“If you are able to think of business when you are praying, you should be able to think of your prayers when doing business.”

Kossover Rebbe
Introduction

His Excellency Mr Ban Ki-moon, United Nations Secretary-General, addressed the Worlds’ Faiths during his speech at the Celebration of Faiths and the Environment in Windsor, November 3, 2009:

‘You are the third largest category of investors in the world [...]. Your potential impact is enormous. You can establish green religious buildings, invest ethically in sustainable products, purchase only environmentally friendly goods. You can set an example for the lifestyles of billions of people. Your actions can encourage political leaders to act more boldly in protecting our planet Earth.’

There has been little research on the investment practices and views of faith institutions. Several papers by religious leaders are available and some religious institutions publish annual investment reports. Yet, there is no study on faith and investing that includes different religions and geographical areas. This study provides insights into the investment attitudes and practices of various faith institutions around the world. It explores whether and how the beliefs of faith institutions are reflected in their investment approaches.
Research Partners

The research was conducted through a unique partnership of academic institutions - ESADE (Spain) and Vlerick Leuven Gent Management School (Belgium) - and practitioners, represented by the International Interfaith Investment Group, 3iG (Netherlands/Spain). The study was conducted with the support of the members of the Interfaith Center for Corporate Responsibility (ICCR - USA), the Ecumenical Council on Corporate Responsibility (ECCR - UK), Oikocredit (The Netherlands), the Alliance for Religion and Conservation (ARC - UK), and SHARE and KAIROS (Canada).

Religious investor groups exist mainly in the USA and UK and few are known in Continental Europe. One of the religious investor groups is 3iG, the International Interfaith Investment Group, whose mission is to contribute to a just and sustainable society through responsible investment in a spirit of genuine interfaith dialogue and co-operation. Through research publications, events, tools and services, 3iG ensures knowledge development and sharing amongst faith and financial institutions.
Key Findings

The aim of this research is to examine whether or not faith institutions' beliefs are reflected in their investment practices. In this process, we investigate faith organisations' opinions on investing, their investment practices, and how they actually combine their faith with their investments. It also questions the potential impediments for matching faith beliefs and investment. To examine those questions, we conducted a worldwide survey among faith institutions from all religions.

The six key findings are:

1. Respect to faith
   Faith institutions accept investing in the financial markets as a means to obtain financial returns for the institution. Investments are to be made with respect to the faith beliefs. Not only do they believe it is important to integrate faith beliefs in their investments, to a large extent they also practice faith-consistent investing. This becomes evident when measuring different types of investment approaches: negative screening, positive screening, impact investing and shareholder engagement.

2. Beyond financials
   Faith institutions go beyond the financial aspects of investing, they are more driven by the impact they can have on company behaviour or society than by the financial returns. The evidence of market-rate returns is not a driver to increase their investments but rather a minimum requirement or criterion.

3. Faith Investor Identity
   When investing, faith institutions work together with other faith groups and faith traditions, but they hardly mix with the general Responsible Investment (RI) community. Yet, whilst faith institutions have created their own identity via religious investor groups, the activities do not differ much from those of the RI community. The reason for this might be the absence of specific religious-based financial tools and services compared to the availability of general RI products.

4. Impact Investing Revitalised
   Faith institutions have a slight preference for investing in projects or companies that do good, rather than adopting “best in class approaches” (i.e. they choose the best within the possibilities at hand). Impact investing (investments that explicitly aim to solve social or environmental challenges or community development while generating financial returns) is widely practised amongst religious investors. They are pioneering a new development in this area of responsible investment. Faith institutions' practices in this field may well prove to be a rewarding area of study.

5. Beliefs versus Practices
   Integrating religious beliefs into investment practices is not always easy. Faith institutions cannot implement faith-consistent investing alone; they depend on the offerings of financial institutions. The current investment market is not capable of providing tools and services that are required by faith institutions. Faith institutions require a less complex investment market. This need could be met by customised religious investment products. Customisation and simplification would attract more religious money into the global responsible investment market.

