

# Impact Report

The first two years of Mindful Money  
June 2019 – August 2021



*Our Mission:*

**Making Money a  
Force for Good**



# Contents

## Legal Name of Entity:

Sustainable Initiatives Aotearoa,  
trading as Mindful Money

## Entity Type:

Charitable Trust (No.CC51919)

## Contact Us:

info@mindfulmoney.nz,  
www.mindfulmoney.nz

## Part 1: Meet the Team

- 01 Meet the Team
- 02 Chair's Message
- 03 CEO Message

## Part 2: Impact Report

- 05 Change That Needs to Happen
- 06 Our Strategy
- 07 The Rationale for Our Strategies for Change
- 08 Strategy 1: An Educated and Engaged Public
- 12 Strategy 2: Supported and Influenced Investment Providers
- 14 Strategy 3: Changed the Framework
- 15 Outcomes to Impact
- 16 Funding and Partnerships
- 17 Plans for the Future



# Meet the Team

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## Volunteers

Mindful Money benefits from a large cohort of volunteers (including trustees, advisers and CEO) who are passionate about the mission. During the first three years of Mindful Money's development, volunteers have been essential to supporting operational tasks including; data analysis, advocacy, graphic design and research. In return, Mindful Money enables volunteers to develop skills and gain work experience.



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## Management Team

Barry Coates - Founder and CEO  
Karen Swainson - Operations Manager  
Amy Coulson - Marketing Manager

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## Trust Board

Graeme Clark (Chair)  
Kate Vennell (Treasurer)  
Bridget Coates  
Angela Spain  
Jonathan Staples  
Paul Richardson (from Dec 2020)

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## Advisory Board

Glen Saunders  
Matthew Mimms  
Binu Paul



# Chair's Message

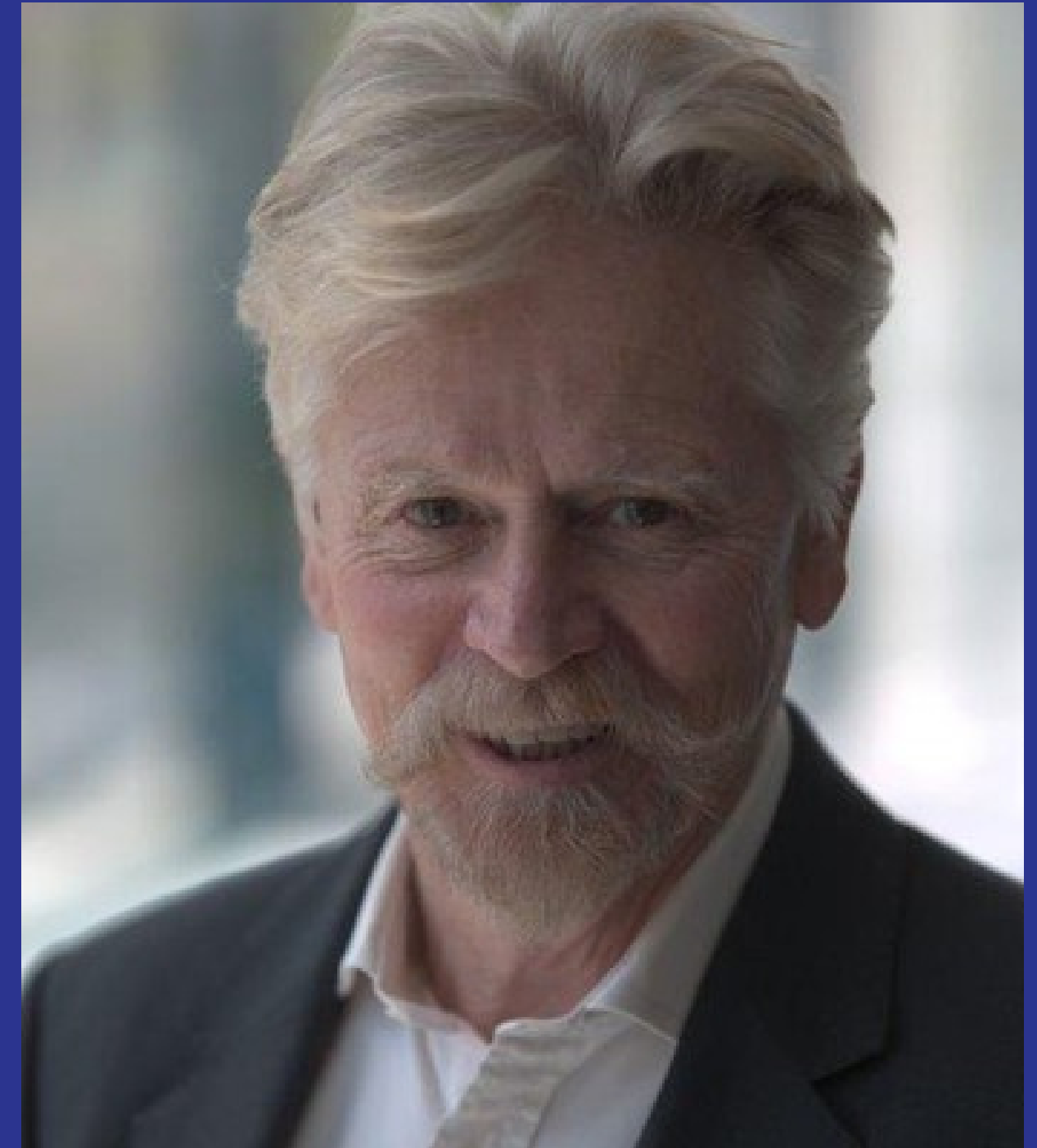
Graeme Clark

Chair of the Trustees of Sustainable Initiative Aotearoa, parent charity of Mindful Money

