

# Investing with purpose

**How could Foundations strengthen their mission by investing responsibly?**

**Angela de Wolff , Partner at Conser  
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# Supporting a long term vision

Three distinct concepts, a shared ambition...

## MACROECONOMIC



**SD**

Sustainable  
Development

## ENTERPRISES



**CSR**

Corporate Social  
Responsibility

## FINANCIAL



**R/SRI**

Sustainable &  
Responsible  
Investment

# What is Responsible Investment?

Integration of ESG factors into investment decisions



## ENVIRONMENT

## SOCIAL



## GOVERNANCE

- Reduction of energy use and CO2 emissions
- Optimal water management

- Formal processes for quality & food security (ISO 9000)
- Fully traceable processes
- Continuous audit of suppliers
- Local communities

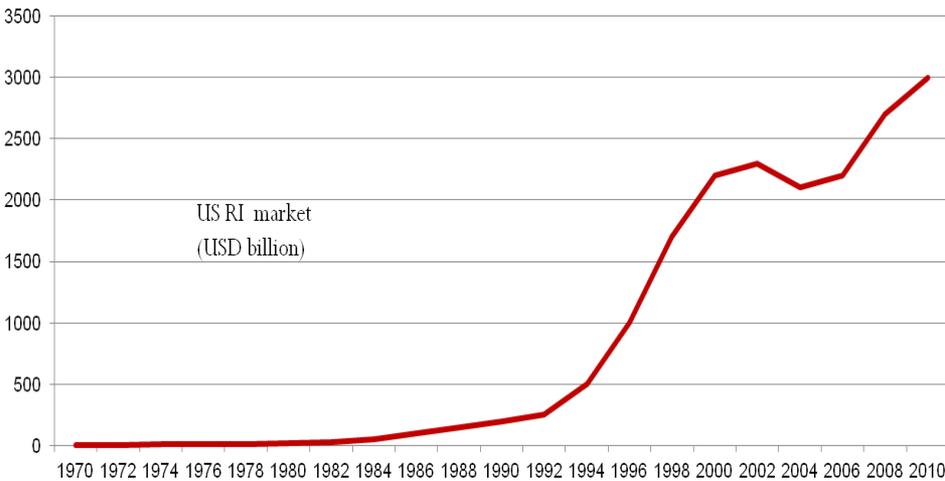
- Board > 50% independents
- Committees 100% independents
- Transparent remuneration fees



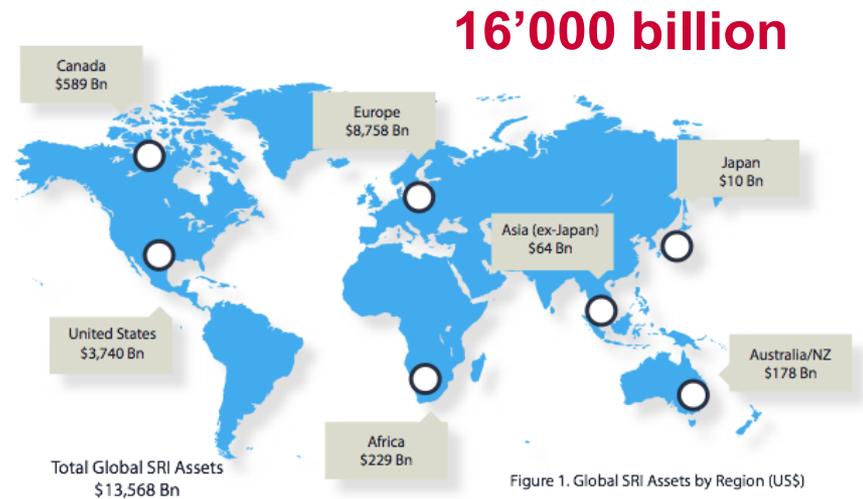
# Responsible Investment (RI)

