

Time To  
Expose the  
Myths  
Around ESG  
and Invest  
in Real  
Innovation



Graham Rowan, Chairman  
Beaufort Private Equity

# What is ESG?

- Restricting a portfolio based on subjective non-financial factors
- Monitor a company's impact on the environment
- Monitor impact on all 'stakeholders' not just shareholders
- Belief that shareholder capitalism is 'too narrowly focused'
- Combine your value system with your investment criteria
- Insert green and social factors into investment decisions



# Who Benefits From ESG?

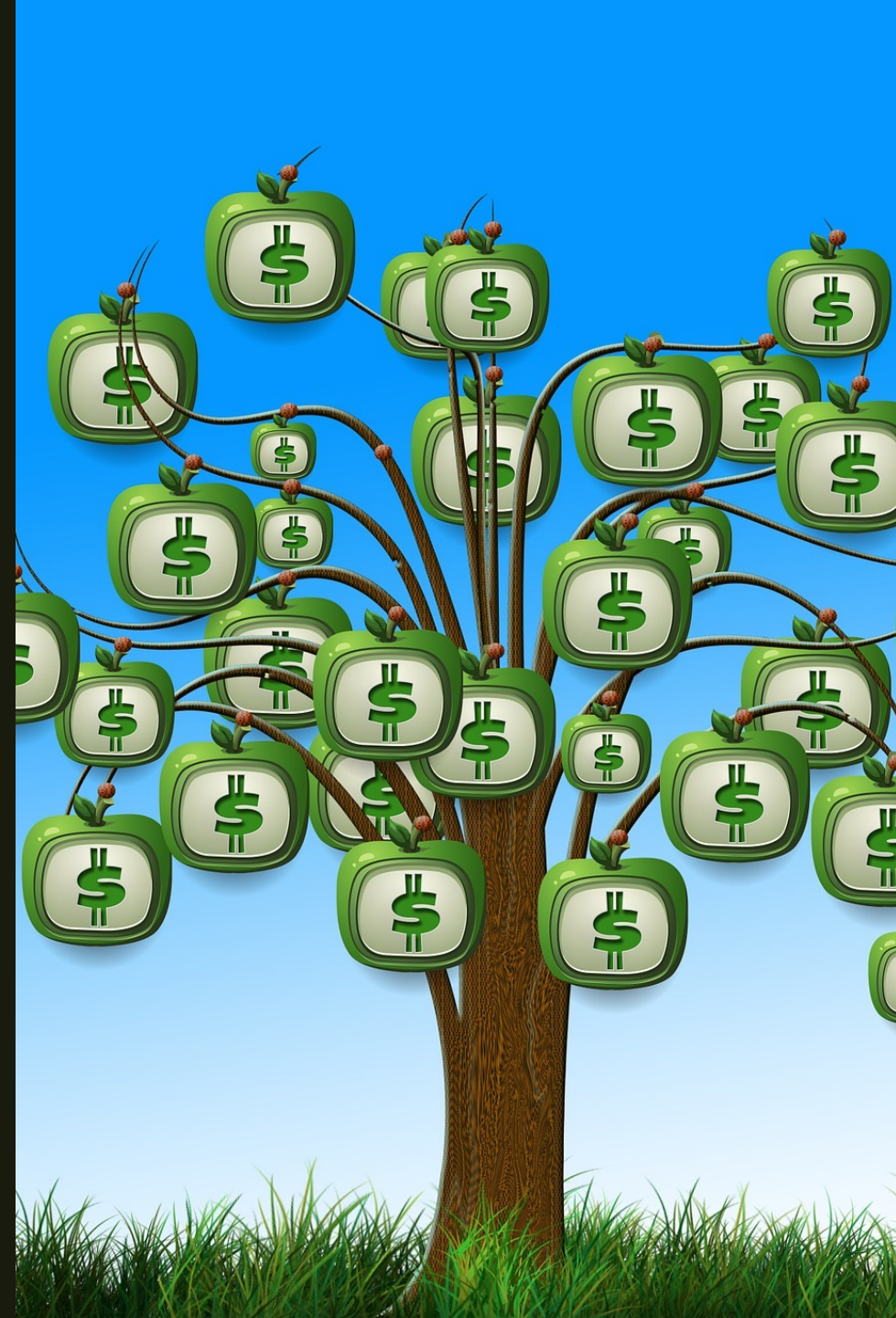
- Fund managers charging higher fees
- Companies who can claim high ESG scores
- Politicians and the lobbyists who influence them
- Virtue signaling companies



