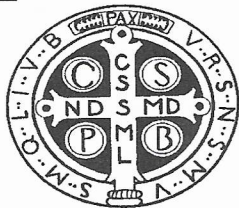


Benedictine Coalition for Responsible Investment



Mount St. Scholastica
Atchison, Kansas

St. Scholastica Monastery
Boerne, Texas

Benedictine Sisters of
Virginia Bristow, Virginia

St. Scholastica Monastery
Chicago, Illinois

Benedictine Sisters
of Perpetual Adoration
Clyde, Missouri

Benedictine Sisters of
Erie, Pennsylvania

St. Scholastica Monastery
Fort Smith, Arkansas

Benedictine Sisters
of Baltimore
Lutherville, Maryland

Benedictine Women
Holy Wisdom Monastery
Madison, Wisconsin

St. Gertrude Monastery
Ridgely, Maryland

Benedictine Sisters of
Florida, St. Leo, Florida

Monasterio Pan De Vida
Torreon, Coahuila, Mexico

July 2013

Issue 12

Signs of the Times

There are a number of things which have happened in recent days. We continue to raise up issues of our time – access to human rights, access to health, access to nutrition, access to capital. We note the historical milestone of reaching the tipping point of 400 parts per million (ppm) of carbon dioxide in our atmosphere. We highlight the filing of stockholder resolutions of our members and how each was resolved. We highlight photos from our working and meeting together. As we mentioned in the last newsletter, it has been 10 years since Sr. Bernadine Reyes approached other monasteries about working together on corporate responsibility concerns.

When we read the newspaper, we think of so many areas which Benedict discusses in the Rule. When we see the out-of-control salaries for the top executives of corporations, we find Benedict thinking about concepts such as, what is enough when he speaks of food and drink and clothing.

When we see buildings collapsing upon workers who are sewing our clothes, we think of Benedict's injunction about work being very important. For the most part, many of us don't sew our clothes, so we are participants in this industry because we buy/use the products of these workers' labor. When we see the fires and droughts, what would Benedict say about stewardship of the fragile Earth? How are we using the gifts we have been given?

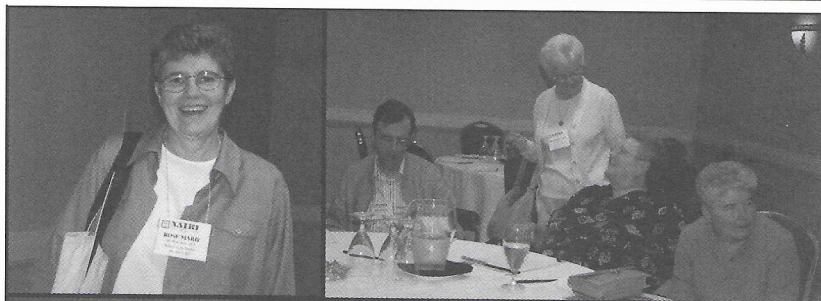
Often times, the question is how to use our investments to bring about change. One way is to join these efforts to raise questions with corporations and continue to invest. One way is to make statements when a tragedy happens. One way is to work together to state our long-term and short-term goals. One way is to NOT invest in companies where we disagree with their products. One way is to divest of companies if we disagree with their actions or want to make a point. When we speak to our investment advisors, we can impact the larger work because they, in turn, advise many other clients.

Thank you for your support of these efforts. Together we continue to make a difference.

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Benedictine CRI Meetings



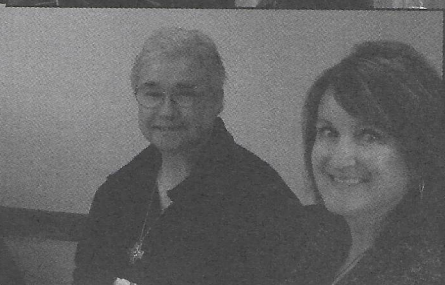
2006



2009



2010



2011



2012



Meetings of the Benedictine CRI

Benedictines Respond to Issues

Immigration

In February 2013 in Tucson, Arizona, the Conference of Benedictine Prioresses released a statement on the need for change in current immigration policy as a measure of hospitality by 'welcoming the strangers in our midst'.

The recently passed Senate Bill (S.744) while working on many of these issues, includes many regressive increases in border security. Money could be better spent focusing on integration and intake of current immigrants. Currently, it can take up to **twenty** years to get approved for a green card, and then another five to get approved for citizenship. This means that many immigrants earning their citizenship today applied while Ronald Reagan was still president. They would then have to wait even longer in order to bring families.