from niche to mainstream

## USA historical trend: a continuous growth



## Current global RI market (2015)



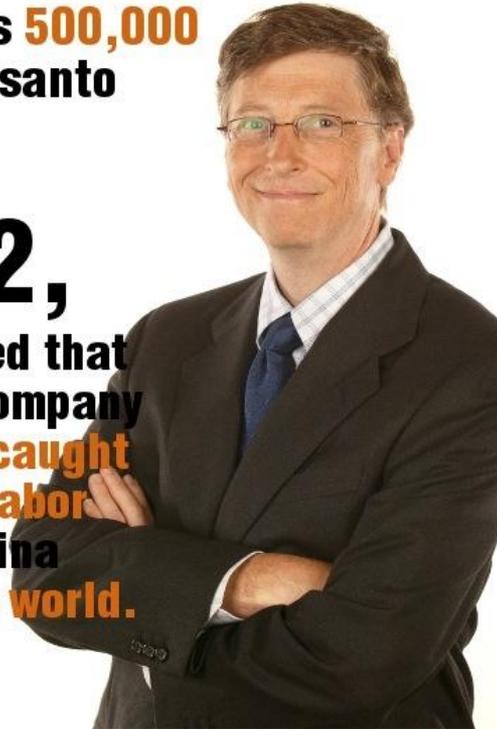
Source: Global Sustainable Investment Alliance Review

# Consistency - align words with actions

Transparency is putting investments under scrutiny

**Meet Bill Gates.**  
 This man owns **500,000 shares** of Monsanto stock.

**In 2012,**  
 Mr. Gates stated that Monsanto, a company that has been **caught running slave labor rings in Argentina** could **save the world.**



GMO



Nuclear



Tobacco



Weapon



Business ethics



Corruption



Environment



Human rights



**Build a « mission  
consistent » portfolio**

*Case study: HKG Private Charitable Trust*

# Building a « mission consistent » portfolio

the Foundation will invest in line with its values



Foundation's  
endowment

Responsible  
Investment



financial  
return



impact

coherence



reinforcement



Foundation  
Mission



Philanthropy



project

project

project



...



