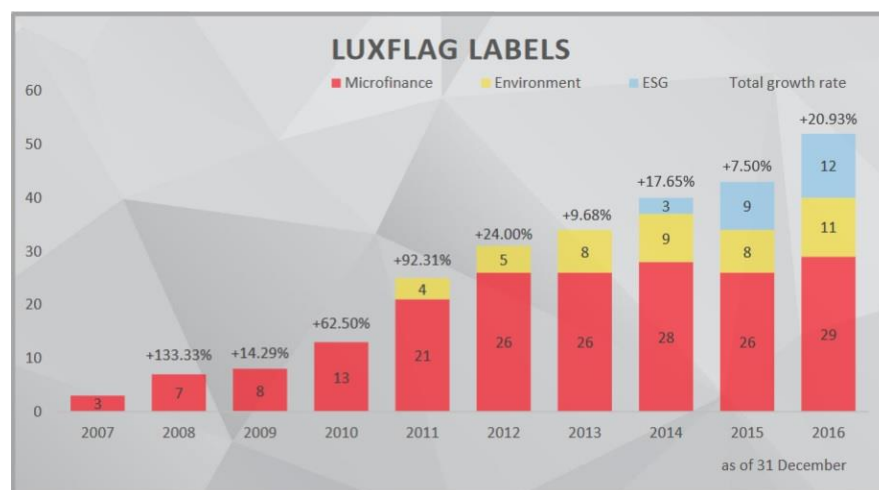




Updated Report for the Annual General Meeting of LuxFLAG – 16 June 2017

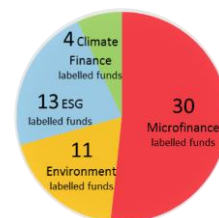
2016 has been a milestone year for LuxFLAG as the association celebrated its 10th anniversary, reflecting a decade of commitment to promote the Responsible Investment sector. In September 2016, LuxFLAG launched the new Climate Finance Label which has been awarded to four funds so far. LuxFLAG has been able to strengthen its position as independent and international labelling agency, having been solicited for participations in 21 national and international conferences and referenced in more than 100 press articles since June 2016. With the upcoming launch of the Green Bond Label, LuxFLAG is moving to wider financial instruments. Accordingly our name has been changed to reflect this broaden focus: Luxembourg Finance Labelling Agency.

LUXFLAG TODAY



Update April 2017

7 Charter members **3** Head count
45 Associate members
16 Eligibility Committee members
58 labelled funds
 worth over
EUR 14.58 billion
 Assets under Management



LuxFLAG reports a **growth of 29% in labelled funds from April 2016 to April 2017** and a growth of **12.5% in associate memberships** in one year.

MAIN ACTIVITIES OF LUXFLAG IN 2016-2017

In order to sustain future growth, principle achievements have been:



Successful celebration of **LuxFLAG's 10th Anniversary** in the presence of HRH the Grand Duchess, H.E. Pierre Gramegna, Minister of Finance, H.E. Carole Dieschbourg, Minister of the Environment, EIB's President Werner Hoyer and EIB's Vice-President Ambroise Fayolle.



Launch of new **Climate Finance Label** during press conference with H.E. Pierre Gramegna, Minister of Finance; four investment funds have been awarded the Label so far.





Continuous efforts and **regular meetings with potential applicant investment funds** leading to important growth in the number of labelled funds.



Substantial presence at **national and international conferences**, panels and roadshows.



8 new associate members in 2016-2017: Asia Plantation Capital, Trucost, La Mondiale Europartner, CCD Partners, Selectra Management Company, Beyond Ratings, Linari Law Firm and ENG Consulting.



Development of **new green bond label** to be launched in June 2017, moving to wider financial instruments.



Applicant status to facilitate marketing efforts for newly launched funds in their initial subscription phase, showcasing commitment to responsible investing principles.



LuxFLAG chaired the organization committee of the **ALFI Impact Investing Conference 2017**: 200+ participants and excellent feedback (LuxFLAG organized 30 speakers, 6 sponsors, 8 media partners).



