

IMPACT FUND UNIVERSE REPORT



January 2024



**AN IMPACT INVESTING MARKET MAP
FOR INSTITUTIONAL INVESTORS**



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Impact investor

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

Please visit www.phenixcapitalgroup.com/impact-database and register your interest.

Impact fund manager

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

Please email sales@phenixcapitalgroup.com.
Listing is free of charge.

NAVIGATING THE IMPACT FUND UNIVERSE

Welcome to the 2024 Impact Fund Universe Report. This fifth edition, which continues to draw from our proprietary industry data to provide an overview of the evolution of the impact fund universe over the past years, presents the case for the legitimacy of impact investing for institutional asset owners, and highlights the data capabilities of our Phenix Impact Database (PID).

As we enter 2024, the world continues to face a landscape of increasing risks ranging from extreme weather-related environmental hazards to societal chaos stemming from political polarisation and increasing geopolitical instability, to name just a few of the many catalysts.

Last year marked the midpoint for achieving the Sustainable Development Goals (SDGs) by 2030, and, as the UN's [2023 Special Report](#) in July showed, the world is lagging in reaching its targets on each of the 17 goals, due to a myriad of factors including COVID-19, conflicts, climate change and the rising costs of living.

At the time of the UN report going to press, the goal relating to Peace, Justice and Strong Institutions (SDG 16), arguably essential for the framework to succeed, was already the most off track SDG, *and* the Israel-Hamas war had not started yet. Our findings show that SDG16 continues to be represented in the least number of funds and requires urgent focus through both political and financial commitments.

Extreme weather risk continues to dominate the World Economic Forum's annual [Global Risks Report](#), as 2023 saw the global average [temperature reach 14.98°C](#), which was 0.17°C higher than the previous highest annual value in 2016. This confirmed 2023 as the warmest calendar year in global temperature data records going back to 1850.

According to the Intergovernmental Panel on Climate Change's 2023 [Synthesis Report](#), there is a more than a 50% chance that the global temperature rise will reach or surpass 1.5 ° C between 2021 and 2040 across studied scenarios unless greenhouse gases are brought down by 43% by 2030 (from 2019 levels) and by at least 60% by 2035.

Almost all the SDGs are impacted by the effects of the changing climate, but reducing inequalities (SDG10) becomes harder when households with incomes in the top 10%, including a large share in developed countries, emit upwards of 45% of the world's GHGs, while those families earning in the bottom 50% account for roughly 15%.

Given these statistics, who pays for the damage caused by climate change has been the subject of discussion for a while. COP28 in the UAE saw the launch of the long-awaited Loss and Damage Fund, which raised \$725 million, as part of the [\\$57 billion pledged](#) during the conference, including \$3.5 billion to the Green Climate Fund, \$2.5 billion to renewable energy, and \$2.6 billion to nature.



NAVIGATING THE IMPACT FUND UNIVERSE

Between 3.3 billion and 3.6 billion people live in countries that are highly vulnerable to climate impacts, often in regions existing inequalities and or conflicts. Developing countries alone will need \$127 billion per year by 2030 and \$295 billion per year by 2050 to adapt to climate change, according to the IPCC report.

But assets for adaptation reached just \$23 billion to \$46 billion from 2017 to 2018, accounting for only 4% to 8% of tracked climate finance. The Phenix Impact Database report for 2024 shows the number of funds investing in Climate Action (SDG13) grew by 70% from 2022 to 2023, from 257 to 437, going up the rankings from 11th position to 9th.

Affordable and Clean Energy (SDG7) continues to top the rankings with 948 funds in 2023, compared to 800 funds in 2022, a growth of 18.5%. Part of the continued popularity of clean energy investing can be attributed to Europe's Green Deal and the [Inflation Reduction Act](#) that was passed in the US in 2022.

Heralded as the largest climate investment in US history, the Inflation Reduction Act included \$369 billion for action to reduce greenhouse gas emissions, support clean energy and encourage electrification. In real terms, this has translated into more than \$110 billion in new private sector clean energy manufacturing investments, which in turn has created more than 170,000 jobs, according to the White House.

In terms of SDG investments, Decent Work and Economic Growth (SDG8) and Industry, Innovation and Infrastructure (SDG9), benefit from climate-related government initiatives, which is reflected by the growth in number of funds in the Phenix database.

Between 2022 and 2023, the number of SDG8 related impact funds grew by 40.2% moving up the rankings from 12th position to 10th position. Meanwhile, SDG9 went from third position to second between 2022 and 2023, with a growth of 21.8% in number of funds.

Despite gloomy headlines, natural capital investing is likely to gain traction with strides forward in legislation. From the decision by the Conference of the Parties to the Convention on Biological Diversity to adopt the [Kunming-Montreal Global Biodiversity Framework](#) at the end of 2022 to signing of the [High Seas Treaty](#), also known as the agreement on Biodiversity Beyond National Jurisdiction (BBNJ), designed to protect the world's oceans that lie outside national boundaries.

In June 2023, a regulation on [deforestation-free production](#) came into force in Europe, where importers of commodities such as soy, beef, palm oil, wood, cocoa, coffee and rubber "must be able to prove that the products do not come from recently deforested land or have contributed to forest degradation". It also includes products such as chocolate and furniture that are made from those commodities.



NAVIGATING THE IMPACT FUND UNIVERSE

Europe also saw the Corporate Sustainability Reporting Directive (CSRD) enter into force in January 2023, strengthening the rules concerning the social and environmental information that companies have to report.

At the start of 2024, the EU issued a [new anti-greenwashing directive](#) that outlawed the use of terms such as 'environmentally friendly', 'biodegradable', 'climate neutral' or 'eco' without evidence, while introducing a total ban on using carbon offsetting schemes to substantiate the claims by 2026.

Within this context of growing risks in the short and long term, particularly when political agendas threaten to stymie on the ground efforts, once again the data shows that impact investing continues to be resilient.

Between 2022 and 2023, the impact investing universe has grown both in terms of new funds launched, a growth rate of 16.7%, and, in terms of total committed capital, which now stands at €589 billion, having grown by 9.3%.

We continue to observe a steady flow of solutions in the market across asset classes, instruments and geographies that are both 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 more than nine 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 supporting the growth of the industry, educating asset owners, and catalysing institutional capital to impact investing since 2012.

Developed for institutional investors by institutional investors, the Phenix Impact Database is designed to assist institutional asset owners with building and implementing an impact portfolio.

We hope you enjoy the 2024 Impact Fund Universe Report, and each month look forward to providing unique, timely, and reliable data insights across relevant themes as the industry develops.

The Phenix Capital Group Team



YOUR GATEWAY TO THE IMPACT INVESTMENT ECOSYSTEM

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.

IMPACT INTELLIGENCE

- Events & Publications
- Global Impact Databases
- Investor IQ

IMPACT SOLUTIONS

- Impact Measurement & Management
- Fund Selection & Impact Due Diligence
- Sub-advisory Mandates



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



ABOUT PHENIX CAPITAL'S IMPACT DATABASE

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

The 2024 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 2,600+ funds monitored by the Phenix 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 both the market and strategy levels, 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, below).

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

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

The Phenix 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 are referred to as financial-first impact investments (see Spectrum of Capital, below).

