

R2022-08: A Call for Environmentally Responsible Investment

Whereas, The Book of Common Prayer states that we can recognize the presence of the Holy Spirit in our lives when we, “are brought into love and harmony with God, with ourselves, with our neighbors, and with all creation” (The Episcopal Church, p. 852); *and*

Whereas, The Diocese of Southern Ohio and many parishes of the diocese have been blessed with great financial resources that are invested in various funds and endowments. Our diocese contains some of the largest and oldest endowments in The Episcopal Church and whose investments significantly contribute to the companies in which they are invested; *and*

Whereas, following the direction of General Convention in 2015, 2018, and 2022 and the efforts of The Church Pension Fund, The Church Investment Group and The Episcopal Church Endowment funds, the Trustees of the Diocese of Southern Ohio have divested much of the endowment investments in fossil fuels over the last six years and report a low ESG (Environmental, Social, Government) risk score of 20 out of a possible 100; *therefore, be it*

Resolved, that all institutions and congregations of the Diocese of Southern Ohio are strongly urged to engage the topic of divestment from fossil fuels and reinvestment in clean energy in a fiscally responsible manner by using resources from the Commission on Creation Care and Environmental Justice to

- a. Determine the current percent of investment in companies holding fossil fuel reserves.
- b. Work with financial advisors to develop a three to five year plan to divest from the these investments focusing on reinvestment in clean energy industries while maintaining expected returns on investment.
- c. And share progress toward this goal with the diocese’s Commission on Creation Care and Environmental Justice annually beginning October 1, 2023 and share progress in the Parish Annual Report.

Explanation

1. In August 2021, the Intergovernmental Panel on Climate Change reported that, “unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach”. The report showed that, “emissions of greenhouse gases from human activities are responsible for approximately 1.1°C of warming

since 1850-1900, and finds that averaged over the next 20 years, global temperature is expected to reach or exceed 1.5°C of warming” (Intergovernmental Panel on Climate Change (IPCC), 2021).

2. The World Council of Churches (WCC) Central Committee released a “Statement on the Imperative for Effective Response to the Climate Emergency”, encouraging, “efforts to promote climate-responsible finance in the affairs of all members of the global ecumenical family, by ensuring that through our pension funds, banks and other financial service arrangements we are not complicit in financing climate-destroying fossil fuel industries but are supporting the accelerated development of an economy based on sustainable renewable energy and mutual solidarity” (World Council of Churches, 2022).

3. On July 11, 2022, the 80th General Convention of The Episcopal Church adopted a resolution to, “direct the Executive Council (Domestic & Foreign Missionary Society aka DFMS) and its Committee on Corporate Social Responsibility (CCSR), in conjunction with the Church Pension Fund (CPF), to establish and coordinate shareholder strategy addressing Carbon- Intensive Lending by U.S. Banks and other financial lending institutions” (Resolution C016).

4. On July 11, 2022, The House of Bishops of The Episcopal Church issued a statement during the final day of the 80th General Convention. “Climate change and environmental degradation are manifestations of our turning away from God,” the statement reads. “The effects of this willful separation from God resonate across our collective lives: All areas of justice are either worsened or made better depending on the health of the planet.” (Millard, 2022, July 11).

5. According to DivestmentDatabase.org, over 500 faith-based organizations have committed to partially or fully divesting from fossil fuel investments, including The Episcopal Church, Association of Member Episcopal Conferences in East Africa (AMECEA), Episcopal City Mission (Boston, MA), Episcopal Commission for Justice and Peace, Episcopal Conference of Austria, Episcopal Conference of Belgium, Episcopal Diocese of California, Episcopal Diocese of Los Angeles (California), Episcopal Diocese of Massachusetts, Episcopal Diocese of Nebraska, Episcopal Diocese of Olympia, Episcopal Diocese of Western Massachusetts, The Scottish Episcopal Church, St. Mary’s Episcopal Cathedral, Edinburgh (Scotland), and St. James Episcopal Church (New London, CT).

6. On July 6, 2022, the commissioners of the Presbyterian Church (U.S.A.) voted to divest from Chevron, Exxon Mobil, Marathon Petroleum, Phillips 66 and Valero Energy (Smietana, 2022).
7. According to the Interreligious Eco-Justice Network, fossil fuel stocks have underperformed in recent years as the world moves toward renewable energy sources (IREJN, 2018).
8. The 77th General Convention of the Episcopal Church (2012) called on congregations, institutions, dioceses, and the Domestic and Foreign Missionary Society of The Episcopal Church, to work for the just transformation of the world's energy beyond and away from fossil fuels (including all forms of oil, coal, and natural gas) and toward safe, sustainable, renewable, community controlled energy, and that fossil fuel workers and their families be supported during the transition to a "postcarbon" society. They encouraged all to resist the development and expansion of ever more unconventional, dangerous, and environmentally destructive sources of fossil fuel and move toward conversion to more sustainable sources (Resolution 2012- B023).
9. The 78th General Convention of The Episcopal Church (2015) called upon the Investment Committee of the Executive Council, the Episcopal Church Endowment Fund, and the Episcopal Church Foundation to divest from fossil fuel companies and reinvest in clean renewable energy in a fiscally responsible manner and to refrain from purchasing any new holdings of public equities and corporate bonds of fossil fuel companies. The convention also urged all dioceses and parishes of the Episcopal Church to engage the topic of divestment from fossil fuels and reinvestment in clean energy (Resolution 2015- C045).

References

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Impact

Divesting from companies that have fossil fuel reserves lowers the overall value of the reserves and encourages development of clean energy resources. The top 200 companies owning fossil reserves will see declining profits as more private companies and local, state, and national governments make commitments to have net zero emissions from 2035 to 2050. This

means investment and endowment funds that own stock in these companies will have a lower return.

This resolution calls on all institutions and congregations of the Diocese of Southern Ohio to engage the topic of divestment from fossil fuels and reinvestment in clean energy in a fiscally-responsible manner and share progress toward this goal with the diocese's Creation Care and Environmental Justice Commission annually beginning October 1, 2023. By implementing an investment strategy that divests from companies with fossil fuel reserves, parishes will realize two benefits. First, it is a witness to our care for creation and desire to reverse environmental injustices. Second, investments will maintain or increase current returns.

There is no impact to diocesan budget.

Presented By

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