

Investors, Climate Change, and Human Rights
By Ethel Howley, SSND

“As members of an international congregation, [the School Sisters of Notre Dame] recognize their obligation and opportunities to develop a world vision and a sense of global responsibility.” (YAS, C 26) This calls us to be alert to rapidly evolving conditions in a changing society. As institutional investors, we look into the companies holding our retirement funds and their impact on our environment and the human rights of workers.



As affiliates of the *Investor Advocates for Social Justice (IASJ)*, formerly the *Tri-State Coalition for Responsible Investing*, the AM province initiates engagements with companies in its portfolio on their environmental, social, and governance impacts. Over the past year, *IASJ* dialogues with corporations have uncovered the impact that the auto industry has had on human rights. At the same time, the automotive industry has a history of innovation, revolutionizing transportation, and securing its role in daily lives. The complex logistics, supplier relationships, safety checks, and manufacturing operations that come together to bring consumers a shiny new vehicle significantly impact the dignity and rights of employees, stakeholders, and communities. As the industry currently stands at

the brink of disruption - - adaptation for climate change and electrification, the future of mobility, and dawn of autonomous vehicles - - it is also contributing to exploitation of human rights. Extensive research documents human rights risks in the supply chains for commodities that go into a car,

from leather to mica to cobalt to rubber. Many workers, including children, are exploited in the extensive global supply chain. This system

contributes to downward pressure throughout the

supply chain to cut prices, often at the expense of fair wages and protections for workers.



When the next shareholder season begins, the AM Province, along with other affiliates of IASJ, will engage other companies on how business impacts to the climate and marginalized communities. The first goal of this **Climate and**

Environmental Justice campaign is to advocate for a just transition to a low-carbon economy, by encouraging companies to reduce emissions in line with a 1.5°C warming scenario. At the same time, it must ensure a just



transition for workers and communities. The second goal, advocating for robust corporate human rights around climate change and environmental justice, expects companies to identify, assess, and address human rights impacts to the

most vulnerable communities, and to prioritize efforts to prevent and mitigate impacts to the communities most affected by climate change.

Initially, the corporations to be engaged by *IASJ* in Climate Change are manufactures of chemicals; mining companies especially those involved in extracting fossil fuels; utilities, and multi-industry companies associated with



materials used in clothing and technology, and linked to toxic environmental pollution, that disproportionately impacts communities of color in the US.

During the 2020 shareholder season, the AM Province filed environmental and human rights resolutions with

eight companies after several ineffective dialogues with each of them. Upon their receiving our proposal, six of them agreed to continue dialogues and begin implementing the proposed changes to their policies and operations, if we agreed to withdraw our resolution. We agreed to withdraw but will continue engaging them on human rights and environmental issues.



Pope Francis reminds us in *Laudato Si'* that, “Although the post-industrial period may well be remembered as one of the most irresponsible in history, nonetheless there is reason to hope that humanity at the dawn of the twenty-first century will be remembered for having generously shouldered its grave responsibilities.” (165) Through engagements with the world’s largest corporations, SSNDs are attempting to address the current world’s ecological hurdles and social challenges, which include the basic rights of the poor and underprivileged. We believe that we have a shared responsibility for others and the care of all creation.