

Socially Responsible Investing



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CREA: Center for Reflection, Education
and Action

CREA

- From 2 words in Spanish:
CREER (to believe) and CREAR (to create)

The challenge: Based on how we believe, what kind of world do we want to create?

CREA

Social economic research and education center

Focus: Sustainable communities


Sustainable living wage (SLW)

Fair Trade

Human rights

Labor rights especially in supply chains

Prevention of human trafficking, child labor
and forced labor



CREA Collaborative - Our partner organizations in other countries around the world. We work together on a spectrum of projects in different countries

Matrix Program at the CREA Institute – a new program to develop a certification program for social auditing that will be recognized by a consortium of universities around the world.

Goal: Certified Social Auditors to be recognized as professionals paralleling financial and environmental auditing

Our tools:

- Socially responsible investing research and services
- Engaging with corporations
- Education programs
- Training programs

Long History of SRI

Started with the struggle against apartheid in South Africa

Companies asked to withdraw (divest) from country so South African government would not have the tax revenues from the companies

Aim: To put pressure on the South African government to end apartheid

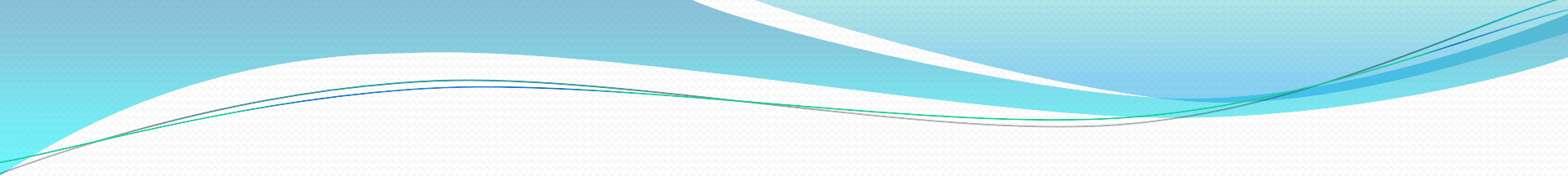
Infant formula

Nestle began donating infant formula to women who had just given birth

not in industrialized countries

but in developing countries

AIM: have women stop breastfeeding and switch to formula



When women went home from hospital, they were no longer able to breastfeed.

But they could not afford the formula so they diluted it to have it last longer

AND the water used with the formula was not clean, was not potable.

And children died in country after country

- from malnutrition
- from dysentery

Results

1990: Apartheid began to end in South Africa with the release of Nelson Mandela from prison and the slow dismantling of the apartheid system.

1981: WHO/UNICEF developed the International Code of Marketing Breast Formula Substitutes

Learnings

1. In some instances, companies are partners in bringing about positive change.
2. In other instances, it is the policies, programs and practices of companies that we are working to change.

Both realities continue to exist.

Examining a Company's Actions

Legal - according to law or contract

But laws are different in each country

And some countries lack laws

Ethical – Ethics are the standard of a group

Question: Who decides what is the ethical standard for the group?



Moral – Usually a standard based on beliefs

Just (Justice) – A standard recognizing the inherent dignity and rights of each and all human beings.

Socially Responsible Investing

Purpose: Bring about positive change

Began with the work of Roman Catholic women's religious communities, various Protestant denominations and Jewish congregations and organizations



Believing is a way of life

Not limited to when a person participates
in formal worship

Believing touches every aspect
of a person's life

Believing is also about creating systemic change

Jesus says: Feed the hungry

Acts of charity – immediate provision of food

Acts of advocacy – work by others to provide access to programs supplying food

Acts of systemic change – work to change the underlying causes so that the hungry can feed themselves

Believing

Is not just about being “good”

It is about having a vision of the way the world should
be ...

and then working to bring about that change



Today work has been joined by

Faith based organizations

Universities

Health Care Systems

NGOs

Labor organizations

and their investment managers

Today

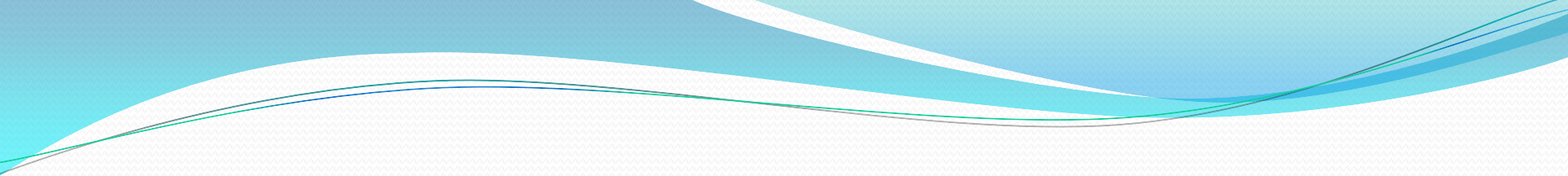
Work includes many
individual investment managers
pension funds
investment management companies

Who are part of the work, not just to serve their own
clients

But also because of their own belief in the need to
work to bring about positive change

Different ways of doing socially responsible investing (SRI)

- Screening – deciding there are some things from which you do not want to make money
- Shareholder resolutions – public proposals by shareholders to the company to bring about change in corporate policies, programs and practices

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- Dialogues between company and shareholders to bring about change in corporate practice
 - Letter writing campaigns
By shareholders, consumers and others focusing on a specific issue



No one has to do everything

But everyone
should be doing something

ICCR: Our membership organization

ICCR is the

Interfaith Center on Corporate Responsibility

It is a membership organization

Members come together to work on different issues...and to support the work of others

Our Work Areas today

Supply Chains

Human Rights and Labor Rights

Preventing Human Trafficking

Preventing Child Labor

Preventing Forced Labor

Water as a Human Right



Health Issues: International and Domestic

Corporate Governance

Sustainability – Social, Economic & Environmental

Climate Change

Genetically Modified Organisms



In the future

Topics will continue to change

Our commitment to work to bring
about positive change will continue