

Oxford Faith-Aligned Impact Finance Project Phase 1 Report

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1.0 Preface

The Oxford Faith-Aligned Impact Finance Project (OxFAIF) was supported by the Shine Campaign and the Wallace Global Fund to deliver a greater understanding of the state of impact investment in faith-aligned investment, in the hope that this can be used to raise the level of impact investment across the faiths globally and help raise faith impacting focussing on addressing climate change.

This report sets out all the work done in what is intended as the first phase for an ambitious multiyear program that aims to assist in moving faith-aligned investment funds into investments that create more impact- and going forward with a focus on climate change. As such this first phase was tasked with undertaking initial research and laying groundwork for an expanded programme. The University of Oxford's Saïd Business School was chosen as the home OxFAIF given the strong reputation of the School's Impact Investing Program.

OxFAIF put together an Advisory Board that had representatives from all major religions, from the Global North and South, and that included faith investment practitioners, as well as religious academics and members of advocacy groups.

A team of three at Oxford was appointed to lead the project. They are:

Professor Alex Nicholls- OxFAIF Principal Investigator, Gayle Peterson- OxFAIF co-Principal Investigator and Eric Sukumaran- OxFAIF Research and Project Operations Lead.

The team would like to extend their sincerest thanks to the Advisory Board, for their invaluable advice and help in finding the data and individuals needed to compile this report, and to **Dr Pegram Harrison** of the University of Oxford for his academic review of this report.

Appendices contain biographies of the team and Advisory Board, all the data recorded and used in this report, as well as a survey of some of the academic literature on faith-aligned investing.

2.0 Executive summary

The Oxford Faith-Aligned Impact Finance Project (OxFAIF) began its first phase in late 2020 with the help of the Shine campaign and Wallace Global Fund. This first phase undertook initial research on existing faith-aligned financial resources and impact creation, and lay the groundwork for an ambitious program that aims to assist in moving faith-aligned investment capital funds to create more impact.

With the guidance of the Advisory Board, OxFAIF undertook the following tasks:

- A preliminary mapping of faith-aligned funds across various major faiths globally, identifying when possible where funds were already allocated toward impact creation
- Authoring new case studies showcasing innovations in faith-aligned impact creation
- Compiling a library of existing case studies and guides
- Compiling list of available training in faith-aligned impact investing

The mapping of faith-aligned finance and impact investing mapped 360 separate organisations connected to Abrahamic, Dharmic and other religions. Total net assets mapped are valued at approximately US \$5 trillion. The breakdown by religion is as follows: Christian aligned capital (\$260 billion), Islamic sovereign capital (\$3 trillion) and Islamic private finance capital (\$1 trillion), Dharmic capital (\$300 billion) and Jewish capital (\$16 billion). These assets were held and invested in various ways with varying levels of impact creation, ranging from sophisticated global funds to holding gold in vaults.

Examining investment activities across multiple faiths and geographies allows greater understanding of how differing faith values explain differing approaches to impact creation, as well as trying to understand where such values overlap. Futures phases of this project will continue to delve deeper into the investment activities within religions already examined, as well as expanding into more religions across the world.

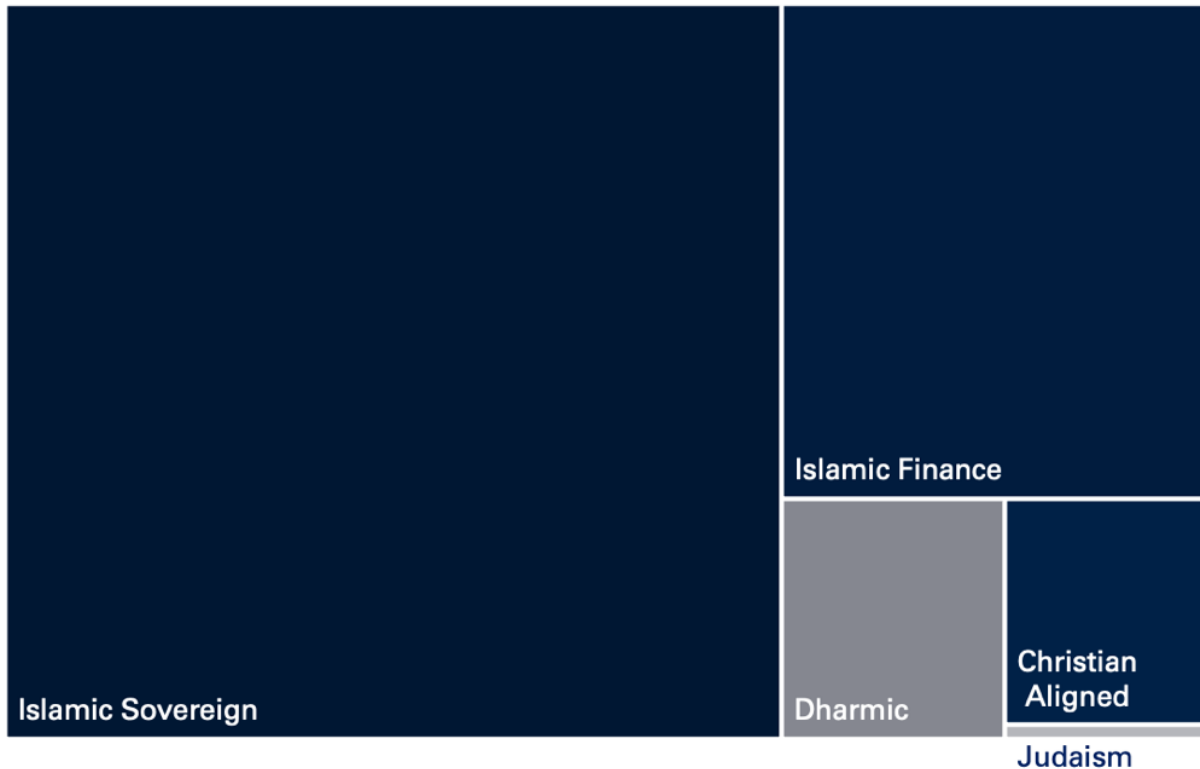


Figure 1: Value distribution of faith-aligned funds by religion

OxFAIF research showed that, of the mapped assets, about 3% is specifically attributed to impact creation, or socially responsible investing, or ESG. For Christian funds, this number is 1%, for Islamic funds it is 3.22%. Similar numbers could not be derived for Dharmic and Jewish funds due to lack of publicly available data. For context, all impact investing represents between 0.6% and 2% of global assets under management, suggesting perhaps that Islamic finance may be ahead of the global average.¹ The research also encountered constraints in that many faith-aligned organisations do not publish their accounts, and there are varying definitions of the terms impact, ESG and SRI.

Initial interviews aimed at understanding why more faith-aligned capital was not being used to create impact found that there is likely a significant number of investment decision-makers in the faith world that also prioritise return and do not necessarily accept that faith-aligned capital should be treated any differently than other capital when it comes to investments. Impact opportunities may be over scrutinised compared to regular investment opportunities, to the extent that in some cases they are more likely to be approved if they were not labelled as an impact, SRI or ESG investment. In other cases, there appear to be religious objections to generating a return when the intention is to create impact. OxFAIF,

¹ Using GIIN and IFC estimates

in the development of its case studies, also considers other models of impact creation that are faith compliant.

The research also identified significant opportunities that faith-aligned capital is beginning to explore. In particular, significant amounts of faith capital are beginning to be moved into climate-focussed investing. There is a significant capital opportunity for faiths to lead the way in creating impact in this space. New ESG/SRI lenses are being developed at faith-aligned institutions, creating an opportunity for input. There is also significant need to provide training for impact investing from business schools and similar institutions for faith-aligned investment managers.

OXFAIF has also authored three new case studies highlighting innovation in impact creation and how religious values can affect the structure of a financial investment.

Case One discusses the catalytic capital provided by Good Energies, a foundation inspired by Catholic social teaching, to Charm Impact, a social impact start-up. Charm Impact specialises in mixing crowd funding with investment capital to make small loans to businesses in emerging markets to allow them to power their businesses using solar energy. Starting in western Africa, they are expanding elsewhere on that continent, as well as to India. Good Energies' investment came with impact creation targets including the number of new customers, the number of new crowd investors and a 2X multiplier effect on Good Energies' capital. Charm Impact has now reached over 300,000 people, and has demonstrated an average 99% repayment rate on its microloans.

Case Two discusses the world's first Malaysian ringgit-denominated Islamic social impact bond (a sukuk), where sovereign Islamic wealth was used to create impact in education. Malaysia's sovereign wealth fund, Khazanah, launched a sukuk at market rates and used the proceeds (\$50 million) to fund the Trust Schools Programme (TSP) to carry out transformation programmes in 50 public schools to raise standards and change school culture. The TSP has been very successful, and the Malaysian government has now agreed to fund and roll out the TSP programme to all the thousands of public schools in Malaysia.

Case Three documents the creation of FLAME University in Pune, India. The university was founded and continues to be funded by the Foundation for Liberal Arts and Management Education, a charity solely funded by the families of Nemish Shah and Vallabh Bhanshali, Jain investment bankers who founded

ENAM, one of India's most respected investment banks. The promotion of education is the highest form of creating impact in society, according to Jain teaching.

The structure for the provision of capital for FLAME University is entirely philanthropic. Jainism asks for a limit in all things, especially wealth. Philanthropy serves as a limit to wealth, and thus mandating even a reduced return for the investment would be considered counterproductive to such ends. So far, the Shah and Bhanshali families have contributed \$100 million to establishing and building FLAME. Currently, some 30% of the 1,800-strong student body is also on some form of financial assistance, and whereas the Indian national average for women on a university campus is 49%, FLAME's student body is 65% female.

OxFAIF has also amassed a case study library of 88 faith-aligned impact investing cases and guides, including profiles of innovative impact creation, guides and principles to faith-aligned impact investing, online webinars, and further innovative and replicable examples. It also found there was very limited available training specifically in faith-aligned impact investing. Mostly, webinars and bespoke courses are offered by those advocacy groups specifically set up to promote impact investing using faith aligned funds, with very few academic institutions currently providing such training. This is potentially a gap that can be filled by business schools.

3.0 The landscape of impact investment

The Global Impact Investing Network (GIIN) defines 'impact investment' as:

Investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets and target a range of returns from below market to market rate, depending on investors' strategic goals.²

This definition highlights four distinctive features of this new field of finance:

- *Intentionality of impact:* An investment must be made with the explicit intention that the investment have a positive social or environmental impact
- *Financial return:* The investment has a return on capital (and is thus not an act of philanthropy)
- *A range of asset classes:* Investments target a rate of return somewhere between below-market to fixed-adjustment market rate, across asset classes
- *Measuring impact:* The investor must be committed to measuring the social or environmental impact of the investment

In other words, impact investment can be defined as those investments that are made with the intention of generating positive, measurable social and environmental impact alongside a financial return.

The emergence of impact investment, as a financial market specifically aimed at the creation of social and environmental impact, is relatively recent, despite a long history of the social economy.

A key driver behind the emergence of impact investment has been changing investor preferences. Millennials, 45% of whom consider social responsibility a factor in investment decision-making and also state a desire to invest their funds to help others,³ will over the next 10 years be benefitting from a \$68 trillion

² <https://thegiin.org/impact-investing/need-to-know/#what-is-impact-investing>

³ See: <https://privatebank.jpmorgan.com/gl/en/services/investing/sustainable-investing/impact-investing>.

wealth transfer – the largest in history.⁴ Moreover, 90% of women investors believe making a positive impact on society is important.⁵ In response to these changing preferences and demographics, institutional investors such as pensions funds and insurance firms are changing their long-term risk models to match. Social and environmental factors are becoming material for their investment portfolios.⁶ This is also true for faith-aligned investors.

Nevertheless, at this stage the impact investment industry is under-institutionalised, and lacks consistent terminology, consolidated data performance and regulations around disclosure.⁷

3.1 The sustainable investment spectrum

The market for impact investment fits within a broader ‘sustainable’ investment landscape that can be divided into two sub-categories: positive sustainable investment and negative sustainable investment (see Figure 2 below).

Positive sustainable investment identifies investments according to their potential for significant additional social or environmental impact⁸ typically aligned with the United Nations Sustainable Development Goals (SDGs).⁹ Two categories of impact investment take the form of positive sustainable investment: impact first and finance first. Negative sustainable investment, meanwhile, is characterised by investments screened according to the three ‘ESG’ dimensions (environmental, social and governance).¹⁰

To give an example of the distinction between these two types of sustainable finance: positive sustainable finance would invest directly into healthcare innovations to address lung disease, whereas negative sustainable finance would screen out tobacco companies from a portfolio.¹¹

In terms of instruments, positive sustainable investment can deploy a wide range of instruments including grants, foundation assets deployed as Program-Related Investment (PRI) or Mission-Related Investment (MRI), sub-market and

⁴ According to Forbes, Millennials will inherit over \$68 trillion from their Baby Boomer parents by the year 2030, see further: <https://www.forbes.com/sites/jackkelly/2019/10/26/millennials-will-become-richest-generation-in-american-history-as-baby-boomers-transfer-over-their-wealth/#3dcc954b6c4b>.

⁵ See: *ibid.*

⁶ See, for example: <https://www.institutionalassetmanager.co.uk/2020/05/19/285756/esg-will-be-industry-standard-within-five-years-say-institutional-investors>.

⁷ Nicholls, Alex *What is Sustainable Finance*, 2020, Asian Development Bank

⁸ This is categorized as an ‘integration’ strategy, see *ibid.* See also: <https://www.credit-suisse.com/media/assets/microsite/docs/responsibleinvesting/the-double-delta-of-impact-investing.pdf>.

⁹ See: <https://sdgs.un.org/goals>.

¹⁰ This is categorized as an ‘exclusion’ strategy, see: <https://www.credit-suisse.com/media/assets/asset-management/docs/ch/investment-themes/cs-impact-1-esg-to-the-sdgs-2020-spread.pdf>.

¹¹ See, for example: https://www.rbcwealthmanagement.com/gb/en/research-insights/the-growth-of-impact-investing-building-wealth-with-positive-outcomes/detail/?gclid=Cj0KCQjw5eX7BRDQARIsAMhYLP8jHs3GyRFi-Cy6Lq6cNqVCbEjALIDvJ745GkaWjl-U7T0979Kdjz0aAj43EALw_wcB.

market-return impact investments, and development finance and green and social bonds. Investments are focussed on private markets and early-stage, high-potential impact companies. On the other hand, negative sustainable finance is typically invested via equity and debt that aims for a market return, typically made into large, publicly listed companies.

The various categories of sustainable finance include: grants (philanthropic finance);¹² venture philanthropy (long-term start-up grants plus other *pro bono* support);¹³ mission and programme-related finance (charitable asset finance);¹⁴ development finance (from transnational development finance institutions);¹⁵ ethical finance (that is based upon moral judgements of performance, often linked to faith systems);¹⁶ social (impact) finance (that supports the social economy more widely, particularly in Europe);¹⁷ green finance (focussed on the climate crisis and associated issues of pollution);¹⁸ impact investment (focussed specifically on *measurable* impact). Table 1 summarises these types of finance¹⁹.

Table 1. Categories of sustainable investment

Type of Finance	Detail	Example Organization
Grants	Philanthropic finance	Rockefeller Foundation
Venture philanthropy	Long-term start up grants & other pro-bono support	New Philanthropy Capital
Programme-related Investment	Charitable asset finance	Ford Foundation
Mission-related investment	Charitable asset finance	KL Felicitas Foundation

¹² See, for example: <https://www.philanthropy-impact.org>.

¹³ See, for example: https://www.ubs.com/global/en/ubs-society/philanthropy/ubs-optimus-foundation.html?ef_id=Cj0KCQjwufn8BRCwARIsAKzP696fi6DAC5FUYCvMBO0NEQtdNfanJ0fwAgCLk1HEYaj8NCgkDOZJevEaAgBAEALw_wcB:G:s&s_kwid=AL1410!3!476250982510!b!!g!!%2Bphilanthropy.

¹⁴ See: <https://web.cof.org/2013fall/docs/resources/Impact-Investing-Basics.pdf>.

¹⁵ See, for example: <https://www.adb.org>.

¹⁶ See: <https://www.gloablethicalfinance.org>

¹⁷ See: <https://www.goodfinance.org.uk/investors-advisors/social-finance> and <https://www.reedsmith.com/en/capabilities/services/finance/social-impact-finance>.

¹⁸ See: <https://www.greenfinanceinstitute.co.uk> and <https://greenfinanceplatform.org>.

¹⁹ Nicholls, A., *What Is Sustainable Finance?*

Development finance	From transactional DFIs	BII
Ethical finance	Based on moral performance judgement- often faith linked	Faith Invest
Social (impact) finance	Supports social economy more widely (esp. in Europe)	RBC Wealth Management
Green finance	Focus on climate crisis and associated pollution issues	Resonance Fund
Impact investment	Focus specifically on measurable impact	Bridges Fund Management
Socially responsible finance	Consideration of financial return and social good	Nutmeg

However, in order to capture the full range of impact investment deployed for environmental and/or social impact, the spectrum goes beyond a narrow definition of market-rate positive/integrated ESG finance to include sub-market return categories.

3.2 Market size and returns

The market size of the different categories of sustainable investment and their expected returns may vary. Figure 2 sets out the different categories of sustainable investment in terms of their market size and estimated returns.

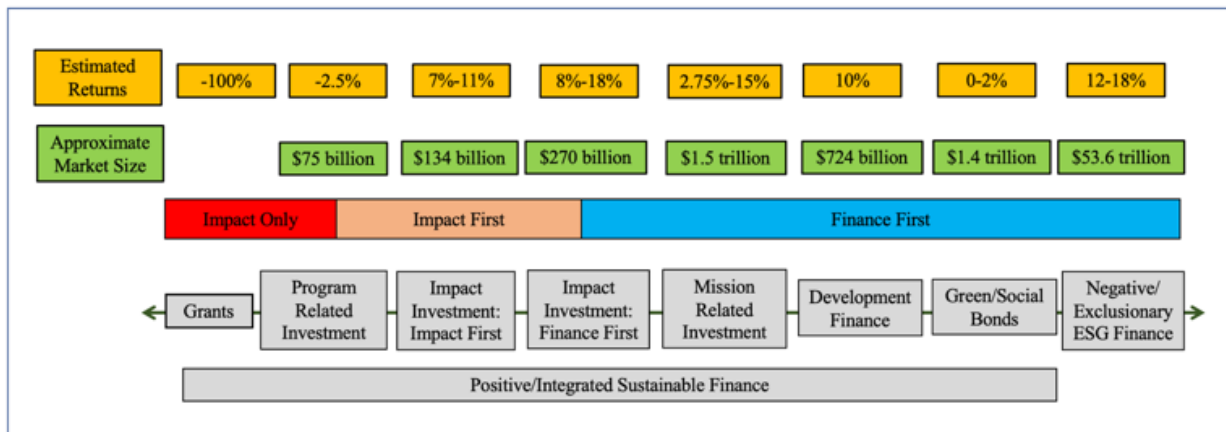


Figure 2: The Sustainable Investment Spectrum: Market Sizes and Estimated Returns²⁰

3.2.1 Grants

Grants have an estimated market size of \$75 billion, approximated as 5% of total foundation assets globally (the legal requirement for charitable status in the US, though not elsewhere).²¹ As they are never repaid, the expected return is -100%. It is important to note that worldwide government grants are not included in the market size figures, though this number is likely substantial.

3.2.2 PRI and MRI

PRI and MRI use endowment capital to generate impact, and a part of overall invested assets for a foundation. Debt capital PRIs are often used in combination with grants. In terms of market size, PRIs are also included in the 5% grant allocation figures, as noted above.²² The expected return is of capital only. MRIs, on the other hand, can take the form of debt or equity. The potential market size is much larger because they could potentially equal the assets of all foundations:

²⁰ Nicholls, A., *What Is Sustainable Finance?*

²¹ Given the lack of a single data set for global philanthropy the market size was estimated using Johnson, P. (2018) *Global Philanthropy Report* (Hauser Institute for Civil Society) valuation of global foundation assets at \$1.5 trillion, see https://cpl.hks.harvard.edu/files/cpl/files/global_philanthropy_report_final_april_2018.pdf. This is likely to become a larger figure in 2020.

²² See, for example: UK Government guidelines: <https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14/charities-and-investment-matters-a-guide-for-trustees>.

approximately \$1.5 trillion globally.²³ They typically have the objective to further a foundation's stated mission, and they aim for more competitive returns.²⁴

3.2.3 Impact investment

Using a survey published in 2020, GIIN estimated the 'core' impact investment market size at \$715 billion, using the definition in section 1.²⁵ Given the sample size of only 290 respondents that was used to calculate the market size, this is likely an underestimate. The same survey suggests that impact investment is evenly spread between the following sectors: energy (16% of all investments, and the largest recipient), financial services (12%), forestry (10%), food and agriculture (9%) and micro-finance (8%).

Private debt (37%) and publicly traded debt (24%) accounted for more than half of all capital invested, with private equity the third-largest at 16% and public traded equity the fourth-largest at 10%.²⁶ The overall deal size was relatively small, however, at \$5 million, but with significant variance by asset class. By asset class, the average deal size was largest among investments in real assets (\$28 million), followed by public equity (\$22 million), private equity (\$7 million) and publicly traded debt (\$7 million). The largest investors were pensions funds at 18% of all investment.

Impact investment can be either 'impact first' or 'finance first.' Investments that concentrate on capital preservation and sub-market returns are impact first. These kinds of returns are regularly accepted by foundations, not-for-profit asset managers and family offices. Those investments that concentrate on risk-adjusted market returns are finance first. These kinds of returns are expected by pension funds, insurance companies, for-profit asset managers and development finance institutions (DFIs).²⁷

Expected returns have been broken down into 'developed market' and 'emerging market' returns by GIIN.²⁸ Developed market average actual returns with

²³ Examples of those using MRI as 100% of assets are: KL Felicitas Foundation see, <https://klfelicitasfoundation.org/>; FB Heron Foundation, see <https://www.heron.org/>; T100, see <https://toniic.com/t100/>; and the Ford Foundation's decision to engage in MRI, <https://www.marketplace.org/2020/07/02/ford-foundation-darren-walker-charitable-organizations-philanthropy-economy-social-bonds/>.

²⁴ Henriques, R., Nath, A., Cote-Ackah, C., and Rosqueta, K. (2016), *Programme Related Investments: Is there a Bigger Opportunity for Mission Investing by Private Foundations?* The Centre for High Impact Philanthropy, University of Pennsylvania: <https://www.impact.upenn.edu/wp-content/uploads/2016/04/160415PRIFINALAH-print.pdf>.

²⁵ The GIIN Annual Impact Investor Survey 2020 included data from 290 impact investors who had deployed \$404 billion, see: <https://thegiin.org/assets/GIIN%20Annual%20Impact%20Investor%20Survey%202020%20Executive%20Summary.pdf>. However, this does not include all impact investors, so is likely an under-estimate for the entire market.

²⁶ Ibid.

²⁷ Nicholls, Alex *What is Sustainable Finance?*

²⁸ The median age of inception of the investments in the sample was 2011.

expected risk-adjusted market rate returns were found to be 16% from private equity, 13% from real assets, and 8% from private debt. In emerging markets, the return was 18% from private equity, 10% from private debt, and 8% from real assets. It is very important to note that while the preceding figures look similar to conventional private equity²⁹ and private debt,³⁰ there are questions around whether all returns have been properly risk-adjusted.³¹ More than 50% of respondents in the GIIN survey saw a ‘severe’ or ‘moderate’ financial risk in several categories of performance, including business execution and management risk, country and currency risk, macro-economic risk, financing risk, and market demand and competition risk.

In developed markets, the average actual return with an expected *below*-market rate return was 10% from private equity and 7% from private debt. In emerging markets, it was 11% for private equity and 8% for private debt. In both below-market scenarios, real assets did not expect a sub-market return. The GIIN data also suggested that the majority of its sample investors’ financial returns were either ‘in line with’ or ‘outperforming’ expectations, with only 12% reporting that they were ‘underperforming.’

3.2.4 Development finance

Development finance is increasingly being categorized as a form of impact investment and includes DFIs and multi-national agencies such as³² the Asian Development Bank, Inter-American Development Bank and the International Finance Corporation (IFC), the European Bank for Reconstruction and Development, and BII in the UK (formerly CDC).³³ There is no single data set for all development finance, but the IFC (2019)³⁴ suggested that the 25 HIPS0 signatory development finance institutions could be seen as impact investors with total assets under management of \$724 billion. Expected risk-adjusted returns are usually expected to be approximately 10%.³⁵

²⁹ Average returns globally from 2009 -2019 were 15.3%, see: <https://www.marketwatch.com/story/private-equity-returns-have-gone-up-that-may-not-last-2020-06-18>

³⁰ The average return in private debt globally from 1998-2016 was between 10% and 15%, see: <https://www.ipe.com/research-the-rise-of-private-debt/10012090.article>. However, the COVID pandemic will likely severely affect more recent returns, see: <https://www.fn.london.com/articles/private-debt-funds-set-for-worst-performance-since-the-global-financial-crisis-20200807>.

³¹ There is some data supporting impact investment outperforming the market. Explanations for this may include: generally superior risk management (ESG funds, see: <https://www.ft.com/content/733ee6ff-446e-4f8b-86b2-19ef42da3824>); being more willing to exploit new, growth markets (green finance, see: <https://www.bloomberg.com/graphics/2019-green-finance/>); and a lack of correlation with market risk (micro-finance, see: <https://www.triodos.co.uk/ethical-investments/microfinance-fund/LU0842307588>), which is something we will also see below with studies on Islamic and Islamic sustainability funds.

³² Earlier market sizing estimates typically excluded development finance for example, the GIIN Annual Impact Investor Survey 2019: https://thegiin.org/assets/GIIN_2019%20Annual%20Impact%20Investor%20Survey_ExecSumm_webfile.pdf. Inclusion of some development finance institutions in 2020 for the first time seems to have been a significant increase in the market size from 239 billion to 404 billion..

³³ BII’s ESG positioning of its investments can be found at <https://toolkit.cdcgroup.com>.

³⁴ See <https://www.ifc.org/wps/wcm/connect/66e30dce-0cdd-4490-93e4-d5f895c5e3fc/The-Promise-of-Impact-Investing.pdf?MOD=AJPERES&CVID=mHZTSds>.

³⁵ Nicholls, Alex *What is Sustainable Finance?*

3.2.5 ESG finance

In 2018, more than half of all global assets under management followed some form of ESG thematic approach.³⁶ This amounts to a market size of approximately \$54 trillion. All major investment banks and many specialised fund managers now manage ESG funds.³⁷ Accurate data on the exact size and scope of positive and negative ESG is not publicly available. The evidence suggests, however, that over 95% of ESG is negative.³⁸

³⁶ See: <https://www.bloomberg.com/graphics/2019-green-finance/>

³⁷ See: <https://www.bloomberg.com/graphics/2019-green-finance/>

³⁸ Nicholls, Alex *What is Sustainable Finance?*

4.0 Faith-aligned investment: Initial mapping of capital and impact creation

This section provides the results of a survey of publicly available information on faith-aligned capital, and examples of impact creation.

4.1 Christian-aligned capital

Total net value of assets recorded:	\$258,606,623,329
Percentage of the global market by value ³⁹ :	71.8%
Number of organisations recorded:	111 ⁴⁰
Average net asset value:	\$2,137,244,821
Net assets explicitly labelled for impact/ socially responsible investing/ environmental, social and governance investing:	\$2,577,837,578 ⁴¹ (1% of total)

Investment, on average, is concentrated in the technology sector (23%), financial services sector (16%), consumer sector (15%), industrials sector (13%), and healthcare (10%). Energy investments account for approximately 4%.

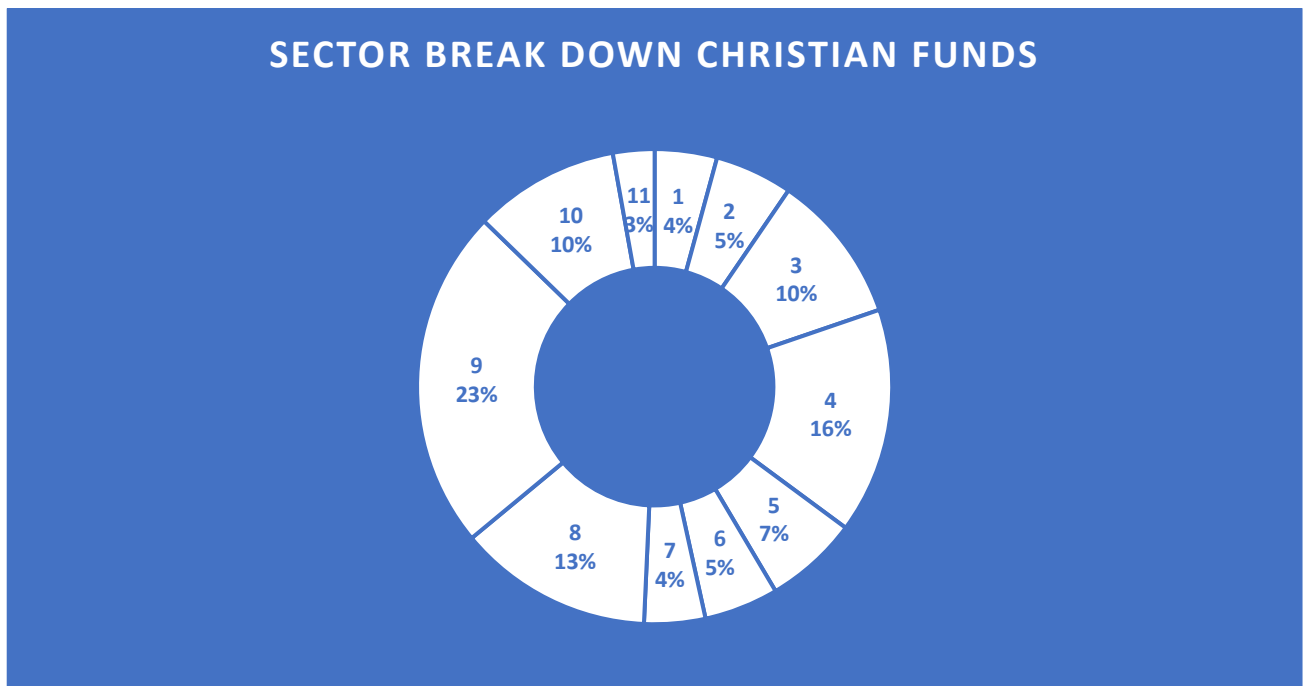


Figure 3: Average sector allocation of funds (where known) 1. Materials 2. Consumer staples 3. Consumer cyclical 4. Financial services 5. Real estate 6. Communications 7. Energy 8. Industrials 9. Tech 10. Healthcare 11. Utilities

³⁹ Using an estimate of Christian investing of \$360 billion, found here: https://www.faithdriveninvestor.org/blog/2019/11/18/the-landscape-of-christian-investing#_ednref5

⁴⁰ See Appendix A for list of funds and values

⁴¹ Ibid.

