

INVESTMENT POLICY FOR CAQM

Investment Policy

Cumberland Area Quaker Meeting (CAQM) has capital that is not needed for its day-to-day running expenses. That capital should be invested for both capital growth and the generation of income. Professional help should be sought to ensure that our money is invested both wisely and in accordance with the ethical principles valued by Friends.

These ethical principles are indicated in *Quaker Faith & Practice* §20.56:

'If Friends are investing, thought should be given not only to security and the rate of interest, but the conditions under which the income is produced and the effect which the investment may have on the welfare of all, through social and environmental impact, at home or elsewhere.'

Our investments are managed by AM Trustees. Trustees meet annually to review the investments and the ethical criteria to be used. Reports are provided on any holdings that Trustees are uncertain about. We consider and agree:

1. the level of risk
2. whether capital growth, an income, or a combination of both are sought
3. what positive good by the investments is sought
4. which commercial areas should be avoided.

Level of risk

Given that the money is held by the AM in trust, the level of risk ought to be medium to low. This should be achieved by investing in ethical funds that spread the risk in a variety of companies and industrial and commercial areas.

Capital growth or income

Capital which cannot be spent should be invested for long-term growth. Other money should be invested to produce income and the possibility of capital growth.

The positive good sought

Investment should be in companies that:

- have responsible employment practices;
- have regard to human rights;
- show concern for environmental issues;
- show sensitivity towards the communities in which they operate.

The managers of the funds invested should be actively engaged in promoting these ideals in the companies in which they invest.

The commercial areas to be avoided

It is recognised that, given the complexity and interconnectedness of the commercial world, it is impossible to invest in funds that completely avoid things of which Friends disapprove. However, investments should avoid companies in which any of the following form a substantial part of their business:

- the production and/or supply of armaments and military equipment;
- the promotion of gambling;
- activities that cause serious environmental damage;
- the production and/or distribution of pornography;
- the encouragement of an irresponsible consumption of alcohol;
- the production and/or distribution of tobacco products;
- the encouragement of irresponsible borrowing.

For any questions or clarifications regarding our Investment Policy, please contact:

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