



# **B**enedictine **C**oalition for **R**esponsible **I**nvestment



*Mount St. Scholastica*  
Atchison, Kansas

*St. Scholastica Monastery*  
Boerne, Texas

*Benedictine Sisters  
of Virginia*  
Bristow, Virginia

*Benedictine Sisters  
of Perpetual Adoration*  
Clyde, Missouri

*St. Scholastica Monastery*  
Fort Smith, Arkansas

*Benedictine Sisters  
of Baltimore*  
Lutherville, Maryland

*Benedictine Women  
Holy Wisdom Monastery*  
Madison, Wisconsin

*Monasterio Pan De Vida*  
Torreon, Coahuila, Mexico

## Spring 2009

Issue 4

### The Signs of Our Times

What are the signs of our times? We hear words like recession and depression. Every day we are confronted with negative news — home foreclosures, the ups and downs of the stock market, areas in major cities where homeless persons live and word of climate changes. We are bombarded by news highlighting the turbulence of the times. Benedict lived in turbulent times, as do we. We hear of the efforts for Earth Day and Earth Hour. We hear of the good which ordinary persons are doing for other ordinary persons whom they encounter. We live amid the intensity of this dichotomy.

We need to be prophetic and pro-active and persistent. The world awaits a new model where justice is mandatory, not optional...where peace is waged, not war...where all are important, not just the few.

We, as Benedictines, are convinced by the Rule of Benedict that we must be involved in our local area and in our local issues. We are convinced that we must care for everything as if it were “sacred vessels of the altar, aware that nothing is to be neglected.” (Rule of Benedict 31:10) Every day, regardless of the economy or the news of the day, we seek God and build community. We seek a community built on a vision of justice. This has been the thrust for over 1,500 years.

For 38 years, the members of the Interfaith Center on Corporate Responsibility (ICCR) have raised issues with the corporations in which they invest. Since 2003, the members of the Benedictine Coalition for Responsible Investment (CRI) have raised questions asking for transparency in banking and credit card practices, asking for reductions in the greenhouse gas emissions, asking for accountability for excessive compensation for CEOs, to name a few of the topics. Many nights, these are the topics on the nightly news.

As you read this current newsletter, you see the fruits of the labor of many persons working together. Only by standing together and using the power of our portfolios and proxies can we better impact the direction in which our planet, our world is heading. We have that power by being owners of these corporations. The monies we have invested under gird our ministries and our retirement. It is an important power which we possess and must exercise.

*Sr. Susan Mika, OSB*

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# Benedictines at Work

## Benedictine CRI Meeting

November 20, 2008

### NATRI meeting in Denver

The annual meeting of the Benedictine CRI was held on November 20, 2008 from 12:30-2:00 at the NATRI meeting in Denver. There were 35 Benedictine treasurers/business office staff in attendance.

Sister Rose Marie Stallbaumer opened the meeting and welcomed the group to the Denver meeting. All were invited to introduce themselves and comment on their involvement either with the Benedictine CRI or any other involvement in corporate responsibility actions. Sister Susan Mika, staff for the Benedictine CRI, shared a copy of the 2008 stockholder resolutions filed and spoke briefly about the Benedictine coalition made up of 8 Benedictine communities. A copy of last year's minutes from the November 8, 2007 meeting in Miami and some recent newsletters were distributed. Susan reminded the group that you need only have \$2,000 worth of stock in a corporation and have held it for one year to be able to file or co-file a resolution.

Health care reform and predatory credit card lending practices are two focus areas for this year's resolutions which are in the process of being filed, primarily in November and December. Susan invited all monasteries to sign and endorse the ICCR health care reform principles. These have been distributed by email to all the Benedictine houses and some have already signed.

Susan shared information on and encouraged the use of Fair Trade T-shirts and bags made by Mexican workers at the Dignity and Justice Maquiladora in Piedras Negras. An opportunity for investment is the Isaiah Fund, a community development loan fund to assist persons impacted by hurricanes Katrina and Rita (initially) and other disasters.