The average allocation by country (where known) is shown below, showing a very large weighting toward the United States over all other countries.

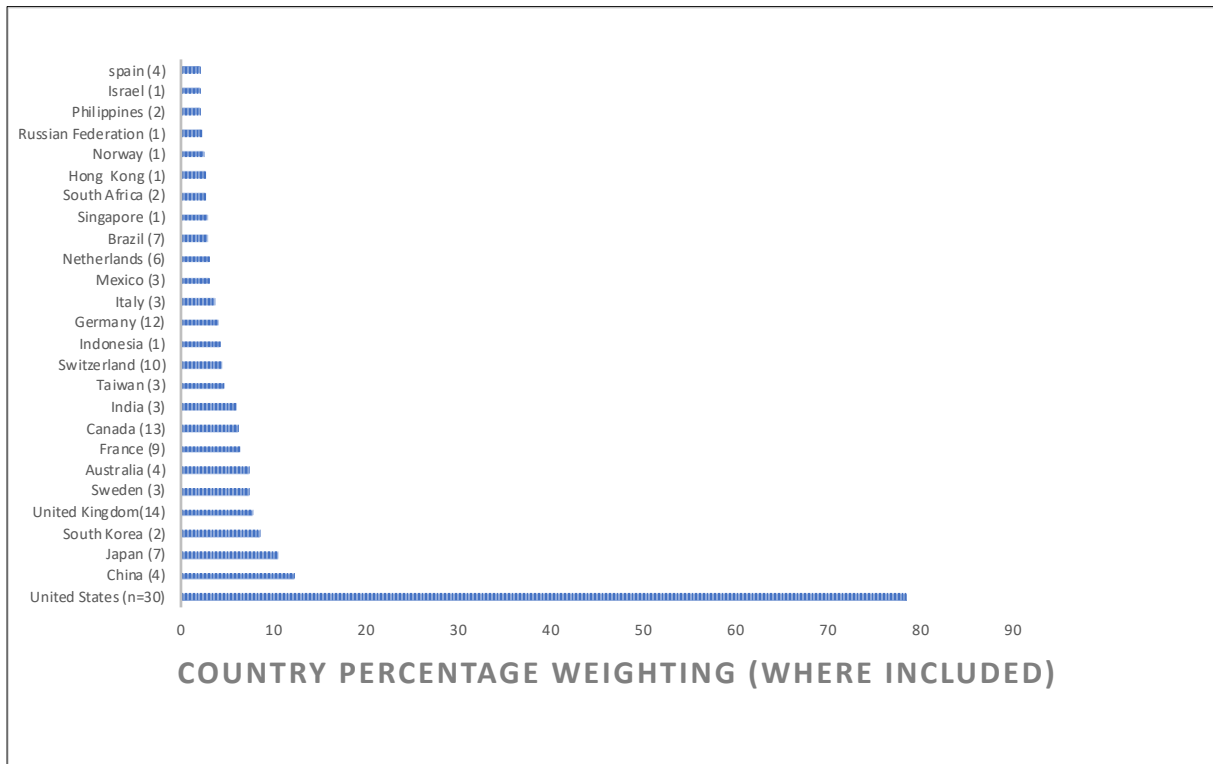


Figure 4: Average country allocation of funds (where known)

The large weighting toward the United States is explained by both a large number of US only funds (14), and by significant US weighting in the multinational funds (18). The US was allocated over 45% of weighting in twelve. The US allocation is over 8x the next largest state, China.

While being Christian aligned does not preclude the creation of impact, of the funds and foundations analysed where asset data was available, approximately 1% of the total value of capital was explicitly allocated toward ESG, SRI or impact. Of this, 39% comes from a single source: the estimated \$1 billion of the \$17.3 billion investment of the Church Pension Fund of the US Episcopal Church allocated to SRI.⁴² Guidestone, one of the largest groups of Christian funds with \$27.4 billion in investment assets mapped, has recently launched a specific fund for impact, the Guidestone Global Impact fund. This amounts to 0.52% of Guidestone’s total.⁴³ These percentages broadly align with the global average of all funds- estimated at between 1 and 3% of all funds.

⁴² <https://www.cpg.org/global/about-us/investment-profile/responsible-investing/positive-impact-investing/sri-portfolio/>
⁴³ https://www.google.com/finance/quote/GGIYX:MUTF?sa=X&ved=2ahUKEwjVjpu-y_zzAhUNa8AKHVRrHA04Q_AUoAXoECAEQAw&window=1M

Numerous Christian-aligned organisations were recorded that do not have comparable data publicly available, but could provide evidence of impact creation. The level of impact finance relative to the Christian-aligned capital market as a whole is therefore likely to be higher once data for these organisations can be obtained. They range from the total assets and geographic distributions of large foundations such as Porticus, to the smaller resources of local religious orders, many of whom actively engage in impact investing. Cases of impact creation from these organisations are also logged in section 5.

4.1.1 Impact spotlight: The Franciscan Sisters of Mary and impact investing by Catholic orders of nuns in the US

Catholic orders, predominantly orders of nuns based in the United States, are a large group of active impact investors.

The Franciscan Sisters of Mary (FSM) is one of the more prominent of these organisations, which concentrates their impact investing on climate-focused investments such as renewable energy and forest conservation funds. Traditionally, the members of FSM made impact in their local communities staffing hospitals, classrooms and administrative offices. As members have aged and numbers have reduced, FSM has evolved to concentrate on impact through impact investing and philanthropy alongside prayer, advocacy and attention to the needs of others.⁴⁴

The core of the FSM impact philosophy is healing the environment and providing care for those affected by climate change, and promoting renewable energy, sustainable agriculture, forest conservation and other activities that help to curtail global warming and environmental destruction. They are also leaders in the movement to divest from investments in the fossil fuels sector.⁴⁵

FSM also applies a screen for its investments that aligns with its religious and community values, combining a mix of total exclusion of some investments (such as for-profit health care, oil and gas providers) and exclusion of investments in entities which derive substantial revenue (usually defined as more than 10%) from certain industries, including tobacco and arms manufacture.⁴⁶

⁴⁴ <https://www.fsmonline.org/about-us/>

⁴⁵ Ibid.

⁴⁶ <https://www.fsmonline.org/impact-investing/socially-responsible-investing/investment-criteria/>

The total recorded value of these investments is \$9.4 million, and range from funds that invest in renewable energy projects in India, Indonesia and the Philippines (Renewable Energy Asia Fund II), to the preservation of forests in the US Southeast, Southwest, Northeast and Pacific Northwest (Conservation Forestry Capital III).⁴⁷

FSM's renewable energy investments are located in North and South America, Africa and Asia. They are usually investments in renewable energy infrastructure funds.⁴⁸ FSM have been meticulous in keeping records on the impact created on due to their investments.

The Global Energy Efficiency Renewable Energy Fund (GEEREF) is a \$245 million fund of funds managed by the European Investment Bank with investments in clean energy infrastructure in emerging markets in Asia, Latin America and Africa.⁴⁹ ⁵⁰ GEEREF seeks to demonstrate how market mechanisms can achieve socially beneficial and impactful outcomes. FSM committed \$650,000, of which 96% has been invested in the five years to 2020. So far, 21.75% of the capital has been returned. GEEREF has installed 1,500 MW of renewable energy capacity worldwide, avoiding 9.5 million tonnes of CO₂ and benefitting 2.7 million households.⁵¹

In 2015, FSM invested \$250,000 in North Sky Capital, an impact investment fund committed to strong impact and financial returns. 14.5% of the capital was returned.⁵² To date, North Sky has invested \$1.1 billion across 10 impact funds, of which \$635 million has been in sustainable energy infrastructure.⁵³ FSM's investment was in the Alliance II fund, which invested in 15-20 renewable energy projects in North America. The fund's aim was generating financial return and increasing union job hours.

⁴⁷ <https://www.fsmonline.org/impact-investing/our-impact-investments/>

⁴⁸ <https://www.fsmonline.org/about-us/our-impact/>

⁴⁹ Specific countries: India, Philippines, Indonesia, Thailand, Vietnam, Malaysia, Republic of Georgia, Nepal, South Africa, Eastern Africa, Mexico, Brazil, Colombia, Peru and Caribbean

⁵⁰ <https://geeref.com/about/what-geeref-is.html>

⁵¹ <https://www.fsmonline.org/our-impact/geeref/>

⁵² <https://www.fsmonline.org/our-impact/north-sky-capital-alliance-fund-ii/>

⁵³ <https://northskycapital.com/app/uploads/2022/01/North-Sky-Capital-Firm-Brochure.pdf>



Figure 5: Wind turbines, part of North Sky Capital Fund investments, investment recipient of FSM

FSM has invested in 13 further such funds, predominately concentrating on the development of clean energy infrastructure. North Sky Capital is atypical of FSM energy investments as they usually target emerging markets. However, the North Sky Capital investment highlights FSM's willingness to act and invest worldwide, including creating impact in their home country.

There is also evidence of sustained collaborative impact creation from the catholic orders.

An example of such collaborative impact investing is the Religious Communities Impact Fund, with total assets of \$18,500,000. All congregations participating in the fund believe that they 'are called to use their financial resources as a ministry to assist in overcoming social and environmental inequities.'⁵⁴

The fund invests in non-profit organisations that address economic inequalities in low-income communities, reflecting gospel values of economic justice, compassion, dignity and stewardship.⁵⁵

Examples of RCIF range from the One Acre Project in East Africa, which has received investment of \$250,000 over five years, to the Hope Credit Union in the US Deep South.

One Acre Fund extends credit and provides training to smallholder farmers to efficiently grow crops including maize beans and vegetables. Since 2006, the

⁵⁴ <https://rcif.org/wp-content/uploads/2020/12/2020-RCIF-Annual-Report.pdf>

⁵⁵ Ibid.

project has helped more than 1 million farmers in Kenya, Rwanda, Burundi, Tanzania, Uganda, Malawi and Zambia.



Figure 6: A smallholder farmer working with One Acre Group

The Hope Credit Union has received \$200,000 from RCIF. It provides badly needed credit to some of the poorest families in America, and focusses on access to credit for women and families of colour. In 2019 alone, Hope Credit Union provided more than 3,330 consumer loans, 138 mortgage loans (87% to homebuyers of colour and 52% to women) and 50 commercial loans (61% to businesses owned or led by women and people of colour).⁵⁶

Numerous comparable organisations exist in the United States. Consolidated financial statements are difficult to obtain for these organisations, but many share stories of the impact they create by listing investments they have made and describing the impact outcomes.⁵⁷

⁵⁶ <https://rcif.org/wp-content/uploads/2020/12/2020-RCIF-Annual-Report.pdf>

⁵⁷ They include: Cenacle Sisters of Chicago, Congregation of Sisters of Mercy, San Bernardino, Congregation of St Joseph LaGrange, Dominican Sisters of Adrian, Dominican Sisters of Houston, Dominican Sisters of Mission San Jose , Dominicans Sisters of San Rafael, Dubuque Visitation Sisters of Dubuque, Franciscan Sisters, Little Falls, Our Lady of Victory Missionary Sisters, Poor Sisters of Jesus Crucified & The Sorrowful Mother, Religious of the Sacred Heart of Mary, Sisters of Charity, Sisters of Charity of Nazareth, Sisters of Charity, BVM, Sisters of Notre Dame de Namur , CA, Sisters of Notre Dame de Namur, OH, Sisters of Notre Dame, Thousand Oaks, Sisters of Notre Dame, Toledo, Sisters of St Francis Sacred Heart Province, Sisters of St Louis, Sisters of St. Francis of Philadelphia, Sisters of St. Francis, Redwood City, Sisters of St. Joseph of Erie, Sisters of St.

4.2 Islamic-aligned capital

Total net value of assets recorded:	\$4,361,710,202,023
Of which:	
Islamic Sovereign Wealth Funds (SWFs):	\$3,183,460,000,000
Islamic Banks:	\$1,016,973,350,050
Islamic Investment Funds:	\$20,732,684,838
Islamic Socially Responsible Investment Funds:	\$140,544,167,145
Percentage of the global market by value (ex SWFs): ⁵⁸	40%
Number of organisations recorded:	134 ⁵⁹
Average net asset value:	\$2,137,244,821
Net assets explicitly labelled for impact/ socially responsible investing/ environmental, social and governance investing:	\$140,544,167,145 (3.22% of total)

4.2.1 Islamic sovereign wealth funds

The size of Islamic sovereign wealth fund (SWF) assets recorded represent approximately 3.8% of the total world economy.⁶⁰ These funds are heavily concentrated, being held by only eleven separate organisations.

Joseph, Cardonelet, Sisters of the Holy Family, Fremont, Sisters of the Holy Names of Jesus and Mary, Sisters of the Humility of Mary, Sisters of the Presentation, and Tacoma Dominicans

⁵⁸ Based on statista estimate of Islamic finance industry of \$2.88 trillion (not including SWF), found here: <https://www.statista.com/statistics/1090815/worldwide-value-of-islamic-finance-assets/>

⁵⁹ See Appendix for list of funds and values

⁶⁰ Using statista's estimate of the size of the world economy in 2020 of \$84.54 trillion. Found here: <https://www.statista.com/statistics/268750/global-gross-domestic-product-gdp/>

Geographically, they are held by the following countries:⁶¹

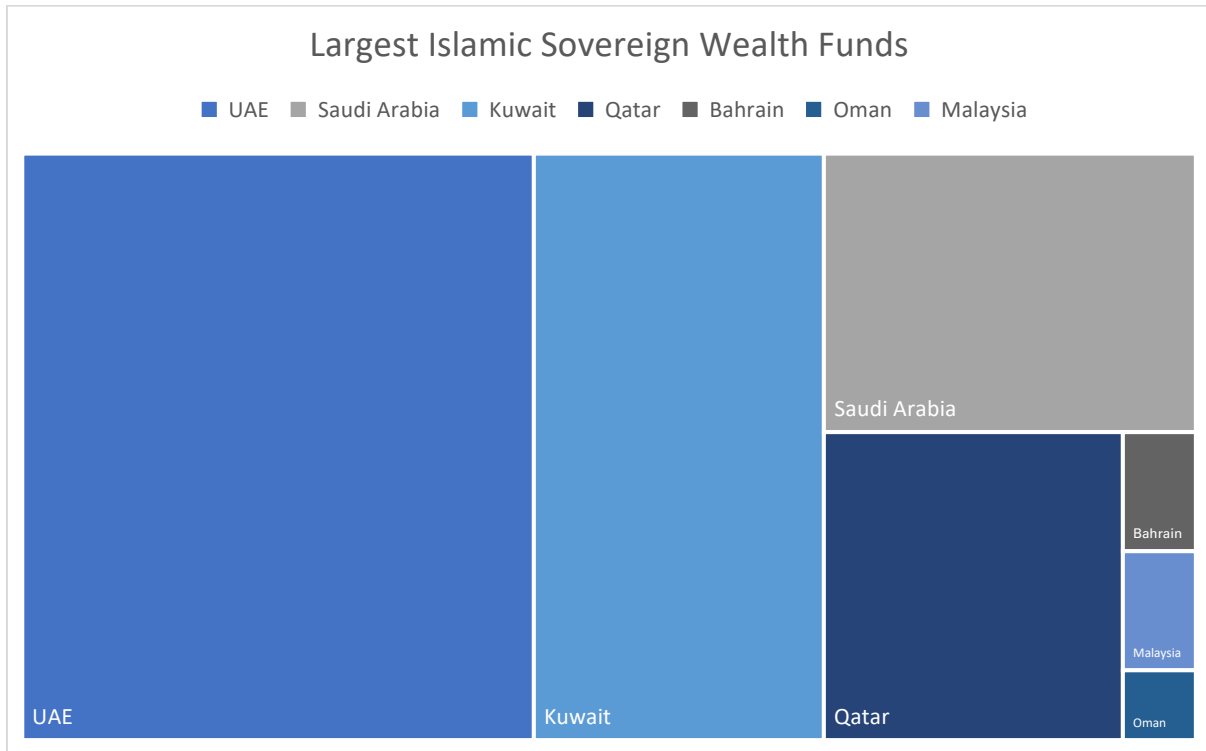


Figure 7: Geographic distribution of Islamic sovereign wealth funds

Traditionally, more than 90% of assets held by these funds were invested outside of their home countries, especially those held by GCC member countries.⁶²

Recently, this has begun to change, accelerated by the need to invest in the country due to the global pandemic.⁶³ Mubadala, of the UAE, now invests 20% of its \$243 billion in assets into the UAE. The Qatar Investment Authority now invests 21% in the Middle East North Africa region, while Mumtalakat of Bahrain invests 62% in the local region. Khazanah invests 64% into Malaysia, though it has historically maintained high levels of investment in Malaysia itself.

With this inward investment comes a lot of opportunity to create impact, especially in the renewable energy sector. In addition to working to focus on green energy, the large Islamic sovereign wealth funds are becoming more aware of the impact they could create if they could change how they invested throughout their entire portfolio.

⁶¹ See Appendix B

⁶² <https://www.arabianbusiness.com/banking-finance/458506-saudi-sovereign-wealth-fund-anchors-new-300m-shariah-credit-fund>

⁶³ <https://www.wsj.com/articles/sovereign-wealth-funds-invest-more-at-home-as-covid-19-hits-economies-11626427802>

Three of the largest Islamic sovereign wealth funds, ADIA and Mubadala of the UAE and PIF of Saudi Arabia, have all announced that they are developing ESG frameworks to apply to their entire portfolios.

The UAE sovereign wealth funds have announced that they are developing this in house, while PIF has announced it will be hiring BlackRock to help them create a framework.^{64 65} These funds together represent \$1.72 trillion dollars in value, or about 2% of the world's economy.

The trend to invest more at home has also led to several large investments that have created impact. PIF has created a 300 million sharia fund to lend to small and medium sized businesses⁶⁶, and Mumtalakat of Bahrain, has invested in the Elm Fund, which has created a new campus of American University in Bahrain.⁶⁷

4.2.1.1 Impact spotlight: Impact creation from Islamic sovereign wealth funds

The One Planet Sovereign Wealth Fund Working Group was formed with six original members in 2018 to increase the amount of investment into renewable energy.⁶⁸ The major Islamic sovereign wealth funds, along with the Norwegian sovereign wealth fund, have been the main drivers. In 2018, the Working Group published a framework with which to pursue this goal, and has been careful to record their impact.

The Abu Dhabi Investment Authority has significant stakes in Indian green energy companies Greenko and ReNew, enabling for a significant expansion in their operations. Between the two, they have 8GW of energy, with 7GW under construction. They are responsible for avoiding 0.5% of India's carbon emissions, creating 40,000 jobs and providing 1% of all India's electricity⁶⁹.

Mubadala of the UAE has extensive renewable energy investments already, including a plant that converts waste energy in Australia, the first green Real Estate Investment Trust in the UAE, the largest single solar power facility in the world, and Indonesia's first floating power plant⁷⁰.

⁶⁴ Ibid.

⁶⁵ adia.ae/en/investments

⁶⁶ <https://www.arabianbusiness.com/banking-finance/458506-saudi-sovereign-wealth-fund-anchors-new-300m-shariah-credit-fund>

⁶⁷ <https://2020annual.mumtalakat.bh/wp-content/uploads/2021/07/Mumtalakat-AR-2020.pdf>

⁶⁸ <https://www.ifswf.org/general-news/one-planet-swf-working-group-publish-framework-climate-change>

⁶⁹ adia.ae/en/investments

⁷⁰ https://annual.mubadala.com/wp-content/uploads/2021/07/Mubadala_2020_Annual_Review_EN-v9-1.pdf



Figure 8: A floating power plant, similar to the one Mubadala is currently financing in Indonesia through its energy subsidiary, Masdar⁷¹

PIF of Saudi Arabia, a \$360 billion fund,⁷² has pledged to make 50% of its investments into renewable energy, launched a green sukuk to do so, the first Islamic sovereign wealth fund to do so, set up a voluntary exchange platform for carbon creditors⁷³, and invested in a 1.5 GW solar power farm, enough to power 185,000 homes in Saudi Arabia.

The Kuwait Investment Authority has agreed to invest \$10.4 billion in Saudi green initiatives to lower emissions in the region⁷⁴.

The Qatar Investment Authority has signed a joint venture partnership agreement with Enel Green Power to invest in renewable energy in sub-Saharan Africa, which includes the construction of 587 MW of new renewable energy

⁷¹<https://www.powerengineeringint.com/renewables/indonesia-to-receive-first-ever-floating-solar-plant/>

⁷²<https://www.frstrategie.org/sites/default/files/documents/programmes/observatoire-du-monde-arabo-musulman-et-du-sahel/publications/en/201912.pdf>

⁷³ <https://www.arabianbusiness.com/banking-finance/458506-saudi-sovereign-wealth-fund-anchors-new-300m-shariah-credit-fund>

⁷⁴<https://www.bloomberg.com/news/articles/2021-10-26/kuwait-s-wealth-fund-plans-to-invest-in-saudi-green-initiatives>

capacity⁷⁵, and entered into an agreement with Rolls Royce to develop and invest in green technology start-ups, creating 10,000 jobs⁷⁶.

4.2.2 Islamic banks

Islamic banking total assets are estimated at just under \$2 trillion,⁷⁷ of which 55% have been recorded in this report. Analysis of their ESG reports puts the banks in two broad camps when it comes to impact creations. Some banks rely on the concept of zakat (charitable giving, mandated by Islam) as their vehicle for creating impact. Examples include acts of charity and philanthropy such as funding hospital services, or school sports. Other examples include making bank branches more eco-friendly.⁷⁸

On top of ensuring environmentally friendly business operations, Dubai Islamic Bank has begun to be involved in the issuance of corporate and sovereign green sukus, including \$7.5 billion in new green sukus for the Malaysian government, \$1.2 billion for the world's first and second international corporate green sukuk, and \$600 million sukuk for Etihad airways – the first aviation green sukuk.⁷⁹

Other banks are moving much more quickly into discussions about pivoting their whole businesses toward responsible banking, and incorporating ESG lenses across all investment decisions. Malaysian banks are spearheading this approach, with large banks such as CIMB suggesting incorporation of economic and social considerations into risk assessment and management strategies.⁸⁰ CIMB is also introducing new guidelines for financing, investment and procurement with regard to climate change.

This is not to say GCC based banks are not incorporating ESG metrics into their organisations.⁸¹ Qatar Islamic Bank, for example, has published its plan to do so.

⁷⁵<https://www.enelgreenpower.com/media/press/2021/01/enel-and-qatar-investment-authority-join-forces-to-develop-renewables-in-sub-saharan-africa>

⁷⁶ <https://www.reuters.com/world/middle-east/qatar-rolls-royce-plough-billions-pounds-into-green-tech-startups-2021-11-01/>

⁷⁷ Using estimate of \$1.992 trillion found here: <https://www.mordorintelligence.com/industry-reports/global-islamic-finance-market>

⁷⁸ https://www.alrajhibank.com.sa/ir/esg_report/esg_report.html

⁷⁹ <https://www.dib.ae/docs/default-source/pdf/esg-design-lq-27-07-2021.pdf>

⁸⁰ <https://www.cimb.com/content/dam/cimb/group/documents/sustainability/CIMB-Press-Release.pdf>

⁸¹ <https://www.qib.com.qa/wp-content/uploads/2021/11/QIB-Sustainability-Report2020-En.pdf>

4.2.3 Islamic investment funds

The size of the Islamic investment funds market is small compared to the sovereign wealth funds and banks: it has been estimated at approximately \$100 billion worldwide.

Twenty percent of that market has been mapped in some detail in this report, with overall results as follows:

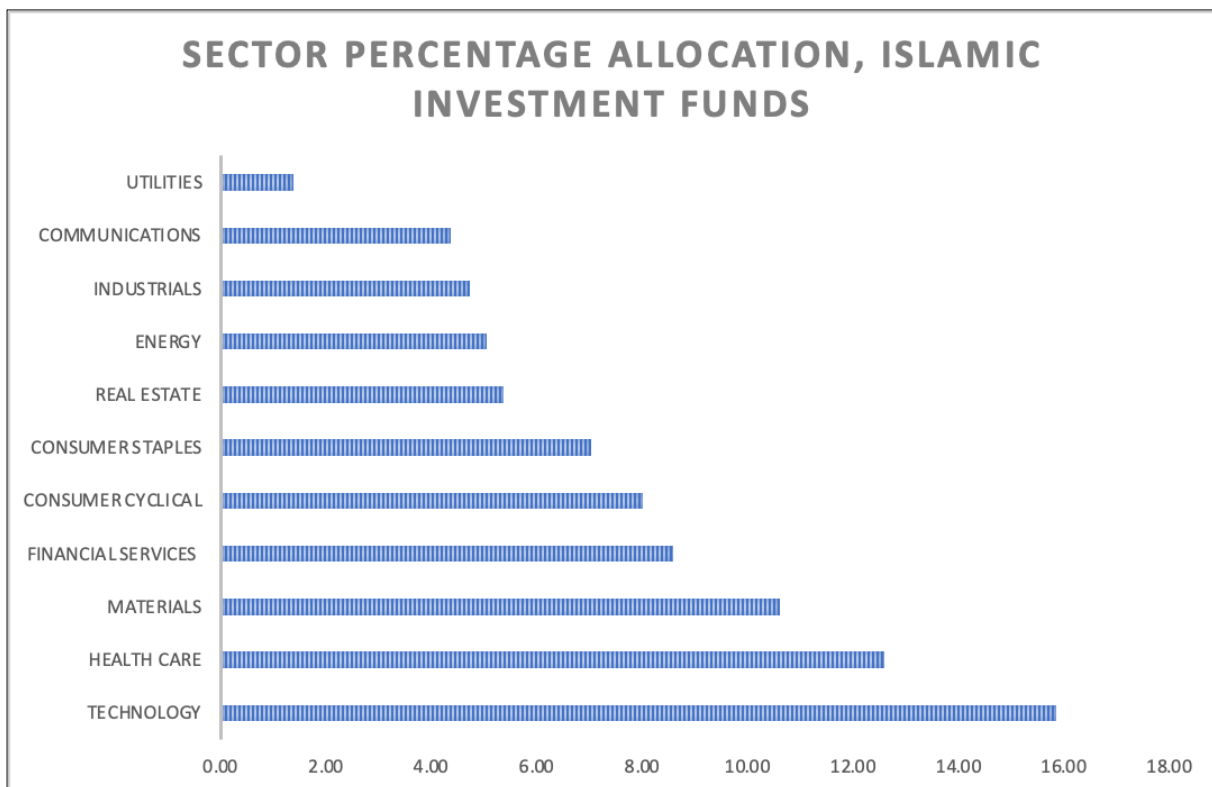


Figure 9: Average sector allocation⁸²

Islamic investment funds recorded in this study show concentrations in technology (16%), health care (13%) and materials (11%). Perhaps unexpectedly for Islamic investment funds, which tend to avoid financial services because of strictures concerning the avoidance of debt, there is a 9% average allocation for financial services.

This is explained when separating out funds that invest in Muslim-majority countries only, and funds that invest more widely. The technology and financial sector weightings vary noticeably when geographic concentrations are taken into account.

