



# 2022 IMPACT FUND UNIVERSE REPORT

**A MARKET MAP FOR  
INSTITUTIONAL INVESTORS**

January 2022



[www.phenixcapitalgroup.com](http://www.phenixcapitalgroup.com)

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## Fund investor

Would you like to have a live demo of the Phenix Capital Impact Database?

Please visit [www.phenixcapitalgroup.com/impact-database](http://www.phenixcapitalgroup.com/impact-database) and register your interest.

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## Impact fund manager

Would you like to be considered for listing on the Phenix Capital Impact Database?

Please email [sales@phenixcapitalgroup.com](mailto:sales@phenixcapitalgroup.com). Listing is free of charge.

# NAVIGATING THE IMPACT FUND UNIVERSE

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Welcome to the 2022 Impact Fund Universe Report. This third edition, drawing from our proprietary industry data, provides an overview of the evolution of the impact fund universe over the past seven years, presents the case for the legitimacy of impact investing for institutional asset owners, and highlights the data capabilities of our Impact Database.

2021 has been a cathartic year on many levels for the world and the impact investing industry. The impact investing universe showed remarkable resilience throughout an unprecedented 2-year pandemic crisis, despite the decrease in capital commitments and in the number of vehicles raising capital compared to pre-pandemic levels.

During these years it was encouraging to see the impact investment community catalysing and shifting capital towards innovations and solutions to tackle the disruptions caused by the pandemic crisis, especially in emerging and frontier markets.

We continue to observe a steady flow of solutions in the market across asset classes, instruments and geographies that are attractive to asset owners and allocators, and aim to deliver market-rate financial returns while tackling some of humanity's most significant challenges.

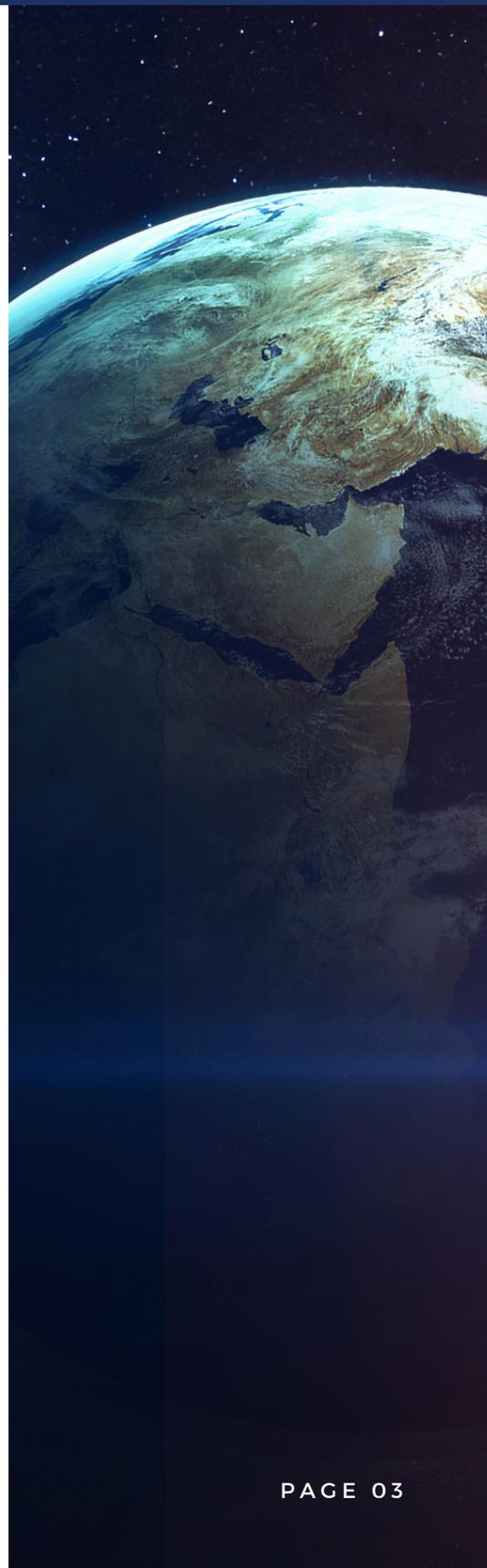
This report seeks to fill the need for comprehensive and reliable market intelligence in the industry. We present our findings from over seven years of collecting institutional impact fund data gathered from our network of fund managers and institutional asset owners.

As with all of Phenix Capital Group's work, this report focuses on the 'financial-first' side of the spectrum of impact capital and considers only those funds targeting risk-adjusted market-rate returns.

Phenix Capital has been dedicated to building the industry, educating asset owners, and catalysing institutional capital to impact investing since 2012. Developed for institutional investors by institutional investors, the Impact Database is designed to assist institutional asset owners with building and implementing an impact portfolio.

We hope you enjoy the 2022 Impact Fund Universe Report, and look forward to providing unique, timely, and reliable data insights as the industry develops.

The Phenix Capital Group Team





# ABOUT PHENIX CAPITAL

## CATALYSING INSTITUTIONAL CAPITAL TOWARDS THE SDGS

Phenix Capital Group is an impact investment consultant that enables institutional investors to make impact investments.

We assist asset owners and asset managers in aligning their investments with their values, financial objectives, and the Sustainable Development Goals.

[www.phenixcapitalgroup.com](http://www.phenixcapitalgroup.com)

### Our Vision

We envision a world in which institutional capital helps to end poverty, protect the planet and ensure prosperity for all

### Our Mission

Our mission is to enable and catalyse institutional investments that realise financial, social and environmental returns

### What we do

To achieve our mission, we enable institutional investors to allocate capital to impact investments through our Events & Webinars, Impact Database, Impact Fund Assessment and Placement Services

Signatory of:



Global Compact  
Network Netherlands

# ABOUT PHENIX IMPACT DATABASE

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Phenix Capital's mission is to enable the allocation of capital from institutional investors towards social and environmental solutions while supporting the 2030 Sustainable Development Goals (SDGs).

Phenix Capital's Impact Database (PID) provides investors with access to and intelligence on the impact fund market opportunities available to them.

2022 Impact Fund Universe Report: A Market Map for Institutional Investors provides insight into the evolving impact fund market, analysing trends in the allocation of impact capital across different themes, asset classes and geographies from over 2,000 funds monitored by the Impact Database.

This report fills the need and appetite for **comprehensive reliable market intelligence needed to support investors within the growing impact investing industry.**

Over the years, Phenix Capital **has monitored the evolution of the impact fund universe**, at the market and strategy level which we demonstrate in this report.

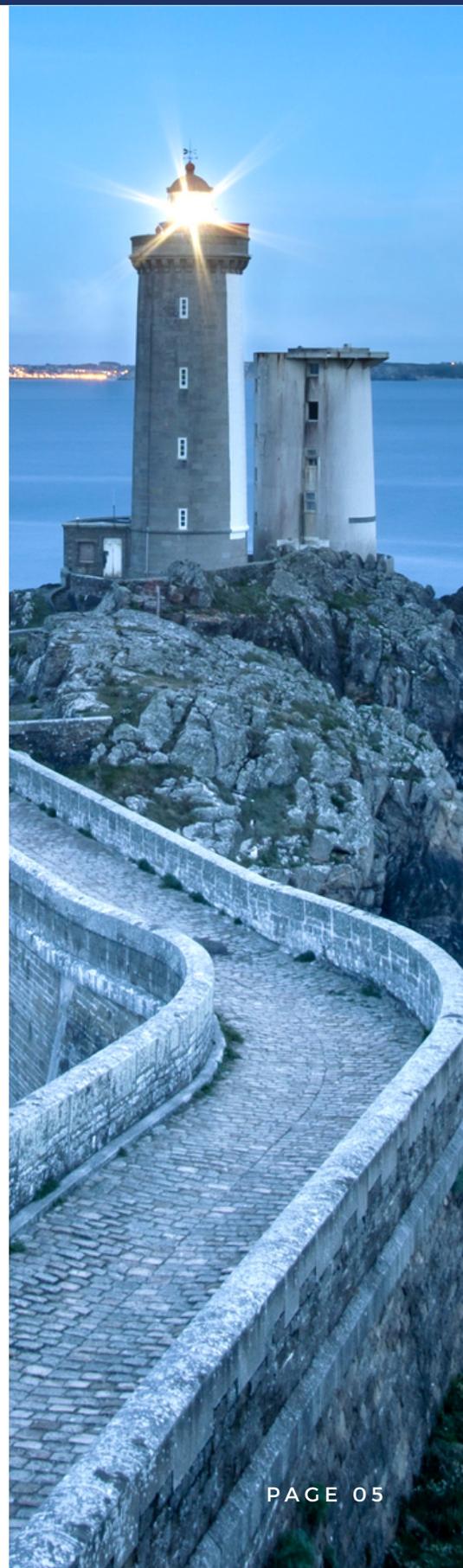
Three main variables have been central to constructing, monitoring and updating the dataset: funds considered have an impact proposition, institutional scale, and target market-rate returns (see Sourcing Process on the next page).

Impact Investing goes beyond negative screening and using Environmental, Social and Governance (ESG) integration to reduce harm or avoid risks, to generating intentional positive impact.

Phenix Capital defines impact investing as **investing with the dual mandate of financial return and positive societal or environmental impacts**, with the notion of measuring the positive and negative impact of investments, ensuring both **intentionality and additionality** among these.

Phenix Capital's Impact Database features funds that align with this definition through their creation of solutions for global social and environmental issues, whilst prioritising financial returns.

This category of impact investments can be referred to as **financial-first impact investments** (see Spectrum of Capital on the next page).



# SPECTRUM OF CAPITAL

APPROACH	TRADITIONAL INVESTMENTS	RESPONSIBLE INVESTMENTS			PHILANTHROPY	
FOCUS	FINANCIAL ONLY	NEGATIVE SCREENING	ESG INTEGRATION	IMPACT DRIVEN		IMPACT ONLY
FINANCIAL GOALS				FINANCIAL-FIRST	IMPACT-FIRST	
FINANCIAL GOALS		Target competitive risk-adjusted financial returns			Accept low risk-adjusted returns	Accept partial/full capital loss
FEATURES		Manage ESG risks				
FEATURES			Pursue ESG opportunities			
FEATURES				Intentionality: delivering impact is central to underlying assets/investments		
FEATURES				Impact investment is measured and reported		
IMP INTENTIONS	MAY OR DO CAUSE HARM	ACT TO AVOID HARM				
IMP INTENTIONS			BENEFIT ALL STAKEHOLDERS			
IMP INTENTIONS				CONTRIBUTE TO SOLUTIONS		

Source: Adapted from Bridges Fund Management (2014), PRI (2013), RIAA (2019), UK NAB (2017), Impact Management Project (IMP) (2018)

# SOURCING PROCESS

Introductory call with Fund Managers

Our Team analyses, objectifies and peer reviews the data shared

Users get notified and can act on the information published



Our Team sources & screens global impact Fund Managers across all asset classes

Fund Managers share data via a standardized data request form

Fund is published on the Database (no cost for Fund Managers)

# KEY TAKEAWAYS

Since 2015, Phenix Impact Database (PID) has been tracking the allocation of capital to impact investing. To date, **€477 billion** has been allocated to more than **2,000 impact investing funds**, with an average of €97 million per fund.

## KEY TAKEAWAYS

2021 has been a challenging year for the sector, affected by a 2-year pandemic, remote due diligence processes and preference for "re-ups" from asset owners, which translated into more allocations into financial-only investment funds, affecting flows into impact investing solutions.