Laura Berry, ICCR executive director, spoke with enthusiasm about her first year as executive director of ICCR. She named 4 things we need: 1) to have a Vision; 2) Technical skill to put value on capitol and to be able to explain the vision; 3) need to understand the Bias for Action; and 4) Coalition, that is we are so much smarter together than alone; we need to work together. Laura spoke about the importance of getting our values included in the advocacy network in Washington DC regarding capital markets. If we don't get involved for change, then who will? Speaking of the current financial crisis, Laura pointed out that the best asset class for the past 12

month period has been Community Investment Banks. She referred us to the NCIF website <ncif.org> for the National Community Investment Fund to find community development banks in our local areas. In conclusion, all agreed that the meeting was informative and energizing.

*Minutes submitted by Rose Marie Stallbaumer*



**Sr. Rose Marie Stallbaumer and Laura Berry**

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## 2009 RESOLUTION FILINGS

**The Atchison and Virginia monasteries were some of the most active in filing resolutions for 2009. The following statement will appear in the ICCR Corporate Examiner which features those organizations most active in filing resolutions.**

"The Benedictine Sisters of Atchison are a community of 160 sisters committed to empowering women and the poor through all their ministries in the Midwest and in Brazil. They are proud to share in the filing of shareholder resolutions and recognize their responsibility to have their corporate investments reflect the promotion of social justice according to Gospel principles and the just and prudent stewardship of all their resources."

The Benedictine Sisters of Virginia are a monastic community of 33 women whose charism is to seek God in community and respond through prayer and ministry. They have 6 corporate ministries: Saint Gertrude High School - an all girls high school in Richmond, VA and at Bristow, VA; Linton Hall School - a co-ed elementary school for pre-K through 8th grade; Transitional Housing BARN - a transitional housing for homeless women and their children; B.E.A.C.O.N. - an adult literacy program; Benedictine Pastoral Center - provides retreats, programs, and spiritual direction; Benedictine Counseling Service - provides counselors for parochial schools and does counseling mostly with the homeless.

*Written by Srs. Rose Marie and Henry Marie*

# What policies are we are urging companies to adopt?

## **"Be it resolved" . . . a short explanation of the resolutions filed this season**

### **HEALTH CARE REFORM PRINCIPLES**

- Adopt health care principles for reform, based on the Institute of Medicine's report: health care should be universal, continuous, affordable

### **PREDATORY CREDIT CARD PRACTICES**

- Develop a report which evaluates practices deemed to be predatory, reviewing the company's credit card marketing, lending and collection practices and the impact on borrowers

### **FOREIGN MILITARY SALES**

- Report to shareholders the company's significant promises including technology transfers made to foreign governments or firms in connection with foreign military sales intended to offset US dollar cost of weapons purchased by foreign nations

### **PAYDAY LENDING**

- Oversee amendment of current policies and the development of enforcement mechanisms to prevent employees or affiliates from engaging in predatory lending practices and report to shareholders on adequacy of that policy and its enforcement

### **HUMAN RIGHTS**

- Comprehensive, transparent, verifiable human rights policy and report to shareholders on the plan for implementation

### **EXECUTIVE COMPENSATION**

- Shareholders would have an advisory vote on the pay of top executives—"Say on Pay"

### **INDIGENOUS PEOPLES RIGHTS**

- Company should obtain consent of Indigenous Peoples affected by company's activities

### **GLOBAL STANDARDS OF CONDUCT**

- Commitment to a code of conduct based on the ILO human rights standards and the UN Norms on the Responsibilities of the Transnational Corporations with Regard to Human Rights

### **POLITICAL CONTRIBUTIONS**

- An accounting of company's funds used for political contributions or expenditures

### **SUSTAINABLE ENERGY INDEPENDENCE**

- Shareholders request that the Board of Directors report on how the company can become the industry leader in becoming energy independent in an environmentally sustainable way

