

ZUG: International meeting on faith-consistent investing

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“What do you do with wealth to make a better planet?”

When is the meeting?

The meeting will be in Zug, Switzerland from October 29 to November 1, 2017.

Who is invited?

Some 30 faith finance representatives will be attending, as well as senior leaders and top proponents of sustainability from within some of the key religions. There will be representatives from Buddhism, a number of Christian traditions, Daoism, Hinduism, Islam, Judaism, Sikhism and Shinto. A similar number of secular delegates will be attending from

philanthropies, international agencies such as the UN, NGOs including WWF, as well as representatives from several financial institutions that have become leaders in sustainable and impact investment.

Why is it happening?

The world's faiths control a significant proportion of the world's assets. They have in recent years become involved in investing according to environmental, sustainable and governance (ESG) principles. To date they have generally applied negative criteria or screening to avoid inappropriate investments from their portfolios. From this year some of the leading faith fund managers will start to work with clearly articulated and formally endorsed ESG criteria for positive investment. This is backed by a commitment to change the world by aligning their assets with their deepest values and principles. Against a background of political and economic uncertainty in many places around the world, 2017 will see a significant global breakthrough in the emergence of Faith-Consistent Investment (FCI).

The Zug guidelines to Faith-consistent Investment

Every faith group that attends Zug has completed its own statement of FCI guidelines. Summaries of these, together with statements of values by the secular impact investment fund managers will be published in *The ZUG GUIDELINES to Faith-consistent investment* which will be a hard copy book and also available on our website. The Zug event is a commitment to further action on top of considerable work to put these guidelines in place to allow this new market to emerge.

As far as possible the guidelines:

- a. outline the scale and nature of the faith tradition's financial assets in order to begin to truly assess the scale of the role of faiths in the capital market. Guesstimates currently place the faiths as the fourth largest investing group.
- b. outline the specific faith's teaching and wisdom on how to use your assets, in particular your financial assets
- c. outline current screening principles the faith investors have, according to their religion. For some, not all, these include negative screening principles such as non-usury; ban on armaments, alcohol, gambling, carbon divestment etc. For some of the faith investors these also include positive screening principles (particularly in the context of the SDGs), for example directing investments into clean energy, specific pharmaceuticals, clean transport initiatives etc.
- d. (for those faiths who do not yet have explicit positive investment guidelines) outline any existing criteria that can be brought into play in order to direct investments into creating a more sustainable, just and environmental world.
- e. outlines on what as an organisation you would now be willing to consider for future venture capital or entrepreneurial investing which touch upon the broad range of themes that the SDGs cover. For example, an historic commitment to water provision would mean that water projects would be a priority.
- f. A consideration of these areas of potential investment interest within a wider context of not just financial assets but also assets such as the role the faith tradition plays in education; in media and information; in health care or in land management.

This will help the wider world understand the breadth of engagement faiths have as stakeholders in the planet and its future.

How do you draw up guidelines for your faith?

If you are interested in your faith joining this movement, there is a link to the latest guidelines form on this page: <http://www.arcworld.org/projects.asp?projectID=674>

What will be launched and achieved?

The meeting will establish the basis for a new movement – the International Faith-Consistent Investment movement. It will launch guidelines by the individual faith traditions for:

- Impact and ethical investing by the faiths through their own investments
- Guidelines for lay believers in each faith to guide their personal use of finance
- New models of finance and the role of economics driven by values and belief
- A portfolio of faith-based projects for ethical investment worldwide.
- Creation of an international centre for Faith-Consistent Investment

What will it lead to?

From Zug onwards the faith investment guidelines will be used as a basis to work with secular agencies and financial services providers to make FCI a reality, and help ensure the faith groups become recognised within the secular community as an important and proactive stakeholder in the transformation towards a more sustainable and just world.

Many of the guidelines have been created in the context of the United Nations Sustainable Development Guidelines (SDGs): 17 goals and visions for a better, safer, fairer, cleaner world in the future.

What difference will the guidelines make?