- 611 funds are raising capital with an average target size of €192 million per fund (Page 11).
- €27 billion was committed across 196 funds in 2021, which represents a drop of 10 % in capital commitments relative to 2020 and a 20% decrease in the number of funds that raised capital (Page 12).
- Private Equity (35%), Public Equity (18%), Private Debt (17%), and Infrastructure (10%) funds are currently driving asset class flows, whereas in a historical context flows of capital committed to date show how Private Equity has been much more significant (50%) and Public Equity has attracted significantly fewer capital flows (7%), with Private Debt (13%), and Infrastructure (12%) having similar figures (Page 13).
- Climate (SDG 13) and renewable energy (SDG 7) related SDGs keep driving the flows, with SDG 12 (focused on responsible production and consumption) rising in prominence with a notable increase relative to historical commitments (Page 15).
- Sector flows are in line with SDGs and Climate and Renewable Energy dominate historical and current commitments. Interestingly, we observe a remarkable increase in 2021 in commitments to CleanTech funds (Page 16)
- Global funds drove the geographical flows in 2021, increasing 20% relative to historical data, due to the global nature of some of the biggest funds in the space, which were raised during the year, including mega-buyout private equity and real assets vehicles with global teams and mandates (Page 19).

# A WORD FROM OUR CEO



## **DIRK MEULEMAN**

CEO

Phenix Capital Group

### **Which impact theme do you think is the most underserved and should get more attention in 2022?**

Two topics I would love to see more impact investment solutions for are restoration of our climate and nature, not only by taking carbon out of the system, but also other chemicals such as excess nitrogen and phosphor, to name a few.

And, secondly, vulnerable people groups. Refugees come to mind.

With so many people living in refugee camps and some countries close to conflict areas taking in so many refugees, it would be great to see that effort combined with investments to allow for extra job creation, to strengthen or rebuild an economy and alleviate some of the pressures in these countries that shoulder a lot of the burden of the conflicts in their region.

### **How did the impact investing market show resilience to the current health crisis?**

The impact investment market has always been a strong contributor to investments in healthcare.

But especially in the first year of Covid, impact investing really stepped up here, and healthcare, care homes, healthy plant-based foods, and healthy lifestyle companies have all attracted significant money from impact investors.

### **How did Phenix contribute to the growth of the impact investing space?**

### **Alternatively, What should improve in the impact space, and how can Phenix contribute?**

In the last year, we did a number of things that contributed to the growth of the impact investment space. First, we relaunched our advisory business and have helped design and create the impact portfolios of a couple of pension funds.

We have helped about 40 sovereign wealth funds, family offices, foundations and fund of funds with data, due diligence, and advisory services to help them grow their impact investment program.

Finally, based on our work of supporting more than 30 fund managers in improving their impact practices, we launched a best practices library on our website, with concrete examples of impact best practices in different asset classes.

### **Phenix tries to implement best practices into the fund managers' impact frameworks with your fund advisory services. Why this focus?**

Impact fund managers typically want to be best practice in how they create, manage and report on their impact, and asset owners want them to be the best that they can be as well.

But it is a fast-moving space; what was best practice in some areas three years ago is likely not best practice anymore as there is so much innovation happening in this space.

With our impact assessment diagnosis tool, we can quickly identify a manager and where they stand versus best practice, based on their asset class, and support them in making the necessary improvements.

### **Impact Database is celebrating its 3rd anniversary in 2022. How did it change since launch, and how does it support institutional investors?**

We launched our impact funds database with a great group of asset owners as founding members and the group of asset owners using the data to understand the investable universe has grown tremendously since.

For asset owners, being able to filter the universe of impact investment funds, per asset class, region, SDG and impact theme, and fund size, to name a few, saves a lot of time, but also often shows that there are a lot more investable opportunities that what they realized.

“

But it is a fast-moving space; **what was best practice in some areas three years ago is likely not best practice anymore** as there is so much innovation happening in this space.

”

In building an impact investment program, having a good overview of the available universe with more than 2000 impact investment funds profiled is essential.

Being able to get extra bespoke analyses, graphs and support from our advisory team is also something that can save a lot of time and energy

### **Speaking of which, the Asset Owner Module has launched a year ago. What is its objective?**

Our objective at Phenix Capital is to catalyze capital towards the Sustainable Development Goals and impact investing.

The asset owner database is a great way for fund managers to raise capital on what asset owners are allocating towards impact, what asset classes and regions they are investing in, and whom to speak to at these organizations.

This is a way to make the market more efficient and saves a lot of time by doing the arduous work of going through the press releases and annual reports of asset owners so that a fund manager spends its time talking to asset owners where there is.

### **Which trends do you see coming in 2022 regarding impact investing?**

SFDR is a big topic now, and in the last few months, we have seen the first asset owners both on the pension fund side as well as family offices requiring their impact investment funds to classify as article 9 funds.

I expect more European asset owners to follow these early ones. Aligning the performance fee of funds with impact targets and as well as impact verification are also trends we see continuing in 2022.

### **Phenix seeks to connect institutional investors with impact fund managers with its events. How did you do that despite Covid, and what are your plans for 2022?**

We had to be flexible and adjust formats to the changing limitations with our events. We did more events digitally, especially for speed dating meetings, which works fantastically well.

We produced more content ourselves and organized smaller local events to fit within country Covid restrictions.

For 2022, we have similar plans: hybrid events, more workshops and collaborative working sessions, virtual speed dating events between asset owners and fund managers and smaller country events.

All in all, an exciting year, with lots of possibilities, to learn best practices for industry leaders, participate in workshops, and network with peers.

“**Aligning the performance fee of funds with impact targets** and as well as impact verification are also trends we see continuing in 2022”