### **RENEWABLES**

- Develop policy for renewable energy research, development and sourcing

### **POTENTIAL DAMAGE TO ANWAR**

- Report on the potential environmental damage that would result from the company drilling for oil and gas in the coastal plain of the Arctic National Wildlife Refuge

### **AUTO EMISSIONS REDUCTION**

- Adopt quantitative, long-term goals based on current technologies for reducing total greenhouse gas emissions from the company's products and operations

### **CREDIT DEFAULT SWAP TRADES**

- Publicly report both the trades and the value of their trades in over-the-counter credit default swaps

### **EQUAL EMPLOYMENT OPPORTUNITY**

- Diversity report identifying gender and race of employees in EEOC defined job categories

### **RESPONSIBLE FINANCING-EURODAD PRINCIPLES**

- Adopt the EURODAD (European Network on Debt and Development) principles outlining essential components of a responsible loan

### **MODERN SLAVERY**

- Assess areas in global operation and supply chain and adopt policies to ensure protection of basic human rights

## BENEDICTINE CRI MEMBERS—2009 Resolution FILINGS with Corporations

**These are the companies, the resolutions filed and the groups which filed. A brief explanation of the resolutions is on p. 3.**

### **ABBOTT LABS**

#### HEATH CARE REFORM PRINCIPLES (resolution)

Benedictine Sisters of Atchison, Kansas  
Benedictine Sisters, Ft. Smith, Arkansas  
Benedictine Sisters of Virginia  
Charitable Trust, Benedictine Sisters, Boerne

### **ALLSTATE**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Ft. Smith, Arkansas

### **AMERICAN EXPRESS**

#### PREDATORY CREDIT CARD PRACTICES

Benedictine Sisters of Virginia  
Benedictine Sisters, Atchison, Kansas

### **BANK OF AMERICA CORP**

#### PREDATORY CREDIT CARD PRACTICES

Benedictine Sisters , Atchison, Kansas  
Benedictine Sisters, Ft. Smith, Arkansas  
Benedictine Sisters, Mount Angel, Oregon  
Benedictine Sisters of Virginia  
Pan de Vida Monastery, Torreon, Mexico

### **BOEING CO.**

#### FOREIGN MILITARY SALES

Benedictine Sisters , Ft. Smith, Arkansas

### **CASH AMERICA**

#### PAYDAY LENDING

Benedictine Sisters of Boerne, Texas

### **CATERPILLAR**

#### FOREIGN MILITARY SALES

Benedictine Sisters, Atchison, Kansas  
Benedictine Sisters, Boerne, Texas  
Benedictine Sisters, Ft. Smith, Arkansas  
Benedictine Sisters of Virginia

### **CHEVRON**

#### HUMAN RIGHTS

Benedictine Sisters, Atchison, Kansas  
Benedictine Sisters , Boerne, Texas  
Benedictine Sisters of Perpetual Adoration, Clyde  
Benedictine Sisters of Virginia

### **CITIGROUP**

#### PREDATORY CREDIT CARD PRACTICES

Benedictine Sisters, Atchison, Kansas  
Benedictine Sisters, Boerne, Texas  
Benedictine Sisters of Virginia  
Pan de Vida Monastery, Torreon, Mexico

### **COCA COLA CO.**

#### EXECUTIVE COMPENSATION

Benedictine Sisters , Boerne, Texas  
Benedictine Sisters of Virginia

### **CONOCO PHILLIPS**

#### INDIGENOUS PEOPLES RIGHTS

Benedictine Sisters , Atchison, Kansas  
Benedictine Sisters, Ft. Smith, Arkansas  
Benedictine Sisters of Virginia

### **COOPER INDUSTRIES**

#### GLOBAL STANDARDS OF CONDUCT

Benedictine Sisters , Boerne, Texas

### **DOW CHEMICAL**

#### POLITICAL CONTRIBUTIONS

Benedictine Sisters, Atchison, Kansas  
Benedictine Sisters of Virginia

### **DuPont**

#### HUMAN RIGHTS

Benedictine Sisters of Virginia  
Pan de Vida Monastery, Torreon, Mexico

### **EXXON**

#### SUSTAINABLE ENERGY INDEPENDENCE

Benedictine Sisters of Virginia

#### RENEWABLES

Benedictine Sisters of Perpetual Adoration, Clyde  
POTENTIAL DAMAGE TO ANWAR  
Benedictine Sisters, Atchison, Kansas