⁸² See Appendix B

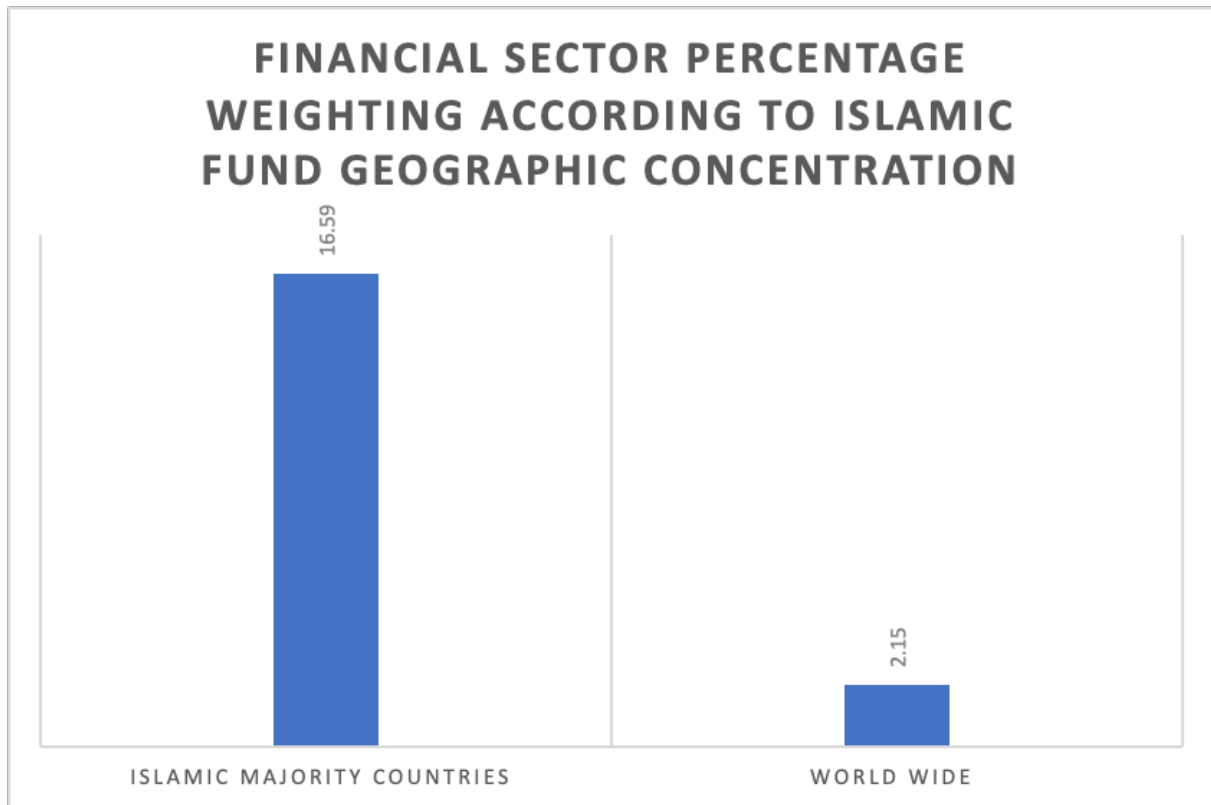


Figure 10: Islamic investment fund financial sector weighting according to whether a fund's geographic weighting is worldwide or in Islamic countries only

Worldwide funds, which include investments in North America and Europe in particular, have low weightings for the financial sector (2.15%), while those that only invest in Islamic-majority countries have a very high concentration (16.6%). Analysis of holdings of these funds, where possible, suggest that Islamic banks, being consistent with sharia, are thus permitted to be invested in, while financial services firms in other parts of the world are not sharia compliant.

Technology concentrations are also markedly different using the same geographic concentrations. Analysis of holdings, where available, suggests technology investment appetite is therefore for large, blue chip technology companies such as Google, Apple and Facebook, while remarkably less so in jurisdictions where those equities are not listed.

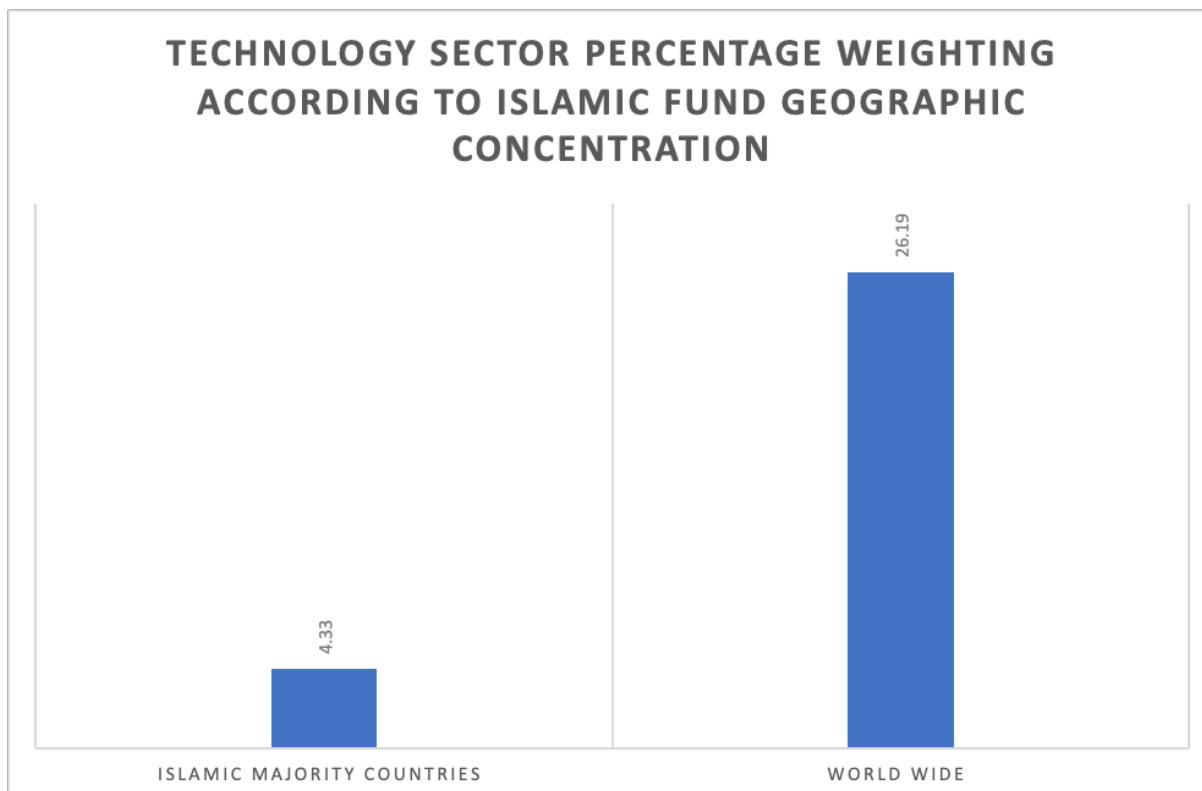


Figure 11: Islamic investment fund technology sector weighting according to whether a fund's geographic weighting is worldwide or in Islamic countries only

Nothing was found in analysis of this section of Islamic-aligned capital that suggested ongoing impact investing. This could be explained by the existence of a separate area: Islamic socially responsible investment funds.

4.2.4 Islamic socially responsible investing

Islamic Socially Responsible/Sustainable/ESG Funds (referred to here as SRI) are in a well-established category of their own separate from other Islamic Investment Funds. The average size of SRI Funds recorded is \$66.3 million: smaller than non-SRI Funds, where the average was \$398.7 million.

In addition to investment funds, several Islamic-focussed development funds create impact either through investment or grant-making. Of note are the Islamic Development Bank, with assets of \$35 billion,⁸³ Awqaf Properties Fund, with assets of \$92.4 billion⁸⁴ and the Islamic Solidarity Fund for Development, with \$2.7 billion in funds.⁸⁵

⁸³ <https://www.isdb.org/sites/default/files/media/documents/2021-09/2020%20IsDB%20Annual%20Report%20FINAL%20QRC%20%281%29.pdf>

⁸⁴ https://isfd.isdb.org/EN/who_we_are/Documents/ISFD%20in%20Brief_10.10.2012.pdf

⁸⁵ https://isfd.isdb.org/EN/who_we_are/Documents/ISFD%20in%20Brief_10.10.2012.pdf

Sector percentage allocations in these investment funds vary from non-sustainable/SRI/ESG Islamic funds. Materials allocations are much lower from 10.6% to 2.4%, potentially due to sustainability concerns regarding basic mineral extraction. Technology allocations are much higher, from 15.85% to 29.35%.

A comparison of the sector allocations of the two types of funds, SRI and non-SRI, is provided below:⁸⁶

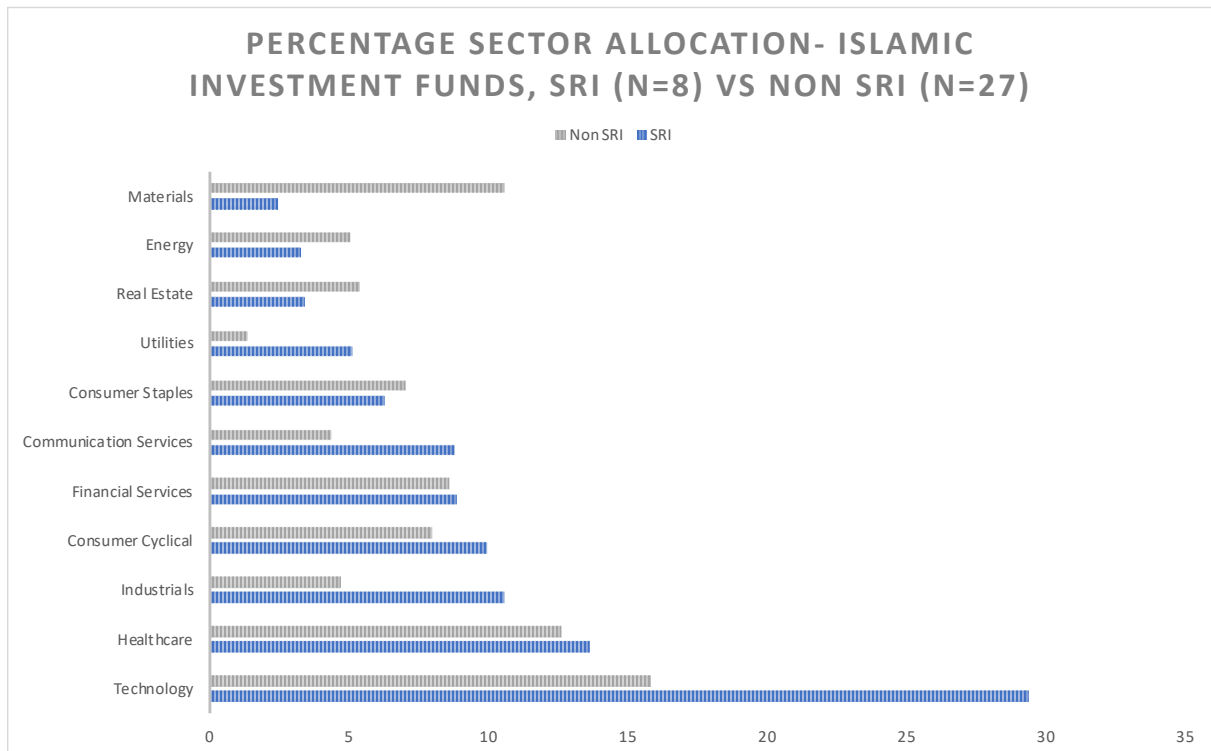


Figure 12: Comparison of sector allocation of Non-SRI Islamic funds and SRI Islamic funds

⁸⁶ See Appendix B

4.3 Dharmic-aligned capital

Total net value of assets recorded:	\$298,774,183,884
Number of organisations recorded:	92
Average asset value:	\$3,247,545,477

Impact investing is a relatively new concept in India,⁸⁷ the largest of the majority Dharmic nations. The market attracted \$1.1 billion in impact investment in 2016. The average size of assets under management by Indian impact investors in 2018 was estimated at \$36 million, ranging from \$0.15 million to \$89 million, representing about 30 firms.⁸⁸ Information on whether these firms operate along secular or religious lines is not available.

India’s census bureau estimates that 84% of the population identified with a Dharmic religion (Hinduism, Jainism, Buddhism, and Sikhism).⁸⁹ Eighty percent are Hindu. Religious wealth within these religions is difficult to ascertain across the Dharmic faiths, given a lack of information around which religious institutions hold wealth, and whether families that would identify with a Dharmic religion would invest or donate their wealth along religious lines.

4.3.1 Dharmic institutional wealth

Institutional wealth in Dharmic religions concentrates around the wealth held by temples. In particular, temples hold gold, donated by devotees and others over an extended period of time. The World Gold Council’s best estimate for the total amount of gold held by Sikh and Hindu temples in India is 4,000 tonnes, valued at \$264,000,000,000, out of a total held in India of 22,000 tonnes.⁹⁰ This value estimate does not include assets held in cash, building or land values, or any other investments. The temple gold wealth is relatively concentrated, with 15% of gold reserves controlled by two temples.⁹¹

⁸⁷ <https://www.brookings.edu/wp-content/uploads/2019/07/The-promise-of-impact-investing-in-India.pdf>

⁸⁸ <https://www.brookings.edu/wp-content/uploads/2019/07/The-promise-of-impact-investing-in-India.pdf>

⁸⁹ https://censusindia.gov.in/census_and_you/religion.aspx

⁹⁰ <https://www.gold.org/goldhub/research/india-gold-market>

⁹¹ <https://www.holidify.com/collections/richest-temples-in-india>



Figure 13: The Padmanabha Swamy Temple in Thiruvananthapuram, India, is the richest place of worship in the world, with over \$22 billion in assets.⁹²

Some of the smallest temple endowments, ranging from a few hundred dollars to \$8.5 million, have been pooled by the Hindu Heritage Endowment, and these assets are managed by Halbert Hargrove in California.⁹³ Significantly, there is no evidence of any Hindu-specific investment terms, with the goal being increased financial security for temples. The total size of the combined fund is small, at \$19.5 million.⁹⁴

Since the beginning of the global pandemic, over 1,000 Indian temples have begun to monetise previously illiquid gold holdings to cover operational shortfalls.⁹⁵ This has led to renewed calls for illiquid gold holdings to be used to create impact, an issue that has been part of the national discussion in India for some time.⁹⁶ A few temple institutions have answered the call to use their wealth to create impact, an example of which can be found in 4.3.3.

⁹² <https://www.indiatvnews.com/fyi/padmanabhaswamy-temple-treasure-vaults-chambers-gold-silver-travancore-royal-family-kerala-634028>

⁹³ https://www.hheonline.org/hhe_keynote.shtml

⁹⁴ https://www.hheonline.org/funds_list.shtml

⁹⁵ <https://www.bloomberg.com/news/articles/2020-09-17/india-s-hindu-temples-tap-into-gold-reserves-to-pay-covid-bills>,

<https://www.telegraph.co.uk/news/2020/08/26/1200-hindu-temples-india-will-pawn-gold-maintain-running-costs/>

⁹⁶ <https://www.livemint.com/news/india/covid-may-unlock-staggering-riches-of-india-s-temples-11598372691944.html>

4.3.2 Philanthropy from families

Philanthropic giving remains a much more common and growing method for impact creation in India. In 2020, private giving totalled \$8,300,000,000, 23% more than in 2019. Twenty percent of this came from family philanthropy.⁹⁷ This figure could be slightly misleading. Domestic corporate contributions total 28% of all giving in India, where family-controlled businesses consist of 70% of the economy.⁹⁸

Sources of family philanthropy come from families of many different faiths, some Dharmic, and some not. The Tata Trusts, which last year disbursed \$156,000,000, are backed by the Tatas, who are a Parsi (Zoroastrian) family.⁹⁹ The Aziz Premji Foundation has \$21,000,000,000 in assets, and is resourced by Mr Premji's family, which is Muslim.¹⁰⁰ Without statements attesting to religious guiding principles to their giving, it is difficult to ascertain whether family philanthropy occurs due to religious principles.

However, research indicates that 95% of family business owners have at least some philanthropic commitments and interests. Ninety percent of such families in India also participate in philanthropic activities beyond giving money, in contrast to the global average of 68%.¹⁰¹ In a country in which 84% identify with a Dharmic tradition, there is some justification to conduct further research into how much Dharmic values might foster a greater atmosphere of philanthropic giving in contrast to other geographies and religions.

Generating profit while intentionally creating impact could contravene religious principles in some aspects of Dharmic religion. The Jain teacher Mahavir, for example, teaches that there must be a limit to material possessions.¹⁰² Philanthropy is thus a way of limiting one's wealth. Generating a return, therefore, would stand in contradiction to the very reason the impact is being created. This could help to explain why impact creation occurs mainly through philanthropy, and why the impact investing market remains small.

⁹⁷ <https://www.bain.com/insights/india-philanthropy-report-2021/>

⁹⁸ <https://economictimes.indiatimes.com/small-biz/entrepreneurship/indian-family-businesses-can-take-a-cue-from-germany-and-japan-deloitte-indias-k-r-sekar/articleshow/87013009.cms?from=mdr>

⁹⁹ <https://www.tatatrusters.org/Upload/PDF/annual-report-srft-2018-19.pdf>

¹⁰⁰ <https://www.reuters.com/article/us-wipro-premji-idINKBN1QU21H?edition=redirect=in>

¹⁰¹ <https://www.bain.com/insights/india-philanthropy-report-2021/>

¹⁰² <https://www.herenow4u.net/index.php?id=155094>

4.3.3 Impact spotlight: Delhi Sikh Gurudwara Management Committee

The Gurudwara Rakab Ganj Sahib is a Sikh temple located near Parliament in central New Delhi, founded in 1783. It also serves as the headquarters of the Delhi Sikh Gurudwara Management Committee (DSGMC).

Its finances are not published in full, but for the 2018-19 financial year, its operating budget was \$16,900,000.¹⁰³

DSGMC manages 15 public schools in New Delhi, along with 10 higher education academies, seven religious schools, and six hospitals.¹⁰⁴

One of these hospitals was set up in 2021 in response to the Covid-19 pandemic, opening in New Delhi in May 2021 with 400 beds.¹⁰⁵



Figure 14: Volunteers at the new DSGMC Covid care centre¹⁰⁶

A second hospital opened by the same organisation offers discounted services, with an MRI priced at just 50 rupees, or 67 US cents, and kidney dialysis for 600 rupees.¹⁰⁷

¹⁰³ <https://www.tribuneindia.com/news/archive/delhi/dsgmc-approves-rs-130-crore-annual-budget-accepts-president-s-superiority-588317>

¹⁰⁴ <https://www.dsgmc.in/Home/Index>

¹⁰⁵ <https://www.reuters.com/world/india/sikh-temple-opens-hospital-help-india-fight-coronavirus-wave-2021-05-10/>

¹⁰⁶ PC: Yasir Iqbal <https://www.indiatoday.in/magazine/cover-story/story/20210531-sikh-temple-opens-hospital-in-the-premises-to-treat-covid-patients-1805340-2021-05-22>

¹⁰⁷ <https://www.deccanherald.com/national/north-and-central/mri-scan-at-rs-50-cheapest-diagnostic-facility-to-start-functioning-from-december-896903.html>

DSGMC is managed as a blend of impact creating investments, as above, and philanthropy. For example, the Committee also offers financial support to Sikh families who have lost family members to Covid-19.¹⁰⁸

¹⁰⁸ <https://www.dsgmc.in/SangatServices/SpecialReliefPackage>

4.4 Jewish-aligned capital

Total net value of assets recorded:	\$16,132,989,576
Percentage of the market by value ¹⁰⁹ :	62.04%
Number of organisations recorded:	23 ¹¹⁰
Average net asset value:	\$701,434,329

Jewish capital recorded in this report is mostly philanthropic, though annual reports of the different organisations demonstrate considerable impact creation through their activity.

In addition, impact investing using a Jewish lens is a nascent but growing field. The Jewish Community Foundation of San Diego is currently transitioning about 10% of its assets into an ESG pool, and offers its donors the opportunity to invest in an impact investment pool.¹¹¹

Research suggests that most Jewish philanthropic capital originates in the United States, with approximately 30% to 40% disbursed to Israel-related groups, 20% on health care and social service, 20% on education and the remainder split between cultural, religious and community projects, and general advocacy.¹¹²

Efforts to move some of this philanthropic capital toward more impact investment focussed capital should also take into account incentives in the US tax system for charitable donations.

¹⁰⁹ Based on a market size estimated at \$26 billion, found here: <https://forward.com/news/israel/194978/26-billion-bucks-the-jewish-charity-industry-unco/>

¹¹⁰ See Appendix C for list of funds and values

¹¹¹ <https://jcfsandiego.org/resources/impact-investments/impact-investment-pool/>

¹¹² <https://forward.com/news/israel/194978/26-billion-bucks-the-jewish-charity-industry-unco/>

4.4.1 Impact spotlight: The Jewish Communal Fund

The Jewish Communal Fund (JCF) was set up in 1972 in New York to provide a pool of capital to help the Jewish Community of Greater New York.¹¹³ It has since grown to managing 3,800 funds totalling almost \$2,000,000,000 in assets. JCF has previously been designated the second largest grant-maker in the United States. Since 1972, \$217 million dollars has been granted to the UJA Federation and \$312 million has been granted to Israeli charities.

Commensurately, JCF has created significant impact. In the last few years, JCF has contributed greatly to food security in New York, supporting local businesses and improving local communal community facilities.

While JCF's activities are mostly grant-making and philanthropic, it also offers some impact investing opportunities, such as:

- **JLens Jewish Advocacy Strategy:** JLENS is a leading advocate in the field of Jewish socially responsible investing, and is responsible for the JLens Jewish Advocacy Strategy, a values-based S&P 500 index strategy that aligns with Jewish values and advocates for communal concerns in the socially responsible investing and corporate social responsibility movements. The portfolio consists of 300 companies based on negative screens and scoring on six Jewish values.
- **The JCF-HFLS Social Impact Loan Program:** The Jewish Communal Fund, in partnership with the Hebrew Free Loan Society, works with JCF fundholders with accounts over \$100,000 to use a portion of charitable assets on issuing interest-free loans for lower income borrowers.
- **The JCF-Ogen Israel Impact Loan Program:** This program allows for cheap loans to be made to low- and middle-income families, small businesses and non-profits in Israel. Ogen, formerly the Israel Free Loan Association, has lent over \$360,000,000 since 1990.

¹¹³ <https://jcfny.org/>

Conclusion

The survey of data from different faith investing and impact creation operations highlight some key similarities. Across all faiths, impact creating investment activity appears to still be only a small fraction of total investment activity. 3% of recorded assets were listed as definitively ESG, SRI impact. Within recorded Christian funds, it was 1%; within recorded Islamic funds it was 3.22%. There was not enough data to arrive at a similar number for Dharmic or Jewish funds. The calculated percentages are however broadly in line with global investment activity as a whole (0.6% to 2%), with some indication that Islamic finance may be ahead of the global average. The data, however, remains incomplete either due to lack of transparency or lack of data collection on impact creation. This report has helped to identify where some of this activity is taking place (see appendices for list of institutions using publicly available information), as well as the concentration of impact creation activity across the different faiths where it can be found. Further work will need to be done to obtain data that is not currently publicly available to complete the mapping of this space.

Key large institutions are now formally developing and installing ESG and similar investment frameworks across their entire investment portfolio- whether those are Christian churches, Islamic banks and SWFs, Hindu families, Jewish community funds or other faith-aligned funds. While specific impact creation using faith-aligned investment capital appears to remain in its infancy, the moves toward greater sustainability and focus on impact creation are hopeful signs that a greater movement of capital toward impact creation is about to take place, with faith-aligned actors potentially leading the way.

The following section consists of in-depth cases of innovations in impact creation using faith-aligned resources, along the different faith lenses that we have seen¹¹⁴. The cases show how known investment structures have been adjusted to be faith-compliant, and why different faith values and requirements lead to different capital structures. The cases, along with the impact spotlights above, are also intended to provide other faith-aligned investors with replicable models for their own impact creation activities.

¹¹⁴ A Jewish funds-led impact creation study could unfortunately not be included due to the delayed participation of key contributors.

5.0 Case studies

5.1 Case One: Charm Impact/Good Energies

Overview

Case type:	Catalytic capital: Philanthropic with intention to be used for microloans
Case use:	Investment example/ teaching/ investment prospect
SDG alignment:	SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all. In particular, Target 7.1: "Ensuring universal access to affordable, reliable and modern energy services"
Geography:	Nigeria, with intended expansion into wider sub-Saharan Africa, India
Sector:	Renewable energy/ microfinance
Primary faith involved in this case:	Christianity – Catholicism
Investor/ grant-maker:	Good Energies, a foundation backed by the Brenninkmeijer family, and Porticus, focussed on renewable energy, tropical forest preservation and local empowerment
Investee/ grant recipient:	Charm Impact, a company making affordable microloans in emerging markets to allow companies to install localised solar panels to run and expand their businesses

5.1.1 Summary

Good Energies is a private foundation that works at the intersection of climate change and poverty alleviation by providing grants that promote access to renewable and affordable energy for people living in poverty.

Charm Impact is an impact investment platform that crowdsources loans for companies that offer distributed energy solutions in sub-Saharan Africa and South Asia, increasing the number of people who have access to affordable, reliable and clean electricity in emerging economies.

In 2020, Good Energies granted €300,000 catalytic first-loss capital to Charm Impact to make loans, encourage retail investor participation during capital raises for the loans and to cover operational costs.

Good Energies did not require a return on the grant capital provided, but they did agree on several impact performance indicators, including raising the number of people with access to reliable electricity and the number of new retail investors in this space.

Good Energies and Charm Impact have a close working relationship based on trust. Charm provides interim reports to Good Energies outlining project activities, specifically around the investments made with the help of the first-loss facility.

OxFAIF gratefully acknowledges the contributions through interviews of **Bethany Larsen**, co-founder at Charm Impact, and **Stephanie Jones**, Programme Manager at Good Energies. Our thanks also to **Johannes van de Ven**, Executive Director of Good Energies.

5.1.2 Investor: Good Energies

Good Energies Foundation is a Swiss-based private foundation. It was established in 2007 as an integral part of Good Energies Inc., a private equity company specialised in investing in the renewable energy and energy-efficiency industries. After the private equity branch was wrapped up, Good Energies Foundation began strategic grant-making in 2014, focussing on renewable

energy and the preservation of tropical forests. These areas were chosen both for their climate benefits and human benefits.

The foundation works in partnership with Porticus, the international organisation that manages and develops the philanthropic programmes of charitable entities established by the Brenninkmeijer family. These principal funders are aligned with Catholic values, as subsequently underlined and supported by *Laudato Si'*, Pope Francis' encyclical calling for more sustainable investing and for greater protection and preservation of the natural environment.

Good Energies' core values of focussing on the vulnerable and empowering those at the grass roots level are also driven by the Brenninkmeijer family's values, grounded in their faith.

While Good Energies takes its cue for its mission from these values, in particular the Christian principle of humanity's stewardship of the natural world, it does not apply a religious filter either to determine who works for them, or with whom they work. Good Energies views its primary return as impact creation, and not financial return.

Like Charm Impact (the investee in this case, see below) Good Energies also seeks to increase access to reliable, affordable electricity to the 800 million people across the world who do not have it.

Good Energies typically operates on a grant-making basis, but when there is a market need, they will also deploy capital as a financial product, such as patient loans. For example, if a grantee/investee would send a better signal to the market by taking a loan rather than a grant, Good Energies will consider this in its capital deployment decision.

Good Energies finds its investment and grant-making opportunities through a large, established network of partners who provide pipeline.

5.1.3 Investee: Charm Impact

Charm Impact is a start-up established to help mitigate two of the greatest challenges facing our generation: combating climate change and achieving universal access to clean and affordable energy.

Their mission is to empower entrepreneurs in some of the toughest environments to scale their innovative solutions and make a meaningful difference for the world.

Charm is a crowdfunding platform that raises money from retail investors to make loans to entrepreneurs leading distributed renewable energy projects in emerging markets. The loans are repaid from the income generated from these projects. Affordable loans for these small companies in these markets are otherwise unaffordable.

Charm has successfully raised funding to issue loans worth £430,000 for 10 projects, avoided 37,900 tonnes of CO₂e, and reached 311,930 people.

Charm's first projects have been in Nigeria, but they are aiming to expand into the rest of sub-Saharan Africa and India. They are currently actively fundraising to finance their expansion.

So far, Charm has raised a seed round via Crowdcube and received grant funding from Good Energies (see above), UK Aid, InnovateUK, Signify Foundation and Energy4Impact.

5.1.3.1 Example project

An example of one of Charm's projects is its £100,000 loan to Havenhill Synergy, a cleantech utility in Nigeria.

Havenhill is using the capital to deploy 210kW of smart solar systems to 21 healthcare facilities in Nigeria's Oyo state. This is Havenhill's second loan from Charm, after they repaid an initial loan of £23,000.

Power disruptions are common for health facilities across the country. Most large hospitals cope by leveraging other energy sources (such as backup diesel generators); however, these options are prohibitively expensive for small health centres as well as damaging for the environment.

Havenhill's energy-as-a-service model provides health facilities with affordable and clean energy. Their first solar energy installation at a hospital in 2018 yielded incredible results, providing 24/7 access to electricity while saving the hospital \$24,000 on its annual energy expenditure.

This project aims to build upon that success with support from Power Africa, an initiative of the United States Agency for International Development and

other Development Finance Institutions. In 2021, it went on to raise \$4.6 million in investment to expand from the African Development Bank and Chapel Hill Denham Nigeria Infrastructure Debt Fund.¹¹⁵



Figure 15: A health centre in Nigeria powered with solar panels thanks to a loan from Charm Impact to Havenhill Synergy, a cleantech utility in Nigeria

5.1.4 Investment structure

Charm received a grant of €300,000 from Good Energies. Of this, €100,000 was for business operations, while €200,000 was allocated as first-loss capital for deployment in the loans to small businesses such as Havenhill. Up to 40% of capital for each project was loaned by Charm using capital from Good Energies.

Good Energies required interim reporting on how capital was deployed and asked for right of approval should Charm feel the need to lend more than 35% of a loan for a project from capital originating from Good Energies. Good Energies themselves lack the ability to make microloans in these jurisdictions, something in which Charm specialises.

¹¹⁵ <https://www.afrik21.africa/en/nigeria-ndif-invests-4-6m-in-havenhill-for-22-solar-mini-grids/>

Good Energies requirements were oriented toward impact outcomes. Key performance indicators are included in detail in the impact section below. Good Energies set a time limit of the end of 2021 for full deployment of allocated capital and wanted an average ‘multiplier effect’ of 2.5x – that is, that the total loan capital disbursed should be at least 2.5x the size of the capital contribution from Good Energies (or an average of 35% of the loan portfolio).

In addition, there were targets for the number of people who would gain access to reliable electricity, the number of new customers for partner companies on the ground and the number of new retail investors catalysed by the grant.

While Good Energies did not require a return on this investment, Charm has so far achieved steady and uninterrupted payment across all its outstanding loans, with an average rate of return of 7.78%. As the loans are repaid, the first-loss capital provided by Good Energies is then recycled into further loans, leading to a credit revolver type structure.