**2,001**

Impact Funds

**852**

Asset Managers

**611**

Funds currently  
raising capital

**451**

Asset Managers  
currently raising capital

**€477bn**

Total capital committed to  
date

**€148bn**

Total target size of funds  
raising capital

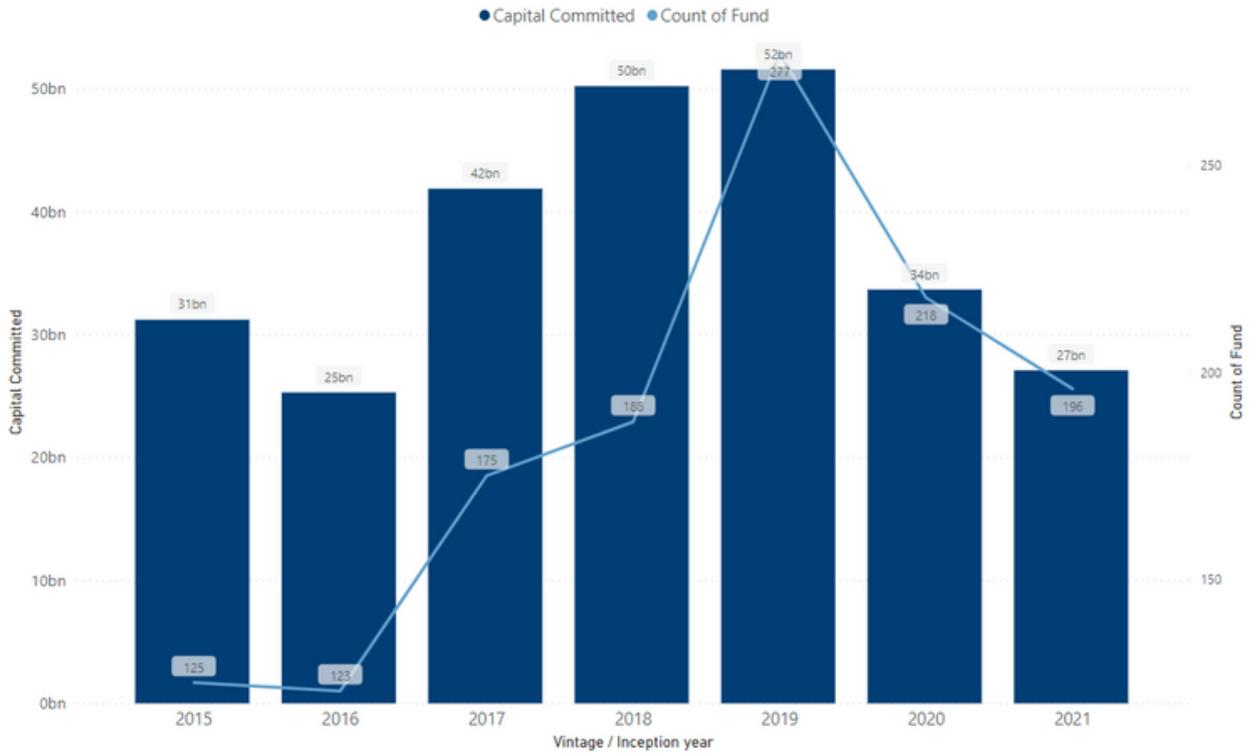
**€97m**

Average capital committed  
per fund to date

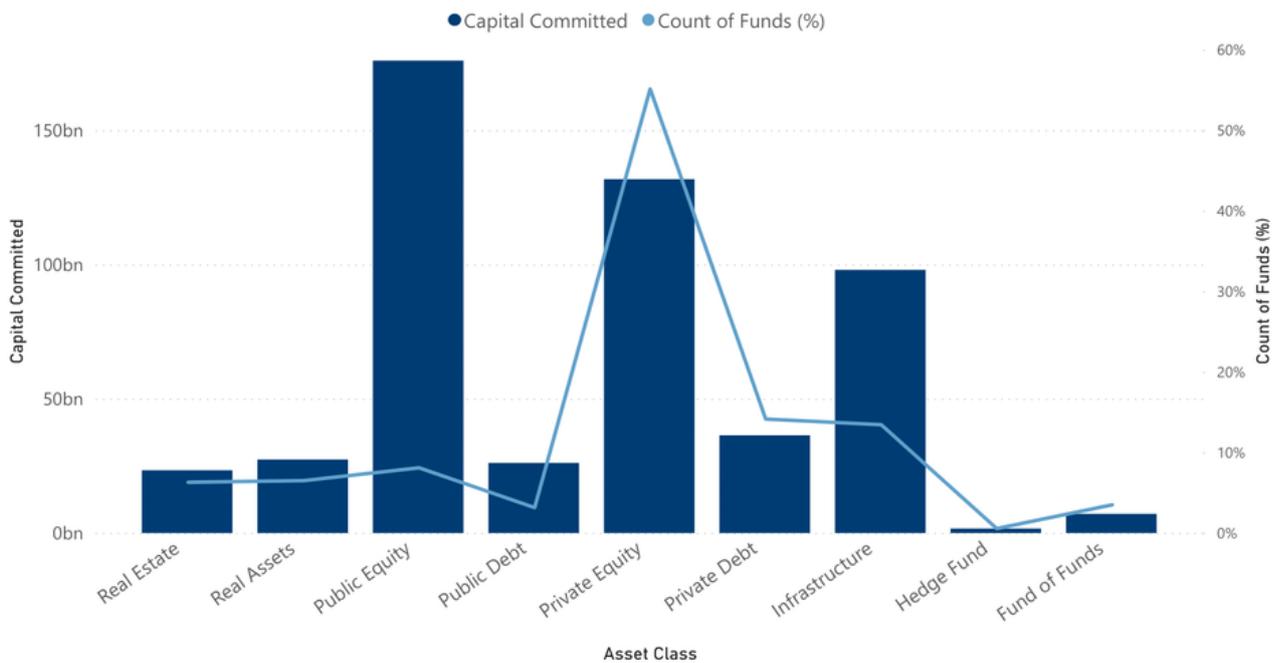
**€192m**

Average target size of  
funds raising capital

# Total capital committed in the Impact investing fund market by vintage year

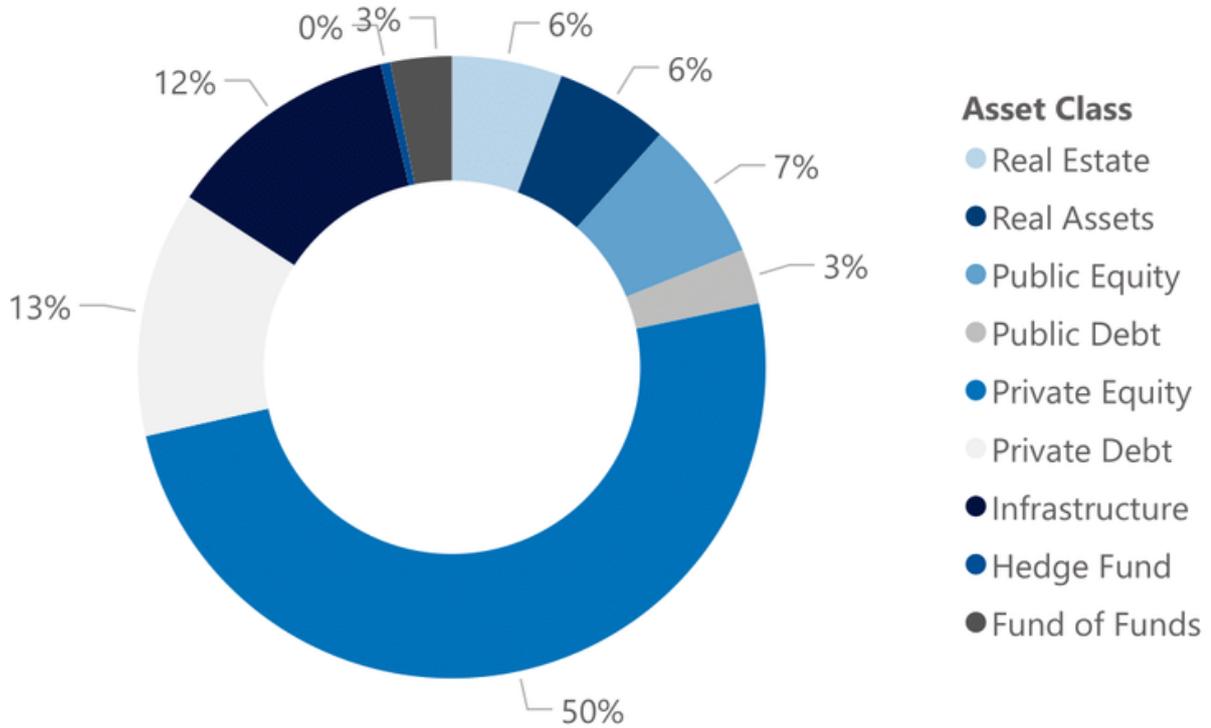


# Total capital committed by asset class & distribution in number of funds (%)\*

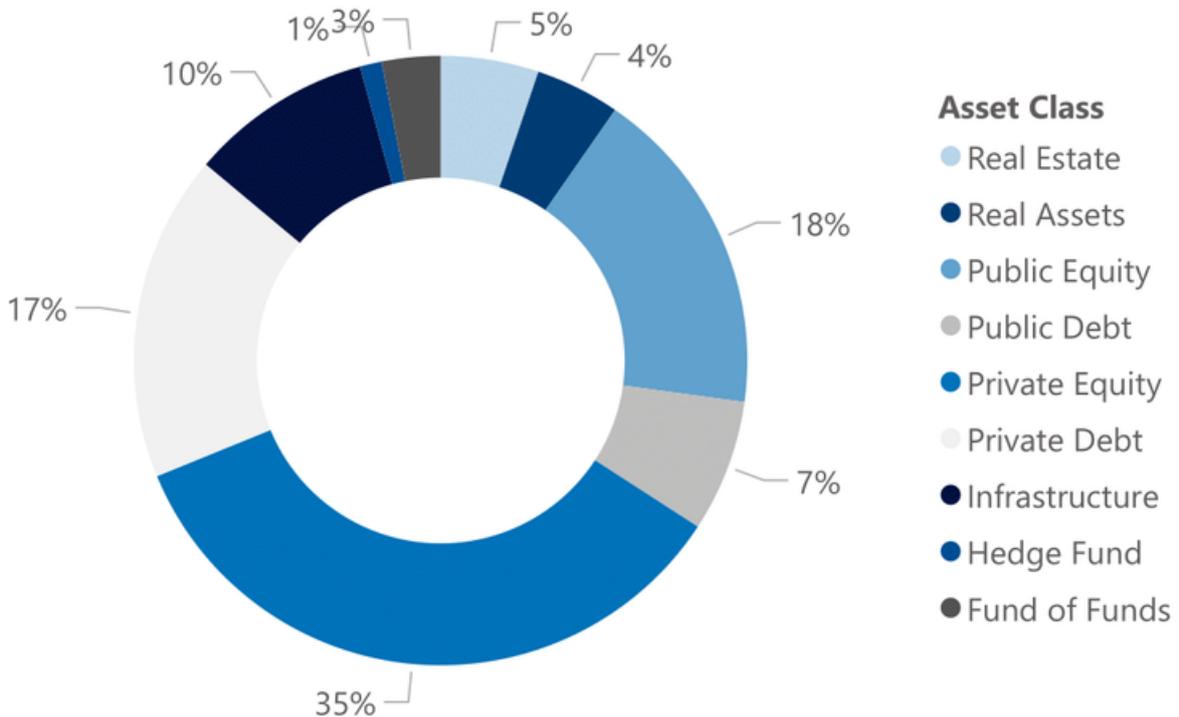


\*Capital committed data may overlap as one fund might target multiple asset classes

## Capital committed by asset class to date (%)



## Capital raising by asset class (%)



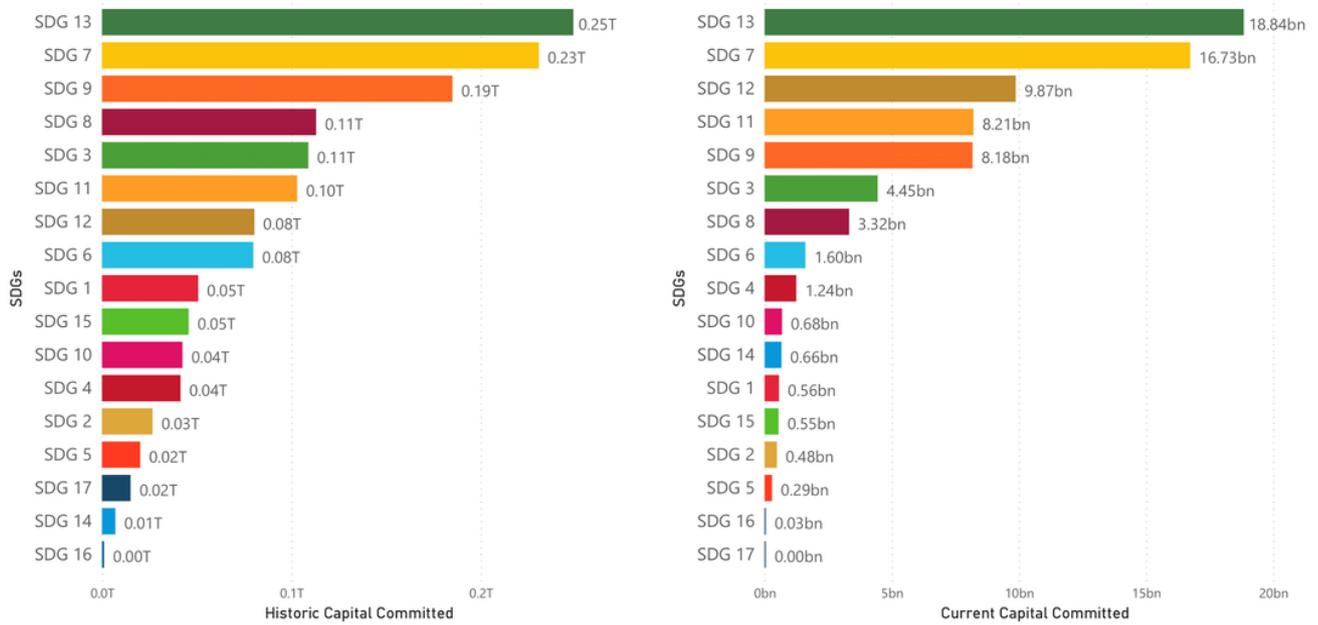
# SUSTAINABLE DEVELOPMENT GOALS

The United Nations 2030 Sustainable Development Goals (SDGs) were adopted by the United Nations Member States in 2015, building on decades of work by countries and the UN, including the UN Department of Economic and Social Affairs. It set out 169 targets within 17 goals to achieve global environmental and social prosperity by 2030. The SDGs are an action plan for all people to create scalable solutions to global challenges, including climate change and poverty. UNCTAD estimated that the investment gap to meeting the SDGs in developing countries alone was US\$ 2.5 trillion, concluding that the private sector is to take a fundamental role to meet this target.

The framework of the SDGs can be interpreted by and applied within a wide variety of institutions and activities, acting as the common global language within impact investing and between different sectors. The SDGs provide a template that enables investors to articulate risks, themes and outcomes of an investment strategy with regards to sustainability and development. All 1,600 + funds featured on the Impact Database have an impact proposition aligning with at least one of the SDGs.