### **FORD**

#### POLITICAL CONTRIBUTIONS

Benedictine Sisters, Ft. Smith, Arkansas

### **GENERAL ELECTRIC**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Boerne, Texas  
Benedictine Sisters of Virginia

## Benedictines at Work — Filings Continued

### **GENERAL MOTORS**

#### AUTO EMISSIONS REDUCTION

Benedictine Sisters, Boerne, Texas

### **GOLDMAN SACHS**

#### CREDIT DEFAULT SWAP TRADES

Benedictine Sisters, Atchison, Kansas

### **HALLIBURTON**

#### HUMAN RIGHTS

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Ft. Smith, Arkansas

### **HOME DEPOT**

#### EQUAL EMPLOYMENT OPPORTUNITY DATA

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Boerne, Texas

Benedictine Sisters, Ft. Smith, Arkansas

Benedictine Sisters of Perpetual Adoration, Clyde

Benedictine Sisters of Virginia

### **IBM**

#### EXECUTIVE COMPENSATION

Benedictine Sisters of Virginia

Charitable Trust, Benedictine Sisters, Boerne

### **INTEL**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Ft. Smith, Arkansas

Charitable Trust, Benedictine Sisters, Boerne

### **JP MORGAN CHASE**

#### RESPONSIBLE FINANCING-EURODAD CHARTER

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Boerne, Texas

Benedictine Sisters of Virginia

Pan de Vida Monastery, Torreon, Mexico

### **KROGER**

#### HEALTH CARE REFORM PRINCIPLES

Benedictine Sisters, Ft. Smith, Arkansas

### **McDonalds**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Ft. Smith, Arkansas

#### USE of NANO-TECHNOLOGY

Benedictine Sisters, Boerne, Texas

### **NUCOR**

#### MODERN SLAVERY

Benedictine Sisters, Atchison, Kansas

### **OCCIDENTAL**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Ft. Smith, Arkansas

### **PEPSICO**

#### GENETICALLY-MODIFIED ORGANISMS

Benedictine Sisters, Atchison, Kansas

### **PFIZER**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Ft. Smith, Arkansas

Charitable Trust, Benedictine Sisters, Boerne

Pan de Vida Monastery, Torreon, Mexico

### **RAYTHEON**

#### POLITICAL CONTRIBUTIONS

Benedictine Sisters, Boerne, Texas

### **SOUTHERN CO.**

#### EMISSIONS REDUCTION

Benedictine Sisters of Perpetual Adoration, Clyde

Benedictine Sisters of Virginia

Charitable Trust, Benedictine Sisters, Boerne

### **VALERO**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Boerne, Texas

### **VERIZON**

#### HEALTH CARE REFORM PRINCIPLES

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Ft. Smith, Arkansas

Pan de Vida Monastery, Torreon, Mexico

### **WALMART STORES, INC.**

#### EXECUTIVE COMPENSATION

Benedictine Sisters, Boerne, Texas

Benedictine Sisters, Ft. Smith, Arkansas

Benedictine Sisters of Perpetual Adoration, Clyde

### **WELLS FARGO & CO**

#### PREDATORY CREDIT CARD PRACTICES

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Ft. Smith, Arkansas

Benedictine Sisters of Virginia

### **YUM! BRANDS**

#### HEALTH CARE REFORM PRINCIPLES

Benedictine Sisters, Ft. Smith, Arkansas



## Benedictines at Work

### ***NEW MONASTERY RECEIVES RECOGNITION FOR ENVIRONMENTAL DESIGN***

Benedictine Women of Madison began a process of upgrading their facilities with the recycling of a 60,000 square foot building in the first quarter of 2008. 99.75% of the building (by weight) was diverted from land fill. Everything possible was sorted and recycled. Over 9 tons of material was donated to Habitat Re-store. Non-usable wood was chipped for landscape mulching. Only 12.5 tons of the total 8,650 ton building went to land fill.

