



# Church Investment in Climate Solutions

Financing a Liveable Future



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# Executive Summary

The climate crisis is the most urgent challenge of our time. Millions of people have been forced from their homes; species loss is happening at an alarming rate; extreme weather events are becoming more commonplace; sea-level rise threatens lives and livelihoods; and severe droughts are leaving tens of millions at risk of starvation. Every country is affected by the climate crisis, but the world's poorest communities are facing the most severe impacts, despite having done least to cause the crisis.

The investment decisions that Churches and faith institutions make are a reflection of the Church, its beliefs and its values. Investing in climate solutions can be a significant way for Churches to stand in solidarity with the most marginalised communities and with the Earth.

## The Church and the climate, conflict and cost of living crises

As well as the climate crisis, the world is now facing an energy and cost of living crisis, especially as a result of Russia's illegal invasion of Ukraine. Given the need for greater energy security, investment in renewable energy and energy efficiency is needed at scale. If the world were to redirect the \$570 billion of annual planned oil and gas investments towards renewables, this could fully finance wind and solar energy expansion in line with the 1.5°C target of the Paris Agreement.

Churches can play a crucial role by investing in climate solutions and by using their prophetic voice to call on governments to implement policy that addresses the climate crisis at the speed and scale required, as more than 500 UK Church leaders did in a letter to the then Prime Minister and Chancellor in March 2022 – calling for no new investment in fossil fuels and for increased investment in renewables and energy efficiency.

## Climate science and the increasing urgency of action

The Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report, published in the spring of 2022, highlighted that immediate and deep emissions reductions are needed across all sectors if we are to have any chance of limiting global heating to 1.5°C. It showed that transformation is needed in the systems that provide our energy, industry, transport, buildings, agriculture and land use.

Scientific warnings are stark: a major study published in September 2022 highlighted that the world is at the brink of multiple tipping points. The UN Environment Programme (UNEP) warned ahead of COP27 that credible policies from governments to limit global heating are not in place, and current policies would lead to a 2.8°C rise in global average temperatures, which would lead to further, potentially unstoppable warming. Yet every fraction of a degree matters and urgent action, with a rapid shift to clean energy and energy efficiency, could save the lives of millions of people.

## Fossil fuel divestment and investment in a fair and fast transition

Most UK Churches have now completed divestment from fossil fuel companies. Increasing numbers of investment management companies offer 'fossil free funds', responding to demand from

faith institutions and other clients. Yet the ethical investment process does not end with divestment. Churches and other faith institutions also need to consider the positive difference they wish to make in the world with their investments. As they have in the fossil fuel divestment movement, Churches can shift markets and change public attitudes during this crucial decade when the world must cut global greenhouse emissions nearly in half.

Some Churches are leading the way on investment in climate solutions, including, among others, Quakers in Britain, the Church Commissioners, the Church of Ireland and the Diocese of Truro, all of which are included as case studies in this report. Many faith institutions are also taking important steps to increase the energy efficiency of their buildings, including the Diocese of Oxford, which announced that it would invest £10 million to improve the carbon footprint of its vicarages and better care for its clergy.

## Climate solutions and the opportunities for investment

Some of the most effective climate solutions are also those that offer the greatest opportunities for investment. These include renewable energy and energy storage, both of which have seen significant cost reductions in recent years. Furthermore, investment in regenerative agriculture and sustainable forestry can have a big impact, and major landowners such as the Church of England are in a unique position to demonstrate leadership on these issues.

A rapid transition to electric vehicles of all types is vital, and this has even greater benefits when they are powered by renewable energy. Investment in public transport is hugely important and has other benefits alongside reducing emissions.

Faith investors have a key role to play in accelerating a fair and fast transition that also recognises the importance of economic, gender and racial justice. They can play a crucial role in increasing energy access for the 770 million people around the world without access to electricity, as well as tackling poverty for the 2.8 billion people who still lack access to clean cooking fuels and technologies, through investment in decentralised renewable energy and clean cookstoves in the Global South. While such investments may generate lower financial returns, they have a much greater social impact.

In this report, we give examples of Churches and faith institutions taking action to invest in a liveable future, explore common issues and outline some of the next steps for faith institutions that want to directly address the climate crisis with their investments. We hope this will be a useful resource both for campaigners wishing to encourage their Churches to invest in climate solutions and for faith investors with an interest in this topic.

Now is the time for Churches and faith institutions to take a more strategic and intentional approach to increase their investment in climate solutions, to do so more proactively and to communicate good practice, in order to inspire other faith institutions, the investment community and wider society.

**Disclaimer:** The examples of investments and investment decisions in this report do not imply any sort of endorsement or recommendation. Full analysis and due diligence should always be undertaken before proceeding with any investment decision.

# The Church and the climate, conflict and cost of living crises

Around the world there is clear evidence of the growing climate and ecological emergency. To cite only a few recent examples: in the summer of 2022, the UK experienced record temperatures of over 40°C, which led to parts of the country experiencing water shortages and crop failure. The Philippines is being impacted by more typhoons as well as increasingly stronger storms which are leading to the destruction of homes, livelihoods and lives. In December 2021, Typhoon Rai displaced 630,000 people<sup>1</sup> and impacted the livelihoods of more than 10 million people, destroying homes and leaving people without food and water supplies.

The Pacific Islands are losing whole islands to rising sea levels (the western Pacific Ocean has been rising at 2-3 times the global average<sup>2</sup>), resulting in loss of life, destruction of infrastructure and climate migration. In East Africa, severe droughts have put 22 million people at risk of starvation, according to the UN's World Food Programme.<sup>3</sup> Many children are so weak from hunger that they no longer go to school, and the sound of playing has faded from the streets.

The actions of humanity have led to increased climate impacts as well as loss of biodiversity. Every country is affected by the climate crisis but the poorest are hit the hardest. According to the IPCC, up to 3.6 billion people are living in a situation where they are highly vulnerable to the impacts of climate change.<sup>4</sup> It is clear that global and urgent climate action is needed.

As well as the climate crisis, we are now facing an energy crisis, which is increasing the cost of living across the globe and is having the most severe impacts on people living in poverty.

## The energy crisis

The UN Secretary General António Guterres, when introducing the IPCC report in April 2022, said that the war in Ukraine and its effect on energy prices was a 'wake-up call'<sup>5</sup> to the world. The Russian invasion of Ukraine in February 2022 has taken a significant toll on the people of Ukraine and on its economy. Many countries in Europe and elsewhere sanctioned Russia for its illegal invasion of Ukraine, but what has become clear is how dependent many of these same countries are on Russian fossil fuels.

Before the conflict, Russia controlled a quarter of global fossil gas exports<sup>6</sup> and supplied 40% of Europe's gas,<sup>7</sup> but they now only supply a quarter of the gas that they did prior to the invasion.<sup>8</sup> The increased demand and reduced supply has led to higher fossil fuel prices, including a doubling of the price of oil in the last year.<sup>6</sup> The increase in wholesale gas prices is putting pressure on energy bills across the world, including in the UK, even though Russia only supplies 3% of the UK's fossil gas.

