



Event Summary:

February 2025

Impact Allocators Masterclass

On February 26th 2025, SDG Impact Finance Initiative (SIFI) co-hosted an event in Zurich with the Global Impact Investing Network (GIIN) and Next Billion Capital Partners, with the support of the UBS Optimus Foundation. Designed as an “Impact Allocators Masterclass”, the event aimed to inform asset allocators about the current state of impact investing, share innovative approaches delivering financial returns and impact at scale, and provide insights into the specificities of private impact equity. Following opening remarks by Mirjam Garzon (GIIN), Liesel Pritzker Simmons (Blue Haven Initiative) and Falgu Shah (Next Billion Capital Partners) held a fireside chat on the state of impact investing. This was followed by an LP panel focusing on ways to maximize both returns and impact in the next five years, featuring Diane Mak (Allianz GI), Nicolas Muller (Blue Earth), and Julia Balandina Jacquier (JBJ Consult). The event was concluded by an industry panel, featuring Portman Wills (Wagestream), Tayo Oviolu (Paga) and Ruzgar Barisik (Next Billion Capital Partners) which focused on the enabling role of technology in promoting financial inclusion.

Key Insights

The Evolution of Impact Investing

Mirjam Garzon (GIIN) opened the event by highlighting the remarkable **growth of the impact investing market**, which has expanded at a **14% compound annual growth rate (CAGR)** since 2019, reaching **\$1.6 trillion** in 2024. Contrary to the perception of a trade-off between impact and returns, **86% of impact investors report satisfaction with their financial performance**, while **90% are satisfied with their impact outcomes**.

Emerging markets play a central role in impact investing, accounting for **30% of total impact investment allocations**—a figure that rises to **44% in private markets**, significantly exceeding their representation in global capital flows.

Insights from the LP Panel: Maximising Impact and Returns

The LP Panel, featuring Diane Mak (Allianz GI), Nicolas Muller (Blue Earth) and Julia Balandina Jaquier (JBJ Consult), explored strategies for aligning financial success with meaningful impact.

Key takeaways included:

- Private Equity as a top performer – with an **average annual return of 17%**, private equity remains the most lucrative impact asset class.
- **Specialist funds outperform generalist approaches** – funds with a global, diversified portfolio tend to outperform regional or single-country generalist funds.
- Impact KPIs must be co-created – rather than imposing frameworks, investors should collaboratively define **realistic, measurable impact targets**.
- The rise of impact secondaries – growing investor interest in **secondary impact markets** is helping accelerate liquidity.

Fireside Chat: The Next Decade of Impact Investing

Liesel Pritzker Simmons (Blue Haven Initiative) and Falgu Shah (Next Billion Capital Partners) led a fireside discussion on the **future of impact investing**, identifying **key investment themes** for the next decade:

- **Climate technologies** – innovative solutions improving hardware efficiency.
- **Biodiversity and sustainable agriculture** – essential for global food security.
- **Future of work and education** – AI-driven models transforming skills development.
- **Democratisation of impact investing** – expanding access to retail investors.
- **Digital technologies for emerging markets** – leapfrogging development bottlenecks.

The Role of Technology in Scaling Impact

The **Technology & Industry Panel**, featuring Portman Wills (Wagestream), Tayo Oviolu (Paga), and Ruzgar Barisik (Next Billion Capital Partners), explored how technology is driving **financial inclusion** and **social impact**, and what impact means as a founder and operator.

Notably, **Fintech** was highlighted as an **untapped opportunity** in impact investing, and as one of the best tools to reach underserved parts of the population in developing countries. The two entrepreneurs shared that impact progress needs to move in lockstep with financial progress, which can only happen when company and shareholders are aligned on the long-term sustainability and success of the business.

Addressing Challenges in Impact Measurement

Despite its rapid expansion, impact investing still faces **measurement and accountability challenges**. **Sustainable Finance Disclosure Regulation (SFDR)**, while a useful reporting tool, does not fully address impact-specific needs. The **Impact Frontiers framework** was cited as a promising approach for refining impact measurement and management.

A Call to Action

The **Impact Allocators Masterclass** underscored the **growing maturity and resilience** of the impact investing sector. As investors, asset managers, and policymakers continue to align capital with **sustainable development goals (SDGs)**, collaboration will be key to scaling impact.

Crucially, participants highlighted the fact that **the consideration of impact is inseparable from the generation of financial returns**, and that impact monitoring and measurement is a natural extension of a thoughtful investment process. In particular, it was noted that the consideration of impact favors **innovative and long-term thinking**, and builds resilience, two factors often associated with financial success.

With private equity, technology, and emerging markets offering the most promising avenues for impact-driven returns, the next phase of **impact investing** will be defined by innovation, rigorous impact measurement, and the expansion of access to retail investors.

At the heart of the SDG Impact Finance Initiative (SIFI) is our commitment to advocate for essential action points, such as those highlighted during our recent panel discussion on scaling up impact investing in developing markets. SIFI is dedicated to not only pioneering the innovation of new financial vehicles and scaling up impact funds, but also to assembling a solution-driven coalition of institutions and market participants.

Our goal is to establish the necessary framework conditions that foster a thriving ecosystem around impact investing. By aligning our efforts, we aim to propel investments towards the Sustainable Development Goals (SDGs) in developing markets at the required scale, ensuring meaningful and sustainable impact. To learn more about our activities and how we are driving change in impact investing, follow us on [LinkedIn](#).