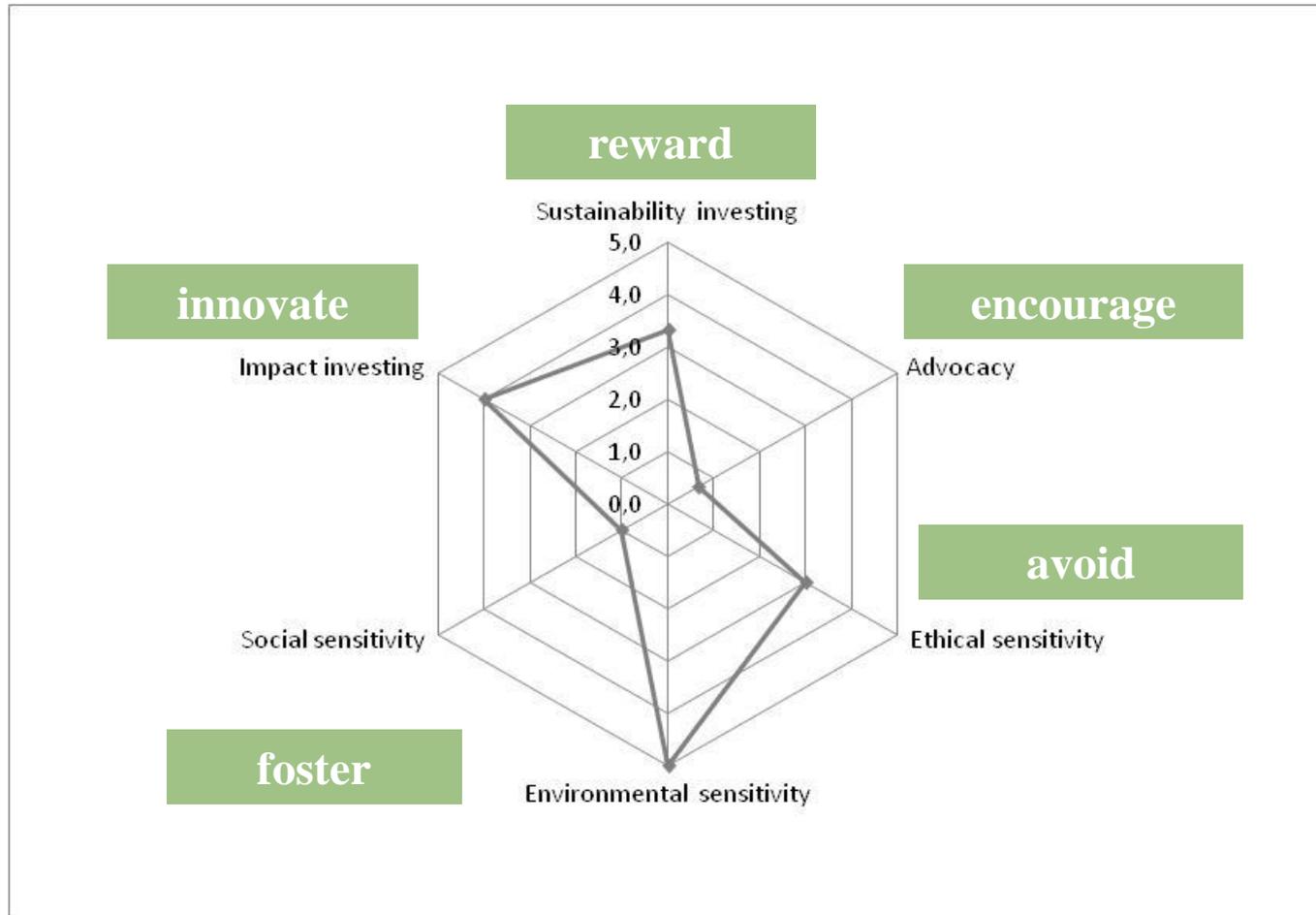
# HKG Private Charitable Trust

USD 30 million AUM

- **Mission:** Environmental protection
- **RI policy**
  - ✓ **Core:** 33% equities and 42% bonds filtered with ESG criteria
  - ✓ **Satellite:** objective => 20 % high impact investing supporting the mission (clean technologies, water, energy efficiency, climate change funds, etc.)
- **Expected Results**
  - ✓ Virtuous circle: actions on the ground and capital investments fueling a green economy