This is our third year of operation and in that time, Mindful Money has become the leading resource for consumers concerned about responsible investment in Aotearoa New Zealand with over 60,000 website visitors annually. In 2020, despite the challenges presented by Covid-19, we extended our audience with the launch of a new series of weekly online seminars. We believe that Mindful Money has been a key driver behind the significant divestment of Fossil Fuel holdings since our launch in 2019.

We are proud of the influence our CEO Barry Coates provides as one of NZ's most respected advocates for responsible investment. I also want to acknowledge our management team who bring hard work, creativity and flexibility to growing Mindful Money's impact and brand. I want to pay tribute to the many hours of work contributed by our volunteers (including board and advisers) who bring professional skills and experience to developing our mission. Also to give our heartfelt thanks to the large number of individual donors whose generosity helped fund the relaunch of our website and a new online tools. We are extremely grateful for the support of our strong network of corporate supporters and affiliates which has enabled us to spread our message to a wider investing community.

During 2021, Mindful Money is extending our impact with the launch of new ethical investment awards which have been welcomed by the industry. In the face of the enormous challenges faced by our planet and human societies, more and more investors are using their savings as a force for good. The mission of Mindful Money matters more than ever.



# CEO's Message

Barry Coates - Founder and CEO

Mindful Money was established with the vision that capital can be harnessed for social and environmental benefit. For too long, the finance system has focused on short term returns and ignored the real world impacts of investment. This has facilitated huge flows of funding into activities that create social harm, environmental damage and climate change. Mindful Money's mission is to reform the finance system and make money a force for good.

We undertook extensive research and consultation, including surveys of the public, to develop a strategy that focuses on key leverage points for change. Our strategy aims to:

- Educate members of the public about the impact of their investment decisions
- Support and influence investment providers
- Change the framework

Now, two years after our launch, it is a good opportunity to take stock. In this first Mindful Money impact report, we outline the activities we have undertaken and the results. We quantify the outcomes where possible, and we relate those changes that create social and environmental benefits.

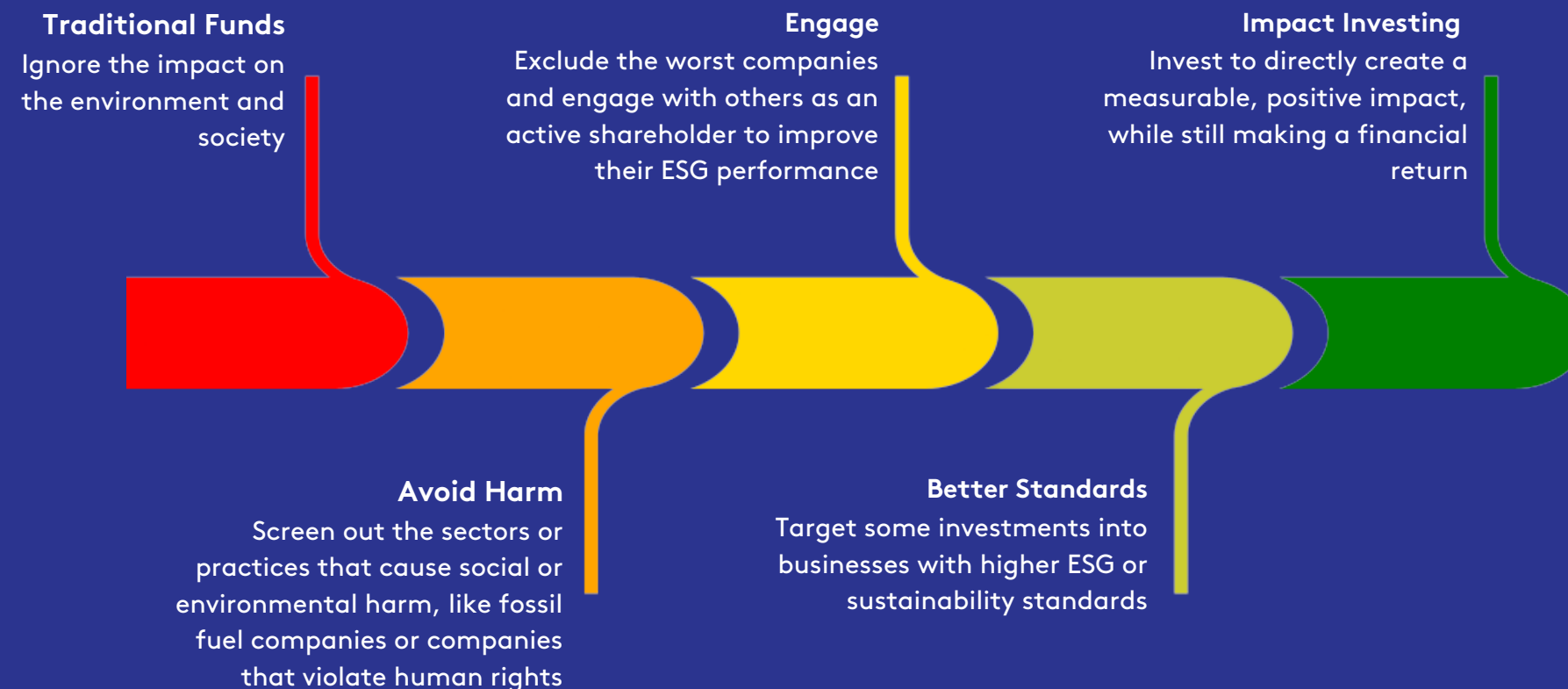
This is a time of climate crisis, biodiversity extinction and huge social inequality. There has never been a greater need for finance to become part of the solution, instead of a major contributor to the problems. I hope you agree that we have already achieved a huge impact, especially for a new charity with few resources. We are deeply grateful to all our volunteers, partners and supporters who have shared out passion and vision. We have built a strong foundation for the future. We are now ready to scale up and create a far more significant impact in capital towards positive impact in the years to come.