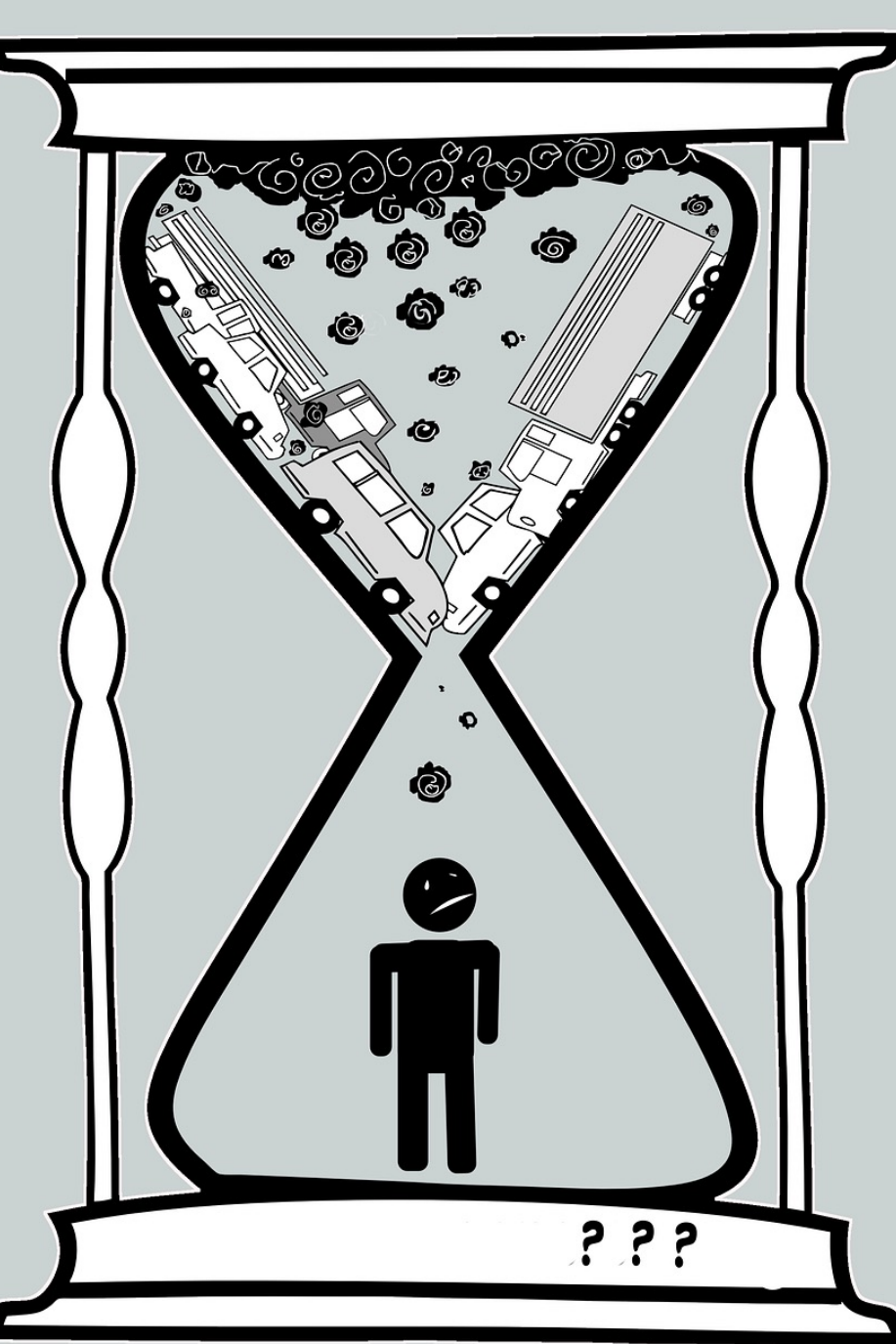


# The Scale of ESG

- \$17.2 trillion AUM in 2022
- Forecast to reach \$46 trillion by 2032
- Mainly from pension funds, insurance companies & foundations







# Arguments Against ESG

- Subjectivity
- Lack of standardised metrics eg ratings agency indices
- Potential for greenwashing
- Financial impact
- Distraction from profit focus onto climate, community etc
- Politically motivated

# Elon Musk

“ESG is a scam that has  
been weaponised by  
phony social justice  
warriors”



