



ICWR

The Institute for Christian Worldview Research

*The Scriptural Basis
For
Biblically Responsible Investing*

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June 2006

Four centuries ago Pastor Peter Bulkeley wrote, “If God be over us we must yield him universal obedience in all things. He must not be over us in one thing, and under us in another, but he must be over us in every thing.”¹ Fellow Puritan John Cotton echoed Bulkeley’s thoughts by stating, “Not only my spiritual life, but even my civil life in this world, all the life I live, is by the faith of the Son of God: he exempts no life from the agency of his faith.”² What both men were asserting is that **the Lord God reigns over all areas of the Christian’s life. No part is exempt.**

These surely are compelling thoughts worth the believer’s attention. Our goal in the following pages is to examine this notion of lordship and its relation to Biblically responsible investing specifically. In the end, our hope through this study is to honor God and build up the household of faith.

BASIS OF AUTHORITY

We must first begin our discussion by identifying for the reader one foundational assumption. **This paper presupposes that the Bible is our authority.** Scripture instructs mankind of God’s character and nature as well as man’s duty to God. Thus, it is eminently relevant to day-to-day living, including financial matters.

This is not to say that the Bible speaks exhaustively or addresses all the specifics of finances. It does not. Yet **the Bible does provide broad principles, and at times specific instructions, which can be applied to this area.**

So, then, what do the Scriptures say concerning the character of God and man’s task before his Creator? And how do finances and values-based investing fit into this?

CREATION/FALL/REDEMPTION

Genesis 1-3 provides the broad theological framework from which we understand who God is and what He requires of man. We learn, first, that God is the sovereign Lord of all. He created all things, including man, for His own glory. The unique aspect of man in the whole creative process is that he is God’s culminating creative act, the crown of creation. In addition, mankind is made in the likeness and image of God. Consequently, man has inherent dignity, worth and value. He is precious in God’s sight.

As well, Genesis 1 presents man’s exalted task in the creation, the responsibility to fill and subdue the earth (Gen. 1: 28). This implies that man is to occupy, cultivate and rule over the earth as God’s representative. He is “to unfold the full potential of the earth in ways that bring glory to God.”³ Put another way, **man’s duty is to explore, investigate, develop and exercise dominion over the richly diverse and multifaceted creation for the glory of God and for the benefit of his fellow man. It is a task that encompasses all of life and culture.**

Although man is given a lofty position in creation, we should note that he is merely God’s steward. Man is an overseer or a caretaker in creation. His authority is derived from God and he acts on behalf of God. As a result, man is required to manage God’s creation in ways that please the Master.

Genesis 3 relates the account of man’s rebellion against God and the effects of his sin. On a vertical level, man’s relationship with God was broken. On a horizontal plain, man’s efforts to subdue and fill the earth, likewise, were impaired,

perverted and made wearisome. Strife, conflict, abuse, misuse, alienation and frustration characterized all of man's care taking labors.

Thankfully, God in His wisdom and mercy sent to earth His Son, Jesus Christ. Christ, as the Second Adam, accomplished all that the first Adam failed to do. Jesus perfectly fulfilled the law, thereby atoning for sin and reconciling sinners to God. But that is not all. Christ's redemptive work extends to the whole of creation, including man's task of subduing the earth. The redeemed sinner is renewed in his position as caretaker of creation. **By the transforming power of the Holy Spirit, the Christian exercises dominion with godly wisdom and skill in ways that now honor and please his Creator.**

One significant corollary truth emanates from this creation/fall/redemption scheme: all of life is worship. Since God is Lord of all and He demands glory through man's service and stewardship, it follows that every aspect of life is worship (Romans 12:1; I Peter 2:5). Even those seemingly "unreligious" areas (like finances) are, in fact, religious. Therefore, there is no neutrality in terms of man's service and labors. All man's words, thoughts and works are either done in service to God or to an idol.

Thus from the opening chapters of Genesis we see man's God-given noble calling. **By the grace of God and as an act of worship, man is to develop, oversee and bring under the lordship of Christ every societal institution (family, government, school, church, etc.), every discipline and vocation (jurisprudence, aesthetics, medicine, business, etc.), indeed, every arena of life...including finances.**

This, then, brings us to Biblically Responsible Investing.