The new structure currently being built will be LEED (Leadership in Energy & Environmental Design) certified at the platinum (highest) level. Some of the new building's characteristics are: geothermal heating, solar electricity generation, reduced water usage, natural ventilation, day lighting in all occupied spaces, rain gardens, green roofs, rain barrels, superior insulation, heat-reflective surfaces solar parking lighting and pervious concrete in some parking areas. The building was sited to maximize natural views and to fit in harmony with the land.



***Holy Wisdom Monastery***  
*From Architects Rendering*

"In a new age of sustainability and improvement, LEED building is on the forefront of environmental solutions. [This video from leadloop.com](http://www.leadloop.com) educates us on what Leadership in Energy & Environmental Design is, how a building gets certified and the incredible benefits of LEED certification."

*This is from CSRwire Weekly Alerts, April 8, 2009.*



### **EARTH HOUR AROUND THE WORLD**

I turned off all my lights at 8:30pm. When my parents got home about 10 minutes later, I refused to let them turn them back on. I followed them around the house with candles until we settled down in the kitchen to play "Outburst". I read the cards by candle light while my parents used a "wind up" flash light that I bought my Dad for Christmas. There are some incredible Earth Hour pictures on [www.boston.com](http://www.boston.com). A lot of companies are getting into being green. Samsung is set to release a solar powered phone to reduce CO2 emissions and made from recycled water bottles. I think that Earth Hour should occur ever month or so.

**Kelsey Urbanczyk— Boerne, intern**

Here at Monasterio Pan de Vida we chose to make the Earth Hour a Holy Hour. We didn't open it to the public because it is too dangerous in our city at this time to be out on a Saturday night without much lighting and some of the people who would have come, would have been walking. It was a profound experience to pray in silence as a group for the earth and for peace by candlelight. We asked ourselves afterwards, why do it just once a year? So, as a community we have chosen to make a monthly earth hour of prayer.

**Sr. Patricia Henry, Pan de Vida, Torreon**

### **EARTH DAY—APRIL 22, 2009**

One thought we had was to have a "no paper towel, no napkin" day for one day. Some of us are better at grabbing a cloth or using cloth napkins than others. We figured for one day, we could encourage each other to do it for more than one day.

**Sr. Tricia Kirk— Lutherville**

# ICCR Statement on Financial Regulation

As faith based institutional investors, we are keenly aware of the impact of the financial crisis that originated in the credit markets and has now resulted in a global recession.

**We are convinced that the establishment of a robust national and globally integrated regulatory framework is integral to any long-term solution.**

The investment principles and strategies that we share are informed by the core beliefs of our different faith traditions, the commitments that we have assumed to various communities around the world and our commitment to the broader human and earth community. They especially include our solidarity with communities and people who are frequently left on the margins of societies around the world.

In the midst of an ongoing effort to respond to the crisis we recognize the need for multiple actions. These have included government interventions in the private sector that have been unprecedented in scope and size: efforts at regional and global cooperation to address specific issues and broad stimulus packages intended to prevent further deterioration of economies across the globe.

**We are convinced that:** Responsible investors

- .... understand that a market economy has great potential and great risks. To tap the great potential we must manage those risks.

- .... can no longer settle for just doing the right thing for themselves and their investments.

- .... must work to insure that credit markets also serve the needs of the poor and underserved, without subjecting them to a wide range of unfair, deceptive, or fraudulent practices by lenders, servicers and others involved in this segment of the marketplace.

Responsible owners

- .... must make sure that the financial marketplace (the system) is structured so that those taking high risks do not jeopardize the ability of those taking small to moderate risk to succeed.

- .... need to make sure that a system of checks and balances are in place so that the "too big to fail" rationale has no quarter in the marketplace.

