

Committee on Corporate Social Responsibility in Investing

Conference Call

July 9, 2010

Minutes of the Call

Attending the call were: Harry VanBuren, Margareth Crosnier de Bellaistre, Barton Jones, Kim Byham, Paul Neuhauser, and Nancy Caparulo.

Harry VanBuren called the meeting to order at 11:34 AM. The agenda items included: 1) the fall meeting in Charleston, WV; 2) a short update on what is going on with shareholder actions filed in 2009; 3) research for the docket priorities for 2011; 4) a report from Paul about what is going on with the SEC and the proxy process; 5) publicity to the wider church for this committee.

September Meeting

Dates set are from the 23rd for a working dinner, working all day the 24th and leaving on the 25th early enough for clergy to get home for Sunday worship. An update is need on the diocesan participation in the coal mine issue.

The 24th would be a good time to meet with working groups in the area. Coal River Mountain Watch is one group that might be visited (a vehicle will be needed). Meeting with groups that can speak about the full life cycle environmental issues created by mining, either mountaintop or below ground, and social/labor issues is also desired. Kim felt it imperative to discuss labor (health and safety) and other related issues. Paul thinks the environmental conversation is the priority. Huge job implications for the miners was acknowledged. The WV Coal Association might be a helpful source to obtain a full range of opinions. All agreed that both sides of the issue need to be heard if an accurate report is to result from the visit(s). After the meetings Saturday morning would be spent processing information and preparing a statement. Great consideration was given to how this planning will impact Pierre Whalon's schedule.

Harry plans to get a note out to the committee outlining the time in WV, beginning with dinner at 6:00 PM, ending at 2:00 PM on Saturday. Kim is working with a group who was looking for a site for the gathering, Margareth will follow up with them; one meeting room is needed and might be found at St. David's if the hotel or accommodation is nearby. The whole committee had indicated that they were available for this sole face-to-face meeting of the triennium. It was agreed to add members from the CPG.

Shareholder Resolutions

It has been an interesting year of response from various companies to the issues that were presented. BJs Wholesale Club agreed to create a section on its website about the issue of human resources (?). DFMS withdrew the resolution from Buehler Industries after successful negotiations with them. Nextel have looked at their policies regarding CEO compensation and made some changes. The DFMS resolution was withdrawn but there is an ongoing commitment to review their policies and discuss the measures they have taken. Smithfield Foods remains unknown. Paul has not heard anything although there was a good conversation about ethical

water footprint and they agreed to do more on the issue of water. Conversations are ongoing. Paul checked the website and discovered that both DFMS and CPG are still on their list. Harry explained that uniform wording would be used in work with companies going forward. The resolution on human rights with Honeywell will be re-filed. Harry will circulate a summary to the committee.

Paul added that the SEC has been better with their decisions this year than they have been in the past. Changes made about a year ago that have made a positive difference.

ICCR: relevant to CSR's work, they have become disconnected. DFMS still supports the work and the association permits an interface with other people that is of value.

Committee Publicity

This is an ongoing challenge. The website is very passive and maybe needs an ability to blog in order to get the word out on CSR issues in a way that is more compelling. Do we need a mailing to dioceses or some other vehicle to disseminate information. Something to physically put in people's hands may be necessary. Perhaps have Wayne Wright say something at the House of Bishops meeting? This issue will be on the agenda in September.

Margareth said that she had met with Margaret Larom, Director of Global Partnerships, earlier in the day Partnerships. Margaret went to a meeting of the ecumenical action group in the middle east a few weeks ago. Brian Grieves and she worked closely together and he put that group together, staffed by CSR leaders from many nations. They formed their own group because they were not happy with the ICCR focus. Margaret Larom said this group felt that the Episcopal Church was not interested in CSR issues because it is less visible with Brian's absence. Committee appointments by management omitted many key staff people from the mix but the Global Partnerships staff are happy to participate in publicizing the work of CSR and doing whatever they can to help and keep the visibility high.

Harry agreed that Brian's absence is significant and that ways to be engaged need to be explored. Margareth would like to approach Linda Watt to see if staff can be plugged into the work so they can be helpful when help is needed. Brian's leaving also took with it a strong connection with the Washington office. Margareth had explained to Margaret Larom that the individual budgets would have to cover expenses of any staff who may wish to participate. Margareth will follow up with this and suggested that a letter from Kim or Harry welcoming their participation would be a good thing. Michael Schutt, Environmental Officer, will be contacted soon to join the ongoing conversation.

Harry proposed holding a conference call every 6 weeks to keep abreast of developments. August 27 at 11:30 AM Eastern Time for one hour was established as the next call date.

The call concluded at 12:29 PM.