



**I W P**  
CAPITAL, LLC  
INVESTING WITH PURPOSE

**2024**  
*ANNUAL REPORT*



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# INVESTING WITH PURPOSE

Dear Investors, Partners, and Stakeholders,

2024 was a year of exciting growth– both in IWP’s reach and within our team. From the beginning, my vision has been to shape a culture that places the human person and the family at the center. When we approach every area of faith-based investing through the lens of human dignity, we more fully live out our Christian mission.

In 2023, it became clear to me that IWP’s role with clients had expanded. While we’ve always worked closely with clients, we’re now called on not just for partnership, but for direction. That year, we began consulting with moral theologian Pia de Solenni, SThD. In 2024, we offered her a permanent position as Senior Director of Corporate Engagement. Pia hit the ground running– engaging companies, filing resolutions, and building a coalition of faith-based investors. This engagement work has taken center stage, particularly with the release of *Mensuram Bonam* and our ecumenical efforts to unite Catholic institutions, Christian investors, and others of goodwill. We love this work, and we have big plans for 2025.

One of this year’s most meaningful moments was going to Rome to discuss the FFV Scorecard® and our application of *Mensuram Bonam* with its author, Cardinal Turkson, and one of his advisors. They affirmed that our work is a practical application of the document and encouraged us to continue. My takeaway was this: while Church documents are written as guideposts, they often lack specific direction for implementation. That’s where IWP comes in. *Mensuram Bonam* makes a clear case for using financial investments to advance the good. And one of the questions I receive most often is: “Can my portfolio really make a difference?”

IWP’s answer is yes– especially through engagement. Based on our calculations, we estimate that more than 50% of a company like Apple is owned by Christians. But these voices are dispersed – across funds, managers, and even paper ballots. Their proxies may not be voted according to Christian values, and companies rarely hear from them. IWP unites these voices through technology and policy. We believe many board members are experts in their roles, but don’t know how to express Christian, or even broadly shared moral values in the boardroom. This is our opportunity. We help clients vote for good governance, support ethical board members, and advance business policies that lead not only to corporate success, but to real-world impact. Engagement allows your portfolio to do more than exclude bad actors. It can help change companies from within.

We give thanks to all our clients who have entrusted us with this tremendous opportunity to be a light in the world of public investments. For those just learning about IWP, we hope you will join us.