Given the need for greater energy security, investment in renewable energy is required at scale; this includes an increase in renewable sources, such as solar panels and wind turbines, as well as investment in better energy infrastructure, such as energy storage projects. In addition to addressing the climate crisis, this would bring greater energy security than investments in new fossil fuel projects, as 80% of UK oil is exported.<sup>9</sup>

In response to the energy crisis, the UK Government has announced the launch of a new licensing round in the North Sea, with the plan to offer around 100 licences for oil and

gas developments. However, as an October 2022 report from the International Institute for Sustainable Development (IISD) highlights, if the world were instead to redirect the \$570 billion of annual planned new oil and gas investments towards renewables, this could 'fully finance' wind and solar energy expansion in line with the 1.5°C target of the Paris Agreement.<sup>10</sup>

*'Fossil fuel interests are now cynically using the war in Ukraine to try to lock in a high carbon future. A shift to renewables is crucial to mending our broken global energy mix and offering hope to millions suffering climate impacts today.'*

**ANTÓNIO GUTERRES, UN SECRETARY GENERAL<sup>11</sup>**

## How the Church is responding to the climate crisis

As well as the UK Parliament, multiple Churches have declared a climate emergency. Some Churches and faith institutions have already started to invest in renewable energy and other climate solutions, including Church of England dioceses, Quakers in Britain and the Church of Ireland. The need for further investments in these areas is significant – not only by Churches, but also by other institutional investors and governments. This has become even more evident as a result of the war in Ukraine, the constrained supply of fossil fuels and the resulting escalation in cost.

In 2022, over 500 UK Church leaders, including senior leaders from the Church of England, Catholic Church, Church in Wales, Scottish Episcopal Church, United Reformed Church and Baptist Union, sent a letter to the then Prime Minister and Chancellor about the climate and cost of living crises.<sup>12</sup> They called for no new investment in fossil fuels and for increased Government investment in renewables and energy efficiency.

Churches can play a crucial role in leading by example and by calling on governments to implement policy that addresses the climate crisis at the speed and scale required. Churches need to take action, including using more renewable energy sources themselves and making church buildings more energy efficient. Where Churches own land, this can be used to benefit climate and increase biodiversity by growing more trees, protecting and restoring peat and working with farmers to reduce emissions.<sup>13</sup> Churches need to accelerate the fair and fast transition to clean energy, and can do so by divesting from fossil fuel companies and investing in climate solutions.



# Climate science and the increasing urgency of action

The United Nations has declared that 'climate change is the defining crisis of our time and is happening even more quickly than we feared'.<sup>14</sup> During 2021, four key indicators of climate change set record highs: greenhouse gas concentration; sea level rises; ocean heat; and ocean acidification.<sup>15</sup> The World Bank estimates that, in the absence of action, more than 200 million people will be forced to migrate within their regions by 2050.<sup>16</sup>

A major study published in the journal *Science* in September 2022 highlighted that the world is at the brink of multiple climate tipping points,<sup>17</sup> leading to changes which will be irreversible. The research shows that the collapse of the Greenland ice cap, the melting of carbon-rich permafrost and the collapse of a key Atlantic current are three significant tipping points which may already have been passed. These could lead to huge sea level rise, cause further increases in greenhouse gases and disrupt rain on which billions of people depend for food.



These climatic changes are demonstrably linked to rises in greenhouse gas emissions, caused primarily by burning fossil fuels in Global North countries, but also by the destruction of carbon sinks such as forests, and by other emissions such as methane being released by melting permafrost.

The IPCC Sixth Assessment Report, published in the spring of 2022, stated that it will only be possible to keep the climate targets set in the Paris Agreement if we completely transform our economic models and our perspective on how we relate to the Earth's resources.<sup>18</sup>

Earlier this year, the UN Secretary General António Guterres said: 'Renewables are the only path to real energy security, stable power prices and sustainable employment opportunities.'<sup>19</sup> In May 2021, the International Energy Agency (IEA) concluded that investment in renewable energy needs to more than treble to \$4 trillion a year by 2030, including investments in technology and infrastructure, to reach net-zero emissions by 2050 and to have a chance of limiting global heating to 1.5°C.<sup>20</sup>

The IPCC report also highlights that we can take important steps to increase natural carbon sinks,<sup>21</sup> but these can be no substitute for the far-reaching changes needed to cut emissions in all sectors. We must safeguard and strengthen nature by restoring ecosystems that capture emissions – forests, peatlands, grasslands and coastal sinks – which have been degraded or destroyed over time. As our recent report 'Church Land and the Climate Crisis' demonstrates, major landowners such as Churches have the ability to do this with their own land and to advocate for it to happen elsewhere.

The *Lancet Countdown*, published in October 2022 ahead of COP27, found that the climate crisis is having severe impacts on people's health around the world, increasing the risk of food insecurity, infectious disease and heat-related illness. The report found that global heat-related deaths have increased by two-thirds in the last two decades. At the same time, it concluded that there are solutions if we act now: 'Despite the challenges, there is clear evidence that immediate action could still save the lives of millions, with a rapid shift to clean energy and energy efficiency.'<sup>22</sup>

The UN Emissions Gap 2022 report, also published in October 2022, concluded that credible policies from global governments to limit global heating are not in place, and that with current policies, there would be a 2.8°C rise in global average temperatures this century. It pointed to electricity supply, industry, transport and buildings as areas where rapid transformations away from fossil fuels can be made. Inger Andersen, Executive Director of the UN Environment Programme (UNEP), said: 'It is a tall, and some would say impossible, order to reform the global economy and almost halve greenhouse gas emissions by 2030, but we must try. Every fraction of a degree matters: to vulnerable communities, to species and ecosystems, and to every one of us.'<sup>23</sup>



# The Church and investment in climate solutions

*The Earth is the Lord's and everything in it, the world and all who live in it for he founded it on the seas and established it on the waters.*

PSALM 24:1-2 (NIV)

## Caring for creation: Ecological solidarity

The clear message of the opening chapters of the Bible is that the Earth belongs to God. In Genesis, Adam and Eve are placed in the Garden by God and are called 'to work it and take care of it' (Genesis 2:15). Like them, we too are called to care for the Earth, to preserve and to protect its life and diversity. Bishops from across the Anglican Communion who took part in the 2022 Lambeth Conference expressed this call by saying: 'We have been gifted a world of breathtaking beauty, astounding abundance and intricate interconnection. It is a world God declared good and loves.'<sup>24</sup>

We are responsible for the stewardship of God's creation and for managing fairly the natural resources with which we have been entrusted. The way these resources have been managed since the Industrial Revolution has been for economic development without regard for the environmental consequences, which has led to overexploitation and the destruction of natural ecosystems.

We must reverse this exploitation and not stand by while God's creation is being destroyed. We are called to care for the Earth the way that God cares for it. Part of this responsibility is to ensure that investments are aligned with the values of the Churches that are making them – values such as caring for creation – as well as helping Churches and faith institutions to flourish.

## Loving our neighbour: Human solidarity

The climate crisis is affecting people in the poorest countries and communities most acutely, despite them having done the least to cause it. The call to love our neighbour (given to us by Jesus as one of the greatest commandments) is not just about loving those who are closest to us, but our global neighbours as well. The Gospels remind us of how we should act with love and justice, especially towards those who are suffering. The Parable of the Good Samaritan (Luke 10:25-37) presents the Samaritan as someone who was moved with pity when he saw the suffering traveller. He responded practically to his plight, not only at some financial cost to himself, but also by reaching across religious and cultural boundaries.