BIBLICALLY RESPONSIBLE INVESTING DEFINED

For several decades there has been a movement within the investment community called Socially Responsible Investing (SRI). Broadly speaking, **SRI is an attempt by an investor to align his investment decisions with his personal belief system and convictions.** Traditionally this has been accomplished in three ways:

1. Identifying and then avoiding investments in companies that are engaged in objectionable activities.
2. Identifying and then purposefully investing in companies that are engaged in activities deemed to be laudable.
3. Holding investments in companies that are engaged in objectionable activities and utilizing shareholder rights (shareholder resolutions, proxy votes) to effect change in corporate policy.⁴

Until recently Socially Responsible Investing has been the domain of social liberals. They have been the single largest group to conform their portfolios, to any significant degree, to their world views. Advocates of SRI typically avoided investments in the alcohol, gaming, tobacco, nuclear power and weapons/defense industries. Conversely, they were attracted to companies that supported such issues as worker's rights, women's rights, environmental protection, gay/lesbian rights, fair lending practices and low income housing.⁵

However Christians, to their credit, have begun to wrestle with the issue of investing according to their convictions. In particular, **Christians are striving to align their portfolios to Scriptural principles.** Because the Christian's underlying presuppositions about God, man, creation, and truth are rooted in the Bible and are so different from the social liberal's, **Christian investors have embraced the term Biblically Responsible Investing (instead of using the phrase Socially**

Responsible Investing).⁶ Thus adherents to Biblically Responsible Investing (BRI) are asking, “If all of life, including business enterprises and financial markets, is under the lordship of Jesus Christ, how is He to be glorified in these spheres? If all of life is an act of worship, how are His people to honor Him with even their substance (Proverbs 3:9)?”

BIBLICALLY RESPONSIBLE INVESTING

The Parable of the Talents (Matthew 25:14-30) reminds Christians that they are to be industrious and faithful with their Master’s resources. Indeed, to whom much has been given, much will be demanded (Luke 12:47-49). Yet several biblical principles, in particular, restrain Christians from falling into the world’s mindset that profit and rate of return are all that matter.

For one thing, there is the **first commandment** (Exodus 20:3). God requires His people to worship, honor and glorify Him alone. They are to have no other god, including the god of materialism, net worth and rate of return.

Second, **human life is sacred**. Man, as God’s image-bearer, is precious and inherently valuable. Consequently, all purposeful business activity should benefit mankind. Likewise, businesses should exhibit justice, mercy and compassion. Man should not be destroyed, injured, corrupted, exploited, preyed upon or dehumanized simply for the sake of profit.

The principles of **justice, mercy and compassion** are especially noteworthy given their prevalence in Old Testament law. God built into Hebrew society a concern for the most vulnerable members of society. The Sabbatical system (Leviticus 25, Deuteronomy 15) provided regular rest as well as protection from the oppression of life-long enslavement, indebtedness and the loss of one’s inheritance. Gleaning laws provided food for the poor, the alien and the widow (Leviticus 19:9-10). The Kinsman Redeemer (Ruth 2-4) was a means of rescue for an enslaved, indebted or disinherited relative. Other laws stipulate compassionate treatment of the poor worker (Deuteronomy 24:10-15). Needless to say, mercy and compassion are of paramount interest to God.⁷

Holiness should further influence and guide the Christian investor. God declares that He is holy, therefore He demands His people to be holy (Leviticus 11:44-45; 19:2; 20:26; cf. I Peter 1:15-16). Inherent in the word holiness is the idea of being set apart. God is set apart in the sense of being majestically exalted above all He created and in terms of being pure, perfect, separated from sin (Exodus 3, Isaiah 6). Therefore, when God calls His people to be holy, He is commanding separation from sin and conformity to His image. He is instructing His people, individually and corporately, to be distinctive, righteous, wholly consecrated to Him.

Finally, Christian investors must be mindful of the charge to be **salt and light** (Matthew 5:13-16). Believers are to be exemplary in their behavior, above reproach, without guile (Psalm 32:2; I Peter 2:1). By their upright actions, Christians are to silence unbelieving critics (I Peter 2:15; cf. Proverbs 16:7) and bear witness to their Savior. Thus there is a genuine testimonial aspect in one’s investing.

