

Jewish Values-Based Investing: Creating a Framework for Success

June 4, 2025

Jewish Values-Based Investing (JVBI) is an approach that aligns financial decisions with the ethical and moral principles rooted in Jewish teachings, integrating social responsibility, justice, and stewardship of resources into investment strategies. Drawing from the Torah, Talmud, and halachic (Jewish legal) traditions, JVBI emphasizes core values such as *tzedek* (justice), *tzedakah* (charity), *bal tashchit* (avoiding waste), and *kavod* (respect for human dignity). This framework enables investors to pursue financial returns while fostering positive societal impact and avoiding harm, distinguishing itself within broader ethical investing through its uniquely Jewish lens.

These core principles of JVBI guide its application:

- **Ethical Business Practices:** Prioritizing companies that uphold integrity, fair labor, and transparency, reflecting *yosher* (honesty).
- **Social Responsibility:** Supporting initiatives that address poverty, education, and healthcare, in line with *tzedakah* and *gemilut chasadim* (acts of loving-kindness).
- **Environmental Stewardship:** Investing in sustainable enterprises that honor *bal tashchit* by minimizing environmental harm.
- **Avoiding Harmful Industries:** Excluding sectors that conflict with Jewish ethics, such as those promoting addiction, violence, or exploitation.
- **Community:** Directing resources toward Jewish and universal communal welfare, including charitable giving and local initiatives.

Implementing JVBI involves reflecting on personal Jewish values — whether social justice, environmental care, or halachic compliance — and may involve the need to consult with rabbis or scholars for guidance, particularly for strict interpretations. Investors must balance ethical priorities with financial goals, as limiting options may impact portfolio diversification or investment returns. Jewish values vary across denominations, with Reform and Conservative investors often emphasizing social and environmental screens, while Orthodox investors may focus on halachic adherence (e.g., avoiding non-kosher production or Shabbat violations). A robust Responsible and Sustainable Investment database and specialized research are essential to properly identify appropriate JVBI aligned investments. Sage Advisory Services offers tailored fixed income investment portfolios that incorporate Jewish values-based screens. Our expertise allows investors to construct attractive, values-aligned portfolios that prioritize ethical issuers, sustainably sensitive companies, and community-focused investments while maintaining competitive returns. This approach ensures that Sage's fixed income strategies reflect Jewish principles, such as *kavod* and *bal tashchit*, without compromising financial objectives.

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Investment Screening Categories

Our JVBI process incorporates a comprehensive screening and evaluation of industries and companies based upon a range of factors and data in each of the following categories:

Treif

A Hebrew derived term meaning “not fit.” Generally, refers to industries and companies that derive an unacceptable percentage of their revenue from a business activity that violates or ignores core Jewish teachings and principles and are not fit for investment.

Focus of Negative Screens

- Tobacco Products
- Fossil Fuel Extraction/Production
- Deforestation/Resource Depletion
- Pornography & Adult Entertainment
- Gambling & Casinos
- For-Profit Prisons
- Non-Kosher Food Production
- Weapons Manufacturing (Selective)



Nichshal

A Hebrew derived term meaning “failed.” In general, this refers to industries and companies that have engaged in an “egregious act” (public controversies) or that deliberately partake in irresponsible business conduct or practices in a persistent manner.

Focus of Controversy Screens

- Environmental Degradation
- Human Rights Abuses
- Exploitative Labor Practices
- Anti-Semitism & Hate Speech or Actions
- Non-Support for Israel



Towb

A Hebrew derived term meaning “good” or “beneficial.” In general, this refers to industries and activities that promote the betterment of society and core Jewish values.

Focus of Positive Screens

- Education
- Medical Sciences
- Technological Innovation
- Responsible Resource Management
- Ethical Labor Practices
- Community Engagement



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