

ENVIRONMENT Social Criteria Investment Screen

Authority: The Evangelical Lutheran Church in America (ELCA) has laid out its concern for the environment in a social statement, “Caring for Creation: Vision, Hope and Justice” [1993], acknowledging both God’s goodness in creation and acceptance of the care-giving responsibility of Christians. It has expressed those concerns in relation to investments in several social policy resolutions since that time, such as “Toward a Responsible Energy Future,” (2016). The ELCA also has discerned carefully in light of resolutions from The Lutheran World Federation Council in 2015 concerning investments in fossil-fuel companies, renewable-energy companies and concerns for energy efficiency.¹

Wording of screen: The ELCA recommends limiting investments made in corporations that are the most egregious in terms of damage to human health or the natural environment. The ELCA recommends investments in corporations that are taking positive steps toward a sustainable environment.

Definition of problem: “The earth is a planet of beauty and abundance; the earth system is wonderfully intricate and incredibly complex. But today, living creatures, and the air, soil and water that support them, face unprecedented threats. Many threats are global; most stem directly from human activity. Our current practices may so alter the living world that it will be unable to sustain life in the manner we know.” (“Caring for Creation: Vision, Hope and Justice” [ELCA, 1993])

Recognizing that various investors will implement this along a continuum, for the purpose of this screen, investment might include companies using technologies or operating practices that minimally or less significantly damage the environment. Such damage may be on a continuous basis or may be catastrophic. Investors may look at an industry or sector that harms the environment and distinguish between culling out the worst players (such as companies with high Environmental Protection Agency fines, multiple toxic spills or certain fossil-fuel companies etc.) and those who are most actively addressing the environment and/or taking corrective measures. While a continuum exists, the ELCA is on record that efforts should be taken toward removing the largest fossil-fuel companies from portfolios as an expression of its concern for creation’s care and that priority be given to investments in companies that are taking corrective measures as well as those corporations (such as clean tech companies) that are contributing toward a sustainable environment.

Social policy and studies:

“Caring for Creation: Vision, Hope and Justice” ELCA.org/Faith/Faith-and-Society/Social-Statements/Caring-for-Creation [ELCA, 1993]

Global warming: download.ELCA.org/ELCA%20Resource%20Repository/Global_WarmingSP_R01.pdf
LCA Churchwide Assembly Action CA01.07.57

Environmental concerns; download.ELCA.org/ELCA%20Resource%20Repository/Environmental_ConcernsSPR89.pdf

ELCA Churchwide Assembly Action CA89.08.108

Toward a Responsible Energy Future: Social Policy Resolution [CA 16.06.30]

Approved by the ELCA Church Council – April 21-23, 1990

Updated by the Advisory Committee for Corporate Social Responsibility – May 24, 2007

Approved by the ELCA Church Council – November 2007

Approved by the ELCA Church Council – November 2014 CC14.11.18

Approved by the ELCA Church Council – November 2017 CC17.11.33k

¹ lutheranworld.org/content/resource-council-2015-documents