# Change That Needs to Happen: Shifts Along the Impact Spectrum

Mindful Money uses an impact spectrum to show the ways in which investment approaches can create investment impact.

These four domains of change are the key mechanisms that Mindful Money aims to influence through our interventions:



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Avoid investments in companies that cause harm

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Engage with companies to raise standards

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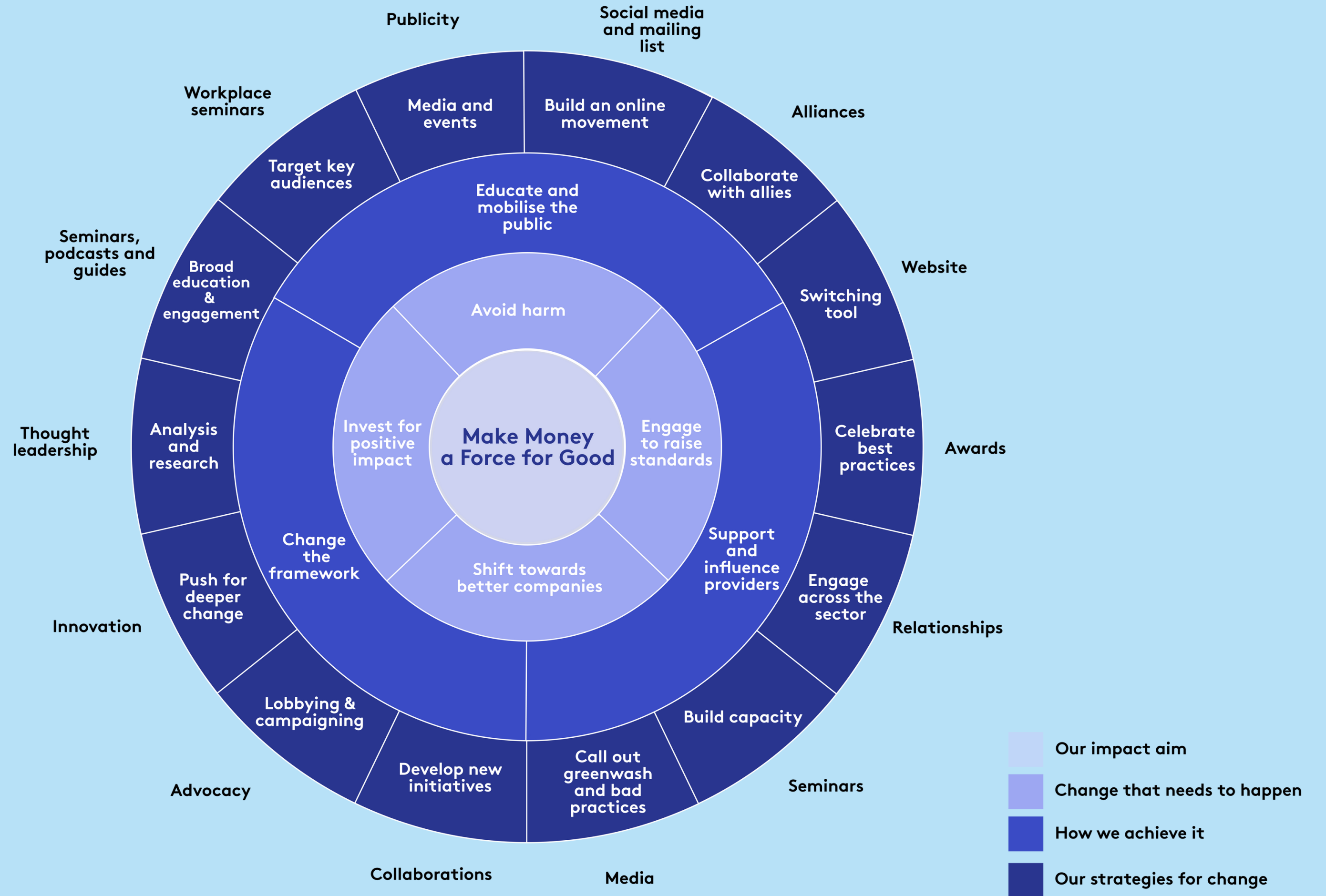
Invest in companies that create positive impact