Instead of focusing on that aspect and uniting people and their families quicker and providing more incentives to go through the system legally, our legislature has decided to focus the majority of our financial resources from this bill on hiring more Law Enforcement Officers for Customs and Border Protections and doubling down on building more barriers.

From the Prioresses' Statement

What needs to happen:

- a family-based reunification system that keeps families together,
- a revision of the current visa system especially for migrant workers,
- protection for all workers' rights,
- a speedy enactment of the Development, Relief, and Education for Alien Minors (DREAM) Act with an option for community service in lieu of military service.
- reform of the detention and deportation system with due process,
- a fair and expedient process for asylum seekers.



Rana Plaza, Dhaka Bangladesh

Rana Plaza Garment Building Collapse

On April 24th, multiple rooftop generators were turned on above the Rana Plaza Garment building, producing strong vibrations that may have eroded the already cracked building. The building's cracks were so obvious that allegedly workers reported it to their supervisors, but were still told to go in. The resulting collapse killed **1,129** people and injured another **2,500** more.

Seventy top clothing retailers (mostly European) agreed to open their facilities up to safety inspections as part of an upgrade plan and have agreed that after the nine month process if any factories are found to be unsafe or unsound they will pay to repair the buildings. **H&M, Abercrombie & Fitch, Calvin Klein, Tommy Hil-**

figer, and Izod all signed onto the European union backed safety plan. This pact would cover between 30 and 40% of all of the countries garment manufacturing factories (NPR).

A different group of companies - **Wal-Mart, J.C. Penny, Macy's, L.L. Bean, Target, Gap** and **Jones Group** - have created their own five year plan without union or international safety workers having a part. This plan focuses on non-government organizations and independent observers hired by the organizations to monitor their buildings and has a flat yearly contribution amount rather than being based on the specific monetary needs to address factory safety and worker compensation from damages. This pact would not involve government officials and would essentially be internally run and overseen by Hong Kong sourcing company **Li & Fung** which will serve as the advisor for current and future members. The plan has been named the Bangladesh Worker Safety Initiative (nbcnews.com). While Rana Plaza is the largest disaster of its type, it is not an isolated incident. Multiple fires have claimed lives and collapsed buildings. Hopefully, both of these pacts will have positive outcomes that improve lives and worker safety.

ICCR Investor Statement on Bangladesh "In light of a series of recent calamities in Bangladesh apparel manufacturing plants resulting in an overwhelming loss of life, we, the undersigned investors and stakeholders including 200 organizations representing over 1.5 trillion in assets under management, are calling on industry leaders to implement systemic reforms that will ensure worker safety and welfare, and to adopt zero tolerance policies on global supply chain abuses."

BCRI Member Signatories to the ICCR Bangladesh Investor Statement as of June 11, 2013 include:

Benedictine Sisters of Boerne Texas, Benedictine Sisters of Baltimore, Benedictine Sisters of Erie, Benedictine Sisters of Mount St. Scholastica, Benedictine Sisters of Mount Angel Oregon, Benedictine Sisters of Pan De Vida in Torreon Mexico, Benedictine Sisters of Ridgely Maryland, Christian Brothers Investment Services (our members have investments with CBIS), Peace and Justice Committee of the Benedictine Sisters of Florida, Holy Name Monastery.

2013 Shareholder Resolutions—Voting Results

This is a list of 2013 resolutions filed, the issue, our members who filed and voting results:

AMAZON

Reducing Health Hazards - Lead Batteries - Withdrawn

Benedictine Sisters, Atchison, Kansas

ABBOTT LABORATORIES

Lobbying Disclosure— 28.5%

Benedictine Sisters, Boerne, Texas

Benedictine Sisters, Bristow, Virginia

ALTRIA GROUP

Lobbying Disclosure— 21.8%

Pan de Vida Monastery, Torreon, Mexico

AT&T

Wireless Network Neutrality—Withdrawn

Benedictine Sisters, Atchison, Kansas (primary filer)