Biblically Responsible Investing, then, for the Christian incorporates a desire to serve Christ alone, not mammon. It embraces the sanctity and dignity of mankind, principles of justice, mercy and compassion. Furthermore, it includes a commitment to holiness, for the honor of God and for the salvation of unbelievers.

Certainly other biblical principles may guide and contribute to a Christian’s investing philosophy. Yet these specific

truths are particularly fitting when evaluating obedience to the Cultural Mandate of Genesis 1:28.

INSTITUTE FOR CHRISTIAN WORLDVIEW RESEARCH: A CASE STUDY

Few Christians would take exception to what we have stated so far. The tough question, of course, is **how practically to incorporate into investing these scriptural convictions**. The Institute for Christian Worldview Research provides a case study of one group's efforts to meld their Christian beliefs into investing.

In 1997 several Christian investment advisors became intrigued with the idea of Biblically responsible investing. Although in theory it was an interesting concept, they **found there were few sources of information and virtually no financial products tailored to a Christian worldview**. The result was that Patrick Johnson, one of those financial services advisors, launched Values Investment Forum, which later became the Institute for Christian Worldview Research (ICWR). The company was established with an eye to filling the research void for Christians and social conservatives.

ICWR, specifically, is an investment research firm that examines publicly-traded companies for involvement in nine areas: **abortion, alcohol, anti-family activity, bioethics, gambling, human rights, pornography, tobacco, and the homosexual agenda**. Although other business activities could be included, ICWR has identified these areas as clearly conflicting with biblical values. The alcohol, gaming and tobacco industries profit from man's addictions and weaknesses. Abortion, bioethics and human rights relate to the sanctity of life. Pornography, anti-family activity and homosexuality undermine marriage and the family, while advancing destructive and impure lifestyles.

Within each of these nine broad areas (called screens), ICWR has further delineated and defined specific activities (parameters). So, for example, within the alcohol and tobacco screens, ICWR identifies publicly-traded manufacturers and wholesale distributors. Within the abortion screen, ICWR identifies publicly-traded contributors to abortion-activist groups, insurers of elective abortions, manufacturers and distributors of abortifacients, and providers of elective abortion services.⁸ Furthermore, ICWR has devised a system to weigh corporate actions by assigning a numerical rating to each parameter.

In an attempt to do all things in a manner worthy of the Lord, the Institute for Christian Worldview Research places great emphasis on the accuracy and integrity of its research. The company has established an extensive research procedure that principally uses primary research sources. Consequently, company publications and announcements, Security Exchange Commission filings, available public tax records and direct communication with corporate management provide the basis of most ICWR data. Furthermore, ICWR's custom-designed database enables the company to document accurately its findings and to utilize its data.

ICWR's services are marketed to institutions (colleges, denominations, churches, etc.), institutional investment advisors (those who work with institutions), financial product sponsors (mutual funds, annuities, etc.) and retail investment advisors (those who advise individual clients). The company's services are primarily fourfold:

1. Provide accurate research on publicly-traded companies.⁹
2. Assist the client in identifying and weighing the specific ICWR screens and parameters that align with his convictions.
3. Provide customized reports that guide the client in tailoring his portfolio to his convictions.¹⁰

4. Assist the client in reassessment as new social issues and events unfold in the culture.
This then is how one company is striving to bring biblical beliefs to the sphere of investing.

OBJECTIONS TO BIBLICALLY RESPONSIBLE INVESTING

To date, Christians in the financial services industry have not been overwhelming supporters of Biblically Responsible Investing. Common objections include:

- **Financial returns will suffer.**

Studies indicate that this concern is unfounded. For example, the Domini 400 Social Index, a benchmark socially responsible index, outperformed the S&P 500 for the ten-year period ending December 31, 2000.¹¹ Moreover, a 1999 study by Social Investment Forum found that of the socially responsible mutual funds with assets over \$100 million, 70% received top rankings from Morningstar, Lipper or Wisenberger.¹² More recent is the example of Stewardship Partners, an investment management firm that incorporates BRI. Stewardship Partners was founded by Howard “Rusty” Leonard, who also owns ICWR, Inc. and has been a long time proponent of BRI. From the time of its inception in April 2001 to March 2006, Stewardship Partners has had an annual rate of return of 51.96% compared to 21.47% for the S&P 500.¹³

