The Transformative Power of Money
Conference
Vision

Pass on a liveable world for future generations
Mission: transform 360°-wise (4P)
Transformative philanthropic platform

Pass on & transform 360°-wise

UMBRELLA FOR THIRD PARTIES PROJECTS

Think 360°

Act 360°

Invest 360°
David Pitt-Watson
Business and social entrepreneur and author
What they do with our money

(And do they do what they ought to do?)
Which statement do you think best describes your view?

Statement 1: We live in a capitalist world. That means that finance sits at the very heart of the most important questions which challenge our society.

Statement 2: The truth is, finance is quite boring. I just want to be able to give my money away to someone I can trust, and not have to worry about it.

a. I rather think statement 1
b. I rather think statement 2
c. I think none of these
d. I think both
Poll Responses

**Statement 1:** We live in a capitalist world. That means that finance sits at the very heart of the most important questions which challenge our society.

**Statement 2:** The truth is, finance is quite boring. I just want to be able to give my money away to someone I can trust, and not have to worry about it.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I rather think statement 1</td>
<td>36.8 %</td>
</tr>
<tr>
<td>I rather think statement 2</td>
<td>15.8 %</td>
</tr>
<tr>
<td>I think none of these</td>
<td>18.4 %</td>
</tr>
<tr>
<td>I think both</td>
<td>28.9 %</td>
</tr>
</tbody>
</table>
Web Respondents
Bank of England Respondents
Dick Fuld
Lehman Brothers
Fred Goodwin
RBS
Mosammat Taslima Begum & Mohammed Yunus
Grameen Bank
Financial Pioneers
The Four Functions of Finance

- Safekeeping
- Transactions
- Risk Sharing
- Intermediation
The Financial System

BANKS

Lending
Within
the System

SAVERS

Bank Deposits → Interest

Long Term Savings → Pensions etc

THOSE FACING RISKS

Insurance Premiums → Compensation

INVESTMENT MANAGERS

Loans → Interest

Equity → Dividend

INSURANCE COMPANIES

Loans & Equity → Interest & Dividends

INVESTORS

Loans → Interest

Equity → Dividends
The industry is absorbing an ever larger share of the GDP, and the GDP is becoming ever more “financialised”
The **FINANCIAL SYSTEM** has got more complex, but has it got more efficient?
Which Fund Manager to Choose?

<table>
<thead>
<tr>
<th>Manager</th>
<th>Gross Return</th>
<th>Net Return</th>
<th>Relative Performance After fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guardian</td>
<td>5%</td>
<td>4.7%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>One World</td>
<td>6%</td>
<td>5.5%</td>
<td>+0.5%</td>
</tr>
<tr>
<td>Rotheson</td>
<td>8%</td>
<td>7.3%</td>
<td>+2.3%</td>
</tr>
</tbody>
</table>
Which fund manager would you choose?

a. Guardian  
b. One World  
c. Rotheson
Poll Responses

Which fund manager would you choose?

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guardian</td>
<td>14.3%</td>
</tr>
<tr>
<td>One World</td>
<td>32.1%</td>
</tr>
<tr>
<td>Rotheson</td>
<td>53.6%</td>
</tr>
</tbody>
</table>
## Which Fund Manager to Choose?

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<tr>
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<td>-1.0%</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>3%</td>
<td>2.5%?</td>
<td></td>
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<td>3.3%?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D</td>
<td>2%</td>
<td>1.3%?</td>
<td></td>
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The power of capital
Creating a Civil Economy

- Ask the right questions
- Demand answers
- Support new institutions
- Reform existing ones
- Committed people in the system
- Understand it isn’t easy
- Needs vision
- Needs you
Ownership of Companies, 2006

Thanks to E Barnes
Acland Burghley School
Our governance system

- **Individuals**
  - Have money
  - Invested in
  - Or invest directly with
  - Pension Funds
    - Who appoint
    - Fund Managers
      - Who buy shares, giving them the right to appoint
    - Board of Directors
      - Who oversee the operations of
      - Companies
        - Which employs
        - Individuals

- **Trade Unions**
- **Pension Fund Advisers and Actuaries**
- **‘Sell-side’ Brokers**
- **Accountants**
- **Company Brokers**
- **Financial Advisers**
- **Voting Agencies**
- **Investment Banks**
Dear

You are responsible for investing my money. Thank you for undertaking that important job.

Climate change is a huge challenge for my, and everybody else’s future. The actions of big companies, particularly energy companies, make an important difference to climate change. So can you assure me that when voting for directors of energy companies you will not approve the appointment of anyone who has not committed to manage their company in a way which is compatible with the Paris Climate agreement. I understand that many people are being elected who will not give that assurance, and would want to be sure that you are only using the votes my savings confer, only to approve the appointment of those respect their responsibility to protect the earth.
The importance of finance

- The purposes of finance are so important that early pioneers are often seen as social pioneers.
- It seems to be doing a pretty poor job today.
- But it is your money.
- It will only get better if you demand it.
Thank you
The Transformative Power of Money

Conference
Panel

Maïté Mercier | Little Food
Thomas Van Craen | Triodos Bank
Giulia Porino | Finance Watch
Benoît Derenne | Foundation for Future Generations
David Pitt-Watson | Entrepreneur and author
Maïté Mercier
Litte Food
Thomas Van Craen
Triodos Bank
With the exercising of banking business, the company aims to contribute to social renewal, based on the principle that every human being should be able to develop in freedom, has equal rights and is responsible for the consequences of his economic actions for fellow human beings and for the earth. All in the widest sense of the word.

Articles of association Triodos Bank art. 2.2
Do you feel that the diversity of financial tools available on the market allows you to use your money for a positive transformation of society while meeting your own personal needs?

a. I have access to enough financial tools
b. I don't have access to enough financial tools
c. I don’t have a sufficient knowledge of the financial tools that are available
Poll Responses

Do you feel that the diversity of financial tools available on the market allows you to use your money for a positive transformation of society while meeting your own personal needs?

- I have access to enough financial tools: 15.4%
- I don't have access to enough financial tools: 21.5%
- I don't have a sufficient knowledge of the financial tools that are available: 63.1%
Giulia Porino
Finance Watch
Mission: transform 360°-wise (4P)

FUTURE GENERATIONS Summit

Grants | Impact First & PRI | Impact investing | Sust. & Resp. Investing (SRI) | (Near) Traditional investment | "Paradise" investment

Expect societal impact

Impact only | Impact first | Blended value | Financial return first | Financial return only

Positive screening | Negative screening

Expect financial return

Financial return first | Financial return only

Financial return only | Only

Expect societal impact | Impact only

Impact first | Blended value

Financial return first | Financial return only

Financial return only | "Paradise" investment
Panel

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Questions & Answers

Conference | Q&A

Please send you question(s) for one or more speakers via the app. Feel free to add your name and organisation.

www.lineupr.com/ffg/fgs2018
Thank you

Stay tuned ➔ fgf.be | stg.be.
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