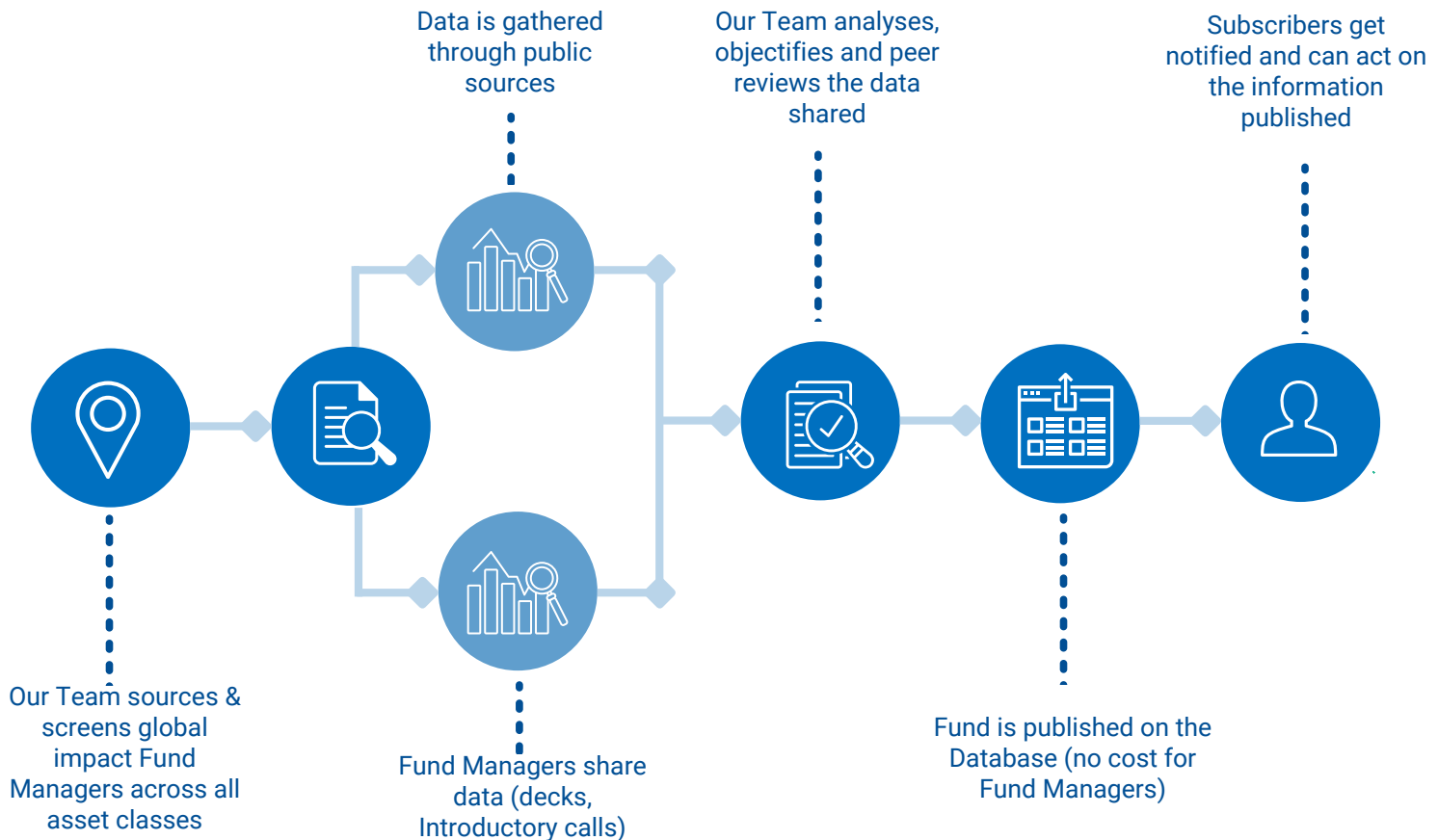


SPECTRUM OF CAPITAL

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

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

SOURCING PROCESS



KEY TAKEAWAYS



Since 2015, Phenix Impact Database has been tracking the allocation of capital to impact investing. To date, €589 billion has been allocated to more than 2,600 impact investing funds.

With a backdrop of continuing economic, social and geopolitical challenges, exacerbated by wars, impact investing continued to regain ground in 2023 with the total number of funds in the Phenix Impact Database increasing by 16.7% since 2022, compared to a year-on-year growth of 11.4% for 2021 to 2022.

Over the last three years, more than 1,000 new funds entered the database; 636 of which were new. In 2023, there were 153 new launches mapped and total committed capital grew by €50 billion, a growth rate of 9.3%, compared to 13% for the previous year.

Financing for the energy transition/clean energy (SDG 7) continues to be popular, assisted by regulations both in Europe and the US. Climate Action (SDG13) saw a significant number of new funds being launched including some from some of the blue chip private equity players.

This year, the At A Glance table summarises some of the key 2023 changes compared to 2022, 2021 and 2020 (where possible), but here are some highlights:

- **78% increase in total committed capital over three years** with 9.3% growth in the amount of capital, which now stands at €589 billion, committed by institutional investors in 2023
- **15.3% increase in the number of managers**, now totalling 1,090, reporting to the database
- 1186 funds currently raising capital, equivalent to 46% of the database, with an average target size of €391 million per fund
- Almost 68% of managers reporting are actively raising money
- 104% growth in average target fund size over the last three years
- **70% growth in the number of Climate Action (SDG13)-focused funds** reporting, with 41% of the 180 funds added in 2023 new launches
- 69% of the Zero Hunger (SDG2) funds added to the database in 2023 are new launches
- 153 new funds launched in 2023 with 75% of them investing in private markets
- 1262 private equity funds, equivalent to 48% of the database, make this asset class the most prominent in the database
- 58% of the new launches in 2023 were developed market in focus with 27% focusing on the emerging markets

KEY TAKEAWAYS

Impact Fund Universe at a glance: 2020 - 2023

Impact funds at a glance	2020	2021	2022	2023
Number of Impact Funds	1601	2001	2232	2604
Asset Managers	622	852	945	1090
Funds currently raising	621	611	883	1186
Asset Managers currently raising	418	451	563	739
Total Capital Committed to Date (EUR BN)	331	477	539	589
Total Target Size to date (EUR BN)	125	148	180	294
Average Capital Committed (EUR M)	-	97	278	275
Average Target Size (EUR M)	-	192	350	391

A WORD FROM OUR CEO



DIRK MEULEMAN

CEO

Phenix Capital Group

As we reached the midpoint of achieving the UN's Sustainable Development Goals by 2030, the continuing war between Russia and Ukraine; extreme weather conditions becoming the norm; and political agendas often at odds with many of the SDGs, progress towards many of the goals has been stymied at best or gone into reverse at worst.

In this interview, Phenix Capital Group's CEO talks about how impact investing is developing worldwide in the current scenario.

What, in your opinion, is the biggest impediment for reaching the goals by 2030?

We need a lot more return seeking capital to find effective and efficient ways to invest in emerging markets. We will not be able to reach the SDG's if we are not able to invest in the emerging markets and achieve appropriate risk-adjusted returns.

What theme is likely to have the most focus in terms of regulation and financial flows in 2024?

Climate change is expected to be the main theme for the coming years. Other important themes such as biodiversity, food security and, to a lesser extent, health do not have the same investability through multiple asset classes, regions and strategies that climate has.

What is one of the key things investors look for in the Phenix Impact Database?

For our funds database, it is to see what funds are out there. As we cover a broad universe of products, asset owners are often surprised to learn that there are more strategies and funds in a asset class focussed on a theme than they had initially expected.

What are the important trends you see developing in the impact investing world?

I see a move to focus on actual impact made on the ground. Lives changed, real world impact as opposed to relabelling and long discussions on classification systems.



Public equity saw the biggest flows in 2023, what is the biggest role public equity can play in impact investing?

Provide scale and access to financing for companies with a proven business and impact solutions. A big societal shift such as we are seeing driving impact investing is bound to create new winners. Moreover, it provides the next step for private equity impact capital.

How can Phenix Capital help to make sure capital is channelled to where it is needed, as opposed to just where is “trendy”?

As an adviser we can work in partnership with asset owners and their service providers to create tailored portfolio’s of impact funds, where we seek to maximise the impact given the risk and return requirements of the portfolio.

What is the Phenix Impact Investing Academy, and what else was new in 2023 at Phenix Capital?

The Impact Investing Academy is a great way to deepen your knowledge on impact, and a way for organisations to ensure their team understand the space. It’s our way of giving back to the impact community, training more investors to successfully invest in impact. Last year we focused on the foundations, in 2024 we will train on implementation of impact measurement, tools & frameworks.

We strengthened our service offering for asset owners, providing a full range of service from mapping the market, impact due diligence, co-creating portfolio’s to tailored and discretionary mandates.

For fund managers we expanded the coverage of our investor database, making their process for finding the right qualified investors for their product a lot more efficient, and we developed some great AI tools helping qualify leads to target.

We announced the 2023 enhancements to the Impact Fund Assessment Framework (IFA), as a result of the extensive collaboration with experienced institutional asset owners and industry leaders, and the continuous monitoring of practices in the universe of impact funds.

The IFA now includes 12 additional criteria , totaling 45 score components. Complementing these advancements, we are proud to introduce the impact benchmark report, setting a new standard for industry evaluation.

“IT’S OUR WAY OF GIVING BACK TO THE IMPACT COMMUNITY, TRAINING MORE INVESTORS TO SUCCESSFULLY INVEST IN IMPACT”

