

1 The Board of Directors recommends this resolution be sent to a Committee of the General
2 Synod.

3
4 **RESOLUTION URGING SOCIALLY RESPONSIBLE INVESTMENT PRACTICES**

5
6 **A Resolution of Witness**

7
8 **Submitted by**
9 **United Church Funds, Inc. and The Pension Boards – United Church of Christ, Inc.**

10
11 **SUMMARY**

12
13 **Almost 50 years ago**, the struggle of apartheid in South Africa brought socially responsible
14 investment to new awareness in the life of the church universal and the United Church of Christ
15 — germinating the seeds of three widely recognized tenets of socially responsible investing:

- 16 • the financial assets of the faith community could become a powerful tool in bringing about
17 social and political change (sustainable investment)
18 • as shareholders in publicly traded companies, faith communities could leverage change by
19 taking their witness directly to management, board and other shareholders through the power
20 of ownership (shareholder advocacy)
21 • if a community so chose, it could sell its holding in a company to make a statement about
22 disapproved practices (divestment).

23
24 As time went on, techniques for leveraging assets for change became more sophisticated, varied
25 and influential as a new coalition formed around the Interfaith Center for Corporate
26 Responsibility, of which the UCC is a founding member. But while this group grew and was
27 nurtured by Covenanted, Affiliated and Associated Ministries— principally the United Church
28 Board for World Ministries (Wider Church Ministries), The Pension Boards and United Church
29 Funds — it labored in obscurity to its wider church community.

30
31 This resolution seeks to encourage a comprehensive understanding of socially responsible
32 investing by—

- 33 1. Naming the full range of complementary strategies of asset leverage
34 2. Encouraging each body and ministry of the church to employ socially responsible investing
35 strategies according to its own purpose, charter and legal responsibilities
36 3. Calling upon the General Synod to recognize the diversity of strategies, and the particular
37 resources and obligations of each ministry, to avoid creating unnecessary conflict or adopting
38 future resolutions that will unduly encumber partner ministries.

39
40 **BIBLICAL, THEOLOGICAL AND ETHICAL RATIONALE**

41
42 Our biblical, theological and historical heritage calls us to responsibility in all areas of life —
43 recognizing the holiness of all of God’s gifts and honoring our obligation to love as Jesus loved.
44 Our responsibility extends to management of our financial gifts and to ensuring the sustainability
45 of the resources over which we are stewards.

47 In the Bible, prophetic ministry is not limited to the contentious confrontation of evil or moral
48 wrongdoing in order to make bold witness, proclamation and statement. Prophetic witness
49 includes the welcoming of transformation, changes to structures of society and political power,
50 and negotiation of peaceful resolution and reconciliation of peoples and institutions with their
51 rightful calling and responsibility. Jonah tries to escape and evade direct witness to Nineveh, but
52 is drawn by God to return and speak directly with those affected by their own condition. Jesus,
53 under protest from his disciples wishes not to avoid the tax collector Zacchaeus, but to enter his
54 home, sit at his table, break bread and seek the healing and transformation that can only come
55 from a welcoming encounter. Through a ministry of conversation and communion, Paul journeys
56 out from those of his own community to seek transformation in a broader community to whom
57 the love of God may extend, using language and symbols native to each community's
58 understanding. Addressing church conflict in Corinth, Paul affirmed the diverse gifts of the
59 members, correcting the tendency to give primacy to one gift over another, and calling for the
60 body to be united by love which was neither rude nor demanded its own way.

61
62 The Biblical witness speaks to a form of dialogue and resolution beyond protest alone, and into
63 the hard work of engagement directly with the people whom we would seek to influence and
64 change. The unbounded love of God knows no particularity — God's love extends even to those
65 with whom we disagree. Failing to engage in meaningful ways relegates these fellow travelers to
66 a status of "lost"— a characterization our extravagant hospitality cannot tolerate. Redemption,
67 and the possibility for transformation, belong to all when we are called to love as God loves.

68
69 Engagement with those with whom we invest our assets offers a direct witness that stands beside
70 bold proclamation. After the sin or evil has been named, the work of transformation into actions
71 for good is just beginning. Working together in coalitions to pool assets to leverage influence for
72 change can and has resulted in new policies, better working conditions, an increase in human
73 rights, a decrease in human suffering, and care for the well-being of Creation.

74
75 The United Church of Christ has historically embraced congregational polity and autonomy,
76 balanced by —and sometimes in tension with — covenantal responsibility and mutual
77 accountability to the whole church and among its members. Employing the surfeit of tools of
78 sustainable investment and financial management may amplify the response of ministries to
79 social and political challenges. At the same time, sensitivity may be required to permit others the
80 freedom to act in response to an authentic calling, within the limits of cooperative ministry and
81 covenant.