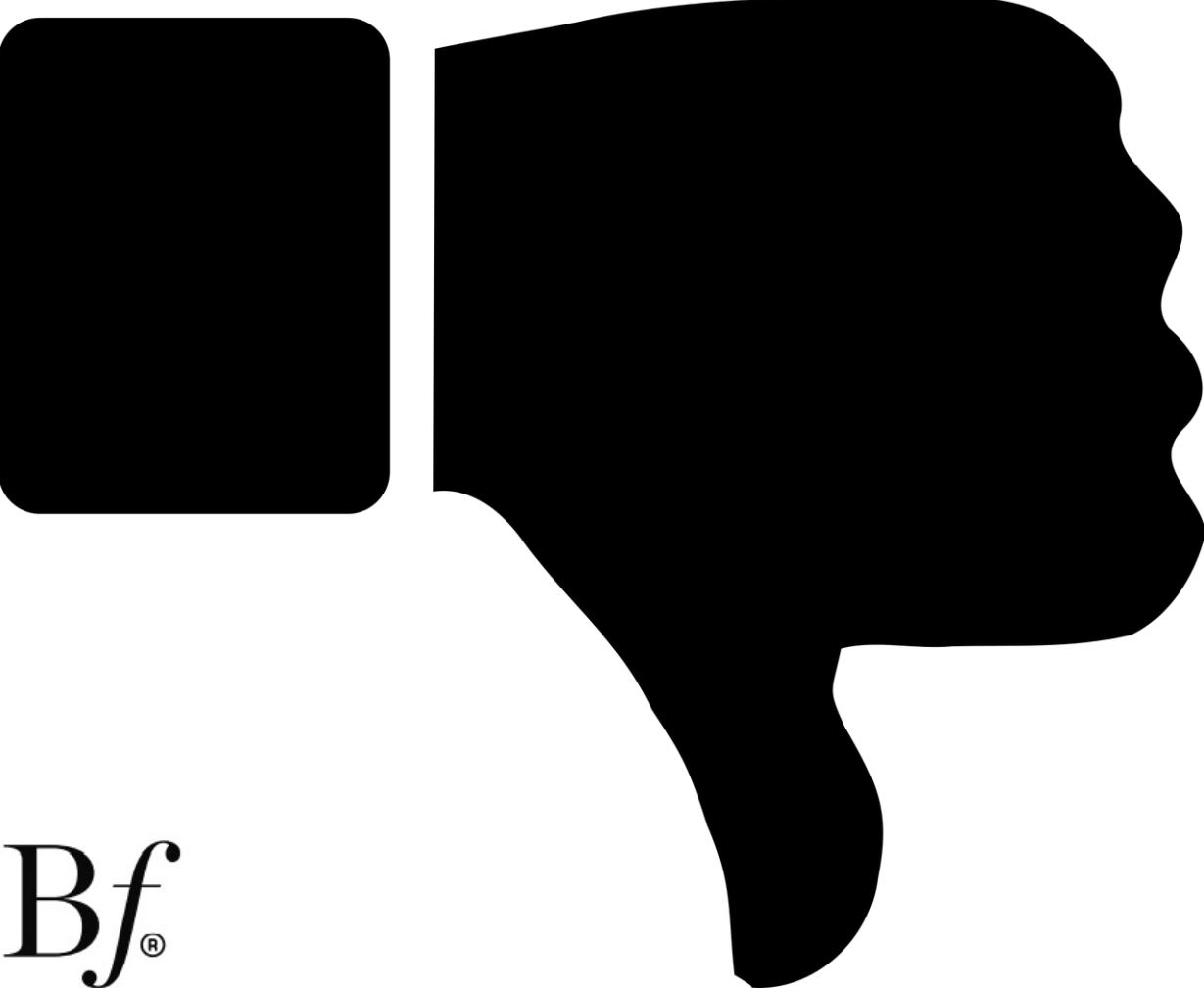
# The Impact of ESG

- Massive power concentrated in a few institutions eg Blackrock
- Long term under investment in 'non-green' sectors eg fossil fuels
- Conflict among pension fund trustees
- Corporations being asked to take sides on cultural issues eg LBGT, BLM