2604

Impact Funds

1090

Asset Managers

1186

Funds currently
raising capital

739

Asset Managers
currently raising capital

€589bn

Total capital committed to
date

€294bn

Total target size of funds
raising capital

€275m

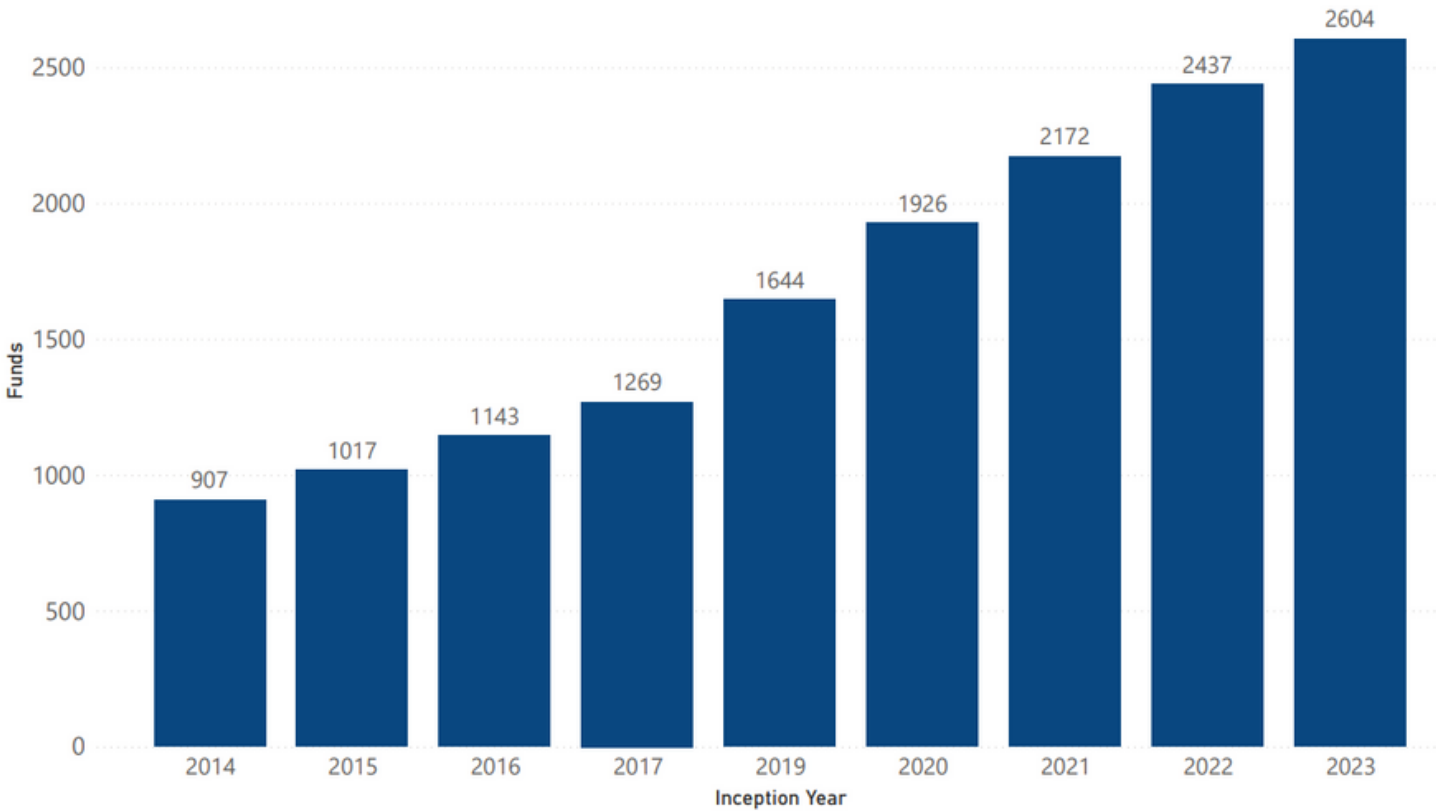
Average capital committed
per fund to date

€391m

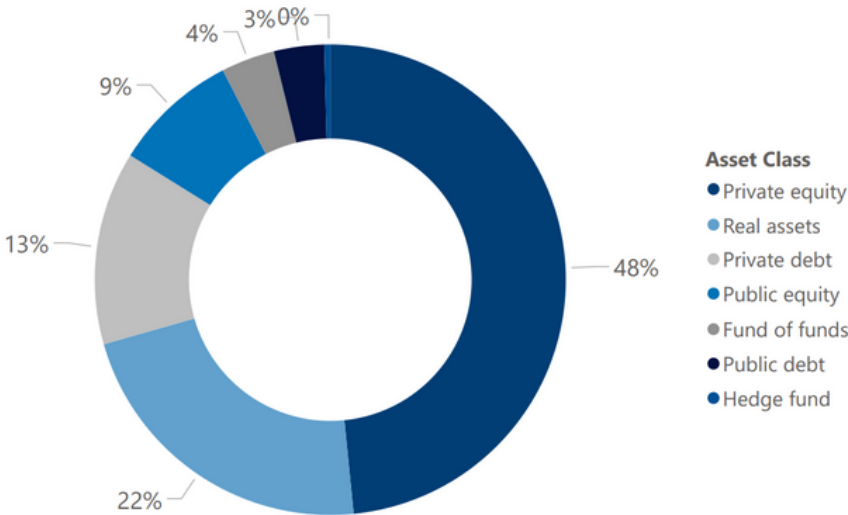
Average target size of
funds raising capital

OVERVIEW OF IMPACT FUNDS

Cumulative number of impact funds added to the Impact Database, including new launches by year



Distribution of impact fund strategies by asset class*



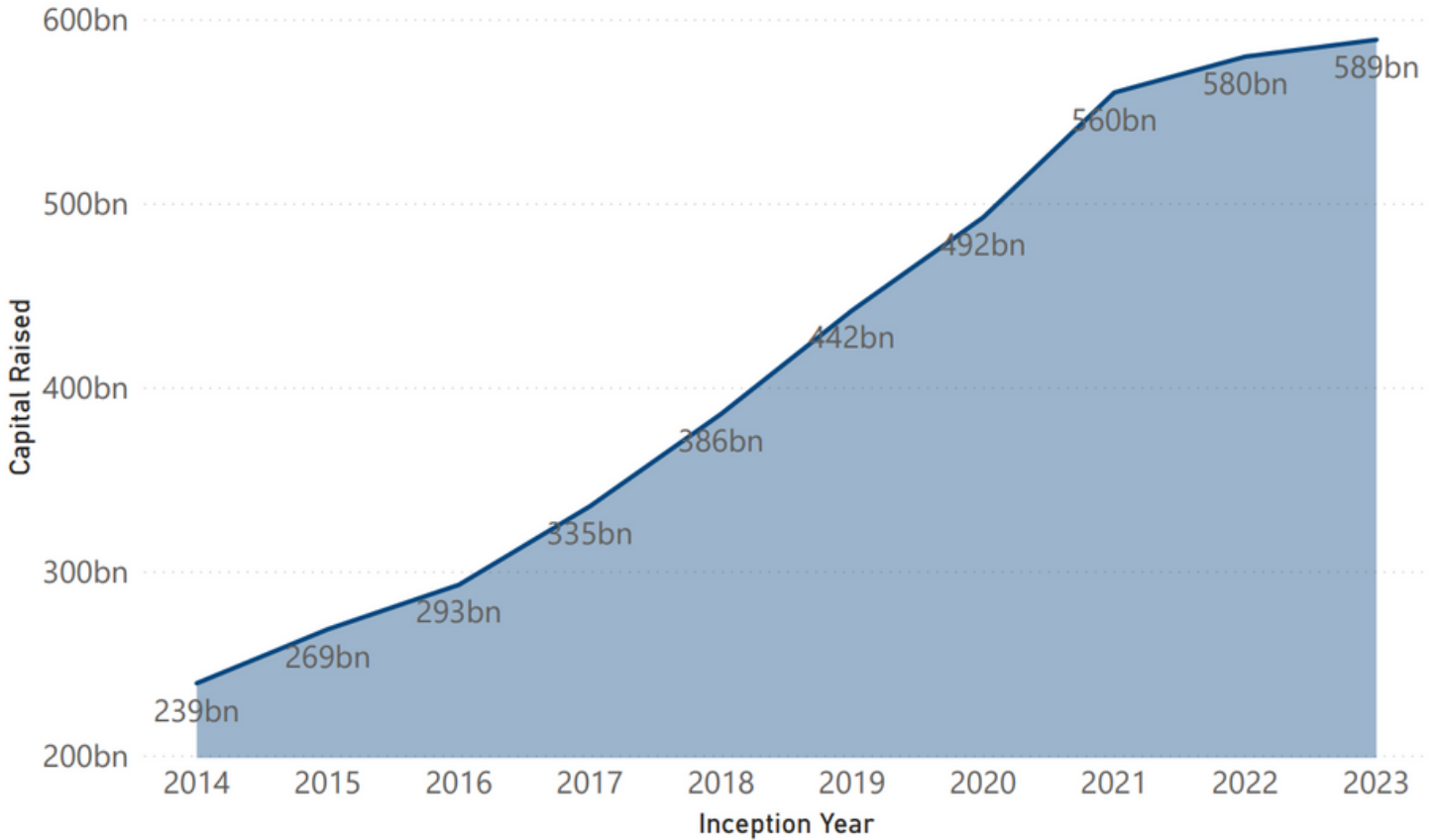
Funds are assigned to the asset class that best explains the strategy

Given the longer-term nature of private market strategies, it is not surprising that at 48%, the same percentage as last year, private equity funds continue to be the most prominent asset class in the Phenix Impact Database.

Funds investing in real assets make up 22% of the database, while private debt funds make up 13% of the total number of impact funds. Compared to the 2023 report, public equity impact funds now make up 9% of assets compared to 8%.

OVERVIEW OF IMPACT FUNDS

Cumulative capital raised per year - impact investments to date



The cumulative capital raised until 2023 is €589 billion, with public equity, which boasts 231 funds in the database, raising €178 billion, making it the biggest strategy in terms of assets raised in 2023. Tracking and encouraging, through data and market intelligence, is at the heart of the Phenix Impact Database.

Last year marked the midpoint for achieving the Sustainable Development Goals (SDGs) by 2030, and, as the UN's [2023 Special Report](#) in July showed, only 12% of the SDGs are on track, with progress on 50% considered weak and insufficient and 30% of the SDGs have stalled or gone into reverse. Before the pandemic, the annual [SDG funding gap](#) was \$2.5 trillion, but now, according to the Organisation for Economic Co-operation and Development, that figure is now at least \$4.2 trillion.

Since 2014, the Phenix Impact Fund universe has seen assets grow by 146%, and the number of individual funds grow by 187%. The most popular strategy in terms of number of impact funds, currently 1262, is private equity, which has raised €164 billion cumulatively.

