

DEFENCE INVESTMENT POLICY CRITERIA

The Church of England generally accepts the right of nations to defend themselves and to engage in peacekeeping initiatives. However we do not invest in companies that manufacture weapons platforms such as aircraft, naval vessels, helicopters, or tanks, neither will we invest in companies that manufacture weapons or weapons systems.

The Ethical Investment Advisory Group has developed the criteria below to clarify Church defence investment policy, and this has been endorsed by the three central Church investment institutions.

Church policy regarding defence investment is based around four levels of investment criteria:

➤ **Level 1**

To exclude defence platform suppliers: complete exclusion

Suppliers of military aircraft, ships, submarines, helicopters, armoured vehicles, tanks and security vehicles

➤ **Level 2**

To exclude weapons and weapons systems suppliers: complete exclusion

Suppliers of nuclear warheads, missiles, torpedoes, bombs, ordnance, artillery, small-arms and handguns; electronic warfare systems; guidance, targeting and firing systems

➤ **Level 3**

To exclude non-offensive systems suppliers: exclusion at c25% turnover

Suppliers of non-offensive military systems, avionics, radar, sonar, instrumentation, military IT and software, components, vessel and weapons commissioning and refit

➤ **Level 4**

To include non-offensive systems suppliers: less than c25% turnover

Suppliers of non-offensive military systems, avionics, radar, sonar, instrumentation, military IT and software, components, vessel and weapons commissioning and refit

Level 4 companies with defence turnover in the range 20-25% and where the business is growing are subject to close monitoring and review by investment managers and the Ethical Investment Advisory Group.

Companies providing facilities management or supplying goods such as catering, clothing, furniture and telecommunications that are generally provided in civil society do not fall within these guidelines and are omitted from Level 3 & 4 criteria.

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