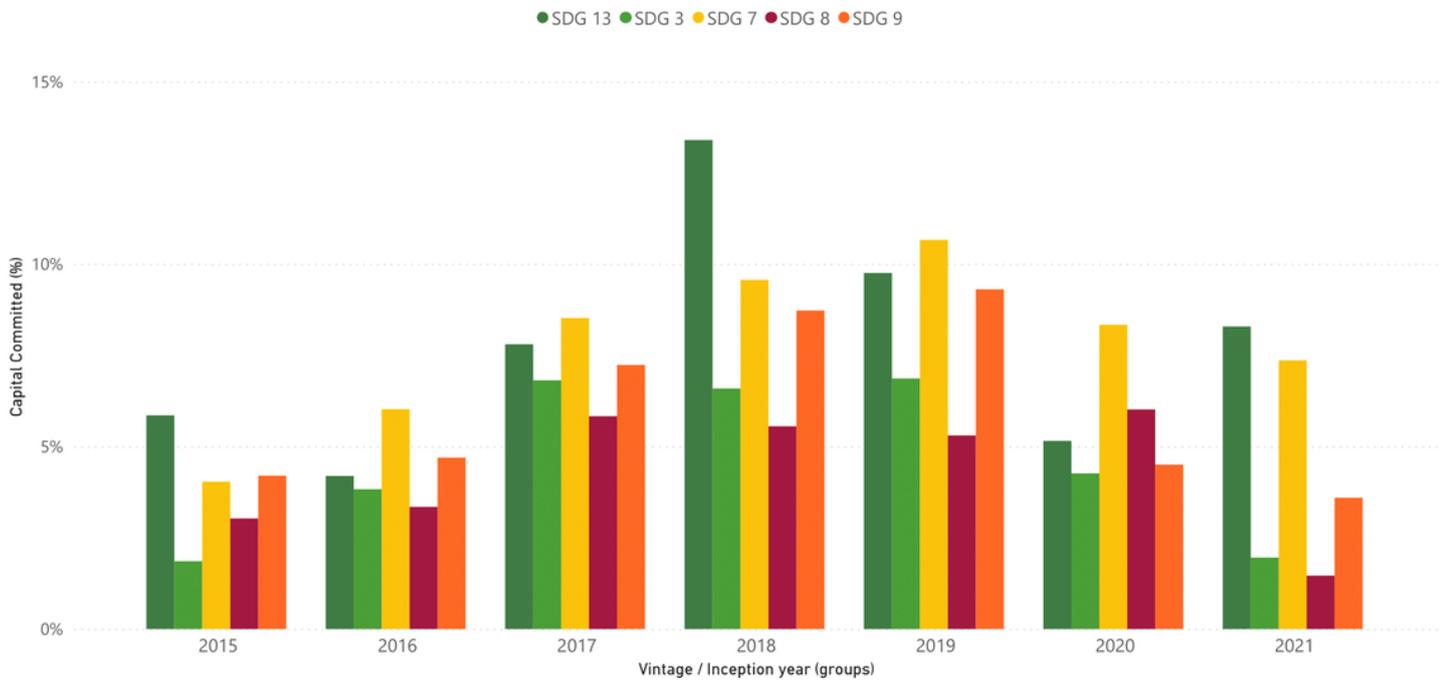


## Commitments to the SDGs Historical\* (left) vs. current\*\* (right)

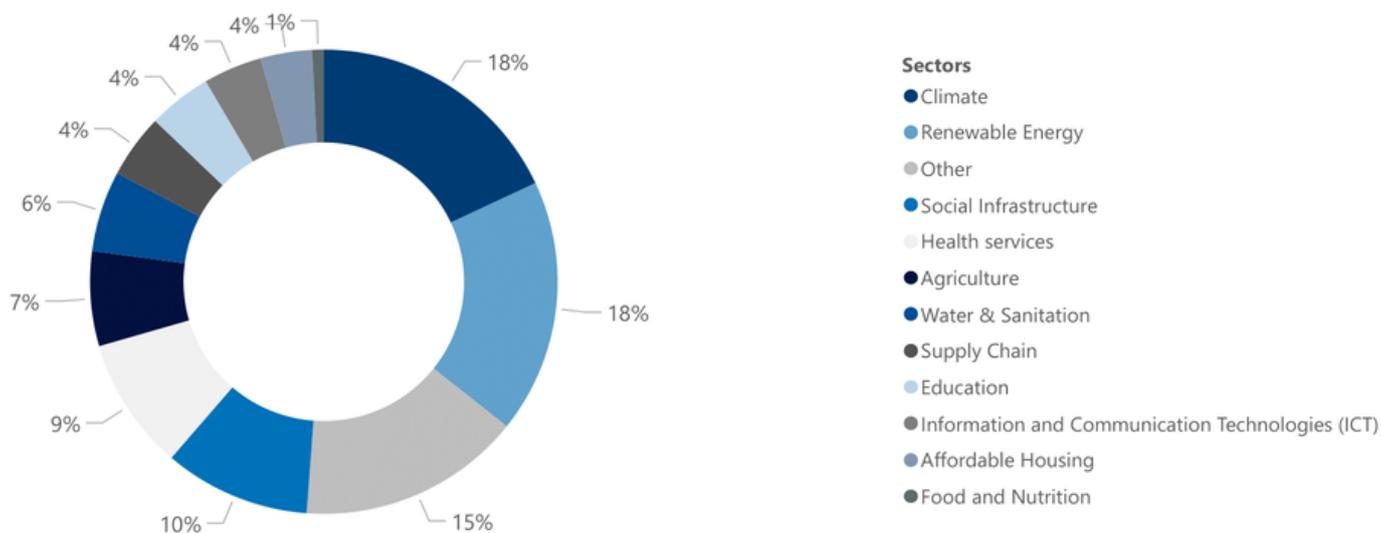


\*Historical commitments cover the years 2015 to 2021 included  
 \*\* Current commitments cover year 2021 only  
 \*\*\*Capital committed data may overlap as one fund can target up to four SDGs

## Evolution of commitments towards the five most targeted SDGs



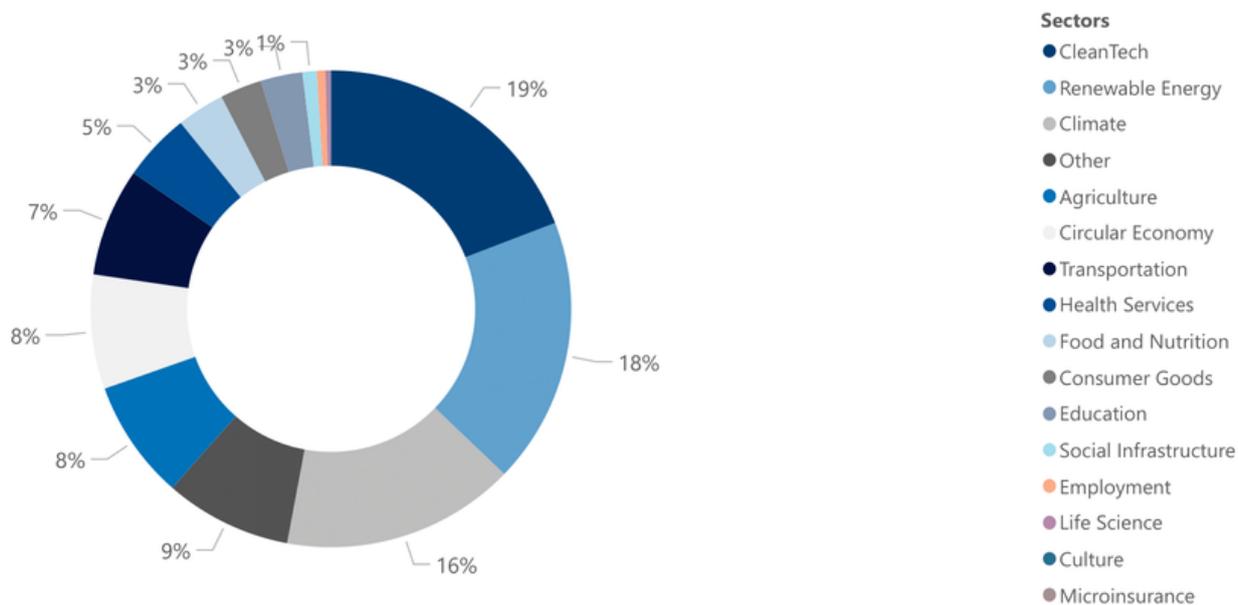
## Historical\*\* capital commitments by sector



\* Other includes the following sectors: Aquaculture, Biodiversity, Circular Economy, CleanTech, Consumer Goods, Culture, Employment, Farming, Financial Inclusion, FinTech, Forestry, Green Buildings, Land Conservation, Life Science, Microfinance, Microinsurance, Nutrition, Oceans, Other, Smart Cities, Technical Assistance Services, Transportation, and Waste Management.

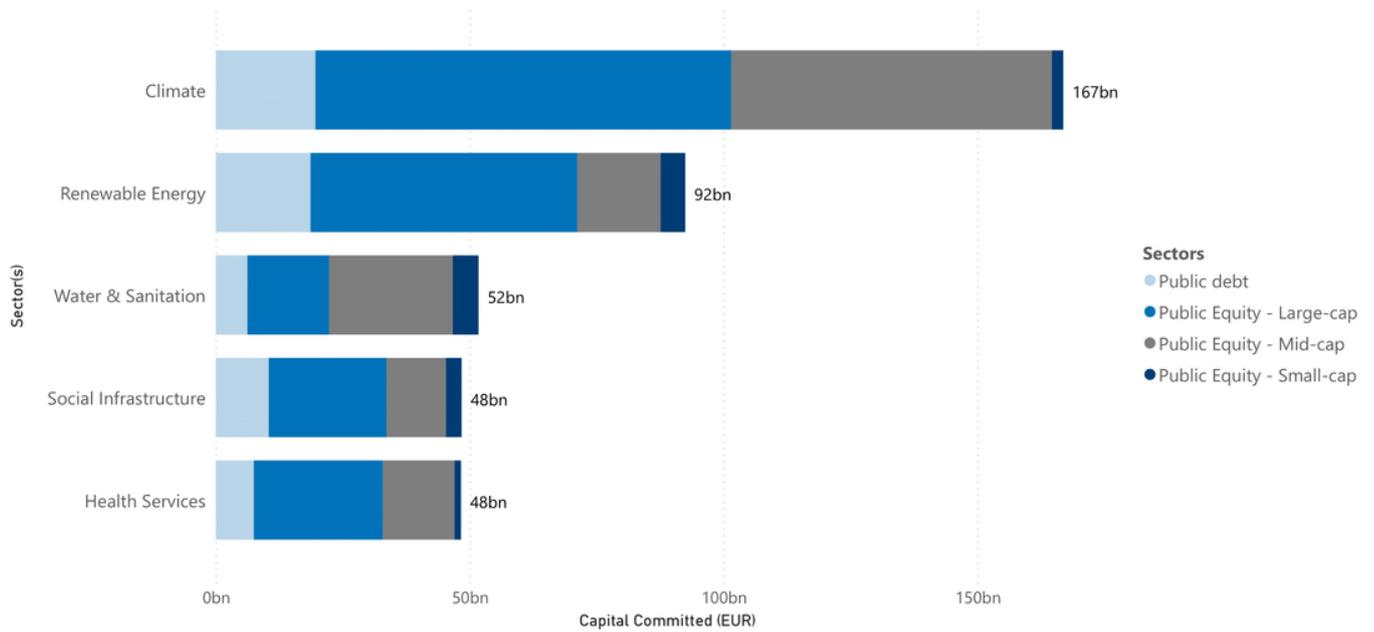
\*\* Historical commitments cover the years 2015 to 2021 included

## Capital committed in 2021 by sector



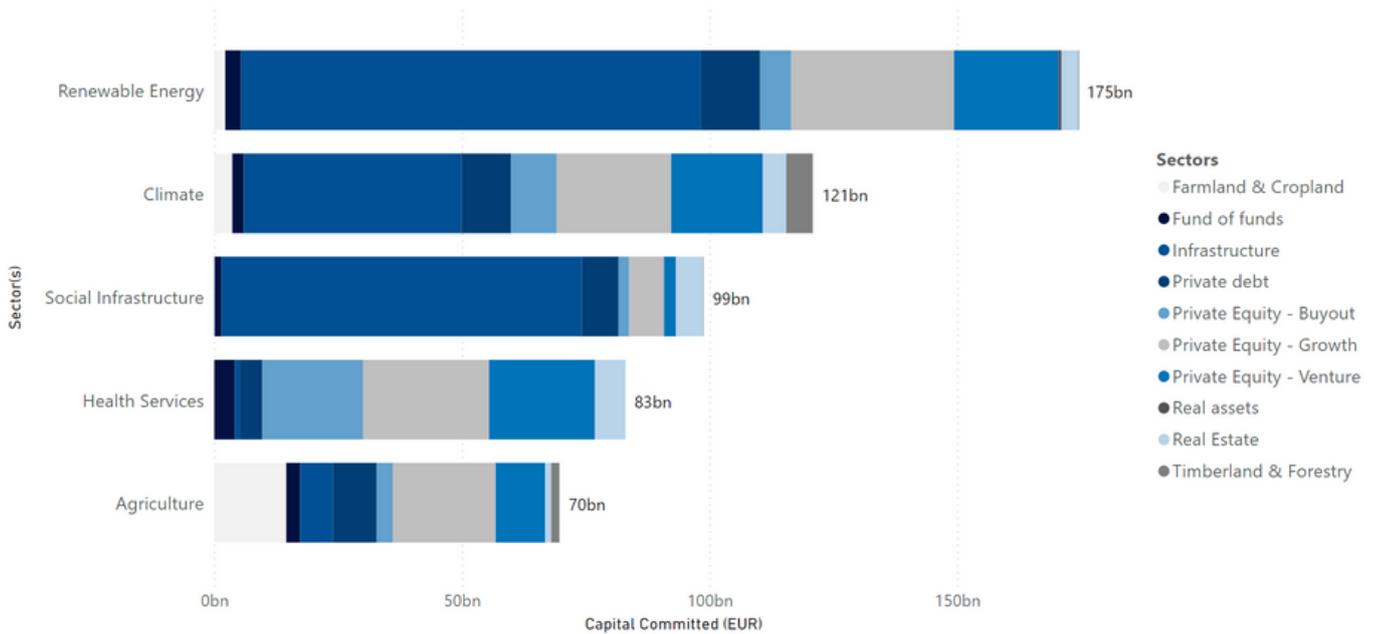
\* Other includes the following sectors: Agriculture, Aquaculture, Biodiversity, Circular Economy, CleanTech, Consumer Goods, Culture, Employment, Farming, Financial Inclusion, FinTech, Forestry, Green Buildings, Land Conservation, Microfinance, Microinsurance, Nutrition, Oceans, Other, Smart Cities, Technical Assistance Services, Transportation, and Water & Sanitation.

