

Webinar “Called to Unity – Towards an Ecology of relationships
Together for Europe, 2 March 2024

Dr. Catherine Devitt (The Netherlands)

Education for Faith-Consistent Investing: Introducing FaithInvest’s *Faithful Finance: An Introduction to Aligning Investments with Faith Values*

Hello my name is Catherine Devitt, and I am a programme manager with FaithInvest. It is a pleasure to be with you all today. In my contribution, I will follow on from the rich insights you heard from Dr Lorna Gold this morning – CEO of FaithInvest. In Lorna’s address, she discussed the impact and responsibility of Christian churches and people of faith in addressing the environmental crisis. She talked about the urgent need for discussion on the relationship with nature and the role of churches in mobilising action for environmental care. She emphasised how the current financial system, which supports industries harmful to the environment, needs reform to address climate change, nature degradation, and inequality.

In an era marked by the urgent challenges of climate change and the ambitious objectives of the Sustainable Development Goals, the way we approach our investments has never been more pivotal. The work of FaithInvest, which Lorna highlighted, helps faith groups align their investments with their faith values. As many of you have heard already, many faith institutions do not mention their faith in their investment policies, and this hinders the pursuit of faith-consistent investment options and strategies. To be faith aligned, a foundational starting point is having clear faith values guiding investment decisions, strategies for alignment, and a governance structure to monitor the impact of investments over time.

One aspect of what we do is to support faith organisations understand the relationship between their values and their finances. Faith-based traditions have long emphasised the importance of integrating moral and ethical values into every aspect of life. Many faiths hold beliefs, values and officially approved statements on the use of money, social justice, care for the earth. And many faiths have financial assets and approved investment policy statements and guidelines that govern the oversight and management of faiths assets – but there is often a disconnect between the two. For many, whilst their unique values are clearly embedded in their mission and social justice works, there is often a gap between values and investment decisions. Many faiths know what they are against, but do not necessarily know what they stand for. Many faiths may struggle with the complexities of investing in line with their faith values, how to navigate that journey, and be brave and bold on how they invite commitment within their organisations and with the various external roles they engage – such as asset managers and consultants. At a time where financial decisions are not merely about returns, but also about reflecting values and mission, faith-consistent investing emerges as a powerful bridge. Faith-consistent investing is about intentionally aligning all faith assets that are available to invest with what your faith community wants to achieve... ..by integrating your

faith values and beliefs into foundational investment governance documents and processes...
...as this ROOTS investment decisions and translates values into traditional investment language. Faith-consistent investing allows faith organisations to make investment decisions in line with these deeply held values, ensuring that their investments can help create a better world.

I want to tell you a little bit more about our training programme. Why? Because building learning, capacity and confidence amongst faith organisations is foundational to commencing the faith-consistent investing journey and growing the faith-consistent investing movement. Our training programme is called *Faithful Finance: An Introduction to Aligning Investments with Faith Values*, and it enables faith organisations to learn how they can incorporate their values into their financial decisions. We have five key objectives that aim to help faith organisations understand:

1. why faith-consistent investing can be a powerful tool for building a better world;
2. the foundational principles of faith-based investing, from basic concepts and processes to understanding the merits and challenges of empowering assets with purpose.
3. How to engage with financial intermediaries with clarity and confidence.
4. How to ensure investments remain faith-aligned over time.
5. How to go further on the faith-consistent investing journey – and how FaithInvest can accompany you!

Our programme involves four modules, each module is ninety minutes and includes time for reflection and discussion.

Our first starting point in our training programme involves exploring what we mean by faith beliefs and values. It sounds obvious, but it's not always clear or explicit. Faith values are the guiding moral/ethical principles derived from religious beliefs and teachings. They are rooted in the doctrines, the scriptures and traditions of our faith, they provide a framework for how we understand the world, make decisions and interact with others. And importantly, faith values are integral to the identity, practice and mission of faith work. We encourage faith organisations to understand their values as their North Star, to their values guide what they do with their finances, using their values as a reference point. We help faith organisations understand what is meant by a faith-asset – and how our assets can help sustain our organisations, fulfil duties, be used sacrificially, and invested to spark a new hope. We explore why it matters today: faith organisations can show leadership and value, they hold a vision for a just and sustainable world, drawing on an environmental and social justice concern, and importantly, faith organisations can show leadership, influence, and inspiration.

A central part of our education and learning work is guiding organizations around values reflection, what are the values they want to give voice to within their investments, and then working with the organization to integrate those faith values into their investment policy and guidelines. Clearly stated faith values in an organisation's foundational Investment Policy and Guidelines expands the outcomes of their investments, and their influence as a faith

organisation in creating a better world. It prevents passive or inadvertent investing against deeply held faith values; and investments become mission-aligned. We emphasise consistency and holding a long-term vision – that by defining the faith values in the investment policy and integrating these values into Guidelines, a clear organisation of investments around the documented values of the faith is created. We then help the faith hold those faith values as they navigate issues such as pragmatic investment and product realities. We root our training and learning in FaithInvest research and the practical experiences that faith organisations share with us. We emphasise the centrality of trust, dialogue and discernment as being at the heart of faith-consistent investing. Faith-consistent investing takes time, resources, commitment and patience, but there is significant value in process in addition to investment outcomes: including structured time to reflect and discern upon key faith beliefs and values and bring them to life in and through your investments; nurturing inclusion and relationships and fostering a collective ownership and participation in investment decisions; and building confidence, skills and capacity amongst faith community members. At the end of our training, we want participating faith organisations to feel more empowered in their conversations and decisions, to feel motivated, more confident, and to know that their values are fully embedded, for the long-term, in their investment decisions.

Our training programme is delivered virtually and is live. The first of four modules started on February 28th, and we've welcomed faith organisations from all around the world. We are delivering a second round of training starting May 8th, for four modules. Organisations of all faiths are welcome, irrespective of investment portfolio size. We particularly encourage Faith leadership roles, board members, faith-based administrative heads and finance officers, as well as faith-based educators, fundraising and development professionals to join us.

For more information, see www.faithinvest.org/training.