6. Regional Differences
   Although the investment opinions of faith institutions in the USA and outside the USA do not differ significantly, their practices and attitudes do. When excluding products and services, USA investors place more emphasis on abortion than non-USA investors, whilst pornography is screened more by non-USA investors. Of the positive screens, diversity and inclusion is relatively more important in the USA whilst non-USA investors focus more on transparency than USA ones. Evidence on impact investing research shows a significant higher interest in community development and affordable housing by the USA investors. USA investors practice impact investing more than their religious co-investors outside the USA do but they are less transparent when it comes to the value of their investments.

Whilst the report is based upon research of religious institutional investors, one should not underestimate the cascade effect that the initiatives of religious institutions have on their members and on civil society. Although the value of portfolios of individual religious investors is not in the public domain, one may expect the sum of all religious portfolios to be of enormous influence to society, for better or worse. In addition, faith institutions’ investment practices and transparency in this field affect how the secular community views the religious community.
1. Methodology

The research took place over a 12-month period. It included a literature review, mapping of faith institutions, designing and testing of an online survey and conducting the online survey.

1.1 Literature review

This report aims to get an overview of investment policies and practices amongst faith institutions in different countries. There are very few studies on this topic. This neglect is somewhat surprising since religious groups are at the root of the movement for socially responsible investment (RI). In fact, religions have been concerned about the moral implications of money and profits since the beginning. The first efforts to reconcile religious beliefs and investment may go back to Jewish doctrine of 3,500 years ago; the Catholic Church condemned the practice of usury in the thirteenth and fourteenth centuries; Quakers in the eighteenth century refused to do business with firms involved in slave trade, tobacco, alcohol and gambling; in 1971 the Methodists in the US established the Pax World Fund which avoided investment in businesses involved in armaments, alcohol and gambling; and Islamic banking and finance has grown rapidly in the last years.1

Most studies in responsible investment focus on the retail market, examining individual investors’ attitudes and behaviour.2 They also tend to concentrate on traditional methods such as negative screening. When the link with religious beliefs is established, individuals in accordance with their religious convictions have done research on avoiding “sin” stocks.3 Nevertheless, there is limited literature about the investment policies and practices of institutional investors and even fewer studies have examined the investment policies and practices of religious institutions themselves.

One topic of interest is whether there are differences between the practices of religious and non-religious investors. A survey from the Mennonite Mutual Aid4 reveals that there are similarities between the two groups insofar as both concerns for both are sweatshops, product safety, high executive compensation and the environment. However, opposition to adult entertainment and abortion products is much stronger among religious investors than non-religious ones. This study offers new data in relation to this but is related to the institutional investors rather than individual ones. This study aims to provide evidence on whether faith institutions limit themselves to traditional negative screening or whether they adopt other strategies as well, as is the case in the general responsible investment movement.

1.2 Surveying faith institutions

A global database of faith institutions does not exist. As most religious institutions are set-up in a decentralised way, it is difficult to find the information on the various organisational levels. To survey faith institutions, two approaches were used.

The first approach was based on internet search. The aim was to collect contact information from faith institutions around the world. This was done religion by religion. The internet search led to a database of 316 Christian, 142 Bahá’í, 173 Buddhist, 17 Shinto and 17 Hindu representatives of institutions. Adding up the e-mail addresses that were received from Oikocredit, a religious based microfinance institute, as well as 3iG and the Alliance of Religion and Conservation (ARC), the survey was sent out directly to 796 e-mail addresses. Many of the e-mail addresses used bounced back (91). 'Check market', the provider of the online survey software used reported that 158 people saw the e-mail. 39 opened the survey and 24 completed it.

The second approach was a more targeted but indirect approach. Several Religious Investor Groups (RIGs) around the world were asked to co-operate. Selection was based upon relations through the 3iG. RIGs were asked to spread the survey among their members and networks. The second approach provided a response rate of 21%.