Blessings on all your missions,



**Sam Saladino**

CEO & Founder, IWP Capital

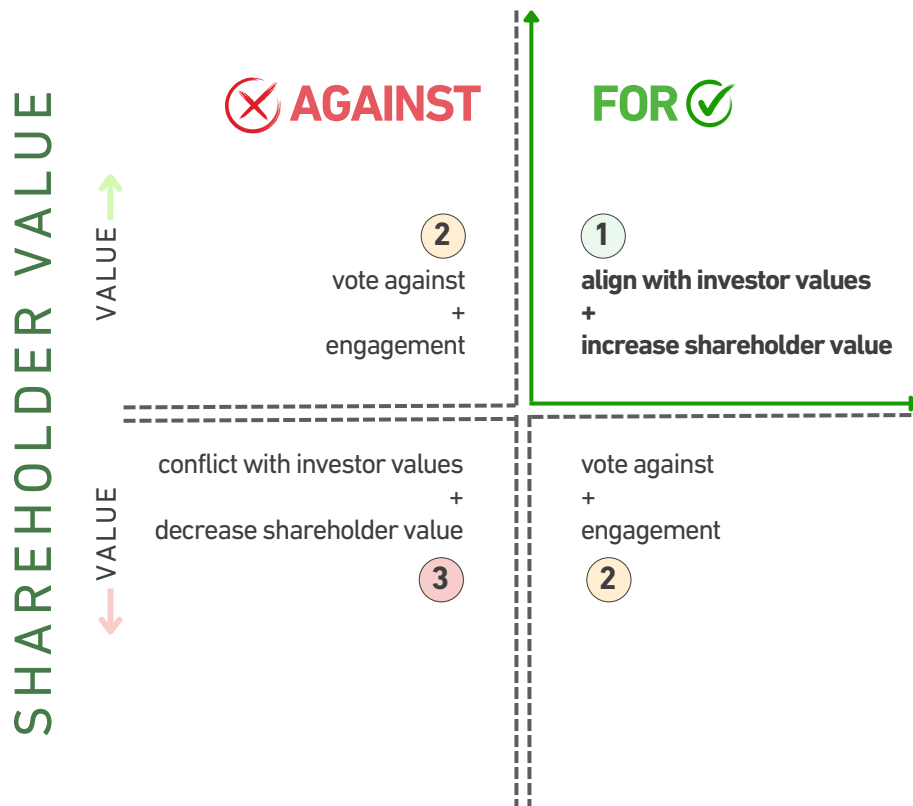




# OUR MISSION

IWP Capital is a leading faith-based research and data services provider dedicated to aligning financial stewardship with Catholic social teaching. Our process begins with rigorous investment screening, followed by proxy voting, and direct corporate engagement. Through our research and analysis, we equip investors with the insights and tools they need to make ethical investment decisions that reflect their values while influencing corporate behavior.

## FAITH-DRIVEN VALUES





# OUR THREE PILLARS OF *FAITHFUL INVESTING*

## **1 SCREENING**

*Identifying companies that align with faith-based values while excluding those engaged in unethical practices.*

## **2 PROXY VOTING**

*Advocating for shareholder resolutions that reflect Catholic & Christian social teaching.*

## **3 CORPORATE ENGAGEMENT**

*Engaging directly with companies to promote ethical business practices and policy changes.*

# FAITH & FAMILY VALUES SCORECARD®

Launched in 2006, the Faith & Family Values (FFV) Scorecard® serves as the foundation of IWP Capital's faith-based investment approach, translating Catholic social teaching into actionable insights that guide screening. Developed in-house and updated annually, the FFV Scorecard® integrates Church doctrine, encyclicals, the *US Conference of Catholic Bishops' Socially Responsible Investment Guidelines*, and *Mensuram Bonam* into a turnkey set of 21 business involvement screens, that align with the values of the broader Christian community. We focus our screens on practices where there is no reasonable prospect of change through corporate engagement. We empower investors to align their portfolios with Catholic and Christian values while equipping IWP to engage as many companies as possible, combining moral and ethical implications with corporate governance to deliver the greatest impact.

## PROTECTING HUMAN LIFE

Each distinct soul is considered sacred from conception until natural death. The FFV Scorecard® includes five screens dedicated to protecting human life by tracking company involvement in activities that threaten this most fundamental right:

- **Abortion**
- **Artificial Reproduction**
- **Euthanasia & Physician-Assisted Suicide**
- **Human Embryonic Stem Cells & Fetal Tissue**
- **Human Cloning**

## PROMOTING HUMAN DIGNITY

Catholics believe that human dignity results from the image of God that each person bears. To uphold this belief, the FFV Scorecard® includes the following screens:

- **Private Prisons**
- **Adult Entertainment**
- **Sex Reassignment Surgery & Treatments**
- **Contraceptives**

## ENHANCING THE COMMON GOOD

The FFV Scorecard® incorporates six screens aimed at reducing addictive materials, harmful habitual behaviors, and arms production:

- **Controversial Weapons**
- **Civilian Firearms**
- **Gambling**
- **Tobacco**
- **E-Cigarettes**
- **Cannabis & Opioids**

## PURSUING ECONOMIC JUSTICE

Catholic teaching prioritizes the needs of the poor. The FFV Scorecard® includes:

- **Predatory Lending**
- **Third-Party Debt Collection**

## SAVING OUR COMMON GLOBAL HOME

Reflecting St. Francis of Assisi's call to protect creation, the FFV Scorecard® incorporates:

