

Mercy Investment Services: Our Responses to Climate Change

As the socially responsible investment program of the Sisters of Mercy of the Americas, Mercy Investment Services recognizes the moral imperative to work for a just and sustainable world, and realizes that addressing climate change is the greatest moral imperative of our time. We know well the serious issues we confront from global climate change—severe weather events, rising sea levels, serious health concerns including transmission of infectious diseases, deaths from extreme heat, and disrupted food production – and the devastating impacts on vulnerable persons, particularly women and children. The 2014 Intergovernmental Panel on Climate Change (IPCC) Synthesis Report warns that global warming will have “severe, pervasive and irreversible impacts for people and ecosystems.” Pope Francis, in his encyclical *Laudato Si* (2015), has called all across our world to address global climate change in our Common Home, the most pressing environmental and social justice issue of our time. He states: “Today, in view of the common good, I urgently appeal, then, for a new dialogue about how we are shaping the future of our planet. We need a conversation which includes everyone, since the environmental challenge we are undergoing, and its human roots, concern and affect us all.”¹⁴

Mercy Investment Services’ mission statement calls us to raise the collective voice of the Sisters of Mercy to effect systemic change in corporate policies and activities in our investment program with a special focus on the Critical Concerns of the Sisters of Mercy, including “to reverence Earth and work more effectively toward the sustainability of life...” and “to continue to embrace our special concern for women.” We are called to act globally, in harmony and interdependence with all creation. With businesses and individual activities generating carbon emissions and our current dependency on fossil fuels, we acknowledge the complexity of addressing climate change and finding impactful solutions. Recognizing our important role in promoting the transition to a low-carbon future, Mercy Investment Services is committed to:

- **Engage companies:** The Sisters of Mercy have a long and rich tradition of engaging companies on their impacts on climate change and water sustainability. We affirm engagement of energy and other companies as our primary approach to address climate change and to promote company practices that are essential to the transition to a low-carbon economy. While some choose divestment, we view dialogue and raising the voice of the Sisters of Mercy with companies as essential to achieving systemic change;
- **Exclude investments:** We have implemented exclusionary screens in companies extracting thermal coal and oil sands due to significant health and environmental concerns to the most vulnerable;
- **Direct capital to lower-carbon energy sources and solutions:** With the creation of the Environmental Solutions Fund, we continue to increase capacity in lower-carbon energy sources and efficiency solutions. Through Mercy Partnership Fund, we have increased our support of organizations globally that provide cleaner, renewable energy sources to those unable to afford them;
- **Incorporate environmental concerns into investment selection:** Since our beginning, our investment approaches have incorporated environmental factors, creating an investment portfolio with fewer negative environmental impacts. We will measure our progress through the reduction of company emissions within the portfolio; and
- **Reduce our carbon consumption:** Mercy Investment Services is committed to and encourages the Institute to continually review our organizational consumption and operations to accelerate the reduction of our carbon footprint.

To fulfill our mission as the socially responsible investment program of the Sisters of Mercy, Mercy Investment Services will periodically evaluate our approaches and progress in responding to climate change and promoting the transition to a low-carbon future.

