

What is the Zug Declaration?

The Zug Declaration is a call for action for Swiss charitable foundations to use their financial capital to support the UN Sustainable Development Goals (SDGs).

Conventionally, charitable foundations use the returns from their financial assets (invested in a range of standard investment funds and asset classes) to fund their grants and their operational activities. And it is by looking only at the latter that they measure their positive impact.

However, the way their sometimes very large assets are invested also has an impact on society and the environment, positive or negative. When they decide to align their invested financial capital to companies and initiatives that support the SDGs (while bringing the returns they need for their financial activities), and by integrating sustainability and impact investing principles into their investment activities, charitable foundations increase their positive impact by significant amounts.

And they also take on a leadership role for other asset owners and financial institutions.

This declaration is being signed on October 31, 2017, by more than 30 foundations in Zug, Switzerland.

It is an initiative by the Swiss Impact Investment Association (SIIA), a non-profit association with a mission to showcase investments and companies with societal impact.



THE ZUG DECLARATION

Putting charitable foundations'
financial capital to work
for the SDGs

How do you invest
your wealth to make a
better planet?

The Zug Declaration

Putting charitable foundations' financial capital to work for the SDGs

The roadmap to a sustainable world

In a time of unprecedented challenges to sustainable social and environmental development on our planet, the United Nations agreed on the Millennium Development Goals, MDGs, in 2000. Fifteen years later, the Sustainable Development Goals, SDGs, have been adopted, building upon and continuing the MDGs. The SDGs aim at ending poverty, protecting the planet and ensuring prosperity for all.

These goals cannot be achieved in isolation by any single institution. Every government and every individual, the private sector and all types of civil society organisations are required to act.

The role of the charitable foundations sector

Charitable foundations and associations and other like-minded organisations have a particular role to play here. As part of civil society, they have given themselves the mission to better the world, each in their respective field.

However, with their large financial asset base, they are also part of the global economy and thus deeply impact the world through their investments. They recognise that their missions have to go beyond their conventional awarding of grants or operational activities.

They can and have to also make use of their financial assets as a lever for furthering the SDGs. This also creates the opportunity to avoid conflicts between investments and their mission and, beyond this, to align investments and their mission. By integrating sustainability and impact investing into its investment activities, the charitable

foundations sector can therefore significantly increase its positive impact on society and the environment – and take on a leadership role for other asset owners and financial institutions.

A call for action to the charitable foundations sector

This is why we, the endorsing charitable foundations, associations and other like-minded organisations, call upon the Swiss charitable foundations sector to use all its resources, in particular, its financial capital, to work towards the achievement of the SDGs.

We ask the charitable foundations and associations comprising the sector to leverage the power of their financial assets by including sustainability and impact investing in their investment activities. In doing so, we recognise that every organisation faces specific challenges and circumstances and that each of them will find its individual approach towards this aim.

Our commitment

We, the endorsing charitable foundations and associations and other like-minded organisations, commit to guiding our own financial capital towards the achievement of the SDGs.

In particular, we resolve to include sustainability principles in our investment policies, and we strive to proactively make a contribution towards the SDGs by integrating impact investing in our investment activities. In order to facilitate the implementation of this declaration, we promote collaboration and the sharing of best practices among other organisations.