- **There is no consensus, even among Christians, regarding what constitutes morally objectionable corporate behavior.**

This, indeed, is true. But it is also true of virtually every other area in life. Faithful, Bible-believing Christians differ all the time over who to vote for, how to educate children, where to spend money, whether both parents should work outside the home. This is where liberty of conscience comes in. After a careful search of Scripture, the Christian in the end must apply, as one sees fit before the Lord, the broad biblical principles to the specific issues of life. One Christian’s conscience will undoubtedly be more sensitive to a particular issue than another believer’s conscience. This is a given. But it should not be an insurmountable stumbling block to Biblically Responsible Investing.

- **There are too many gray areas. It is impossible to draw definitively a line between moral and immoral activities.**

We readily acknowledge that life is not always black and white. Companies can be involved in so-called objectionable activities to varying degrees and for a multitude of reasons. Moreover we admit that in a fallen world, we see through a mirror dimly. Knowledge is not exhaustive or perfect.

Yet these difficulties do not relieve the Christian of one’s duty to embrace the sanctity of life, justice, mercy and holiness as best one can, wherever one can in the investing realm. Though some activities are gray, other areas are perfectly clear. For example, there is little ambiguity when it comes to hard core pornography. There is no aesthetic merit with

pornography. It provides nothing that is edifying or beneficial to mankind. It demeans the individual, perverts sexuality and nurtures impurity. Furthermore, there is no confusion over whether hard core porn channels are offered by a cable company or not. This is an area that can be defined and researched with a high degree of certainty.

Admittedly, many issues are not as easy to identify as cable company porn channels. Nevertheless valid judgments, even more subjective ones, can still be made. Surely there is a qualitative difference between one company that only recently included benefits for employees' same sex partners and a second company that has been a long time activist in gay/lesbian issues. The Institute for Christian Worldview Research, for example, has identified some companies that routinely sponsor gay pride events, contribute corporate dollars to gay activist organizations, use gay themes in advertising and have been pioneers in providing domestic partner benefits. Can we not legitimately claim that the second company is a more egregious offender than that first? We think so.

- **There are no pure companies. All are involved in something objectionable.**

It is true that there are no pure companies in the sense of being sinless, just as nothing else is pure in a fallen world. But it is erroneous to suggest that all companies market objectionable products or embrace offending policies. As a matter of fact, many companies are to be commended. Their products and services are beneficial to a multitude of people. They treat their employees with dignity and respect, offer them generous benefits and provide them with a stimulating environment that fosters creativity and growth. Furthermore, within the community many businesses provide leadership and substantial financial support. So although no company is free from sin, many operate in ways that are highly consistent with Christian beliefs.

- **It is impossible (or at best unrealistic) to incorporate Biblically Responsible Investing into the investing process. Although BRI may have some merit, it is impractical to implement.**

This is certainly a valid concern. But with a little time and effort Christians can make a realistic investment plan. They can search out the resources related to shareholder action, portfolio screening and socially responsible mutual funds. They can define their strategy. Will they take the tact of shareholder action or screen companies out of their portfolios? They can identify the issues that trouble their consciences. Finally, they can select the resources and services that will provide them with data to implement their goals.¹⁴

One word of caution concerning sources of information – Like any other aspect of investing, Christians must exercise due diligence when evaluating information sources. They should ask:

What products and services does this firm offer?

What perspective and world view does this firm embrace?

How and where is the information obtained?

How frequently is the information updated?

What are the fees?

Are there any conflicts of interest between the investor's interests and the firm's interests?

No one wants to base his or her decisions on faulty data, least of all the Christian who desires to be above reproach.

Establishing a BRI plan will not be an effortless task. Nor will it be executed perfectly or consistently 100% of the time. But that is the nature of life. Despite the imperfections, Christians can take meaningful steps to align their portfolios with their convictions.

• Any ownership I have in an objectionable company is negligent. In other words, the stake I have in a company via outright ownership of company stock or through shares of a mutual fund is too small to be of significance.

It may be true that one's interest in a company is miniscule. It is not enough to effect change within the corporation. Divesting of shares will have absolutely no impact on company management. In addition, perhaps these shares represent only a tiny fraction of one's overall portfolio.