The combined target sizes of three of the largest new launches in 2023 came to €19 billion, from KKR's first [global climate fund](#), BlackRock's [Global Renewable Power Fund](#) and Apollo's third [infrastructure opportunities fund](#).

According to the Phenix database, infrastructure saw €108 billion in assets in 2023 and has 271 funds. Private debt, which makes up 13% of the funds in the database, has raised €53 billion, while public debt, of which there are 85 funds, has raised €36 billion.

*Capital Raised by funds assigned for inception year.

IMPACT THEMES MAPPED AGAINST THE SDGS



Phenix Capital has taken the Sustainable Development Goals (SDGs) and mapped them again Impact Themes that are based on **the most globally endorsed terms used by practitioners in the financial sector** and used by generally accepted frameworks. The aim is enable both fund managers and fund allocators to **understand better how the SDGs and its sub-goals translate into outcome-based investment areas** by using the name that they are commonly known and referred to in the financial industry.

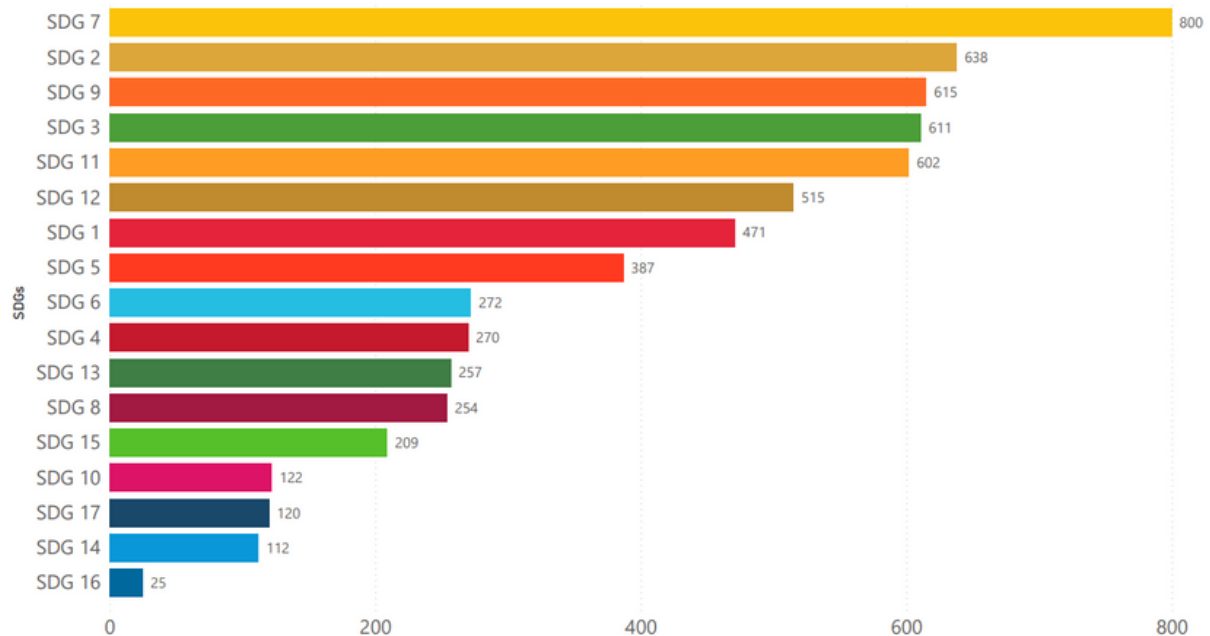
Mapped against the SDGs' sub-goals, our Impact Themes offer a comprehensive way for investors and fund managers in the financial industry to identify what social or environmental outcome is generated by an impact investment and its contribution to the Sustainable Development Goals.

THE REVAMPED IMPACT THEMES ARE ALREADY AVAILABLE IN OUR IMPACT DATABASE FOR FUND FILTERING, VIA THE FUND SEARCH FUNCTION.

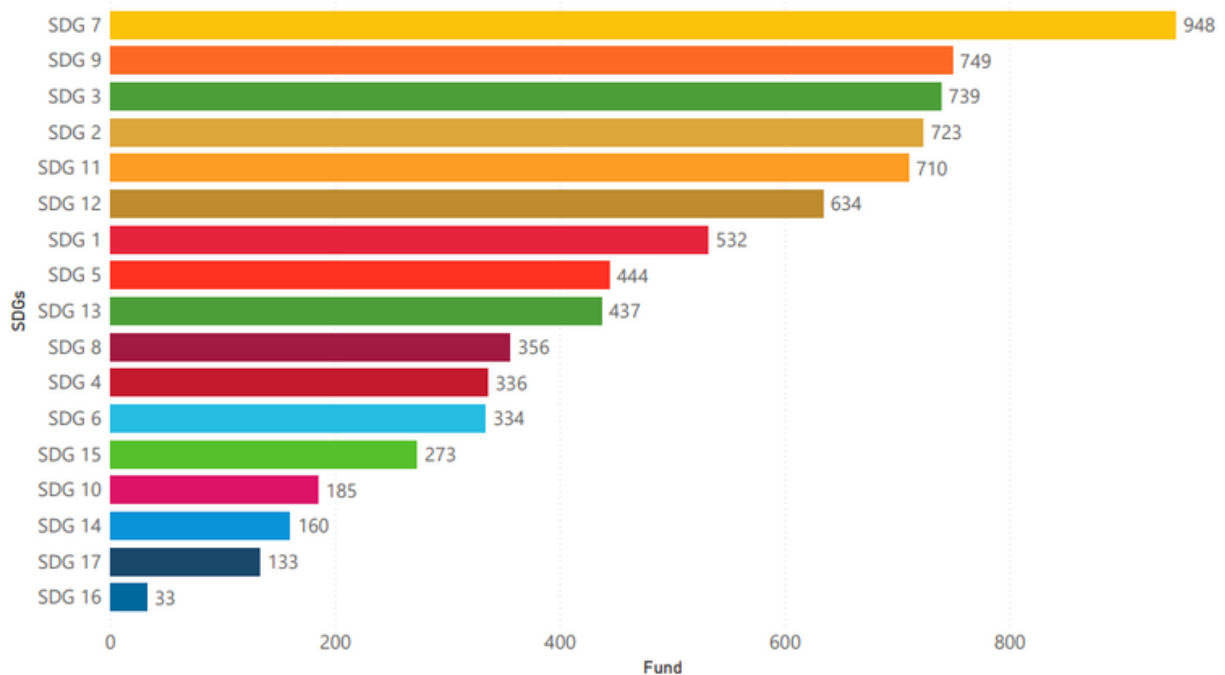
SUSTAINABLE DEVELOPMENT GOALS NUMBER OF FUNDS COMPARISON 2022 VS 2023



Number of funds by SDG targeted - as of Dec 2022



Number of funds by SDG targeted - as of Dec 2023



Number of funds data may overlap as one fund can target several SDGs.

The Phenix Capital team did a re-allocation of the impact themes in 2022. Therefore several funds were reallocated from targeting impact themes from SDG 13 to SDG 7.

SUSTAINABLE DEVELOPMENT GOALS CAPITAL RAISED COMPARISON 2022 VS 2023



While the funding gap for some of the SDGs might be going into reverse, from the Phenix Database perspective, all of the SDGs saw new funds launched, with Climate Action (SDG13) seeing the greatest growth rate of 70% in terms of the number of funds, adding 180 funds, of which 74 were new launches.

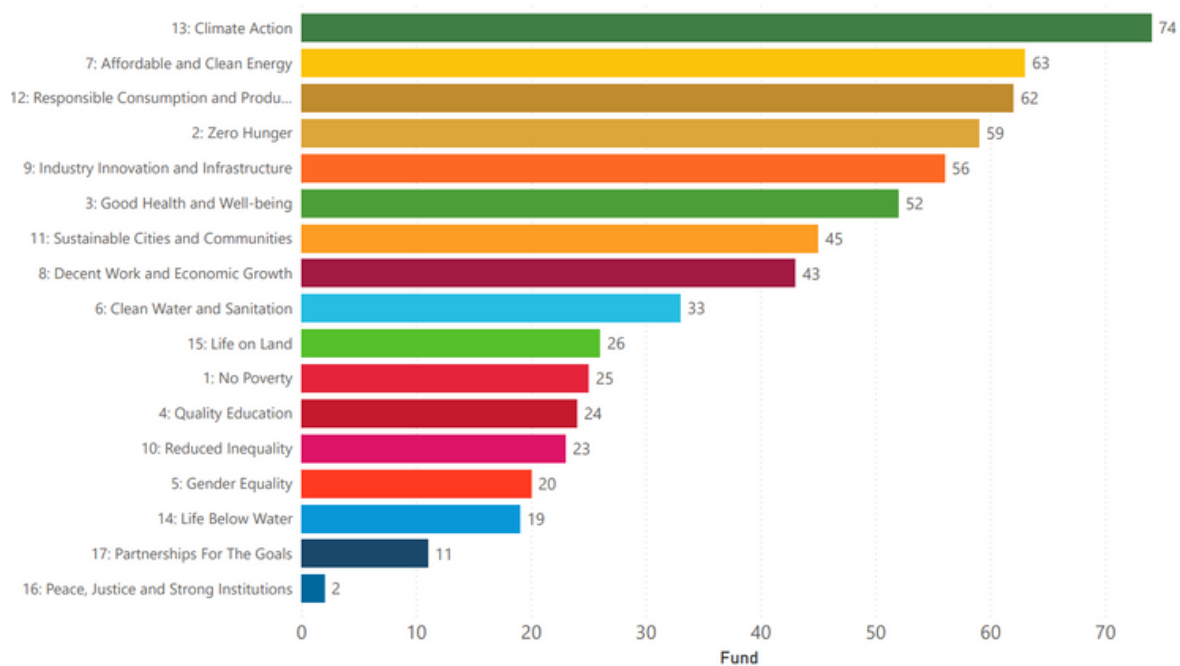
Affordable and Clean Energy (SDG7) continues to top the impact fund charts in terms of number of funds (148 funds, of which 63 were launched in 2023) equivalent to a growth rate of 18.5%.