Charm is using this track record to encourage further debt investment and offer similar rates of return on other investments, demonstrating a risk-adjusted market rate of return with measurable impact.

Without Charm, these companies would have found it very difficult to fund their expansion. Local banks and MFIs, while active in the areas in question, mostly do not lend to start-ups because of the perceived risk. When loans are available, the cost of debt for borrowers is above 25%. The requirements for collateral for the loan are also prohibitive, with lenders often asking for 100% or more of the loan amount in collateral.

Equity funding is equally difficult because of the limited pool of friends and family capital, making it difficult to get even to a seed round. What little equity investment that occurs demands large percentages of businesses for very small investments.

5.1.5 Impact measurement

Purpose of Data Collection:

Good Energies only has impact outcome requirements from their investment into Charm (as opposed to financial return).

As part of their agreement, Charm agreed to project objectives and impact targets.

Good Energies set out two project objectives:

- Promote local sustainable solutions
- Create Innovative Methods of Investment

Their expected outcomes, targets and indicators are set out in Table 2.

Table 2: Expected outcomes, indicators and targets¹¹⁶

Expected outcome	Indicators used	End-of-project target
Growth Finance for local companies	Amount of money deployed for loans	EUR 407,000 by 2021
	Multiplier value of Good Energies grant	Average 2.5X across portfolio
Increased access to electricity for enterprise owners	Number of new customers for partner companies	140 end users
	Number of people gaining access to electricity	2,400 people
Increased investment into the sector	Number of new retail investors coming into markets due to projects	Approx 450 investors (dependent on average investment size)

¹¹⁶ Charm/Good Energies Investment Agreement

Initial data audience: Throughout the project, Charm Impact agreed to an interim report and final report to Good Energies reporting on the targets above.

As an impact investor, Charm also collected impact data to be able to demonstrate the successful impact its projects have to potential investors in their loans, and for larger-scale investors as they raise money for expansion.

Methodology: Charm Impact has a fully functional and transparent impact data collection and management system within its platform. They are capturing impact metrics beyond the Good Energies requirement for all their loans, including kW installed, tCO₂e avoided and the gender diversity of its portfolio.

Charm maintains close relationships with its borrowers on the ground and collects accurate data for its performance indicators through their borrowers on a regular basis. Where they are unable to collect data directly from end customers, they use the GOGLA impact measurement standards¹¹⁷ to estimate impact outcomes.

Results: To date, over 310,000 people have been affected by the projects Charm has supported and 150 new retail investors have been created. Charm loans have avoided over 60,000 tCO₂e, saved end customers money on their energy expenditure and increased the productivity and profitability of MSMEs in emerging economies. This allows Charm to be catalytic in turn, helping to create a new investment market to serve this area.

The reduction of risk thanks to the first-loss capital has allowed Charm to keep loans affordable for borrowers (8-12%) and build a portfolio of predominantly local entrepreneurs. Furthermore, the ability to recycle the capital as loans are repaid means that the same capital can generate more impact beyond the initial target.

5.1.6 Challenges

Challenges remain in terms of breaking down distinctions between for-profit work and charitable work. Many investment professionals do not agree with

¹¹⁷ https://www.gogla.org/sites/default/files/resource_docs/gogla_impact_metricsv4.pdf

interest rates between 8-12% for the loans that Charm is providing because of the perceived risk in sub-Saharan Africa and other comparable areas as a whole.

Yet others in the philanthropic world would urge this activity to be fully philanthropic since the loan sizes are relatively small (£10,000 to £250,000).

One challenge is that repayment of these loans, made in British pounds, is dependent on client revenues, which are in local currency.

Part of Charm's mission is to demonstrate why it is important that these capital infusions take place in the form of investments, and why it is important to get the companies they invest in to move beyond grants and access commercial capital. Charm's strategy involves using an increasingly successful track record to demonstrate a safe and navigable environment for larger-scale investors.

Operating out of the UK when clients are in multiple emerging markets presents its own challenges. For one, being physically located so far away makes it difficult to perform due diligence on companies, and to provide hands-on support. It is very important when the loans are so small to keep due diligence costs as low as possible to ensure the loans pay. As they expand, this challenge will become harder. Charm are thus incentivised to localise some of these functions as soon as they are able. These challenges have been exacerbated by the global Covid-19 pandemic.

Unfamiliarity with the jurisdictions in question makes investment money harder to obtain. Grant money is therefore an easier option but even here, legal hurdles and lack of familiarity in these regions lead to hesitancy on the behalf of grant-makers, as Good Energies have alluded to themselves. Charm's strategy involves using an increasingly successful track record to demonstrate a safe and navigable environment for larger-scale investors.

For Good Energies, pipeline building remains a challenge. Using their existing network of partners is the primary method of pipeline building. However, this naturally excludes good opportunities outside of this network, and is something that is currently only partially addressed.

5.1.7 Further benefits

The capital from Good Energies was catalytic for Charm. By allowing Charm to offer such a large first-loss facility (up to 35%), it helped to de-risk the loan and catalyse investment into a high-risk market.

This also allowed Charm to keep its interest rates manageable for small businesses who would otherwise be priced out of such transformational loans.

Along with the credibility provided by the vote of confidence from Good Energies, the investment has allowed Charm to complete eight loans and build a reputation for successfully raising capital, sourcing projects, repaying investors on time and creating impact.

In turn, Charm has been able to begin expanding the number and size of its loans, raising more from retail investors than ever before.

This successful activity led to an improved valuation for Charm Impact as it closed its seed round in November 2020.

5.1.8 Key takeaways

- Innovative grant-making and patient capital can be crucial to setting up companies to achieve success and scalability, and thus receive investment capital
- Investors and grant-makers wanting to more safely invest and make impact at the grassroots level in jurisdictions they are unfamiliar with should consider working with companies that are specifically set up to work in those situations. This can lower due diligence costs, and cut through unnecessary bureaucracy
- Investors should consider how they can make investments go further by multiplying or recycling their capital efficiently
- Risk assumptions for many jurisdictions may be flawed. So far, Charm has been lending safely at 8%-12% where previous risk assumptions required 25% or more, plus collateral

5.2 Case Two: Khazanah Nasional and the Trust Schools Programme

Overview

Case type:	Investment/ philanthropic mix
Case use:	Investment example/ teaching
SDG alignment:	<p>SDG 4: Quality Education</p> <p>In particular:</p> <p>Target 4.4: “Increase the number of people with the relevant skills for financial success”</p> <p>Target 4.7: “Education for Sustainable Development and Global Citizenship”</p>
Geography:	Malaysia
Sector:	Education
Primary faith involved in this case:	Islam
Investor/Grant maker:	Khazanah Nasional: The sovereign wealth fund of Malaysia, acting in dual impetus to invest in long term economic development of Malaysia, and promoting Islamic finance
Investee/ Grant recipient:	Trust Schools Programme run by LeapEd, a Malaysian social enterprise, and Yayasan Amir, a Malaysian not-for-profit, specialising in school transformation programmes

5.2.1 Summary

Khazanah, Malaysia's sovereign wealth fund founded in 1993, has played a major role supporting the Malaysian government in its mission to promote Islamic finance.¹¹⁸ As an evolution of its ongoing efforts to innovate in this space, Khazanah issued the first Malaysian ringgit-denominated sustainable impact sukuk (an Islamic bond), with the proceeds used to fund the Trust Schools Programme.¹¹⁹

This programme is an initiative to create impact by improving standards in schools, and the culture in the school's local community.¹²⁰ Specifically, it aims to measure improving student performance, teaching, management and community/parent engagement in specially selected schools within the Malaysian public school system. The transformation programmes lasted five years and were implemented by LeapEd, an education social enterprise founded in Malaysia, and Yayasan Amir, a not-for-profit education organisation, both specialising in such programmes.

The sukuk is known as the Ihsan sukuk. It was issued in two tranches of 100 million ringgits (US \$24 million) each in 2015 and 2017, each with seven-year terms and offering annual profit payments to investors (4.3% for tranche one, 4.6% for tranche two).¹²¹ The terms stated that a portion of the principal was to be foregone by investors (a 'haircut') should the Trust Schools hit their KPIs for management, teaching, ongoing professional improvement and student performance.

Tranche two was made available to retail investment for the public.¹²²

While it was difficult to encourage take-up of the first tranche, due to the principle that success would lead to lower returns, banks and corporations were convinced to invest a) because even in the haircut scenarios, returns were very healthy (22% for tranche one) and b) due to the obvious and measurable impact that the investment would have, which fit in with ESG targets for corporations in particular.

¹¹⁸https://www.researchgate.net/publication/266503123_Malaysia_30_Years_of_Islamic_Banking_Experience_1983-2012/link/543656d60cf2dc341db2fd7f/download

¹¹⁹https://www.mifc.com/index.php?ch=ch_contents_media_centre&pg=pg_media_centre&ac=10904

¹²⁰ <https://www.yayasanamir.org.my/trust-schools>

¹²¹ <https://islamicmarkets.com/publications/ihsan-sukuk-berhad-khazanah-nasional-berhad-principal-terms-and>

¹²²https://www.mifc.com/index.php?ch=ch_contents_media_centre&pg=pg_media_centre&ac=10904

OxFAIF gratefully acknowledges the contributions through interviews of **Dato' Mohammed Izani bin Ghani**, former Executive Director of Khazanah Nasional and **Shahnaz Al-Sadat**, Chair of the Board of Directors of LeapEd. Our thanks also to **Omar Shaikh** of the UK Islamic Finance Council.

5.2.2 Investor: Khazanah Nasional

Khazanah, incorporated in 1993 and owned by the Malaysian government, is Malaysia's sovereign wealth fund.¹²³ Its primary mission is to grow the nation's long-term wealth so that its benefits are spread throughout Malaysia. Wealth in this context is defined not only in terms of financial assets, but also in terms of economic development. This leads to two objectives: a commercial objective to achieve optimal risk-adjusted returns, and a strategic objective to undertake strategic investments with long-term economic benefits for Malaysian citizens.¹²⁴

These objectives lead to a two-fund structure, both of which are run according to Islamic principles:¹²⁵

- The Commercial Fund, with goals to generate a return of at least 3% above the Malaysian Consumer Price Index on a five-year rolling basis and a moderate risk appetite
- The Strategic Fund, a developmental fund that seeks to undertake investments to hold strategic national assets and those that generate long-term economic benefits for Malaysian citizens

Malaysia is an Islamic constitutional monarchy with a majority ethnic Malay Islamic population. It is also home to very large minorities of Indian and Chinese Malay citizens, who are for the most part not Muslim. As with the government, Khazanah believes in the Islamic principle that its work must be done for the benefit of all citizens, Muslim and non-Muslim alike.

Malaysia has been at the forefront of Islamic finance starting in the late 1980s and early 1990s.¹²⁶ Malaysian government bodies including the Ministry of Finance, Bank Negara Malaysia (the central bank) Securities Commission and

¹²³ <https://www.khazanah.com.my/who-we-are/about-us/>

¹²⁴ <https://www.khazanah.com.my/media/uploads/2020/02/Infographics-Our-Refreshed-Mandate-scaled.jpg>

¹²⁵ Ibid.

¹²⁶ https://www.researchgate.net/publication/266503123_Malaysia_30_Years_of_Islamic_Banking_Experience_1983-2012/link/543656d60cf2dc341db2fd7f/download

Khazanah have been pursuing and promoting Islamic finance over this time period.¹²⁷

Khazanah had initially been funding the Trust Schools Programme out of a specific fund in an open-ended manner and was motivated to fund the programme on a longer-term and sustainable basis. They decided that a medium-term sukuk would be the answer, in line with both the financing need and the decision to support the government in its continued support of Islamic finance.

The Ihsan sukuk (an Islamic bond), the first ever ringgit-denominated social impact sukuk,¹²⁸ falls under Khazanah's strategic fund and is an initiative to increase long-term economic benefits for Malaysian citizens. The sukuk was issued to help finance transformation in schools, which would have long term benefits for school attendees.¹²⁹

Khazanah decided to structure this investment as a sukuk in order to encourage a widespread take-up, including beyond Islamic investors. While everyone may take part in a sukuk, Islamic investors could not take part in a conventional Western-style bond.

5.2.3 Investee: Yayasan Amir and LeapEd Trust Schools Programme

LeapEd is an award-winning homegrown education provision social enterprise, specialising in providing transformation programmes in schools.¹³⁰ Started by Khazanah, it was spun off, while still maintaining very close links in terms of personnel. Yayasan Amir, founded in 2010, is a not-for-profit that works closely with the Malaysian Education Ministry to improve the accessibility to quality education in Malaysia's public school system.¹³¹

Working in a public-private partnership model with the government, Yayasan Amir and LeapEd run transformational programmes in schools.¹³² These programmes improve curricula, education delivery and school management.

¹²⁷ Ibid.

¹²⁸ https://www.mifc.com/index.php?ch=ch_contents_media_centre&pg=pg_media_centre&ac=10904

¹²⁹ https://www.mifc.com/index.php?ch=ch_contents_media_centre&pg=pg_media_centre&ac=10904

¹³⁰ <https://www.leapedservices.com/>

¹³¹ <https://www.yayasanamir.org.my/about-us>

¹³² <https://www.leapedservices.com/>

For these two organisations, the Ihsan sukuk funding has been crucial because of the need for uninterrupted financing during the five-year transformation programmes.

Yayasan Amir and LeapEd have been working together on their flagship programme, the Trust Schools Programme: a 'comprehensive and sustainable' school transformation programme with four strategic goals:¹³³

- developing high-quality leadership
- improving the quality of learning and teaching
- maximising student achievement
- strengthening the engagement of parents, community and other stakeholders

Through the empowerment of school leaders, students, parents and teachers, the programme aims to develop more holistic students better equipped to deal with 21st-century challenges.

A Trust School is a school in the Malaysian public school system jointly managed by existing school leaders and Yayasan Amir and LeapEd.¹³⁴ To become a Trust School, a school is assessed by Yayasan Amir and LeadEd for alignment of vision and level of interest in school leaders, teachers and wider interest among parents and the community, alongside geographic and school performance factors.¹³⁵ The Ministry of Education also empowers these schools with the power to effect certain changes in their wider communities.¹³⁶

Under guidance from Yayasan Amir and LeapEd, Trust Schools are allowed to determine how their own budgets are set and spent as well as the make-up of their curriculum.¹³⁷

The Trust School Transformation Programme lasts five years.

These transformation programmes are funded through an innovative social impact sukuk, set up and funded by Khazanah under its strategic goals.

¹³³ <https://www.leapedservices.com/our-programmes/trust-schools/>

¹³⁴ <https://www.yayasanamir.org.my/trust-schools>

¹³⁵ Ibid.

¹³⁶ Ibid.

¹³⁷ <https://www.yayasanamir.org.my/copy-of-trust-schools>

5.2.4 Financial structure

The Ihsan sukuk is the first ever ringgit-denominated social impact sukuk, issued to fund the Trust Schools Programme. The sukuk is issued by the Ihsan Sukuk Company, specifically set up by Khazanah to issue to the sukuk, and to keep the schools accountable for their performance, in order to achieve KPIs specified in the terms of the sukuk and approved by the Ministry of Education.¹³⁸

The first tranche of RM 100 million (US \$24 million) was launched in 2015.

The second tranche of RM 100 million was launched in 2017.

Both tranches have seven-year terms.

This would be enough to finance five-year transformation programmes in 40 trust schools. The terms of the sukuk are unique. In exchange for purchasing the sukuk, Khazanah would provide returns generated from the general performance of its wider funds, not from any revenues generated from the schools (which would be more usual under a sukuk). Investors were asked to make a compromise in the return of the principal at the end of the seven-year sukuk period. If the Trust Schools achieved certain KPIs written into the term sheet of the sukuk, the investors would forego 6.3% of the principal for those investing in the first tranche, and 3.18% of the principal of the second tranche. The funds foregone would be given to the Ihsan Sukuk Company to continue to reinvest into schools. The amount foregone is lower in the second tranche because of public (retail investor) involvement.¹³⁹ KPIs would be determined by the promoter before sukuk issuance, and an independent auditor would determine if KPIs were met.¹⁴⁰

Annual profit payments (in a sukuk structure, annual payments are not coupon repayments) over the seven-year period are 4.3% on the first tranche and 4.6% for the second tranche.¹⁴¹

Even in the scenario where the schools hit their KPIs, investors make approximately 22% on their investment.

The Ihsan sukuk technically is a sukuk investment into the Khazanah general investment pool, managed along Islamic lines, with the understanding that the principal is to be used on the Trust Schools,¹⁴² with a subsequent agreement from the sukuk investors that the principal that will be returned will be reduced

¹³⁸ <https://www.yayasanamir.org.my/copy-of-trust-schools>

¹³⁹ https://www.khazanah.com.my/news_press_releases/khazanah-raises-rm100-million-from-second-tranche-of-sustainable-and-responsible-investment-sri-sukuk/

¹⁴⁰ <https://islamicmarkets.com/publications/ihsan-sukuk-berhad-khazanah-nasional-berhad-principal-terms-and>

¹⁴¹ <https://www.theedgemarkets.com/article/khazanah-raises-rm100m-second-sri-sukuk-tranche>

¹⁴² <https://islamicmarkets.com/publications/ihsan-sukuk-berhad-khazanah-nasional-berhad-principal-terms-and>

if the transformation programmes are successful, as defined by the KPIs specified in the terms.¹⁴³

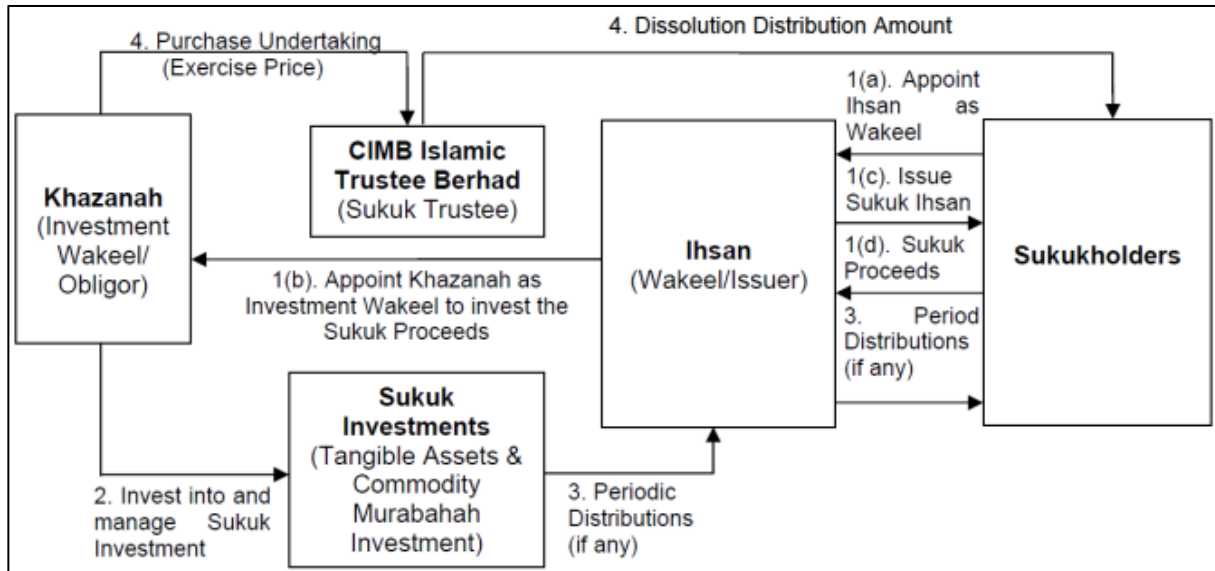


Figure 16: The structure of the Ihsan sukuk¹⁴⁴

The diagram above, Figure 16, lays out the structure of the sukuk and its management. Sukuk holders purchase the sukuk from Ihsan – the *wakeel*, or agent, who will invest the funds.

The originator, in this case Ihsan, is usually appointed wakeel (labelled 1a in Figure 16) and they issue the sukuk (1c) and receive the funds from sukuk holders as they purchase the sukuk (1d). In this case, Ihsan then appoints a secondary agent to manage the money to generate profit: the investment wakeel, Khazanah (1 b). Khazanah issues the proceeds to LeapEd but continue to manage their own funds (2) and continue paying profit payments to Ihsan, who then distribute them to the sukuk holders (3). CIMB are the banking partner and trustee who distribute the principal at the end of the term to the sukuk holders, in this case less any amount foregone (4).

¹⁴³ Ibid.

¹⁴⁴ The Potential of Innovative Financial Tools: Social Impact Bond (SIB) and Sustainable and Responsible Investment (SRI) Sukuk, Towards the Sustainable Growth of The Islamic Finance Industry
https://www.researchgate.net/figure/Ihsan-sukuk-structure_fig4_301699682

5.2.5 Impact measurement

Purpose of data collection: LeapEd and Yayasan Amir had to collect data to show that progress was being made toward their KPIs.¹⁴⁵ KPI achievement determined the amount of principal that investors would receive from the sukuk. They were kept accountable by the Ihsan Sukuk company, who would receive the extra funds from the reduction in the principal paid back to sukuk holders if the KPIs were met.

Initial data audience: Evidence of these KPIs being met provided evidence to investors of the terms of the sukuk being carried out and provided evidence on the efficacy of the first iteration of the Trust Schools Programme (TSP1.0), allowing for further iterations and adjustments to the programme.

Methodology: The KPIs were based around school leaders, teachers and students and were included in the sukuk Investment Memorandum. They were:¹⁴⁶

- **KPI 1.** There is high-quality leadership and management. Leaders should be able to:
 - Develop and articulate a school vision
 - Implement Trust School standards and create a holistic environment for students
 - Exercise strategic financial planning
 - Make and maintain improvement plans (as laid out in detail in the Investment Memorandum)
 - Delegate leadership and implement talent development strategies
 - Engage and manage stakeholders such as parents
- **KPI 2.** There is effective continuing professional development. Leaders and teachers should:
 - Be able to reflect on their professional development
 - Be able to actively pursue professional learning opportunities

¹⁴⁵ LeapEd TSP Impact Study <https://www.leapedservices.com/wp-content/uploads/2020/02/TSP-Impact-Study.pdf>
¹⁴⁶ https://www.bixmalaysia.com/CustomUserControl/DownloadDocument.aspx?DocID=224&DocTypeID=18c49f0dc78a1.filesusr.com/ugd/0ec405_b916c81f8bfd418490840ee46dc0318e.pdf

- **KPI 3.** There is effective teaching and learning. Teachers should:
 - Have secure subject and curriculum knowledge
 - Keep students engaged
 - Create a positive environment
 - Promote problem-solving and differentiation skills in students

- **KPI 4.** Student performance and potential has improved. Student should be able to:
 - Pass the national numeracy and literacy test at a collective pass rate of 75% of the student population
 - Conduct self-assessment on their strengths and identify areas for improvement
 - Develop soft skills such as leadership, teamwork and responsibility
 - Collectively have misconduct rates at less than 8% of the student population
 - Collectively have serious disciplinary issues at less than 2% of the student population

To determine whether these KPIs had been met, evidence was collected by lesson observations, focus groups and individual interviews and surveys of senior leadership teams, Change teachers, teachers and, where appropriate, students.

This was used to answer the following research questions:¹⁴⁷

- To what extent do the respondents (senior leaders, middle leaders and teachers) perceive progress in their professional competencies since joining the TSP 1.0?
- What are the Trust Schools students' perceptions of the quality of teaching and learning?
- What are the Trust Schools students' perceptions of the school climate and their well-being?
- What are parents' perceptions of the TSP?

¹⁴⁷ LeadEd TSP Impact Study <https://www.leapedservices.com/wp-content/uploads/2020/02/TSP-Impact-Study.pdf>

- Is there evidence of the sustainability of the programme based on respondents' beliefs around knowledge and learning, intelligence, efficacy, collectivism and individualism?
- What are the self-reported continuing professional development needs for senior leaders, middle leaders and teachers?

Results: Responders had to determine whether they had advanced to certain 'progress levels' of competency:

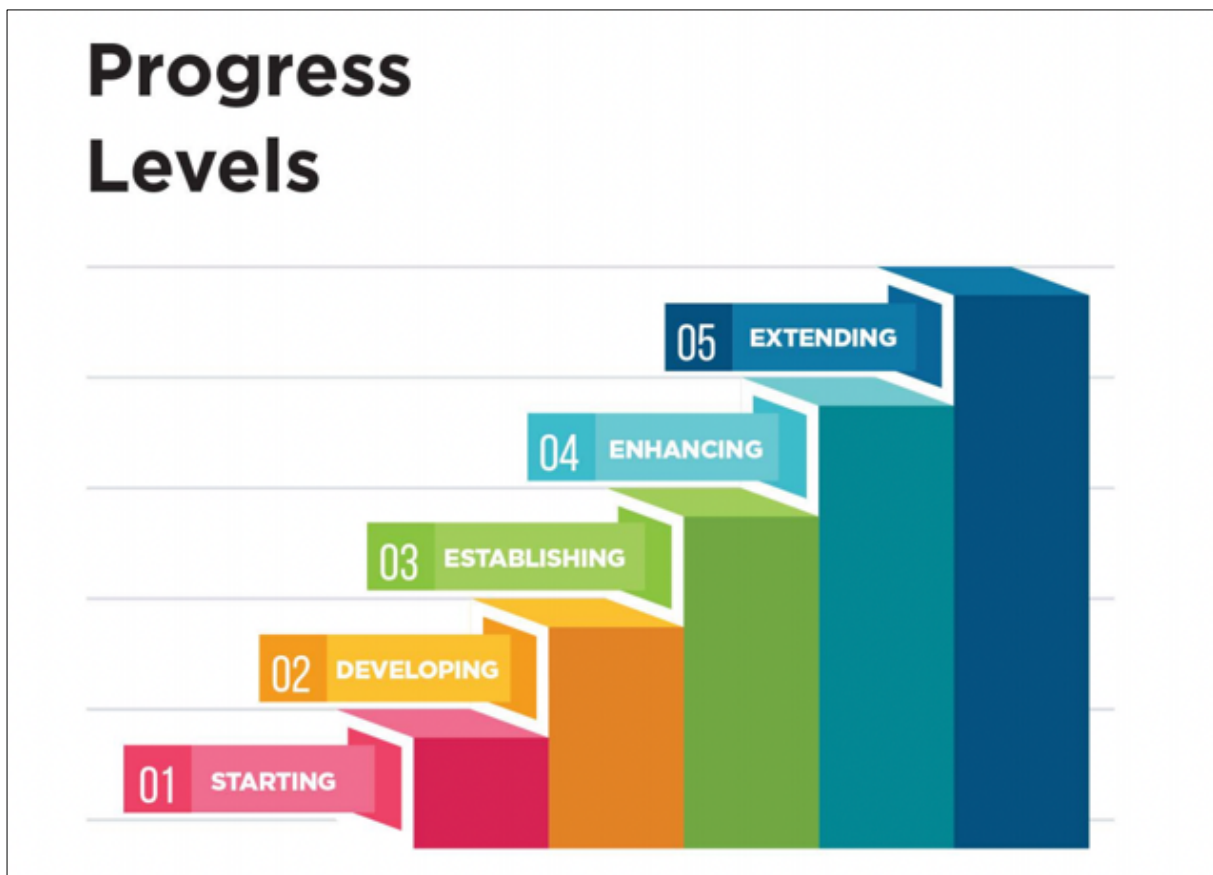


Figure 17: Progress levels¹⁴⁸

Progressing one level is considered a “paradigm shift in level of knowledge, skills, thinking, pedagogy and practice.” Using these measurements, LeapEd and Yayasan Amir produced the conclusions below in Figure 18 showing very high student satisfaction rates, and relatively high progression for school administrators and teachers. In addition, there was improvement in the communication with parents, as well as the understanding, involvement and satisfaction of parents.

¹⁴⁸ LeadEd TSP Impact Study <https://www.leapedservices.com/wp-content/uploads/2020/02/TSP-Impact-Study.pdf>

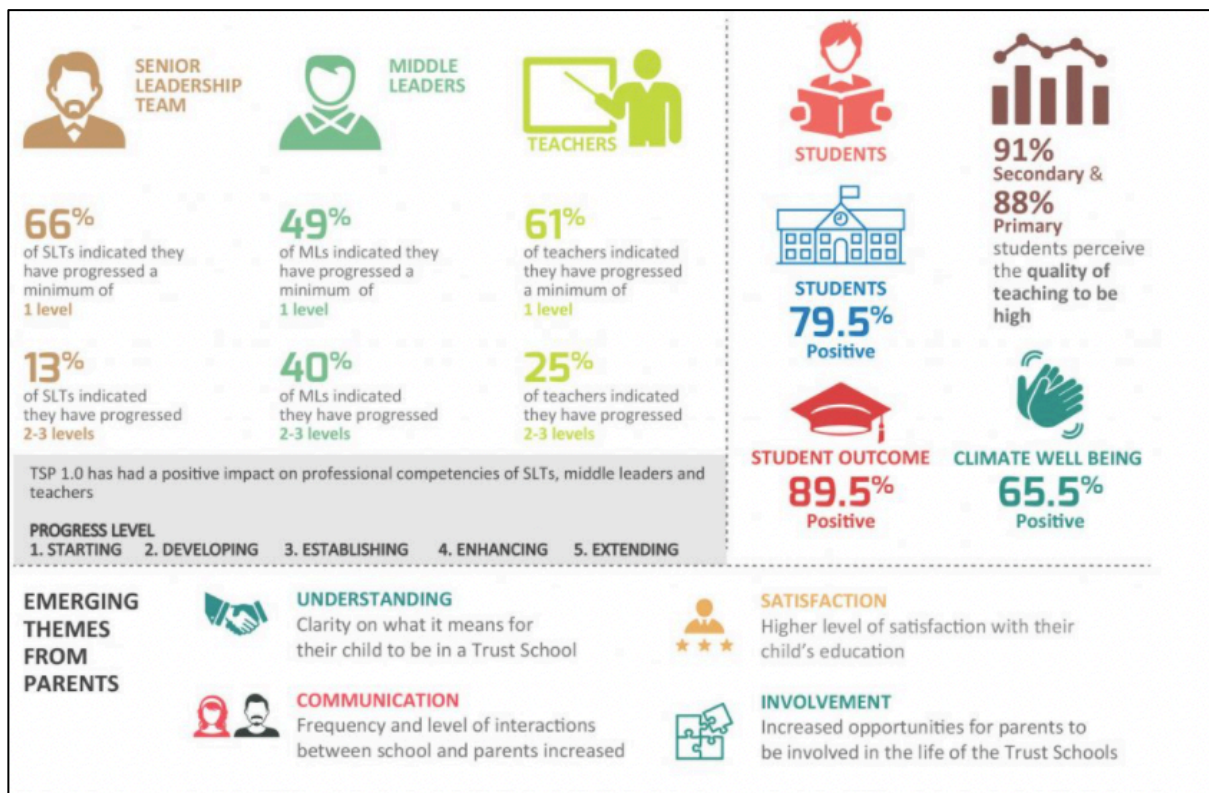


Figure 18: Summary of results from questionnaires, interviews, focus groups and lesson observations¹⁴⁹

Figure 18 above shows self-assessment results from the three groups of school professionals, showing how far they thought their skills level had increased, expressed in the terms of the progress levels explained above. Student satisfaction and outcome is recorded on the right, with high levels of satisfaction in teaching correlating with increased student attainment.