## Top 5 sectors targeted in public markets as of FY 2021\*



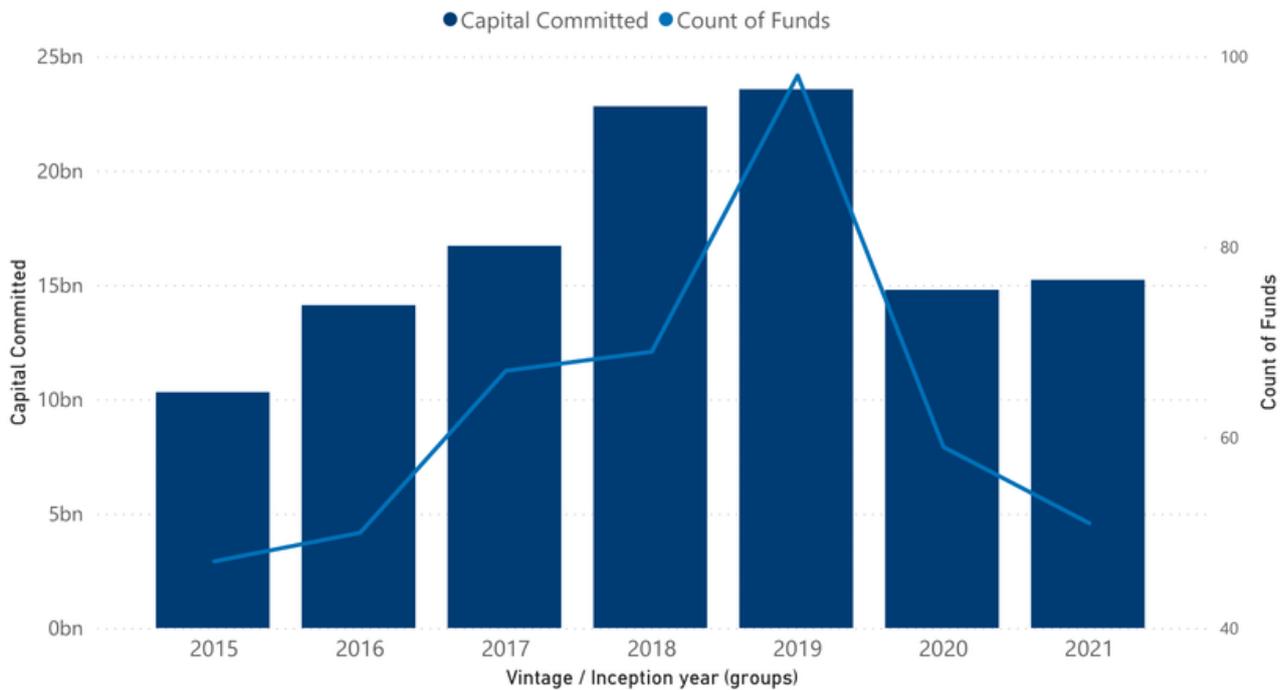
\*Capital committed data may overlap as one fund might target multiple sectors & market cap companies

## Top 5 sectors targeted in private equity & debt as of FY 2021\*



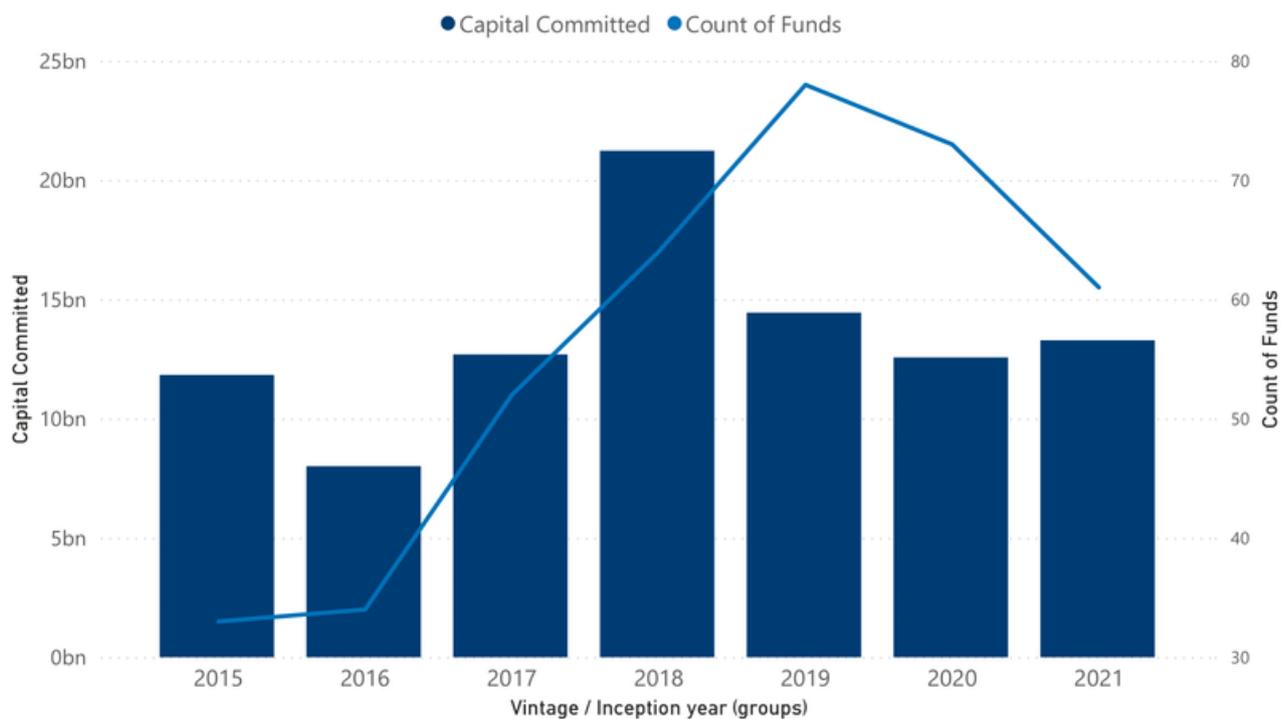
\*Capital committed data may overlap as one fund might target multiple sectors & private equity stages

## Capital committed to renewable energy by vintage year\*



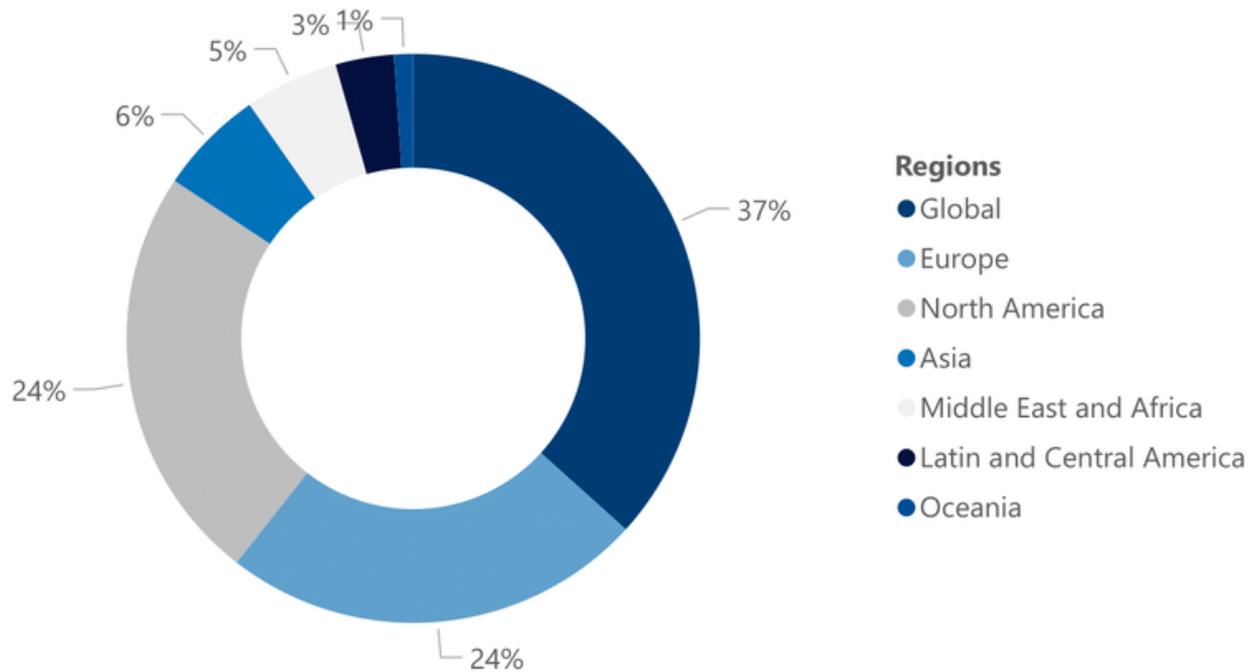
\*Capital committed data may overlap as one fund might target multiple sectors

## Capital committed to climate by vintage year\*



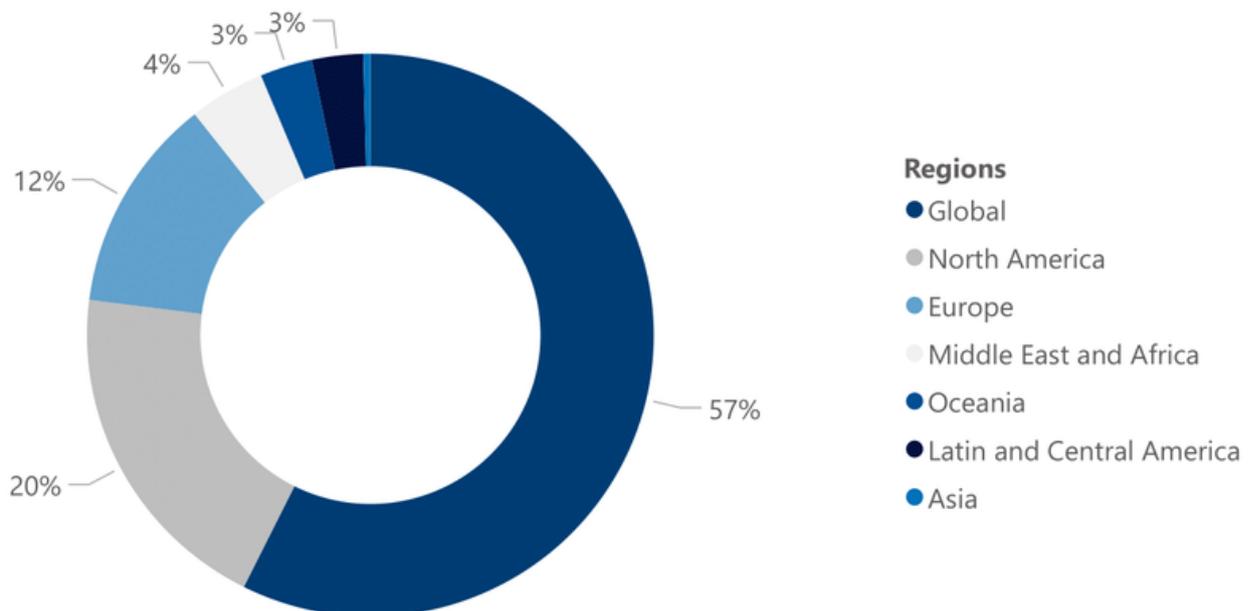
\*Capital committed data may overlap as one fund might target multiple sectors

