



**OICV
IOSCO
2013**
LUXEMBOURG
38th ANNUAL CONFERENCE

Responsible Investments

The right approach to channel
private capital in view of solving
social problems

Moderator: **Thomas Seale**

- CEO of European Fund Administration (EFA)
- Chairman of ALFI Microfinance Committee
- Chairman of LuxFLAG

Thursday, 19 September 2013

How has the world managed social problems ?



Religion



The State



“The social responsibility of business is to increase profits” - Milton Friedman



Source: The New York Times Magazine - September 13th, 1970

Since 1970's...



Environmental concerns



Social concerns



Governance concerns

The response

E

Environmental

S

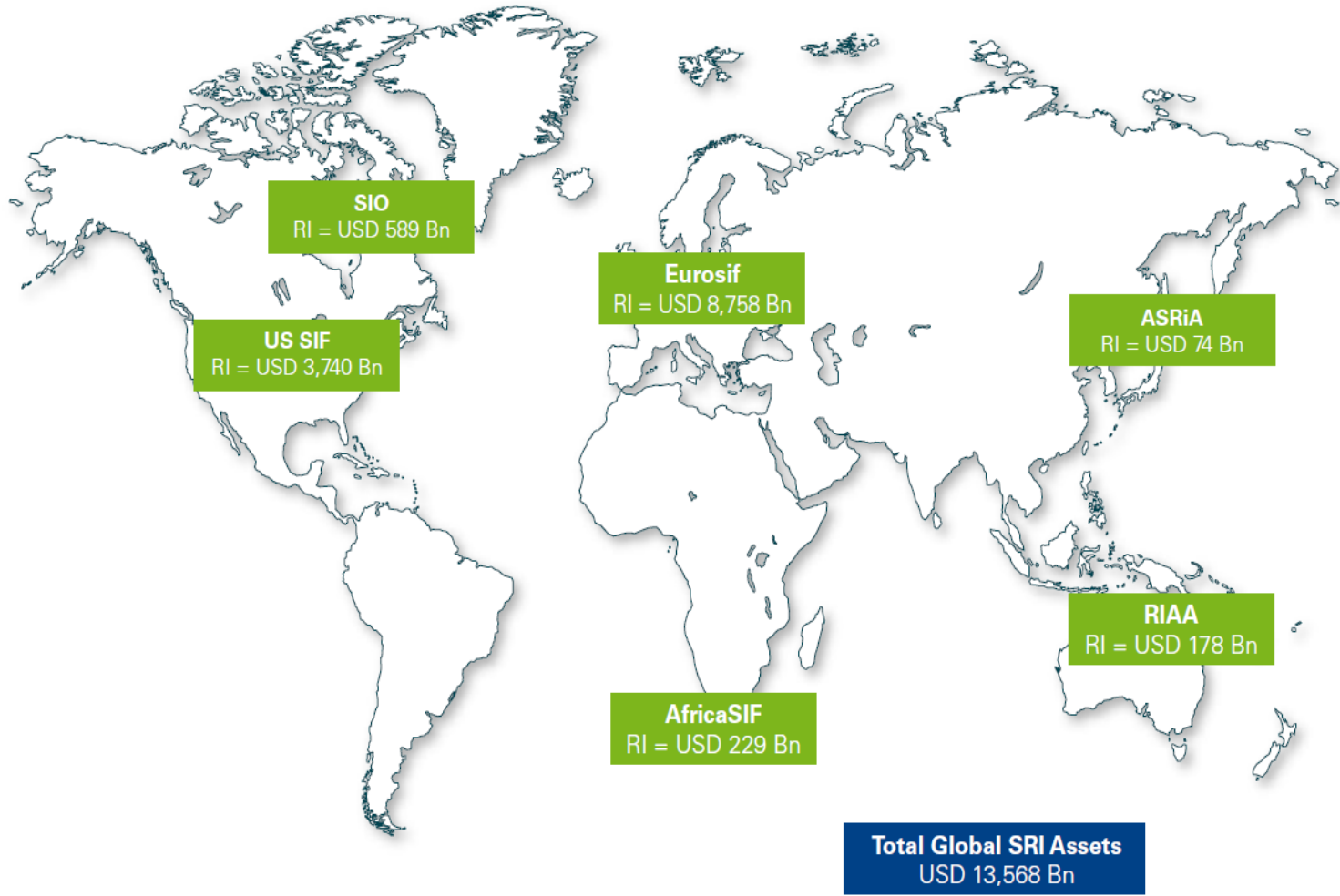
Social

G

Governance

Responsible Investing across the Globe

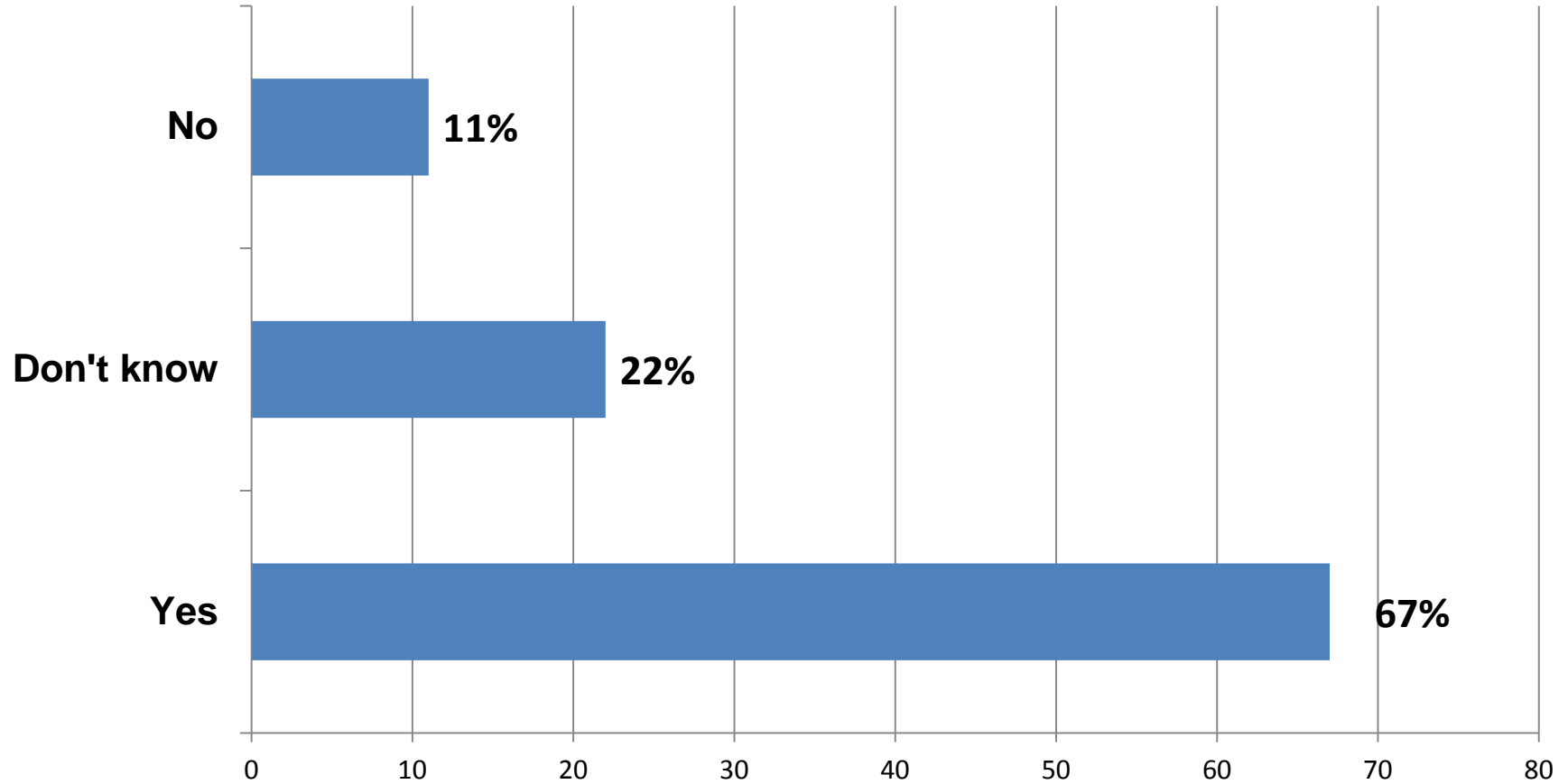
Global SRI Assets by Region (in USD billion)



GLOBAL RI ASSETS

Source: Global Sustainable Investment Review 2012, GSIA

Should asset Managers integrate ESG criteria in their investment process ?



