



IMPACT INVESTING & PHILANTROPY

FUNDS FOR GOOD

CERTIFICATION DECLARATION 2013

*To the investors, intermediated by Funds For Good
To the concerned philanthropists
To the beneficiaries and charities
To the banking partner(s) of Funds For Good
To the public,*



FUNDS FOR GOOD
invest, impact

Forum ETHIBEL asbl was appointed by **Funds For Good S.A.** (LU24340175) to execute an independent control of the financial and procedural aspects of its philanthropic support. Funds For Good seek to have its social responsibility activities verified to show that the allocated funds are used responsibly for long term and sustainable development projects.

Funds For Good (FFG) introduces investment strategies of high quality to institutional investors, while offering them the double bottom line of impact investing: combining financial returns with a significant social or environmental impact. More information can be found on www.fundsgood.eu.

This Certification for 2013, the third complete financial year, includes an audit of the constitutional documents, the organigram, the accounts, the agreements between FFG and its beneficiaries, the Philanthropic Charter and the 2013 Impact Report.

Forum ETHIBEL has reviewed the following elements to allow verification of the good governance of the philanthropic aspect of FFG's activities:

1. Fund introduction. FFG introduces a range of funds to professional investors, while offering the advantages of impact investing to institutional clients (B2B).

2. Legal relationship. Interested institutional investors contact FFG, who will provide the coordinates of the bank that helps them in their investment procedure. The interested parties therefore become direct bank clients, and are not legally bound to FFG. Nevertheless, FFG informs them about the concrete support they provide to social projects through their contributions.

3. Responsible Investment and Impact Financing. Several approaches exist in the field of responsible investing. The best-known are SRI funds (Socially Responsible Investments), which incorporate extra-financial criteria into investment decisions. FFG supports and promotes the principles of SRI, but doesn't consider it to be impact financing in the strict sense of the term, due to the lack of a direct link between the investor and a specific project. FFG therefore offers investors the option to support concrete social projects. Impact is achieved as FFG is donating part of their revenues to community projects, and this without impacting investors' returns.

4. Resources. According to FFG's Philanthropic Charter, 50% of the net profits derived from its activities are donated to social projects. In case no profits are made, FFG is committed to donate 10% of revenue for investments until € 50m, 15% for the next € 50m and 20% of revenue above on the funds not bearing the name of FFG. For funds bearing the name "Funds For Good", 10% of its revenue is donated.

Forum ETHIBEL found that in 2013, a total of € 17.646 was donated, which matches the promised commitment of 10% of its revenue.

5. Beneficiaries and scope of Philanthropic Action. Beneficiaries of donations are only recognized organisations with a demonstrated process. FFG funds medium to long term development projects involved in Health, Education, Environment and Entrepreneurship.

6. Beneficiaries and social partners. In 2013, FFG donated to the following five organisations:



GENERATION FOR GOOD
philanthropy



R.O.M.E.O. asbl



The **Belgian Red Cross** was the first privileged partner of FFG when it started operations in 2011. In 2013, the donation was used to provide access to clean drinking water to 106 Burundian families.

Generation for Good. FFG created its own philanthropic fund, Generation for Good, which is managed by the King Baudouin Foundation. The objective of the fund is to support small entrepreneurs from a disadvantaged background. Small entrepreneurs can obtain 'a loan of honour' with flexible repayment terms and with 0% interest. A management committee, consisting of representatives from FFG, the King Baudouin Foundation and other experts are selecting entrepreneurs with the most realistic business plans. At the end of 2013, 15 entrepreneurs received 'a loan of honour' between € 2.000 and 4.000. Also Delta Lloyd Life, Accenture, microStart and BRUSOC are contributing to the Generation for Good fund.

Goods to Give collects unused surplus stocks from companies and redistributes them amongst poor and disadvantaged people in Belgium. Goods to Give has a double objective: provide disadvantaged people with products that they cannot afford and address the waste problem of unused stocks in companies.

Romeo asbl helps children 'who are different' due to a small mental disability or a learning disability. Romeo helps teachers in classrooms with these children to deal with the extra pedagogical tasks as well as sensitisation of other children towards disabilities.

Accueil et Vie asbl offers a range of housing possibilities for adults which have an intellectual disability. These adults can choose to live in a centre or a house supported by a network of caregivers.

The amount of the donation to each organisation depends on the preference given by the investors.

7. Maximisation of profits and donations. Profits optimisation is achieved through (i) minimizing structural expenses; (ii) salary policy and (iii) network relationship with providers, who all support the project through advantageous pricing. FFG provides balance sheets and expense transparency.

8. Remuneration policy and continuity. FFG is a privately held company with an objective of revenue and profits by developing its activities. Providing a market standard remuneration is a good way of attracting the best talents in the industry. The remuneration policy is claimed to be far away from excesses, witnessed in the financial sector.

9. Reports on the use of donations. FFG issued the Impact Report 2013 to inform its investors on the precise impact obtained through their donations.

In conclusion, we report that, in our judgment and for the year 2013, the **Funds For Good** activities were conducted in accordance with the terms of the Philanthropic Charter.

For Forum ETHIBEL asbl

Herwig Peeters, General Director
Brussels, 18 December 2014