THE EVOLUTION OF IMPACT INVESTING

Dr. Walter L Schindler
Transformation LLC
1978
US Congress adopts PURPA; requires US utilities to interconnect with renewable power projects

1981
UltraSystems goes public as the US pioneer of renewable power projects

1981-1988
UltraSystems develops 35 renewable power projects and cogeneration projects

1987
Prime Minister of Norway defines “sustainability”-- At the same time: Montreal Protocol to protect ozone layer

1999-2003
SAIL Capital Partners LLC and other firms are founded to invest in disruptive clean technology ventures

2008-2011
SAIL II – Top Quartile Performance based on Ernst & Young audit; Rockefeller Foundation focuses on Impact Investing

2015-2019
The rise of “ESG” investing in mutual funds and public shares --- 2016 UBS Report on Impact Investing

2019 & Beyond
The essence of Impact Investing: private investments to achieve targeted results in sustainability and profit
Sustainable and Responsible Investing in the United States
1995–2018

ESG Incorporation  Overlapping Strategies  Shareholder Advocacy

Total Assets (in Billions)

SOURCE: US SIF Foundation.
ESG SCREENING VS. IMPACT INVESTING

ESG
Screening for Environmental, Social, and Governance policies as defined by the investor.

IMPACT INVESTING
Specific Private Investments that have direct targeted positive impact with measurable results.
Defining “Impact Investing”

Private targeted investment in energy, water, agriculture, healthcare and other markets with the directed impact of improving the system efficiency in one or more of those markets.

In addition, Impact Investing includes investment into the sustainability nexus where one or more of these areas converge.
HOW AI IS TRANSFORMING SUSTAINABILITY

- **AGRICULTURE**
  - Regenerative farming
  - Easy access to crop analytics
  - Smart irrigation systems
  - Soil & light sensors
  - Global efficiency

- **WATER**
  - Better infrastructure
  - Digital water systems
  - Water conservation
  - Contamination prevention
  - Treatment of contaminated water

- **ENERGY**
  - Power outage prediction and prevention
  - Microgrid efficiencies
  - Efficient energy exploration
  - Monitoring electrical supply/demand
2019 & Beyond: Converging Technology with Energy, Water, Agriculture For Maximum Impact

- Digital Currencies, Blockchains & Other Distributed Ledgers
- Artificial Intelligence, Deep Learning, Machine Learning
- Regenerative Agriculture
- Integration for Sustainability Nexus
Thought Leaders on the Path from ESG to Impact
IMPACT INVESTMENT PIONEERS

- Allianz
- Triodos Investment Management
- Skandinaviska Enskilda Banken AB
- PGGM
- APG Asset Management
- Rasmussen Family of Denmark
- Skoll Foundation
- Omidyar Network
- The Church of England
- SAIL Capital Partners LLC
- Rabobank

- Rockefeller Foundation
- University of California Regents
- Harvard University Endowment
- LGT Capital Partners
- Bank Julius Baer
- Trillium Asset Management
- Transformation LLC
- UBS
- Vital Capital