



WHAT IS SHARIA LAW?

Sharia-compliant investments are governed by Sharia law and the principles of Islam. Sharia literally means "the clear, well-trodden path to water". It acts as a code for living that all people of the Muslim faith should adhere to, including prayers, food, and financial affairs.

WHAT ARE SHARIA-COMPLIANT INVESTMENTS?

Sharia investing is similar to ethical investing whereby funds are screened to avoid companies that are not aligned to certain principles. Activities permitted by Sharia law are regarded as 'halal', and anything banned is 'haram'. Sharia fund managers will filter out any companies that do not follow these principles. There are also additional requirements, such as the appointment of a Sharia board made up of Islamic scholars, an annual Sharia audit, and purifying certain prohibited types of income by donating them to charity.



OUR APPROACH TO SHARIA INVESTING

Our investment team follow a rigorous process when selecting funds for the TAM Sharia portfolios, conducting extensive research into the universe of sharia-compliant investments. This includes one-on-one meetings with fund managers followed by detailed desk-based analysis looking further into the fund's investment process, portfolio positioning and performance. The team will only select a fund that has proven to deliver on its Sharia-compliant mandate, adhering to the stringent and comprehensive investment process which screens stocks to ensure only companies with Sharia-compliant business or activities are included. The industry standard for Sharia compliance is a FATWA certification, which TAM ensures all our fund holdings possess before investing.

THE FUNDS

WHAT YOU WILL FIND

- Sharia equities
- Sukuk bonds
- Sharia-approved commodities
- Cash
- Companies that provide Islamic financial services

WHAT YOU WON'T FIND

- Government debt
- Companies that provide interest related services
- Companies that are involved with the following:
 - Pork related products
 - Alcohol
 - Gambling
 - Adult entertainment
 - Tobacco
 - Weapons

THE PORTFOLIOS

The level of diversification within our TAM Sharia portfolios is dependent on the availability of funds that are considered Sharia-compliant. Due to the strict nature of Sharia investments, the universe of compliant funds has been historically limited, but TAM are committed to working with fund houses to encourage new strategies to the market, with portfolio diversification improving extensively year on year as a result. We are excited by the developments and innovation we are seeing within the Sharia-compliant investment space.