Nonetheless, does not God call His people to the highest standard of moral living? When He commands His people to be holy, He does not qualify the directive. He does not tell them to be holy in the big things of life or only in the areas where it will make a perceivable difference. No, it is a sweeping, all encompassing charge with no qualifying statements attached that might lessen or nullify the requirement under certain conditions. Thus we contend that Christian investors must strive to integrate God's principles despite outcomes and efficacy.

FINAL ASSESSMENT

Biblically Responsible Investing is not the end all in life. It is by no means a perfect science. Within Christian circles it is a concept still in its infancy, still being developed.

Nevertheless BRI can be a tool to assist Christians in Kingdom living. It is a means of incorporating into the sphere of finances one's confessional statement that:

- The earth is the Lord's and everything in it.
- God is the only Potentate, the King of kings, and Lord of lords.
- One is to honor God with his wealth.
- One is to love the Lord with all his heart, soul, mind and strength and his neighbor as himself.¹⁵

It is our hope that God may be pleased to use the efforts of His people, even through principles of Biblically Responsible Investing, for the praise of His name and the edification of His saints.

FOOTNOTES

¹ Puritanism and the American Experience, p.35 quoted in Leland Ryken, Worldly Saints (Grand Rapids, MI: Zondervan Publishing House, 1986), p. 208.

² The Puritans, vol. 1, p. 319 quoted in Ryken, Worldly Saints, p.208.

³ Robert P. Vande Kappelle and John D. Currid, “The Old Testament: The Covenant Between God and Man,” in Building a Christian World View I, ed. W. Andrew Hoffecker (Phillipsburg, NJ: Presbyterian and Reformed Publishing, 1986), p. 23.

⁴ Austin Pryor, “Socially Responsible Investing: The Debate Over Where to Draw the Line,” [Sound Mind Investing home page on-line]; available from http://sminow.com/vsection/v_newsletter/0110/feature.htm; Internet; accessed 27 September 2001.

⁵ Ibid.

⁶ Many liberals are naturalists and believe that the physical universe is all that exists. Man is viewed as autonomous and at the center of the universe. Meanwhile, God either does not exist or, if He does exist, He is irrelevant. Thus, nature and man are exalted, while God is minimized. As we have already demonstrated in this paper, the Bible views God as the center of all things. He created and actively sustains all. He is sovereign Lord of all. Man’s position and authority within the created order is derived from God. It is God who appointed man to be caretaker of His creation. As for the earth, God created it and it is to be ruled over and used by man for God’s purposes. Thus Biblically Responsible Investing and Socially Responsible Investing have entirely different views of who or what is at the center of reality and virtually opposite views of the hierarchy/order in the universe.

⁷ Gospel examples include Matthew 18:21-35; 23:23.

⁸ See Appendix I for a complete list of ICWR screens and parameters.

⁹ Although the bulk of ICWR’s research centers on identifying companies that violate its fifty-plus parameters, ICWR does note positive corporate activity that comes to its attention.

¹⁰ See Appendix II for a page from a sample ICWR report.

¹¹ KLD Research & Analytics, Inc., “Domini 400 Social Index Tracked Ahead of S&P 500 During Third Quarter of 2001,” [KLD Research & Analytics, Inc. home page on-line]; available from <http://www.kld.com/sitenews.cgi?id=35>; Internet; addressed 6 November 2001.

¹² Mary Naber, “Christ’s Returns,” Christianity Today, September 3, 2001, [e-journal] <http://www.christianitytoday.com/ct/2001/011/8.78.html> (accessed 27 October 2001).

¹³ Readers should note that past performance is no guarantee of future results.

¹⁴ Mary Nabers’ article in Christianity Today (cited in the previous footnote) provides an extensive list of resources.

¹⁵ Psalm 24:1; 1 Timothy 6:15; Proverbs 3:9; Mark 12:30.