Right now, the number of people living in extreme poverty is higher than it was four years ago with only 30% of all countries achieving No Poverty (SDG1) by 2030. According to the Phenix database, SDG 1, which continues to retain its 7th place in the 2023 rankings, saw 115 new funds, equivalent to a growth rate of 27.6% compared to 2022. Of the 115 new funds, 25 were new launches in 2023, as opposed to newly added to the database.

Compared to 2022, when Zero Hunger (SDG2) was the second most popular theme for impact funds, Industry, Innovation and Infrastructure (SDG9) took the second slot in 2023, jumping up from third place with the addition of 134 funds, equivalent to a growth of 21.8%. Of the new funds in the database, 56 were new launches in 2023. The number of funds focused on Zero Hunger, now in 4th place, grew by 13.3%, and of the 85 new funds in the database, 59 were new launches.

Good Health & Wellbeing (SDG3) has moved up from 4th spot in 2022 to third place with a 21% growth rate in the number of funds in the database. Of the 128 funds that were added, 52 were new launches. Sustainable Cities and Communities (SDG11) maintained 5th place by adding 108 news funds (a growth rate of almost 18%) of which 45 were new launches.

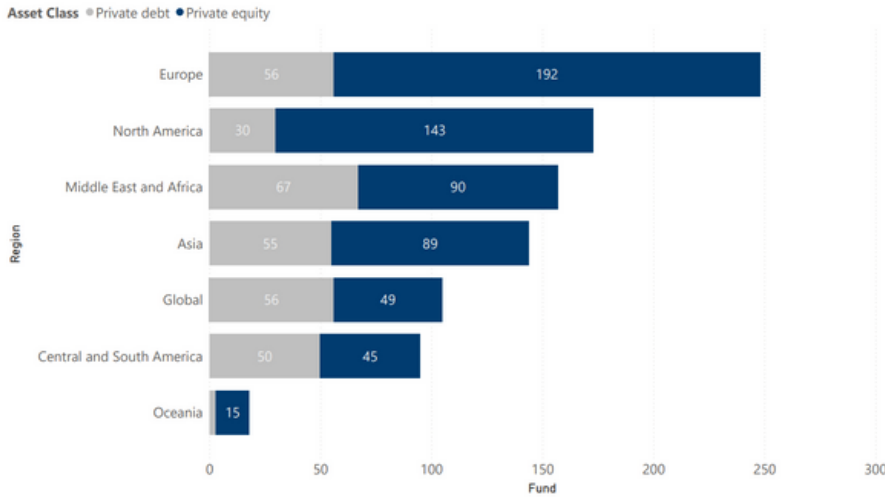
Breakdown of SDGs targeted by number of funds launched in 2023



Number of funds data may overlap as one fund can target several SDGs.

PRIVATE MARKETS - DEBT AND EQUITY

Number of funds open for investments per regions targeted and asset class

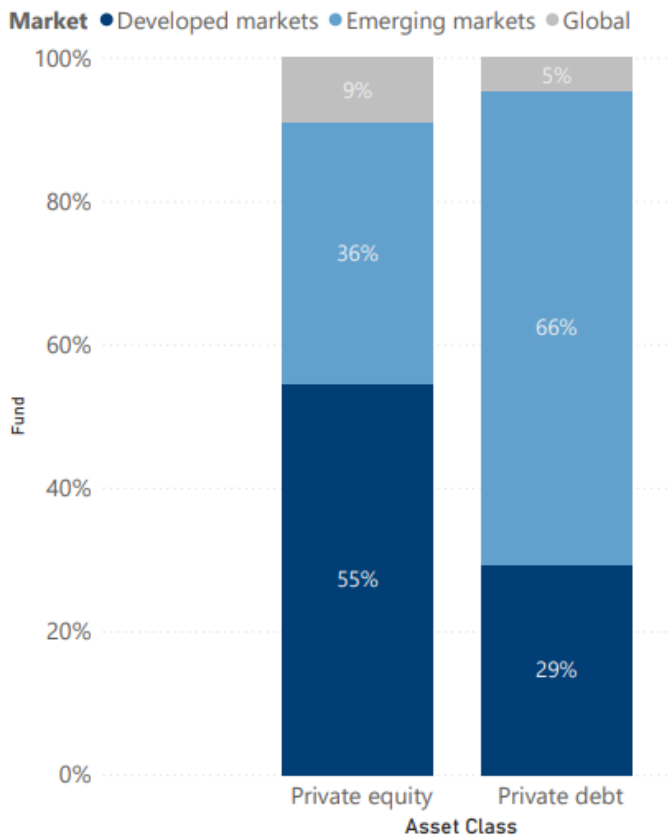


Number of funds data may overlap as one fund can target several regions.

There were 81 private equity funds launched in 2023, bringing the total to 1,262. This strategy raised €164 billion, of which €92 billion (56%) is directed to developed markets and €44 billion (27%) to emerging markets. There are currently 423 private equity funds open for investment.

In the private debt arena, there were 34 new funds launched in 2023. Collectively, the strategy raised €53 billion in assets, with €26 billion in developed markets and €25 billion in the emerging markets. There are currently 409 private debt funds, of which 217 are currently open for investment.

Distribution of funds per Market Targeted and Asset Class



Funds are assigned to the asset class that best explains the strategy
Distribution in absolute number of funds.

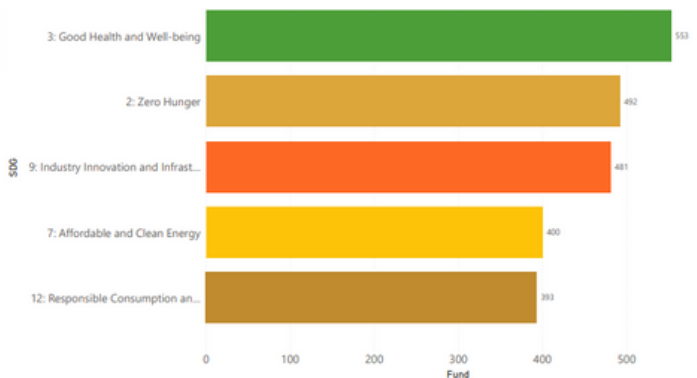
The majority private equity impact funds focus on global and developed markets while only 36% target the emerging markets.

Meanwhile, private debt impact funds primarily invest in the emerging markets (66%) although the total capital raised for the region corresponds to 48% (€25 billion) of total capital raised.

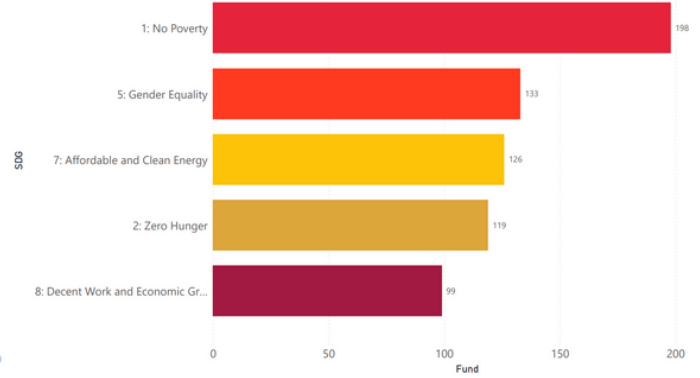
In terms of focus, microfinance and infrastructure related investments are popular and shown in the graphs below highlighting the differences in impact objectives represented by the most targeted SDGs in each asset class.

PRIVATE MARKETS - DEBT AND EQUITY

SDGs most targeted by Private Equity funds



SDGs most targeted by Private Debt funds



Number of funds data may overlap as one fund can target several SDGs.

Good Health and Wellbeing is the most popular SDG for private equity investors with 553 funds focusing on SDG3, almost 75% of the SDG3 impact fund universe. Where as for private debt, the most prevalent SDG was No Poverty (SDG1) with 198 funds.

In the Phenix Capital [Private Debt June 2023 Report](#), there were 158 private debt impact funds in the Phenix Capital's impact database targeting SDG1 by tackling poverty in the emerging markets.

This was followed by Gender Equality (SDG5) with 133 private equity impact funds. In 2022, according to [UN Women](#), the progress on gender equality is some 286 years away so that discriminatory laws are removed and prevailing gaps in legal protections for women and girls closed.

Zero Hunger (SDG2) and Affordable and Clean Energy (SDG7) are the two top-five most popular SDGs where private equity and private debt investors overlap. Across the entire database, there were a total of 723 funds focused on Zero Hunger, but according to the UN SDG Progress report, hunger levels are back at 2005 levels. There are 492 private equity funds, 68% of the total funds, which focus on SDG2, while 119 funds investing Zero Hunger via private debt.