The guidelines will indicate new or revised priorities, which could be guiding principles for active investment in the future. They will:

- Enable clearer policy making within the faith structures;
- Assist lay members of the faith in making their own value judgements;
- Assist the UN and other such bodies in finding allies for sustainable development;
- Open up discussion about alternative models for economics based upon values and the experience of the faiths;
- Enable long-term investments: faiths have a history of such long-term commitments.

What is the link with the SDGs?

The Zug event arises from work on the SDGs undertaken by ARC with the UN in 2014 and 2015. In September 2015 representatives of the major faiths met with the UN in Bristol, UK, to discuss their response to the goals. The SDGs were adopted officially by the UN later that

month. They represent a vision of the world in the future that will be expensive and requires commitment and energy. Their huge scope cannot be funded through conventional grants and aid and will only be possible through serious participation from the investment world, prioritising companies and initiatives which will bring them into being in, for example, areas of education, equality, clean energy, health. This is a major new development for the UN. The faiths are an obvious group to discuss investment in environmental and sustainable development projects because their investments naturally seek investments that are good in many meanings of the word. The UN therefore commissioned ARC to write a study on faith-consistent investment and the SDGs. The Zug meeting (and launch of a new level of faith investment in environmental and sustainable development) has flowed from that.

Why Zug?

Zug, about 35km south of Zurich, has long been known for its low taxes. It is a small medieval town of about 30,000 inhabitants that has developed into a significant cantonment capital. But for the past few years it has also been establishing itself as one of the major international centres for what is often described as ethical or impact investing. The Swiss Impact Investment Association SIIA annual Summit is a standard bearer for this new international profile and role for Zug. ARC's Lassalle Haus event will be run at the same time as, and in collaboration with this.

In medieval times a castle was built and a customs house where traders had to pay tariffs before they were allowed in to the old town. This led to increased revenues and riches. The city's heyday was the late 15th and early 16th centuries when many of the most significant buildings, including the town hall and St Mary on the wall church were built. During the Reformation, Zug stayed Catholic. In 1814, following the occupation by Napoleon's army, Zug became the capital of its own canton. Over the past 200 years it has moved from small rural town to a modern industrial and service centre, creating an environment in which people of many nationalities can find permits to settle. In 2003 a train connection and station was opened, linking Zug to Zurich easily by public transport.

How do you get there?

There are direct trains from Zurich airport every hour and connecting services (change at Zurich) more frequently. The train takes about 45 minutes.

Who is supporting it?

The meeting is hosted by the Alliance of Religions and Conservation (ARC). It is supported by the United Nations and is being held in cooperation with the Swiss Impact Investment Association (SIIA) and the Triple Bottom Line Investment (TBLI). The initiative is being supported by a range of high level UN delegates, national governments, international environmental organisations like The Nature Conservancy and WWF as well as secular philanthropies, fund managers, fund managers from major religious investment funds, the city of Zug, and the Lassalle Haus Jesuit Centre. Sponsors include

Where is the meeting to be held in Zug?

The ARC Faith-consistent Investment meeting will be held at the beautiful modernist Lassalle Haus Jesuit Centre, 10 minutes drive from the historic centre of Zug. The Jesuit Order was founded by Ignatius Loyola in 1540 and is the largest monastic Catholic order, with some 17,000 members. Its main concern has, from the beginning, been intellectual engagement with the modern world and especially science, and Jesuits work in social, spiritual and educational projects around the world. Lassalle Haus is also a centre for Jesuit work with Japanese religion which is why it not only has a chapel but also a Zen meditation hall. It is also the centre for Jesuit studies on entrepreneurship and the monks are keen to support this initiative, which will lead to social, spiritual and educational programmes and improvements.

Lassalle Haus was built by celebrated Zurich architect André Studer in 1969. Studer (1926-2007) was lifetime friends with American architect Frank Lloyd Wright and he was greatly influenced by Lloyd Wright's expressive organic forms. He built many sacred structures, as well as residential complexes and even complete town plans. In the 1980s, when he was about 60 years old, he withdrew from his work, closed down his office, and devoted himself to spirituality. Lassalle Haus epitomizes Studer's concept of holistic architecture.