APPENDIX I

THE INSTITUTE FOR CHRISTIAN WORLDVIEW RESEARCH SCREENS AND PARAMETERS

ABORTION SCREEN

| <u>PARAMETER</u> | <u>DESCRIPTION</u> | <u>RATING</u> |
|--------------------------------------|---|---------------|
| Contributor | Contributes to abortion activist organization | 2 |
| Distributor | Wholesale or retail distributor of abortifacients | 1 |
| Emergency Contraceptive Distributor | Wholesale or retail distributor of emergency contraceptives | 2 |
| Emergency Contraceptive Manufacturer | Develops/manufactures emergency contraceptive | 3 |
| Hospital/Surgical Center | Performs elective surgical abortions | 3 |
| Insurer | Insures elective abortions or RU-486 (Mifeprex) | 3 |
| Insurer Required | Due to government regulations, insures elective surgical abortions or RU-486 (Mifeprex) | 2 |
| Manufacturer | Develops/manufactures abortifacients (excluding emergency contraceptives and RU 486) | 3 |
| RU-486 Distributor | Wholesale or retail distributor of RU-486 | 2 |
| RU-486 Manufacturer | Develops/manufactures RU-486 | 3 |

ALCOHOL SCREEN

| | | |
|--------------|----------------------------------|---|
| Distributor | Wholesale distributor of alcohol | 3 |
| Manufacturer | Manufactures alcohol products | 3 |

ANTI-FAMILY ACTIVITY SCREEN

| | | |
|--------------------------|--|---|
| Entertainment Advertiser | Advertises on TV programs that have the most violence, offensive language, sexual content | 1 |
| Entertainment Gay Focus | Produces, distributes media content (TV, radio, print, Internet, etc.) with an exclusively gay focus | 2 |

| | | |
|--|---|---|
| Entertainment Producer/ Distributor | Produces distributes TV programs, movies, and videos with violence, offensive language, sexual content (excluding nudity) | 3 |
| Nudity | Produces, distributes media content (TV, movies, videos, etc.) that contain nudity. But content is not hard-core pornography. | 3 |

BIOETHICS SCREEN

| | | |
|-----------|---|---|
| Cloning | Engaged in reproductive or therapeutic cloning, human embryo harvesting, and related activities | 3 |
| Stem Cell | Engaged in human embryonic stem cell production, research and related services | 3 |

GAMING SCREEN

| | | |
|---------------|--|---|
| Betting Shop | Owens/operates betting shop | 3 |
| Bingo | Owens/operates bingo gambling | 3 |
| Casino | Owens/operates casino | 3 |
| Internet | Owens/operates Internet, interactive TV, mobile phone gambling | 3 |
| Licensing | Licenses company name or brands to any gaming-related activity, equipment, software | 2 |
| Lottery | Owens/operates lottery | 3 |
| Manufacturer | Makes gambling equipment or software | 3 |
| Miscellaneous | Has route operations, card rooms; provides gaming consulting; produces gaming TV programming | 3 |
| Pari-mutuel | Owens/operates race track, sports wagering/spread betting | 3 |

HUMAN RIGHTS SCREEN

| | | |
|-------------------|---|---|
| Armaments | Provides weapons products, systems, and technology to terrorist sponsoring nation | 3 |
| Dangerous Nation | Conducts business with terrorist sponsoring nation | 3 |
| Oppressive Regime | Conducts business with country that mistreats its people | 3 |

| | | |
|-----------------|--|---|
| Sudan Other | Companies with business activity in Sudan, excluding oil exploration and production operations | 3 |
| Sudan Petroleum | Companies with oil exploration, production operations in Sudan | 3 |

NON-MARRIED LIFESTYLES SCREEN

| | | |
|---------------------------|--|--------|
| Advertiser - Active | Uses gay/lesbian themes in ads; advertises on exclusively gay TV or radio channel or network | 2 |
| Advertiser - Passive | Advertises in gay/lesbian publications using mainstream ads | 1 |
| Contributor | Contributes to gay/lesbian activist organization | 2 |
| Domestic Partner Benefits | Provides medical coverage to employees' domestic partners | 1 |
| Diversity Training | Includes sexual orientation in employees' diversity training | 1 |
| Employees Group | Has a gay/lesbian employees group | 1 |
| Gender Identity Insurer | Includes gender identity in non-discrimination policy statement Underwrites medical insurance for domestic partners | 1 1 |
| Most Active | Most active promoter of the gay/lesbian lifestyle (based on other Non-Married parameter failures) | 3 |
| Non-discrimination Policy | Includes sexual orientation in non-discrimination policy statement | 0 |
| Sponsor | Sponsors gay/lesbian events | 2 |
| Supplier Diversity | Includes gay/lesbian businesses in supplier diversity program | 2 |