# ESG Companies and Funds Underperform

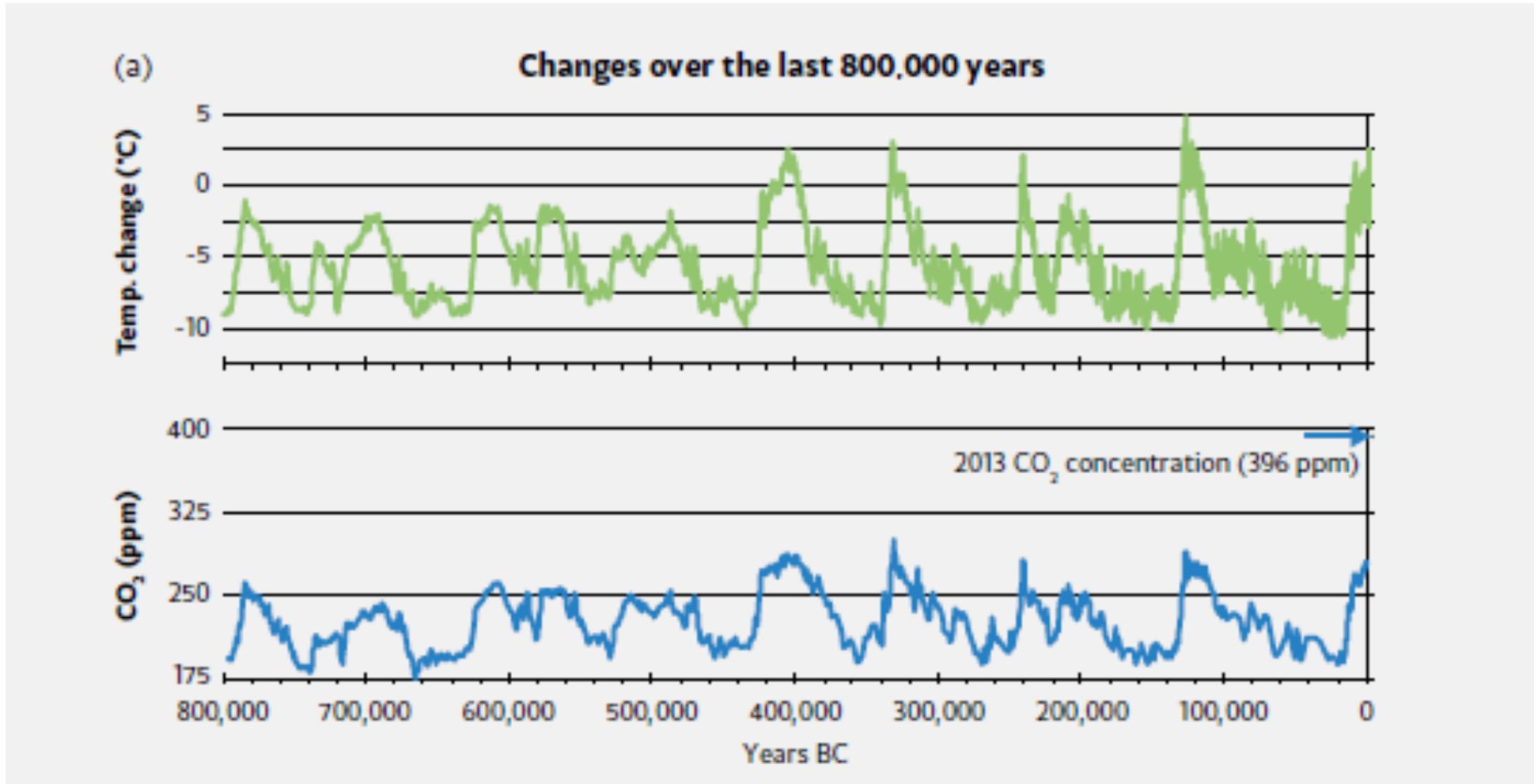


“ESG funds had significantly more violations of labour and environmental laws than non-ESG funds between 2010 and 2018.

ESG funds appear to underperform financially relative to other funds within the same asset manager and year, and to charge higher fees.”

**Aneesh Raghunandan (LSE) and Shiva Rajgopal (Columbia University)**

# Climate Crisis - Really?



Source: science.org.au



John F. Clauser, winner of the 2022 Nobel Prize in Physics for his work on quantum mechanics, has signed the World Climate Declaration of Clintel with its central message “**there is no climate emergency.**”

*“In my opinion the UN’s International Panel on Climate Change (IPCC) is one of the worst sources of dangerous misinformation. Misguided climate science has metastasized into massive shock-journalistic pseudoscience.”*



# Trudeau Deletes Climate Data



## TORONTO SUN



Columnists



### **GOLDSTEIN: Feds scrapped 100 years of data on climate change**

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Lorrie Goldstein

Published Sep 17, 2019 • 3 minute read

# When the data contradicts the narrative...

- In many cases the observed temperatures scrapped by Environment Canada in creating its computer models, **were higher in the past than today.**
- For example, Vancouver had a higher record temperature in 1910 (30.6C) than in 2017 (29.5C).
- Toronto had a warmer summer in 1852 (32.2C) than in 2017 (31.7C).
- The highest temperature in Moncton in 2017 was four degrees cooler than in 1906.
- Brandon had 49 days where the average daily temperature was above 20C in 1936, compared to only 16 in 2017, with a high temperature of 43.3C that year compared to 34.3C in 2017.

# Tariq Fancy, ex CIO of Sustainable Investing at Blackrock



“There is no real rigour around ESG labels, much of it is “box ticking”.

There’s an important reason why it’s box ticking because they legally can’t say that *‘we’re going to look at ESG and do the better thing’*, because it would be a violation of their fiduciary duty.”



# Larry Fink Backtracks in his Shareholder Letter...

- Mentions of ESG in 2020 Letter - 26
- Mentions of ESG in 2022 Letter - 1
- Mentions of ESG in 2023 Letter - 0



# The Politicians Push Back...



Some American states regard ESG as an undemocratic process of **institutional investors using other people's money to pursue social and environmental goals**. Over a dozen US states have enacted laws against public pension funds being diverted for ESG purposes.

# Analysts & Regulators Backtrack...

- S&P Global withdraws its alphanumeric ESG ratings
- EU reverses many net zero targets after pressure from farmers
- UK FCA issues anti-greenwashing warning over misleading claims
- EV production cut back





# The Fundamental Issue

- ✓ ESG serves the interests of big financial institutions, fund managers and politicians.
- ✓ It is NOT designed to serve the interests of private investors – we are sentient adults capable of separating our investment portfolio from our philanthropy and our desire to do good in the world.
- ✓ We must invest to our own agenda and not be sucked into theirs!



# How Do We Fix This?



- ✓ “This quagmire could be resolved by businesses returning to their purpose — producing high quality products, creating well-paying jobs and, ultimately, delivering profits to their shareholders.
- ✓ The role of institutional investors is to identify who is doing this the most effectively, directing capital to the businesses that are best serving humanity’s needs”.