Benedictine Sisters, Boerne, Texas

Benedictine Sisters, Bristow, Virginia

Pan de Vida Monastery, Torreon, Mexico

CATERPILLAR, INC

Adopt a Global Set of Standards - 26.81%

Benedictine Sisters of Boerne, Texas

Benedictine Sisters, Bristow, Virginia

Human Rights Report - Risk of Selling Bulldozers—Lost at SEC, not on the ballot

Benedictine Sisters, Atchison, Kansas

CHEVRON

Impacts of Hydraulic Fracturing - 31%

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Boerne, Texas

Benedictine Sisters, Bristow, Virginia

CITIGROUP

Strategic Alternatives to Citigroup's Structure—Omitted

Benedictine Sisters, Atchison, Kansas (primary filer)

Benedictine Sisters, Bristow, Virginia

Pan de Vida Monastery, Torreon, Mexico

COCA COLA CO

Toxic Chemicals in Products - Bisphenol A (BPA) - Lost at SEC, not on the ballot

Benedictine Sisters, Boerne, Texas

CONOCOPHILLIPS

Report on Greenhouse Gas Reduction Goals—29.42%

Benedictine Sisters, Atchison, Kansas

Benedictine Sisters, Bristow, Virginia

DANAHER

Use of Mercury in Dental Amalgams—33%

Benedictine Sisters, Baltimore, Maryland

DOW CHEMICAL

Genetically Modified Organisms: Herbicide Resistant - Withdrawn

Benedictine Sisters, Bristow, Virginia

Pan de Vida Monastery, Torreon, Mexico

DUPONT

Lobbying Disclosure - 33.40%

Benedictine Sisters, Baltimore, Maryland

Benedictine Sisters, Bristow, Virginia

EBAY

Privacy and Data Security—6.10%

Benedictine Sisters, Atchison, Kansas

EMERSON

Sustainability Report on Climate Change—38%

Benedictine Sisters, Boerne, Texas

ENTERGY CORP.

Lobbying Disclosure—24.23%

Benedictine Sisters, Bristow, Virginia

EOG RESOURCES

Risk Management for Shale Energy Operations (Fracturing) - Withdrawn

Benedictine Sisters, Atchison, Kansas

EXXON MOBIL

Risk Management reporting for Natural Gas Extraction (Fracturing) - 30.2%

Benedictine Sisters, Boerne, Texas

Benedictine Sisters, Atchison, Kansas

Reduce Greenhouse Gas Emissions—26.80%

Benedictine Sisters, Baltimore, Maryland

Benedictine Sisters, Bristow, Virginia

GENERAL ELECTRIC

Separate Chair and CEO—24.4%

Benedictine Sisters, Bristow, Virginia

Pan de Vida Monastery, Torreon, Mexico

GEO GROUP

Report on Human Rights—Withdrawn

Benedictine Sisters, Atchison, Kansas

2013 Shareholder Resolutions—Voting Results

HOME DEPOT

Equal Employment Opportunity (EEO) Report—25.96%

Benedictine Sisters of Boerne, Texas (primary filer)
Benedictine Sisters, Atchison, Kansas
Benedictine Sisters, Bristow, Virginia

IBM

Report of Lobbying Expenditures—24.45%

Benedictine Sisters, Baltimore, Maryland

Reducing Health Hazards from

Manufacturing & Recycling Lead Batteries—Withdrawn

Benedictine Sisters, Boerne, Texas

HEWLETT PACKARD

Review and amend Human Rights Policies—7.31%

Benedictine Sisters, Boerne, Texas

JP MORGAN CHASE

Lobbying Disclosure—Challenged at SEC

Pan de Vida Monastery, Torreon, Mexico

KROGER

Adopt a Human Rights Policy—16.33%

Pan de Vida Monastery, Torreon, Mexico

PEPSICO

Label Genetically Engineered Products—Withdrawn

Benedictine Sisters, Bristow, Virginia

PFIZER

Lobbying Disclosure—Omitted

Benedictine Sisters, Boerne, Texas

REGIONS FINANCIAL CORPORATION

Practices around Payday Lending—In Dialogue

Benedictine Sisters, Atchison, Kansas

SPECTRA ENERGY CORP

Fugitive Methane Emissions (from Fracking) Report—35.30%

Benedictine Sisters, Bristow, Virginia

3M

Report on Lobbying Expenditures—Withdrawn

Benedictine Sisters, Baltimore, Maryland
Benedictine Sisters, Boerne, Texas

VERIZON COMMUNICATIONS

Reducing Health Hazards from

Manufacturing & Recycling Lead Batteries—Withdrawn

Benedictine Sisters, Bristow, Virginia

Report on Lobbying Expenditures—25.78%

Benedictine Sisters, Baltimore, Maryland

WALMART - Design program to accept

(used electronics) e-waste at stores—Withdrawn due to dialogue with company

Benedictine Sisters of Boerne, Texas

WELLS FARGO

Practices around Payday Lending—In Dialogue

Pan de Vida Monastery, Torreon, Mexico

HISTORICAL MILESTONE: In May the Mauna Loa Observatory in Hawaii recorded the first carbon dioxide concentration of 400 parts per million (PPM) exceeding the threshold of 350 PPM deemed safe by scientists for humanity.