Another line of research has focussed on the obstacles for responsible investment.5 One study6 mentions three types of obstacles: individual (cognitive biases and belief systems); organisational (internal structures, processes and cultures); and institutional impediments. Examples of this last type are the structure of the investment value chain, regulatory and mimetic pressures on trustees and fund managers, and financial market inefficiencies. A survey in Spain7 found that “unlike individual investors, institutional investors do not think that the main constraint on investing ethically is the lack of economic performance of RI products”. It also found that “if offered a product closer to their needs, they would increase the amount invested ethically by over 15%”. In addition, they identified lack of information available in the Spanish market as one of the major obstacles.

In other words, the main obstacles are institutional rather than individual or organisational, i.e. the third type mentioned above.

<table>
<thead>
<tr>
<th>Religious Investor Group</th>
<th>Geographical scope</th>
<th># contacts</th>
<th># responded</th>
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<tbody>
<tr>
<td>Interfaith Centre for Corporate Responsibility (ICCR)</td>
<td>USA</td>
<td>275</td>
<td>57</td>
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<td></td>
<td>UK &amp; Ireland</td>
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Databases of the Religious Investor Groups overlap slightly so the target groups might have received the survey request from several RIGs. Note that only one representative per organisation was allowed to answer.

The submission period for completing the online survey was from 20th October 2009 to 5th January 2010.

1.3 Design and testing of the survey

Two preliminary focus groups were conducted on 16 July 2009. Participants (25 in total) consisted of faith institutions’ representatives and faith institutions’ money managers. Various faiths were represented: Jewish, Islamic and Christian. The objective of the focus groups was to get insights into the beliefs, practices, gaps, barriers and incentives bearing on faith-consistent investing.

A first draft of the survey was designed based on the inputs from the focus groups and the literature review. The survey was tested on over ten experts, from various institutions, religions and countries. The test group included academics –especially experts in survey designs–, practitioners from faith institutions and experts in responsible investing. The aim was to get detailed feedback on the survey on content, format, length, and style/wording. It was especially important because the questionnaire was to be sent to a very broad range of faith institutions in different countries.

1.4 Limitations

It is difficult to ascertain how many faith organisations there are in the world. Hence, it is also difficult to know what an appropriate size of sample would be for a study like this. Clearly, the internet research to identify faith organisations worldwide bore little fruit. This led to using the existing religious investor groups that, by their very nature, included religious institutions that were already interested. This resulted in a non-random sample; hence, all statements and conclusions should be used with extreme caution. It may be said that this is purposive sampling: the survey was directed to those probably already knowledgeable on the topic.

A second limitation is language. The study was conducted in English, which has certainly kept potential respondents from participating. Faith organisations and religious investor groups approached in France, Spain, the Netherlands, Germany, Italy and Belgium did not want to participate unless the questionnaire was translated into their mother tongue.
2. Respondents and Research Areas

Whilst the aim of the study was to gain insights into the attitudes and practices of various faith institutions, part of the research questions focused on understanding certain characteristics of the respondents. This chapter describes the target group and the three research areas they covered.

2.1 Description of the respondents

Responses were received from 103 institutions, of which 57 were from North America, 22 from Europe, 4 from Africa, 3 from Asia, 1 from Oceania and 16 unknown (as they skipped the question related to their national origin). The majority of respondents (90%) were of the Christian religion, and within Christianity, most respondents were Catholics (68%). Due to the unbalance in number of respondents from different faith traditions, no comparison in that area could be made. Out of the 103 respondents, 81% completed the whole survey.

89% of the respondents were involved in the investment decisions of their respective organisations. Respondents were treasurers (17%), members of the investment committee (16%), heads of the institution (14%), members of the board of trustees (13%), financial advisors (7%) or theological advisors (2%). Out of the 31% mentioning they had another position in their organisation, five were responsible for CSR, four mentioned they were directors, two worked in the area of 'justice' and two contracted for responsible investing. Only 4% of the faith institutions involved theological advisors (Rabbi, Imam, Monk, Priest et cetera) in investment decisions. Investment decisions are mostly made involving several representatives; boards of trustees (57%), heads of institutions (20%), investment committees (69%), treasurers (37%) and financial advisors (38%).
Geographical scope of the organisation

The respondents were not asked to identify which type of organisation they are. Respondents might therefore be a (combination of a) mutual fund, a pension fund, a burial fund et cetera. Most of the faith institutions answering the survey operated on a country level or beyond (continental or global level). Only 17% of the respondents indicated they operated on a provincial or village level.

