

2020 Impact Report

JLens explores a *Jewish lens* on investing and connects the Jewish community to two influential economic movements: Socially Responsible Investing (SRI) and Corporate Social Responsibility (CSR).

2020 Highlights

- ◆ JLens' Jewish Advocacy Strategy surpasses \$100M in assets from dozens of Jewish institutions
- ◆ Established in Dec 2015, JLens' Jewish Advocacy Strategy achieves five-year track record
- ◆ JLens represents the Jewish community through direct advocacy engagements with 74 companies
- ◆ 63 corporations engage with JLens' campaign on corporate best practices for religious coexistence
- ◆ JLens' Jewish Impact Investing Summit brings together over 500 stewards of Jewish communal capital
- ◆ "Most Kosher" US Company CSR Awards given by JLens to 18 major public companies
- ◆ JLens presents first Jewish Leadership in Impact Investing Award to Beth Sirull, CEO of JCF San Diego
- ◆ JLens engages Morningstar on the company's promotion of BDS in ESG research
- ◆ In response to the pandemic, JLens advocates with dozens of companies on health and worker safety
- ◆ Given increased awareness of racial justice issues in 2020, JLens continues to encourage companies to address racial and gender pay gaps, board diversity, unconscious bias training, and second chance hiring

Jewish Advocacy Strategy: Five Years of Impact

Launched by Jewish institutions in 2015, the [Jewish Advocacy Strategy](#) aligns with Jewish values and advocates for communal concerns in the Socially Responsible Investing and Corporate Social Responsibility movements – two influential arenas previously void of Jewish leadership. In 2020, the strategy achieved a five-year track record and surpassed \$100 million in assets from dozens of Jewish organizations! Investors include:



The strategy is designed to be a customized first step for Jewish values-based investors including Jewish Community Foundations, Federations, nonprofits, synagogues, Jewish day schools, foundations, donor-advised funds, and individuals.

The strategy invests in approximately 300 US large public companies to conduct investor advocacy on Jewish communal concerns. Investor advocacy is the most powerful method to generate positive impact from public equity investing.

The overarching Jewish value guiding JLens' approach to investing in public companies is *hocheach tocheah* (constructive rebuke - Leviticus 19:17). As there is no perfect company, attempts to solely screen out 'bad actors' or only invest in 'good actors' miss the greatest opportunity for impact through the constructive rebuke inherent in investor advocacy. JLens utilizes six values pillars inspired by Judaism's framework of *mitzvot* (obligations) to evaluate companies and engage in long-term investor advocacy.

The strategy is offered through separate accounts with a minimum of \$250,000 and is widely available at most asset managers and platforms, including Morgan Stanley, JP Morgan, Wells Fargo, Cambridge Associates, Schwab, and many others.

Jewish Impact Investing Summit

A key part of JLens' mission is advancing Jewish leadership in the responsible investing arena. JLens offers education and consulting to Jewish institutions and investors seeking to align their investment portfolios with Jewish values to achieve positive impact.

JLens' first Jewish Impact Investing Summit, held in 2017, introduced the "why" of impact investing from a Jewish perspective. In May 2020, JLens convened 500 stewards of Jewish communal capital and other community stakeholders at the second Jewish Impact Investing Summit, to move the conversation from the "why" to the "how" of impact investing.



The [Jewish Impact Investing Summit](#) featured two days of content from 25 speakers. Sessions included:

- ◆ Moving from Why to How: Jewish Institutions Discuss Impact Investing Challenges & Successes
- ◆ Jewish Communal Representation in the Economic Arena
- ◆ New Multifaith Collaborations in Impact Investing
- ◆ Business and Investment to Further Peacebuilding and Coexistence
- ◆ Grants vs. Loans: Jewish Institutions Explore Impact Investments
- ◆ A Jewish Organization's Journey to Impact Investing in Israel
- ◆ The Hardest Part of the How: Impact Measurement and Management



Advocacy on Communal Concerns

Engagement With 74 Major Corporations

The Corporate Social Responsibility (CSR) arena has grown exponentially in popularity over the past 10 years—90% of large public companies now publish a CSR report, and senior executives make decisions on issues of social, environmental, and reputational risk. JLens is the only organization building long-term investor relationships with hundreds of major corporations and engaging in investor advocacy on behalf of Jewish communal concerns. In 2020, JLens maintained relationships with 670 CSR professionals and held direct engagements with 74 companies.

