CBIS Divests from the Private Prison Industry: “It Is Not Compatible with Catholic Social Teaching”

Under its “Catholic Responsible Investments” (CRI) approach, **Christian Brothers Investment Services (CBIS) has decided to divest from and exclude from its portfolios “those companies whose primary business involves the ownership, operation, or management of private prisons or detention facilitis.”** The decision took effect on June 30 and includes divestment from CoreCivic and the GEO Group, which were held in the the CRI Small Cap Fund and the U.S. CRI Magnus Funds.

Since 2019, the CRI team has collaborated with Catholic investors to promote human rights and restorative justice for people incarcerated or detained in facilities owned or managed by CoreCivic and the GEO Group. “This engagement was part of our broader effort to **promote an integral ecology rooted in human dignity, justice, and care for our common home**,” explains Jeffrey McCroy, President and CEO of CBIS.

The Decision to Divest

In this regard, while this investment has contributed for several years to improving the situation of incarcerated individuals, detainees, and correctional staff, recent analyses have shown that, **unfortunately, the business model of private prisons has changed**: immigration detention has become an increasingly important source of growth and revenue for private prison operators.

At the same time, changes at the federal level have since significantly weakened oversight mechanisms, including the offices responsible for investigating complaints regarding detention, civil rights issues, deficiencies in medical care, and deaths in custody.

“For these reasons, CBIS has concluded that **continued investment in the**

private prison is no longer consistent with Catholic social teaching or with our Catholic Responsible Investments approach," states the President and CEO of CBIS.

Fidelity to the Social Teaching of the Church
Inspired by the Lasallian tradition and values, CBIS—with headquarters in the United States and Italy—integrates the perspective of faith and finance in support of the Church's mission in today's world. Consequently, the CRI investment strategy has been specifically designed to help investors **achieve a solid financial return while remaining faithful to the social teachings of the Catholic Church**.

Hence, in accordance with the Church's guidelines, even though collaboration with companies where dialogue and action can bring about measurable change is one of CBIS's pillars, it is also true that **"when circumstances warrant, we escalate to exclusion and divestment**," as Jeffrey McCroy explains.

For Brother Sergio Leal, Bursar General of the Institute of the Brothers of the Christian Schools, **this decision is also consistent with the principles set forth *in Mensuram Bonam***, the document from the Pontifical Academy of Social Sciences published in 2022, which offers faith-based guidelines for Catholic investors.

"*Mensuram bonam* provides us with clarity on the criteria for investments consistent with the faith, based on the 'three E's,' calling for an Engage to solidarity, human dignity, the common good, and integral ecology; a call to adopt policies of Enhance that contribute to integral development; but also **a call to Exclusion that leads us to divest and avoid ethical contradictions with the Social Teaching of the Church**, as has occurred in this case," concludes the Bursar General.