In *Laudato Si'*, Pope Francis calls on all of humanity to act now to care for our common home. This explains how the environmental crisis and the social crisis are linked together: 'We are faced not with two separate crises, one environmental and the other social, but rather with one complex crisis which is both social and environmental. Strategies for a solution demand an integrated approach to combating poverty, restoring dignity to the excluded, and at the same time protecting nature.'<sup>25</sup>

Love for our neighbour means we must act to bring about a just change for those who are worst affected. Investing in climate solutions can be a significant way for Churches to stand in solidarity both with the poor and with the Earth.

## Acting with hope

The world has been scarred by climate change, biodiversity loss and poverty. There are many injustices in our world; however, we must remember that 'this is still God's world and God calls us to respond as Easter people: bearers of hope'.<sup>24</sup>

We have a hope that God can accomplish more than we can consider or imagine – it is not down to humanity alone. We are called to express our faith in action by trusting response to God's love and care. The climate crisis sometimes seems insurmountable, but God challenges us to hope that our transformative actions can have a positive impact. Psalm 112 encourages humanity to be generous and to conduct affairs with justice. Good will come to those who act in such a way (Psalm 112:5).

*Then I saw 'a new heaven and a new earth,' for the first heaven and the first earth had passed away, and there was no longer any sea.*

REV. 21:1 (NIV)

Revelation expresses the hope that there will be a new heaven and a new earth, but that does not mean we can destroy this earth and take all we want from it. God calls us to have faith that he keeps his promises, and to act in accordance with them. Our faithful actions may seem small but they are cooperating with God's promise of restoration, renewal and redemption. The hope we have is a reason for bold action.

*'Christian hope guarantees that such faithful actions will not finally prove to be meaningless and ineffective but will find a place in God's purpose for the redeeming of the world.'*

HOPE IN GOD'S FUTURE<sup>26</sup>

## Investment as prophetic action

Churches and other institutions can lead the way in making radical changes to care for creation and for our neighbours, not only by excluding unethical companies and sectors from their portfolios but also by looking at how they can invest positively. Christians are called to follow Jesus, who said that he was anointed 'to proclaim good news to the poor', not just in words, but also in action (Luke 4:18-19). Therefore, Churches should be holding their investments to a higher standard. The investment decisions that Churches and faith institutions make are a reflection of the Church, its beliefs and values. Churches must demonstrate leadership in supporting a fair and fast transition from investments that are damaging God's creation to ones that provide solutions to the climate crisis.

*Then [Jesus] said to them, 'Watch out! Be on your guard against all kinds of greed; life does not consist in an abundance of possessions.'*

LUKE 12:15 (NIV)

# Fossil fuel divestment and investment in a fair and fast transition

In recent years, the fossil fuel divestment movement has grown rapidly. The assets under management of divesting institutions have risen from \$52 billion in 2014 to more than \$40 trillion today.<sup>27</sup> Fossil fuel divestment is an important part of the practical response to the climate emergency. It is a step that enables Churches to speak out with prophetic integrity on the climate crisis and to make prudent financial decisions in line with their responsibility to act as wise stewards.

Faith institutions have played a key role in the global divestment movement: of the 1,550 institutions spanning all sectors that had divested from fossil fuel companies by the start of October 2022, more than 160 are faith institutions in the UK (out of around 550 globally).<sup>27</sup>



Most UK Churches have now completed divestment from fossil fuel companies, with the Church of England and the Catholic Church in England and Wales the only major Church denominations continuing to invest in fossil fuels – although an increasing number of CofE and Catholic dioceses are deciding to divest.<sup>28</sup> The Vatican recommended divestment from fossil fuel companies in 2020, while the Church of England has said that its National Investing Bodies (NIBs) will divest from fossil fuel companies not aligned with the Paris Agreement by July 2023.

When the Methodist Church divested in 2021, David Palmer, Chief Executive of the Central Finance Board of the Methodist Church, which oversees over £1 billion of investments, said: 'The patience of the Church has run out.' He added: 'The pace of change across the oil and gas sector has been inadequate and we welcome the recommendation of JACEI [Joint Advisory Council on the Ethics of Investment] to disinvest.'<sup>29</sup>

*'Fossil fuel divestment is a practical way in which the United Reformed Church is responding to the climate emergency. We are taking this step in solidarity with our brothers and sisters around the world who are most affected by the climate crisis, despite having done the least to cause it. Therefore, it is only right that we actively move to support renewable sources of energy instead.'*

**REVD NIGEL UDEN AND MR DEREK ESTILL, FORMER MODERATORS OF THE URC GENERAL ASSEMBLY, WHEN THE UNITED REFORMED CHURCH ANNOUNCED ITS DIVESTMENT IN 2019<sup>31</sup>**

Increasing numbers of investment management companies now offer 'fossil free funds', responding to demand from faith institutions and other clients. For example, following the United Reformed Church's (URC) decision to divest from fossil fuel companies, its investment management company (CCLA) decided that the fund in which the URC invests would go fossil free.<sup>30</sup>

However, the ethical investment process does not end with divestment. As well as 'negative screening' to avoid investments in sectors such as tobacco, pornography, weapons and fossil fuels, Churches and other faith institutions need to consider the positive difference they wish to make in the world with their investments through 'positive screening'. This could involve impact investing in sectors such as sustainable agriculture, conservation, local social and environmental enterprises and renewable energy.

*The Global Impact Investing Network (GIIN) defines impact investments as 'investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return'.<sup>32</sup>*

Investment in renewable energy and other climate solutions is vital to accelerate the transition to a zero-carbon economy. Furthermore, such investment needs to scale up rapidly if we are to have a chance of limiting global heating to 1.5°C and preventing the worst impacts of the climate crisis. The UN estimates that religious institutions around the world manage a combined \$3 trillion of investments,<sup>33</sup> so the decisions they make on whether to invest in renewable energy and other climate solutions can have a major impact.

Some faith institutions have invested in improving the energy efficiency of their buildings, especially since making commitments to reach net zero emissions. For instance, in June 2022, the Diocese of Oxford announced that it would invest £10 million on environmental works 'to improve the carbon footprint of vicarages and better care for its clergy'.<sup>34</sup> Increasingly, local churches are installing solar panels on church roofs. As well as reducing carbon emissions, such expenditure can ensure financial savings in the medium to long term.

Now is the time for Churches and faith institutions to take a more strategic and intentional approach to increase their investment in climate solutions, to do so more proactively and to communicate good practice, so as to inspire other faith institutions, the investment community and wider society.



