



GOVERNANCE & ACCOUNTABILITY INSTITUTE'S

TO THE POINT™



Timely News, Insights & Perspectives on Corporate Sustainability, Responsibility & Citizenship

February 2018

Governance & Accountability Institute shares timely news, insights and perspectives with corporate managers in key topic areas:

- ⦿ *Corporate Citizenship,*
- ⦿ *Corporate Responsibility,*
- ⦿ *Corporate Sustainability,*
- ⦿ *Community Affairs, and*
- ⦿ *Sustainable Investing.*

**To the Point!** is a fee-based educational resource for corporate executives and managers distributed each month with periodic brief updates for critical items.

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## INSTITUTIONAL INVESTORS LAUNCH ALLIANCE FOCUSED ON HUMAN RIGHTS

### *Interfaith Center on Corporate Responsibility (ICCR) Provides Leadership for Investor Collaboration To Advance Corporate Sector and Investor Action on Human Rights Issues*

The recently-launched **Investor Alliance for Human Rights** managed by ICCR provides a collective action platform to consolidate and increase institutional investor influence on key business and human rights issues.

For nearly 50 years, the **Interfaith Center on Corporate Responsibility (ICCR)** has been engaging with corporate managements and boards, coalescing with asset owners and managers and waging campaigns on key E, S and G issues.



### *ICCR has become a major influence for investors at corporate proxy voting time, and in ongoing investor-corporate engagements.*

Consider: The member institutions have AUM of US\$400 billion and influence many other institutional investors (depending on the issue in focus at the time).

ICCR has 300-plus institutional investor members, many (but not all) are faith-based organizations. A good number of member institutions are leaders in making available sustainable & responsible investment products and services. (See representative names in references at end.)

## Key Issues in Focus for ICCR Members

- **Human Rights** (key: human trafficking, forced labor, fair hiring practices)
- **Corporate Governance** (board independence, CEO comp, lobbying)
- **Health** (pharma pricing, global health challenges)
- **Climate Change** (science-based GHG reduction targets)
- **Financial Services** (risk management for financial institutions, responsible lending)
- **Food** (antibiotics in food production, food waste, labor)
- **Water** (access, corporate use of water and pollution)



## Human Rights In Focus For New Alliance

**Focusing on Human Rights** – ICCR has long been involved in various Human Rights issues back to its founding in 1971 and has been organizing the **Investor Alliance for Human Rights** since late-fall 2017.



**INVESTOR ALLIANCE  
FOR HUMAN RIGHTS**  
AN ICCR INITIATIVE

Here are the essentials:

- Investor Alliance participants will have an effective “Collective Action Platform” for convening, information sharing, and organizing collaboration on action to make the case to corporate decision-makers and public sector policymakers (and other stakeholders) on the need for urgency in addressing human rights issues.
- The umbrella of a formal alliance will help individual participants to build partnerships and develop collaboration within their own universes of connections (such as NGOs, other investors, community-based organizations, trade groups, corporate leaders, multi-lateral organizations, and other institutions and enterprises).
- Among the work to be done is the encouragement and support of building Human Rights criteria and methodology into asset owner and manager guidelines, investing protocols, models, and to integrate these in corporate engagements and proxy campaigns, as well as to guide portfolio management. (Buy/sell/hold decision-making.)

**All of this** will help to expand investor reach and influence and strengthen advocacy for best practices in Human Rights by both companies and investors. Leveraging of broader investor influence is key in this regard.

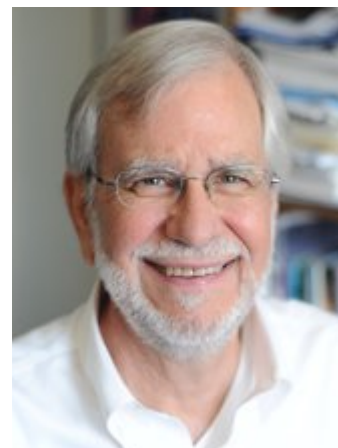
The Alliance will provide participants with a “rapid response” resource to assure that the “investor voices” are clearly heard in corporate board rooms and C-suites, in public sector leadership offices, and in media circles when there are threats posed to effective actions and reforms in Human Rights issues.

The Alliance is outreaching to NGOs, faith-based institutions, academics, media, labor unions, multi-lateral global institutions, trade and professional associations, corporate managements and boards, and of course to a wide range of asset owners and managers.





