

RESOLUTION ON SOCIALLY RESPONSIBLE INVESTING
IN RELATION TO JEWISH VALUES

1 Socially Responsible Investing (SRI) describes investment
2 strategies that consider not only financial returns, but also the social good
3 of any investment. This is a quickly growing field, with current estimates
4 indicating there is over \$6.5 trillion worth of investments in socially-
5 screened portfolios in the United States alone. As a result, socially
6 responsible investing has become greatly influential when it comes to
7 global investment and business decisions.

8
9 By accepting and following SRI principles, companies and
10 institutional investors are increasingly being viewed as vectors for social
11 change, not dissimilar to that of politicians and governments. SRI can be
12 implemented in several ways, including:

- 13
- 14 • *Divestment* – Removing stocks on ethical, rather than financial,
15 objections
 - 16
 - 17 • *Negative screening* – Excludes the purchase of stocks or other
18 investment based on pre-determined ethical criteria
 - 19
 - 20 • *Shareholder activism* – In which shareholders of companies
21 communicate their concerns with corporate management through
22 the submission of resolutions and voting proxies
 - 23
 - 24 • *Positive investment* – The making of investments in companies
25 believed to have a positive social impact
 - 26

27 While the principles of SRI were developed by the Quakers in the
28 1700s, SRI has since been adopted by a range of companies and

29 institutions, including state pension funds, corporate mutual and
30 exchange-traded funds, and university endowments. Faith-based
31 organizations have continued to be on the forefront of socially
32 responsible investing; for example, the Episcopal Church, which has
33 assets of over \$10 billion, has a “no-buy list” that includes military
34 contractors and for-profit prisons. While several different denominations
35 of Christianity, as well as countless social justice organizations, are
36 heavily involved in the realm of socially-responsible investing, the
37 organized Jewish community has yet to leverage its assets and voice in
38 this area.

39

40 **The Jewish Council for Public Affairs believes that:**

- 41 • Socially responsible investing provides an investment practice
42 that considers both the rate of return as well as the positive
43 societal impact.
- 44
- 45 • Religiously-affiliated organizations, organized as they are around
46 values, are bound to seek correspondence between the values they
47 profess and their investment policies and practices.

48

49 It is a duty of the JCPA to apply the principles of *tikkun olam* in all
50 aspects of its work. Therefore, the JCPA commits to making
51 socially responsible investment policies and practices an organic
52 expression of our core beliefs to: (1) develop investment policies
53 that insures Jewish values and social responsibility “are reflected”
54 in their decision-making processes and (2) urges its affiliated
55 Jewish Community Relation Councils to take steps to ensure that
56 Jewish values and our commitment to social responsibility, as well
57 as the rate of return, are reflected in investment policies

58

59 **The community relations field should:**

- 60 • engage and must be committed to responsible investment
61 principles for the long-term.
62
- 63 • Participate in associations, conferences, shareholder meetings,
64 etc., and provide education for pro-Israel, pro-Jewish advocates to
65 engage in this space, and develop long-term relationships with
66 corporate SRI leaders.