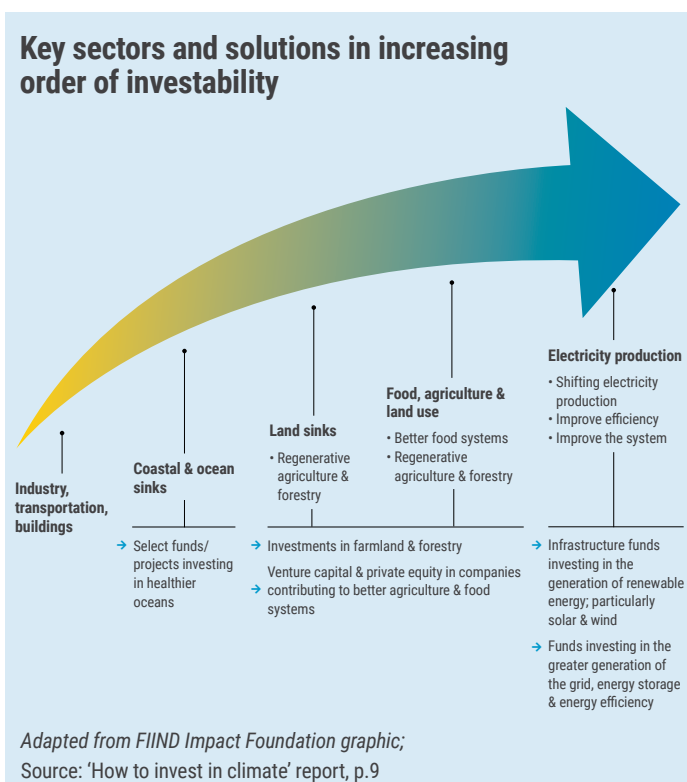
# Climate solutions and the opportunities for investment

*'It's now or never, if we want to limit global warming to 1.5°C. Without immediate and deep emissions reductions across all sectors, it will be impossible.'*

**PROFESSOR JIM SKEA, CO-CHAIR OF WORKING GROUP III OF THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC)<sup>35</sup>**

The IPCC's April 2022 report<sup>36</sup> highlighted that various sectors are significant contributors to global greenhouse gas emissions: energy (around one-third of emissions in 2019); industry (24%); agriculture, forestry and other land use (22%); transport (15%); and buildings (6%). When emissions from electricity and heat are added to direct emissions from various sectors, industry's share of emissions rises to 34% and that of buildings jumps to 16%.<sup>37</sup> In order to address the climate crisis and drastically reduce emissions, we need to change the systems that provide our energy, industry, transport, buildings, agriculture and land use.

FIIND Impact Foundation's 'How to invest in climate' report<sup>38</sup> concludes that 'some of the most effective climate solutions are also the most investable'. The graphic below shows the key sectors and solutions, according to its analysis, in increasing order of 'investability' (offering more opportunities for investment and the ability to make financial returns).



It should also be noted, however, that although we consider climate solutions individually below, in an investment portfolio it is often possible to invest in many of them at the same time. The list of climate solutions that follows is not exhaustive and offers an overview of key solutions and opportunities for investment at the time of publication.

## Renewable energy

In recent years, we have seen rapid developments and cost reductions for renewable energy. The cost of solar and wind power has been falling at a rate of nearly 10% per year.<sup>39</sup> Even before the current energy crisis, as Carbon Tracker has highlighted, renewable energy was cheaper than fossil fuels in most if not all parts of the world.<sup>40</sup> In August 2022, Carbon Brief reported that offshore wind in the UK was nine times cheaper than gas.<sup>41</sup>

There is a wide range of clean energy investment vehicles available, offering expected risk-returns in line with those available in the asset class (for example, renewable energy infrastructure is competitive with conventional infrastructure<sup>42</sup>).

There are huge economic benefits to be gained from investment in renewable energy. A study from researchers at the University of Oxford, published in September 2022, found that switching to renewables could save the world as much as £10.2 trillion by 2050.<sup>43</sup> Furthermore, every pound that is spent on renewable energy generates three times more jobs than comparable investments in fossil fuels.<sup>44</sup>

Renewable energy can be deployed far more quickly than new fossil fuel projects. In the UK, solar farms can be built in just weeks, onshore wind in months, and large 1GW-scale offshore windfarms in three years – compared with four to ten years for appraisal and development phases for new oil and gas projects.<sup>9</sup>

Faith institutions and other values-based investors can play a vital role in increasing energy access for the 770 million people around the world without access to electricity, of whom 77% live in sub-Saharan Africa. While investment in renewable energy access in the Global South may generate lower financial returns than in wealthier countries, it has a much greater social impact. Decentralised, renewable energy projects are the cleanest, quickest and most affordable way to close the energy access gap. According to the IEA, around \$35 billion of investment is needed every year between now and 2030 to achieve universal electrification with net zero emissions.<sup>45</sup>



# Climate solutions and the opportunities for investment

## Energy storage

Another key technology in accelerating the decarbonisation of the electricity grid is energy storage. Large-scale batteries offer a solution to the fact that the energy produced by solar and wind power varies according to weather conditions. They can also provide flexibility at times of peak demand. More localised energy storage, as well as rooftop solar power and micro wind turbines, can be key supporting technologies for net zero buildings.

Bloomberg New Energy Finance has highlighted that it expects the 2020s to be ‘the energy storage decade’.<sup>46</sup> In October 2022, it scaled up its forecasts by 15% for installations of global energy storage by the end of 2030, as a result of policy developments in the US and EU.

The UK government has estimated that technologies like battery storage systems – supporting the integration of low-carbon power, heat and transport technologies – could save the UK energy system up to £40 billion by 2050, resulting in a reduction in energy bills.<sup>47</sup>

*‘We are at a crossroads. The decisions we make now can secure a liveable future. We have the tools and know-how required to limit warming... There are policies, regulations and market instruments that are proving effective. If these are scaled up and applied more widely and equitably, they can support deep emissions reductions and stimulate innovation.’*

HOESUNG LEE, IPCC CHAIR<sup>35</sup>

## Buildings and energy efficiency

Investment in energy efficiency of buildings also needs to increase rapidly. Buildings are a major source of greenhouse gas emissions, especially due to their energy use and emissions resulting from the production of their materials: cement; concrete; and steel.<sup>37</sup>

The International Energy Agency has highlighted the need for ‘a massive effort to speed up retrofits and spending on new energy-efficient buildings’<sup>48</sup> – with annual investment in energy efficiency needing to triple from current levels by 2030, if we are to reach net-zero emissions by 2050.<sup>49</sup>

Similar to other climate solutions, energy efficiency brings other benefits too: saving a unit of energy is on average five times cheaper than buying it.<sup>50</sup> A UK Energy Research Centre (UKERC) report in April 2022 found that every £1 million invested in energy efficiency created five times more jobs than the same amount in fossil fuel generation.<sup>51</sup>

Many UK Churches are taking important steps to invest in increasing the energy efficiency of their buildings, as they work towards reaching net zero emissions by 2030. There are various options to reduce buildings’ carbon emissions: LED lighting; insulation materials; heat pumps; building automation and control systems; and smart meters and grids.

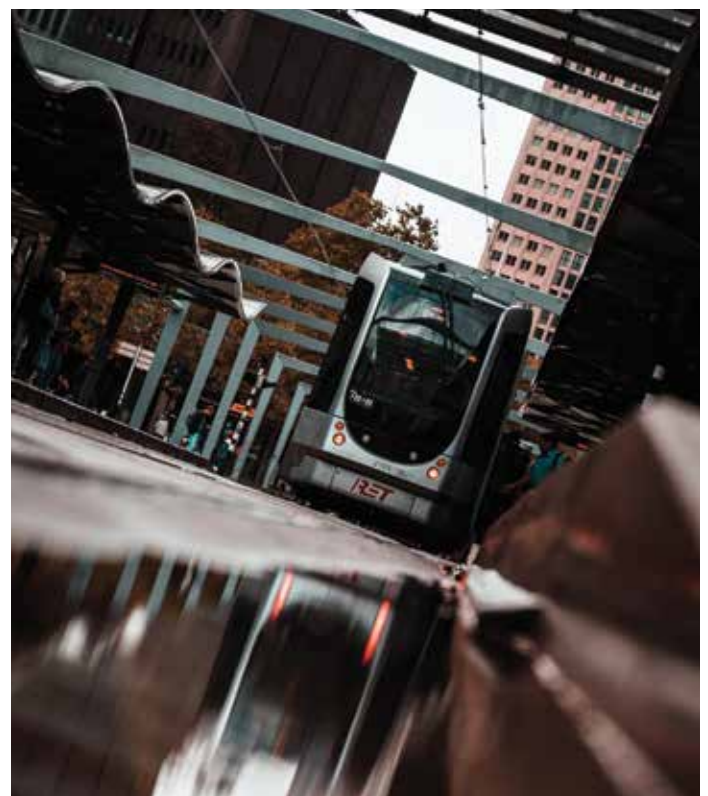
While institutional investors have an important role to play, governments also need to increase expenditure in insulating housing stock in order to reduce energy poverty and tackle the climate crisis. UK homes currently leak heat three times faster than elsewhere in Northern Europe.<sup>52</sup> Churches have an important part to play in calling for urgent action from the Government on these issues.