Some of the issues which are raised in the shareholder resolutions:

- ⇒ What are the health effects of chemicals (currently unknown) used in fracking operations and their effect on the water supply?
- ⇒ How much are companies spending on lobbying expenses and what are they lobbying for or against?
- ⇒ What policies are in place through the company: a comprehensive human rights policy? for energy companies, a commitment to look at the risks associated with fracking ? review practices in view of new regulations and safety concerns?
- ⇒ What practices do banks follow in payday lending? What interest rates are standard? Are certain segments of the population “targeted” for loans?
- ⇒ What goals have companies established and/or met to reduce greenhouse gas emissions?
- ⇒ Right to know : labeling of genetically-modified organisms; practices on how to recycle lead batteries, how privacy and data security is handled, what chemicals are in the fracking fluids.

Social Investment Issues in the News

Gun Violence

In 2010, more than 31,076 lives were claimed by firearms. For every firearm **death**, five people are made paraplegic or quadriplegic by a firearm. These startling numbers provide great concerns to many socially responsible investors.

Because of manipulated prices created by legislation and industry representatives (including the NRA) trying as hard as possible to keep people in fear of losing their ability to purchase weapons, there is a great deal of money to be made in selling weapons and ammunition. This money is not only made domestically but also internationally — 68% of all of Mexican firearms seized in the commission of a crime were found to have an American origin.

These sales fund not only American death and destruction, but effectively contribute to international drug violence and the largest number of femicides in the entire world. For a firearms manufacturer, there is no version of their product that does not promote these risks. As a result, many religious investors, along with others, have not invested in these companies because there is unfortunately no ground to change these industries internally.

What we can do is educate and empower others to act. Several mutual funds such as **Cerberus**, **Vanguard**, **BlackRock**, invest in firearms companies such as **Sturm Ruger (RGR)**, **Taurus (SAO: FJTA4)**, **Alliant Techsystems (ATK)**, **Olin (OLN)**, and **Smith & Wesson (SWHC)** (New York Times article “The Guns Hiding in Your Portfolio”).

You may choose to use your power as a shareholder/investor to demand that your mutual funds divest from firearms’ manufacturers. This method has seen results in unusual places. The **California State Teachers’ Retirement System** (known as **Calstrs**) voted to sell off its holdings of weapons companies shortly after the Sandy Hook incident. Princeton’s faculty is currently engaged in selling off its holdings of weapons companies. Public pension funds in New York, Massachusetts, and Chicago have taken similar steps. The **CALSTRS** fund represented 3 million dollars divested from weapons companies. Shortly after the divestment announcement, Cerberus, one of the largest private equity funds in the nation at roughly 20 billion dollars, announced that they wanted **CALSTRS** business back and began the process of selling off their major firearms companies.

Below are some policies that the **Conference of Benedictine Prioresses** advocate to lower gun violence:

- Close loopholes and require every person who buys a gun from any source to pass a criminal background check.
- Ban the sale of military style weapons and high capacity ammunition magazines.
- Strengthen federal laws to stem the flow of American weapons that contribute to the drug trafficking violence in Mexico.
- Fund robust care for those with mental illness, ensuring that health insurance plans, Medicare and Medicaid offer mental health benefits at parity.
- Provide for early identification and intervention for children and young adults in need of mental health treatment.
- Increase the number of well-trained mental health professionals available for school and community gun violence prevention, intervention, threat assessment, and crisis management.
- Address the growing use of violence as a means of entertainment in films, television program, video games, music and advertisements.

An additional item which we thought of could be:

- Create a searchable list of mutual fund items so that investors can find out what companies they are investing in.

Social Investment Issues in the News

Facebook Marketing and Childhood Obesity

Imagine giving a marketing department direct access into the rooms of children across the world, allowing them to come in and place advertisements all over their room. Whenever children would speak with their friends, or even you, these ads would be laced along their conversations, intended just for them.