82
83 For these reasons, socially responsible investing practices must be lifted up as a vibrant and
84 powerful component of the work for social justice.

85
86 **MUTUAL ACCOUNTABILITY**

87
88 A Still Speaking church must use its voice in myriad ways to do God's work of transforming the
89 world. There is a seat at the table for all who use the abundance of their faith to advocate for
90 peace, justice, and a hopeful future for creation and humankind. Socially responsible investing
91 offers an established and internationally recognized way to concurrently call for change while
92 respecting the economic realities of resource stewardship. We welcome those of our churches

93 that have not explored or accessed the benefits of socially responsible investing practices to join
94 this movement and commit to transformation.

95
96 In order to fully accept the call to responsible ownership, the church must seek to engage in all
97 aspects of socially responsible investing, judiciously limiting the call for divestment to those
98 issues with little hope of being addressed effectively by other methods. Collectively, the church
99 must exhaust all possibilities for personal accountability, coordinated activism, sustainable
100 investment and economic leverage to address social and environmental issues. However, to
101 further our goals of a Just Peace, we must create the space to hold our varying responsibilities as
102 parts of our ministries, recognizing that our paths are in part defined by law, regulation or moral
103 obligation in addition to covenantal responsibility.

104
105 The financial world, like the rest of society, has evolved tremendously. (See *Evolutions in*
106 *Sustainable Investment* by Cary Krosinsky). A faithful response to issues of justice and
107 investment must include meaningful efforts — including robust conversation, education and
108 dialogue — to evaluate the most effective methodologies for achieving a particular social
109 transformation while maintaining the resources needed to achieve mission priorities and sustain
110 ministry. Faith-based socially responsible investors are both the vanguard of sustainable
111 investing as well as creators of novel ways to use assets for addressing societal needs. It is in this
112 knowledge that our church can acknowledge that socially responsible investing is one powerful
113 way to further the transformational ministry of the United Church of Christ.

114
115 **INSTITUTIONAL CAPACITY**

116
117 The resolution would require no additional financial or staff support. The resolution advances the
118 wholeness and fulsomeness of the public witness of the UCC, and provides a new focus for
119 partnership and advocacy on sustainable investing and financial responsibility.

120
121 **PROBABILITY OF INFLUENCING SOCIAL CHANGE**

122
123 With this Resolution of Witness, the General Synod affirms its shared commitment to the
124 responsible utilization and application of financial resources and sustainable investment. The
125 resolution also affirms the maximum effectiveness of multiple, evolving strategies, and
126 acknowledges mutual respect for the unique witness of ministries according to their purpose,
127 charter and calling. By multiplying the impact of cumulative strategies, the probability increases
128 of influencing social change and moving a step closer to God’s vision for the world.

129
130 **THE TEXT OF THE MOTION**

131
132 *Whereas* the historic social justice witness of the United Church of Christ (UCC) has manifested
133 itself in multiple strategies for social, political and environmental change inspired by the biblical
134 writings, the prophets, the teachings and life of Jesus, the historic cloud of witnesses to the
135 Christian faith, and the leaders and the witness of transformational movements for peace, justice
136 and equality for all, and in the light of God’s unbounded love for all creation;

137

138 *Whereas* we who are blessed with financial assets — from those with modest incomes to those
139 entrusted with substantial wealth — bear a God-given responsibility to use our economic power
140 to further the realm of God: *From everyone to whom much has been given, much will be*
141 *required; and from the one to whom much has been entrusted, even more will be demanded.*
142 (Luke 12:48, NRSV); and

143
144 *Whereas* the economic power derived from the ownership of financial instruments presents a
145 unique opportunity to speak truth to power and advance the cause of justice for the earth and the
146 women, men and children of every nation; and

147
148 *Whereas* the principles of socially responsible investing — using the power of ownership to
149 improve environmental, social, and governance (ESG) behaviors — align with the mission of
150 members and ministries across the United Church of Christ; and

151
152 *Whereas* the United Church of Christ’s Council on Financial Investments (1969) recognized that
153 in order to invest in a manner that lives out our faith in the marketplace, “*All Instrumentalities*
154 *and Conferences should actively seek involvement consistent with General Synod policies to*
155 *achieve socially beneficial change in corporate practice through their ownership*” of financial
156 instruments; and

157
158 *Whereas* widespread acceptance of the benefits of socially responsible investing have led to a
159 growing amount (currently over 12%) of the investable assets in the United States being
160 intentionally invested in a way that is socially responsible; and

161
162 *Whereas* the United Church of Christ is recognized as a founding member of the Interfaith
163 Center on Corporate Responsibility (ICCR), a vanguard organization dedicated to engaging the
164 assets of faith-based and values-driven investors in calls for corporate change; and