## Public transport and electric vehicles

Our current fossil-fuelled transport system is inequitable, expensive and contributes to major impacts both on the climate and on human health. According to the April 2022 IPCC report, if the world is to have a chance of limiting global heating to 1.5°C, there is an urgent need for ‘transformative changes in the transport sector’, which is responsible for 15% of overall greenhouse gas emissions.<sup>37</sup> The report warns that without mitigation actions, transport emissions could grow by 65% by 2050, while action to reduce transport emissions in line with the aim of limiting global heating to 1.5°C could instead cut these emissions by 68% by 2050.<sup>37</sup>

Investment in public transport is hugely important and has other benefits alongside reducing emissions: it also reduces traffic congestion; fewer accidents and fatalities take place; and it makes cities and urban areas more equitable by offering mobility to those who cannot drive.<sup>53</sup> Since divesting from fossil fuel companies in 2013, Quakers in Britain have invested in various climate solutions, including public transport.

A rapid transition to electric vehicles of all types has even greater benefits when they are powered by renewable energy. When electric vehicles are powered by the conventional grid, emissions are halved compared with petrol vehicles, while emission reductions can be as high as 95% if electric vehicles are powered by solar energy.<sup>54</sup> The Church Commissioners, one of the three Church of England National Investing Bodies, have made investments in electric vehicle charging infrastructure.





# Climate solutions and the opportunities for investment

## Land use and sustainable forestry

Agriculture, forestry and other land use make a significant contribution to the climate crisis, accounting for 22% of global greenhouse gas emissions, according to the April 2022 IPCC report. At the same time, land is an important carbon sink, which currently returns 26% of human-caused emissions to earth.<sup>55</sup> Changes in these areas can have a big impact quickly, and most of these changes are fairly low cost or use technology that is already available.

FIIND Impact Foundation identifies food, agriculture and land use as the second most 'investable' sector analysed after electricity production. Investment opportunities are extensive, including sustainable bonds, such as those with proceeds earmarked for specific agriculture or food waste related projects. There are also opportunities in farmland and forestry – focusing on regenerative agriculture and timberland practices, fostering rural development, supporting better crops, and enhancing carbon storage and sequestration.<sup>56</sup>

Our recent report 'Church Land and the Climate Crisis' identified three key areas for Church landowners: increased tree growing; peat protection and restoration; and supporting farmers to reduce emissions. It identified the Church of England (the Church Commissioners and CofE dioceses) – which is a major landowner responsible for 0.5% of total UK land – as being in a unique position to demonstrate leadership in these areas.

As well as their landholdings, the majority of which are let to tenant farmers, the Church Commissioners have significant investments in sustainable forestry. These accounted for around 5% of their overall portfolio and have been very profitable in recent years, generating a 34.6% return in 2021.<sup>57</sup>

## Clean cookstoves: addressing global poverty

Clean cookstoves are also an important solution in tackling global poverty and reducing greenhouse gas emissions. Globally, 2.8 billion people still lack access to clean cooking fuels and technologies, and this number has barely changed in the last two decades.<sup>58</sup> While cooking using open fires and inefficient stoves only accounts for a relatively small proportion of global greenhouse gas emissions (2-5% according to Project Drawdown), indoor air pollution from cooking with solid fuels such as wood and charcoal has significant health impacts, especially on women and young children, causing about 4.3 million premature deaths each year.<sup>59</sup>

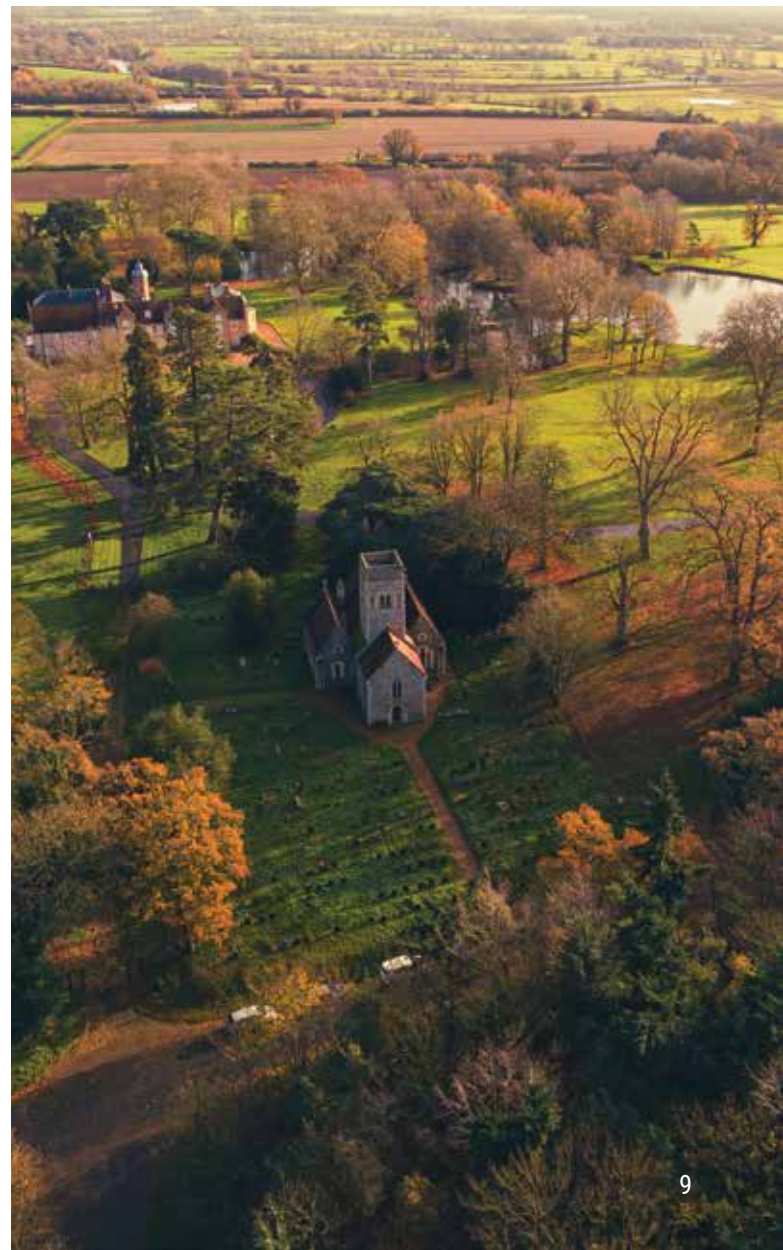
Today, a wide range of highly efficient cooking stoves exist and can reduce emissions by up to 90%.<sup>58</sup> Furthermore, as Tearfund, Christian Aid and CAFOD have highlighted: 'The transition to cooking with clean electricity and renewables has begun in many parts of the world and requires greater investment.'<sup>60</sup> At this stage, clean cookstoves are primarily accessible through 'impact first' investments, in which investors focus on generating impact above making a financial return. Therefore, FIIND Impact Foundation recommends that faith institutions and other investors examine their investment risk/return requirements before committing to solutions in this area.<sup>61</sup>

## Investing in a fair and fast transition

Faith investors have a key role to play in ensuring a fair and fast transition that also recognises the importance of economic, gender and racial justice – no one should be left behind. As the 2021 InvestDivest report emphasises: 'A fully just transition would also close the gap on universal energy access, particularly in the Global South.'<sup>62</sup> Building renewable energy systems could create 25 million jobs in Asia and Africa, as well as improving healthcare.