When the scores from analysis of self-assessment questionnaires were tabulated, most respondents agreed that KPIs had been achieved, on average, with senior leaders and middle leaders agreeing more than teachers, as shown below in Figure 19.

The final section of Figure 19 below concerns levels of parental understanding and satisfaction. While not a measurable KPI, it is a stated strategic goal, as part of the broader cultural change the transformation programmes were hoping to achieve.

¹⁴⁹ Ibid.

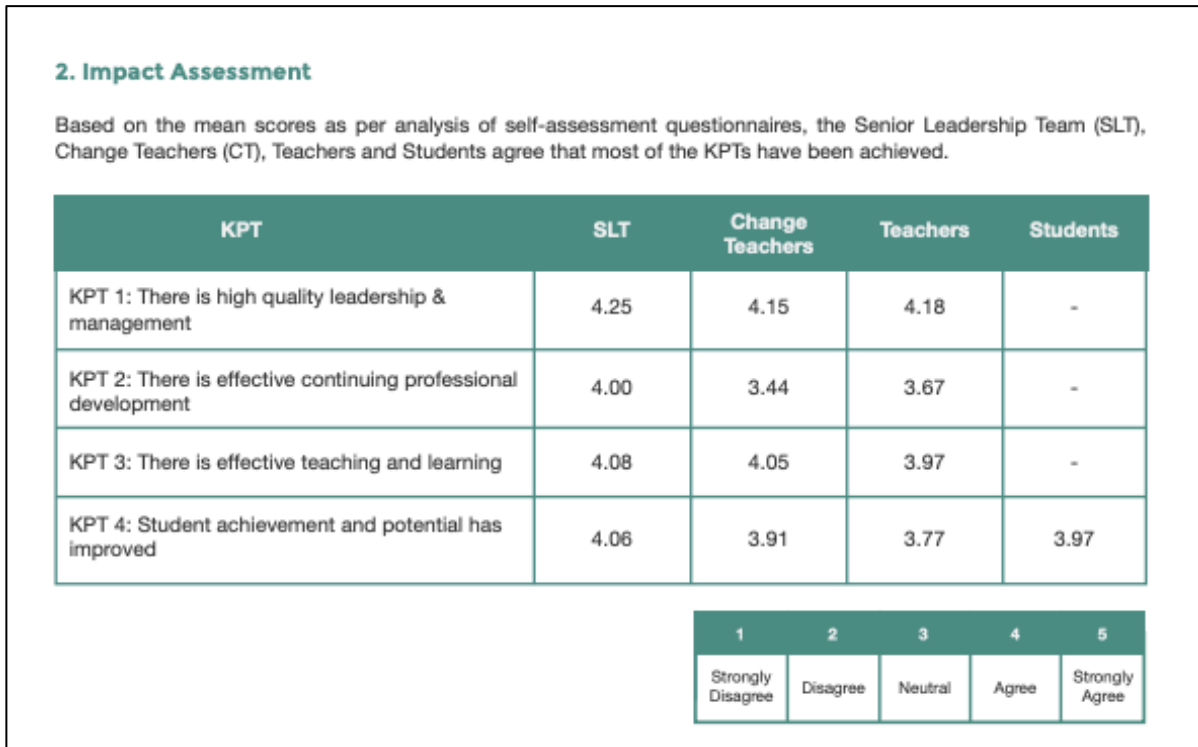


Figure 19: The extent to which respondents agreed that KPIs had been achieved¹⁵⁰

5.2.6 Challenges

The Ihsan sukuk offered what Khazanah termed ‘step-down’ profits – the haircut to the principal in the event that the schools hit their KPIs. The first tranche was open only to institutional investors: foundations, corporations and banks.

Foundations were comfortable with the step-down profits idea, and also chose to use another feature of the Ihsan sukuk: the choice to further forego their profit payments, meaning they would only get their reduced principal back.

The other institutional investors, in particular banks, were harder to convince. Corporations, while also generally sceptical, were easier to convince because they tended to have their own ESG investment targets.

This challenge was eventually overcome, mainly due to the obvious good and impact the investment would achieve, and because the total return on investment was very healthy even in the event of a haircut on the principal. This

¹⁵⁰ Yayasan Amir Annual Progress Report 2019, https://a1870f1f-2892-4a90-a4bb-8c49f0dc78a1.filesusr.com/ugd/0ec405_b916c81f8bfd418490840ee46dc0318e.pdf

was possible because of the resources Khazanah had, as a large sovereign wealth fund, to provide healthy and reliable annual profit payments.

In contract, a percentage of the second tranche was made available to retail investors. However, this presented its own challenges, with Khazanah having to start education programmes and produce more comprehensive prospectuses for the retail investor. Because of the public involvement, the haircut on the principal was smaller, though take-up was higher.

5.2.7 Further benefits

Khazanah has received requests from around the world to issue similarly structured sukuk in education, as well as in other sectors such as healthcare.

While the Ihsan sukuk has not yet been replicated, it is hoped that Khazanah and other large funds can launch similar structures in the future.

5.2.8 Key Takeaways

- By using the proceeds from a bond/sukuk sale to fund a social impact project, and then providing returns on investment from their general investment income, sovereign wealth fund and other large investments funds are able to create impact projects while still providing impressive return to investors
- A 'step-down' profit structure, where some of the upside does not go to investors but back to the social impact project, is an excellent incentive for social impact projects to meet performance targets.
- An Islamic sukuk structure allows for participation on non-Islamic investors as well, whereas a non-Islamic bond structure excludes Islamic investors. Non-Islamic originators could consider future social impact bonds being structured as sukuks instead to increase uptake and financial inclusivity

5.3 Case Three: Foundation for Liberal And Management Education Society and FLAME University

Overview

Case type:	Open-ended philanthropic impact creation
Case use:	Investment example/ teaching
SDG alignment:	<p>SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning for all.</p> <p>In particular:</p> <p>Target 4.3: Equal access to affordable, technical, vocational and higher education</p> <p>4.4: Increase the number of people with relevant skills for financial success</p> <p>4.5: Eliminate all discrimination in education</p> <p>4.7: Education for sustainable development and global citizenship</p> <p>4.B: Expand higher education scholarships for developing countries</p>
Geography:	India
Sector:	Higher education
Primary faith involved in this case:	Jainism

Investor:	Foundation for Liberal And Management Education Society, a charitable society founded with the purpose of being the financial sponsor of FLAME University. Funded by the Shah and Bhanshali families.
Investee:	FLAME University, a liberal education university that achieved university status in 2015 and located in Pune, Maharashtra, India

5.3.1 Summary

This case highlights the role philanthropy plays in impact finance when religious and cultural values align with philanthropy over investing as a primary model for achieving societal change and development.

In Dharmic culture, and especially in Jainism (a prominent sect in India), philanthropy is seen as a dispensation of a share of one's resources due to society, rather than simply as a favour or act of charity.

Jain seers and texts promote deep thinking and conscientious action. Such an attitude and emphasis on learning underpin the success of the Jain community across most aspects of life. Of crucial importance to this case, Jains are also taught the immense emotional and spiritual benefit of limiting their acquisitiveness and possessions.¹⁵¹ Guidelines for sharing make 'sharing' easier for Jains and make it clear that the desire to get a return, if embedded in giving, is not giving at all. Thus, in line with such guidelines, even if an act of giving generates returns, those returns would be entirely reinvested to achieve further impact without any return going back to the investor. Such well-developed and well-established thought around 'sharing' being combined with increasing wealth levels in India may offer insight as to why impact investing is not perceived to be as exotic, and therefore as popular, in India as elsewhere. The

¹⁵¹<https://www.longfinance.net/news/pamphleteers/jains-wealth-and-ethics-lessons-godless-capitalism/>

impact of Dharma in its many avatars on thought and life of Indians is more pronounced than in any other large country.¹⁵²

The Foundation for Liberal And Management Education Society (the Society) is a charitable entity and a sponsoring body of FLAME University. FLAME University is a liberal education university that concentrates on interdisciplinary education in the style of the ancient 'gurukuls' of India while incorporating the many contemporary aspects and features of Western (mainly US) liberal education.¹⁵³ It was after years of hard work and preparation that FLAME got university status as a state private university, now based on a purpose-built campus in Pune, Maharashtra, India.

The story of the establishment and ongoing operations of FLAME University is one of philanthropic impact creation. Philanthropy allows FLAME to continue its ongoing efforts as a leader in innovative education and cutting-edge research. This pioneering educational endeavour in liberal education in India is funded by Mr. Nemish Shah and supported and guided by Mr. Vallabh Bhanshali. Mr. Shah and Mr. Bhanshali see themselves and their families as following a centuries-old tradition of Jain philanthropists and scholars propagating and practicing their values through art, literature and education for the benefit and welfare of society: in this case, by providing opportunities and a platform for learning, thinking, knowledge and skill development.

Mr. Shah and Mr. Bhanshali spent several decades building ENAM, one of India's most respected investment groups, and a pioneer of research-led investment in India.¹⁵⁴ ENAM ardently follows a value-based culture and investment philosophy.¹⁵⁵ Their experience, coupled with their upbringing steeped in Jainism, deeply influenced their decision to create FLAME.

FLAME is set up as a liberal education university, in consonance with Jain philosophical thought, especially the concept of *Anekantwad*, the principle of plurality of viewpoints.¹⁵⁶ *Anekantwad* is central to the idea of non-violence, tolerance and mutual respect – values that define FLAME and foster an interconnected community.

The founders' financial commitment to FLAME is not capped, but rather is open-ended and not time-limited in any way. The underlying idea is to fund all capital

¹⁵²<https://www.bain.com/insights/india-philanthropy-report-2021/>

¹⁵³ <https://www.flame.edu.in/about-flame>

¹⁵⁴ <https://www.enam.com/management-team.html>

¹⁵⁵ <https://www.enam.com/investment-philosophy.html>

¹⁵⁶ https://www.jainsamaj.org/content.php?url=Anekantwad:-_Jain_Philosophy

expenditure (needed to establish and expand FLAME) in the form of grants. FLAME is expected to fund its operations internally, though any shortfall will also be funded through grants if required. This has been of particular importance during the Covid-19 pandemic.

Thus far, approximately \$75 million has already been deployed, with the remaining \$25 million due to be deployed by the end of 2022. Additionally, financial aid of \$7.5 million over the past eight years has been disbursed, ensuring no deserving student is denied a FLAME education due to financial needs.

OxFAIF gratefully acknowledges the contributions through interviews of **Vallabh Bhanshali**, co-founder and Chairman of ENAM Group and Governing Board member of FLAME University, and members of the Board of Management of FLAME University. Our thanks also to OxFAIF Advisory Board member **Prof. Atul K. Shah** of City, University of London.

5.3.2 Investor: Foundation for Liberal And Management Education Society

The Foundation for Liberal And Management Education Society (the Society) is a society registered under India's Societies Registration Act, 1860, which governs registration for charitable societies in India. The Society covers the university's capital expenditure needs, and any operating shortfall. The Society's funds are provided by the founders of FLAME University, who apply deeply held Jain values to all aspects of their lives.

The decision to found FLAME, a liberal education university, is also rooted in these values, along with a strong belief that the family, the recipient of a great deal of luck, must give back.

Why education?

Jains believe in four ways of giving back: *Ahara-dana* (donating food), *Ausadh-dana* (donating medicine), *Abahaya-dana* (providing asylum or protection) and *Jnana-dana* (donating knowledge).

Of these four ways Jains give back, *Jnana-dana* is the foremost for two main reasons. First, its impact is considered everlasting, in line with the Jain (and wider Dharmic) belief in karma and the cycle of rebirth. This is in contrast to the

transitory effect of the other three ways of giving back. Second, it serves the core belief that the intrinsic nature of a human being is accumulation of *jnana*,¹⁵⁷ or true knowledge. Education, therefore, would never be an investment opportunity for these families as *jnana* is too important to profit from.

The ‘multiplier effect’ of education is also of great importance to the families – the impact is not only onto the person educated, but also their family and friends. This approach to life, the valuing of education, the need to spread knowledge and the imperative to give back to society, have all led to the founding of a world-class centre of learning. FLAME’s evolution into a new and pioneering university is a testament to the desire, contribution, and commitment of the families to help build the India of the 21st century.

For the founders of FLAME, the Jain concept of absolute and relative truth sitting side by side means that education needs to equip people to understand many perspectives and be as broad as possible. This also holds true in their investment philosophy as value investors, leading to the natural conclusion that FLAME should be a liberal education university, providing a learning experience that will nurture and enable the development of learners as creative and critical thinkers, problem solvers and active and responsible citizens equipped for lifelong learning. The intention is for such learning to kindle curiosity and creativity and support personal development through familiarity with the scientific method and the traditions of human knowledge and a commitment to evidence-based discourse.

Why solely philanthropic?

Jain teaching also underpins the families’ position on their financial contributions to FLAME. As the founders of FLAME put it, the Dharmic tradition of India, as understood and practised by a good number of Jains, recognises that business families support the whole of society. Business families are innovative, and they take risks that allow the accumulation of wealth. Wealth as a goal is inferior to the goal of liberation, which makes wealth an acceptable and useful tool of service to the whole society.

In Jain thinking, putting a self-determined limit on acquisitiveness enables the combination of free enterprise, creative expression, and innovation with sustenance and enhancement of social good. When not restrained, Jains believe acquisitiveness by its nature becomes self-obsessed, reckless and indiscreet. It

¹⁵⁷https://www.jainsamaj.org/content.php?url=Jnana_Darshna_And_Caritra:-_By

makes one susceptible to sin, and can lead to destruction of the self, environment and society.

Unrestrained acquisitiveness (or 'greed') leads to violence in Jain teaching. Violence, in the broadest sense, is fundamentally against the core beliefs of diligent Jains. It breaches the core value of *ahimsa*, or non-violence, shared throughout Dharmic faiths. In Jainism, the principle of *ahimsa* stretches to non-violence in deed, thought or word, and is its most important concept.¹⁵⁸ Thus, actions and ventures that are undertaken to limit one's wealth and share it to uplift the soul would be counterproductive if they became a means to generate return.

In accordance with these closely held beliefs, the decision was taken that the families' involvement would be philanthropic, and that their philanthropy in this regard would extend to ensuring FLAME University's capital expenditure would be funded completely in the form of grants.

5.3.3 Investee: FLAME University

FLAME University is a private, coeducational liberal education university in Pune, India, which achieved university status in 2015. It currently has approximately 140 faculty and 1,800 students, with plans to double that number over the next five years.

FLAME's mission is to create educational opportunities for learners and scholars in a manner that is underscored by equity and inclusion, and is therefore in line with the philosophy and core interests of the founders to promote these values in society.

Affirming the civic role of universities is an increasingly important part of societal engagement at FLAME. The university strives to strengthen the pluralistic and democratic principles founded on open and evidence-based public debate.

¹⁵⁸ <https://mahb.stanford.edu/blog/ahimsa/>



Figure 20: A campus building at FLAME University, Pune, India

FLAME also aspires to keep working in partnerships with other Indian and global institutions to connect, share and build capacity. This, in keeping with the founders' philosophy, will form an inclusive, truly global research and higher education community with partners all around the world, promoting capacity building and equitable access.

The founders of FLAME were also inspired by the ancient 'gurukuls' of India, run by monks and ascetics, which also taught a wide range of subjects. The gurukul system is a residential schooling system that dates back to antiquity in India. They are mentioned in texts dating back to 1000 B.C. and are likely even older.¹⁵⁹ The relationship between teacher and student (the 'guru-shishya' relationship) is a sacred concept in the Dharmic traditions of the Indian subcontinent.¹⁶⁰ Inspired by this tradition, Jains have a long track record of establishing educational institutions across the world. In recognition of the gurukul system's residential style, being in residence on campus is mandatory at FLAME (it is quite common for students to remain living at home while studying for undergraduate degrees in India).

¹⁵⁹https://www.researchgate.net/publication/339253014_GURUKUL_AND_MODERN_EDUCATION_SYSTEM_IN_INDIA_HOLISTIC_OUTLOOK

¹⁶⁰ Ibid.



Figure 21: One of the new university residences

Unlike most universities in India, which follow the British system of undergraduate university education where a student studies one subject for three years, FLAME, a Jain minority institution, follows a liberal education model that challenges students to consider not only how to solve problems, but also trains them to ask which problems to solve and why, preparing them for positions of leadership and a life of service to the nation and all of humanity.

FLAME considers liberal education a vital foundation for both individual flourishing and the well-being of society. The founders are deeply committed to sponsoring, promoting or fostering academic excellence at the University, which encourages the study of a wide range of subjects across the humanities and the arts, and the natural and social sciences. This directly supports the idea that the universe is interconnected, and that there is joy in accepting and servicing its manifestation in diverse forms and ideas.

5.3.4 Investment structure

FLAME is set up as a not-for-profit institution. It is sponsored by the Foundation for Liberal And Management Education Society. Capital transfers between the Society and FLAME University have been entirely philanthropic, with the funding coming from the founding families.

The university runs on a fee-based model but offers generous financial aid packages and scholarships. A third of the student body are on some form of financial aid, ranging from 30% of fees to 100% of fees. The university aims to offer even more generous aid packages in the future.

FLAME University intends to expand, doubling its student body, or more, over the next five years. To achieve this, it will need funding to physically expand the campus, with more state-of-the-art academic buildings, student housing (as part of the condition of attendance, residence on campus is mandatory), faculty housing, laboratories, other allied infrastructure and scholarships.

The founding families have thus far allocated \$100 million for the establishment and continual capital expenditure requirements at FLAME. Approximately \$75 million has already been deployed, with the remaining \$25 million due to be deployed by the end of 2022. The overall size of the contribution from the founding families is not limited to \$100 million and is open-ended. Using the same grant-based model, the founding families are committed to continue to fund the future capital expenditure requirements of FLAME University, whatever that is determined to be.

Capital transfers are divided into two main categories: capital expenditure and operating shortfalls. Capital expenditure grants continue to be allocated for projects to aid the future expansion goals of the university such as brick and mortar expansion.

Operating shortfalls are to be expected at this stage of the university's development. Typically, operating shortfalls represent only a small percentage of yearly expenditure, which is also met by capital transfers from the Society. This has been exacerbated due the global Covid-19 pandemic. Unlike in major advanced economies, there is no government financial assistance for private universities during this time, so the ongoing grants from the founding families have even greater importance.



Figure 22: A new auditorium- under construction in 2021

The founding families are resolved that, through committed and generous grants, FLAME will continue to remain debt-free. This is important not only from a financial standpoint but also from a philosophical standpoint. The thinking behind not using debt as a funding mechanism is that acts of giving back ought to occur from what one has earned and not from what one has borrowed. Hence, the capital provided to the Society to establish and operate FLAME comes entirely from the families' private wealth.

5.3.5 Impact measurement

Purpose of Data Collection: FLAME University wants to be able to understand the kind of impact it is making on students who would not otherwise be able to attend.

Initial Data Audience: Data on student demographics is usually collected for internal use only. Student development data, especially onward careers data, is also intended for employers, students and parents.

Methodology: FLAME records data on the number of students on scholarships and financial aid. Recommendations for scholarships, especially for those from

rural communities, regularly come from parents, state government and NGOs such as Teach for India, Karta Foundation, i-Teach, TSWREIS and others.

However, all students face the same academic assessment for entry regardless of background. FLAME's data gathering remains at an early stage, but it has accurate information on financial aid: \$7.5 million has been given in financial aid over the last eight years.

FLAME continues to develop its impact measuring and looks forward to collecting more data on impact creation in future.

Results: FLAME has taken care to ensure a student body that embodies geographic, socio-economic, gender, cultural and religious diversity in its student body. Approximately 65% of the student body are women, compared to the 49% average across India. Students come from every state in India. This is uncommon. Excepting the few major national universities, most university students in India tend to attend university within their own state. FLAME also has students from ten other countries.



Figure 23: FLAME's class of 2018, approximately 65% female¹⁶¹

The students graduating from the University have established careers in sectors like BFSI, media and research, consulting, e-commerce, ed-tech, FMCG, retail, IT, manufacturing, logistics, hospitality and social enterprise. Additionally, several have been admitted into masters and doctoral programs at prestigious institutions globally.

¹⁶¹ <https://www.flame.edu.in/newsroom/flame-university-welcomes-incoming-undergraduate-class-of-2018>

5.3.6 Challenges

A primary challenge is to continuously keep pace with alternative education models and match the evolving beliefs and core values. India is used to a British-style system where students study one subject.

Culturally, FLAME's founders found that there tend to be concentrations in specific subjects, with a mind to employability after graduation. Further, the higher education landscape in the country is currently one of great uncertainty. FLAME has found that higher education's economic model is such that costs continue to outpace inflation, exacerbated by the competitive forces of a market economy.

Technology continues to change the way institutions operate and educate, especially ways in which institutions support faculty in exploring and employing new methods and technologies. FLAME finds that demographic shifts already well underway mean that higher education institutions of all stripes will increasingly serve students with different educational needs from those of previous generations.

5.3.7 Further benefits

The establishment of FLAME has also brought many benefits to its home in Pune. The creation of the 60-acre campus (which, as of the publication date, is being increased to 100 acres) has also created an economy around the university, jumpstarting employment across many sectors.

During the global pandemic, the university has also been at the forefront of an outreach program, including a vaccination drive that has been of critical importance in the one of the world's most negatively affected countries during the pandemic. Students who lost their parents or guardians due to the pandemic have been given full financial aid to ensure they complete their education.

5.3.8 Key takeaways

- Philanthropy may align with some faith philosophies more than returns-based investing, when related to the intentional deployment of capital to create impact. This is potentially true of Dharmic faiths such as Jainism
- Open-ended philanthropic commitment can give the level of financial certainty needed to ensure steady development of an educational establishment such as FLAME and thus ensure a greater level of impact
- Socio-economic goals can be achieved in student bodies. Female representation in the student body at FLAME is 33% higher than the all-India average
- The founding families can improve their impact metrics data to better track their impact creation

6.0 Case study and investment guide library

This section contains a list of case studies and guides to impact investing along faith principles produced by other organisations, and collated here.

Adrian Dominican Sisters

Author:

Catholic Impact Investing Collaborative

Summary:

The story of how the Adrian Dominican Sisters of Michigan have been at the cutting edge of impact investing for 45 years

Location:

<https://www.catholicimpact.org/stories/adrian-dominican-sisters>

Advancing Faith Values Through Impact Investing

Author:

Calvert Impact Capital

Summary:

A guide to the opportunities available to faith investors for impact investing

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/10oT3QTdxXPBYoAoLo9Pzy/fa75c6c1022271e58ffae139c8d699e/faithguide.pdf>

Anchor Investors in Impact Investing

Author:

Church Pension Fund

Summary:

Christopher Rowe, Church Pension Fund, Vice President of Investments, discusses how anchor investors identify investments and call attention to worthy

opportunities that need support. Once an anchor investor has backed an investment, other institutions are often more willing to provide their own capital.

Location:

<https://www.cpg.org/globalassets/documents/publications/about-us-executive-insights-sri-with-christopher-rowe.pdf>

Building an Impactful Faith Portfolio

Author:

Calvert Impact Capital

Summary:

A guide on how to build an impact strategy and incorporate it into a faith portfolio

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/1y2f8zIEpbdGMSz1sxLdYC/8eb80c660dc125276e3477251fe15670/building-an-impactful-faith-portfolio.pdf>

Catholic Values Investing Primer

Author:

Morgan Stanley

Summary:

Morgan Stanley's guide to catholic investing, including background, a discussion of catholic values, application of investing, how to build a catholic driven investment strategy, and how to allocate assets.

Location:

<https://www.morganstanley.com/content/dam/msdotcom/articles/building-value-values/IIP-CatholicValues-Primer.pdf>

Christian Super

Author:

GIIN

Summary:

A profile of Christian Super, an Australian superannuation fund, and how it invests according to Christian principles and creates impact

Location:

<https://thegiin.org/christian-super>

Dominican Sisters

Author:

Catholic Impact Investing Collaborative

Summary:

The Dominican Sisters in the USA wanted to enhance their socially responsible investment programs already addressing climate change and worked to develop their own Climate Solutions Fund

Location:

<https://www.catholicimpact.org/stories/dominican-sisters>

Ecumenical Church Loan Fund (ECLOF)

Author:

Religious Community Investment Fund (RCIF)

Summary:

Profile of ECLOF, based in Geneva, which makes microloans in the poorest regions around the world. Received \$200,000 loan from RCIF

Location:

https://rcif.org/wp-content/uploads/2017/11/RCIF_2017_AR_FINAL_web.pdf

EkStep – Re-Imagining Primary Learning Learning Opportunities

Author:

Rohini Nilekani Philanthropies (RNP)

Summary:

Profile on EkStep, recipient of funding from (RNP). EkStep’s mission is to improve literacy and numeracy for tens of millions of children within five years.

Location:

<https://rohininilekani.org/ekstep-re-imagining-primary-learning-learning-opportunities/>

Engaging Faith-Based Investors in Impact Investing

Author:

GIIN

Summary:

The Global Impact Investment Network’s study of faith-aligned investors and advisers determining their requirements for impact investing

Location:

https://thegiin.org/assets/Engaging%20Faith-Based%20Investors%20in%20Impact%20Investing_FINAL.pdf

Faith Investor Profile: Adrian Dominican Sisters- Portfolio Advisory Board

Author:

Calvert Impact Capital

Summary:

Case study on how the growing skill set and development of the Portfolio Advisory Board over decades helped make the Adrian Dominican Sisters sophisticated impact investors

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/2c2cOxMN67yslBsAFzG5q5/6fdc5f7a22d049b8fa7bcc7c48a64d09/faith-investor-profile-adrian.pdf>

Faith Investor Profile: American Home Baptist Mission Societies (AHBMS)

Author:

Calvert Impact Capital

Summary:

A profile of AHBMS' values, strategic priorities, impact investing history and structuring.

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/6XWjCMfMV1nGFOIVre5Z0r/d243fd1406c0fe02ff10ca66cad9cf2/faith-investor-profile-AHBMS.pdf>

Faith Investor Profile: CommonSpirit Health

Author:

Calvert Impact Capital

Summary:

Overview of CommonSpirit, a non-profit Catholic healthcare system operating across 21 states in the US. Their \$169 million community investment program invests in vulnerable communities near health facilities.

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/6l5bdeNI8bP1YkMNC7OPCo/3c0575d8019a9d24953a082d28d7d345/faith-investor-profile-commonspirit.pdf>

Faith Investor Profile: Everence Finance and Praxis Mutual Funds

Author:

Calvert Impact Capital

Summary:

Everence Financial funds helps people and institutions combine faith and values to accomplish stewardship goals. Praxis Mutual funds is part of the Everence family, which commits 1% of each mutual fund to “deep impact community development investing.”

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/52YDFujUM9FxbA64w5r3Cf/bce27abfbdad2d438eddd9f6ec0a7d04/faith-investor-profile-everencepraxis.pdf>

Faith Investor Profile: Jewish Community Organisation of San Diego (JCFSD)

Author:

Calvert Impact Capital

Summary:

Introduction of impact investing at JCFSD, including offering of an impact investment pool, transition of 10% of foundation assets to an ESG pool, and forming funds for economic development loans, women’s empowerment, and more

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/3dIPiqvs7LBac7N3RZcHwA/1092530f578aed98333691f50a2edbd0/faith-investor-profile-jcfsd.pdf>

Faith Investor Profile: Missionary Sisters of the Sacred Heart of Jesus

Author:

Calvert Impact Capital

Summary:

The Missionary Sisters of the Sacred Heart of Jesus are relative newcomers to impact investing. This profile covers how they decided to use their financial portfolios for impact, and how they achieved 90% of their investments being mission aligned, with ESG investments that have outperformed the market.

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/46tpGmjgJk4d1RsPdmBcJg/a028344a900e4203fc047ae3d3bf985b/faith-investor-profile-mssh.pdf>

Faith Investor Profile: United Church of Christ Church Building and Loan Fund (CBLF)

Author:

Calvert Impact Capital

Summary:

CBLF assists churches and organisation in the United Church of Christ (UCC) build, raise finance and build transformative projects that advance UCC's mission. They further leverage their assets through impact investing, including in the UCC fossil fuel-free fund.