Age of respondents

The gender ratio between respondents was fairly even: 52% were female and 48% male. With regard to the age distribution, 65% of respondents answered that they were over 56. None stated an age under 25.
2.2 Research Areas

Three areas were investigated in the online survey:

I. Opinions:
*What are the opinions of leaders of faith institutions regarding faith and investing?*

In Part I, the representatives of faith institutions were questioned about their opinion on faith and investing. This was done by asking respondents to indicate the extent to which they agreed with 16 statements. The statements related to the effect of investment practices on society in general, and on business activity in specific. There were also statements linking investment practices and respondents’ faith. Last, respondents were asked to state the degree to which they believed they should be active owners of their shares (in other words, to what extent they felt they should be engaged shareholders).

II. Practices:
*What are current practices with regard to faith-consistent investing?*

In Part II, respondents were asked 12 questions, the purpose of which was to supply evidence on the actual investment practices of faith institutions. For instance, investors were asked to provide detailed information on negative screening, positive screening, impact investing, and shareholder engagement. In addition, information was captured on who decides on these issues inside the institutions and whether there are written investment policies.

III. Obstacles and incentives:
*What are the impediments to make investment practices more consistent with faith?*

In Part III, respondents were asked to react to 14 statements that explored the factors that may hinder or stimulate change in their investment practices. The objective was to identify barriers and incentives for aligning faith institutions’ investment practices and religious practices.
3. Findings

In the sections below more detailed information is provided on opinions, practices and impediments related to faith-consistent investing.

3.1 Opinions of leaders of faith institutions regarding faith and investing

Before questioning the practices of the faith institutions, respondents were asked to give their opinions on faith and investing.

Opinions on investment activity

The majority of respondents believe that faith and investment should be linked. In fact, 76% of the respondents deem their faith beliefs should be reflected in their investment decisions. Integrating beliefs into investment practices is not only a way ‘to feel good’ but also a way to influence corporate behaviour (90%) and positively impact society (92%).

Opinions about investment practices

When integration of religious beliefs into investment decisions is practiced, religious institutions often find it appropriate to avoid investments in certain activities or products and, but less popular, avoiding companies in certain countries.

To what extent do you think the following investment practices are appropriate?
When asked about the appropriateness of being an active owner of one’s shares, respondents were convinced of the appropriateness of using shareholder rights such as proxy voting rights (93%) and filing shareholder resolutions (90%). Other ways to try to influence boards such as writing letters to management or meeting representatives of businesses were considered appropriate too (92%). Engaging in public debate and divesting were less attractive shareholder engagement practices (79% and 69%, respectively).

A large majority of the respondents found all the aforementioned strategies appropriate. As one will see later in this report, similar findings were found with regard to institutions’ actual practices.

Opinions on the impact of integrating religious beliefs

On the strategy side, respondents’ opinions on the impact of integrating religious beliefs in investments varied significantly. Roughly 70% of the respondents believed that religious considerations can negatively affect investment returns but at the same time, over 90% believed that it can positively affect investment returns.

These results show some confusion as to the impact on the financial returns, reflecting the state of academic research on the relationship between Corporate Social Responsibility and financial performance. It has been the most controversial area in the CSR field over the last three decades of empirical research. Results are inconclusive in terms of both existence and direction of the correlation. A similar uncertainty holds with regard to RI performance.

Here again, academic research results vary. However, most studies have concluded that RI performs no differently from that of “regular” investment on a risk-adjusted basis. Research also provides evidence that RI investors hold very diverse beliefs regarding the financial returns of RI. Respondents’ uncertainty related to the rates of return when applying faith-based criteria to their investments and a desire for more information in this field. In Part III of the study, respondents indicated they would like more evidence that applying religious beliefs in making investments does not harm financial performance. If such evidence was forthcoming, it would incline them to increase investments in a faith-consistent manner.