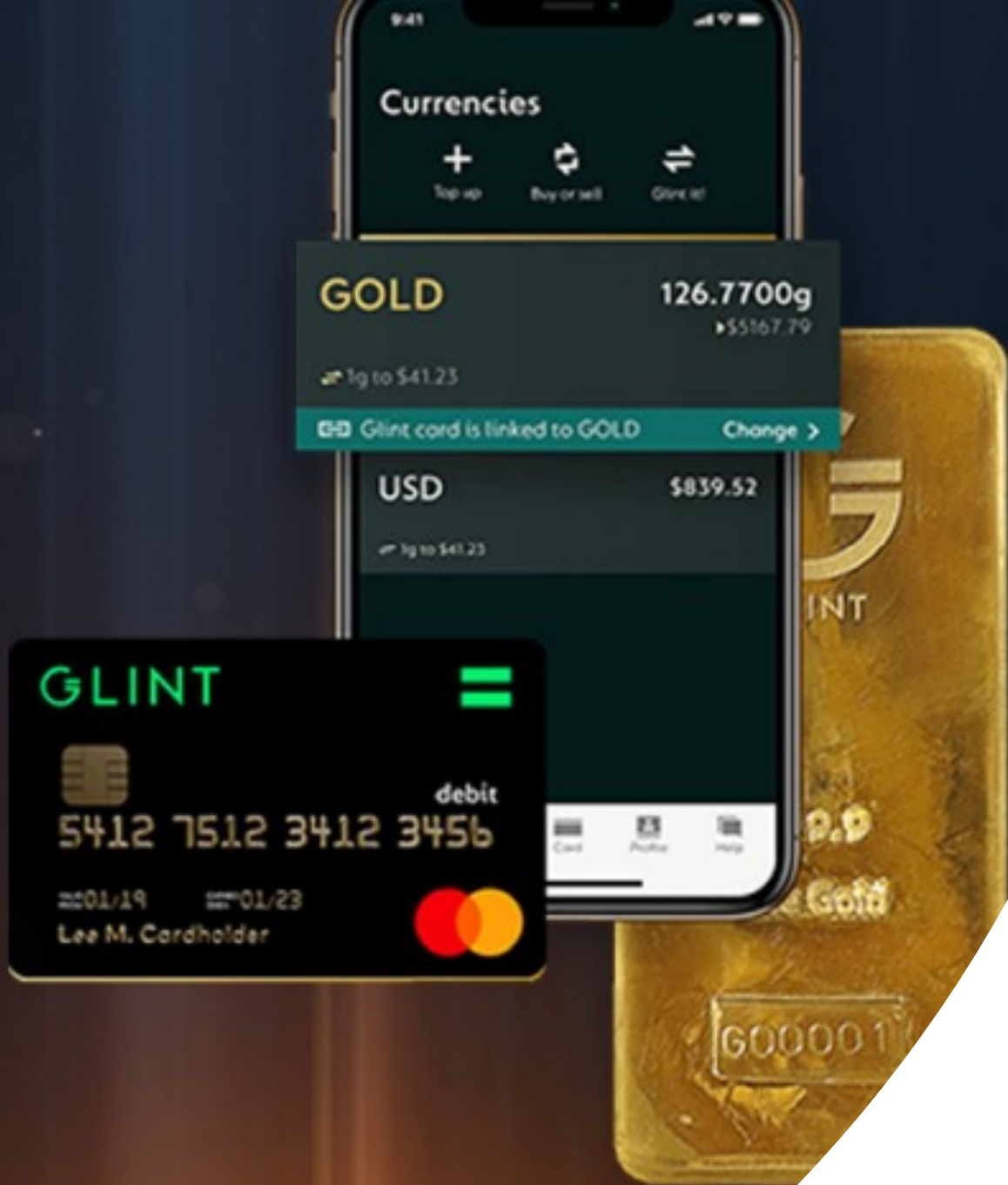
Matthew Lesh, CityAM



# What Drives Profits For Business?

- Innovation
- Productivity improvements
- Faster/ Better/ Cheaper
- Combining disparate technologies in new applications
- Being first to market
- Support from private investors in the early days





# Glint Turns Gold Into Practical Money



# Gold ownership made frictionless through technology

Glint has developed unique, proprietary payment system technology to allow gold to be acquired, shared, sold and spent as easily as any currency.

## Buying and saving gold

- Register through the Glint App.
- Approval after KYC & AML checks.
- Buy Gold.
- Gold is stored in a Swiss Brinks vault, insured by Lloyds of London.
- You are the direct legal owner of your gold.
- You can buy, sell and spend your gold at the wholesale market rate.