Location:

<https://assets.ctfassets.net/4oaw9man1yeu/3rYxnjX8HylZy6n4VZelnr/1d7be2589ddec4bdb2816aaa45e87e8f/faith-investor-profile-cblf.pdf>

Faith Long-Term Plans Programme

Author:

FaithInvest

Summary:

FaithInvest have written a guide to their landmark Faith Long-Term Plans Programme, outlining how faiths should undertake making their own long-term plans for investment

Location:

<https://incrworld.org/assets/downloads/FaithLongTermPlans-Overview-lowres.pdf>

Faith-based investing – Your Values, Your Future

Author:

Glenmede

Summary:

Glenmede Investment Advisory outlines the history of aligning faith and finance

Location:

https://www.glenmede.com/files/faith_based_investing.pdf?1616785798

Franciscan Missionaries of the Divine Motherhood

Author: Catholic Impact Investing Collaborative

Summary:

The concrete steps FMDM took to find investment managers that were like minded, in order to make their investing more impactful

Location:

<https://www.catholicimpact.org/stories/franciscan-missionaries-divine-motherhood>

Global Partnerships

Author:

Religious Community Investment Fund (RCIF)

Summary:

Profile of RCIF investment in Global Partnerships, a non-profit that provides small, affordable solar light units, with over 2 million units sold in Latin America, the Caribbean and East Africa

Location:

https://rcif.org/wp-content/uploads/2010/10/RCIF_2016_Annual_Report_FINAL.pdf

Greenbook: A Guide to Jewish Impact Investing

Author:

Jewish Funders Network

Summary:

A guide to impact investing in general and Jewish impact investing, with six short cases

Location:

https://d3n8a8pro7vhmx.cloudfront.net/jfn/pages/4149/attachments/original/162333314/Greenbook_Jewish_Impact_FINAL_VERSION_reduced_size.pdf?162333314

Guide to Jewish Impact Investing

Author:

Jewish Communal Fund NY

Summary:

A primer on the impact investing space, the unique characteristics of Jewish impact investing, taxonomy, and information on JCF impact investment offerings

Location:

<https://jcfny.org/impact-guide/>

Hindu Temple Endowment Pooling

Author:

Hindu Heritage Endowment

Summary:

The pooling and management of multiple Hindu temple assets by a professional investment manager

Location:

https://www.hheonline.org/hhe_keynote.shtml

Homewise

Author:

Religious Community Investment Fund (RCIF)

Summary:

Profile of a New Mexico agency that develops plans to get clients ready for homeownership that received investment from RCIF. Homewise provides financial education workshops, and other advice and training.

Location:

https://rcif.org/wp-content/uploads/2017/11/RCIF_2017_AR_FINAL_web.pdf

I for Impact: Blending Islamic Finance and Impact Investing for the Global Goals

Author:

Global Islamic Finance and Impact Investing Platform

Summary:

I for Impact attempts to raise awareness on the compatibility between Islamic finance and impact investing. It reviews recent developments and key factors for growth, pinpoints similarities between the two sectors and makes policy recommendations for development actors to create the conditions for the two sectors to benefit from each other.

Location:

<http://www.gifiip.org/our-research-publications/>

Innovation in Islamic Finance: Green sukuks for the SDGs

Author:

UK Islamic Finance Council

Summary:

Detailed report describing the potential for Islamic finance in bridging the gap for the SDGs and green development

Location:

https://www.ukifc.com/wp-content/uploads/2021/09/UKIFC21_Green_Sukuk_v1-2_20210927.pdf

Institutional Investment in Clean Energy

Author:

Church Pension Fund

Summary:

Candice Dial, Church Pension Fund Investments Associate, participates in a webinar hosted by the Global Impact Investment Network (GIIN) to discuss how CPF considers impact investments in the Clean Energy Access Space.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/thought-leadership/executive-insights/>

Investing for Positive Impact

Author:

Church Pension Fund

Summary:

Church Pension Fund Chief Ecclesiastical Officer Anne Mallonee and Investments Group Managing Director Alan Snoddy discuss the guiding principles of SRI at CPF.

Location:

<https://www.cpg.org/globalassets/documents/publications/sri-qa-video-transcript-investing-for-positive-impact.pdf>

Church Pension Fund SRI Investment Selection Process

Author:

Church Pension Fund

Summary:

Church Pension Fund Chief Ecclesiastical Officer Anne Mallonee and Investments Group Managing Director Alan Snoddy discuss how CPF decides what socially responsible investments to make.

Location:

<https://www.cpg.org/globalassets/documents/publications/sri-qa-video-transcript-the-selection-process.pdf>

Investments in Religious Capital: An explorative case study of Australian Buddhists

Author:

M. Barker, James Cook University

Summary:

Expressions of Buddhist religious capital in Australia are documented and placed within a framework that identifies different types of religious capital to improve understanding of both the concept of religious capital and the effects of the ongoing growth of Buddhism in Australia.

Location:

https://researchonline.jcu.edu.au/24724/4/24724_Barker_2007.pdf

Iroquois Valley Farms Farmland REIT

Author:

Religious Community Investment Fund (RCIF)

Summary:

Profile of RCIP investment recipient that provides farmer-friendly leases and mortgages to the next generation of organic farmers

Location:

https://rcif.org/wp-content/uploads/2019/09/RCIF_2019_AR-FINAL8MB.pdf

Islamic Sustainable Investing

Author: Islamic Development Bank

Summary:

Sustainable investing outlook across the member states of the Islamic Development Bank, featuring financing for post-pandemic recovery, and socio-economic reforms in Azerbaijan, and Pakistan

Location:

<https://www.isdb.org/sites/default/files/media/documents/2021-10/Sustainable%20Deveolement%20en%2002.pdf>

Islamic Finance and the Principles for Responsible Investment

Author:

UK Finance Council

Summary:

This report uses the PRI to underpin an analysis of Islamic asset owners, investment managers and services providers engaged in responsible investing. Includes four case studies.

Location:

<https://www.ukifc.com/wp-content/uploads/2021/04/ISLAMIC-FINANCE-AND-THE-PRI-%E2%80%93-THOUGHT-PAPER-2.pdf>

Islamic Finance and the Principles of Responsible Banking

Author:

UK Islamic Finance Council

Summary:

This report provides an analysis of responsible banking in the IF sector, assessing the level of engagement with the PRB amongst financial institutions in OIC member states as well as other financial institutions involved in IF. Contains six case studies.

Location:

<https://www.ukifc.com/wp-content/uploads/2021/06/IF-and-the-principles-for-responsible-banking-part-3.pdf>

Islamic Microfinance

Author:

Islamic Solidarity Fund for Development

Summary:

A series of success stories in the Islamic microfinance space in Senegal, Sierra Leone, Kazakhstan, Kyrgyzstan, Tajikistan and Benin, with a special focus on Sudan

Location:

<https://isfd.isdb.org/EN/Documents/ISFD-funded%20Microfinance%20Projects.pdf>

Jain Irrigation Systems Limited

Author:

The World Bank

Summary:

IFC investment of \$120 million into an irrigation company run along Jain values. Jain Irrigation Systems is the largest manufacturer of micro irrigation systems in the world.

Location:

https://web.worldbank.org/archive/website01560/WEB/IMAGES/JAIN_TEM.PDF?MOD=AJPERES

Geraldo, Cerebral Palsy and the S&L Crisis: An Unexpected Recipe for Investing with Jewish Values

Author:

JLens

Summary:

The evolution of the Foundation for the Jewish Community, which since 1995 has provided over \$200 million in loans to c.200 non-profit organisations

Location:

https://484d9f93-8046-4f51-84bb-28f8035e8031.filesusr.com/ugd/3aa597_1ffbb137d5ef4a7280ea79e16af4c057.pdf

Landscaping the Field of Agriculture in India

Author:

Rohini Nilekani Philanthropies

Summary:

Survey of the numerous activities throughout India adapting farming practices to climate change and addressing gender equality.

Location:

<https://rohininilekani.org/wp-content/uploads/2019/10/RNP-Agriculture-Portfolio-Landscaping-Oct-2018.pdf>

Leviticus Fund Case Studies

Author:

Leviticus Fund

Summary:

Faith Capital for Building Communities. Cases cover loans to Port Jervis Head Start, NJ, Ontech Charter School, NY, Newburgh Neighbourhood Redevelopment, NY, 90 Sands St Affordable Housing Development, NY, and Bergenville Affordable Housing Development, NY.

Location:

<https://leviticusfund.org/welcome-to-the-2019-annual-report/project-profile/>

Looking Ahead at Socially Responsible Investing

Author:

Church Pension Fund

Summary:

Church Pension Fund Chief Ecclesiastical Officer Anne Mallonee and Investments Group Managing Director Alan Snoddy discuss the future of socially responsible investing.

Location:

<https://www.cpg.org/globalassets/documents/publications/sri-qa-video-transcript-looking-ahead.pdf>

Low-Income Community Support: Mercy Investment Services

Author:

Mercy Investment Services

Summary:

Outlining support of Leviticus Fund

Location:

<https://www.mercyinvestmentservices.org/article-details.aspx?article=9190&articlegroup=3606>

Market Square, San Francisco Redevelopment

Author:

Church Pension Fund

Summary:

The Church Pension Fund participated as an investor in Shorenstein's redevelopment of the Western Furniture Exchange and Merchandise Mart, which served as a catalyst for the resurgence of San Francisco's historic Mid-Market area.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

Mercy Expands Economic Relief to Communities of Color through the Racial Equity Investment Fund

Author:

Mercy Investment Services

Summary:

A high-level summary of loans given out through community development credit unions with funds from the Racial Equity Investment Fund, allowing for the development of a suite of financial products for those who are unbanked or credit invisible.

Location:

<https://www.mercyinvestmentservices.org/article-details.aspx?article=9214&articlegroup=3606>

Mercy Partnership Fund Investee Brings Healthy Food to California Communities

Author:

Mercy Investment Services

Summary:

Mercy Investment Services supports Community Supported Agriculture programmes, including one that distributes local, healthy food in northern California.

Location:

<https://www.mercyinvestmentservices.org/article-details.aspx?article=9232&articlegroup=3606>

Moving the Needle on Impact Investing

Author:

Church Pension Fund

Summary:

Church Pension Fund Managing Director June Yearwood and other members of the Investments Group reflect on how they practice impact investing.

Location:

<https://www.cpg.org/globalassets/documents/publications/aboutus-executive-insights-june-yearwood-ipe-article.pdf>

Mubadala: Global Climate Change Action

Author:

Mubadala

Summary:

The UAE's Mubadala sovereign wealth fund (SWF) outlines its involvement in the establishing of the One Planet Sovereign Wealth Funds working group, and the publishing of a voluntary framework to systematically integrate climate change into decision-making at SWFs.

Location:

<https://annual.mubadala.com/global-climate-action/>

Mubadala: How Emirati Women can become Pioneers of the Local and Global Energy Sector

Author:

Mubadala

Summary:

An overview of the Women in Sustainability, Environment and Renewable Energy Platform (WiSER), and the promotion of Emirati Women in STEM.

Location:

<https://www.mubadala.com/en/our-impact/how-emirati-women-can-become-pioneers-local-and-global-energy-sector>

Mubadala: Masdar and Global Sustainability

Author:
Mubadala

Summary:
An overview of Masdar, the UAE's renewable energy and sustainability innovation company, wholly owned by Mubadala.

Location:
<https://annual.mubadala.com/global-sustainability-agenda/>

Mubadala: The Next Generation of Healthcare Pioneers

Author:
Mubadala

Summary:
Building local talent to support Abu Dhabi's healthcare services by establishing Cleveland Clinic Abu Dhabi and launching the Wateen Graduate Trainee Program

Location:
<https://www.mubadala.com/en/our-impact/next-generation-healthcare-pioneers>

Northeast Community Federal Credit Union (NECFCU)

Author:
Religious Community Investment Fund (RCIF)

Summary:
Profile of RCIF investment recipient NECFCU, which has been in operation and headquartered in San Francisco since 1981, tailored to the Chinese community.

Location:

https://rcif.org/wp-content/uploads/2017/11/RCIF_2017_AR_FINAL_web.pdf

Northpointe Apartments affordable housing

Author:

Church Pension Fund

Summary:

The Church Pension Fund's (CPF) investment supported the redevelopment of Northpointe Apartments, a multifamily affordable housing apartment complex located in Long Beach, CA.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

Old Vinyl Factory, The

Author:

Church Pension Fund

Summary:

The Church Pension Fund participated as an investor in Bridges Fund Management's redevelopment of the former EMI record factory in western London, which served as a catalyst to the regeneration of a former brownfield site, while creating local jobs and low-cost housing.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

One Acre Fund

Author:

Religious Community Investment Fund (RCIF)

Summary:

RCIF investment recipient One Acre Farm has helped millions in east Africa farm more efficiently by providing education and training on more efficient farming and finances.

Location:

<https://rcif.org/wp-content/uploads/2020/12/2020-RCIF-Annual-Report.pdf>

Opportunities for Philanthropy: Community Resilience and Climate Action

Author:

Rohini Nilekani Philanthropies

Summary:

Encouraging philanthropic capital in India to fund climate mitigation and prevention measures in India by highlighting what is being done, and what needs to be done, and where philanthropic capital can help.

Location:

https://rohininilekani.org/community_resilience_heart_of_climate_action/

Opportunity International

Author:

Religious Community Investment Fund (RCIF)

Summary:

RCIF investment recipient Opportunity International focuses on training for women from emerging markets in financial and business skills, and has created or sustained 19 million jobs since 1971.

Location:

https://rcif.org/wp-content/uploads/2018/10/RCIF_2018_AR_-web2.pdf

Orca Note, The

Author:

Church Pension Fund

Summary:

The Church Pension Fund served as an anchor investor in the Developing World Markets' Off-Grid, Renewable and Climate Action Impact Note, which provides renewable energy finance loans in the developing world.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

Pre-Feasibility Study for Green Sukuk Issuance in the Republic of Uzbekistan

Author:

Global Islamic Finance and Impact Investing Platform

Summary:

Explores the opportunities and challenges as well as to perform a pre-feasibility analysis for the introduction of green sukuk in Uzbekistan

Location:

<http://www.gifiip.org/our-research-publications/>

Relief Funds Help CDFIs Offer Affordable Financing

Author:

Mercy Investment Services

Summary:

Sisters of Mercy investment in community development financial institutions helped to keep small businesses afloat during the pandemic.

Location:

<https://www.mercyinvestmentservices.org/article-details.aspx?article=9133&articlegroup=3606>

Why Philanthropy Must Support Crowdfunding in India

Author:

Rohini Nilekani Philanthropies

Summary:

Crowdfunding has enabled an ever-growing number of projects, from films to products to charitable work, to be successfully funded through online platforms. The proliferation of crowdfunding platforms in India that enable individuals and groups to seek funds for non-profit and charitable causes is an indication that the public is open to new ways of engaging and participating in positive social change.

Location:

<https://rohininilekani.org/why-philanthropy-must-support-crowdfunding-in-india/>

Responsible Investment Instructions

Author:

Church of Sweden

Summary:

All the Church of Sweden's investments are deemed sustainable. This document contains screening instructions, exclusion of particular sectors, climate considerations and assessment principles. It also outlines ethical and sustainable asset management.

Location:

<https://www.svenskakyrkan.se/filer/Church%20of%20Sweden%20RI%20Instructions%20April%202017%20final.pdf>

Resources for Community Development

Author:

Religious Community Investment Fund (RCIF)

Summary:

Among San Francisco's affluent neighbourhoods are communities that suffer real hardship. RCIF investment recipient Resources for Community Development specialised in building communities that have suffered from decades of underinvestment beyond simply the provision of housing.

Location:

https://rcif.org/wp-content/uploads/2018/10/RCIF_2018_AR_-web2.pdf

Silverlands Namibia

Author:

Church Pension Group

Summary:

The Church Pension Fund is an investor in Silverlands Vineyards Ltd, a producer of table grapes employing more than 1,000 people in Namibia.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

Silverlands Tanzania

Author:

Church Pension Group

Summary:

The Church Pension Fund is an investor in Silverlands Tanzania Ltd, which supports local small-scale farmers.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

Silverlands Zambia

Author:

Church Pension Group

Summary:

The Church Pension Fund is an investor in Silverlands Ranching Ltd, which supports the Silverlands Livestock Improvement Community Program, a smallholder farmer outreach program in Zambia.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

SIMA Funds

Author:

Church Pension Group

Summary:

More than 2.2 billion people in the world live without reliable access to energy. The Church Pension Fund is helping to address this issue through its investment with SIMA Funds' Off-Grid Solar and Financial Access Senior Debt Fund.

Location:

<https://www.cpg.org/global/about-us/investment-profile/responsible-investing/sri-videos/>

Sisters of St. Joseph of Peace

Author:

Catholic Impact Investing Collaborative (CIIC)

Summary:

Impact investing strategy of the funds of the Sisters of St. Joseph of Peace

Location:

<https://www.catholicimpact.org/stories/sisters-of-st-joseph-of-peace>

Socially Responsible Investing at CPG

Author:

Church Pension Fund

Summary:

Church Pension Fund Investments Group Managing Director Alan Snoddy discusses socially responsible investing at Church Pension Fund.

Location:

<https://www.cpg.org/globalassets/documents/publications/aboutus-executive-spotlight-sri-with-alan-snoddy.pdf>

Stanford Social Innovation Review: Case Study: ARGHYAM

Author:

Rohini Nilekani Philanthropies

Summary:

Arghyam, funded by Rohini Nilekani Philanthropies, takes a data-driven approach to helping transform India's water and sanitation systems.

Location:

<https://rohininilekani.org/stanford-social-innovation-review-case-study-arghyam/>

Thunder Valley

Author:

Religious Community Investment Fund (RCIF)

Summary:

RCIF investment recipient Thunder Nation addresses the underlying economic and social issues facing the Oglala Lakota Nation.

Location:

https://rcif.org/wp-content/uploads/2018/10/RCIF_2018_AR_-web2.pdf

Towards a fistula-free generation in Guinea

Author:

Islamic Solidarity Fund for Development (ISFD)

Summary:

Description of a pilot project aimed at treating women with obstetric fistulas, a common problem in Guinea. It also provided education about the condition to over 5,000 people.

Location:

<https://isfd.isdb.org/EN/Documents/Towards%20a%20Fistula-Free%20Generation%20in%20Guinea.pdf>

Islamic Finance and Impact Investing

Author: UNDP

Summary:

The UNDP's guide to impact investing within Islamic finance

Location:

https://www.undp.org/content/dam/istanbul/docs/Islamic_Finance_Impact.pdf

Unleashing the potential of faith-based investors for positive impact and sustainable development

Author: Taeon Kwon, Victoria Samberger University of Zurich

Summary:

An analysis of the decision-making processes of Judeo-Christian institutional investors based in Europe and the United States

Location:

[https://ibf-uzh.ch/wp-content/uploads/2021/05/CSP Unleashing the Potential of Faith-based Investors 29-4-2021-pages.pdf](https://ibf-uzh.ch/wp-content/uploads/2021/05/CSP_Unleashing_the_Potential_of_Faith-based_Investors_29-4-2021-pages.pdf)

Wisconsin Women's Business Initiative

Author:

Religious Community Investment Fund (RCIF)

Summary:

RCIF Investment recipient Wisconsin Women's Business Initiative makes small business loans to women and has loaned \$76 million to 7,195 businesses and 65,000 people since 1987.

Location:

<https://rcif.org/wp-content/uploads/2020/12/2020-RCIF-Annual-Report.pdf>

Zug Guidelines

Author:

ARC World

Summary:

A survey of investors across different faiths, cataloguing the principles used by faith investors when making investment decisions

Location:

[http://www.arcworld.org/downloads/ZUG Guidelines to FCI 2017.pdf](http://www.arcworld.org/downloads/ZUG_Guidelines_to_FCI_2017.pdf)

7.0 List of available faith-aligned impact investing training

Global Islamic Finance and Impact Investing Platform

Who are they?

The Global Islamic Finance and Impact Investing Platform was established by the Islamic Development Bank (IDB) and UNDP's Istanbul International Center for Private Sector in Development (IICPSD) in May 2016 in Jakarta.

Engaging the private sector, governments and key stakeholders operating in the Islamic finance and impact investing markets, the platform aims to promote market-based solutions to sustainable development challenges by creating a collaborative working space among these actors.

What training do they offer?

Training Programs: Impact Investing for The Sustainable Development Goals (SDGs): A New Chapter for Islamic Finance

GIFIIP's Islamic Finance and Impact Investing Training Program aims to support Islamic financiers and impact investors build capacity for seizing new investment opportunities in sustainable development area.

The program is structured as a rigorous technical modular seminar explaining key concepts and recent developments in impact investing and Islamic finance, describing how impact investors and Islamic financiers can work together within a win-win framework to achieve the Sustainable Development Goals (SDGs) and showcasing best practices and potential investment opportunities in these fields.

At the end of the course you should be able to:

- Identify sharia-compliant impact investing opportunities
- Apply Islamic financial instruments for impact investing activities
- Screen shariah compliant deals and manage pipeline
- Mitigate the potential risks
- Measure the impact

More information:

<http://www.gifiip.org/>

Catholic Impact Investing Collaborative

Who are they?

The Catholic Impact Investing Collaborative (aka CIIC, pronounced “seek”) was established in November 2014 as an informal “neutral space” for people to come together, share a meal and stories, and build relationships based on their spiritual as well as financial commitment to impact investing. CIIC was started in the US Midwest, soon grew to the Northeast and other areas in the US, and is now expanding globally.

CIIC’s community of 30+ pledge partners includes a global group of pioneering Catholic institutions who have led the way on impact investing, representing four countries and over \$40 billion in assets.

This group has committed not only to maintain their focus on internal impact investment programs, but is also helping to grow the broader ecosystem of Catholic impact investing.

What training do they offer?

Webinars on investment topics:

Available:

- Forum: Investing in affordable housing
- Positive and negative assets screens
- Legal innovation in impact investing: tools, applications, and what's next
- Guiding impact investments: a faith-based approach
- Rooting your investment guidelines in faith-based principles
- Developing faith long-term plan (multiple)
- Investment for a green recovery: innovation in impact investing
- Fossil fuel divestment, accelerating the clean energy transition

More information:

<https://www.catholicimpact.org/>

UK Islamic Finance Council

Who are they?

The Islamic Finance Council UK (UKIFC) is a specialist advisory and development body focused on promoting and enhancing the global Islamic and ethical finance industry.

At the global level the organisation sought to contribute by developing pioneering capacity building programmes for Shariah scholars and encouraging improvements in regulatory policy.

The team has advised governments, authored technical reports, presented at international conferences and developed training programmes which, collectively, have changed global regulation and played a leading role in exploring the relationship between Islamic finance and the broader ethical finance arena.

In 2018 the UKIFC celebrated its 10th anniversary.

What training do they offer?

- Tailored executive training courses in Islamic finance investing, including in ethical finance (18 delivered so far)
- International study tours, including one non-interest microfinance capacity building

More information:

<https://www.ukifc.com/>

Islamic Development Bank Institute

Who are they?

The Islamic Development Bank Institute (IsDBI), previously known as IRTI, is the knowledge beacon of the Islamic Development Bank Group.

Guided by the principles of Islamic economics and finance, the IsDBI is mandated to lead the development of innovative knowledge-based solutions to

support the sustainable economic advancement of the 57 IsDB Member Countries and various Muslim communities worldwide.

What training do they offer?

- **Human Capital Development:** The Institute supports IsDB Member Countries to build future knowledge leaders in Islamic economics and finance for the entrepreneurial development. They help institutions to develop their human capital through the design and delivery of innovative and effective learning, training, and certification programs.
- **Knowledge Development:** The Institute is positioning itself as a best practice institution and knowledge broker of choice in the niche of Islamic socio-economic development and banking knowledge.

They provide the strategies, frameworks, policies, and processes to transform the IsDB Group into a knowledge-based institution. They collaborate with external development partners, think tanks, centres of excellence and civil society in the co-creation and delivery of knowledge and learning services.

More information:

<https://isdbinstitute.org/what-we-do/>

FaithInvest

Who are they?

FaithInvest is a leading international non-profit organisation that empowers faith groups to invest in line with their beliefs and values. Its aim is to support the rapidly developing movement of faiths actively using their investments to create a better world – for people and the planet.

What training do they offer?

FaithInvest assists the faiths in developing faith-consistent investment policies and guidelines. Assistance is provided mainly through webinars.

Examples include:

- Just Transition Fund Round Table

How can we mobilise private sector capital at scale for the Just Transition, starting with the faiths as one of the largest parts of civil society? This invitation-only round table has been organised by FaithInvest and GEFI and the World Bank's Climate Investment Funds.

- Developing your Faith Long-term Plan: Media & Outreach

Good communication is vital to the success of virtually all endeavours. Sharing your knowledge, experience and stories – through newspapers, radio, TV, websites and social media. Part of the Faith Long-term Plans series, features successful case studies of media and outreach.

- Developing your Faith Long-term Plan: Advocacy. Part of the Faith Long-term Plans series of webinars.

More information:

<https://www.faithinvest.org/>

INCEIF: Global University of Islamic Finance

Who are they?

INCEIF was set up by Bank Negara Malaysia in 2005 and has been mandated to develop and nurture talent and experts in the Islamic Financial Services Industry. It offers post graduate degrees in Islamic Finance.

What training do they offer?

- MBA (Sustainable Business)
- Executive Masters in Islamic Finance, including sustainability as part of curriculum
- Postgraduate certificate in sustainable business

More information:

<https://incef.org/academic-programmes/>

American College of Financial Services

Who are they?

A financial services college in Pennsylvania, USA.

What training do they offer?

