



INVESTING | SOCIAL IMPACT | PHILANTROPY

FUNDS FOR GOOD

CERTIFICATION DECLARATION 2016

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

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** seeks to have its social responsibility activities verified, in order to show that the allocated funds are used responsibly for long term and sustainable development projects.



FUNDS FOR GOOD
invest, impact

Funds For Good (FFG) introduces investment strategies 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.fundsforgood.eu.

This certification for 2016, the sixth complete financial year, includes an audit of the accounts and transfers, the agreements between **FFG** and its beneficiaries, the Philanthropic Charterⁱ and the 2016 Impact Reportⁱⁱ.

Forum ETHIBEL has reviewed the following elements to allow verification of the good governance of the philanthropic aspect of **Funds For Good's** activities:

1. Mediation. **FFG** initiates investment funds to institutional investors or authorised distributors, offering the funds to their own clients. **FFG** is equally committed to develop a European network of authorised distributors for these funds. By investing in funds created by Funds For Good, investors meet two goals: financial results and concrete social impact by means of **FFG's** philanthropic commitments.

2. Legal relationships. Interested institutional investors or authorised distributors contact **FFG**, who will provide the contact details of the concerned asset managers. The interested parties therefore become direct bank clients, and are not legally bound to **FFG**. Nevertheless, **FFG** informs the candidates about the concrete support they provide to social projects through their contributions.

3. Investing (SRI) and simultaneously contributing to social projects. **FFG** offers investors the option to support concrete social projects. Impact is achieved as **FFG** is donating part of its revenues to community projects, and this without creaming off investors' returns.

4. Resources. According to **FFG's** Philanthropic Charter, the company engages that 10% of its turnover - with a minimum amount equal to half of the net profits - of its activities are donated to social projects.

Forum ETHIBEL found that in 2016, a total of € 52.227 was donated, which is € 131 less as reported in **FFG's** bookkeeping. This equals to 9,7% of the turnover, slightly less than the promised commitment of 10% of its turnover. It does exceed 50% of the net profit. In addition, **FFG** transferred an advance on a donation of € 20.000, meant for the financial year 2017.

5. Beneficiaries and scope of Philanthropic Action. In 2016, **FFG** donated to **Fund For Good Philanthropy** and to **Goods to Give**.

FFG created the philanthropic fund **Fund For Good Philanthropy (FFGP)**, which is managed by the King Baudouin Foundation, in 2013. 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 select the entrepreneurs with the most realistic business plans. In 2016, around thirty files have been analysed and 14 entrepreneurs have received a loan of honour. In collaboration

with Adie, a French association, **FFGP** supported 3 entrepreneurs based in the North of France as well.

Besides financial support, **Fund For Good Philanthropy** also offers individual assistance through a network of coaches and an online platform. Every member of the FFG team spends ca. 25% of his time on **FFGP**.

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.

6. Maximisation of profits. Profits optimisation is achieved through (i) minimizing structural expenses; (ii) an adapted salary policy; and (iii) network relationship with providers, who all support the project through advantageous pricing. **FFG** provides balance sheets, profit and loss accounts as well as expense transparency.


7. Remuneration policy and continuity. **FFG** is a privately held company with an objective of revenue and profits by developing its activities. By providing a market standard remuneration, **FFG** aims to attract the best talents in the industry, but the remuneration policy is claimed to be far away from excesses, as witnessed in the financial sector.

8. Reports on the use of donations. **FFG** issued the Impact Report 2016 to inform its investors on the use and the impact of the donations.

Conclusion

In conclusion, we report that, in our judgment and for the year 2016, the **Funds For Good** activities were largely conducted in accordance with the terms of the Philanthropic Charter.

Brussels, December 1, 2017
For Forum ETHIBEL asbl,



Kenny FREDERICKX,
General director



Herwig PEETERS,
Senior auditor

ⁱ <https://www.fundsforgood.eu/wp-content/uploads/2017/06/chartephilantropique.pdf>

ⁱⁱ https://www.fundsforgood.eu/wp-content/uploads/2017/06/2017_05_22_r12016_frlow.pdf