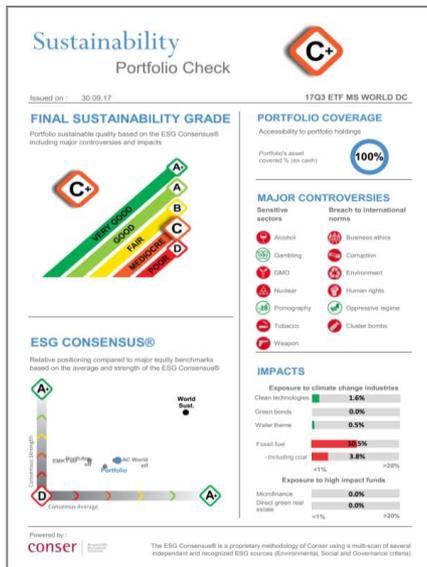
# Defining investment principles

systematic process to define impact goals



# Portfolio transformation

## Open architecture - over 1300 sustainable funds



**Equity:**  
 ESG global funds  
 ESG regional funds  
 ESG mid & small funds  
 Thematic/impact funds



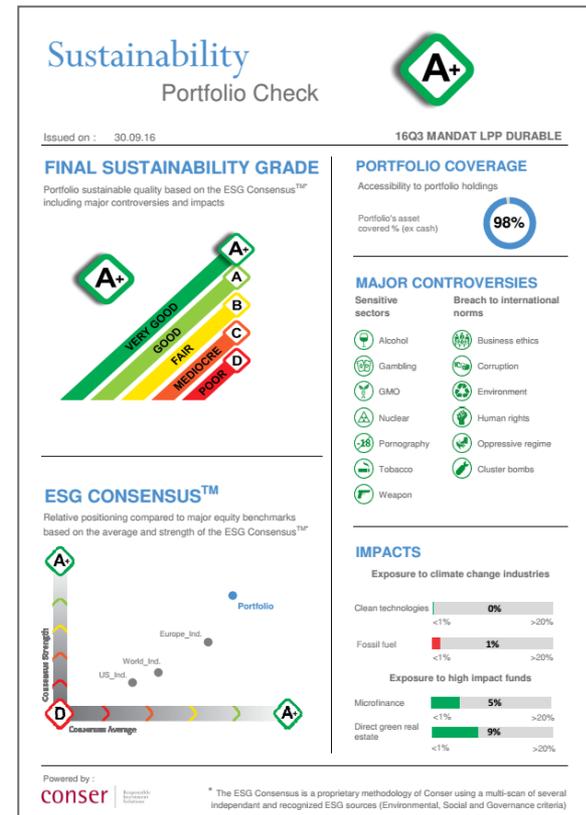
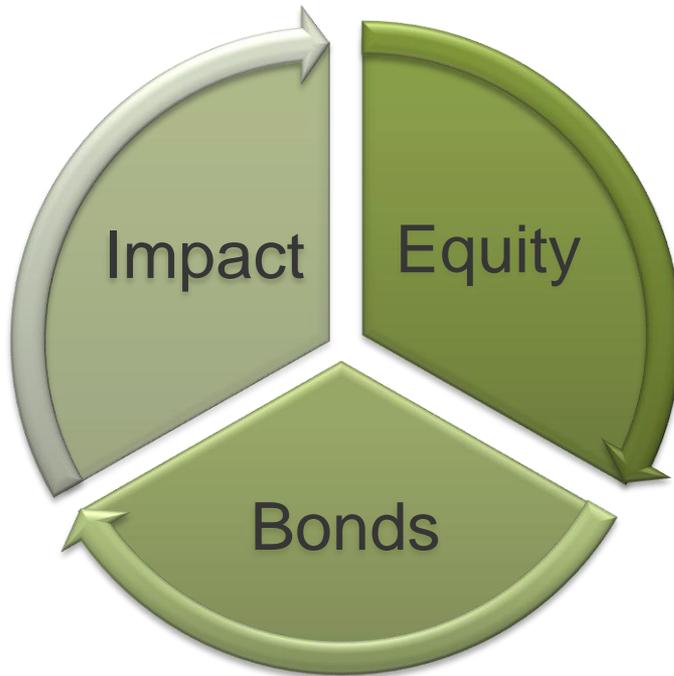
**Bonds:**  
 ESG corporate bonds  
 Green bonds  
 Microfinance



# Portfolio advisory and monitoring

## Sustainability profile and impact goals

A balanced Portfolio fully compliant with the values of the HK Foundation



[www.conser.ch](http://www.conser.ch)

# Who is Conser

## Our clients



Banks



Pension funds



Foundations

## Our involvements



## Our memberships



# Our tools

## Portfolio check

1

### Independent Analysis ESG Consensus®:

- ESG quality
- controversies exposure
- relative positioning
- impact measurement

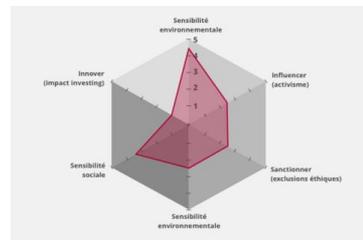


## Values profile

2

### Client Sensitivity

Questionnaire assess the client sensitivity, and clarify priorities in terms of financial returns and sustainability impacts



## Fund selection

3

### Open Architecture

Proprietary database (over 1300 funds) enables the client to select the best and most appropriate sustainable investment solutions



## Investable companies

4

### Defining a universe

By region and/or sector, creation of a stocks' list matching client themes or sensitivities

Stocks	Weight
Nestle	5%
Roche	5%
Swiss Re	5%
...	
Unilever	5%
Novozymes	3%

# Our expertise at your disposal

- Swiss firm with long track-record in sustainable finance
- Proprietary methodology and tools
- Independent profile & proven expertise
- Large local and international network

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