Statistical results

STATISTICAL RESULTS

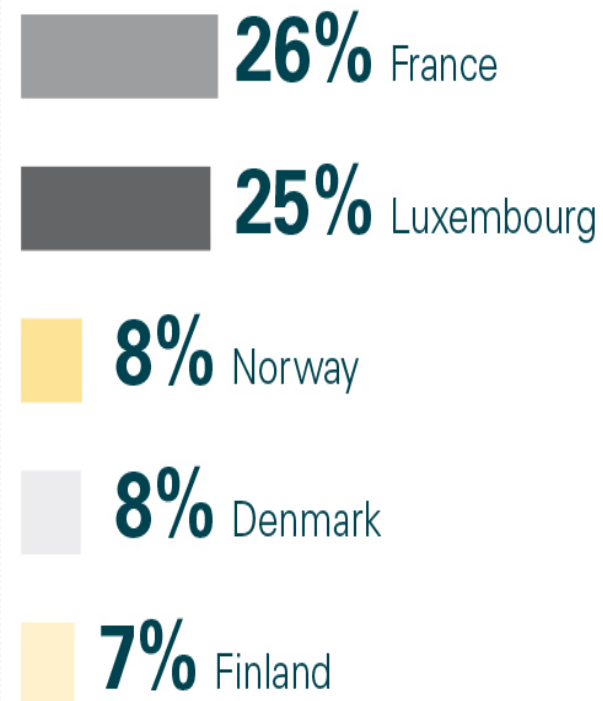


+ 217
funds since 2010

1,775
RI investment funds

EUR 237.9 Bn
of Assets under Management

ASSETS BY DOMICILE



Panel debate

E

Should we encourage private investors to support the Green sector?

S

Can social problems be increasingly solved by the private sector?

G

Should we force investor to integrate «governance» into their decision making?

Regulation

What should be the role?



Michael Chu



- Senior Lecturer at the Harvard Business School
- Managing Director and co-founder of the IGNIA Fund
- Senior Advisor to Pegasus Group, a private equity firm in Buenos Aires

Genghis Khan



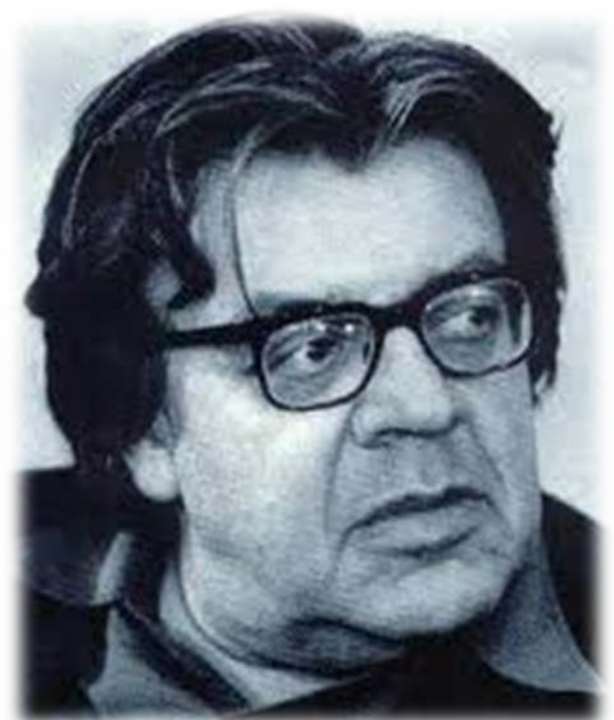
«Conquering the world on horseback is easy; it is dismounting and governing that is hard. »

Sven Giegold



- Member of European Parliament
- Green Party coordinator in the Committee on Economic and Monetary Affairs
- Co-founder of Attac Deutschland and the International Tax Justice Network

Erich Fried



«Don't hide from obligations in love.
But neither from love in obligations.»