Quarterly breakfast seminars with an average attendance of 35+ delegates (edition with H.E. Carole Dieschbourg attracted 60+ attendees) and excellent feedback (rated 8.7/10 on average in breakfast seminar feedback forms).



First **Annual Report** published in a web format presenting an overview of key figures, governance, financial statements, labelled funds and members in 2016.



LuxFLAG commissioned together with ALFI new KPMG **statistics on the European Responsible Investing Fund Market 2016** (good press coverage and feedback from market): Luxembourg leading domicile for European responsible investment fund assets, accounting for 31% of funds and 39% of all Assets under Management; European market growth of 26.6% from 2014 to 2016 in terms of AuM.

CONFERENCES & EVENTS

21 national and international conference speaker participations since June 2016

SPTF Social investors session, 29 May – 2 June 2016, Marrakech: Sachin Vankalas, speaker

FundForum International, 6 – 8 June, Berlin: Thomas Seale, speaker

19th MFC Conference, 23-24 June 2016, Tirana, Albania: Sachin Vankalas, panel moderator

ALFI Frankfurt Roadshow, 7 July 2016, Frankfurt: Annemarie Arens, panel moderator

TBLI Conference Nordic 2016, 20 September 2016, Stockholm: Annemarie Arens, panelist

ALFI Switzerland Roadshow 2016, 8 and 9 November 2016, Geneva and Zurich: Sachin Vankalas, moderator

Nachhaltige Geldanlagen 2016, 9 November 2016, Frankfurt: Annemarie Arens, speaker

Eurosif SRI study launch event, 10 November 2016, Brussels: Annemarie Arens, speaker

European Microfinance Week, 16-18 November 2016, Luxembourg: Sachin Vankalas, moderator

Sustainable and Responsible Investment Forum (by Candriam and Fidelity International), 17 November 2016, Luxembourg: Annemarie Arens, speaker

ALFI European Alternative Investment Funds Conference, 23 November 2016, Luxembourg: Annemarie Arens, moderator

European Microfinance Summit, 27 January 2017, Barcelona: Sachin Vankalas, speaker

ALFI Amsterdam roadshow, 14 February 2017, Amsterdam: Thomas Seale, speaker

10x6 Place financière, 1 March 2017, Luxembourg: Nicolas Mackel, speaker

FARAD Finance Forum, 5 April 2017, Luxembourg: Annemarie Arens and Sachin Vankalas, speakers

Salone del Risparmio, 11-13 April 2017, Milan: Sachin Vankalas, speaker

ALFI Impact Investing Conference, 26 April 2017, Luxembourg: Co-organization of event; Annemarie Arens, panel moderator; [conference report](#)

Financing the Future conference, Rome, 6 February 2017, Luxembourg: H.E. Carole Dieschbourg, presentation on LuxFLAG