For a just transition to take place, underlying social injustices need to be addressed in order to avoid replicating the same systems of resource and human exploitation: women and children are still disproportionately impacted and indigenous communities have faced generations of injustice. Therefore, investors should ask key questions around human rights when investing in sectors such as renewable energy,<sup>63</sup> as outlined in FIIND Impact Foundation's 'How to invest in climate' report.

There are various climate solutions in which Churches and faith institutions can invest, which require investment to be scaled up rapidly if we are to aim to limit global heating to 1.5°C. As they have on fossil fuel divestment, Churches and faith institutions have a crucial role in leading the wider investment community forward.



In this report, we have already mentioned some examples of Churches and faith institutions that are leading the way on investment in climate solutions. Here we give further details about some of them and elaborate on a range of climate solutions in which faith institutions in the UK and beyond are investing.

## Quakers in Britain

Quakers in Britain was the first UK Church to divest from fossil fuel companies in 2013. They invest for the long term and seek to generate returns to support their current and future charitable work. They strive to be 'a great example of an ethical and responsible investor'<sup>64</sup> in the way they choose to invest.

Just over 18% of the Quakers in Britain portfolio is invested in companies that are responding to the climate emergency, through renewable and low carbon energy or other mitigation solutions. Examples include wind and solar energy, energy efficiency and public transport.

Between December 2020 and December 2021, the market value of the Quakers in Britain's investments increased from £28.9 million to £33.3 million. They credit their investment in renewable energy as part of the reason for these positive returns.

## Diocese of Truro (Church of England)

In 2020, the Diocese of Truro reviewed its investment portfolio, which was previously aligned with the ethical investment policy of the Church of England's Investment Advisory Group. The Investment Committee wanted to go further in response to the Church of England's 2030 net zero target.

Rt Revd Hugh Nelson, Bishop of St Germans in the Diocese of Truro, expressed ahead of COP26 that they wanted to align their investment strategy with their priorities in caring for creation: to 'cherish creation, cut carbon and speak up'.<sup>65</sup>

As a first step, they decided to divest from fossil fuel companies. The diocese initially sold £1 million of investments with one of its existing fund managers and reinvested them across three infrastructure companies/funds which included onshore and offshore wind energy, solar systems and battery storage. In early 2021, it invested an additional £0.75 million in three new companies focused on renewable energy.<sup>66</sup>

## Church Commissioners (Church of England)

The Church Commissioners for England is the largest of the three Church of England National Investing Bodies, managing a £10.1 billion investment fund.

At the end of 2020, the Church Commissioners had £1.1 billion (11.5% of the fund) in impact investments, £630 million of which were in climate solutions.<sup>67</sup> Its investments in climate solutions include renewable energy, energy efficiency technology, electric vehicle charging infrastructure and sustainable forestry.<sup>68</sup> The sustainable forestry investments account for 5%, or over £500 million, of the Church Commissioners' overall portfolio.<sup>69</sup>

The Church Commissioners' 2021 Stewardship Report states that its forestry investments 'sequestered about 410,000 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) in 2019, 32,000 [tCO<sub>2</sub>e] more

than timber harvesting of 378,000 tCO<sub>2</sub>e during the year'.<sup>70</sup> Once the trees are felled, those that are used for construction projects will continue to store carbon for at least the medium term.

## Church of Ireland

The Church of Ireland's Representative Church Body (RCB), which manages its investments, had €300 million (£260 million) of assets managed on behalf of parishes and other unit holders at the end of 2020. The Church decided to divest from companies involved in the extraction of fossil fuels in 2018 and completed the process by the end of 2021.

The Church of Ireland holds investments in Irish forestry, which is managed sustainably and uses a variety of trees to keep a more biodiverse forest canopy. It also has investments in infrastructure funds, one of which is involved in a joint venture to invest in bus electrification across the Americas. The same fund also invests in the development of energy transmission projects in India, which provide critical infrastructure needed for the transmission of power from various renewable energy generation projects.

There are also investments held in an Irish property fund which has set a target to achieve operational net zero emissions by 2030 and includes Ireland's first net zero logistics building.

As with other organisations, the Church of Ireland is shifting from focusing on just investments towards a more holistic consideration of how to reduce the organisation's carbon footprint. Initiatives include reducing travel, waste and energy usage and improving biodiversity.



## Church of Sweden

The Church of Sweden has long been a leader in ethical investment since divesting from fossil fuel companies in 2008. Its financial policy is based upon the principles of human dignity and stewardship as reflected in international environmental and human rights conventions. Its investment portfolio has consistently performed well financially: in 2021, the Church of Sweden made overall returns of 19.8% on its investments.<sup>71</sup>

The Church's financial policy states that investments are made in companies that contribute to a sustainable society. Among the companies in which it invests are a leading Danish wind power company, as well as a Swedish company which is a European leader in heat pumps and provides solar panels and other technical solutions that reduce customers' energy use.<sup>72</sup>

Since 2013, the Church of Sweden has invested in several microfinance funds managed by SEB, a leading Nordic bank. One of them has offered 12,000 farmers (small business owners) in the Global South the opportunity to switch to more sustainable farming options. The fund is aiming to slow down the loss of biodiversity and support climate change adaptation in Sri Lanka – for instance by enabling farmers to install 'drip technology', whereby each crop gets exactly as much water as it needs, thus saving huge amounts of water.<sup>73</sup>

*'As a responsible investor we look upon ourselves as owners of the companies we invest in. We do not want to own, and thereby fund, the extraction of fossil fuels. Instead we want to own and fund companies that stand for solutions.'*

**GUNNELA HAHN, FORMER HEAD OF RESPONSIBLE INVESTMENT AT THE CHURCH OF SWEDEN<sup>74</sup>**

## Dominican Sisters (US)

In the US, 16 Dominican religious congregations have collaborated to create a 'Climate Solutions Fund', working with the Chicago-based Graystone Group, an institutional investment division of Morgan Stanley. The Sisters began organising the fund in 2018 after pooling \$46.6 million to invest in companies and technologies that are in harmony with the UN Sustainable Development Goals. Since then, their initial investment has attracted additional investors, meaning that by 2020 investments in the fund had grown to \$130 million.<sup>75</sup>

The fund invests in solutions including clean energy for communities in sub-Saharan Africa and small businesses in India, as well as energy efficiency software. Sr Pat Daly, a Dominican Sister of Caldwell who helped create the fund, reflected on the process: 'We wanted this initiative to be a model of sustainable investing that would enable other investors to join us. We were looking for a shift in the financial sector away from damaging industries to true sustainability.'<sup>76</sup>

## Franciscan Missionaries of the Divine Motherhood

In November 2019, the Franciscan Missionaries of the Divine Motherhood (FMDM) became the first Catholic religious order in the UK to sign the Catholic Impact Investing Pledge. After concluding that their investment manager at the time could not offer the impact investing opportunities they were looking for, they decided to switch to two other investment management companies, whose funds were more aligned with their values and offered investments in climate solutions.