According to Zug architect Georg Frey: "We can approach the Lassalle Haus from different directions; the transition from the surrounding area into the building is very gradual.... The Lassalle Haus does not protect itself with walls, but with designed accesses, which give us time to enter and leave. The rooms lead us, but the direction is not immediately clear. In the interior, the rich design contrasts with the restriction to a few building materials. Visible concrete elements, plastered surfaces, natural stone, wood and glass... The complex rooms exude a calmness which is stimulating. It is a strong architecture that is not narrow, but open."

It is all good symbolism for a successful meeting about new ideas, and finding balance and beauty in combining the worlds of finance, environment, economics and faith.

What is the programme?

29th October: Arrivals.

30th October: 9am Working meetings all day at the Lassalle Haus Jesuit Centre. Keynote speakers include Elliott Harris, deputy UN secretary-general and Gunnela Hahn of the Swedish Church.

31st October: 9am Working meeting at the Lassalle Haus Jesuit Centre. Keynote speakers include Cardinal Turkson. In the afternoon from 4pm a procession through the medieval city, and official launch of the ZUG GUIDELINES at the Theater Casino Zug where the Swiss Impact Investment meeting will be taking place

1st November: Morning session at Lassalle Haus and plans for a faith-consistent investment network. This is a closed session. Departures in the afternoon.

Tell us more about the procession?

The faiths know that drama, symbols, colour, music, image and action are far more memorable than even the best conference speech. This is why ARC, since the idea of it was launched in Assisi in 1986 has always included processions in its programmes. At Zug, representatives of eight major faiths (Buddhism, Christianity, Daoism, Hinduism, Judaism, Islam, Sikhism and Shinto) will process through the medieval streets of Zug led by silk banners representing the eight faiths, the United Nations and ARC. They will then process, accompanied by a local band with drums and wind instruments, past the lake and up through gardens to the formal launch of the Zug Guidelines. The event will start at 4pm with prayers in the beautiful ancient Catholic church of Our Lady – by each of the faiths, which means that the church will from then be designated a place of prayer for all faiths at the invitation of the Catholic Church. The procession will culminate in the Great Hall in the official conference centre in the Theater Casino Zug, where they will join hundreds of delegates attending the Swiss Impact Investment Association meeting (SIIA). Processing onto the stage the banners will form the backdrop to this historic event – the first ever launch of commitments by the major faiths to become impact investors.

You're launching the guidelines in a Casino?

The Theater Casino Zug has never been a gambling casino. The name originates from when the building was used as a hospital (Kaserne) for wounded soldiers in the WWI. Recently renovated, it has been shaping the cultural and social life of Zug and the region since it was built in 1909 as a theatre. Today it is a conference and events centre, as well as a theatre and restaurant, looking over the beautiful lake of Zug.

What is the Second SIIA impact summit?

The Zug Impact Summit is a speakers' forum about impact investment. It was established in 2016. Here entrepreneurs, investors, and thought-leaders can showcase their ethical companies and investment opportunities, as well as present studies, launch projects, express their thoughts on global themes and meet other people with the same concerns. Participants include start-ups, multinationals, private and institutional investors, entrepreneurs, government representatives, NGOs, philanthropists, professors and business students. All talks are filmed, and uploaded to the internet to reach a larger audience. The summit promotes open dialogue, a range of opinions and an atmosphere of sharing experiences, knowledge, and ideas to find solutions for a sustainable economy and society.

A major theme this year is Faith-Consistent Investing. Religious institutional investment funds manage about USD 10 trillion (10% of the global investment total). The religions have traditionally been clear on what they do not invest in, but most have only recently started using their funds pro-actively to make a better world in the future. As well as this being a theme at the Zug Impact Summit itself we are also supporting a unique parallel event at Lasalle Haus, run by ARC with representatives from some of the biggest religious fund-managers as well as the United Nations SDG investment team and key religious leaders.

Some 30 Swiss foundations will sign the Zug Declaration publicly committing to the UN SDGs and the impact investment approach. There will be announcements and details of a new Swiss social bank; a gender equality program; a global wild-forest conservation project; an Impact Report on Swiss and Liechtenstein foundations and several academic programs. Swiss and international press are invited.

Whom do I contact?

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