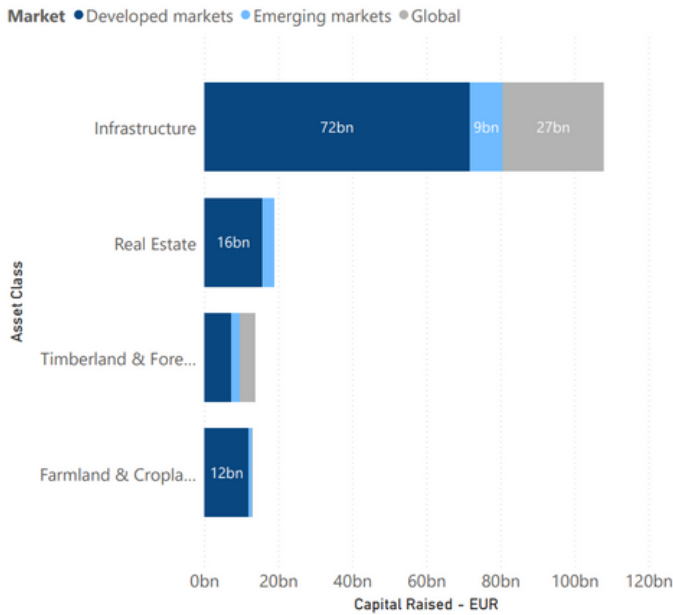
For Affordable and Clean Energy, there are 400 and 126 private equity and private debt funds, respectively focusing on SDG7. This makes private equity SDG7 funds, 42% of the entire clean energy impact fund universe.

Overall, the second most popular theme for impact funds was Industry, Innovation and Infrastructure (SDG9) with the addition of 134 funds, equivalent to a growth of 21.8%. SDG9 is the third most popular strategy from a private equity perspective with 64% of the total Industry, Innovation and Infrastructure impact fund universe focusing on it.

*Number of funds data may overlap as one fund can target several impact themes

REAL ASSETS OVERVIEW

Cumulative capital raised by market and asset class*



Funds are assigned to the asset class that best explains the strategy

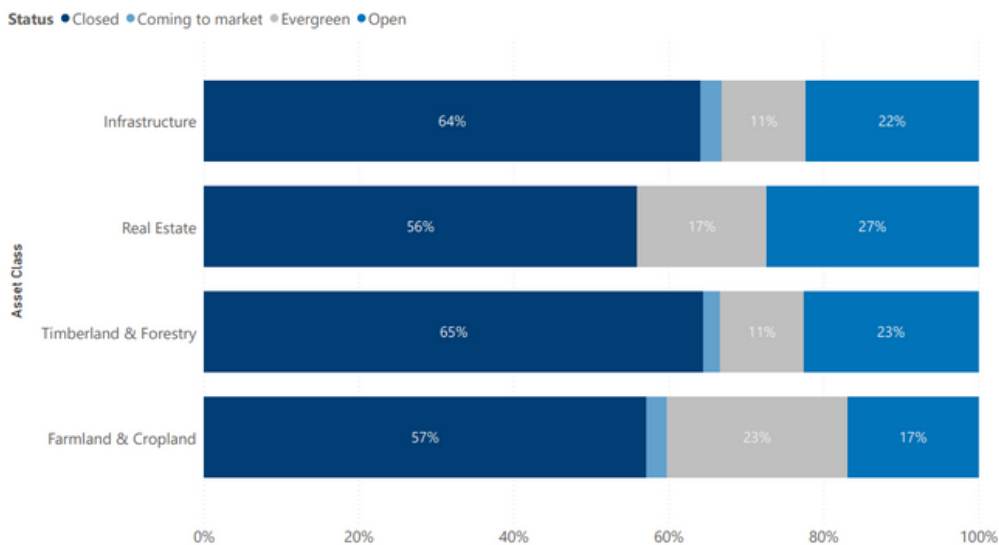
Real asset investments are particularly focused on global and developed markets. For example, infrastructure funds, of which there are 271, account for a significant portion of investments towards renewable energy.

The largest funds launched and mapped by the Phenix Impact Database with 2023 vintage are included in this category.

For real assets, infrastructure funds have raised €108 billion, which represents 70% of the total capital, €153 billion, raised by this asset class. Of the total, €72 billion was invested in the developed markets and €9 billion in the emerging markets. Global infrastructure funds raised €27 billion.

Similarly, real estate funds, of which there are 87 have raised €16 billion in developed markets out of a total €19 billion. While farmland and timberland funds have raised €13 billion in 58 funds, and €14 billion in 82 funds, respectively. As an asset class, there are still funds open for investment in each of the categories, with 27% of the real estate funds open for investment, and 23% for infrastructure and 23% for timberland and forestry funds. Farmland and cropland have a smaller percentage of 17% of the funds open for investment.

Distribution of funds per asset class and fundraising status

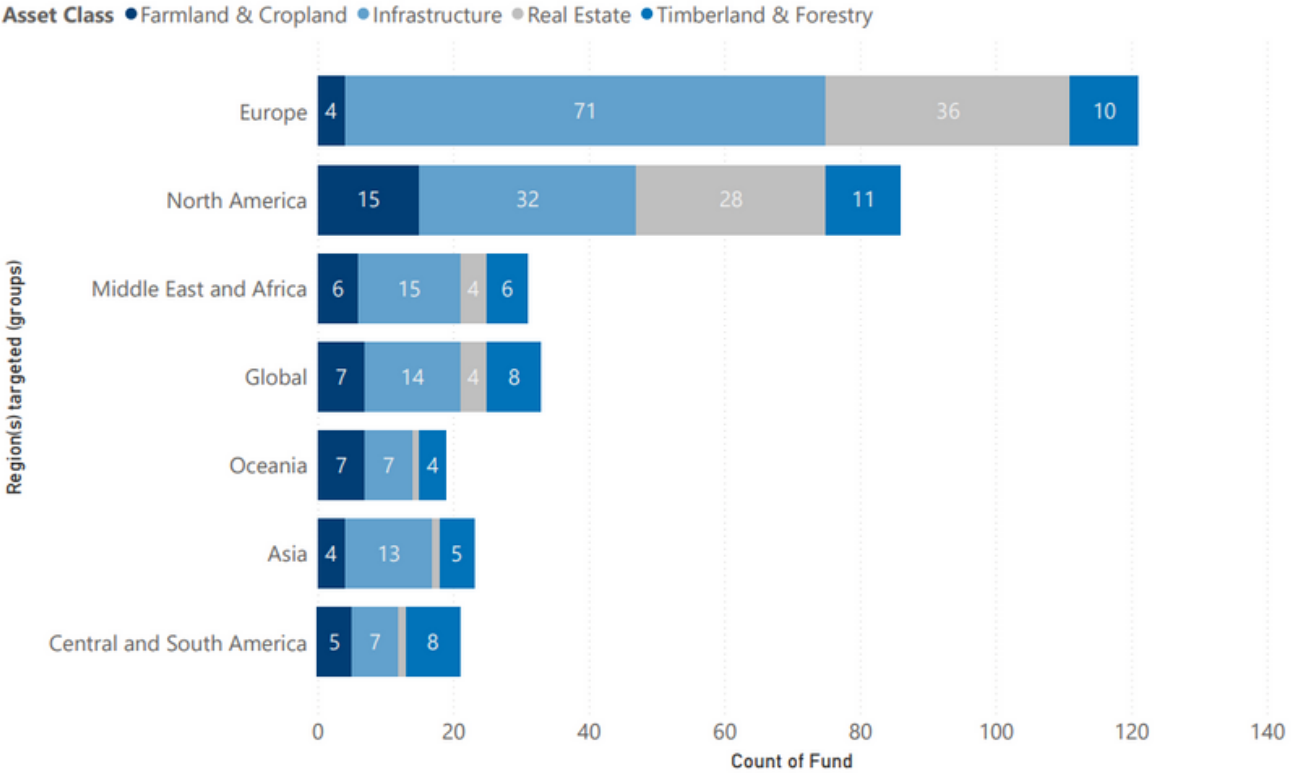


Funds are assigned to the asset class that best explains the strategy

Distribution in absolute number of funds.

