The definition of a good investment...
1. What is the definition of a good investment?

In the business world it tends to be a financial investment that makes a good profit. In the religious world it tends to be an investment of time or donations that helps make the world a better place for individuals and communities.

But what happens when those two worlds meet?

3iG (The International Interfaith Investment Group) is an initiative by the world’s faiths to work together to invest their financial assets, land assets, educational and media networks in ways that bring in high returns, both financially and socially, in line with the values of each faith.

It is about earning money from money, and putting religious teachings into practice at the same time.

2. Surely the faiths are already investing in ethical ways?

It is true that many religious investors have strict rules about what they do not invest in – companies dealing in arms, tobacco, alcohol, gambling, cruelty to animals or pornography do not usually appear on religious portfolios.

But pro-active investment – with the positive intention of using funds to make the world a brighter place – is still a relatively new concept in the world of religious investing.

Some religious fund managers – particularly in the United States – have been investing in this area for some years. They are willing to share that expertise because they recognise that alone they are small; together they could be a powerful force for good.

3. But there are already ethical investment bodies. What would 3iG add?

There are a few national ethical investment bodies – which mainly involve Christian or Jewish investors. Indeed the Interfaith Center for Corporate Responsibility (ICCR) in the United States is an important model for 3iG and has been running successfully with 275 faith group members for more than 30 years. But so far there are no large-scale international interfaith ethical investment groups. Financial capital is increasingly mobile across borders: socially responsible investment needs to be international as well.

4. Would 3iG mean that a religion would lose control of its portfolio?

On the contrary, it would mean that a religion would have even more control of its portfolio. Because it would have access to more information, and to a huge network of people thinking in similar ways.

In 3iG religious investors would only share as much about their investments as they were prepared to.

3iG is not necessarily talking about changing investment portfolios. It will ask faith groups to use the rights associated with
shared ownership to voice concerns directly with company directors and senior management.

## The 3iG Mission Statement:

The mission of 3iG is to contribute to a just and sustainable society through responsible investment. 3iG intends to do so in a spirit of genuine inter-faith dialogue and co-operation by:

- Creating a platform for exchange of information and for dialogue on all issues which contribute to its mission. The platform should be open to Members, Associate Members and Partners.
- Engaging in an active dialogue with corporations about ethical concerns, human rights and the environment.
- Using the combined economic power of their assets, including shares, land, water resources, and intellectual properties to press for changes in the corporations where they have relevant share holdings.
- Providing information on socially and environmentally responsible investment opportunities.

### 5. But surely different faiths don’t think about things in the same way?

This is the strength of 3iG. It is not an interfaith body but a group which works with all faiths and networks between them when appropriate. It does not require or even desire any kind of consensus beyond the simple Mission Statement. Instead its investors will operate in ‘cluster groups’ of shared interests.

### 6. What is a cluster group?

Cluster Groups will be the heart of 3iG. Members can propose an area of potential equity investment and loans and then see who wishes to join them in order to make a bigger potential pool of ethical investors. There is no obligation to join a cluster but 3iG believes the clusters will be the most effective means by which faiths make an impact on the market. Each member can decide independently which clusters to join. So far members have identified the following issues as benefiting for a cluster approach:

- Water
- Micro-finance
- Alternative or Renewable Energy
- Sustainable housing
- Sustainable Forestry
- Sustainable Agriculture

### 7. Who is behind 3iG?

3iG’s founding members are Buddhist, Christian, Druze, Jewish, Hindu, Muslim, Sikh and Zoroastrian. The group emerged
over the past four years from work undertaken by the faiths assisted by the Alliance of Religions and Conservation (ARC) in association with the Interfaith Center for Corporate Responsibility (ICCR) and secular bodies ranging from major banks to investment advisory groups.

8. Who can join?

There are three grades of membership:

a.) **Members.** Only faith organisations can be full members. They can elect a Governing Board, which is the main decision-making body of 3iG and is made up only of full members.

b.) **Associate members.** They have the same rights and access to information as full members, but cannot vote. It is expected that Associates will within three years have become Members.

c.) **Partners.** These are non faith-based organisations who share the values and goals of 3iG. They do not have voting rights.

9. Why so many categories?

The membership structure encourages as many groups as possible to be part of 3iG – and commit to the principle of faith-based responsible investment for their own funds and the funds of their grassroots members.

3iG aims to be as inclusive as possible to religious groups, and so it is possible for local organisations (for example dioceses of individual congregations or faith-based foundations such as colleges or madrassahs) to be members. 3iG is also open to partner membership from groups – charitable foundations for example – that are sympathetic to its principles, but are secular.