This is the world of **Facebook** marketing. **Facebook** allows children as young as 13 to join and submit all of their personal information publically, and many do. Companies then can target ads to a startling degree and those ads will only be viewable by anyone within certain demographics based on the advertiser's specifics. Unknowing children click a 'like' button on various interests such as music, movies, activities, and organizations which then is used to aggregate marketing data targeting them for specific items and services.

During a time when childhood obesity is on the rise, constant connection with **Facebook** for many teens means constant ad exposure. Food companies can not only market their product to different children, they can have entirely individualized ad campaigns for different groups of children and create a personalized marketing experience. For example, **Red Bull** could target children who primarily 'like' video games and brand their product as the 'gamer's' choice and simultaneously target children who exercise to brand that same product as the best way to gain energy. Parents can not see these ads on their children's page, because the page will cater ads to the parents. Each advertisement is a blank slate that morphs based on the profile of the individual looking at the advertisement.

Audience:

This ad targets people:

- who live in the United States
- who live in zip code 78233
- 16 years old and younger
- who are female
- who like #Catholic Church
- who are single
- who are in one of the broad categories Gaming (Social/Online), Fast Food Diners/QSR, Food & Dining, Photo Uploading, Away from Family, Hispanic (US), Beer/Wine/Spirits, Entertainment (TV), Pets (Cats) or Politics (US Liberal)

Targets only children

Campaign:

Socially Responsi...-Page Likes-US-W-13-16 (New Campaign)

Bid Type:

Optimized CPM

Bid:

Auto

Daily Budget:

\$10.00 USD per day

Duration:

This ad campaign will run indefinitely

The questions then begin to arise as to the effect this increased efficiency and extreme branding will have on children in a nation fighting to curb childhood obesity. Will these ad campaigns result in stronger brand loyalty and increased purchasing intervals for young children? Will they carry these habits and loyalties as adults? These questions are troubling because of the ten most 'liked' brands on **Facebook**, five are food related (**Coca-Cola**, **Red Bull**, **Starbucks**, **Oreo**, and **McDonalds**). In a list that includes clothing, cars, vacations, music, movies, and hobbies, food reigns supreme. These likes are often the direct result of marketing campaigns that require individuals to 'like' a companies page in order to get a discount. For example, "Like our organization, get a coupon for a free soft drink".

Marketing holds power over day to day life not only to promote products but to effectively connect those products to events, times, and emotions based on our individual interests, age, and other demographics. So this knowledge makes the idea of such specific and invasive ads extremely worrisome.

Recently the **Interfaith Center on Corporate Responsibility** received a **Robert Wood Johnson Grant** to fight the issue of childhood obesity and is working with other groups to see how this marketing can be curbed to minors:

- ♦ Limit or restrict some of the more problematic techniques such as geo-locating, database marketing, and immersive marketing.
- ♦ Establish and expand safeguards for sensitive users (COPPA).
- ♦ Legally protect the information of minors.
- ♦ Oppose Facebook entry into the advertising market for those under 13 years old.
- ♦ Educate the public about the limits of consent and privacy controls.

*Special Thanks to our Generous Donors
who made our work possible in the past year!*

Our Members

- St. Scholastica Monastery
(Boerne, Texas)
- Benedictine Sisters of Perpetual
Adoration (Clyde, Missouri)
- St. Scholastica Monastery
(Fort Smith, Arkansas)
- Benedictine Sisters of Baltimore
(Lutherville, Maryland)
- St. Gertrude Monastery
(Ridgely, Maryland)
- Benedictine Sisters of Florida
(St. Leo, Florida)
- Mount St. Scholastica
(Atchison, Kansas)
- Monasterio Pan De Vida
(Torreon, Coahuila, Mexico)
- Benedictine Women-Holy Wisdom
Monastery (Madison, Wisconsin)
- St. Scholastica Monastery
(Chicago, Illinois)
- Benedictine Sisters of Virginia
(Bristow, Virginia)
- Mt. Saint Benedict Monastery
(Erie, Pennsylvania)

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(Ferdinand, IN)
- Sisters of the Order of St. Benedict
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- Mount St. Scholastica
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- Subiaco Abbey (Subiaco, AR)
- House of Bread (Nanaimo, Canada)
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Benedictine **C**oalition for **R**esponsible **I**nvestment

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