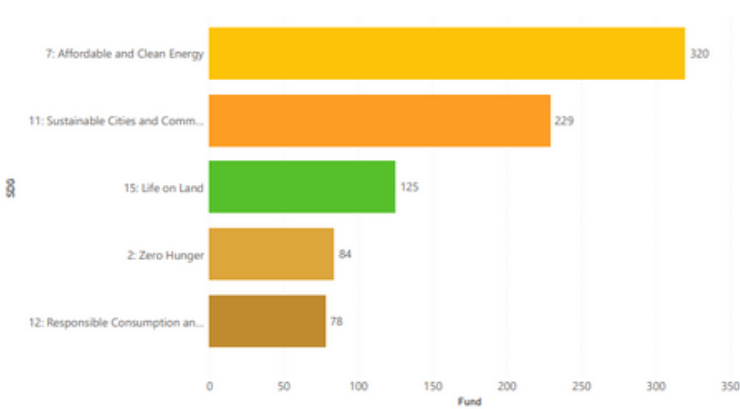
REAL ASSETS OVERVIEW

Number of funds by region and asset class



*Number of funds data may overlap as one fund might target multiple regions and asset classes

SDGs most targeted by Real Asset funds

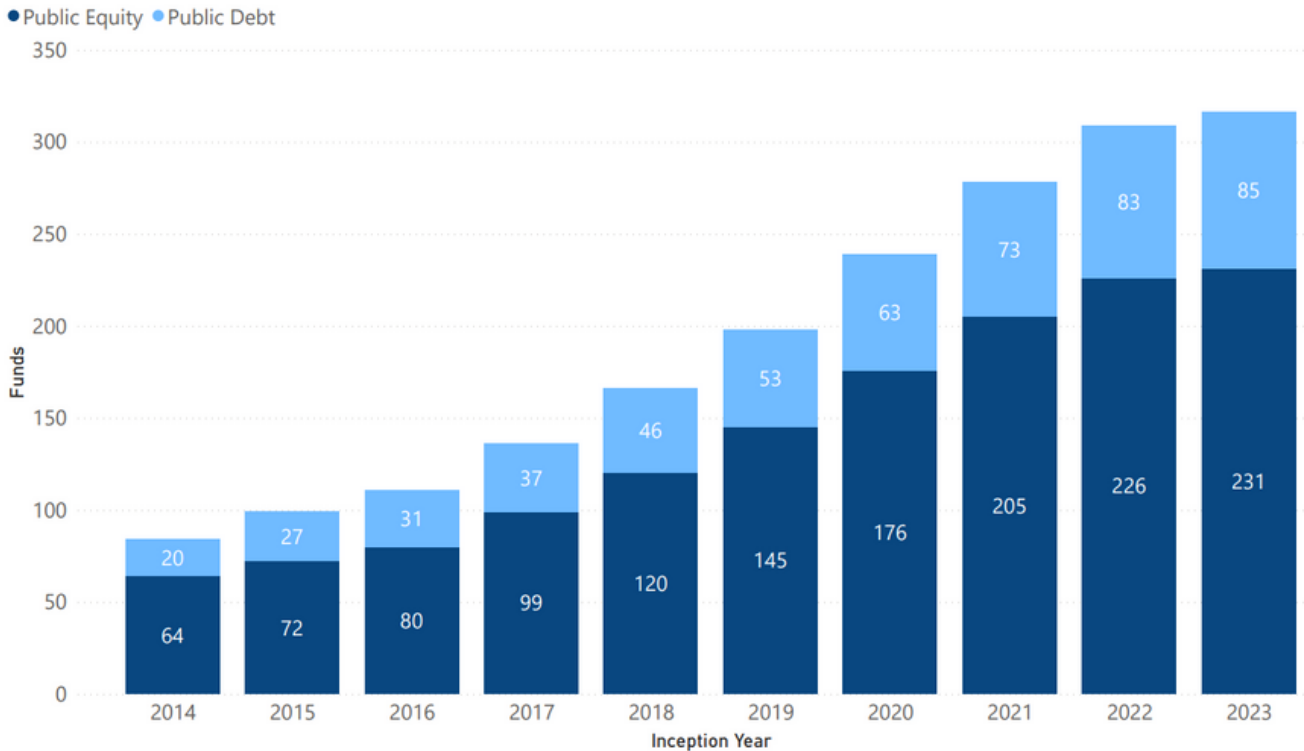


Number of funds data may overlap as one fund can target several SDGs.

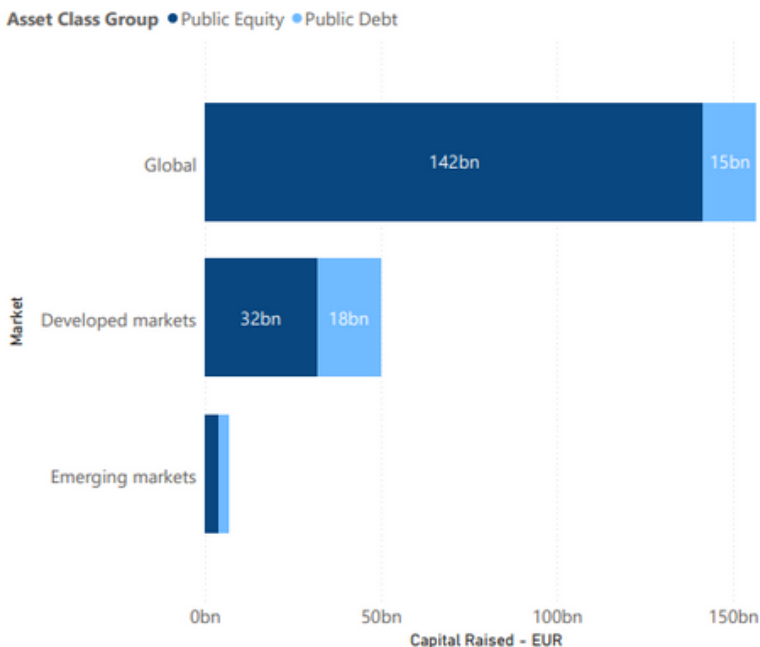
The most targeted SDGs among real asset impact funds are closely related to the asset classes. For example, infrastructure is the real asset sub-asset class with the most representative number of funds resembling in the most targeted SDG, namely Affordable and Clean Energy (SDG7). This is followed by real estate impact funds (SDG 11), Farmland and Timberland (SDG2 and SDG15).

PUBLIC MARKETS OVERVIEW

Cumulative Number of public equity and public debt funds



Cumulative capital raised by market



Focusing on public markets, public equity and public debt funds have raised more than €200 billion, the highest amount of capital towards impact investing in 2023. This is split €178 billion to public equity in 231 funds and €36 billion public debt in 85 funds.

From a geographical perspective, public equity fund portfolios are primarily invested in developed markets, and a fraction of the total is directed specifically towards the emerging markets.

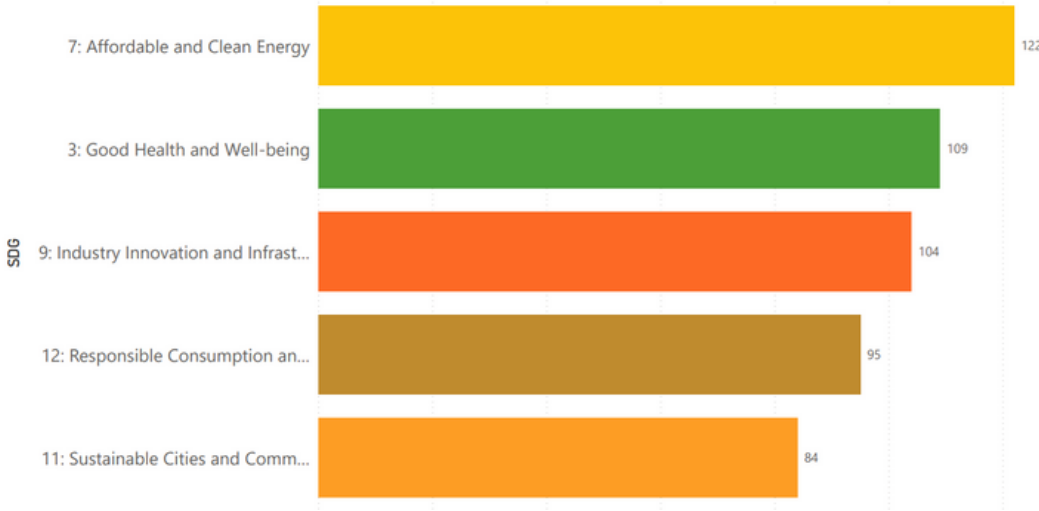
The same is true for public debt, which is invested mainly in developed markets. Other than strategies that follow a similar approach to equity strategies.

Investment in blue and green bonds a feature in private debt. For example, Ecuador's "debt-for-nature" swap that included a [\\$656 million blue bond](#) that will reduce the country's public debt and channel millions of dollars to protect the Galápagos Islands.