10. What will it cost?

A fee basis for membership enables groups to join at a level appropriate to their own funds. A membership fee will be negotiated with each new group. 3iG is a not-for-profit organisation.

11. Isn’t all this talk about money and financial returns rather against the underlying philosophy of religions?

In some countries religious organisations are among the biggest employers. They need to pay not only for salaries but also for the upkeep of thousands of historic buildings, the maintenance of land and forests, the building and management of vast suburbs of social housing, and the running of schools and colleges. To do this they need income, and for many religions a
financial portfolio is the main way of earning that.

In the words of a fund manager for a religious pension fund: ‘I have a duty to the faith to be ethical: but I also have a duty to the pensioners to make sure they are looked after in their old age.’

3iG takes very seriously the concept of responsibilities of the faith’s financial trustees to steward money effectively.

12. What does 3iG involve?

3iG acts like a clearing house for information and networking about best practice in socially responsible investing (SRI). As a member of 3iG you have access to an extraordinarily wide range of expertise from all over the world. The information will come from the faiths themselves, from secular partners, and from other groups who are exploring these issues.

3iG is also an objective source of the facts on socially responsible investment – including data on returns, volatility etc. You also have access to an increasingly useful database of fund-managers, together with their recent record in the area of SRI. There are a few national databases with this information in countries like the US, but nothing like this on a global basis.

If you tend to hold your assets in grouped funds, such as open ended investment companies or unit trusts, then you will be able to find funds that will meet your social objectives as well as financial objectives. You will also be able to use your proxy vote on key issues.

13. What else does 3iG do?

One of the extraordinary benefits of 3iG is that it is dealing with ‘businesses’ that have huge congregations. One of the aspects of joining 3iG is what has been called the ‘cascade effect’. Member faiths are expected to pass on information, teachings and guidance to their followings on the broad theme of ethical investment in line with the faith’s own position. So in churches, temples, mosques, synagogues and other places of worship the faithful are encouraged to look at their own personal investments, and assess whether they are making the best possible returns.

The impact can be huge: a major church in the US with an estimated 5 million members with average investment savings of $50,000 would create an ethical investment potential of $250 billion.

The knock-on effect could mean that companies around the world would not be
able to afford to be unethical because that would no longer make business sense.

14. What services could 3iG offer?

- Research into various investment approaches.
- SRI Educational Services/Fund managers training.
- Issue-Focused Programmes.
- Communication between members on best financial data available.
- SRI Advisory Services.

15. What have people said about 3iG?

'Religious institutions must examine their use of land and buildings and – yes – investments, to insure that they do not harm the environment or the human family but rather improve our natural surroundings and the conditions of our lives. And we must seek ways to go about this that go beyond pronouncements, speeches and books, as important as these can be.'

Ecumenical Patriarch of Constantinople

'The active engagement of the faiths in investing in a better, sustainable future could be one of the most important social and spiritual movements of this century.'

Nambaryn Enkhbayar, Prime Minister of Mongolia

'3iG will affirm much-needed friendships and understandings across cultures. It is only too easy to see how much more necessary this work and its success becomes every year – indeed every month – that passes.'

Prince El Hassan Bin Talal of Jordan

16. What should I do if I would like to know more or if I am interested in my organisation joining 3iG?

Please contact us at:

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The International Interfaith Investment Group

“to check that our faith’s reserves are invested with due regard to our beliefs, values, the environment and human rights – so that all life on Earth can benefit”.

Who can join?

There are three levels of membership:

**Members:** Only faith organisations can be full members. They elect a Governing Board which is the main decision-making body of 3iG and is made up only of full members.

**Associate Members/Supporting Networks:** they have the same rights and access to information as full members, but cannot vote. They can be umbrella organisations who may not have access to large funds but have large networks.

**Partners:** these are organisations that are not faith-based but that share the values and goals of 3iG and a commitment to all aspects of socially responsible investing. They do not have voting rights.

How much will organisations pay to join 3iG?

There are three levels of fees according to which category described above an organisation belongs:

**Members:** they will pay a mutually agreed fee between $5,000 and $50,000 to join 3iG.

**Associate Members/Supporting Network:** they will pay a mutually agreed fee between $1,000 and $4,999.

**Partners:** they will pay a mutually agreed fee between $5,000 and $50,000 to join 3iG.

How can we join 3iG?

Please fill in the form on the back of this page and return it to 3iG to initiate your application. When this is received 3iG will be in touch to discuss the specific details.
Organisation

Faith

Address

State/Country

Website

Contact details:
Name
Position/Dept.
Tel no
e-mail
Fax no

We wish to be (please tick one):
Member: 
Associate Member/Supporting Network: 
Partner: 

Date
Name
Signature

Please send this form to:
The International Interfaith Investment Group (3iG)
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