- **Coal Mining**
- **Whaling**
- **Water Privatization**

# SCREEN COMPARISON

## FFV vs USCCB vs MENSURAM BONAM

Screen Comparison	FFV Scorecard®	USCCB SRI Guidelines	Mensuram Bonam
Abortion	✓	✓	✓
Addiction – Recreational Cannabis	✓	✓	✓
Addiction – Gambling	✓	✓	✓
Addiction – Tobacco	✓	✓	✓
Adult Entertainment	✓	✓	✓
Armaments – Civilian Firearms	✓	✓	✓
Armaments – Controversial Weapons	✓	✓	✓
Contraceptives	✓	✓	✓
Human Embryonic Stem Cells & Fetal Tissue	✓	✓	✓
Artificial Reproduction	✓	✓	X
Human Cloning	✓	✓	X
Sex Reassignment	✓	✓	✓
Predatory Lending	✓	Corporate Engagement	✓
Addiction – Opioids	✓	X	✓
Private Prisons	✓	X	✓
Coal Mining	✓	X	✓
Breaches of Labor Law	Corporate Engagement	Corporate Engagement	✓
Exploitation of the Environment	Corporate Engagement	Corporate Engagement	✓
Human Rights Violations	Corporate Engagement	Corporate Engagement	✓
Discrimination	Corporate Engagement	Corporate Engagement	✓
Climate Change	Corporate Engagement	Corporate Engagement	✓
Human Trafficking & Forced Labor	Corporate Engagement	Corporate Engagement	X
Addiction – Alcohol	Corporate Engagement	X	✓

# THREE THINGS TO KNOW ABOUT SCREENING

1

## Why are revenue thresholds problematic?

Revenue thresholds use relative measurements (e.g., a percent of company revenue), which can obscure a company's real-world impact. For example, a company may earn only 1% of its revenue from gambling, but that small percentage could still represent a large portion of the entire sector's activity. Catholic moral teaching is not about proportionality; it's about whether an activity is morally permissible at all. That's why IWP uses absolute measurements: does the company engage in the activity or not? Notably, the USCCB only uses a revenue threshold in one instance: contraceptives. This shows that they are aware of revenue-based screening as a tool, but deliberately chose not to apply it broadly. Their restraint suggests that thresholds are not a preferred method for evaluating moral exposure.

2

## What happens when new technologies / products are introduced?

The social and technological landscape is constantly evolving, but morality does not. When the USCCB guidelines were written, realities like at-home abortion pill delivery or hook-up apps like Grindr were not yet part of the conversation. These are not fringe cases; they are part of a shifting world. IWP responds by faithfully applying the enduring principles of Christian teaching to these new developments, asking: What is the company enabling, and does it uphold or diminish human dignity? Our screening evolves with the world, while remaining rooted in the Church's unchanging moral vision.

3

## What is the impact of mergers and acquisitions in our screening process?

Ownership changes can quickly alter a company's underlying products and services. In 2023, Danaher acquired Abcam, a company known for supplying components used in abortion drugs. That acquisition changed Danaher's status from a pass to a fail. A different story unfolded with GE: after spinning off GE Healthcare, which uses embryonic stem cells, GE initially failed due to its 20% ownership. But over the next year, GE fully divested, and we reclassified it as a pass. These examples show why IWP closely monitors who owns what, and how those connections impact ethical exposure.

# KEY IWP SCREENING DIFFERENTIATORS

At the foundation of IWP Capital's faith-based investing approach, our screening process ensures that investments align with Catholic social teaching. In 2024, the Faith & Family Values Scorecard® (FFV Scorecard®) was used by investors, churches, dioceses, nonprofits, foundations, and individuals to screen more than \$3.2 billion in client assets. Our rigorous screening methodology is designed to capture both qualitative and quantitative insights, ensuring that investments reflect ethical and moral principles.

## PRIMARY SOURCE DATA

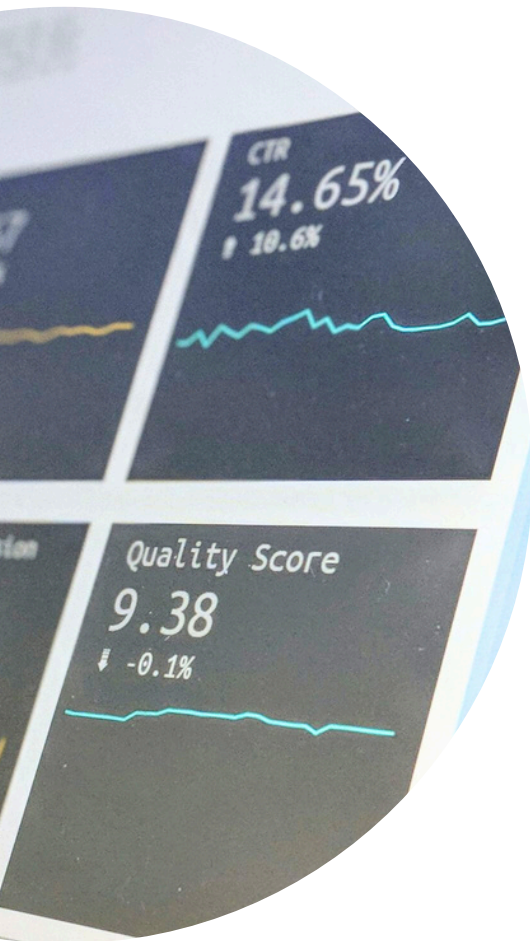
We develop proprietary models for each of our 21 exclusionary screens, using direct corporate disclosures and multi-modal data architecture to ensure transparency.