Jewish Representation in Investor Coalitions

The Socially Responsible Investing (SRI) arena represents over 25% of all professionally managed assets worldwide (over \$22 trillion). Other faiths are active and young people are engaged, yet there has been no advocate on behalf of Jewish values and communal concerns, until JLens.

JLens represents the Jewish community at numerous investor coalitions and convenings, including the following:



JLens Advocacy Success with Amazon

In 2020, JLens presented a shareholder resolution at Amazon's annual general meeting, calling on the corporation to do more to address the issue of food waste. Food waste is an issue deeply in alignment with Jewish values, and is an intersectional issue affecting not only environmental pollution but also hunger, at a moment when 23% of households are food-insecure. Amazon generates food waste in its Whole Foods operations as well as Amazon Fresh and other business lines. The resolution received 32% of votes cast, demonstrating strong support.

In response, Amazon publicly committed to reduce food waste within its US operations by 50% by 2030, joined the EPA/USDA Food Loss and Waste 2030 Champions group, and committed to expanding existing donation programs, developing food waste reporting, and sharing progress on the company's website.



2020 Investor Advocacy Update

JLens' investor advocacy and company scoring is based on a six-point framework of Jewish values:

Obligation to Coexistence <i>Rodef Shalom</i>	Obligation to Society <i>Dei Machsoro</i>	Obligation to the Worker <i>Lo Ta'ashok</i>	Obligation to the Environment <i>Bal Tashchit</i>	Obligation to Ethical Business <i>Nosei Ve'notein Be'emunah</i>	Support for Israel <i>Yishuv Eretz Yisrael</i>
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Obligation to Coexistence
Rodef Shalom

Under **Obligation to Coexistence**, JLens launched an extensive campaign on religious coexistence with our portfolio companies, including best practices to avoid discrimination against religious minorities. (See sidebar on page 4)

JLens continued our advocacy on discrimination against kosher slaughter with two major investor coalitions focused on animal welfare.

JLens devoted a session at the Jewish Impact Investing Summit to Business and Investment to Further Peacebuilding and Coexistence, featuring concrete examples of companies and investors using investment capital to achieve positive impact in situations of difficult conflict to lay the economic groundwork for peace.

Obligation to Society
Dei Machsoro

JLens' advocacy on **Obligation to Society** centers on equal treatment for people of diverse backgrounds, access to key necessities, and a do no harm approach.

JLens has advocated on racial justice issues for

the past several years, emphasizing companies' Diversity, Equity, and Inclusion (DEI) practices. JLens advocates with all corporations in the Jewish Advocacy Strategy portfolio on workforce and board diversity, and racial and gender median pay discrepancies. JLens also joined 600 Jewish organizations to affirm that Black Lives Matter.

In 2020 we expanded this advocacy, encouraging corporations to address implicit prejudice and discrimination through unconscious bias training, promote the use of employee resource groups to strengthen the voices of traditionally marginalized groups within a company, and expand second-chance hiring initiatives. JLens also advocated with food companies on the health and racial justice implications of company practices.

On a "do no harm" approach, JLens signed an investor letter to streaming media companies on tobacco depictions in movies. JLens continued our advocacy on the opioid crisis, engaging in dialogue with Johnson & Johnson and exploring new commitments from Teva Pharmaceuticals.

Forced labor in the Uyghur region of China has become a dire issue, as noted by the State Department, and one that affects textile and apparel supply chains worldwide. JLens joined a coalition calling on companies to exercise extreme due diligence to ensure their suppliers in China are not using forced labor to produce goods, and to extricate their supply chains from any forced labor.

JLens Advocates Against BDS Support at Major ESG Research Provider

Investors representing trillions of dollars rely on third-party research on Environmental, Social, and Governance (ESG) performance in order to make investment decisions. Morningstar, a large public company headquartered in Chicago, in 2020 acquired Sustainalytics, a Dutch ESG research company that advocates for and profits from BDS. JLens' analysis, covered in the [Jerusalem Post](#) and [NGO Monitor](#), concluded that:

- Morningstar's Engagement Services pressure BDS-targeted global companies with business ties to Israel to divest Israeli operations or cease sales to Israeli entities.
 - Morningstar's Controversy Reports support the BDS campaign by elevating the controversy rating of BDS-targeted companies, which in turn raises those companies' overall ESG Risk ratings. Raising the ESG Risk rating of a BDS-targeted company precludes investment by many socially responsible investors and funds that rely on Morningstar data for investment decisions.
 - Morningstar's ESG Risk Ratings incorporate BDS blacklists and use politicized anti-Israel language in reports.
 - Morningstar's Human Rights Radar Report narrowly focuses on three disputed territories "Palestine, Western Sahara and Tibet," as determined by client demand rather than objective analysis, while ignoring over 100 other disputed territories globally.
 - Morningstar's Global Standards Screening enables institutional investors to divest from BDS-targeted companies.
- When Morningstar failed to address these concerns, the company was added to [JLens' Do Not Invest list](#) and JLens filed a shareholder resolution to elevate these concerns to Morningstar's board and shareholders in 2021.



Obligation to the Worker
Lo Ta'ashok

Obligation to the Worker gained special relevance in 2020 with the coronavirus pandemic. As workers at meat production companies saw some of the worst risks to health and human safety, JLens joined an advocacy campaign focused on meat producers and their response to coronavirus. JLens advocated with dozens of other companies on the adverse impact of COVID-19 on their workers.

JLens joined the New York State Comptroller on disability inclusion in the workplace. JLens also called for AEP not to leave behind workers as it begins work on its climate transition.

Obligation to Ethical Business
Nosei Ve'notein Be'emunah

In **Obligation to Ethical Business**, JLens published the ["Most Kosher" US Company](#) awards. Every year, through robust data collection, in-depth research, and direct engagement, JLens updates our list of 18 "Most Kosher" companies that represent excellence and outperform sector peers on a wide array of issues through a Jewish lens. This year's list included an electric vehicle supply chain company and a genomics research company with significant contributions to the fight against COVID-19.

In 2020, JLens dialogued with corporations about their governance responses to the pandemic. Building on our multifaith work, JLens joined the Vatican's Council on Inclusive Capitalism, a partnership of investors and companies that seeks to build a fairer, more inclusive, and sustainable economic foundation for the world.

Obligation to the Environment
Bal Tashchit

JLens' advocacy on **Obligation to the Environment** includes two key priorities: environmental stewardship and energy management.

JLens filed a successful shareholder resolution at Amazon (which owns Whole Foods) on food waste. Food waste sits at the intersection of environmental pollution and hunger, and is deeply aligned with Jewish values. (see sidebar on page 2)

JLens advocated for companies to expand their no-deforestation commitments, raised concerns about Bank of America's financing to drill in the Arctic National Wildlife Refuge, and encouraged companies to advance their planning for a 1.5°C climate scenario. JLens' Jewish values approach to climate was featured in [Impactivate](#), a responsible investing publication.

Support for Israel
Yishuv Eretz Yisrael

In **Support for Israel**, JLens is the only investor organization countering the BDS campaign against Israel and advocating for business and positive impact investment as a tool for peace.

From this unique position as an active participant in the responsible investing arena, JLens is able to uncover pernicious and invisible forms of anti-Israel activity targeting corporations and investors. JLens' 2020 research revealed significant anti-Israel bias among one of the backbones of the field: 3rd-party research providers who research and score corporations on environmental and social factors (see sidebar on page 3).

In February 2020, the UN's Office of High Commissioner for Human Rights (OHCHR) released a 'blacklist' of 112 companies doing business in Israel. JLens [reached out](#) to hundreds of CSR leaders at the 300 companies in JLens' Jewish Advocacy Strategy, with whom we have engaged in dialogue over the past several years, providing more background on the BDS campaign and OHCHR's bias against Israel.

Religious Coexistence Campaign

According to the FBI, hate crimes motivated by religious bias or prejudice recently reached a 15-year high. Nearly 60% of religious hate crime in the US targets Jews and Jewish institutions, more than any other religious group. Corporations have an important role to play in ensuring their business operations embrace religious coexistence. In 2020, JLens launched an extensive investor campaign on religious coexistence with our 300 portfolio companies, advocating for corporations to adopt best practices to avoid discrimination against religious minorities in the workplace and in a company's products and services. Recommendations include: religious holiday leave, accommodations for religious diet and dress, formation of faith-based employee resource groups, and mitigating the impact of discriminatory products. JLens looks forward to continued engagement and improvement from companies on religious coexistence in 2021.