## Historical\* capital commitments by region

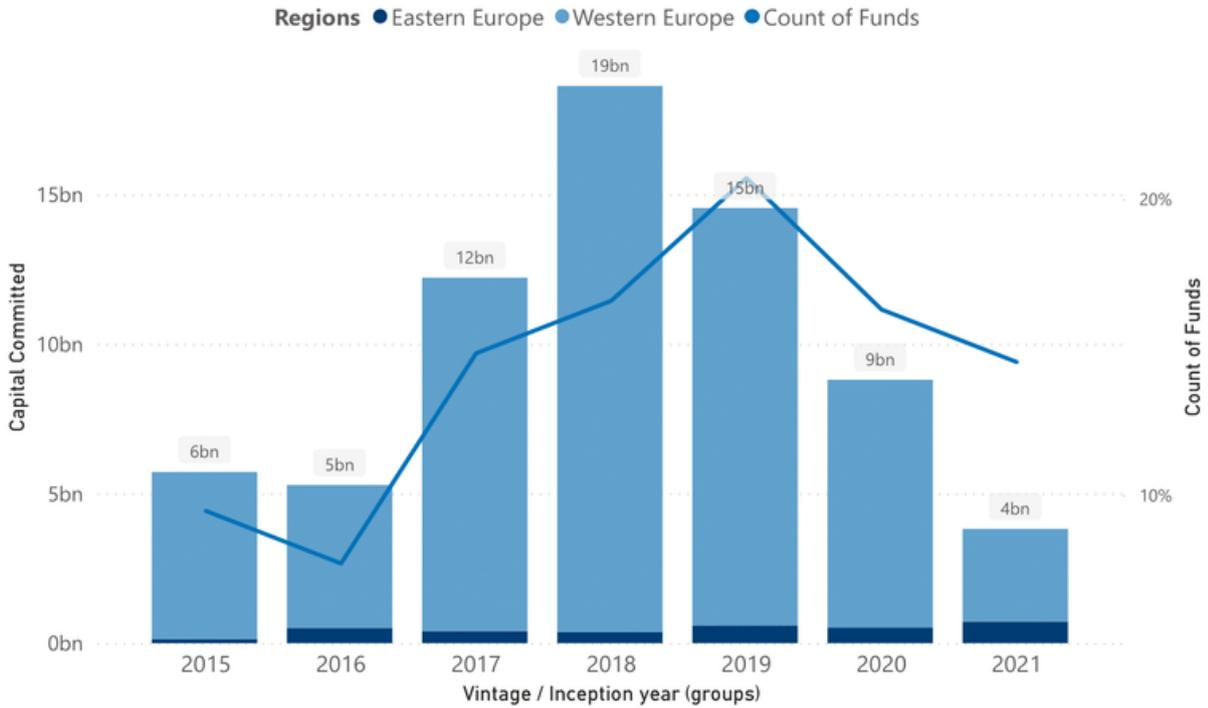


\*Historical commitments cover the years 2015 to 2021 included

## Current (2021) commitments by region

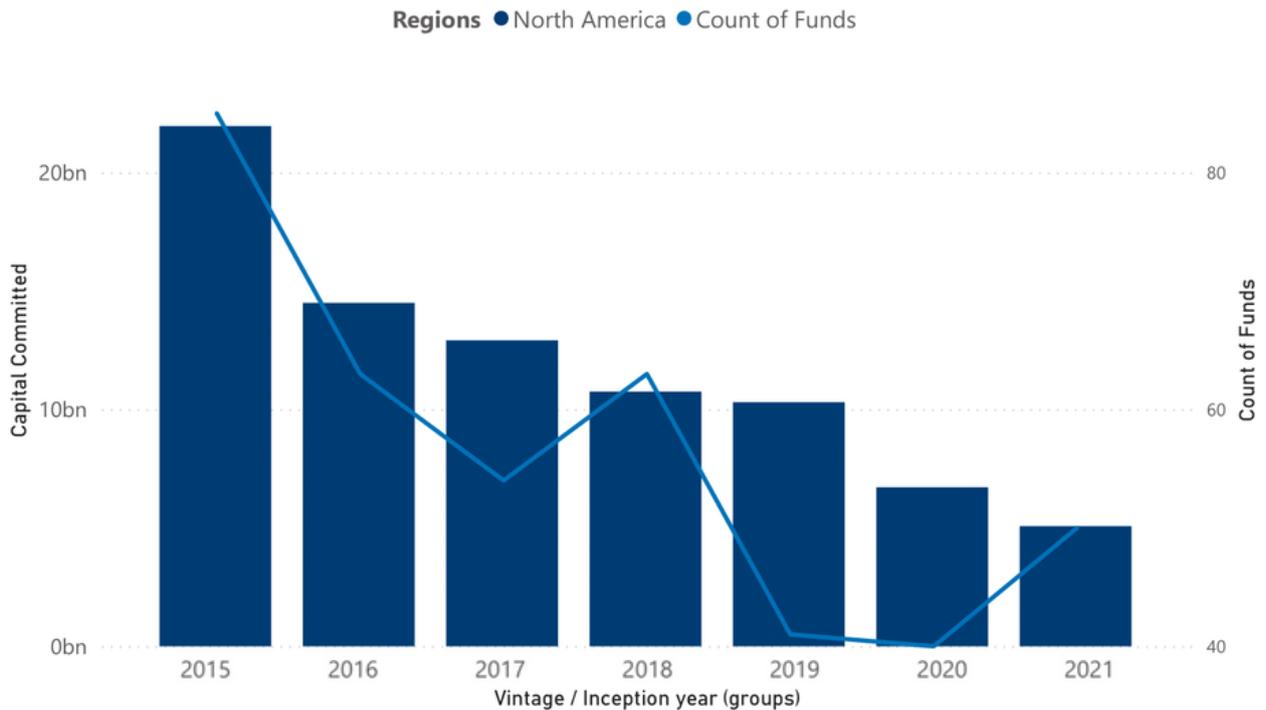


## Capital committed targeting Europe focused funds by vintage year\*



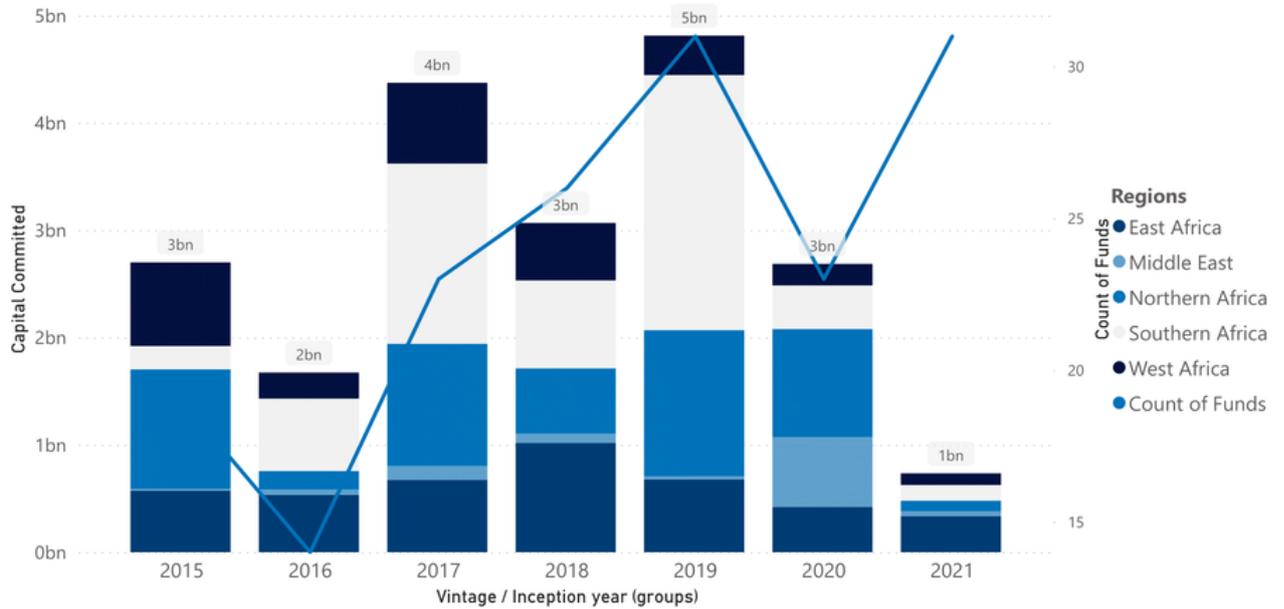
\*Capital committed data may overlap as one fund might target multiple regions

## Capital committed targeting North America focused funds by vintage year\*



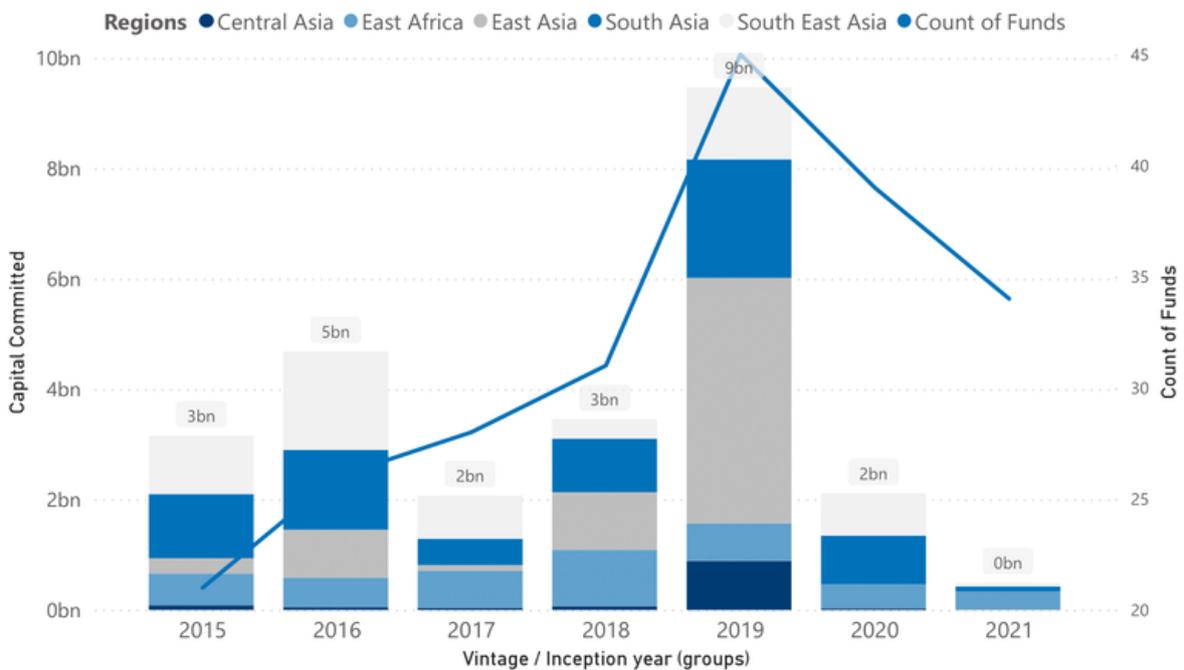
\*Capital committed data may overlap as one fund might target multiple regions