The key player at ICCR for the Alliance is **David Schilling**, a veteran staff member who is Senior Program Director – Human Rights & Resources. (email: [dschilling@iccr.org](mailto:dschilling@iccr.org))



David joined ICCR in 1994 and has led initiatives on human rights in corporate operations in Africa, Asia and Latin America, often visiting factories and meeting with workers on the ground.

David is currently:

- Chair, Advisory Board of the **Global Social Compliance Program**;
- Member, **International Advisory Network of the Business and Human Rights Resource Centre**;
- Member, **RFK Center Compass Education Advisory Committee**;
- Member, **UNICEF CSR Advisory Group**; and,
- Coordinator (with ICCR member institutions) of the **Bangladesh Investor Initiative** (a global collaboration in support of the “**Accord for Fire and Building Safety**”).

###

ICCR stresses that it sees its work “through a social justice lens.” For more than two decades members and staff have worked to eradicate human rights abuses in corporate operations and across global supply chains, such as forced child labor in cotton fields in Uzbekistan.

The organization has an **Advisory Committee of Leaders in Business and Human Rights** (formed in late-2016).

Members include representatives of **Boston Common Asset Management; Shift; Landesa; The Alliance for a Greater New York; Oxfam America; Mercy Investment Services; International Corporate Accountability Roundtable**; and, **Global Witness**.

###

ICCR has a long history in Human Rights progress. The organization came together as a committee of the mainstream Protestant denominations under the **National Council of Churches’** umbrella in 1971 to organize opposition to the policies and practices of “**Apartheid**” in South Africa.



Over time, the U.S. corporations operating in South Africa stopped operations there. More than 200 cities and municipalities in the United States of America adopted **anti-Apartheid** policies, many ending their business with companies operating in South Africa.

Protests were staged in many cities and on many college & university campuses, and U.S. and European media presented numerous news and feature presentations on the issue.

In time, the government of South Africa dismantled Apartheid and the country opened the door to broader democratic practices (the majority black population was formerly prohibited to vote).

## Over the Years: Issues in Focus for ICCR

Over the years since the *anti-Apartheid* campaign, ICCR broadened its focus to wage campaigns in other societal issues, including:

- Focus on fair and responsible lending, including sub-prime lending and payroll lending.
- Putting climate change issues on the agenda for dialogue with corporations, including the demand for action and planning, and then greater disclosure on efforts to curb GHG emissions.
- Encouraging investment in local communities to create opportunities in affordable housing, job development, training, and related areas.
- Promoting greater access to medicines, including drugs for the treatment of AIDS in Africa, and affordable pricing in the United States.
- Promoting “**Impact Investing**” – for reasonable ROI as well as beneficial outcomes for society through investments.
- Promoting Islamic Finance.
- On the corporate engagement front, requesting greater transparency around lobbying by companies to influence climate change, healthcare and financial reforms, both directly and through trade associations and other third-party organizations.
- Opposing “virtual-only” annual corporate meetings that prevent in-person interaction for shareholders.

## ICCR Proxy Campaigns - Governance in Focus

ICCR members are very active at proxy voting time. Among the “wins” in 2017:

- Getting roles of (combined) Chair & CEO split – 47% support of the votes for that at **Express Scripts** and 43% at **Johnson & Johnson**; 39% at **Chevron**.
- More disclosure on lobbying expenditures – 42% support at **Royal Bank of Canada** and 41% at **First Energy**; 35% at **Cisco** and 25% at **IBM**.

## Notes and References

- Information on the New Alliance: <http://iccr.org/iccr-launches-new-alliance-amplify-global-investor-influence-human-rights>
- And at <http://iccr.org/our-issues/human-rights/investor-alliance-human-rights>



- The Alliance initiative is supported with funding from **Humanity United** and **Open Society Foundations**.



- ICCR's Website: [www.iccr.org](http://www.iccr.org)
- The President of the Interfaith Center on Corporate Responsibility is **Josh Zinner**.

## ICCR Influence & Reach

The ICCR member organizations include the **AFSCME** (union fund), **Walden Asset Management**, **Boston Common Asset Management**, **Oxfam**, **The Maryknoll Fathers and Brothers**, and **Maryknoll Sisters**, **American Baptist Churches**, **Mercy Investments**, **Christian Brothers Investment Services (CBIS)**, **Wespath Investment Management**, **Everence Financial**, **Domini Social Investments**, **Church of England Ethical Investment Advisory Group**, **Gabelli Funds**, **Trillium Asset Management**, **Calvert Group**, **Clean Yield**, **The Nathan Cummings Foundation**, and other institutional investors.