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3.2 Practices with regard to faith-consistent investing

After having reviewed the opinions of faith institutions on faith and investing, it is interesting to review their actual practices.

In addition to having a written investment policy (87% of all respondents), respondents claimed to integrate their faith beliefs in their financial decisions. The survey distinguished four ways of reflecting faith in investments and measured the practices. From the mentioned practices, 88% practiced shareholder engagement, 87% practiced negative screening, 79% practiced positive screening and 77% practiced impact investing.

Positive and negative screens

Only two of the respondents used none of the RI approaches. One of them strongly believed that faith should be reflected in investment practices while the other one had no opinion on this issue. However, the two saw all the RI approaches as appropriate practices; they just did not practice them. They both believed that there were not enough financial products to reflect their religious beliefs in their organisations’ investments. One said that it was not possible to design an investment approach that reflected their religious beliefs. Interestingly enough, the two respondents were the two sole Jewish respondents. It might indicate a lack of financial products that can accommodate Jewish beliefs, or that Jewish investors fail to provide guidance on what financial products should entail.

Negative screening practiced by faith institutions focuses on avoiding investments in nuclear weapons (70%) and military armaments (68%), tobacco (62%), pornography (60%) and abortion (51%). Screens such as human rights violations (50%) and related topics like slave-or child labour (44% and 40% respectively) are slightly less used. 13% of respondents did not use negative screening, which aligned with the response earlier in the survey where 15% of respondents indicated that they avoid investing in companies whose activities or products were considered inappropriate.
When asked what positive criteria faith organisations use (investing in companies that show evidence of corporate social responsibility), environmental policy and programs (61%) was mentioned most. Employee welfare and rights is the second most important positive screen with more than 50% of the respondents using it. 21% of respondents do not use positive screens.

Comparing this with the 'general' responsible investment (RI) revealed that religious investors have slightly different interests. The general RI community has shifted from focusing most on tobacco and gambling in 2003 to screening on weapons in 2008. At second position in 2008 is 'norms-based screening', in which the yardstick is companies compliance with international standards and norms such as those issued by OECD, ILO, UN, UNICEF, etc. Here, it might come as a surprise that religious investors focus less on norms-based screening; on average, they show less concern about human rights violations, slave labour, and child labour (45%) than tobacco (62%), pornography (60%), abortion (50%) and gambling (46%).

In conclusion, since 2003, the general RI community has developed a similar interest for excluding weapons as the faith institutions have, but, after weapons, the faiths focus more on avoiding certain products and services, whilst the general RI community focuses on norms-based screening.
Impact investing

Besides negative and positive screening, high social impact investing or impact investing is a way of integrating religious beliefs into investments. Impact investing was defined in the survey as investments that explicitly aim to solve social or environmental challenges or community development while generating financial returns. It focuses on investing solely in initiatives, projects or companies that have a positive social and environmental impact, rather than industry-benchmarking companies according to certain environmental, social and governance criteria. Community development (53%), microfinance (47%) and affordable housing (42%) were the most frequently used types of impact investing. Perhaps surprisingly religious investors were hardly involved in health (17%), agriculture (15%) or forestry (7%) and 23% did not practice impact investing.

Does your organisation practice impact investing?

What percentage of your organisation’s impact investing gives a return rate below market rate?

Whilst six respondents mentioned that impact investing did not give a below-market rate return, almost one third of religious investors mentioned that 10% of their impact investments gave a lower rate of return. Eight respondents accepted a lower rate of return for all their impact investing. Oddly enough, 33% of respondents did not know what percentage of their organisation’s impact investing yielded a lower market rate return.
Asset allocation to impact investment

After covering the types of impact investing used by faith institutions and the level of rate of return they accepted for these types of investments, the survey asked about the value of their assets currently invested in impact investing. The survey mentioned figures in Euros and the exchange value in US Dollars. A big difference in asset allocation was observed in this connection, ranging from 22% investing less than half a million Euros (less than 0.73 million US$) to 9% investing over 50 million Euros (over 73.3 million US$). In addition, a rather large number of respondents preferred not to disclose the figures (13%) or did not know how much their institution invested in impact investing (14%).

