



INVESTING | SOCIAL IMPACT | PHILANTHROPY

FUNDS FOR GOOD

CERTIFICATION DECLARATION 2017

*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 2017, the seventh complete financial year, includes an audit of the accounts and transfers, the agreements between FFG and its beneficiaries, the Philanthropic Charterⁱ and the 2017 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 2017, a total of € 83.463 was donated, which is € 570 more than the required 10% of FFG's bookkeeping. This also exceeds 50% of the net profit.

5. Beneficiaries and scope of Philanthropic Action.

In 2017, FFG donated to Funds For Good Philanthropy.

FFG created the philanthropic fund Funds 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 2017, Funds For Good Philanthropy awarded its hundredth loan of honour. In addition, a total of 25 loans of honour were repaid, 40 new loans were issued.

Only one loan went into default ever since FFGP started awarding loans of honour.

At the end of 2017, **FFGP** signed a cooperation agreement with two new partners: Credal and Hefboom. In addition, the philanthropy continued its collaboration with the microcredit institutions Adie France, Brusoc and mircroStart.

Besides financial support, **Funds 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**. This is incorporated in the employment contract of its employees.

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 Forum ETHIBEL its balance sheets, profit and loss accounts as well as transparency on their expenses.

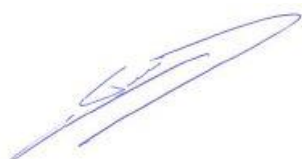
7. Remuneration policy and continuity. **FFG** is a privately held company with an objective of revenue and profits by developing its activities. By providing a market standard remuneration, **FFG** aims to attract the best talents in the industry, but the remuneration policy provides no room for excessive bonuses.

8. Reports on the use of donations. **FFG** issues the Impact Report 2017 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 2017, the **Funds For Good** activities were fully conducted in accordance with the terms of the Philanthropic Charter.

Brussels, 31 August 2018
Forum ETHIBEL asbl,



Kenny Frederickx,
General director



Ro Van den broeck,
Research officer

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

ⁱⁱ http://www.sustainabilityreports.be/sites/default/files/reports/20180612_ri2017.pdf