As a result of this change, FMDM now invest in forestry funds in Ireland and in the US, solar and wind power, battery storage and electric vehicle charging infrastructure. They are committed to increasing the proportion of their investment portfolio allocated to impact investing and to take further steps themselves. One example of this is that they have installed solar panels on their land.

## Salisbury Cathedral

In December 2019, Salisbury Cathedral invested £25,000 into Salisbury Community Energy (SCE). As a result, the Cathedral helped to enable the installation of solar panels in seven sites, including the Cathedral cloisters, where 93 solar panels were installed in July 2020. Salisbury Cathedral then became the first UK cathedral to receive a Gold Eco Church Award in June 2021.

SCE is a partner of a national community energy initiative called Schools' Energy Co-op.<sup>77</sup> Community energy projects localise the production of renewable, clean energy, and are successful and popular methods of reducing reliance on fossil fuels.

The Dean of Salisbury, Very Revd Nicholas Papadopoulos, said: 'Christians are called to protect and enhance the delicate ecology of God's wonderful world. Developing and expanding our capacity to create renewable energy is vital for our common future. Salisbury Cathedral is proud to invest in a local initiative which we hope will yield a global harvest.'<sup>78</sup>



# Responding to common investment concerns

There are a number of issues that Churches and other faith institutions frequently raise when making the journey to investment in climate solutions. Campaigners who are approaching this issue for the first time can often face similar issues.

In this section and the next, we seek to address some of these issues in a 'how to' format, addressing both faith investors and campaigners wishing to encourage increased investment in climate solutions.

## FOR FAITH INVESTORS

### 'We are already doing impact investing.'

As faith investors, you need to make sure you know where your funds are being invested and what impact they are having. You may need to clarify your investment management company's understanding of 'impact investing' and whether this matches what you are looking for. Impact investments have a measurable, positive impact on environmental or social issues, which should be reported on each quarter alongside financial returns.

When approached about investment in climate solutions, some investment management companies may respond that they are already making environmentally friendly investments. That may be the case, but it is important to find out more, to ensure that these investments are having the impacts that you desire. A thorough due diligence process can address this concern and help to avoid inappropriate investments.

It is important to ask your investment manager about the proportion (%) of your portfolio that is dedicated to investment in climate solutions (and in impact investment more broadly). You should ask for specific examples of their investments in climate solutions and encourage them to increase these further. A growing number of faith-based and secular investors are allocating a proportion of their investments (e.g. 5-10% of assets under management) to investment in climate solutions.

### 'Our investment managers do not have experience in impact investing.'

It is true that some investment managers do not have experience of investing in impact funds or private markets. Start by sharing with your investment manager or advisor your desire to invest in climate solutions. It is important that they are receptive to your views and the ways you want to build impact investments into your portfolio. It is possible that your investment manager will start exploring this area together with you.

### 'We can't risk a lower financial return.'

Investing in climate solutions does not necessarily result in lower financial returns; this is a myth that needs to be challenged. There are many responsible investment options that provide competitive market rates of return. Pursuing these options should enable your investment manager to maintain your target financial return.

The Global Impact Investing Network (GIIN) published an analysis in 2021 that reviewed the performance of 98 private market investors. It found that 90% of impact investors seeking market-rate returns were pleased with the financial performance of their impact investments. Nearly three-quarters of respondents (71%) reported performance in line with their financial expectations

and another 19% reported performance exceeding their financial expectations.<sup>79</sup>

There are also investments in climate solutions that offer 'concessionary' or below-market rates of return. However, they usually offer greater environmental or social benefits. This may be a decision that your Church or faith institution is willing to make, at least with a small proportion of its investments.

## 'We have a fiduciary duty to maximise financial returns.'

Many people involved in the financial decisions of Churches have developed their experience according to a traditional way of investing, which always seeks to maximise financial returns. However, more recently, there has been an increasing understanding of the importance of environmental, social and governance (ESG) issues and of aligning investment portfolios with the values of the faith institutions making those investments.

In April 2022, following a case brought by the Ashden Trust and the Mark Leonard Trust, the High Court ruled that charities can use their investment portfolios to address the climate crisis, even if this excludes investment in a large part of the market.<sup>80</sup> This applies to many UK Churches and faith institutions, which are usually registered charities. The Charity Commission has committed to publishing revised investment guidance in light of this ruling.

As a result, if investment in climate solutions reflects the values and ethos of Churches and faith institutions, then trustees can make investments in these areas, even if these were to generate lower financial returns.

## FOR CAMPAIGNERS

### 'I don't know anything about investments. I can't campaign on this.'

Finance plays a key role in our world and has an important part to play in tackling the climate crisis. You don't need to be a financial expert to campaign for positive investment. You can still encourage those with assets to use them in an impactful way. There are already many technological solutions that have been developed to address the climate crisis. Most often they require investment to deploy at scale, or in places where they are most needed.

Churches and faith institutions can be prophetic voices on this issue. As a campaigner, you can make Church leaders and key decision makers aware that this is an issue you care about: Churches can and should demonstrate leadership on the climate crisis by investing in climate solutions.

### 'I am not involved in making this decision.'

Sometimes in Church organisations, it can be difficult to know who the financial decision makers are. While you may not be directly involved, ultimately the decision on how the assets must be invested belongs to the asset owners. You can try asking the head of finance, bursar or treasurer to find out who the decision makers are. If someone responds that it is not their responsibility, you can still share with them the importance of investing in climate solutions. If they agree with you, you will be increasing the group of those advocating for such investments.

# Key steps on the climate solutions investment journey

Investing in climate solutions involves undertaking a process with various stages. The journey for Churches and faith institutions outlined below is based on the Catholic Impact Investing Collaborative's 'Road Map to Impact Investing' and FIIND Impact Foundation's 'The Journey to Impact Investing for Faith-Based Organizations'. These are steps that other faith investors – such as national Churches, regional Church bodies and religious orders – have successfully taken on their impact journey.

## Step 1: Inspire your leadership to take action and raise awareness among decision makers

Impact investing is an important decision that needs to benefit your institution as well as expressing solidarity with people and planet. It is important to identify someone, or preferably several people, on your leadership team who have the time and motivation to lead on this work. This can either be a leader of your faith institution, or someone in the finance department or investment committee. Ideally they should be well-respected for their financial expertise. Following this it is important to have a foundational understanding of impact investing among your trustees.

## Step 2: Align your investment policy with your values

It is helpful to reflect on your Church or faith institution's current investment policy. Does it align with your values? If someone was reading your investment policy, would they know what your Church or faith institution believes in? If your investment policy doesn't reflect your values, now is a good time to address this. You may choose to revise your existing investment policy statement or write a new one.

## Step 3: Engage with your investment manager

It is important to speak with your investment manager and assess the current impact of your investments. They may have a fund that is making impact investments – in fact, you may already be investing in such a fund. In either case, ask if the fund is fossil free (i.e. not investing in fossil fuel producing companies) and whether it is investing in climate solutions. If so, what proportion of the fund is invested in climate solutions and can they give examples?