Overall, impact investing was widely practiced amongst faith investors. This is in line with a study of 3iG in 2010.16 They were pioneering a new development in this area of responsible investment. It might be worth studying faith institutions’ practices in this field.

Shareholder engagement

In Part 1 it became clear that faith investors thought they should be active shareholders. Mainly legislative tools and shareholder-management communication were believed to be appropriate. The practices used by faith institutions underlined their thoughts on what was appropriate. Several respondents indicated the practice shareholder engagement via religious investor groups. Proxy voting, writing letters and shareholder resolutions filing were used by over 50% of respondents. 13% did not engage as shareholders.

According to the Eurosif 2008 annual survey, proxy voting is also the most common form of engagement among responsible investors (RI) (over 40%), followed by direct private engagement (including writing letters and holding meetings with company representatives). However direct engagement and filing shareholder resolutions were significantly less used by general RI community (10 to 15%) than by faith institutions (56% and 50%).

What type of engagement does your organisation practice?

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Real Estate

When asked whether any kind of real estate was considered as part of the religious investment portfolio, 35% of respondents mentioned they did not consider real estate properties as part of their investment portfolio.

What does your organisation consider part of its investment portfolio?

![Graph showing the percentages of respondents who consider various types of real estate part of their investment portfolio.]

- Religious sites: 35%
- Touristic sites: 30%
- Land: 25%
- Buildings: 20%
- Other: 15%
- We don’t consider any of these: 10%
- I don’t know: 5%
- 0%

Value of the institution’s asset allocation to real estate

Respondents were reluctant to share information on the value of their properties. 63% of respondents chose not to answer the question at all, whilst another 31% of the remaining respondents indicated they did not want to disclose such information.

The fact that real estate was considered as part of the investment portfolio by only 65% (others might regard it as a cost centre only), that respondents preferred not to disclose the value of their properties and that others had considerable real estate investments makes one wonder what the current real estate strategies are. More transparency could support the development of better and more customised investment strategies.
3.3 Obstacles and incentives related to faith-consistent investing

Generally, faith institutions tended to reflect their beliefs in their investment practices. However, to what extent is this possible? Are there any barriers to practicing faith-consistent investing? In Part III of the survey, respondents were asked to give their view on their organisations’ investment practices.

When asked whether religious beliefs were reflected in investment approaches, on a scale from 1 to 7, the average response was high, 5.46.

I believe our religious beliefs are reflected in our investment approach

To which extent do you agree with the following statements?

When entering more into detail, faith institutions mentioned they encountered various obstacles in trying to put faith-consistent investing into practice. They would actually be inclined to invest more according to their faith beliefs if they had certain tools and services. In general, it seemed difficult to change existing investment practices (32% agree). To better understand the obstacles and impediments for changing existing investment practices, the respondents were asked to respond to several statements.

In general, there seemed to be a great need for a less complex investment market with more tools and services for religious investment purposes. Fully 26% of respondents felt that investing was so complicated that it was difficult to comprehend all the products and tools that were offered and 22% mentioned that there was a lack of financial products enabling their organisations to reflect their religious beliefs. Indeed, 3 respondents said that it was not possible to design an investment approach that reflected their religious beliefs.
Would your organisation be more inclined to invest...

When asked what support is needed to make investments more faith-consistent, 50% of respondents mentioned they would significantly incline their investments (assuming they had the necessary financial resources) if its investment manager were able to offer an option for aligning investments with their religious beliefs. Furthermore, 51% said they would be inclined to invest more if there were reliable tools for developing and maintaining an investment fund that reflected their religious beliefs.

When asked what evidence is needed to incline investments in a faith consistent way, several religious institutions focused more on having a positive impact on society and on company behaviour rather than on avoiding the risk of poor financial performance.

Overall, it seems there are difficulties in putting religious beliefs into investment practice. Faith institutions cannot implement faith consistent investing alone; they depend on the offerings of financial institutions. The current investment market is not capable of providing tools and services that are required by faith institutions. Faith institutions require a less complex investment market. Customised religious investment products could attain this. Customisation and simplification would attract more religious money into the global responsible investment market.