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Shift mainstream portfolios towards companies with higher standards



# Our strategy Making Money a Force for Good





# The Rationale for Our Strategies for Change



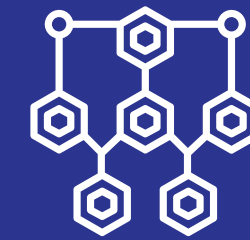
## Educate and mobilise the public

- Consumer demand is a driver of change, as well as an advocate for a strong policy framework
- The annual survey of the public identifies key barriers to wider adoption of ethical investing:
  - A lack of objective information
  - Not enough time to undertake research and compare the options
- The Mindful Money website was designed to overcome these barriers
- A campaign of public engagement is overcoming inertia and building understanding for ethical investment



## Support and influence investment providers

- Influence in the investment sector can be achieved through:
- Carrots for the leaders, through profiling on the Mindful Money website and in awards
  - Sticks for the laggards, through peer pressure and media exposure
  - Capability building for all, through direct engagement, seminars and conferences
  - Scaling up impact investing through mainstream investment and dedicated impact funds



## Change the framework

- Deeper change will need regulation and policy change, which relies on finance sector support
- Research, analysis, advocacy and campaigning each have a role to play in building change



# Strategy 1: An Educated and Engaged Public

## WHAT WE HAVE DONE

## WHAT WE HAVE ACHIEVED SO FAR

### DEVELOPED A UNIQUE PLATFORM FOR ETHICAL INVESTING

Provided a highly credible, easy to use, free website, which delivers:

- Transparency in investments for 730 KiwiSaver and investment funds
- An ethical fund finder tool, used by 30,000 individuals. The tool has been used directly to switch funds or make an investment for 925 investments, and indirectly for an estimated further 2000 investments.
- Credible and accessible research, education, blogs and information

The use of Mindful Money's website has resulted in approximately \$100m of ethical investment.

### PROVIDED UP TO DATE INFORMATION

Undertaken original in-depth fund research:

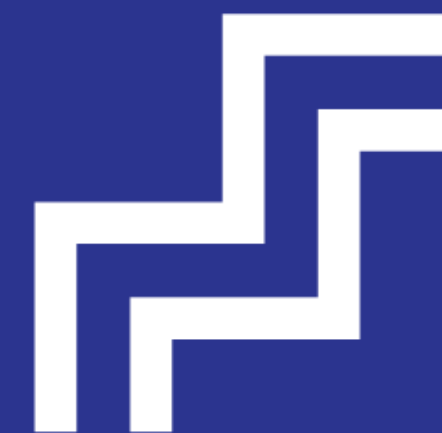
- 9 quarterly updates of financial information
- 5 six-monthly updates of portfolio data

### PROMOTED THE WEBSITE AND ISSUES TO THE PUBLIC THROUGH PUBLICITY AND SOCIAL MEDIA

Our data and analysis has been covered by 71 media stories, with coverage in major media channels across TV, radio, print and online. Issues covered have been fossil fuels, climate finance, nuclear weapons, ethical investment approaches, impact investing and greenwashing.

### USED SOCIAL MEDIA TO ENGAGE WITH AUDIENCES

Consistent content which has reached over 400,000 New Zealanders



# Ethical funds perform well through Covid economic crisis

Rob Stock · 05:00, Oct 23 2020



BUSINESS / MONEY

# KiwiSaver: 88 providers investing in making of nuclear weapons - Mindful Money

12:04 pm on 18 March 2021



Many savers may be invested in nuclear weapons, against their wishes, but be completely unaware of it.

# Investor 'horrified' to discover surprise lurking in KiwiSaver

Daniel Smith · 05:00, Aug 15 2021



**Mindful Money**  
Published by Amy Coulson · 30 August at 09:06

On this week's podcast, Barry Coates welcomes Brian Henry, founder of Amanah Ethical, and Sandra Clark, Operations Manager.

Amanah Ethical's mandate is based on Sharia law and investment practice and has seen record-high returns throughout the COVID-19 crisis. They concentrate on investing in the real world of making and doing things that add value to society.

In this podcast, we discuss... [See more](#)

**Making Money a Force for Good**  
An Islamic & Ethical mandate for KiwiSaver

0:05 / 0:30

**Mindful Money**  
Published by Amy Coulson · 24 August at 13:21

Great news!