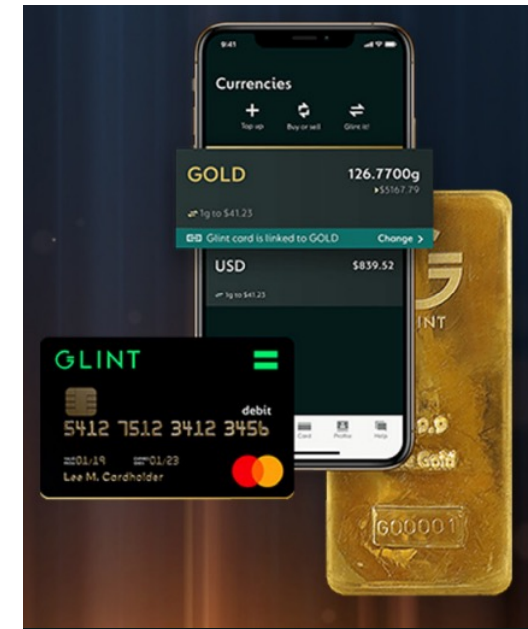
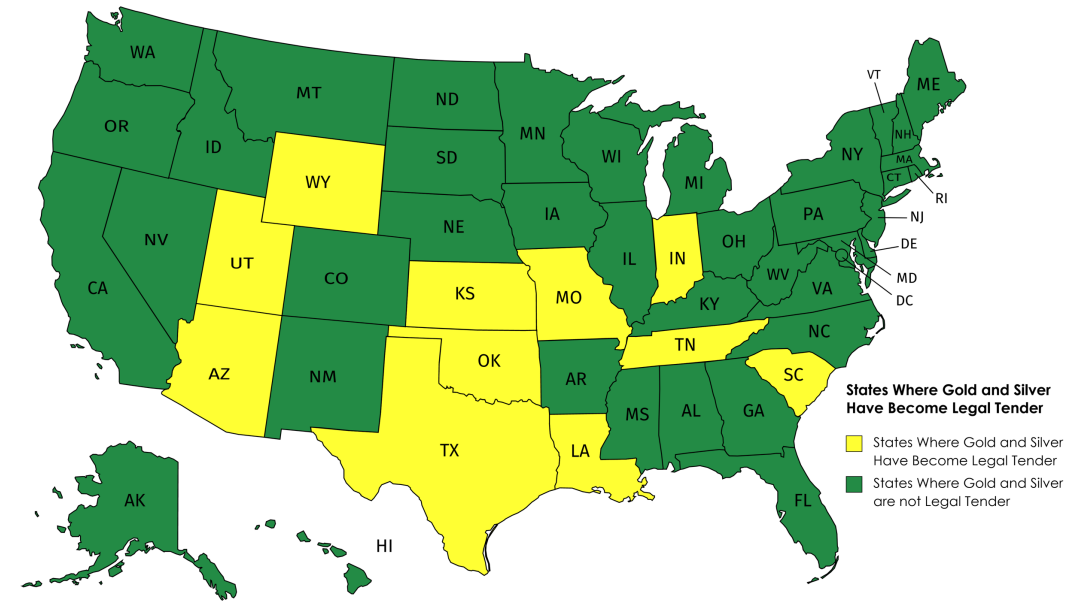
## Other Benefits:

- FX 6x cheaper than banks.
- Charts, prices & news.
- Multi-currency wallets:  
USD, GBP & EUR.
- Monthly gold buy.



# US Gold Legal Tender Laws

- **US Constitution allows US states to use gold as legal tender:**
- **12 US States work to enable gold as currency.** They either have or are in the process of doing so, they just need a platform to enable it as functional money.
- **Proceedings in Texas Senate reference London's Glint Pay and estimate cost of technology to be \$27M - \$100M.**



# INNOVATIVE GLOBAL GROUP



- Australia
- Saudi Arabia
- United Kingdom

# iAutoWall

- 160,000m<sup>2</sup> of walls built on Melbourne Metro
- 55% cheaper and 300% faster than traditional methods
- Requires 3 men versus 8 to build conventional form work
- Moves in 3 directions without cranes





# iAutoCore and iAutoScreens

- Climbing framework for the concrete core of multi-storey buildings
- Up to 40% cheaper than traditional methods
- Climbs one floor up to 4 metres in 20 minutes
- Complete floor in 4 days



# A Tale of 2 Hotels...

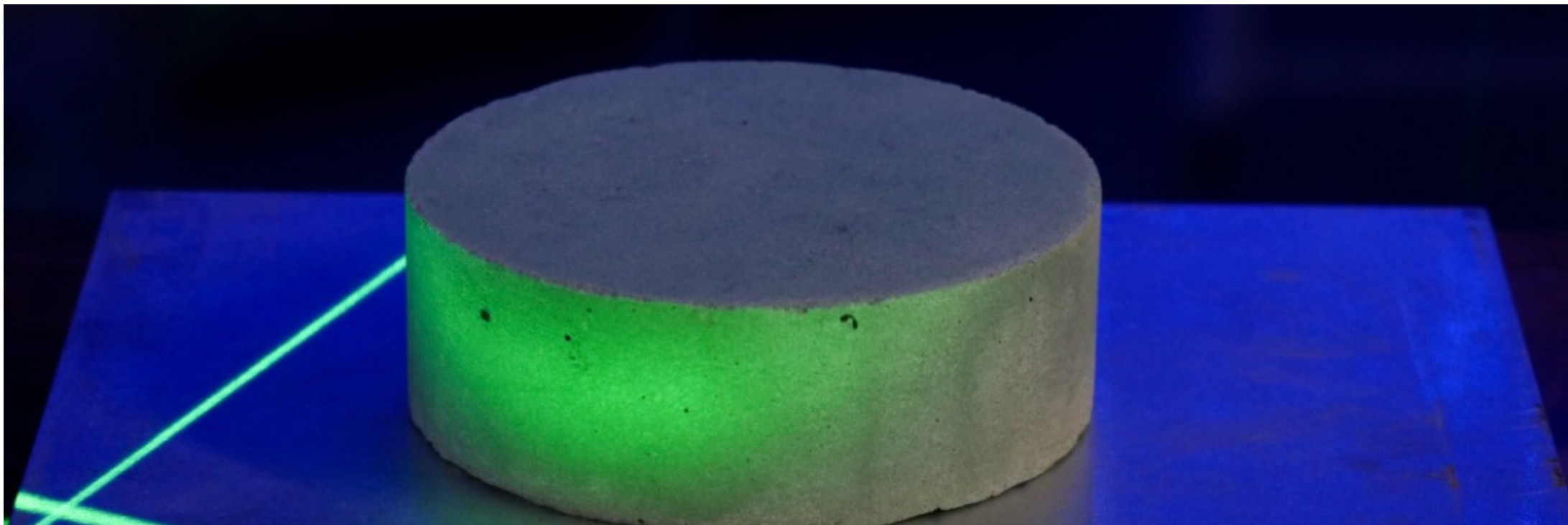
- Both 40 stories
- Oakwood has 390 rooms and apartments
- AC has 303 rooms and apartments
- Using iAutoCore and iAutoscreens IGG delivered the Oakwood hotel **15 months faster** than the traditional developer delivered the AC hotel



