



CHRISTIAN

MISSIONS OF THE SOCIETY OF JESUS FUND

The Missions of the Society of Jesus Fund (General Curia of the Society of Jesus) manages a nine figure fund. This is primarily made up of actively managed funds and is currently 65% equity, 18% Fixed; 15% Alternative; 2% Cash. A minimum of 10% of assets is dedicated to positive impact funds which seek to aid the poor or improve the environment. Currently investments are screened by an investment consultant who is constantly looking for funds that have a positive screen and which meet investment history standards.

The principles behind the investment

The funds are managed with an ethos inspired by Laudato Si', the Papal Encyclical of 2015, in which Pope Francis urged us to be positive in approach to the world, supporting efforts that help.

Catholic Social Teaching also asks us to not participate in certain areas. Given our structure of actively managed funds it is difficult to use a negative screen. However in choosing between two funds, how a fund approaches social issues regarding life would have an effect on our decision.

The future

Positive "impact" could be easily watered down, therefore the need to have some strict criteria that assure that the positive impact is indeed focused on improving a negative situation in the environment or the state of the poor. Secondly there is a need to be able to evaluate whether indeed there was a positive impact.

Current investment guidelines could be adapted in future to establish widely accepted benchmarks to determine if a fund (a) qualifies as an impact fund, and (b) to what degree it has accomplished a positive impact as intended.

The investment industry needs to know that there is a “market” for these types of investment funds. To have a sense of what amount of monies might be available for such funds could encourage investment managers to create funds and metrics to attract investors seeking to make positive contributions through their investments.

Flexibility is key. Having a one-size-fits-all approach will not work. Giving steps and various strategies to investors will increase the involvement. It also has to incorporate models as simple as local investing in areas where investment skills are very basic, and as complicated for investors with highly trained staffs and consultants.

Convincing people of the importance of doing this, and how it is within their fiduciary responsibility is always the ongoing challenge.

These details were compiled by J Thomas McClain SJ on behalf of the Missions of the Society of Jesus Fund. They reflect the contents of the Investment Policy which has been reviewed by the Investment Committee and the General Treasurer.