efforts?

Mr. Digenan: We're engaged with 19% in market cap of the MSCI All Country World Index. And we're excluding close to another 12%. This means CBIS is either engaged with or excluding 31% of companies in this broad benchmark.

How do you determine which companies to engage?

Mr. Geissinger: Remember, we're engaging with companies for financial reasons, and most businesses have some room for improvement. It's our belief that engagements help mitigate risk for the company, which, in the end, helps shareholders around the world.

Mr. Digenan: And we have plenty to choose from because the CBIS lineup includes a couple of index portfolios. As it happens, if you look at our engagements by geography, we align very closely with the world equity markets.

Mr. Geissinger: In practice, we want to be engaged with at least four companies in each equity portfolio that we manage.

“If you look at our engagements by geography, we align very closely with the world equity markets.”

— Tom Digenan

How do you identify and focus on your goal to engage at least four companies?

Mr. Geissinger: It goes back to my comment about structure and intentionality. The Charisms Council provides an external voice for our advocacy efforts. The Impact and Justice Steering Committee provides the focus on issues that are important to our investors and where we can make a difference. Then the CRI Team puts it all into action. That, in total, is how we can serve Catholic investors around the world.

When you look at engagement milestones, how do you monitor success?

Mr. Digenan: Engaging with a growing number of companies is a success in and of itself. But far more important than that is the number of milestones we've achieved in each engagement. The journey is an accumulation of a number of small steps.

Mr. Geissinger: Again, it's about intentionality. Why are we talking to the company today, and what actions are we looking for them to pursue? And it's that focus that's enabling us to then track how we're doing. And as we accomplish milestones, we can then continue to say, okay, now where do we go next?

Do you see any emerging issues or initiatives on the engagement horizon?

Mr. Digenan: Artificial Intelligence, ethical AI specifically, is something we wouldn't have been talking about a few years ago. AI moves too fast for governments to regulate, so companies like CBIS are getting together and focusing on developing voluntary ethical AI principles. The hope is the industry will move forward in a positive manner without relying on government intervention.

Important Information

All material of opinion reflects the judgement of the 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.

Contact Us

We want to hear from you!

If you have any questions, please reach out to your CBIS representative:



info@cbisonline.com

or



(877) 550-2247