AC Hotel

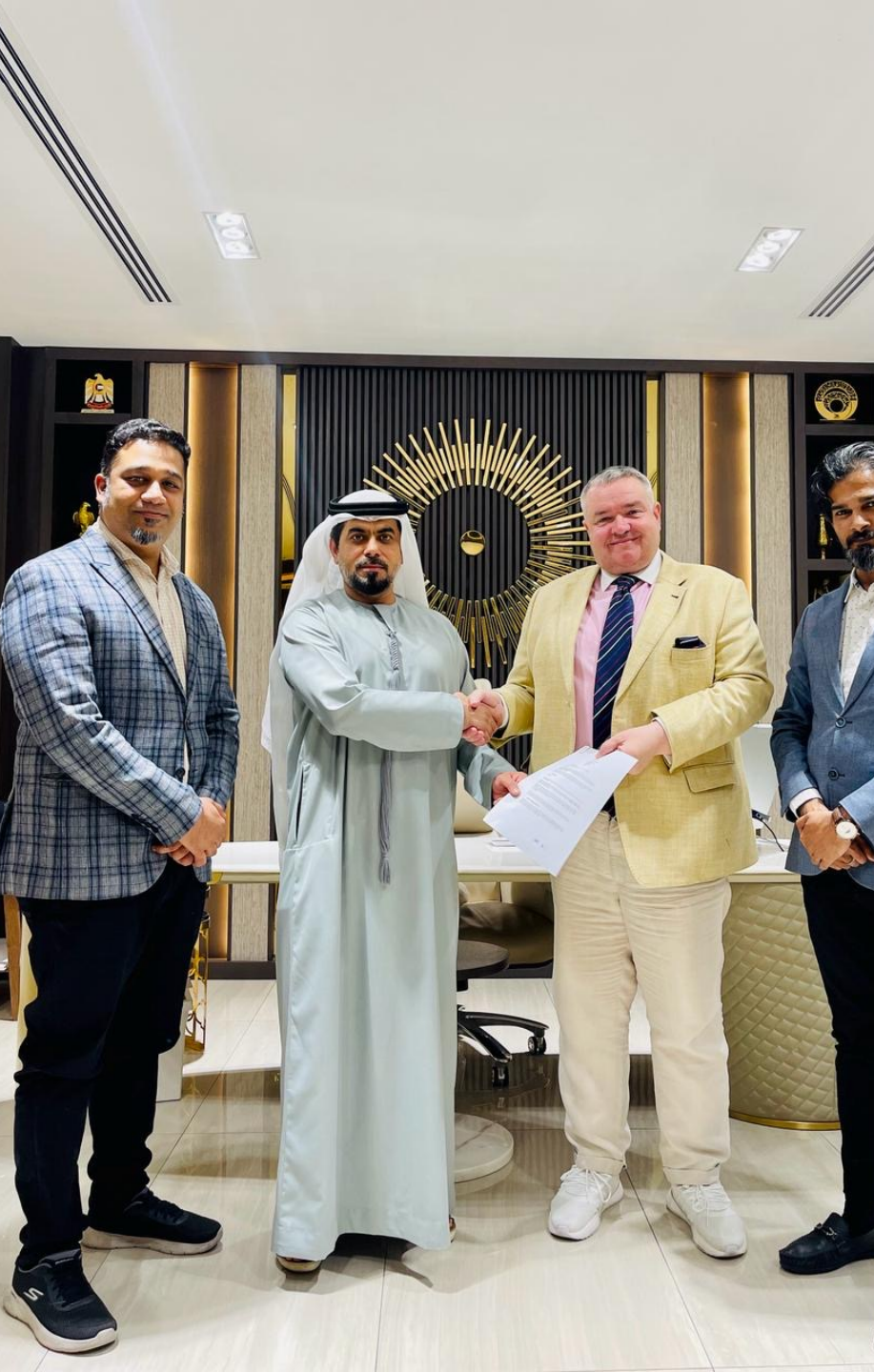
Oakwood Hotel





## **GIM CONCRETE**

Rapid construction, fast curing, no cement, no water, reduced CO<sub>2</sub>, Less Energy, recycled materials enhanced with graphene, on track to net zero