## Capital committed targeting Middle East and Africa focused funds by vintage year\*



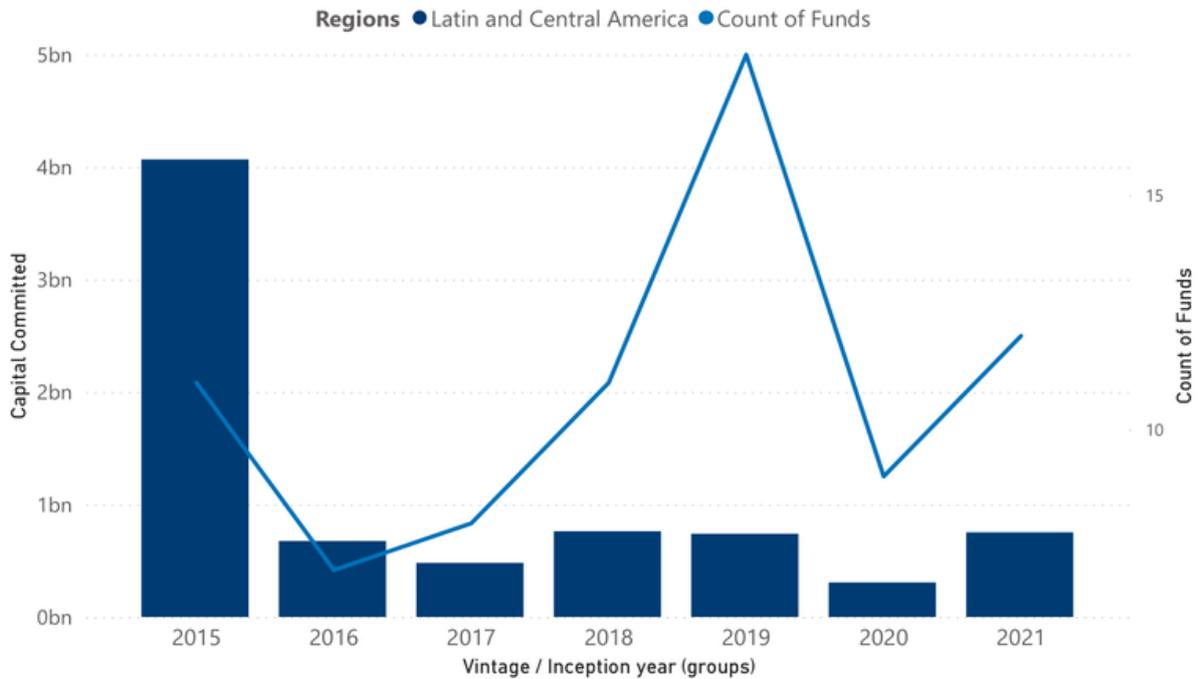
\*Capital committed data may overlap as one fund might target multiple regions

## Capital committed targeting Asia focused funds by vintage year\*



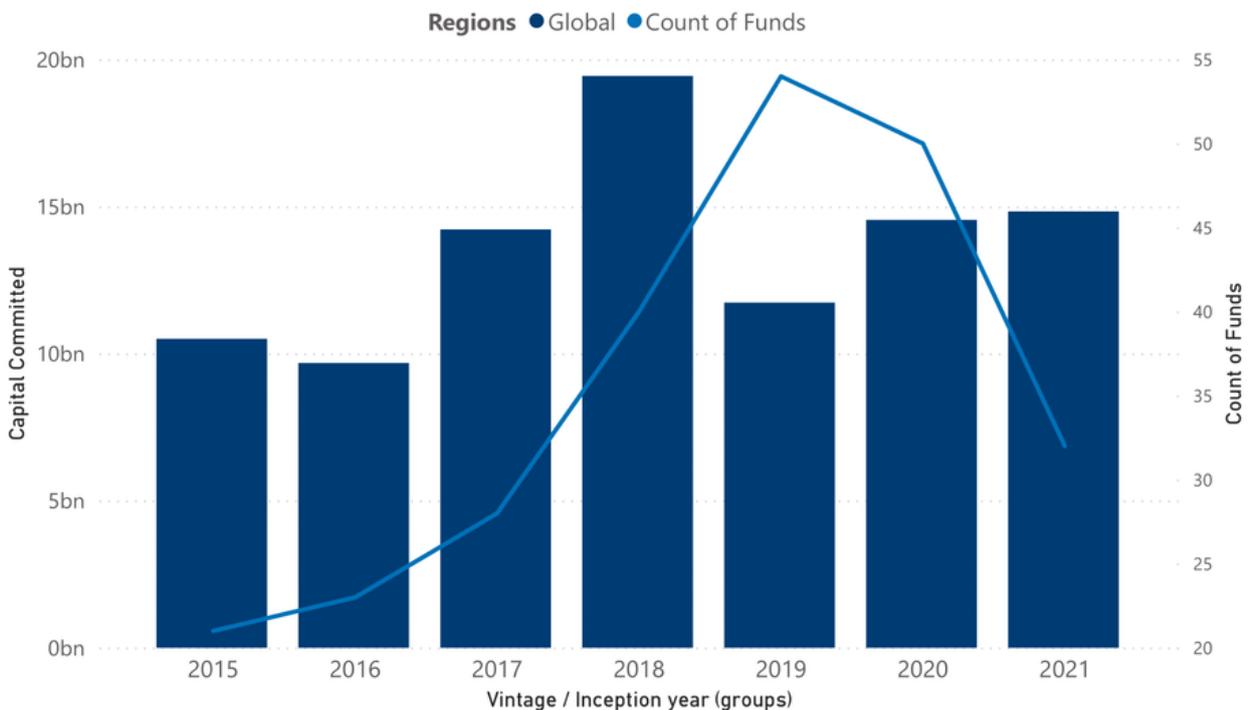
\*Capital committed data may overlap as one fund might target multiple regions

## Capital committed targeting Latin and Central America focused funds by vintage year\*



\*Capital committed data may overlap as one fund might target multiple regions

## Capital committed targeting Global focused funds by vintage year\*

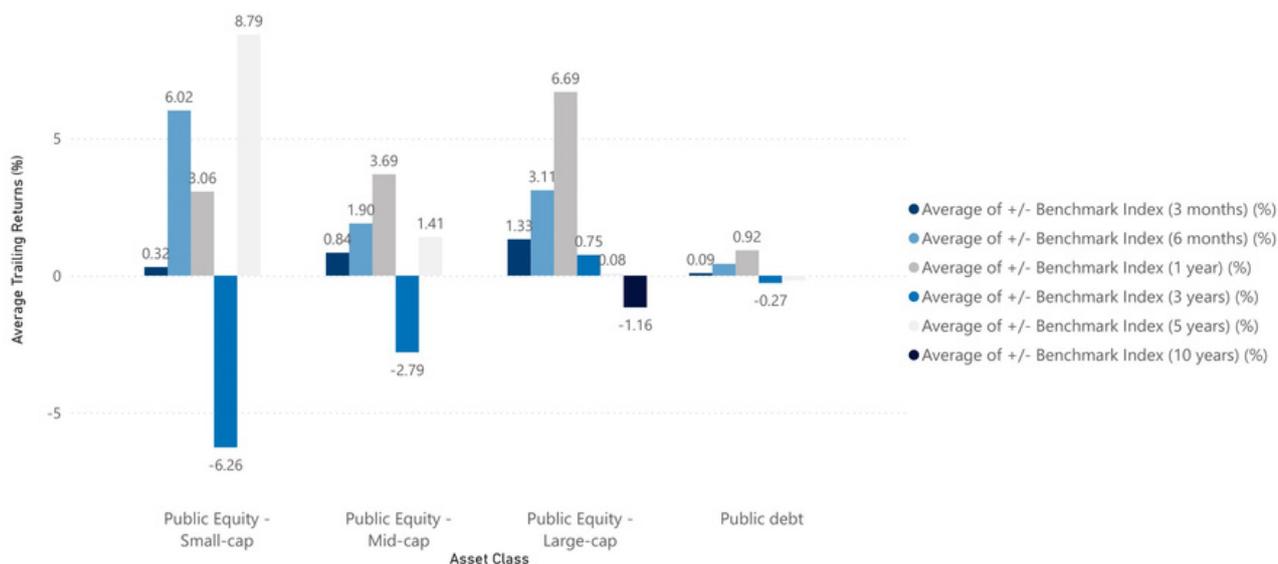


\*Capital committed data may overlap as one fund might target multiple regions

# 2021 PERFORMANCE REVIEW

## PUBLICLY-LISTED FUNDS

### Trailing Returns\* (TR) of Public Equity and Debt funds vs Benchmark Index as of FY 2021



\*Trailing returns generated over a given period. It can be the year to date (YTD), one year, three years, and so on. These are also called point to point returns.

\*\*Sample data was insufficient to produce the 10-year annualised TR Performance for Public Equity Small-cap and Mid-cap as well as for Public Debt, as most observed funds of this asset class segment are less than 10 years old.

\*Arithmetically-linked Return Series

For the second time, the "Impact Fund Universe Report: A Market Map for Institutional Investors" highlights performance data for publicly-listed equity and debt impact funds tracked by the Phenix Impact Database.

Sources used to gather performance information include input collected directly from the fund managers tracked along with credible and recognized public market research sources.

Trailing Returns (TR) are the returns generated over a past given period, where we take three months, six months, one year data periods.

2021 was overall a positive year for Public Equity funds, that were very exposed to climate, health and water-related companies across market capitalizations (Page 17) and managed to outperform benchmarks in aggregate during the year. Following the equity markets, Public Debt funds in the space also performed well, focusing on green bond and municipal bond issuers and beating their benchmarks consistently throughout the year.

ESG investing within ABN AMRO grew from €5bn in 2015 to €40bn in 2021 (impact investing from €100m to €2bn).

ABN AMRO has been awarded 'Best Dutch Provider Sustainable Investment Services' in 2020.



**VINCENT TRIESSCHIJN**  
Global Head ESG & Sustainable  
Investing at ABN AMRO Bank N.V.

**Vincent, you have over 15 years of professional experience and many working with sustainable investing. In your opinion, how can you fully integrate impact in one's investment strategy successfully?**

Over the last 15 years, impact investing has developed from a private market niche to more mainstream diversified portfolio strategies, especially by integrating impact management and measurement into broader portfolios.

In addition, because it's easier to share practices within the industry and to share and develop standards and frameworks together, we collaborate more with others on impact management and measurement. This has led to a continuing acceleration within the industry.

**ABN AMRO is at the forefront of the Banking for Impact working group. Can you share the scope of the ABN AMRO impact measurement initiative and unfolding with us? What is needed and missing for creating a common impact measurement approach for banks?**

We see more alignment of portfolios with the UN SDGs as a common 'language' within the industry. This is a great help to identify opportunities and build a portfolio that suits client preferences.

“ We see serious demand for **biodiversity and climate-related investment strategies**, naturally with the desire to report on the outcomes of such strategies. ”

The challenge, from our perspective, is how to combine different theories, methodologies and frameworks to support aggregated impact reporting, progress measurement and regulatory expectations (like SFDR, EU Taxonomy, Mifid).

Besides, we see serious demand for biodiversity and climate-related investment strategies, naturally with the desire to report on the outcomes of such strategies.