Our KiwiSaver funds have now sold out of \$331 million of their fossil fuel company investments in just six months!

However, we still have a way to go with \$1.54b of our combined KiwiSaver investments in fossil fuels "an industry that causes climate chaos and provides returns far below the market average"... [See more](#)

STUFF.CO.NZ  
**KiwiSaver funds dump \$331 million of fossil fuel investments** [Learn More](#)

**Mindful Money's Guide to Ethical Investing**

## Find the KiwiSaver fund that fits

If you have a question, we are here to help. You can use the LiveChat in the bottom right of the page, or you can [contact us](#) to arrange a call-back.

Please complete these three questions so we can provide you with the fund suggestions that most closely match your values and investment criteria. The Mindful funds meet our high ethical standards and have credible verification.

**1. What do you want to avoid investing in?**  
Rank the issues below depending on how much they concern you. It's OK to put all the sliders at "avoid" if that is your preference.

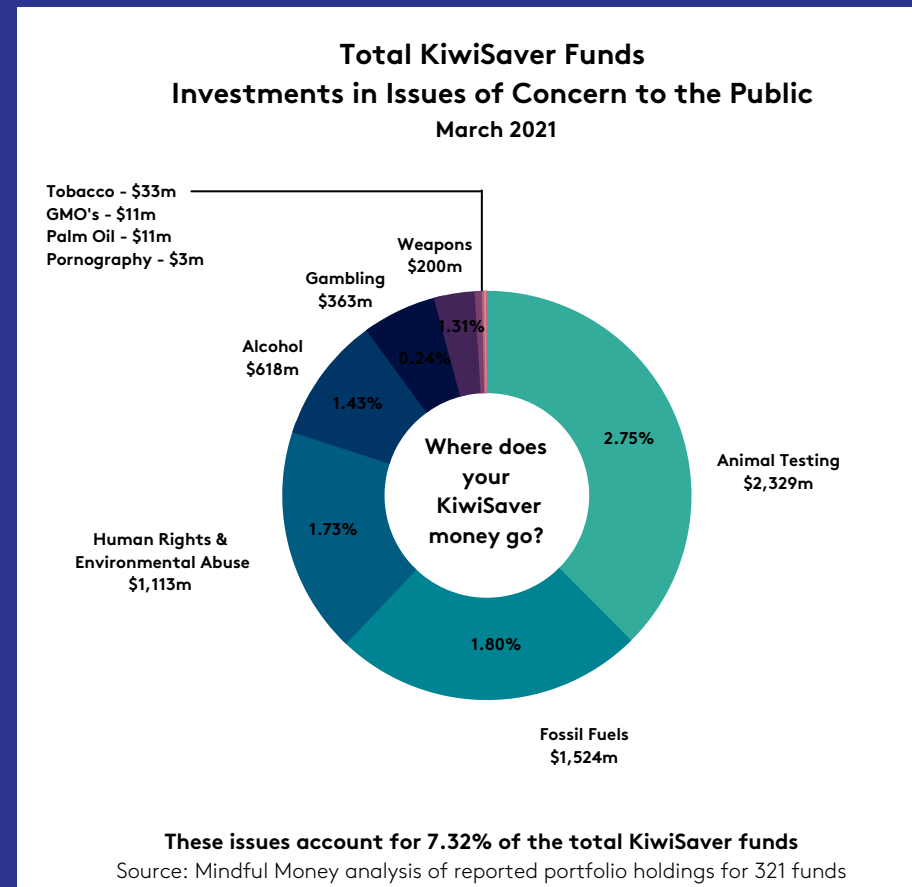
Fossil Fuels	Weapons
Tobacco	Gambling

**Sharesies**  
23 June

On Lunch Money tomorrow (Thursday 24 June at 12:15 pm) we'll be joined by Barry Coates, the founder and CEO of [Mindful Money](#), a charitable social enterprise that aims to make investment a force for good. Mindful Money educates and empowers the public to choose ethical and impact investing. [Register now & bring your questions! https://bit.ly/3gLYHU3](#)

**Barry Coates**  
Founder and CEO of Mindful Money

**Lunch Money**



Returns Fees Investments in issues of concern

**ASB Growth Fund**

[View fund details](#)

9.63% 0.7%

**Simplicity Growth Fund**

Applies Higher Standards

[View fund details](#) [Switch to this fund »](#)

10.88% 0.3%

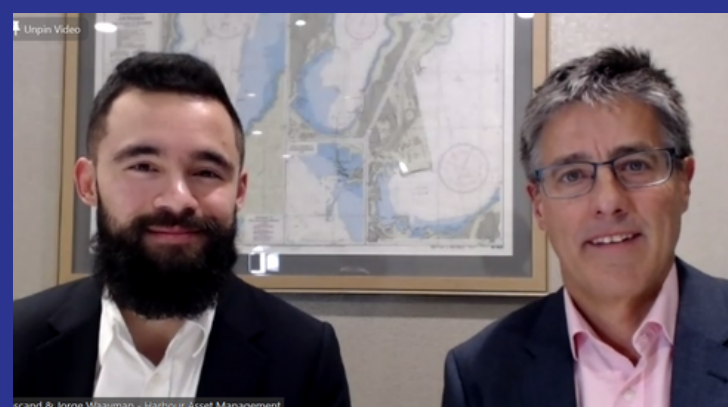
# Strategy 1: An Educated and Engaged Public