Responsible investors need to believe we have a balanced regulatory system, that on the one hand does not stifle innovation and ingenuity, but that also undertakes to "quarantine" significant risk taken to those taking the risks and not the overall market. Trust and confidence in the instruments/information available to all investors will best serve our needs and those of society.

**We recognize that government regulation and oversight are essential to guarantee the trust and confidence in various elements of the financial system and in the operating space of private financial services companies. We recognize that the government also has the responsibility to assure that citizens have access to a basket of resources to satisfy basic human needs and promote the common good.**

The public sector serves as the guarantor of default for the market system —this fact has been clearly evident in the current crisis. In numerous instances, governments have had to intervene to bail out individual companies in the financial services sector and the international financial institutions have been called on to rescue the precarious situation of sovereign governments.

Our financial system is increasingly integrated at a global level. One serious gap uncovered in the current crisis is the absence of a global regulatory and reporting framework capable of providing reliable information and coordination across jurisdictions to address the crisis and serve the needs of people across the world.

A financial system with numerous corporations operating on a global platform can hardly be adequately regulated, monitored or supervised by an integrated set of supervisory agencies of various groups of nation states that are primarily answerable to their individual political constituents. Certain elements are pivotal in a reliable public regulatory system for financial services. These must include an alignment of knowledge, power and effective enforcement so that core issues of transparency, disclosure, capital adequacy, consistency of regulation and community investment are guaranteed.

**We value a reliable regulated financial system that:**

1. ... Enhances access to credit, promotes responsible lending with fair and transparent criteria and contains a commitment to local community investments. In the financial sector, we believe that the system should serve the needs of all in a fair and equitable manner. Responsible lending correlated with responsible borrowing that affords access to credit for housing, cars, education and other needs in all communities is, therefore, a priority. A stable, transparent, regulated and supervised marketplace is the best instrument for facilitating the flow of credit at reasonable cost to all who need it.
2. ...Includes reporting and accounting standards that have the capacity to give an accurate picture of risk and includes a measurement of all the costs that are involved in any business transaction. Accurate disclosure of **all liabilities** (e.g. derivatives/credit default swaps) and a system of globally coordinated accounting standards can help to provide the prudent faith based investor with the information to make investment decisions that are aligned with their principles and support a sustainable future.
3. ...That protects the rights of shareholders, values the role of stakeholders and is reliable, transparent and monitored. For us, a number of issues that cluster around social, environmental and governance concerns flow from the principles that guide our investment decisions and the active exercise of our shareholder positions with corporations: safeguarding human dignity, caring for the earth and promoting sustainable communities. The externalization of social and environmental costs from balance sheets must not be allowed to continue.

# The Dalai Lama on the Economic Crisis

Business Week, May 18, 2009 edition — Excerpts

*"When you think of the people you'd expect to be doling out advice in the wake of the global economic meltdown, the Dalai Lama may not come to mind. But the exiled spiritual leader of Tibet, who has written about ethics and on-the-job stress has strong opinions about the crisis and its causes. Business Week senior writer Steve Hamm met with the Dalai Lama in New York on May 5. Here are some excerpts from that conversation"*

**On what caused the collapse:** I'm telling people, including some businessmen who are my friends, what this global economic crisis was caused by: One, too much greed. Second, speculation. Third, not being transparent. That's my view. These are the moral and ethics issues.

**On the obsession with money:**

There are those people who are only concerned with money: It's not money, money, money, money. With such people, since the crisis has happened, there are much disturbances. Of course, money is important. Without money, you can't survive. However, it is not the only measure of value. We have other values: the happy family, compassionate family, the family full of affection, and the compassionate community. Those people have much less disturbance due to this money crisis. Therefore, this crisis reminds us you should find some other values. Money value alone is a limitation."

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Bristow, Virginia  
Benedictine Sisters  
of Perpetual Adoration  
Clyde, Missouri  
St. Scholastica Monastery  
Fort Smith, Arkansas  
Benedictine Sisters  
of Baltimore  
Lutherville, Maryland  
Benedictine Women  
Stacy Wisdom Monastery  
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