## TIMELINESS

IWP reconstitutes its screen universe quarterly to reflect market developments, mergers and acquisitions, and emerging ethical concerns.

## DEPTH OF EXPERTISE

Our faith-based focus allows us to address complex ethical challenges in investing, incorporating Church teaching, Biblical principles, and the *U.S. Conference of Catholic Bishops (USCCB) Socially Responsible Investment Guidelines*.



# 2024 SCREENING HIGHLIGHTS

Throughout the past year, we have made several significant updates to our screening determinations. These changes reflect our ongoing commitment to align investments with Catholic moral teaching and respond to evolving corporate practices. Below are some of the major adjustments made during the 2024 screening cycle.

## Danaher (DHR)

- *New FAIL - Abortion Screen*
- Acquired Abcam, a life sciences company that is a major supplier of chemicals used in abortion drugs.

## Walgreens (WBA)

- *New FAIL - Abortion Screen*
- Began dispensing abortion pills post-FDA REMS update, effectively becoming an abortion provider.

## CVS Health Corp (CVS)

- *New FAIL - Abortion Screen*
- Began dispensing abortion pills post-FDA REMS update, effectively becoming an abortion provider.

## Proctor & Gamble (PG)

- *New PASS - Human Embryonic Stem Cells & Fetal Tissue Screen*
- Initially failed due to stem cell concerns but later reversed after confirming a clear ban on hESC use.

## Biogen (BIIB)

- *New FAIL - Human Embryonic Stem Cells & Fetal Tissue Screen*
- Acknowledged use of embryonic- and fetal-derived cell lines in research projects.

## Curtiss-Wright Corp (CW)

- *New FAIL - Controversial Weapons Screen*
- Supplies key components for U.S. nuclear submarines, including the Columbia-Class fleet.

## Molson Coors (TAP)

- *New PASS - Cannabis Screen*
- Ended involvement in cannabis products by selling its stake in a cannabis beverage line.

# EMERGING ISSUES

## MIFEPRISTONE & MISOPROSTOL

Regulatory changes in 2023 significantly altered the landscape of abortion access. The FDA's updated "Risk Evaluation & Mitigation Strategy" (REMS) for mifepristone, now allows retail pharmacies to distribute the drug. This shift raised ethical concerns and prompted IWP to engage with major pharmacies regarding their policies.

### 1 CVS & WALGREENS

Announced plans to dispense mifepristone in states where legally permissible. This decision triggered ethical concerns regarding medical oversight, coercion, and human dignity.

### 2 ETHICAL CONCERNS

Increased access to medical abortions raises concerns about medical oversight, coercion, and human dignity, impacting vulnerable populations.

### 3 IWP ADVOCACY

IWP contacted major pharmacies to discuss policies and continues to engage with corporate leadership, advocating for pro-life principles and ethical practices.

### 4 COSTCO

In April of last year, we reached out to Costco and were pleased to receive a thoughtful response in less than 24 hours. Costco stated that it was in the process of evaluating whether to offer the abortion pill regimen. In the meantime, based on the following, they would not be offering it:

- The Comstock Act, a federal law dating back to 1893, prohibits postal or delivery services from being used for abortifacients. While the law has not been actively applied in recent memory, it remains in effect.
- Costco “[has] yet to see any material demand for mifepristone from our members, whose needs we exist to fill.”
- There are doctors outside of Costco who are able to dispense the drugs.

We applaud Costco for this decision and will continue to engage as they progress in their decision-making process.



# ACTIVE OWNERSHIP

## PROXY VOTING

As a shareholder, you have invested in a company and now you are an owner. But what does it mean to be an active owner, and why is it important?

