



Navigating the unfamiliar: evaluation and sustainable finance

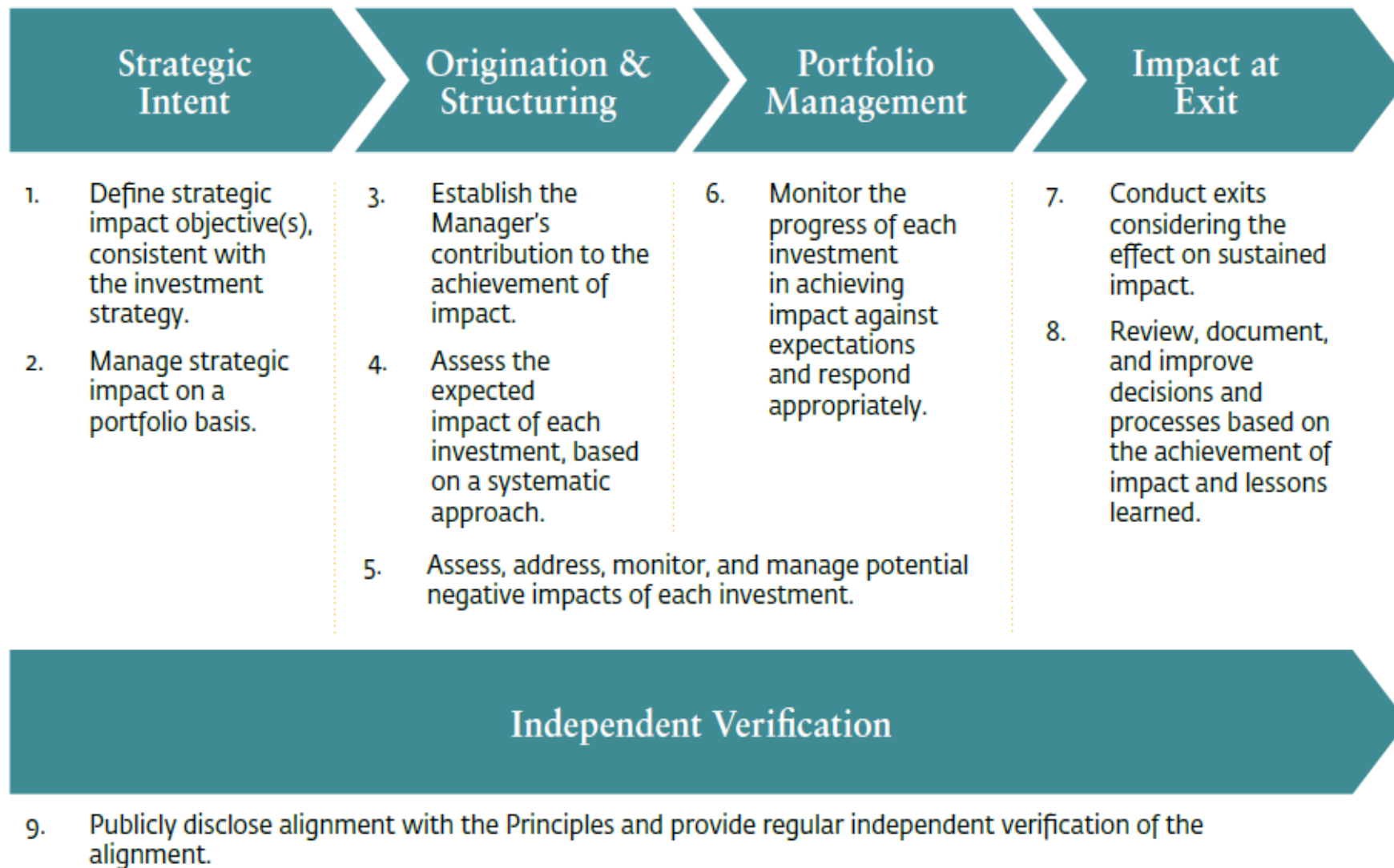
Donna Loveridge and Ed Hedley

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








“Impact investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return.”

Global Impact Investing Network



Operating principles for impact management

The IMP reached global consensus that impact can be deconstructed into five dimensions: What, Who, How Much, Contribution and Risk

IMPACT DIMENSION	IMPACT QUESTIONS EACH DIMENSION SEEKS TO ANSWER
 WHAT	<ul style="list-style-type: none">• What outcome(s) do business activities drive?• How important are these outcomes to the people (or planet) experiencing them?
 WHO	<ul style="list-style-type: none">• Who experiences the outcome?• How underserved are the affected stakeholders in relation to the outcome?
 HOW MUCH	<ul style="list-style-type: none">• How much of the outcome occurs - across scale, depth and duration?
 CONTRIBUTION	<ul style="list-style-type: none">• What is the enterprise's contribution to the outcome, accounting for what would have happened anyways?
 RISK	<ul style="list-style-type: none">• What is the risk to people and planet that impact does not occur as expected?

Opportunities for evaluators



Building capacity for
impact measurement
and management



Strategy development
and testing



Evaluating systems and
systems change



Thank you for your time

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Want to learn more?

What is impact investing and IMM:

- <https://thegiin.org>
- <https://www.gsgimpact.org>
- <https://www.impactinvest.org.uk>
- <https://bettersocietycapital.com>

From evaluators:

<https://www.youtube.com/@aeasimti>
[gwebinars2600](https://www.youtube.com/@aeasimti)