**Now, looking at the regulatory side of impact investing. How do you think institutional investors will comply with the new regulations?**

Dealing with assurance and validation of such reports, as expected by our stakeholders, will be the ultimate challenge when combining different standards and reporting standards.

In addition, combining regulatory requirements with innovation on impact (and outcomes) reporting will be a challenge for the industry, especially given these validated and assured reporting expectations.

**What is the bank's current investee engagement strategy?**

Over the last years, we've invested heavily in our engagement capabilities, collaborating more with other institutional investors while improving our reporting capabilities towards our stakeholders.

Combining intensive deep engagement, with steadily monitoring new and resolved cases, has led to a steep increase in the number of engagement cases over the last three years.

We aim to report and disclose more details and provide transparency, even in situations that are not clear cut.

We've decided to partner with Aegon Asset Management on specific engagement on UN SDG alignment for our listed equity impact strategy – a unique collaboration in the industry.

**Given the increase of regulation, especially in a European context, I expect that much of the ESG efforts in the industry will be focused on regulatory implementation and compliance.**

**I would be happy to see this result in a shift in strategic agendas towards more outcomes-oriented investment strategies (classified as SFDR article 9).**

## What do you expect to see as coming trends in 2022?

Given the increase of regulation, especially in a European context, I expect that much of the ESG efforts in the industry will be focused on regulatory implementation and compliance.

I would be happy to see this result in a shift in strategic agendas towards more outcomes-oriented investment strategies (classified as SFDR article 9).

On the other hand, this might also result in opportunism in the industry. We (as well as society at large) expect more transparency and insights on real-world outcomes and progress.

However, it remains challenging for individual investors to make such decisions without compromising on risk-return.

As a result, many investors will rely on their investment managers and advisors for impact investment decisions in the upcoming years.

“

**Many investors will rely on their investment managers and advisors for impact investment decisions in the upcoming years.**

”

Alecta is the third largest owner and one of the largest investors on the Stockholm Stock Exchange. In Europe, they are the fifth largest pension company, and among the world's pension companies they rank 27th.



REBECCA REHN  
ESG Analyst at **Alecta**  
**Investment Management**

**Alecta is the largest pension fund in Sweden and a pioneer in impact investing. Can you share how Alecta integrates sustainability at the core of its investment strategy?**

Alecta is a Swedish pension fund with 130 billion USD in assets under management. Responsible investment is an integral part of our assignment to create value for the occupational pension we manage for our 2.6 million Swedes and 35,000 companies.

Alecta has chosen to manage our customers' pension capital largely in-house and engages in active asset management with a bottom-up approach.

This means that an index does not restrict our investments and that each investment is the result of thorough analysis.

By controlling the investments ourselves, we can choose precisely those companies, or asset managers we believe can contribute to long-term value creation both by avoiding risks and enhancing opportunity.

Sustainability factors are part of every investment decision. Over the years, we have also increased the appetite for green or impact investments.

We have invested considerable capital in such assets, e.g. green bonds and investments with measurable social or environmental impact.

**Considering Alecta is part of the Net-zero Asset Owner Alliance and has also set interim targets. What sectors, asset classes, and geographies are you focusing on?**

In Alecta's own interim emissions reduction targets for 2025, we are initially focusing on three asset classes; listed equities, corporate bonds and directly owned real estate.

For the listed equities and the corporate bonds, we aim to reduce 25 % CO<sub>2</sub> (Scope 1+2) per million SEK in revenue.

For the directly owned real estate, we instead are anticipating a decrease of 50 % CO2 (scope 1+2). Leading up to 2025, we will continue expanding to other asset classes.

The work also involves dialogues with those companies in our portfolio that have not yet set climate targets.

**Now, look at the impact measurement and reporting side of impact investing. What inconsistencies and challenges do you think institutional investors are still facing?**

We still see a tremendous challenge with impact measurements as there is a general lack of standardization among the impact reports we receive and methodologies. This makes it fundamentally difficult for us to aggregate the metrics in an adequate way.

However, there are new and promising initiatives to close this gap – worth mentioning is, for example, the Nasdaq Sustainable Bond Network that has created a platform where issuers can upload their impact data.

**How do you perceive impact hurdles: when management teams or fund managers link their incentives to environmental or social returns?**

There is growing momentum on impact-linked compensation as more and more fund managers align staff incentives with impact achievement.

However, one of the greatest challenges still lies within impact measurement and how to determine the right metrics – as there is also a growing risk of funds setting impact metrics that are contradictive or easily achievable.

**By controlling the investments ourselves, we can choose precisely those companies, or asset managers we believe can contribute to long-term value creation both by avoiding risks and enhancing opportunity.**

## What is Alecta's current SDG target? Is there a specific SDG or impact theme that the pension fund is looking for?

For us, the Sustainable Development Goals represent both a roadmap and a framework, and we explore ways to measure how we and our investments contribute to the goals.

However, we have not taken the decision to focus on specific SDG impact themes; instead, we have so far remained open for investments within all the different 17 SDGs.

In 2021 we initiated an internal working group at Alecta consisting of representatives from the different asset classes to define what impact investments means for Alecta.

The group has also been tasked to give recommendations on how Alecta should work with impact going forward.

## What do you expect to see as coming trends in 2022?

As institutional investors, we struggle to find investable opportunities in emerging markets due to numerous transactional risks emanating from market volatility, political instability, and illiquid markets.

At the same time, we are aware that this is where the financing transition is needed the most. Therefore, I anticipate an increased focus on blended finance vehicles, which is an important prerequisite for institutional investors to de-risk our investments.

An excellent example of this is the blended finance social bond we invested in during 2021, with the proceeds set to flow to various health, financial inclusion and renewable energy projects in emerging markets around the world.

“ I anticipate an increased focus on blended finance vehicles, which is an important prerequisite for institutional investors to de-risk our investments. ”

The bond was set up in partnership by responsAbility, Danske Bank, and SIDA (Sweden's government agency for development cooperation) that reduces risks for investors by providing a partial guarantee for the portfolio.

With the EU Taxonomy also coming into force, I also expect that this, in turn, will lead to a greater focus on impact reporting measurement and understanding from the investment community on how to classify sustainable investments.

# PHENIX IMPACT FUND ASSESSMENT

Phenix Impact Fund Assessment is a proprietary framework developed in close consultation with institutional asset owners and industry leaders, for the purpose of **assessing the robustness of a fund's impact proposition.**

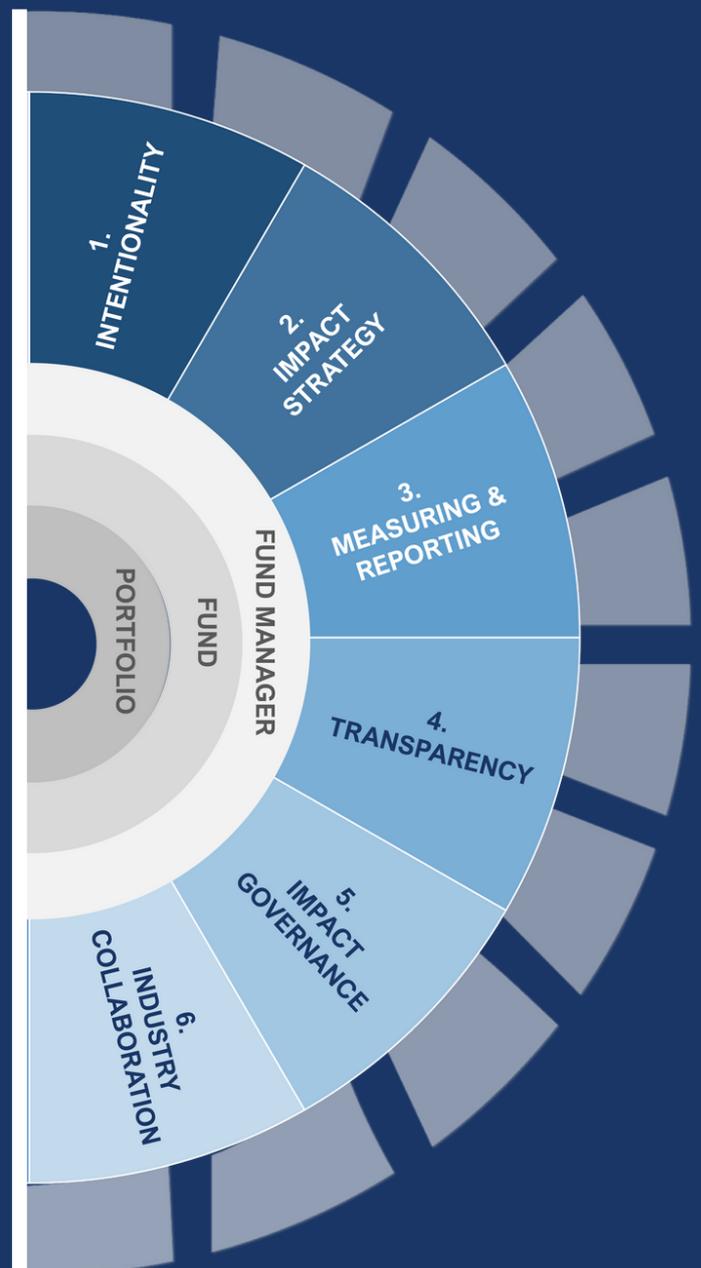
On 6 themes and 33 criteria, it examines to what extent the policies, procedures and human resources are in place to deliver the impact that a fund aims to create.

## ASSESSING THE ROBUSTNESS OF IMPACT FUND PROPOSITIONS

**Uncover strengths and weaknesses**

**Adopt industry best practices**

**Prepare for institutional impact due diligence**



[VISIT SITE >>>](#)

# GLOSSARY & SYMBOLS

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**Committed capital:** Amount committed in a fund vehicle by its limited partners / investors.

**Developed markets:** Europe (excl. Eastern Europe), North America, Asia, (Singapore, Japan and South Korea only), Oceania (New Zealand, Australia) Middle East and Africa (Israel only).

**Emerging markets:** Latin America, Asia (excl. Singapore, Japan, South Korea), Middle East and Africa (excl. Israel) Europe (Eastern Europe only).

**Global:** Funds that have an investment geographic scope encompassing both developed and emerging markets.

**Impact Investing:** Investments with the dual mandate of financial return and positive societal or environmental impacts, with the notion of measuring the positive and negative impact of investments, ensuring both intentionality and additionality among these.

**Infrastructure:** Greenfield and Brownfield facilities or asset investments: social (airports, roads, hospitals, schools), energy (hydro, wind, solar, ...).

**Institutional asset owners:** Outsourced CIOs, pension funds, insurance companies, family offices, sovereign wealth funds.

**Market targeted:** Markets fund managers targets for its investment thesis: Global, Developed markets, Emerging markets.

**Private debt:** Funds investing debt instruments to companies: direct lending, mezzanine, microcredit.

**Private equity:** Funds investing equity stakes in private companies/funds: venture capital, growth, buyout strategies.

**Public debt:** Publicly traded fixed income securities: investment grade or high yield, being from corporate, municipal or sovereign bonds issuers.

**Public equity:** Equity stakes in publicly traded companies: from small-cap to mid-cap and large-cap.

**Real assets:** Farmland, Cropland, Timberland and Forestry assets (excl. Real estate and Infrastructure).

**Real estate:** Commercial and Residential properties, Real Estate Investment Trusts.

**Regions targeted:** Regions fund manager targets for its investments: Asia, Europe, Global, Latin and Central America, Middle East and Africa, North America, Oceania.

**Target fund size:** Amount the fund manager is targeting when raising capital.

**Vintage year:** Year where the fund manager first calls capital from investors.

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# LEARN MORE ABOUT IMPACT INVESTING

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