A webinar on faith and impact investing

More information:

<https://www.theamericancollege.edu/resources/webcasts/webcast-faith-and-impact-investing>

9.0 Appendix B: Islamic-aligned assets

Name of Islamic Bank	Net assets USD	Source
Al Baraka Banking Group	26,910,000,000	https://www.albaraka.com/en/media-center/news/net-income-attributable-to-al-baraka-banking-group-s-shareholders-reaches-us\$-67-million-in-the-firs
Ithmaar Bank	8,209,557,391	https://www.ithmaarbank.com/sites/default/files/pdf/Financials_Ithmaar-Bank_31-December-2020_full-set-signed_English.pdf
Al Salam Bank	4,536,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Kuwait Finance House (Bahrain)	3,991,000,000	https://www.theasianbanker.com/ab500/2018-2019/largest-islamic-banks
Bahrain Islamic Bank	3,396,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Khaleeji Commercial Bank	2,257,000,000	https://www.theasianbanker.com/ab500/2018-2019/largest-islamic-banks
Al Baraka Islamic Bank	2,180,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
ABC Islamic Bank	1,745,000,000	https://www.wsj.com/market-data/quotes/BD/ODHA/ISLAMIBANK/financials/quarter/balance-sheet
Islami Bank Bangladesh	14,000,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
First Security Islami Bank	4,349,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Export Import Bank of Bangladesh	4,316,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Al-Arafah Islami Bank	3,979,000,000	https://www.theasianbanker.com/ab500/2018-2019/largest-islamic-banks
Shahjalal Islamic Bank	2,902,000,000	https://www.theasianbanker.com/ab500/2018-2019/largest-islamic-banks
Union Bank	1,758,000,000	https://www.bibd.com.bn/about/corporate-profile/
Bank Islam Brunei Darussalam	7,921,477,500	https://money-gate.com/largest-islamic-banks-in-the-world/
Faisal Islamic Bank of Egypt	5,383,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Al Baraka Bank Egypt	3,491,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Abu Dhabi Islamic Bank – Egypt	2,759,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Bank Muamalat Indonesia	3,968,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Bank BNI Syariah	2,846,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Bank BRIsyariah	2,629,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Bank Aceh Syariah	1,601,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Sina Bank	4,901,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Jordan Islamic Bank	6,831,983,582	https://www.exchangeofjordan.com/join/company_guide/financial/193
Islamic International Arab Bank	3,043,000,000	https://www.theasianbanker.com/ab500/2018-2019/largest-islamic-banks
Safwa Islamic Bank	1,581,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Kuwait Finance House	71,240,379,000	https://www.kfh.com/dam/jcr:917b47d5-37ef-46ee-85da-c0d6063de988/KFH-Annual-Report-2020-English.pdf
Boubyan Bank	21,331,477,745	https://www.wsj.com/market-data/quotes/KW/KXUW/BOUBYAN/financials/annual/balance-sheet
Warba Bank	11,362,000,000	https://www.dnb.com/business-directory/company-profiles/warba_bank_d34909a02f311dd240161262f91f0289.html
Kuwait International Bank	9,284,639,952	https://www.wsj.com/market-data/quotes/KW/KIB/financials/annual/balance-sheet
CIMB Islamic Bank	137,932,133,848	https://www.cimb.com/content/dam/cimb/group/documents/investor-relations/annual-reports/2019/cimb-2019-annual-report.pdf
RHB Islamic Bank	65,243,045,409	https://www.rhbgroup.com/-/media/files/malaysia/investor-relations/annual-reports/rhb-integrated-report-2020-financial-statements.ashx
AmBank Islamic	40,115,450,040	https://www.ambankgroup.com/eng/investorrelations/Pages/default.aspx
Bank Rakyat	26,888,849,175	https://www.bankrakyat.com.my/c/about/corporate/overview-1
Maybank Islamic	21,896,065,100	https://www.maybank2u.com.my/islamic/en/about-us/corporate-profile/corporate-information.page#:~:text=Maybank%20Islamic%20Berhad%2C%20the%20Islamic,in%20all%20key%20segments.
Bank Islam Malaysia	17,958,869,149	https://www.bankislam.com/wp-content/uploads/Bank-Islam-Financial-Statements-2020.pdf
MBSB Bank	12,193,365,210	https://mbsb.com.my/financials.html
Hong Leong Islamic Bank	10,799,100,747	https://www.hlisb.com.my/content/dam/hlisb/my/docs/pdf/About-Us/Investor-Relations/Annual-Quarterly-Reports/2021/quarterly-financial-results/q4fy2021/hlisb-financial-statements-q4fy21.pdf
Bank Muamalat Malaysia	5,607,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
HSBC Amanah Malaysia	4,921,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
OCBC Al-Amin Bank	3,877,000,000	https://www.theasianbanker.com/ab500/2018-2019/largest-islamic-banks
Kuwait Finance House (Malaysia)	2,248,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Standard Chartered Saadiq	1,901,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Al Rajhi Banking & Investment Corporation (Malaysia)	1,833,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Bank Nizwa	2,266,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Aliz Islamic Bank	1,774,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Meezan Bank	9,843,218,810	https://www.meezanbank.com/meezan-bank-financial-results-june-30-2021/#:~:text=Total%20assets%20of%20the%20Bank,513%20billion%20in%20December%202020.
Dubai Islamic Bank Pakistan	1,666,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
BankIslami Pakistan	1,559,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Palestine Islamic Bank	1,104,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Arab Islamic Bank	1,062,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/
Qatar Islamic Bank	47,900,000,000	https://www.qib.com.qa/en/investorrelations/fact-sheet/
Masraf Al Rayan	33,264,222,638	https://www.alrayan.com/english/investor-relations/overview/fact-sheet
Qatar International Islamic Bank	15,608,749,038	https://www.qiib.com.qa/Page/Details/88
Barwa Bank	9,106,029,519	https://www.barwa.com.qa/AnnualReports/Barwa_Cons_FS_31.12.2020%20(English%20-%20Ver.%202013).pdf
Al Rajhi Bank	97,045,959,920	https://islamicmarkets.com/publications/al-rajhi-bank-annual-report-2019
Bank AlBilad	22,943,206,896	https://www.bankalbilad.com/annual-report-2019/microsite/assets/documents/en/FINANCIAL_REVIEW_BAB_AR19.pdf
Bank AlJazira	16,867,384,416	https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BAJ_2019_AR_en_16420-2.pdf
Dubai Islamic Bank	78,847,133,120	https://www.dib.ae/about-us/news/2021/02/16/dubai-islamic-bank-full-year-2020-group-financial-results/#:~:text=Total%20assets%20grew%20by%2025,using%20its%20well%20entrenched%20franchise.
Abu Dhabi Islamic Bank	34,849,561,000	https://www.adib.ae/en/SiteAssets/InvestorPresentations/PDF/ADIB%20-%20IR%20pack-2020.pdf
Emirates Islamic Bank	17,642,589,912	https://www.emiratesislamic.ae/eng/financial-information/financial-highlights/
Sharjah Islamic Bank	12,182,000,000	https://www.sib.ae/en/about-us/investor-relations/fact-sheet
Ajman Bank	5,803,668,533	https://www.ajmanbank.ae/site/files/Financials/Documents_en/Ajman%20Bank_English_June_2021%20FS.pdf
Al Hilal Bank	5,017,232,390	https://www.alhilalbank.ae/en/Images/AHB%20Signed%20Financial%20statements%202019%20English_tcm50-326440.pdf
Al Rayan Bank	2,505,000,000	https://money-gate.com/largest-islamic-banks-in-the-world/

Name of Islamic Investment Fund	Net assets USD	Sources
HSBC Islamic Global Equity Index AD	2,682,700,000	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=FDGBR055UP
HSBC Islamic Global Equity Index AC	2,791,740,000	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=FD000051C
Schroders Islamic Global Equity Fund	180,820,000	https://www.fundlibrary.co.uk/funds/Library/DataRetrieval/Documents.aspx?Type=packet_fund_class_doc_factsheet_private&id=e671e98f-353f-4f39-bc32-8320c9bd370&User=DrvKdLVztjmgNvzQv6EqhrgJGKZerDg5W8tmFmARh%2F5YnbW3xccaPCDs&r=1
AMAP	6,700,000	https://www.morningstar.co.uk/uk/etf/snapshot/snapshot.aspx?id=0P0001KTQD
AMAL	6,700,000	
BNP Paribas Islamic Hilal Income	17,450,000	https://www.bnpparibas-am.co.uk/professional-investors/fundsheets/fixed-income/bnp-paribas-islamic-fund-hilal-income-privilege-c-lu1150059296/7tab=nav
SGLP SGLD		IFC,
Oasis Crescent VARIABLE	10,610,000	http://www.oasiscrescent.ie/ContextCMS/Assets/02%202021/Global/GBP/OGM%20CVF%20-%20Qtr%202-2021GBP.pdf
Oasis Crescent GLOBAL MEDIUM EQUITY	23,840,000	http://www.oasiscrescent.ie/ContextCMS/Assets/02%202021/Global/GBP/OGM%20GMEF%20-%20Qtr%202-2021GBP.pdf
Oasis Crescent GLOBAL LOW EQUITY	26,880,000	http://www.oasiscrescent.ie/ContextCMS/Assets/02%202021/Global/GBP/OGM%20GLEF%20-%20Qtr%202-2021GBP.pdf
Oasis Crescent GLOBAL INCOME	53,210,000	http://www.oasiscrescent.ie/ContextCMS/Assets/02%202021/Global/GBP/OGM%20GNCF%20-%20Qtr%202-2021GBP.pdf
Oasis Crescent PROPERTY EQUITY	101,570,000	http://www.oasiscrescent.ie/ContextCMS/Assets/02%202021/Global/GBP/OGM%20GPEF%20-%20Qtr%202-2021GBP.pdf
Oasis Crescent GLOBAL EQUITY	275,180,000	http://www.oasiscrescent.ie/ContextCMS/Assets/02%202021/Global/GBP/OGM%20GEF%20-%20Qtr%202-2021GBP.pdf
AMAGX	3,500,000,000	https://finance.yahoo.com/quote/AMAGX/profile?p=AMAGX
AMANX	1,550,000,000	https://www.sutarna.com/sites/sutarna.com/files/AMANX-AMINX-FactSheet.pdf
ADIEX	137,370,000	https://finance.yahoo.com/quote/ADIEX/profile?p=ADIEX
AMDWX	72,240,000	https://finance.yahoo.com/quote/AMDWX/profile?p=AMDWX
WISEX	194,920,000	https://finance.yahoo.com/quote/WISEX/profile?p=WISEX
HLAL	116,640,000	https://finance.yahoo.com/quote/HLAL/profile?p=HLAL
iShares MSCI Emerging Markets Islamic USD	119,262,650	https://www.ishares.com/uk/individual/en/products/251392/
iShares MSCI USA Islamic	179,499,437	https://www.ishares.com/uk/individual/en/products/251393/
iShares MSCI World Islamic	351,880,520	https://www.ishares.com/uk/individual/en/products/251394/ishares-msci-world-islamic-ucits-etf?switchLocaleY=&itEntryPassthrough=true
iShares MSCI EM Islamic	116,405,185	https://www.ishares.com/uk/individual/en/products/251392/ishares-msci-emerging-markets-islamic-ucits-etf
Aberdeen Standard Islamic Glbl Eq A	86,765,000	https://www.abrdn.com/docs?editionid=019b8be-8c8f-4310-a7c7-b8d2c0992768
Samba Al Joud GCC Equity	12,820,832	https://samba.aifund.com/GS/Docs/Al_Joud_GCC_FCS_ar.pdf
Bakheer Saudi Trading Equity Fund Sharia compliant	552,659	http://www.obic.com.sa/media/11891/obic_iposhaaria_mr_2021_08_e.pdf
AIAbi Saudi Mid and Small Cap Equity	18,864,383	https://argaamplus.s3.amazonaws.com/cd311f71-604c-4de4-8e6e-0c3528909fe.pdf
Jadwa Saudi Equity Fund	158,875,643	http://www.jadwa.com/en/researchsection/asset-management-products-and-services/mutual-funds/performance-reports
Jadwa GCC Equity Fund	18,632,444	http://www.jadwa.com/en/researchsection/asset-management-products-and-services/mutual-funds/performance-reports
Jadwa Arab Market Equity Fund	11,007,778	http://www.jadwa.com/en/researchsection/asset-management-products-and-services/mutual-funds/performance-reports
JADWA GLOBAL SUKUK	17,992,611	http://www.jadwa.com/en/researchsection/asset-management-products-and-services/mutual-funds/performance-reports
SAIB Saudi Companies SAR	27,068,389	https://icap.com.sa/en/wp-content/uploads/2020/05/2020-FS-201-SAB-Saudi-Companies-Fund-EN.pdf
AZIMUT GLOBAL SUKUK FUND	580,000,000	https://www.adb.ae/en/SiteAssets/mutual-funds-factsheets/AZIMUT%20GLOBAL%20SUKUK%20FUND.pdf
EMIRATES NBD GLOBAL SUKUK FUND	159,200,000	https://www.emiratesnbd.com/en/assets/File/am/ENBD_AM_EGSF_Factsheet_Y_2020.pdf
EMIRATES INDIA EQUITY	28,300,000	https://www.emiratesnbd.com/en/assets/File/am/ENBD_AM_SICAV_EIEF_Factsheet_Y_2020.pdf
EMIRATES EMERGING MARKET EQUITY FUND	17,700,000	https://www.emiratesnbd.com/en/assets/File/am/ENBD_AM_EEMEF_Factsheet_Y_2020.pdf
OLD MUTUAL ISLAMIC GLOBAL EQUITY FUND	134,300,000	https://www.oldmutualinvest.com/uk/assets/bf197a861586262667/bf123538e774fe81c26/614200caf689317f9db7fa01/Old_Mutual_Global_Islamic_Equity_Portfolio.pdf
EMIRATES NBD GLOBAL BALANCED FUND	129,800,000	https://www.emiratesnbd.com/en/assets/File/am/ENBD_AM_SICAV_EGMF_Factsheet_Y_2020.pdf
EMIRATES NBD WORLD OPPORTUNITIES FUND FUND	61,500,000	https://www.emiratesnbd.com/en/assets/File/am/ENBD_AM_SICAV_EWOF_Factsheet_Y_2020.pdf
TEMPLETON SHARIAH GLOBAL EQUITY FUND	88,000,000	https://www.franklinresources.com/download/en-gb/common/i7ajzha/Templeton-Shariah-Global-Equity-Fund-A-(acc)-USD-Retail-Fact-Sheet-31-07-2021.pdf
Principal Asia Pacific Dynamic "GROWTH	160,960,000	https://www.principal.com.my/sites/default/files/fund-documents/Malaysia%20Site/en_Principal_Asia_Pacific_Dynamic_Growth_Fund_-_Class_MYR_MYR_FF5.pdf
Principal Islamic Enhanced Opportunities Fund	29,295,000	https://www.principal.com.my/sites/default/files/fund-documents/Malaysia%20Site/en_Principal_Islamic_Enhanced_Opportunities_Fund_MYR_FF5.pdf
HANeef Almalia Santam Active Shariah Global Equity UCITS ETF	6,842,000	https://www.justetf.com/uk/etf-profile.html?isin=IE00BMYMHS24&overview
Public Islamic Equity	2,400,000,000	https://www.morningstar.com/my/report/fund/performance.aspx?id=0P00008MIF
Aviva Pension MYM HSBC Islamic Global Equity Index Pension Fund	2,800,000,000	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=VAUSAQRLV&InvestmentType=SA
People's Pension Shariah	46,670,000	https://thepeoplespension.co.uk/investments/shariah-fund-factsheet/

10.0 Appendix C: Jewish-aligned assets

Name	Net assets USD	SOURCE
Jewish Community Foundation of San Diego	650,000,000	https://assets.ctfassets.net/4oaw9man1yeu/3dlPlqvs7LBac7N3RZchWA/1092530f578aed98333691f50a2edbd0/faith-investor-profile-jcfsd.pdf
Liechtag Foundation	91,078,699	https://leichtag.org/wp-content/uploads/2021/09/Leichtag-Foundation-FS-9.30.20.pdf
Jewish Community Foundation of Los Angeles	1,438,466,000	https://www.jewishfoundationla.org/sites/default/files/jewish_community_foundation_-_fs_-_12.31.2020_issued_6.14.21.pdf
Jewish Federation of Greater Pittsburgh	292,156,000	https://jewishpgh.org/financials/
Jewish Communal Fund	1,967,486,255	https://jcfny.org/app/uploads/2020/12/2020-JCF-Annual-Financial-Report.pdf
Jewish Community Foundation of Greater Hartford	168,900,000	https://www.jcfhartford.org/wp-content/uploads/2021/08/2021-06-30_Quarterly-Investment-Update.pdf
Jewish United Fund	1,984,071,000	https://jufwebfiles.org/pdf/about_UF/JFMC-Audit-Report.pdf
Hadassah	763,295,922	https://issuu.com/hadassah/docs/hadassah-impact-report-2020
Oregon Jewish Community Foundation	92,018,746	https://cdn.ojcf.org/media/OJCF_2020_ImpactReport_WebVersion.pdf
Jewish Foundation Greater Metrowest NJ	541,000,000	https://jcfgmw.org/
Jewish Community Foundation Vancouver	90,950,000	https://jewishcommunityfoundation.com/
Jewish Community Foundation of Greater Kansas City	270,415,784	https://www.jcfkc.org/
Jewish Community Foundation of Phoenix	65,836,724	https://jcfphoenix.org/wp-content/uploads/2014/10/digital-annual-report-final.pdf
Dallas Jewish Community Foundation	270,950,000	https://www.djcf.org/assets/cms/uploads/files/DJCF%20Pool%20Performance%209.2021.pdf
American Jewish World Service Development Agency	54,416,985	https://ajws-americanjewishwo.netdna-ssl.com/wp-content/uploads/2020/11/AJWS_Annual_Report_2020_Financials.pdf
JDC	826,099,277	https://jdcorg-media.s3.amazonaws.com/wp-content/uploads/2021/10/IDC-Annual-Report-2020-2021.pdf
Weinberg Foundation	2,300,000,000	https://hjweinbergfoundation.org/wp-content/uploads/dlm_uploads/2017/08/Get-to-Know-2017-Final-Web.pdf
UJA Federation of New York	1,420,472,000	https://www.ujafedny.org/api/v2/assets/792288
UJA Federation of Greater Toronto	400,533,000	https://jewishtoronto.com/2020-annual-report
Jewish Federation of Northern New Jersey		https://jfnj.org/wp-content/uploads/2021/05/Annual-Report-2019-FINAL-no-crops.pdf
Jewish National Fund- UK	41,398,000	https://www.jnf.co.uk/wp-content/uploads/2020/09/JNF-CT-2019-financial-statements-signed.pdf
Charles and Lynn Schustermann Family Foundation	2,228,445,184	https://projects.propublica.org/nonprofits/organizations/731312965
JLens' Jewish Advocacy Strategy	130,000,000	https://www.jlensnetwork.org/jewishadvocacystrategy
JCF-Ogden Israel Impact Logan Program	45,000,000	https://jcfny.org/app/uploads/2021/02/Ogen-Flyer_10-19.pdf

11.0 Appendix D: Dharmic-aligned assets

Hindu Heritage Endowment- Fund name	Net assets USD
Alaveddy Pasupatheeswarar Temple Fund	8107.39
Anantha Ladies Home Endowment	54993
Bharathi Yoga Dhama Fund	19717
Bharatiya Ekta Mandir of Arizona Endowment	7337.51
Concord Shiva Murugan Temple (CSMT) Endowment Fund	
Cows of Kadavul and Iraivan Temples (Kovil Maadu) Endowment	44323.78
Digital Dharma Endowment	176554.34
Gurudeva's Trilogy Distribution Fund	199837.65
Himalayan Academy Publications Book Distribution Fund	78587.16
Hindu American Foundation Endowment	46670.5
Hindu Association of West Texas Endowment Fund	162242.8
Hindu Education Endowment	29071.94
Hindu Heritage Endowment Administrative Fund	32187.41
Hindu Literature Fund	31118.49
Hindu of the Year Fund	19676.41
Hindu Orphanage Endowment Fund	
Hindu Press International Endowment Fund	14981
Hindu Temple of The Woodlands Endowment	12142
Hinduism Today Complimentary Subscription Fund	345267
Hinduism Today Lifetime Subscription Fund	950858
Hinduism Today Production Fund	627762
India Hindu Temple Cleaning Fund	77358
India Hindu Tribals Endowment	79345
Iraivan Temple Endowment	8508981.61
Jaffna Kannathiddy Kali Kovil Endowment	14348
Jeyanandarajan Family Fund	53088
Kadavul Nataraja Ardra Abhishekam Endowment	130757
Kailasa Peedam Gift Fund	40727
Kashi Visweswaraswamy Temple Fund	
Kauai Aadheenam Annual Archana Fund	182549
Kauai Aadheenam Endowment for Hindu Religious Art and Artifacts	16585
Kauai Aadheenam Feed the Monks Fund	38061
Kauai Aadheenam Info-Tech Fund	11607
Kauai Aadheenam Matavasi Medical Fund	389471.58
Kauai Aadheenam Monastic Endowment	4698211.72
Kauai Aadheenam Renovation Endowment	38368
Kauai Aadheenam Yagam Fund	28436
Kerala Temple Trust	43191
Kodiswara Satguru Malaysia Travel Fund	19744
Kumbhalavalai Ganesha Temple Endowment	16587
Loving Ganesha Distribution Fund	106418
Maha Ganapati Temple of Arizona Endowment	10458
Mahajana College Endowment	
Malaysia Hindu Renaissance Fund	30963
Manitha Neyam Trust Fund	22715
Manjung Hindu Sabha Orphanage Fund	56173
Murugan Temple of North America Pillaiyar Shrine Fund	18264
Murugan Temple of North America Puja Fund	19814
Nadesan Family Lord Muruga Shum Fund	31762
Nallur and Kathirgamam Festival at Washington Murugan Temple Fund	14548
Pakistan Hindu Empowerment Fund	29047
Pallampulam-Saravani Murugamoorthi Thirukkovil Endowment	315250
Panchangam Endowment Fund	57055
Pazhassi Balamandiram Orphanage Fund	84312
Positive Discipline Endowment	10298
Rani Jothiswarar Memorial Fund	8067
Saiva Agamas Trust	13863
Saivite Hindu Scriptural Fund for the Visually Impaired	10722
Siva Poomi School Trust	41048
Spiritual Park of Mauritius Endowment	56496
Sri Chandra Madhab Debnath Endowment	12115
Sri Ganesha Hindu Temple of Utah Endowment Fund	26973
Sri Subramuniya Ashram Scholarship Fund	48192
Sri Subramuniya Kottam Fund	80871
Suntheram Family Trust Fund	
Swami Vipulananta Children's Home Endowment	48520
Taos Hanuman Fund	15738
Thank You Bodhinatha Fund	743385
The Endowment for Global Hindu Rights	18001
The Kautilya Endowment	24898
Thirunavukkarasu Nayanar Gurukulam	68368
Udayan Care Endowment Fund	55536
Yogaswami Hindu Girls' Home of Sittandy Endowment	214906

Name	Net assets USD	Source
Padmanabhaswamy Temple	23,400,000,000	https://www.holidify.com/collections/richest-temples-in-india
Tirupathy	11,180,000,000	https://www.business-standard.com/article/current-affairs/temples-hold-about-4-000-tonnes-of-gold-116032400306_1.html
Vasihno Devi	65,000,000	https://www.holidify.com/collections/richest-temples-in-india
Shirdi Sai Baba	41,600,000	https://www.holidify.com/collections/richest-temples-in-india
gurutayoor	325,000,000	https://www.holidify.com/collections/richest-temples-in-india
golden temple amritsa	65,000,000	https://www.holidify.com/collections/richest-temples-in-india
sabraimala	31,850,000	https://www.holidify.com/collections/richest-temples-in-india
siddhi vinayak	16,250,000	https://www.holidify.com/collections/richest-temples-in-india
madurai meenakshi	780,000	https://www.holidify.com/collections/richest-temples-in-india
jagannath puri	19,500,000	https://www.holidify.com/collections/richest-temples-in-india
kashi vish	780,000	https://www.holidify.com/collections/richest-temples-in-india
somnath	1,430,000	https://www.holidify.com/collections/richest-temples-in-india
mahalaxhmi kooladhpur	1,820,000	https://www.holidify.com/collections/richest-temples-in-india
kukke subrmaniya	11,700,000	https://www.holidify.com/collections/richest-temples-in-india
mahabodhi	13,780,000	https://www.holidify.com/collections/richest-temples-in-india

12.0 Appendix E: Academic literature

This section will survey academic literature on the potential of faith-aligned investment as impact investment.

Within the literature that focusses on faith-aligned investment for impact, ‘impact’ is typically defined in terms of ‘sustainable investment’ or ‘socially responsible investment’ (SRI). Whilst impact investment has distinctive features (notably its clear focus on creating *additional* measurable impact) compared to sustainable investment or SRI (which typically use negative screening out of certain types of investee as a proxy for impact), this report follows the literature in reviewing work on sustainable investment and SRI as indicative of impact investment.

Different religions are at different stages of development in terms of translating their religious traditions into impact investment practices. Research into faith-aligned investing in general is quite extensive in particular religions, especially Islam, where the precise rules governing investing have allowed for a very large and distinct industry to evolve. For other faiths, it is more mixed. Within the Dharmic faiths, being decentralised and where the majority of faith-aligned wealth is held by individuals and families, there appears there is little data that can be easily obtained to run studies similar to those conducted in the Abrahamic faiths, particularly Christianity and Islam. For example, Table 3 breaks down papers for in this paper by religion.

Table 3: Faith-Aligned Impact Investment Research Papers Surveyed

Religion	Number of Papers
Cross-religious	13
Islam	20
Christianity	8
Judaism	4
Buddhism	4
Hinduism	4
Jainism	1

General studies into faith-aligned investments are more recently looking into more sophisticated methods of screening. A 2012 study by Loche, Arenas et al. across the faiths drew out six main views of faith-aligned impact investment:

- Investing is not perceived as being in contradiction with religious values
- Religious values are important drivers
- There is a strong community around faith-consistent investing
- Religious investors are pioneering impact investment
- Implementing faith-consistent investing is not without difficulties
- Practices vary across regions¹⁶²

A 2020 study looks into replacing percentage of revenue as a screening approach (i.e., percentage of revenue from a particular activity) with dollars of revenue, which helps to exclude potentially billions of dollars extracted from sources of revenue that many faith-aligned funds would not want to profit from.¹⁶³ Hammond, the author, suggests that when studying four prohibited business activities, the current screening process excludes below two-thirds of proscribed revenue and only 9% of the companies generating such revenue. The alternative approach excludes a further \$300 billion with little increase in tracking error.¹⁶⁴ This approach could potentially be used in further research into defining an impact strategy for faith-aligned investing.

Most studies concentrate on data from one particular faith, while some are comparative studies. One notable exception is a study by Castro, Hassan et al. from 2020, comparing socially responsible mutual funds, Islamic mutual funds and Christian-based mutual funds.¹⁶⁵ It found that the Islamic funds outperformed the socially responsible funds, which in turn outperformed Christian funds.¹⁶⁶

12.1 Islam

Studies into the performance of Islamic investing, given its scale and distinct differences in investment philosophy, have made it the leading source on scholarly data on the performance of faith-aligned investment, and faith-aligned impact investment, in comparison to conventional benchmarks.

In 2007, Ghouil and Karam compared the performance of morally responsible investing – i.e., Islamic and Christian mutual funds – against secular, socially

¹⁶² Louche, Celine, Arenas, Daniel, van Cranenburgh, Katinka C., *From Preaching to Investing: Attitudes of Religious Organisations Towards Responsible Investment*, 2012, Journal of Business Ethics, 110, 301-320

¹⁶³ Hammond, Dennis R., *A Novel Approach to Materiality Thresholds for Faith-Based Institutions*, 2020, Journal of Impact and ESG, <https://doi.org/10.3905/jesg.2020.1.1.104>

¹⁶⁴ Ibid,

¹⁶⁵ Castro, Esther, Hassan, M. Kabir, Rubio, Jose Fransisco, Halim, Zairihan Abdul, *Relative performance of religious and ethical investment funds, 2020*, <https://www.emerald.com/insight/content/doi/10.1108/JIABR-04-2019-0084/full/html>

¹⁶⁶ Ibid.

responsible mutual funds to essentially test the hypothesis that they could be used together in a more holistic investment strategy (and they note at the end of their paper that Dow Jones would introduce a combined Islamic Market Sustainability Index in line with their hypothesis).¹⁶⁷

Of particular note was their comparison between the top holdings of Islamic mutual funds, in this case the Dow Jones Islamic K Mutual fund (DJIKM), and an SRI fund based on the S&P 500 Index, the KLD Domini 400 Social. The following is a list of the top ten largest holding in each fund.¹⁶⁸

Table 4: Top 10 Holdings: DJ Islamic K Mutual Fund/KLD Domini 400 Social index

DJ Islamic K Mutual fund top holding	KLD Domini 400 Social index top holding
ExxonMobil	Microsoft
Microsoft	Johnson & Johnson
Pfizer	AIG
Johnson & Johnson	Intel
Intel	Procter & Gamble
Procter & Gamble	JPMorgan Chase
Cisco	Cisco
Chevron	Wells Fargo
IBM	Amgen
Pepsi	Pepsi

¹⁶⁷ Ghoul, Wafica, and Karam, Paul, *MRI and SRI Mutual Funds: A Comparison of Christian, Islamic (Morally Responsible Investing), and Socially Responsible Investing (SRI) Mutual Funds*

¹⁶⁸ Ibid.

The holdings highlight the differences in Islamic and SRI priorities, but also the stark similarities. Banks are not included in DJIKM because of prohibitions on interest income and indebtedness, but oil companies are included because they tend to be very low risk. The differences in the two portfolios show an emphasis on different sectors, but significant overlap as well.¹⁶⁹ Around the same time, Forte and Migiletta carried out a similar study using the FTSE Islamic indices in Europe, and also observed similar portfolio comparisons with those indices and conventional benchmarks.¹⁷⁰

Ghoul and Karam, in their study above, state that the different industries have a weak correlation with each other, suggesting one could be an effective hedge of the other.¹⁷¹ Neither of these portfolios would be considered an ‘impact’ portfolio, but it demonstrates that impact portfolios could perhaps be adjusted to be Sharia compliant, and that there is scope to carry out research such as this to demonstrate viability of an impact strategy that fits within a wider faith-aligned strategy.

Performance comparisons (see Table 5) show similar levels of performance between DJ Islamic US index, KLD DS 400 (social) index and the S&P 500 Index.¹⁷² The underperformance of the DJ Islamic US index at the 5-year mark is attributed to a larger exposure to tech stocks compared to the other two indices at the time of the dotcom crisis.

Table 5: Performance of Islamic, Social and S&P Returns (as of September 30, 2005)

Total return (%)	DJI US	KLD DS 400 Index	S&P 500
One year	13.27	9.69	12.25
Three year	15.66	15.76	16.72
Five year	-6.09	-1.69	-1.48
Ten year	-	9.97	9.50

Building on Ghoul and Karam, (and Forte and Migiletta), Hassan and Girard in 2008 and 2010 also compared the Dow Jones Islamic indices and FTSE Islamic

¹⁶⁹ Ibid.

¹⁷⁰ Forte, Gianfranco and Migiletta, Federica *Islamic Mutual Funds as Faith-Based Funds in a Socially Responsible Context*, 2007, rev.2011, Università degli Studi di Milano-Bocca and Università delgi Studi di Bari, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1012813

¹⁷¹ Ghoul and Karam, *MRI and SRI Mutual Funds: A Comparison of Christian, Islamic (Morally Responsible Investing), and Socially Responsible Investing (SRI) Mutual Funds*

¹⁷² Ibid.

indices with conventional benchmarks and found no significant difference in performance.^{173 174} Naqvi et al. in 2018 also supported the idea of a higher ‘Islamic alpha’ and lower ‘Islamic beta’ as illusory and explained by country differences or investment styles.¹⁷⁵ Nevertheless, the possibility of a diversification benefit between responsible and Islamic finance is also investigated in 2020 by Ali et al.¹⁷⁶

Similar studies on Christian funds in Ghoul and Karam’s same study showed no discernible difference between funds, which probably suggests, according to the authors, that such funds are more closely integrated with the mainstream financial system.¹⁷⁷

In 2019, Azmi et al. investigated the possibility of ‘doing well by doing good’ by conducting a study comparing and contrasting the performance of the Dow Jones Global Indices with the different Dow Jones Islamic Indices. Compared and contrasted were the DJ Global Index (DJ G) as the market equity benchmark, the DJ Islamic Market World Index (DJ IMW), the DJ Sustainability World Index (DJ SW), DJ Islamic Market Sustainability Index (DJ IMS), which had been welcomed by Ghoul and Karam back in 2007.¹⁷⁸

Azmi et al. noted three strands of evidence showing Islamic funds underperforming in comparison to conventional benchmarks (especially early studies in the 1990s), Islamic funds overperforming, and studies showing no discernible difference in performance (like Hassan and Girard above).¹⁷⁹ Early studies showing underperformance were explained by early lack of sophistication and lack of access to diversification instruments, both of which seem to have been rectified by the late 2000s/early 2010s.¹⁸⁰ Financial crises of different natures affected the conventional and Islamic funds in different ways.¹⁸¹ The dotcom crisis of the early 2000s led DJ IMW and DJ IMS to perform below DJ SW and DJ G, due to the heavy presence of tech stocks in the Islamic indices. Conversely DJ IMW and DJ IMS outperformed DJ SW and DJ G after the global

¹⁷³ Hassan, M. Kabir, Khan, Abu Nahian Faisal, Kgow, Thiti *Faith-Based Ethical Investing: The Case of Dow Jones Islamic Indexes*, 2010, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3159812

¹⁷⁴ Hassan, M. Kabir, Girard, Eric, *Is There a Cost to Faith-Based Ethical Investing: Evidence from FTSE Islamic Indexes, 2008*, <https://joi.pm-research.com/content/17/4/112.short>

¹⁷⁵ Naqvi, Bushra, Rizvi, S.K.A, Mirza, Nawazish, Reddy, Krishna, *Religion based investing and illusion of Islamic Alpha and Beta*, 2018, Pacific-Basin Finance Journal pg 82-106, <https://www.sciencedirect.com/science/article/pii/S0927538X18301008>

¹⁷⁶ Ali, Md Hakim, Uddin, Md Akhter, Khan, Md Atiqur Rahman, Goud, Blake, *Faith-based versus value-based finance: Is there any portfolio diversification benefit between responsible and Islamic finance?*, 2020, https://onlinelibrary.wiley.com/doi/full/10.1002/ijfe.2081?casa_token=ZihY0Bzpij8AAAAA%3AfXZLm9PvpGJ9y4rZV8df1fdVas2o4HaKEU2WJD7JOoQYvimBtZOplefDKAR_JiibV_nNuN6ZijLS5xl

¹⁷⁷ Ghoul and Karam, *MRI and SRI Mutual Funds: A Comparison of Christian, Islamic (Morally Responsible Investing), and Socially Responsible Investing (SRI) Mutual Funds*

¹⁷⁸ Azmi, Wajahat, Ng Adam, Dewandaru, Ginanjar, and Nagayev, Ruslan, *Doing well while doing good: The case of Islamic and sustainability equity investing*, September 2019, <https://doi.org/10.1016/j.bir.2019.02.002>

¹⁷⁹ Ibid.