RFI Summit, 4 May 2017, Zurich: Sachin Vankalas, moderator

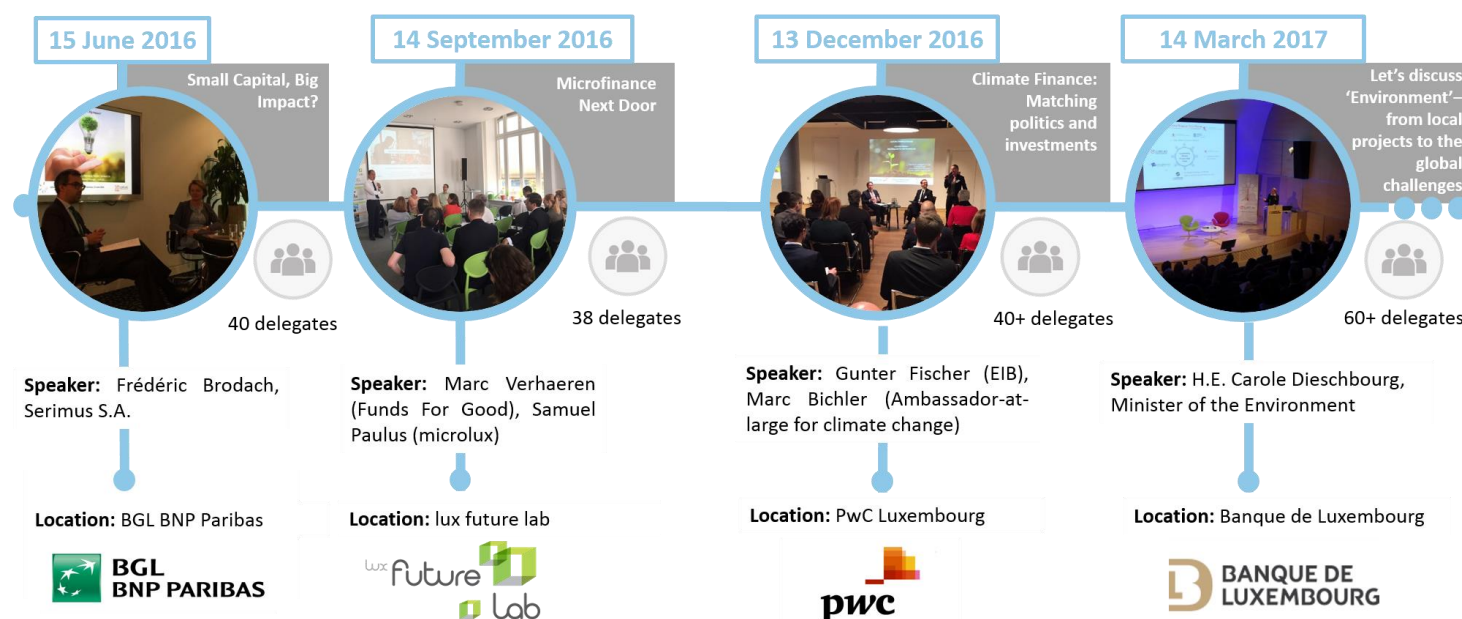
Stockholm 2017 (Luxembourg for finance), 16 May 2017, Stockholm: Annemarie Arens, speaker

Gender perspective in the financial industry conference, SweBeLux & Nobelux, 14 June 2017, Luxembourg: Annemarie Arens, speaker



LuxFLAG events

LuxFLAG 10 Year Anniversary event, 22 November 2016 at EIB, more than 130 participants

**Quarterly Breakfast Seminars**

The next breakfast seminar will take place under the topic 'Road to success: How to build viable projects in impact investing' on 28 June at BIL.

PRESS COVERAGE since June 2016

- ➔ Press conference: Launch of LuxFLAG Climate Finance Label, 22 September 2016, [Press review](#)
- ➔ Four press releases (LuxFLAG launches new Climate Finance Label; 10 years LuxFLAG – A Luxembourg success story in sustainable finance; LuxFLAG awards Climate Finance label to first funds; LuxFLAG/ALFI/KPMG statistics);
- ➔ 12 monthly newswatches

Direct written contributions

September 2016: Es ist nicht überall Nachhaltigkeit drin, wo es draufsteht, Börsenzeitung
Sonderbeilage Finanzplatz Luxemburg



June 2016: „Strategische CSR-Kommunikation im Internet“, The Reporting Times 8



December 2016: Luxembourg's green finance wave: An opportunity for the banking sector



June 2016: Le caractère innovant de la finance responsable
November 2016: Le Luxembourg surfe sur la vague verte
December 2016: 10 years LuxFLAG – A Luxembourg success story in sustainable finance



17 February 2017: LuxFLAG, une agence internationale et indépendante
28 February 2017: LuxFLAG organise un séminaire sur l'environnement
13 March 2017: Impact investing faisant face aux enjeux globaux
28 March 2017: LuxFLAG octroie le label financement climatique à NN(L) Euro Green Bond Fund
3 May 2017: Le Luxembourg attire la communauté internationale de l'impact investing

Main articles on LuxFLAG in international and national press (interviews/press releases) since June 2016

21 December 2016: Poland success for Luxembourg's green finance industry
January 2017: Funds have a key role in Climate Finance
7 March 2017: Climate Finance: Good money
19 May 2017: Responsible Investment surges in Europe