## Continued

WHAT WE HAVE DONE	WHAT WE HAVE ACHIEVED SO FAR
<b>UNDERTOOK BROAD EDUCATION AND ENGAGEMENT</b>	<ul style="list-style-type: none"><li>• Held four major conferences, including keynote speeches and panels with government Ministers and finance sector leaders</li><li>• Delivered 30 online seminars and podcasts, engaging an audience of 19,000 with interviews and panels including gender, te ao Māori perspectives, climate change, active ownership and impact investing</li><li>• Published an accessible Ethical Investing Guide</li></ul>
<b>TARGETED ENGAGEMENT WITH KEY AUDIENCES</b>	<ul style="list-style-type: none"><li>• Held 26 workplace seminars, directly engaging an audience of over 1,000</li><li>• Organised or presented at 25 seminars, including universities, schools, government and NGOs</li><li>• Sent 79 direct mailing newsletters to current audience of 1,830</li></ul>
<b>COLLABORATED WITH ALLIES ON ALIGNED ISSUES</b>	Developed strong relationships with a broad range of organisations with values alignment around sustainability and ethical issues



# From our Seminar Series



# Strategy 2: Supported and Influence Investment Providers

WHAT WE HAVE DONE	WHAT WE HAVE ACHIEVED SO FAR
<b>CELEBRATED BEST PRACTICE IN ETHICAL INVESTMENT IN NEW ZEALAND</b>	<p>Held the inaugural Ethical and Impact Investment awards event in June 2021</p> <ul style="list-style-type: none"><li>• 200 attendees</li><li>• 52 entrants across 7 award categories</li><li>• 26 judges</li></ul>
<b>ENGAGED AND INFLUENCED ACROSS THE SECTOR</b>	<p>Worked with fund providers to extend and deepen ethical investment practices, using the portfolio analysis as a carrot for leaders and stick for laggards, resulting in:</p> <ul style="list-style-type: none"><li>• KiwiSaver funds fossil fuel exclusions rose from 2% in 2019 to 19% in 2021</li><li>• KiwiSaver funds investment in nuclear weapons fell from \$100m in 2019 to \$15m in 2021</li></ul>
<b>BUILT CAPABILITY IN RESPONSIBLE INVESTMENT MANAGEMENT</b>	<p>Held 4 major conferences and 30 online seminars Contributed to 71 media articles Regular ongoing meetings and engagement with all major retail fund providers</p>
<b>CALLED OUT GREENWASHING AND BAD PRACTICES</b>	<p>Exposed fund managers with investments in issues of public concern Highlighted examples of misleading marketing and greenwash</p>





**Mindful Money**  
1 July · 🌐

A huge congratulations to **Pathfinder Asset Management**, the winner of the Mindful Money Award for Best Ethical KiwiSaver Fund Provider.

Pathfinder has raised the bar with its KiwiSaver funds, providing the public with opportunities to invest in sustainable themes such as renewable energy and access to water, and in impact companies that create social and environmental benefits. Pathfinder is a certified B Corp and the principals, John Berry and Paul Brownsey, have shown publi... [See more](#)

👍❤️ Jean-Baptiste Natali Ginoux and 20 others · 2 comments

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Most relevant ▾

Write a comment...

**Louise Tong**  
Congrats!!  
Like · Reply · 6 w

**Mindful Money**  
426 followers  
1 mo · 🌐

A huge congratulations to **Dr Rodger Spiller** from Money Matters for winning the Mindful Money 2021 Best Ethical Financial Advisor award. ...see more

Mindful Money Awards 2021 - Dr. Rodger Spiller  
youtube.com

👍❤️👍 32 · 2 comments

Inspiring...    Love this...    Great to hear...    Congratulator >



FIRST PUBLISHED: JUNE 30, 2021  
Updated July 2, 2021

**Jonathan Milne**  
Jonathan Milne is the managing editor for Newsroom Pro.

**INVESTING**

## Reserve Bank urges investors to green up their portfolios

**Examine your investments and see how you can incorporate climate risk, says the Reserve Bank Governor.**

Adrian Orr has drawn on his time running the NZ Super Fund to issue a resounding call to mum-and-dad investors to consider the climate when they decide where to put their money.