Lilian Rocca



- Chairperson, Superintendencia del Mercado de Valores, Perú
- Consultant for the International Monetary Fund
- University Professor

Winston Churchill



«Never give in, never give in, never; never; never; never - in nothing, great or small, large or petty - never give in except to convictions of honor and good sense.»

David Wright



- Secretary General of the IOSCO
- EU visiting fellow at St Antony's College, Oxford
- DG for securities and financial markets at the European commission

Nelson Mandela



«I can rest only for a moment, for with freedom comes responsibilities and I dare not linger, for my long walk is not ended.»

Question 1 to the audience

Environmental

Should we encourage private investors to support the Green sector?

- 1. Yes**
- 2. No**
- 3. Don't know**

Question 2 to the audience

Social

Can social problems be increasingly solved by the private sector?

- 1. Yes**
- 2. No**
- 3. Don't know**

Question 3 to the audience

Governance

Should we force investors to integrate «governance» into their decision making?

- 1. Yes**
- 2. No**
- 3. Don't know**

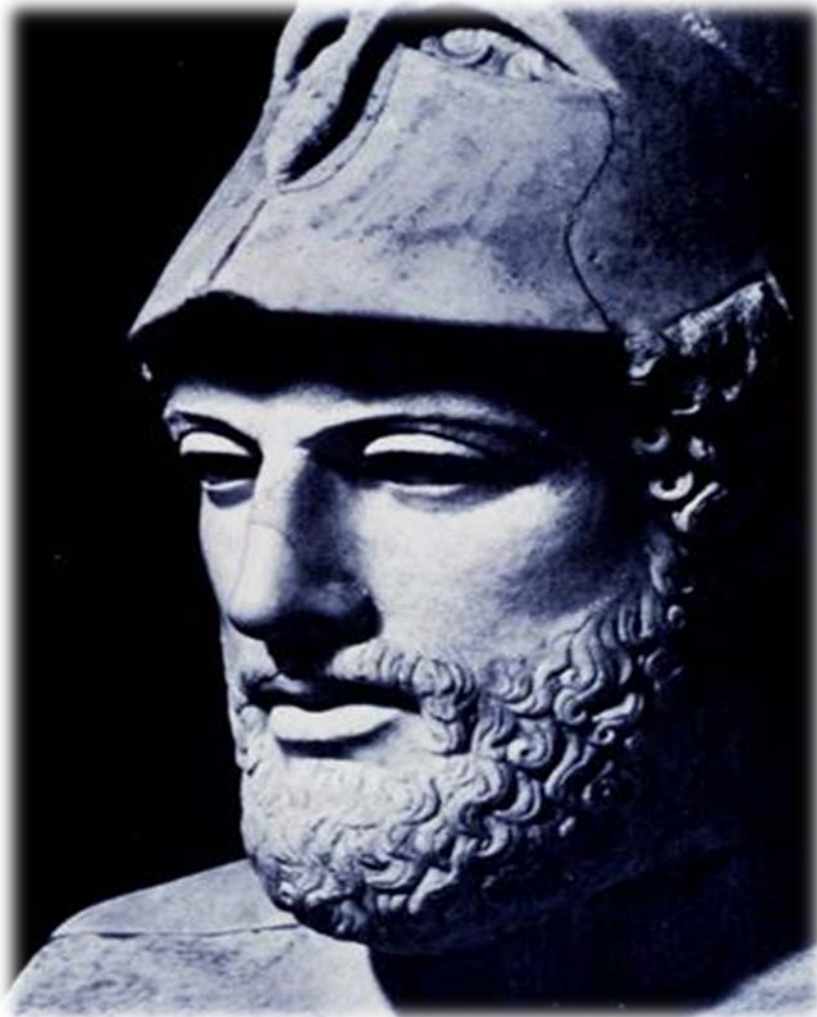
Question 4 to the audience

Regulation

Should regulation be used to channel Private Capital to ESG investments?

- 1. Yes**
- 2. No**
- 3. Don't know**

Pericles (495 - 429 BC)



«The key is not to predict the future but to be prepared for it, when it happens»

Luxembourg = Responsible Investing



Bourse de
Luxembourg



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG



Questions?



Thank you!