If your investment manager seems unsure about investment in climate solutions, we would recommend speaking to other Churches or faith institutions which are already doing this about ways to further the conversation or what their suggestions would be for making these kinds of investments. If engagement with your current investment manager does not bear fruit, the Churches or faith institutions you approach may be able to suggest investment advisors who are better placed to help you in this work.

## Step 4: Establish a governance structure

A well-defined governance structure is critical to successful impact investing. In some cases, impact investing can be incorporated into your existing governance structure and in other cases a newly created standalone structure may need to be established. It's important that the key decision makers are identified and that their roles are clearly defined. FIIND Impact Foundation's 'The Journey to Impact Investing for Faith-Based Organizations'

(see Key Resources on p.14) has a useful checklist for reviewing your governance structure.

## Step 5: Define your goals and what success will look like

It is important to reflect on what impact you want your investments to have. What issues does your faith institution want to address? What impact metrics are important to you? What does your institution require in terms of liquidity? The answers to these questions will enable you to decide which impact themes you wish to prioritise (e.g. investment in climate solutions), how to achieve your impact priorities and integrate clear targets into your investment portfolio. They will also enable you to decide whether your institution is able to take on private market investments, which is where many impact investing opportunities can be found. It is important to work with stakeholders to determine how you will measure your success.

## Step 6: Assess and learn from your experience

After you have begun investing in climate solutions, you will need to have further conversations with your investment managers and assess the impact of your investments. This is one of the most important stages in the process. Investments in climate solutions can be assessed using various metrics. Make sure that your investment managers provide you with consistent and transparent information on your investments.

Traditional performance benchmarking and reporting should be complemented by an impact measurement and reporting framework using key performance indicators (KPIs). The Global Impact Investing Network (GIIN) has developed the IRIS+ reporting framework, which includes a range of metrics regarding environmental investments. Remember to document any lessons learned and review what needs to develop further.

## Step 7: Implement and share your story

Once you have completed the above steps, you will have started your climate solutions investment journey. Congratulations! Now you have the opportunity to share your knowledge, experience and lessons learned with others to encourage and inspire them to do the same. In doing so, you can enable your peers to overcome barriers, address common questions and grow the movement of faith institutions investing in climate solutions.

## Step 8: Advocate for government policies to address the climate crisis and encourage investment in climate solutions

Churches and faith institutions are not alone on this journey – there are many other institutions, such as governments, banks and insurance companies, which could be making a difference too. Your Church or faith institution has the opportunity to use its voice to encourage the government to take action by ending support for new oil and gas projects, and increasing support for the clean technologies and green jobs of the future. When Churches and faith institutions lead by example on investment in climate solutions and communicate this publicly, their prophetic voice is more powerful and authentic when advocating for change.

# Key resources

As this report has demonstrated, Churches can play a vital role in tackling the climate crisis through investment in climate solutions.

Operation Noah will be campaigning on investment in climate solutions in the months and years ahead and working to encourage and to support Churches and faith institutions to increase their investment in these areas.

We encourage readers of this report to use their influence in their Church or faith institution at a local, regional or national level to promote climate-positive investments and to contact Operation Noah if they are interested in getting involved in our campaign. Our website will be updated regularly with more information and details of webinars and other events.

There are many different organisations that are working on impact investing with which we have worked closely and with whom we will continue to collaborate. The groups listed below have further information on impact investing, especially for faith institutions:

- **FaithInvest:** <https://www.faihtinvest.org/>
- **Catholic Impact Investing Collaborative (CIIC):** <https://www.catholicimpact.org/>
- **FIIND Impact Foundation:** <https://www.fiindimpact.com/>
- **Global Impact Investing Network (GIIN):** <https://thegiin.org/>

The following are useful resources we would recommend to find out more about investment in climate solutions and impact investing more broadly.

## Resource hubs:

- **Catholic Impact Investing Collaborative (CIIC):** [Resources Hub](#)
- **FaithInvest:** [Faith-consistent Investing/Living Laudato Si' Hub](#)
- **Global Impact Investing Network (GIIN):** [Faith-Based Investing Repository](#)

## Case studies:

- **Catholic Impact Investing Collaborative (CIIC):** [Stories of Catholic Impact](#)
- **FIIND Impact Foundation:** [Impact Stories](#)

## Useful guides:

- **Catholic Impact Investing Collaborative:** [Beginning your Impact Journey: A Basic Road Map](#)
- **FaithInvest:** [Impact Investing Roadmap](#)
- **FIIND Impact Foundation:** [The Journey to Impact Investing for Faith-Based Organizations: A practical guide](#)
- **FIIND Impact Foundation:** [How to invest in climate](#)
- **FIIND Impact Foundation:** [Effective climate solutions](#)

## Reports:

- **FaithInvest:** [Good Intentions: What faiths say about how they invest - and how they can do more](#)
- **FaithInvest:** [From Faith Values to Investment](#)
- **Francesco Collaborative:** [Investing in a Liveable Future: Bold Action Grounded in Catholic Social Teaching](#)
- **InvestDivest 2021:** [A Decade of Progress to a Just Climate Future](#)
- **The Good Economy/Impact Investing Institute/Pensions for Purpose:** [Scaling Up Institutional Capital for Place-Based Impact](#)

## Other resources:

- **Global Impact Investing Network (GIIN):** [IRIS+ Impact Performance Benchmarks Overview](#)
- **The Shine Campaign:** [Investing in Energy Access for All](#)

The list on this page has been simplified to give clickable links to the resources recommended. The links are directly accessible by downloading the report in digital form from Operation Noah's Bright Now campaign web pages.

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*‘The choices we make about finance and investment both describe and shape the future we want to see. If the Church is serious about cherishing creation and getting to net zero, we need to align our finances to that goal. This report is an important and practical encouragement towards that alignment.’*

**Rt Revd Hugh Nelson, Bishop of St Germans in the Diocese of Truro**

*‘To avoid climate disaster, we need systemic change – and this means that investors need to be thinking differently. This report makes a vital contribution to this urgent conversation.’*

**Rachel Lampard, Former Vice-President of the Methodist Conference**

*‘To achieve the scale of investments necessary to turn the market towards a sustainable world and away from climate and biodiversity disaster, faith institutions have to take up the challenge of putting their money where their mouths are! And Churches in the UK have the resources to do this. Can we hope that it will also increase the actions necessary to help tip the balance? This report is a prophetic witness.’*

**Martin Palmer, Chief Executive of FaithInvest**

*‘The scale of the climate crisis challenges faith communities to boldly deploy their investable assets in service of people and planet. This excellent report provides an accurate picture of the current situation and, with hope, offers solutions and steps on how to begin, along with stories of organisations implementing positive, impactful investing strategies.’*

**Anne Schankin, Director of the Catholic Impact Investing Collaborative (CIIC)**

*‘For the Global South, the climate crisis is not a future threat, but is a current lived catastrophe. What must Churches in wealthier nations do, recognising that these economies have been built on energy sources that have destabilised the climate? Africa suffers from energy poverty, and the only way out is through decentralised renewable energy. This timely and practical report gives clear suggestions for how the Church can mobilise its investments to respond to the climate crisis.’*

**Revd Dr Rachel Mash, Environmental Coordinator, Anglican Church of Southern Africa**

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