"I would encourage you to examine your portfolios and see how you can incorporate climate risk into the way you invest and allocate your capital," he

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**BUSINESS**  
New talks to save failed Showgrounds  
9th Oct 2021



# Strategy 3: Changed the Framework

## WHAT WE HAVE DONE

## WHAT WE HAVE ACHIEVED SO FAR

### THOUGHT LEADERSHIP THROUGH RESEARCH AND ANALYSIS

- Published three annual surveys of the New Zealand public with the Responsible Investment Association of Australasia
- Researched key issues including analysis of investment into the areas of greatest public concern
- Published 'Inside the Black Box' report on trends in ethical investing
- Commentary and public dialogue on issues of ethical and impact investing

### INNOVATION

- Initiated a coalition of organisations encouraging asset owners and fund managers to commit to climate emissions reductions
- Used the awards and online seminars to introduce a wider public audience to impact investing

### INFLUENCED THE FINANCE SECTOR AND GOVERNMENT

- Contributed to changes in policy and legislation, including:
- Recommendations in ethical investment in the Retirement Review
  - Requirements for default KiwiSaver providers to exclude fossil fuels and nuclear weapons
  - FMA commitment to act on misleading labelling of 'integrated financial products'
  - Inclusion of specific recommendations on climate finance in the final report of the Climate Change Commission
  - Legislation introduced for mandatory climate disclosure

### BUILT COLLABORATIVE INITIATIVES

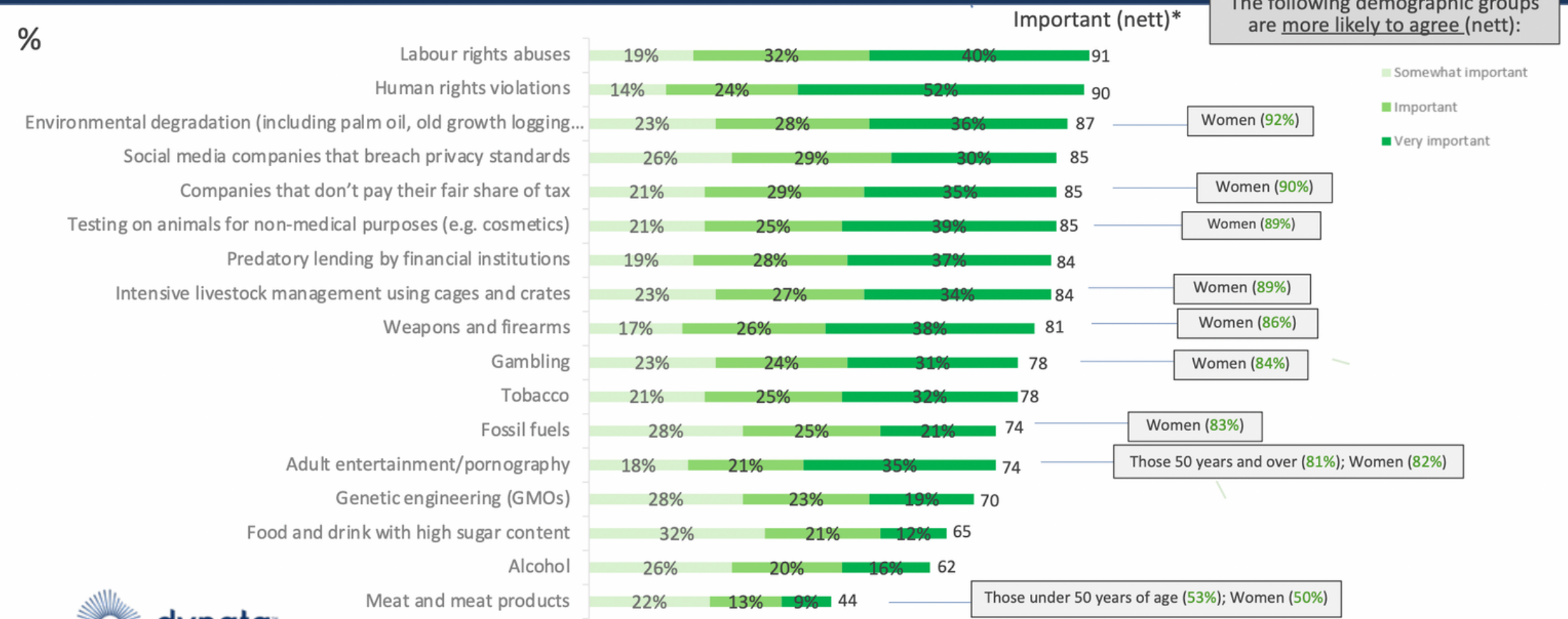
- Actively involved in development of Toitū Tahua - Centre for Sustainable Finance
- Initiated a coalition to encourage and support asset owners and fund managers to reduce climate emissions in their portfolios and make net zero commitments





## Importance that KiwiSaver funds or investment scheme avoids the following issues

Labour rights violations and human rights abuses are the least tolerated issues for New Zealander KiwiSaver fund holders and other investors. Women are more likely to feel it is important that many of these issues are avoided by their investment company/ scheme.



\*Important (nett) defined as those who said it was at least somewhat important (i.e. somewhat important, important or very important)  
Base: All respondents with KiwiSaver funds or have other financial investments (e.g. share portfolio) (831)

## Perceived barriers to responsible investment

A lack of time is now the number one barrier for New Zealanders when it comes to switching to a responsible/ethical fund/investment/company, particularly for women and those aged 30-49 years old. A lack of independent information is still a key barrier.