We may never be able to build a “Christian Apple.” Yet it’s likely that more than 50% of Apple’s shares are currently owned by Christians. In some recent cases, owners holding about 10% of a company’s shares have been able to exert meaningful influence, including electing a member to the board of directors.

Most investors abdicate their right to vote their proxies by investing in large ETF or mutual fund companies like Vanguard, BlackRock, and State Street, often without regard to Christian values. Beyond voting, no corporate engagement occurs — or worse, engagement happens in direct opposition to Christian values. In our experience, companies need to hear from us.

Individuals and investment managers can direct their stock proxies, or proxies for their ETFs and mutual funds, to IWP Capital. We have a dynamic policy, refined over more than 10 years, to give our Christian clients a voice. These votes are just the start of our program. IWP Capital is committed to helping clients align their votes with other like-minded investors through technology. We continue to bring on more investment managers and fund families. The more investors we add, the more impact we all have.



# 2024 PROXY STATS SNAPSHOT

**25** custodians on ProxyEdge

**296** accounts on board

**3,275** shareholder meetings attended  
(2.64% decrease from 2023)

**40,872** ballots voted (4.64% increase from 2023)

**49,147,170** shares voted (44.65% increase from 2023)



## INCREASED SHAREHOLDER ENGAGEMENT & AWARENESS

More shareholders than ever are recognizing the power of proxy voting as a tool for corporate influence. In 2024, the number of shareholder proposals filed, withdrawn, and voted on continued to rise, reflecting a growing movement of investors actively shaping corporate policy. What was once a passive process has evolved into a deliberate, strategic effort to hold corporations accountable.

## MANAGEMENT RECOMMENDATIONS

**FOR**

**AGAINST**

IWP votes with management when there is no adverse risk to shareholders, such as excessive dilution or reduced shareholder power. We support management on matters clearly under their purview, such as recycling policies or other housekeeping issues. On shareholder proposals, we will side

with management when their response clearly shows the proposal would harm shareholders or the business. We expect their reasoning to be ethical, sound, and aligned with FFV principles. While we assume good faith, we remain critical, especially in cases involving questionable compensation policies or ideological agendas.

# A SHIFT IN MARKET PRIORITIES FROM ESG TO GOVERNANCE



In 2024, support for ESG proposals fell significantly, with just 0.6% gaining majority approval—down from 2.3% in 2023 and 9.7% in 2022. This decline suggests that investors are becoming more discerning, questioning the effectiveness, clarity, and long-term value of many ESG initiatives. At IWP, we believe this moment calls for a return to first principles: ESG must be rooted in service to the human person.

Environmental stewardship, social responsibility, and corporate governance only have meaning when they uphold human dignity. Our investment strategy places people—employees, families, communities—at the center, ensuring that values-driven investing remains grounded, accountable, and oriented toward the common good.

## ADVANCING CORPORATE TRANSPARENCY

In contrast to declining ESG support, governance-focused shareholder proposals gained significant traction in 2024. Investors showed particular interest in measures that enhance shareholder rights and improve board accountability.

- **Elimination of Supermajority Voting:** Proposals seeking to replace supermajority voting requirements with simple majority standards gained widespread support, reflecting investors' desire for more equitable voting procedures.
- **Enhanced Shareholder Rights:** Resolutions aimed at strengthening shareholder rights, including proxy access and the right to call special meetings, received substantial backing from institutional investors.
- **Independent Board Leadership:** Proposals requiring independent board chairs, rather than combined CEO/Chair roles, gained momentum as investors prioritized governance structures with stronger oversight capabilities.

# IMPLICATIONS & FUTURE OUTLOOK

The 2024 proxy season reflects a corporate governance landscape in transition. The decline in ESG proposal support, alongside increasing backing for governance reforms, suggests investors are recalibrating their priorities toward structural governance improvements with clearer connections to financial performance.

**Strategic Response:** Companies need comprehensive engagement strategies addressing diverse shareholder concerns while maintaining focus on core business priorities.

**Balancing Act:** Boards must navigate competing stakeholder demands while making decisions aligned with long-term value creation.

**Future Trends:** Expect continued evolution in proposal types, voting patterns, and regulatory frameworks shaping corporate governance.