165
166 *Whereas* the witness of the United Church of Christ through ICCR continues through the work of
167 current members The Pension Boards–United Church of Christ, Inc. (PBUCC), an Affiliated
168 Ministry of the United Church of Christ, and United Church Funds (UCF), an Associated
169 Ministry of the United Church of Christ, both of which have practiced the principles of socially
170 responsible investing for more than 40 years on behalf of plans and assets of the UCC,
171 respectively; and

172
173 *Whereas* socially responsible investing includes many practices and actions taken at many levels,
174 including but not limited to —

- 175 • proactive investment in socially beneficial endeavors, behaviors and opportunities
- 176 • dialogues with corporate leadership in pursuit of ESG changes
- 177 • shareholder resolutions that call for better practices and more complete disclosures
- 178 • exclusionary screens which seek to limit or avoid investment in certain industries for moral
179 or performance bases
- 180 • divestment as a last resort, when other means of engagement and witness have failed over
181 time to achieve the desired goal(s); and

182

183 *Whereas* shareholder advocacy, alongside other strategies of economic leverage for social justice
184 witness, is important because of its direct engagement of publicly traded corporations with the
185 witness of the church and the particular call to justice that the prophetic voice may bring to other
186 shareholders, boards of directors and managers of companies in ways that cannot be duplicated
187 by other forms of social justice action by the church; and
188

189 *Whereas* socially responsible investors use internationally accepted guidelines and norms to
190 determine the environmental, social and governance impacts of corporations and invested assets
191 and do not rely on anecdotal evidence; and
192

193 *Whereas* UCF and PBUCC seek to invest in ways that are consistent with the resolutions of
194 General Synod and the witness of the United Church of Christ while maintaining the fiduciary
195 controls appropriate for the particular kind of assets entrusted to each organization; and
196

197 *Whereas*, UCC polity permits and encourages different ministries of the UCC to advocate and be
198 a witness in ways that are unique to each ministry;
199

200 *Whereas* socially responsible investing — alongside personal and corporate activism, intentional
201 purchasing decisions, legislative improvements, awareness raising and prayer; all established
202 parts of the United Church of Christ’s witness of faith — demonstrates the commitment of
203 individuals, churches, ministries and institutions to the work of justice to which all believers are
204 called.
205

206 THEREFORE BE IT RESOLVED that the Thirtieth General Synod of the United Church of
207 Christ calls upon all Members, Local Churches, Associations, Conferences, Agencies, and
208 Associated, Affiliated and Covenanted Ministries to examine and adopt socially responsible
209 investing practices appropriate to their individual assets, retirement accounts, and endowments;
210 and
211

212 BE IT FURTHER RESOLVED the Thirtieth General Synod urges all settings and ministries of
213 the United Church of Christ to implement investment and financial policies and practices that
214 promote socially responsible investment, guidelines and commitments, and to continue
215 shareholder advocacy for social justice witness on issues that the UCC has made known in past
216 pronouncements and resolutions of General Synod in ways that are appropriate to each one; and
217

218 BE IT FURTHER RESOLVED that the Thirtieth General Synod acknowledges, recognizes,
219 respects and affirms that each setting and ministry of the church has unique and appropriate ways
220 of responding to the call to implement strategies of socially responsible investing within each
221 setting’s particular charter, purpose, restrictions and resources; and
222

223 BE IT FURTHER RESOLVED that the Thirtieth General Synod recommends to all settings and
224 ministries of the United Church of Christ the partnership inherent in the ministries of UCF and
225 the PBUCC, whose products and services offer socially responsible investing vehicles worthy of
226 consideration; and
227

228 BE IT FURTHER RESOLVED that a choice to invest in a socially responsible manner cannot
229 stand alone, but must be complemented by those other acts of witness that speak truth to power
230 — using the ways and means available to each individual or organization to demand justice and
231 bring to life God’s vision for the world, by sharing efforts, policies, results and experiences of
232 social justice witness through socially responsible investing through regular reporting and
233 presentations at future General Synods as an important overall witness of the UCC to advocate
234 for justice, peace, human rights and the environmental well-being of the planet; and
235

236 BE IT FURTHER RESOLVED that the Thirtieth General Synod requests future General Synods
237 to develop and implement guidelines, policies and procedures for the consideration of future
238 resolutions and pronouncements submitted that may address issues of socially responsible
239 investing so that care is taken and intentions understood, to respect the limitations, unique gifts,
240 historic witness and positive contribution of the many UCC ministries and settings that seek to
241 lift up the social justice commitments of the United Church of Christ.
242

243 **FUNDING**

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245 The funding for the implementation of the resolution will be made in accordance with the overall
246 mandates of the affected agencies and the funds available.
247

248 **IMPLEMENTATION**

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250 The Officers of the Church, in consultation with appropriate ministries or other entities within
251 the United Church of Christ, will determine the implementing body.