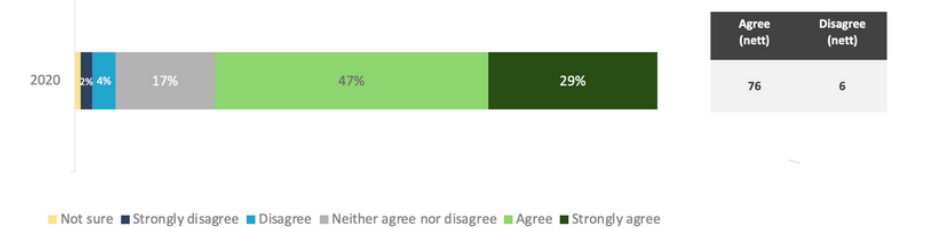


\*Asked of those who have KiwiSaver (811)  
Base: All respondents with KiwiSaver or have other financial investments (e.g. share portfolio) (778)  
Source: Q15  
Q15. How much do you agree or disagree with the following statements regarding switching to a responsible or ethical KiwiSaver fund/ investment scheme/company?

## Expectations of KiwiSaver funds and other investments to be invested responsibly and ethically

Over three quarters of New Zealanders expect their KiwiSaver funds and other investment to be managed responsibly and ethically. Women and those under 50 years of age are more likely to agree with these expectations.

% I expect my KiwiSaver funds and investments to be invested responsibly and ethically

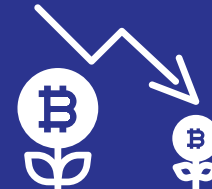


The following demographic groups are more likely to agree (nett):  
• Women (84%)  
• Under 50 years of age (79%)

# From Outcomes to Impact



Ethical investment  
(broadly defined)  
increased by 38% in 2019-  
2020



Fund providers have significantly  
reduced their investments in  
companies of concern to New  
Zealand investors, including  
nuclear weapons and fossil fuels



Mindful Money has contributed  
to the growth and deepening  
of ethical and impact investing  
in Aotearoa



There is growing interest in impact  
investing and demand for impact  
funds, and fund providers are  
supporting the development of new  
impact investment funds



Good practice for engagement  
used by fund providers has evolved  
from unsubstantiated ESG claims  
to disclosure of proxy voting to  
evidence of influence towards  
higher standards



Mainstream funds are now  
investing in companies with  
higher standards and positive  
impacts, such as social housing  
and renewable energy

These impacts lay the foundation for an acceleration of progression along the impact spectrum in forthcoming years.



# Funding and partnerships

As a startup charity, Mindful Money has achieved significant impact with few resources to draw on. We are grateful to those who have supported us on our journey so far:

- Corporate sponsors of events including conferences, Ethical and Impact Investment Awards and public education seminars
- In-kind contributions and partnerships
- Individual donations, including a successful crowdfunding campaign in 2020
- Volunteers, including over 100 committed and skilled short term volunteers, our Board members and our CEO

<b>Income (FY2020-21):</b>	(Rounded to \$00)
Fees from Mindful Funds:	\$16,300
Sponsorship of events:	\$50,500
Donations:	\$74,100
Other:	\$200
<hr/>	
<b>Total:</b>	<b>\$141,300</b>

<b>Expenditure:</b>	
Website & data:	\$42,000
Operations:	\$34,400
Marketing:	\$41,500
Research:	\$8,600
<hr/>	
<b>Total:</b>	<b>\$126,500</b>



# Plans for the Future

Mindful Money will extend the reach of the current work programme, educating and engaging the public and enabling ethical investment by a far larger number of investors. We will build on our flagship annual events, including annual conference and awards, workplace and other targeted seminars, online education and outreach, and annual surveys.

## Net Zero

We will work with coalition partners to encourage deeper climate action by asset owners and fund managers, including net zero pledges, and will monitor and report on their progress

## Website 2.0

We will provide more extensive ethical investment information as a free service for the public, including enhanced measures of engagement, impact investment and climate action

## Credible Standards

We will continue research and advocacy to strengthen the framework of standards and disclosure applying to ethical and impact investment, calling out greenwash and building confidence in the leaders

## Impact Investment

We will accelerate the growth of impact investment by engaging wholesale and retail investors with the impact proposition, publicising the available funds and encouraging investment by mainstream funds and institutions

## Value Added Services

We will extend the range of services we provide for a fee to financial advisers and institutions, and facilitate deeper action on ethical investment across the finance sector

## Shareholder Action

We will undertake research and build partnerships for robust engagement, voting and shareholder resolutions to influence New Zealand companies towards climate action, sustainability and high ethical standards

Achieving these ambitious aims will require a significant scale-up of funding and resources. Mindful Money is embarking on a major programme of fundraising and income generation to support the next phase of our development.



Mindful Money  
[www.mindfulmoney.nz](http://www.mindfulmoney.nz)  
[info@mindfulmoney.nz](mailto:info@mindfulmoney.nz)