The shifting dynamics of shareholder priorities, declining ESG support, and rising governance reforms signal an important moment for values-based investors. While many firms chase fleeting trends or political pressures, IWP remains anchored in the timeless principles of Catholic and Christian social teaching. We see these changes not as obstacles but as opportunities to guide corporations toward decisions that honor human dignity and the common good.

# ACTIVE OWNERSHIP

## CORPORATE ENGAGEMENT

Corporate engagement is at the heart of IWP Capital's mission to uphold Catholic and Christian social teaching in financial markets. Proxy voting makes up only part of these efforts. Through corporate engagement, we aim to build a relationship with publicly traded companies by engaging their leadership on values-based issues. Part of responsible stewardship means accompanying one's ownership in a company as a shareholder. Our goal is to help companies make and sell ethical products in a manner that respects the dignity of every human being involved, including employees and customers.

Each year we identify five key areas for corporate engagement. Some topics will span several years, given the research required and the evolving conversations. We identify at least one specific topic for engagement in the form of a shareholder-sponsored resolution. Additionally, we engage on timely topics, often in conjunction with some of our clients.

At IWP Capital, we don't believe in walking away—we believe in transforming corporate culture from within. By engaging corporations with a clear moral framework, we help shape policies that respect human dignity and the common good. Corporate engagement is how faith-driven investors turn values into action.



# SHAREHOLDER RESOLUTION: *RELIGIOUS DISCRIMINATION IN EMPLOYEE GIVING*

In 2024, IWP Capital filed resolutions addressing religious discrimination in employee charitable gift-matching programs. While many corporations offer matching donations to non-religious nonprofits, they exclude churches, despite the Supreme Court reaffirming religious protections for employees.

## 2024 ENGAGEMENT WITH...

IWP raised concerns about discriminatory policies in conversations with 7 major corporations: Apple, BlackRock, Verizon, Wells Fargo, Western Union, Charles Schwab, and State Street.

**verizon**<sup>v</sup>



STATE STREET



**Western  
Union**



**BlackRock**<sup>®</sup>



**Verizon** agreed to modify its policy language after discussions with IWP. As the 2025 proxy season unfolds, IWP will continue monitoring and advocating for equitable treatment of religious organizations.

In the coming year, IWP will explore shareholder resolutions and engagement strategies to:  
Demand greater transparency in corporate charitable contributions.  
Advocate for policies that require public reporting of direct corporate gifts to nonprofits.  
Hold companies accountable for supporting organizations that violate human dignity.

# THE ROAD AHEAD

## 2025 PRIORITIES



### 1 Protecting Human Life

*Focus Area: Abortion Access & Abortion Pill*

We will investigate companies offering abortion travel benefits and seek clarity on whether new corporate funds were allocated after the Dobbs decision or if existing insurance provisions were repackaged. Engagement will include pharmacies and health providers regarding the distribution of abortion-inducing drugs.

### 2 Promoting Human Dignity

*Focus Area: Better Fertility Solutions*

As IVF and Assisted Reproductive Technologies grow in popularity despite ethical, financial, and physical risks, IWP will advocate for alternatives rooted in Catholic teaching. We encourage corporations to support fertility care that upholds human dignity and protects embryonic life.

### 3 Enhancing the Common Good

*Focus Area: Children & Social Media*

Social media platforms influence child development and safety through addictive, algorithm-driven content. IWP will engage leading tech companies to push for transparency, parental control tools, and accountability in safeguarding children online.

### 4 Pursuing Economic Justice

*Focus Area: Financial Access & Debanking*

As concerns around religious debanking and financial discrimination grow, IWP will pursue shareholder resolutions urging companies to guarantee equal financial access and avoid viewpoint-based account closures.

### 5 Saving Our Common Global Home

*Focus Area: Food Additives & Preservatives*

Major food companies often sell cleaner products overseas while offering lower-quality versions in the U.S. IWP will engage companies to advocate for transparency, ingredient equity, and safer food offerings for American families.



*"I alone cannot change the world, but I can cast a stone  
across the waters to create many ripples."*

*-Mother Teresa*

201 Main Street - Suite 1198  
Fort Worth, Texas 76102

[info@iwpcapital.com](mailto:info@iwpcapital.com)