Funds are assigned to the asset class that best explains the strategy

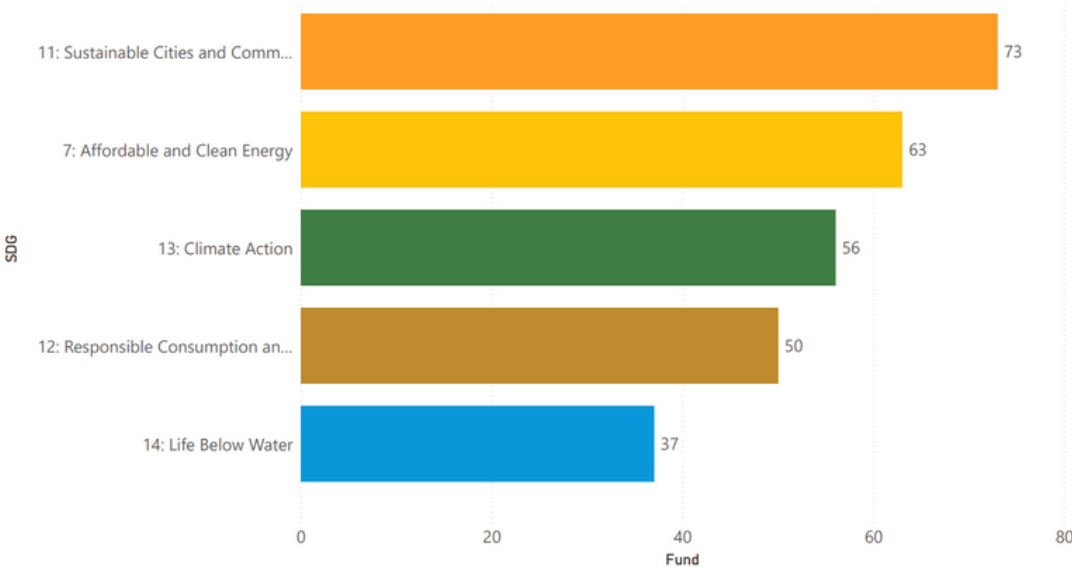
PUBLIC MARKETS OVERVIEW

SDGs most targeted by Public Equity funds



Apart from Sustainable Cities & Communities (SDG11), the SDGs most targeted by public equity funds are the same as those targeted by private equity funds. Where as for public debt, Affordable and Clean Energy (SDG7) is the only SDG both public and private debt have in common. The prevalence of public debt funds for Life Below Water (SDG14), for example, can be explained by the increasing number of blue bonds. The IFC alone has invested more than \$1.4 billion in 12 blue bonds and loans since 2020.

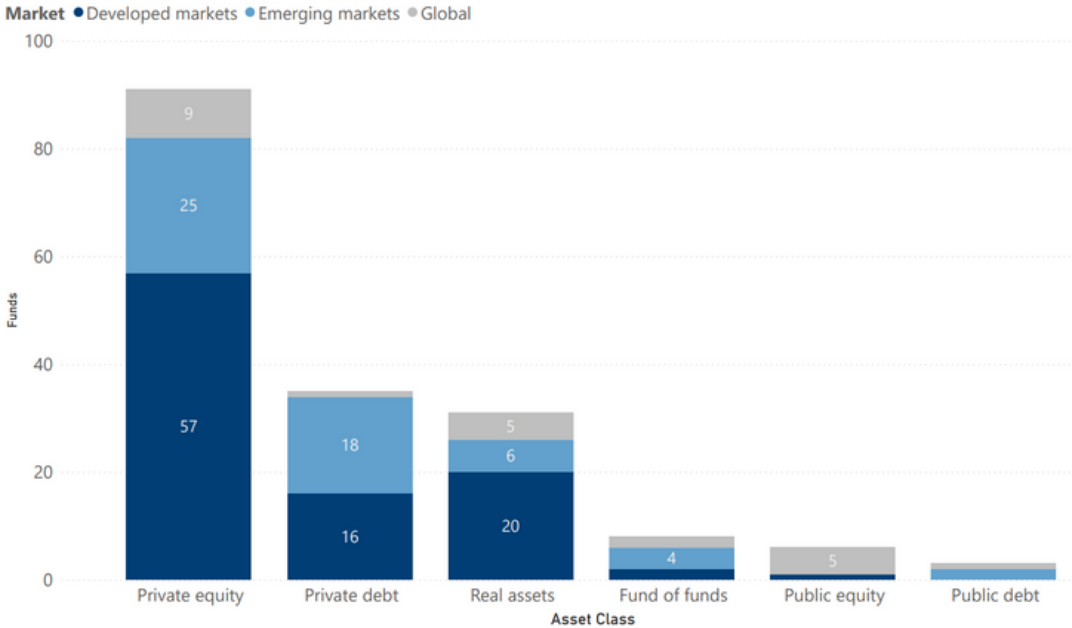
SDGs most targeted by Public Debt funds



Number of funds data may overlap as one fund can target several SDGs.

OVERVIEW OF FUNDS MAPPED LAUNCHED IN 2023

Number of funds launched by asset class* and market targeted



As the annual SDG funding gap continues to grow, mobilising more capital is core if the goals are to be achieved by 2023. One of the ways to achieve this is to create funds that can commit capital at scale. The average size of committed capital in 2023 was €275 million, while the average target size for new fund launches was €391 million, an increase of 11.7% since 2022, and 103.6% over the last three years.

The top 10 largest launches in the Phenix Database in 2023 are targeting more than €30 billion. Overall, there were 153 new funds launched in 2023, bringing the total to the funds added to the Phenix Impact Database for the year to 372. Developed markets were the focus for real assets and private equity, while the emerging markets were preferred for private debt.

The SDG that saw the most new funds launched was Climate Action (SDG13), where 41% of the 180 funds added to the database were new launches. Private equity was the asset class that made up almost 60% of all the new funds launched and developed markets dominated the geographical bias.

Climate Action has seen the greatest growth rate of 70% in terms of the number of funds, adding 74 new funds, including infrastructure climate-related launches by KKR, Fidelity International, Macquarie Asset Management and Allianz Global Investors that were among the top 10 largest launches of 2023.

Funds are assigned to the asset class that best explains the strategy

GLOBAL IMPACT SUMMITS

2024

This year Phenix Capital Group will host three **in-person** Summits aimed at asset owners and fund managers around the globe. These Summits are designed to inspire, educate and grow connections in the impact space.

IMPACT SUMMIT ASIA

Singapore

1 February 2024

40+ highly curated institutional investors



IMPACT SUMMIT EUROPE

Amsterdam

26-27th March 2024

200+ highly curated institutional investors



IMPACT SUMMIT AMERICA

New York, United States

October 2024

100+ Global highly curated institutional investors



IMPACT SEMINAR SERIES 2024

The Phenix Impact Seminar Series are designed to engage with local audiences. Impact Seminars consist of an afternoon programme that encourages investor discussions about the challenges and opportunities of impact investments.

Attendees will be able to exchange best practices, learn from each other's experiences, and share ideas on creating innovative and scalable solutions to generate impact.

Impact Seminar Series
NORDICS | Copenhagen
21 February 2024



Impact Seminar Series
UK | London
September 2024



Impact Seminar Series
CANADA | Montreal
May 2024



Impact Seminar Series
BENELUX | Amsterdam
November 2024

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**.

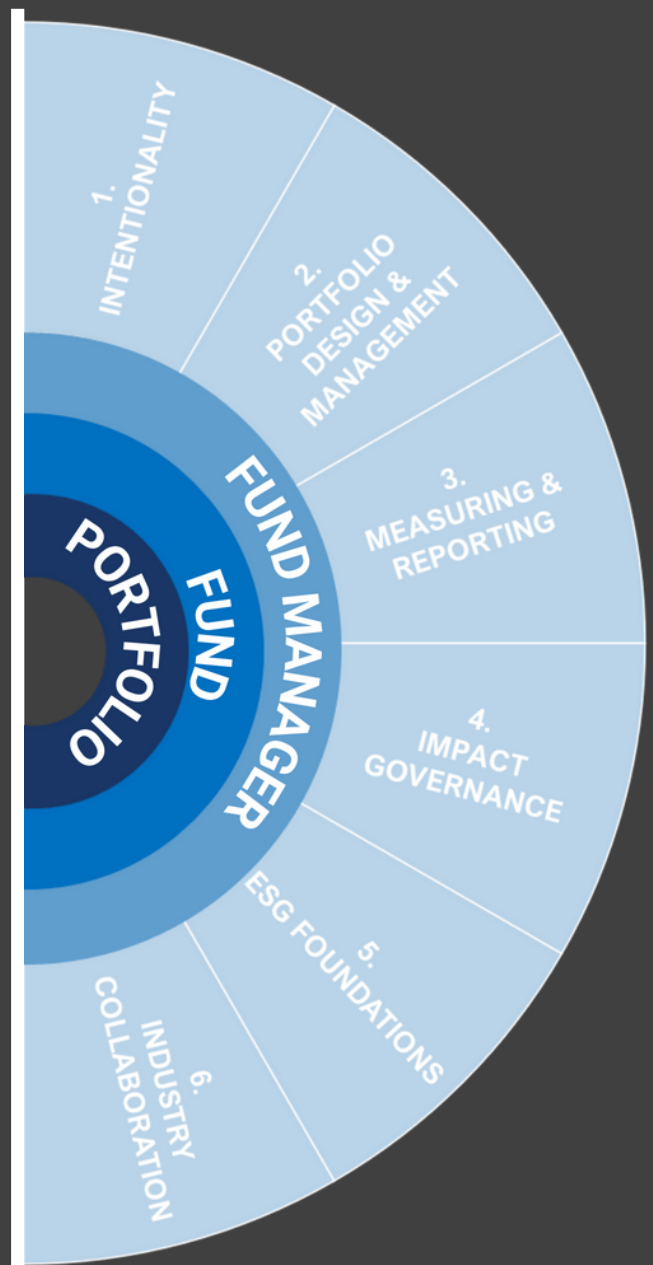
On 6 themes and 45 criteria, it examines to what extent the policies, procedures and human resources are in place to deliver the impact that a fund aims to create.

ASSESSING THE ROBUSTNESS OF IMPACT FUND PROPOSITIONS

Uncover strengths and weaknesses

Adopt industry best practices

Prepare for institutional impact due diligence



PHENIX IMPACT
FUND ASSESSMENT

September 2023

[VISIT SITE >>>](#)

GLOSSARY & SYMBOLS

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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