# In 2025 Graphene Concrete is added to the mix!

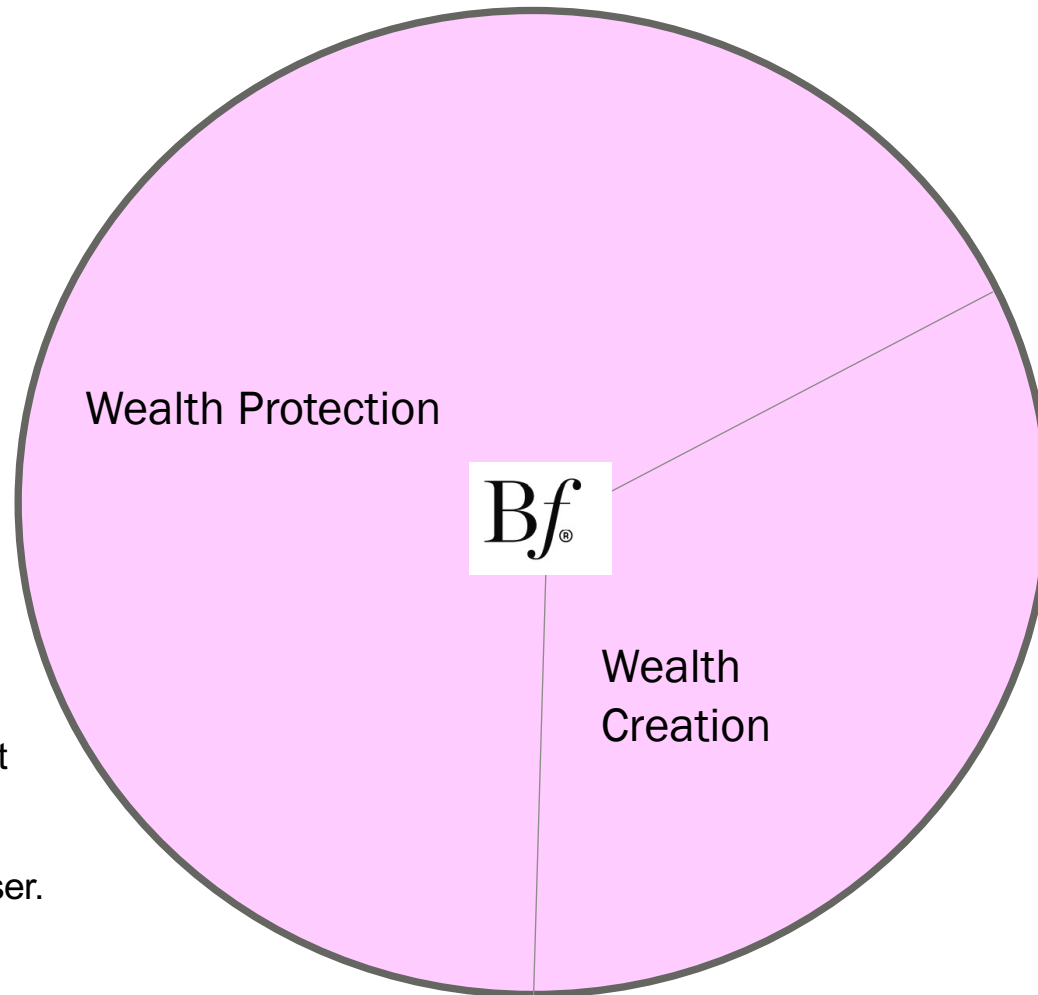
- JV between IGG, Quazar and graphene company signed Feb 2024
- After R&D in 2024 the water and cement free concrete will be deployed by IGG in 2025
- A global first when all 3 technologies are deployed on major infrastructure projects
- Multi-billion dollar pipeline

# We Focus on Wealth Creation Assets

## Wealth Protection Assets (66%)

- Real estate
- Dividend paying public shares
- Gold
- Government bonds
- Cash

**Disclaimer:** This is a generic portfolio constructed for guidance purposes only. It does not represent specific investment advice which must be sought from a suitably qualified regulated financial adviser.



## Wealth Creation Assets (33%)

- Private Equity ✓✓
- Private debt ✓✓
- Bitcoin
- Commodities

✓ Provided by  
Beaufort



**Beaufort  
Society**



# What is Beaufort Society?

- Private members club for sophisticated and high net worth investors
- Offices in London, Dubai and Gibraltar
- 400 members in 37 countries
- Direct investments in a hand-picked portfolio of private equity and private debt opportunities
- No membership or investment fees

**Join at [Beaufortprivateequity.com](https://Beaufortprivateequity.com)**

# Summary

- Private investors and family offices have been misled by big institutions with a political agenda
- ESG has been a marketing gimmick that in many cases has produced higher fees for lower performance
- We should focus on companies that provide real innovation that will make the world a better place
- Companies should focus on making profits for their shareholders
- Private Equity and Private Debt represent the best way for private investors and family offices to profit



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