Figure 2: Impact investing spectrum by Sonen Capital

Traditional investing

- Seeks financial returns regardless of Environmental, Social or Governance (ESG) factors

Responsible impact investing

- Investments are screened out based on ESG risk

Sustainable impact investing

- Sustainability factors and financial returns drive investment selection

Thematic impact investing

- Targeted themes and financial returns drive investment selection

Impact first investing

- Social and environmental considerations take precedence over financial returns

Philanthropy

- Financial returns disregarded in favor of social and environmental solutions

Competitive returns

- ESG risk management

- ESG opportunities

- Maximum-impact solutions

Potential screens:
- Tobacco
- Alcohol
- Weapons
- Gambling
- Pornography
- Nuclear energy

Factors considered:
- Carbon footprint
- Resource use
- Waste reduction
- Compensation
- Product safety
- Gender equality

Solutions for:
- Climate change
- Population growth
- Urbanization
- Water scarcity
- Food systems

Support for:
- Innovation & risk taking
- Proof of concept/plots
- Enabling environments
- Commercial capital leverage