¹⁸⁰ Ibid.

¹⁸¹ Ibid.

financial crisis of 2007-2008, due to the absence of banks in the Islamic indices, and their substantial presence in the non-Islamic indices.¹⁸² Outside of the crises, there was a strong degree of co-movement between the Islamic and non-Islamic indices (also corroborated in Dania and Malhotra in 2013, assessing dynamic linkages between faith-aligned SRI and conventional funds).¹⁸³ However, differences in performance continue to exist, enough to demonstrate differences in long- and short-term performance.

Azmi et al. go on to make the case for successful faith-aligned sustainable investing.¹⁸⁴ Their work found that investors do not have to take a haircut to invest in Islamic or sustainable indices, and that particularly during economic expansions and financial crises, a combination of Islamic and sustainable investing strategies are more rewarding than investing in the conventional indices (see Tables 6 and 7).¹⁸⁵ Azmi et al. nevertheless state that restricting the universe within which one may invest can lead to underperformance without proper management and screening, which would raise costs and, in the short term at least, impair performance.¹⁸⁶ Alotaibi et al. in 2020 use Islamic investments to show how screening need not necessarily impair performance, and suggest the wider ethical investing industry need not sacrifice performance to adhere to their values.¹⁸⁷

Azmi et al. also produce results that build on Ghouli and Karam's results thirteen years earlier, suggesting similar levels of performance between the Dow Jones Islamic, sustainable and conventional indices. While Ghouli and Karam welcomed the arrival of the Dow Jones Islamic Sustainability Index in 2007, Azmi et al. are able to process almost a decade's worth of data from the index 13 years later. Monthly average returns from 1998 to 2015 range only 5.6% between the four indices listed in Table 6.¹⁸⁸

¹⁸² Ibid.

¹⁸³ Dania, Akash, and Malhotra, D.K., *An Empirical Examination of the Dynamic Linkages of Faith-Based Socially Responsible Investing*, 2013, *Journal of Wealth Management*, Summer 2013 16 (1) 65-79

¹⁸⁴ Azmi, et al., *Doing well while doing good: The case of Islamic and sustainability equity investing*

¹⁸⁵ Ibid.

¹⁸⁶ Ibid.

¹⁸⁷ Alotaibi, Khaled, Helliar, Christine, Tantiantiwong, Nongnuch, *Competing Logics in the Islamic Funds Industry: A Market Logic Versus a Religious Logic*, 2020, *Journal of Business Ethics*, <https://link.springer.com/article/10.1007/s10551-020-04653-8>

¹⁸⁸ Azmi, et al., *Doing well while doing good: The case of Islamic and sustainability equity investing*

Table 6: Monthly Average Returns: DJ Global, DJ Islamic, DJ Islamic Sustainability, and DJ Sustainability (1998-2015)¹⁸⁹

Index (1998-2015)	Monthly average return (%)	Monthly standard deviation
DJ Global	0.2975	2.21
DJ Islamic	0.3024	2.16
DJ Islamic Sustainability	0.2945	2.21
DJ Sustainability	0.2854	2.31

Over the course of 17 years that included the dotcom crisis and the global financial crisis, the best performance (both highest monthly average return and lowest standard deviation from the mean) was DJ Islamic, though as stated above, variation between all four is low. In comparison, when only looking at 2001 to 2008, the ‘bullish’ period between the dotcom crisis and the global financial crisis, DJ Islamic is at the lower end of return (see Table 7).¹⁹⁰ DJ Islamic has an even lower standard deviation than for the 1998-2015 period, while all the other indices have higher standard deviation. DJ Sustainability, however, has the highest return of this period (though to note also, the highest standard deviation). DJ Islamic Sustainability sits in between, but comfortably higher than, DJ Islamic. When DJ Islamic underperforms, DJ Islamic sustainability overperforms, and vice versa. At all times, they are also competitive with conventional benchmarks.

This would at least notionally support the idea that a sustainability-focussed investment could play a complementary part of a wider Islamic-aligned investment strategy. Again, as shown in Table 4, the holdings in the sustainability indices are not necessarily impact holdings.¹⁹¹ We cannot necessarily take this to mean that similar results would be observed with using an impact-only index.

¹⁸⁹ Ibid.

¹⁹⁰ Ibid.

¹⁹¹ Ibid.

Table 7: Monthly Average Returns: DJ Global, DJ Islamic, DJ Islamic Sustainability, DJ Sustainability (2001-2008)¹⁹²

Index (2001-2008)	Monthly average return (%)	Monthly standard deviation
DJ Global	0.717	2.27
DJ Islamic	0.704	2.14
DJ Islamic Sustainability	0.718	2.26
DJ Sustainability	0.737	2.44

While many studies show favourable performance of Sharia-based investing performance, contradictory evidence also exists. In India, Farid et al. show negative portfolio performance when using Sharia screening criteria for portfolio construction compared to conventional methodologies, while Alam et al. show no evidence of any significance difference.^{193 194} Dharani, Hassan et al. show positive performance of Sharia-based stocks over conventional ones.¹⁹⁵ All of these studies were published in 2019-20.

12.2 Christianity

Most Christian-aligned investment funds operate within the mainstream financial system, given fewer restrictions on fundamental tenets such as interest.¹⁹⁶ The various denominations of Christianity have also been a significant part of the Western and global financial system in some form or another for centuries, and are much more an integral part of the wider financial system.¹⁹⁷ Getting separated data showing how they perform compared to benchmark indices is therefore much more difficult.¹⁹⁸

However, an analysis of Christian-aligned SRI funds was conducted and published in the US in 2020. The performance of all 39 Christian-aligned SRI

¹⁹² Ibid.

¹⁹³ Farid Saqib, Tashfeen, Rubina, Rashid, Adeeba, Naeem, Md Abubakr, *Does Shariah Based Asset Categorization Improve Portfolio Performance*, 2020, University of Central Punjab,

<https://go.gale.com/ps/anonymouse?id=GALE%7CA636154860&sid=googleScholar&v=2.1&it=r&linkaccess=abs&issn=19962800&p=AONE&sw=w>

¹⁹⁴ Alam, Mahfooz, Ansari, Valeed Ahamad, *Are Islamic indices a viable investment avenue? An empirical study of Islamic and conventional indices in India*, 2020, International Journal of Islamic and Middle Eastern Finance and Management, <https://www.emerald.com/insight/content/doi/10.1108/IMEFM-03-2019-0121/full/html>

¹⁹⁵ Dharani, M., Hassan, M. Kabir, Paltrinieri, Andrea, *Faith-based norms and portfolio performance: Evidence from India*, 2019, Global Finance Journal, Vol 41, pp79-89, <https://doi.org/10.1016/j.gfj.2019.02.001>

¹⁹⁶ Ghoul and Karam, *MRI and SRI Mutual Funds: A Comparison of Christian, Islamic (Morally Responsible Investing), and Socially Responsible Investing (SRI) Mutual Funds*

¹⁹⁷ Stultz, Richard Scott *An Examination of the Efficacy of Christian-Based Socially Responsible Mutual Funds*, 2020, , Journal of Impact and ESG, <https://jesg.pm-research.com/content/early/2020/10/02/jesg.2020.1.002.abstract>

¹⁹⁸ Ghoul and Karam, *MRI and SRI Mutual Funds: A Comparison of Christian, Islamic (Morally Responsible Investing), and Socially Responsible Investing (SRI) Mutual Funds*

funds listed on MorningStar were compared with the performance of the S&P 500 Index and other SRI funds, tracking performance from 1995-2015. Overall, the funds underperformed the S&P 500, though individual funds did outperform it.¹⁹⁹ When compared with other SRI funds, results were mixed, with some performing very well and others badly.²⁰⁰ The report suggests this is explained by variations in investment decisions taken by the funds themselves, as opposed to anything inherent about the faith-aligned aspect of the investment screening process.²⁰¹ As suggested in studies mentioned earlier, it is unsurprising that the funds as a group underperformed the S&P 500, considering there is a more restricted and less diversified universe of opportunities to invest in compared to the S&P 500.

Given some important similarities between Islamic and Christian investment criteria, there is some justification to test hypotheses that effective strategies including impact investment could be developed for Christian-aligned funds. The Church of Sweden has already shown encouraging results year on year of its sustainable investment portfolio, which has earned an average 7.2% return from 2015-19.²⁰²

Academics also studied individual Christian groups, and whether religion plays a role in how they make investment decisions. A 2014 study of 361 individual investors in Poland, 74% of whom were at least somewhat religious, found that 39% of all respondents would make SRI investment if they had the same return, 27% would do so but only if profitability were higher, but only 15% would invest if profitability were lower (including 4% who would not have profitability pre-conditions).²⁰³ Within the set of those who called themselves religious was a subset of practising churchgoers (34% of the total).²⁰⁴ These respondents were statistically more likely to be willing to engage in SRI than other groups, suggesting some linkage between Christian belief and a willingness to engage in impact investment.²⁰⁵ Some caution should be placed on drawing too many conclusions about impact investment, as the study itself recognises, as it is only one study in a singular geography where SRI is not widely known and SRI instruments are not widely available.²⁰⁶

¹⁹⁹ Stultz, Richard Scott *An Examination of the Efficacy of Christian-Based Socially Responsible Mutual Funds*

²⁰⁰ Ibid.

²⁰¹ Ibid.

²⁰² *Church of Sweden 2019 sustainable investment annual report*, 2019, <https://www.svenskakyrkan.se/reports-on-responsible-asset-management>

²⁰³ Czerwonka, Monika, *The Influence of Religion on Social Responsible Investing*, 2014, Warsaw School of Economics in *Journal of Religion and Business Ethics*, <https://via.library.depaul.edu/cgi/viewcontent.cgi?referer=https://scholar.google.co.uk/&httpsredir=1&article=1077&context=jrbe>

²⁰⁴ Ibid.

²⁰⁵ Ibid.

²⁰⁶ Ibid.

A similar study in Germany in 2017 showed a linkage between environmental ‘stewardship activities’ and Christian belief in the financial decisions taken by German households, which complements many studies undertaken on US households.²⁰⁷

The year 2019 saw the emergence of the first small- to mid-cap biblically inspired SRI index in the United States.²⁰⁸ A study of the index outlines strong performance due to strong methodology for selecting stocks within the biblically aligned framework.²⁰⁹ The same study suggested that more such indices are likely to follow in the coming years.²¹⁰ Coupled with a 2020 YouGov poll showing that millennial savers are twice as likely as older generations to want their pension to be invested responsibly, it is unsurprising that there is a reaction to this impending shift in attitudes from the faith-aligned investing sector.²¹¹

12.3 Judaism

As stated above, formalised Jewish faith-aligned investing is a much newer concept than in the other Abrahamic faiths. No Jewish investment funds existed before 2007.²¹² Funds now exist to specifically support social and impact related causes, especially in the United States, and to support Israeli start-ups.²¹³ Given that they are relatively new, there is little comparative data to study, although there has been discussion on Jewish investing principles stretching back centuries, with modern discussions ongoing.

12.4 The Dharmic faiths

Studies relating faith-aligned impact investment in the Dharmic faiths are much fewer in number, as mentioned above. Within Hinduism, of note are the studies surrounding the investment activities of Hindu families, which within India can be counted as a single legal unit, the Hindu Undivided Family, with its own

²⁰⁷ Gutsche, Gunnar *Individual and Regional Christian Religion and the Consideration of Sustainable Criteria in Consumption and Investment Decisions: An Exploratory Econometric Analysis*, August 2017, Journal of Business Ethics, <https://link.springer.com/article/10.1007/s10551-017-3668-2>

²⁰⁸ Enete, Shane, *Performance Attribution of the First Biblically Responsible-based SRI Index, 2019*, Crowell School of Business, Biola University, <https://digitalcommons.biola.edu/faculty-articles/394/>

²⁰⁹ Ibid.

²¹⁰ Ibid.

²¹¹ Ali, Md Hakim, Uddin, Md Akhter, Khan, Md Atiqur Rahman, Goud, Blake, *Faith-based versus value-based finance: Is there any portfolio diversification benefit between responsible and Islamic finance?*

²¹² Schwartz, Mark, et al., *Ethical Investing from a Jewish Perspective*

²¹³ <https://www.theimpactivate.com/where-are-jewish-investors-seeking-impact/>

special tax rules.²¹⁴ This construct gives some clue as to the importance and influence of families, both famous and otherwise, in determining the future of impact investment within Hinduism. Similarly, there are documented instances of Jain family-owned business choosing not to list on the stock market, preferring to retain family control and links to the wider Jain community.²¹⁵

In 2008, building on the success of its Islamic Indices, Dow Jones launched the Dharma Index (outlined above) in an effort to encourage faith-aligned investment across the Dharmic faiths.²¹⁶ While greatly hailed, unfortunate timing meant that interest waned after the global financial crisis, and the index was eventually discontinued in 2009.²¹⁷

²¹⁴ Das Gupta, Chirashree and Gupta, Mohit, *The Hindu Undivided Family in Independent India's Corporate Governance and Tax Regime*, <https://journals.openedition.org/samaj/4300>

²¹⁵ Shah and Rankin, *Jainism and Ethical Finance, a Timeless Business Model*

²¹⁶ Oxford Centre for Hindu Studies, *The Dow Jones Dharma Index: A Case Study*

²¹⁷ <https://economictimes.indiatimes.com/money-you/a-peek-into-faith-based-investments/articleshow/5454440.cms?from=mdr>

13.0 Appendix F: Board Member Biographies

Prof Alex Nicholls, MBA University of Oxford

OxFAIF Principal Investigator

Alex is the first tenured professor in social entrepreneurship appointed at the University of Oxford. He is also a Tutorial Fellow and Member of the Governing Body at Harris Manchester College, University of Oxford, and in 2004, he was the first staff member of the Skoll Centre for Social Entrepreneurship for which he helped raise the funding. He is also the Editor in Chief of the *Journal of Social Entrepreneurship*.

Alex's research interests range across several key areas within social entrepreneurship and social innovation, including: social and impact investment; the nexus of relationships between accounting, accountability, and governance; public and social policy contexts including impact bonds; and Fair Trade. To date, Alex has published over a hundred papers, working papers, book chapters and articles, and six books. His 2009 paper on social investment won the Best Paper Award (Entrepreneurship) at the British Academy of Management.

Ellen Dorsey, Executive Director, Wallace Global Fund

Ellen Dorsey is Executive Director of the Wallace Global Fund, a private foundation focused on progressive social change in the fields of environment, democracy, human rights and corporate accountability. Under her leadership, the Fund is recognized for creative philanthropic strategies and mission-related investing. This alignment of programs and investments led the foundation to support the fossil fuel divestment movement since its inception and to launch a new global campaign, *Shine*, to end energy poverty. Dorsey was awarded the 2016 inaugural Nelson Mandela – Graca Machel Brave Philanthropy Award for launching Divest-Invest Philanthropy, a coalition of over 170 foundations committed to deploying their investments to address the climate crisis and accelerate the clean energy transition.

Dr. Dorsey came to Wallace Global Fund from a series of academic, philanthropic and non-profit leadership positions in the human rights and environmental fields, including serving as Executive Director at the Rachel Carson Institute, launching the Human Rights and Environment program at Amnesty International, and serving as senior program officer in the Heinz Endowment's Environment Program.

Dorsey holds a doctorate in political science from the University of Pittsburgh. She was a Fulbright Research Fellow in South Africa during that country's historic transformation. She served on the faculty of several

Universities, teaching human rights and environmental sustainability. She has written extensively on effective strategies of non-governmental organizations and social movements.

Fletcher Harper

Fletcher is an Episcopal priest and Executive Director at GreenFaith. GreenFaith is a national, interfaith environmental organization that conducts education and advocacy, and provides sustainability services, to faith-based groups. Under his leadership, GreenFaith has developed innovative programs linking religious belief and practice to the environment. An award-winning spiritual writer and nationally-recognized preacher on the environment, he teaches and speaks at houses of worship from a range of denominations in New Jersey and nationwide about the moral, spiritual basis for environmental stewardship and justice.

GreenFaith facilitates solar and energy services and financing for the faith sector, and uses the power of religious networks help people from diverse backgrounds put their belief into action for the Earth.

A graduate of Princeton University and Union Theological Seminary, he served as a parish priest for ten years and in leadership positions in the Episcopal Church before becoming GreenFaith's Executive Director.

Sandra Smithey, Director of Programs and Philanthropic Engagement at Shine

Sandra joined the Shine Campaign as the Director of Program and Philanthropic Engagement in 2020. She has four decades of experience working on global sustainable development issues with international non-governmental organizations (NGOs), bilateral donors, and multilateral institutions. Prior to joining Shine, Sandra was a program officer at the Charles Stewart Mott Foundation for 20 years, managing its global development finance and energy access portfolios as part of its Environment Program. Over the years, she managed and expanded the grantmaking portfolio to address energy and infrastructure financing by public development finance institutions, including the World Bank Group, Asian development finance institutions, and the African Development Bank. She developed and managed the Foundation's energy access grantmaking over the past decade, which focused on creating solutions for the development of African-owned and led companies that provide off-grid renewable energy for poor rural communities.

Gayle Peterson, PFC Social Impact, University of Oxford
OxFAIF co-Principal Investigator

Gayle is the co-founder and Senior Managing Director of PFC Social Impact Advisers and a lead adviser for FAIF. She holds an MA in Social Policy from the University of Chicago and an MSc from HEC-Paris School of Management and Oxford University. Gayle is Associate Fellow at Saïd Business School, Oxford University, where she is a founder of the Women Transforming Leadership Programme and programme director of Oxford Impact Investing. Gayle has more than 25 years of experience as strategist, philanthropist, and trusted advisor to social investors worldwide.

Martin Palmer, Founding President, FaithInvest

Martin Palmer was the Secretary General of the Alliance of Religions and Conservation (ARC) until June 2019. ARC was founded with HRH Prince Philip in 1995 to help faiths develop environmental and conservation projects based on their own beliefs and practices. Although ARC closed in 2019, having achieved its major goals, its legacy includes FaithInvest and WWF's International Beliefs and Values Programme. Martin is an international specialist on all major faiths and religious traditions and cultures. He is the author and editor of more than 20 books on religious and environmental topics. He has translated many ancient Chinese texts, is a regular contributor to the BBC, and is a lay preacher in the Church of England. He has been working with the faiths on their investment programmes since 2001.

Johannes van de Ven, Executive Director of Good Energies

Johannes serves as the Executive Director of Good Energies, based in Switzerland; is a Board member of World Resources Institute Brazil, Instituto Arapyaú (Brazil) and solar enterprise SELCO (India). He studied development economics and theology at the PUC-Rio de Janeiro (Brazil) and holds a Ph.D. in moral theology and business ethics from University of Louvain (Belgium). In prior incarnations, Johannes was the managing director of Porticus Latin America (2008-2013) and investment bank Bozano, Simonsen, based in Rio de Janeiro and New York.

Omar Shaikh, CEO UK Islamic Finance Council

Omar is a Chartered Accountant by profession and specialises in Islamic finance and private equity. He leads the UKIFC's government policy advisory activities. Omar has been involved in the UK Government's strategy for making the City a leading hub for Islamic finance. Omar's background includes working with Ernst & Young where he was recognised as the UK firm's SME for Islamic finance and successfully led the build out of the Islamic finance offering within the UK office.

Graham Burnside, head of advisory board, UKIFC and senior adviser, Global Ethical Finance Initiative

A consultant with Shepherd and Wedderburn LLP, formerly heading the Banking & Finance Department of Tods Murray LLP, Graham leads the UKIFC's activities in the ethical finance arena. He has pioneered the application of Shariah principles within Scots law, facilitating the availability of Islamic home financing to the Scottish community. In addition to the legal structuring of Shariah-compliant retail products and commercial funding Graham was also involved in consultations with HM Treasury, leading to the introduction of stamp duty reliefs for Scottish Islamic mortgages.

Shaunaka Rishi Das, Director of the Oxford Centre of Hindu Studies

Shaunaka Rishi Das is the Director of the Oxford Centre for Hindu Studies, a position he has held since the Centre's foundation in 1997. He is a lecturer, a broadcaster, and Hindu Chaplain to Oxford University. His interests include education, comparative theology, communication, and leadership. He is a member of The Commission on Religion and Belief in British Public Life, convened in 2013 by the Woolf Institute, Cambridge. In 2013 the Indian government appointed him to sit on the International Advisory Council of the Auroville Foundation.

Mohammed Kabir Hassan, Professor of Finance, University of New Orleans

Professor Dr. Mohammad Kabir Hassan is Professor of Finance in the Department of Economics and Finance in the University of New Orleans. He currently holds three endowed Chairs-Hibernia Professor of Economics and Finance, Hancock Whitney Chair Professor in Business, and Bank One Professor in Business- in the University of New Orleans. Professor Hassan is the winner of the 2016 Islamic Development Bank (IDB) Prize in Islamic Banking and Finance. Professor Hassan received his BA in Economics and Mathematics from Gustavus Adolphus College, Minnesota, USA, and M.A. in Economics and Ph.D. in Finance from the University of Nebraska-Lincoln, USA respectively.

Professor Hassan is a financial economist with consulting, research and teaching experiences in development finance, money and capital markets, Islamic finance, corporate finance, investments, monetary economics, macroeconomics, Islamic banking and finance, and international trade and finance. Professor Hassan has done consulting work for the World Bank, International Monetary Fund, African Development Bank, Transparency International-Bangladesh (TIB), Islamic Development Bank, United Nations Development Program (UNDP), Government of Turkey and many private

organizations. Professor Hassan has been elected a Board Member of Ethics and Governance Committee and Education Board of the Accounting and Auditing Organization for the Islamic Financial Institutions (AAOIFI).

Rabbi Jacob Siegel, Director of engagement, J-LENS

Rabbi Siegel oversees JLens' Jewish communal engagement and education, and assists with shareholder advocacy and interfaith investor collaborations. He has served as a dynamic educator on the topics of money, social justice, sustainability, and ethical food for Hazon, Eden Village Camp, The 92nd Street Y, Jewish Farm School, and at colleges and synagogues. Rabbi Siegel fought poverty and racism in his prior role with Americorps, and he founded a nonprofit focused on youth and violence prevention. He received his rabbinic ordination from Yeshivat Chovevei Torah, a modern Orthodox rabbinical school in New York, his undergraduate degree in Mathematics from Washington University in St. Louis, and he spent a year at Israel's Pardes Institute.

Gunnela Hahn, Head of Sustainable Investment, Church of Sweden

Gunnela Hahn is Head of Sustainable Investment at the Church of Sweden since 2008, where she has built up the structures and content of the one-billion-euro portfolio. Especially the comprehensive climate divest-invest strategy, starting in 2008, has met vast interest in the investment community in Sweden and internationally. Gunnela is also dedicated to seeking opportunities and overcome hurdles for the investment community to make their part in building the climate economy and resilient societies. She is engaged in various investor groups aiming to create new investment products and drive change.

Previously, she worked eight years as a senior sustainability analyst at Folksam Insurance Group and as a consultant before that. She was one of the founders of Swesif, the Swedish Sustainable Investment Forum, served for many years at the board, and now chairs the election committee. She has also served at the board of Ekobanken, a small, sustainable bank. In the past, Gunnela worked as a sustainability consultant for private companies as well as various public institutions. For ten years she served on the board of a major public health care provider. Today, she is on the board of Transparency International Sweden.

Her academic degrees are in international economics and business administration with environmental focus, science and practical philosophy.

Christopher Rowe, Managing Director, Investments Department, Church Pensions Group (US Episcopal Church)

Christopher Rowe is responsible for leading CPG's socially responsible investment engagement strategy and outreach initiatives. He works to build relationships with companies in which CPG invests, peer organizations, the

Episcopal Church, and other stakeholders with similar values. Additionally, he works on behalf of the Chief Investment Officer to oversee various aspects of administration for the Investments Department, including communications and compliance.

Prior to CPG, Christopher was Chief of Staff to the CEO of PGIM, Prudential Financial's asset management business, where he was responsible for wide-ranging activities, including business administration, external relations, and sustainability. Earlier in his career he worked directly with institutions and faith-based investors on strategies for integrating values with investments. He received a BA in economics from Haverford College and an MBA in finance from New York University. He is a Chartered Financial Analyst.

Satish Kumar, Editor emeritus, Resurgence & Ecologist Magazine

A former monk and long-term peace and environment activist, Satish Kumar was just nine when he left his family home to join the wandering Jains, and 18 when he decided he could achieve more back in the world, campaigning for land reform in India and working to turn Gandhi's vision of a renewed India and a peaceful world into reality.

In 1973 Satish settled in the UK becoming the editor of Resurgence magazine, a position he held until 2016, making him the UK's longest-serving editor of the same magazine. During this time, he has been the guiding spirit behind a number of now internationally respected ecological and educational ventures. He cofounded Schumacher College in South Devon, where he is a Visiting Fellow. In 2014 Satish was appointed an Oxfam UK Ambassador. Satish is also a member of the Advisory Council of the Gross National Happiness Centre of Bhutan.

Professor Atul K. Shah, Visiting Lecturer, City, University of London

Professor Atul K. Shah is an accomplished thought leader, writer, lecturer and broadcaster, with a PhD from London School of Economics, and has published international books and research papers in renown journals. His work has been profiled in Forbes, Guardian, Financial Times, Economia and on BBC Radio.

Books published by Routledge include 'The Politics of Risk, Audit & Regulation - A Case Study of HBOS'; 'Jainism and Ethical Finance' (jointly with Aidan Rankin); 'Reinventing Accounting & Finance Education - For a Caring, Inclusive and Sustainable Planet'; and 'Celebrating Diversity'. Journals in which he has published include Accounting, Organisations and Society; Accounting, Auditing and Accountability Journal; European Accounting Review; Journal of Financial Regulation and Compliance; Business Ethics - A European Review;

Professor Shah has taught at the London School of Economics; University of Bristol; University of Maryland; University of Essex; University of Suffolk; and Middlesex University.

He is a qualified Chartered Accountant and member of ICAEW. He is passionate about Cultural Inclusion and Ethical Finance and continues to provide global academic leadership in a number of critical areas relating to finance, accounting and corporate governance and regulation. He is a sought after speaker and broadcaster.

Josh Zinner, CEO, Interfaith Centre on Corporate Responsibility

As ICCR's Chief Executive Officer since January 2016, Josh Zinner oversees programs and operations for the organization, and is the lead external organizational representative. Josh has more than 25 years' experience as a non-profit leader, coalition-builder and policy advocate. Josh is also a long-time public interest lawyer who has spent his career working to promote social and economic justice and corporate accountability. For the eight years prior to coming to ICCR, Josh co-directed the New Economy Project, an organization that works with community groups on economic justice issues and is at the forefront both locally and nationally in the fight against discriminatory financial practices.

Jennifer Pryce, President and CEO, Calvert Impact Capital

Jenn Pryce is President and CEO of Calvert Impact Capital. For more than 25 years, Calvert Impact Capital has strived to make markets work for more people, more often, by investing in communities overlooked by traditional finance. Calvert Impact Capital invests through organizations that on-lend to people and businesses in the US and over 120 countries. In 2019 the organizations in their portfolio provided more than \$5 billion to finance everything from solar panels in Tanzania and small businesses in Texas.

Jenn began her career in the Peace Corps where she taught math in Gabon. She then worked as an equity research analyst for Neuberger Berman and on the investment banking team at Morgan Stanley's London office before joining The Public Theater in New York City and leading the Washington DC regional office for the Nonprofit Finance Fund. Jenn studied engineering at Union College and holds an MBA from Columbia University. She currently serves as a Forbes contributor, a lecturer at Oxford Saïd School of Business and the Advisory Board Chair of Quantified Ventures.

Secretary to the Advisory Board:

Eric Sukumaran, University of Oxford

OxFAIF Research and Project Operations Lead

Eric is passionate about developing methods to sustainably finance badly needed power projects in some of the most difficult environments, after spending five years originating renewable energy projects across emerging markets globally. Eric was an investment banker at Deutsche Bank, before leaving to advise the Mayor of London on his successful 2012 re-election campaign. He then went on to become a Senior Policy Adviser for the British Government, advising on large-scale infrastructure projects and on climate change policy, with a focus on international treaty negotiations governed by the Paris Climate Agreement (and with a year-long stint in Brexit negotiations).

Eric holds a BA in Philosophy, Political Science and Economics from the University of Pennsylvania, and an MBA from the University of Oxford.