PORNOGRAPHY SCREEN

| | | |
|---------------------|---|---|
| Advertiser | Advertises in pornographic media (paper, electronic, film or other) | 1 |
| Cabaret Operator | Owens, operates, licenses "adult" club | 3 |
| Distributor | Wholesale or retail distributor of pornography (Pornography of any type: film, print, electronic, audio, etc.) | 2 |
| Internet Advertiser | Profits from pornographic web site ads | 1 |
| Producer | Produces pornography (Pornography of any type: film, print, electronic, audio, etc.) | 3 |
| Web Host | Hosts pornographic web sites | 2 |

TOBACCO SCREEN

| | | |
|--------------|----------------------------------|---|
| Distributor | Wholesale distributor of tobacco | 3 |
| Manufacturer | Manufactures tobacco products | 3 |

APPENDIX II

Sample Pages From Institute for Christian Worldview Research Reports



ICWR PARAMETER RATINGS REPORT

| Company | U.S. Exch. : | Ticker | S&P500 | Foreign Exch. : | Ticker | Euro350 |
|-------------|--------------------------|--------|--------|-----------------|--------|---------|
| Viacom Inc. | Domestic Publicly Traded | | Yes | | | No |
| | NYSE : | VIA.B | | | | |

| Violation Screen | ICWR Score | No. of Violations |
|------------------------------------|------------|-----------------------------|
| Anti-Family Activity | | |
| Entertainment Advertiser | 1 | 1 |
| Entertainment Gay Focus | 2 | 1 |
| Non-Marriage Lifestyles | | |
| Active Advertiser | 2 | 5 |
| Contributor | 2 | 3 |
| Diversity Training | 1 | 1 |
| Domestic Partner Benefit | 1 | 1 |
| Gender Identity | 1 | 1 |
| Most Active Promoters of Lifestyle | 3 | 1 |
| Non-discrimination orientation | 0 | 2 |
| Passive Advertiser | 1 | 1 |
| Sponsor | 2 | 7 |
| Pornography | | |
| Advertiser | 1 | 2 |
| Positive Activity | | |
| Entertainment Advertiser | 0 | 1 |
| Total Score: 17 | | Total Violations: 27 |

SAMPLE

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ICWR FULL COMPANY REPORT

Viacom Inc.
1515 Broadway
New York
U.S.A.
10036

Ticker: VIA.B
Exchange: NYSE
S&P500: Yes

Company Notes

2005: Viacom was included on The Advocate's October 2005 list of 10 great places for lesbian, gay, bisexual, and transgender people to work. The article says that in November 2004, Viacom granted gay and lesbian couples the same pension benefits as married couples. Also, the company recently launched Logo, a 24-hour basic cable channel devoted to LGBT content. Viacom received a perfect 100 percent rating on the Human Rights Campaign's fourth annual Corporate Equality Index (released on 10/20/2005). The 2005 HRC Corporate Equality Index rates "companies on their record and Celebration field office, and their record of fair treatment for GLBT employees."

Source Type: Web Sites

Violation Date: 03/06/2006

Expire Date: 25/06/2007

Notes: Viacom's Logo TV was a Gold Sponsor for Heritage of Pride: NYC Pride 2006 held on 6/18-25/2006 in New York, NY.

Pornography : Advertiser

Source Type: Paid Advertisement

Violation Date: 02/08/2005

Expire Date: 01/07/2006

Notes: Viacom advertised Comedy Central on page 13 of the July, 2005 issue of Playboy.

Source Type: Paid Advertisement

Violation Date: 08/06/2006

Expire Date: 01/06/2007

Notes: Viacom's vh1.com advertised on page 2 of the June 2006 issue of Playboy magazine.

Positive Activity : Entertainment Advertiser

Source Type: Research Organizations

Violation Date: 05/12/2005

Expire Date: 05/12/2006

Notes: Viacom's Paramount Pictures Corporation advertised their Titanic DVD on 10/24/2005 during an episode of "7th Heaven," a family-friendly show containing no sexual content, violence or offensive language.

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