14 March 2017: Clean-tech in China: time to smell the air
26 April 2017: LuxFLAG to launch Green Bond Label
18 May 2017: EF Briefs: European responsible investing market grows to €476bn



26 September 2016, Luxembourg creates climate change label for funds



September 2016: LuxFLAG launches Climate Finance Label
December/January Magazine: 10 years of LuxFLAG
30 December 2016: Assessing the SRI landscape across European markets
18 January 2017: LuxFLAG's eight points on sustainable investing
3 May 2017: NN IP bond fund notes LuxFLAG Climate Finance Label
18 May 2017: LuxFLAG awards microfinance label to women's empowerment fund



May 2016: "Luxembourg's LuxFLAG agency cuts costs for ESG Label"
June 2016: "Responsible Funds, June 17: LuxFLAG"
July 2016: "RI Comment: Responsible investment funds now looking for a home?"
September 2017: Luxembourg agency launches climate finance label
October 2016: Luxembourg exchange launches green investment platform as sustainable finance race heats up

January 2017: LuxFLAG names first funds to secure Climate Finance Label

April 2017: Green bond round-up, May 2017: [Responsible Funds](#)



8 November 2016: [RTL Invité
vun der Redaktioun: Carole
Dieschbourg](#)

23 November 2016: [10 Joer
LuxFLAG](#)

[Luxemburger Wort](#)

24/25 September 2016 : [“La place financière
s’investit pour le climat”](#)

21 September 2016 : [Trois initiatives pour la finance
verte](#)

24 January 2017 : [Entwicklungshilfe durch Mobile
Banking](#)

23 September 2016 : [Un label pour soutenir le combat en faveur du climat](#)

Paperjam September 2016, [Le Luxembourg passe au vert](#)

November 2016 : [10 ans de LuxFLAG](#)

19 December 2016 : [LuxFLAG annonce trois premiers fonds en Climate Finance](#)

4 January 2017 : [La Pologne en pionnière sur la bourse verte](#)

28 February 2017 : [Une tendance croissante à la transparence](#)

May 2017 : [Vert luisant, Luxembourg, European domicile for responsible investment funds](#)



September 2016: [LuxFLAG](#)

[stellt neues](#)

[Klimafinanzierungslabel vor](#)

22 September 2016: [Die Welt
ist der Markt](#)

[DELANO](#)

15 March 2017: [Appeal to funds sector for climate
change solutions](#)

24 Septembre 2016: [Un label](#)

[luxembourgeois pour](#)

[participer à la lutte contre le
réchauffement climatique](#)

September 2016: [Eco-foire](#)

17 November 2016 : [Véhicules d’investissement:
LuxFLAG estampille la collection](#)

26 April 2017 : [Investir utile – le point sur le
développement de l’impact investing](#)



[LE JEUDI](#)



27 April 2017 : [Unvereinbar?](#)



December 2016 : [10 years LuxFLAG](#)

May 2017 : [Luxembourg strengthening its position
as leading European domicile for responsible
investment funds](#)

Mentioned amongst others in: Handelsblatt Nachhaltige Investments, FTSE Global Markets, LesEchos.fr, LEO mag, Börse online, Institutional-Money.com, Main-Echo, Börsenzeitung, Chronicle.lu, La Repubblica Italy, Microcapital.org, Boursorama

FINANCIAL MATTERS

LuxFLAG closed the 2016 fiscal year with a positive result of 44 151.55€ compared to a negative result of 29 696.78€ in 2015. The Association retains the medium term goal of achieving financial autonomy.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors of LuxFLAG, I take this opportunity to thank our Honorary President HRH the Grand Duchess Maria Teresa for her active support and inspirational speech during LuxFLAG’s 10 Year Anniversary event, generously hosted by our Charter member the European Investment Bank. I also want to thank the Government, the Charter Members,

the members of the Microfinance, Environment, ESG and Climate Finance Eligibility Committees and the members of ALFI's RI Technical Committee for their most valuable contributions. The LuxFLAG Secretariat deserves a special mention for their dedication and professionalism. Finally, I wish to thank the Board members for their wise counsel and unfailing support.

Thomas Seale
Chairman
June 16, 2017