



**MONNET**  
CAPITAL

## What is Ethical Investing?

Like most investments, ethical investments are made with a view to financial return. However, unlike most investments, ethical investments take in to consideration the effect that they may have on both social and environmental issues; examples of which include: climate change, gender equality, workers rights, arms, gambling and tobacco.



**MONNET CAPITAL BV**

523 Avenue Louise  
B-1050 Brussels  
Belgium

**ETHICAL  
INVESTING**

---

[WWW.MONNETCAPITAL.COM](http://WWW.MONNETCAPITAL.COM)

# Your Guide to Ethical Investments

Ethical investments fall in to different categories so, for the purposes of this guide, we thought it would be useful to explain some of the jargon you may encounter when exploring ethical investment opportunities.

## **Ethical funds**

Funds that incorporate positive ethical or values-based screening processes in the sourcing and supply of capital.

## **Sustainable & Responsible Investment (SRI)**

A broad range of investment strategies that place emphasis on ethical, social and environmental good.

## **Environmental, Social & Governance (ESG) Investing**

Strategies that take into account environmental, social and governance related risks and opportunities, commonly to help reduce risk. ESG investments are typically score-based; compiled from data and specific metrics surrounding intangible assets within enterprises.

## **Impact Investing**

Investment approaches that deliver quantifiable benefits to society as well as financial returns.

## **Dark Green Investing**

A rigorously screened approach to investment that avoids funding the activities of any company or industry that does not meet set ethical criteria.

## **Light Green Investing**

A form of investing which seeks out companies that are doing good, as opposed to excluding companies that are considered to cause harm.

## Sustainable Investing

Sustainable investing focuses on environmental and social sustainability, to help deliver strong investment returns and address issues such as climate change.

## Why Invest Ethically?

Ethical investing is a way to grow your savings without compromising your values. As with all investing, it involves risk. This is why it is advisable to seek expert advice when looking to build an ethical portfolio.

Traditional ethical investment products, such as funds, enable you to avoid investing in companies or sectors that go against your values and principles. This is known as "divestment".

As an investment approach, divestment has both weaknesses and strengths.

For example, by eliminating certain commodities from your portfolio, such as oil, there is an inherent risk that you may miss out on potential growth opportunities in the sector.

Conversely, should the price of oil fall, your portfolio is less likely to be affected.

Proponents of more modern ethical investment products, such as environmental, social and governance (ESG) investing, claim that the extra oversight afforded allows you to invest in better-managed companies. The same detailed analysis can also help you take advantage of shifts in social values, such as those surrounding climate change, by giving you greater access to growing industries and technologies like renewable energy.

Each company will have its own formula to measure ESG ratings. The following table highlights some of the most common factors often taken in to consideration.



# ESG RATING FACTORS

## ENVIRONMENTAL

---

- AIR & WATER POLLUTION
- DEFORESTATION
- ENERGY EFFICIENCY
- GREENHOUSE GAS EMISSIONS
- WASTE MANAGEMENT

## SOCIAL

---

- CUSTOMER SATISFACTION
- DIVERSITY & INCLUSION
- SEXUAL HARRASSMENT POLICY
- WORKPLACE HEALTH & SAFETY
- HUMAN RIGHTS
- LABOUR STANDARDS

## GOVERNANCE

---

- SHAREHOLDER RIGHTS
- LOBBYING
- BOARD MEMBER DIVERSITY
- EXECUTIVE PAY
- INTERNAL POLICY



# Will Ethical Investments Make You Money?

Like all types of investments, the value of assets can go up and down. That said, ethical investments can be highly lucrative if chosen correctly. Trying to compare the performance of ethical and non-ethical investments is somewhat futile, due to the diverseness of ethical investment products, so a valid strategy is to research the individual company, fund or investment trust in which you are planning to invest.

Some well-established ethical funds now have several decades of growth under their belt, although, of course, this no guarantee that they will perform well in the future. But by making sure that your portfolio is sufficiently balanced, it is possible to shield yourself from market downturns.

## Which Investments are Ethical?

If you have limited time, or investment experience, Monnet Capital can help you choose truly ethical investments.

Sustainability is one of our core values and with over 35 years of combined financial services experience, Monnet Capital can offer guidance on the following:

### **Investment Funds (Managed, Unit Trust, SICAV, UCITS)**

Investment funds or investment trusts allow you to invest in many different companies simultaneously by adopting one or more of the investment strategies previously described in this guide. A Monnet Capital advisor, working alongside a designated fund manager, can help you to choose the right investments for your particular goals.

## Green & Ethical Bonds

For more risk-averse investors, there are a number of fixed income investments available such as green and ethical bonds. Once again, Monnet Capital can help you to choose fixed income investments that align with your social and environmental values.

## How Can I Invest Ethically?

This to-do list will help you with the process of choosing the right investments for you:



### POINT 1

---

Choose an issue (or issues) that are important to you. This will help you to narrow your search for investments and feel comfortable in the knowledge that your money is furthering your cause.

### POINT 3

---

Check the fund. A Monnet Capital advisor can help you to research a fund or trust in order to establish its ethics and investment potential.

### POINT 2

---

Choose an approach. Decide whether you wish to exclude certain companies altogether or invest in those which aspire to improve their processes and, in turn, their ethical codes.

### POINT 4

---

Build a diversified portfolio. Monnet Capital can help you to build a diverse and balanced portfolio that includes investments in different sectors.

# How Can Monnet Capital Help?

By benefiting from Monnet Capital's expertise, you can identify products from a range of institutional investment portfolios and funds, to better construct a balanced portfolio across different asset types, countries and currencies. In addition, your portfolio can be designed to provide optimum tax efficiency in compliant EU jurisdictions. Once your portfolio is active you will receive regular, detailed statements to keep you fully informed of activity and returns.

You can choose to grow your capital or invest for income; or a mixture of both depending on your objectives. Whether you are investing for your own future or that of your children or grandchildren, Monnet Capital can help create and maintain the right ethical investment strategy for you.

As a brokerage specialising in advice to EU expats, Monnet Capital BV can guide you through the intricacies of ethical investments. Start your journey today by talking to a Monnet Capital specialist and look forward to creating an investment portfolio that is aligned with your personal beliefs and values.

If you are an investor who lives by a certain moral or social code or an investor who simply wishes to make a difference in society; please take a moment to click the button below and you will be redirected to our website where you can provide a few relevant details that will enable us to assess your individual circumstances.

You are under no obligation to work with us & we do not charge for an initial assessment.

[\*\*CLICK HERE NOW\*\*](#)

# About Us

Monnet Capital B.V. is an independent insurance brokerage, founded to provide specialised financial services to both corporate & private clientele. The principle of the firm is rooted in the ideals of integratory, independent analysis & value driven metrics.

With over 35 years of combined financial services experience, we are experts in dealing with the needs of international clientele and have a true understanding of the challenges of working overseas, yet living locally.



## MONNET CAPITAL BV

523 Avenue Louise  
B-1050 Brussels  
Belgium



CONNECT ON LINKEDIN



LIKE US ON FACEBOOK

# VISIT US TODAY

---

[WWW.MONNETCAPITAL.COM](http://WWW.MONNETCAPITAL.COM)