4 Comparative Analysis USA versus Non-USA

Whilst no significant differences in the beliefs of USA versus non-USA respondents were noticed, investment practices differed between the two groups. From the faith institutions responded, 61% were based in the United States of America and 39% came from elsewhere around the world.

When looking at differences in practices, some topics should be highlighted. The first focus was on negative screening. While one might expect USA-based religious investors to place greater emphasis on abortion (60% USA versus 41% non-USA), it was surprising to see that pornography was a more important exclusionary screen among the non-USA respondents than among USA respondents (54% USA versus 69% non-USA).
Top 5 positive screening practices USA vs Non-USA

When looking at the usage of positive screens, USA-based religious investors were more interested in diversity and inclusion than non-USA investors (58% versus 39%) but were less concerned with transparency than non-USA religious investors (31% versus 48%). Furthermore, USA respondents generally showed more interest in positive screening than did non-USA ones.

Top 5 impact investing practices USA vs Non-USA

When it comes to impact investing, the differences between USA-based religious investors and non-USA religious investors were sharper. More than double the USA-based respondents practice community development (71% in the USA versus 33% non-USA) and affordable housing (60% versus 22%) than non-USA, whilst non-USA respondents formed the majority of investors in clean energy or environmental management.
Asset allocation to impact investment

The value of faith institutions’ asset allocation to impact investing varied widely. Some respondents did not know; this went for 7 out of 43 USA-based investors and 3 out of 26 non-USA based investors. Nine USA based respondents indicated they did not disclose information on impact investing asset allocation.

Although the beliefs of faith institutions towards investment practices in the USA and outside the USA did not differ significant, the above evidenced interesting regional differences in practices and attitudes.

List of Acronyms

3iG = The International Interfaith Investment Group
ARC = The Alliance for Religion and Conservation
CDP = Carbon Disclosure Project
CIG = Church Investment Group
CSR = Corporate Social Responsibility
ECCR = Ecumenical Council on Corporate Responsibility
ICCR = Interfaith Center for Corporate Responsibility
ILO = International Labour Organisation
MMA = Mennonite Mutual Aid
OECD = Organisation for Economic Co-operation and Development
RI = Responsible Investment
RIG = Religious Investor Group
SHARE = Share Holder Association for Research & Education
SIF = Social Investment Fora
UK = United Kingdom
UN = United Nations
UNDP = United Nations Development Programme
UNPRI = United Nations Principles of Responsible Investment
Information about the research institutions

About 3iG
The International Interfaith Investment Group, 3iG, is an international not-for-profit organisation, founded under Dutch law in 2006. 3iG seeks to promote more sustainable communities and societies by promoting faith consistent investing across the faith traditions. Our mission is to support the efforts of the faiths to improve their practice of positive social and environmental impact investing and spread that message to their members and to society at large. Through a process that builds interfaith relationships and co-operation, we seek to bring the wisdom of the traditions to the prevailing corporate and commercial culture and provide a moral compass upon which to build a business and financial model that is sustainable.
For more information, please visit: www.3ignet.org

About Vlerick
Vlerick Leuven Gent Management School has deep academic roots. Founded in 1953 by Professor Baron André Vlerick, the School has evolved into the leading business school in Belgium and one of the top business schools in Europe. Vlerick Leuven Gent Management focuses on management education and research to meet the needs of managers and entrepreneurs at different stages in their careers. The School offers an International MBA programme and numerous training programmes for company executives. Close connections with the international corporate world lead to practice-based research in co-operation with numerous companies and organisations.
For more information: www.vlerick.com

About ESADE Institute for Social Innovation
The ESADE Institute for Social Innovation’s objective is to develop personal and organisational skills within the business community and not-for-profit organisations in order to strengthen their activities and their contribution to a more just and sustainable world. The Institute’s activities span all areas related to the development of Corporate Social Responsibility, the improvement of third-sector organisational management, and building relationships between companies and NGOs. This commitment is a holistic response to the processes of transformation taking place in the world.
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