


BlueOrchard
**IMPACT
SUMMIT**

**WHITE
PAPER**
2024/25



About BlueOrchard Finance Ltd

BlueOrchard is a leading global impact investment manager and member of the Schroders Group. As a pioneer of impact investing, the firm is dedicated to generating lasting positive impact for communities and the environment, while aiming at providing attractive returns to investors. BlueOrchard was founded in 2001, by initiative of the UN, as the first commercial manager of microfinance debt investments worldwide. Today, the firm offers impact investment solutions across asset classes, connecting millions of entrepreneurs in emerging and frontier markets with investors with the aim to make impact investment solutions accessible to all and to advance the conscious use of capital. Being a professional investment manager and expert in innovative blended finance mandates, BlueOrchard has a sophisticated international investor base and is a trusted partner of leading global development finance institutions. To date, BlueOrchard has invested over USD 11 billion across more than 100 countries. As of June 2024, BlueOrchard supported over 300 million people in emerging and frontier markets with its investments. For additional information, please visit: www.blueorchard.com.



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As we witness the largest wealth transfer in world history, estimated at \$15 trillion between 2020 and 2030, we must recognise this as a profound opportunity, since, as asset allocators, we are uniquely positioned to drive change by leveraging our services and expertise and by advocating for greater financial inclusion through innovative products and digital banking solutions.

Giorgio Pradelli, Chief Executive Officer, EFG International and EFG Bank

The BlueOrchard Impact Summit

For over two decades since BlueOrchard's founding, our unwavering mission has been to address the most pressing global issues and inequality. We hold a strong conviction that the private sector bears a significant responsibility and possesses the power to effect substantial positive change. The challenges we face today are best addressed through strengthened collaboration among diverse stakeholders.

In 2018, we established the BlueOrchard Impact Summit as a platform for global leaders, decision-makers from both the private and public sectors, entrepreneurs, scholars, and young changemakers to convene, sharing insights and strategies to mobilise resources for sustainable prosperity globally.

The enthusiastic participation of esteemed leaders at this year's Summit underscores a shared commitment to tackling the pressing challenges of our time. It highlights the potential for genuine partnerships and collaborations to effectively make progress on these issues.

This whitepaper encapsulates the key dialogues from the 2024 Summit, aiming to inspire thought and action in each of us.

We extend our heartfelt gratitude to all contributors and participants for your invaluable insights and engaging discussions.



Peter Fanconi

Chairman of the
Board

A handwritten signature in blue ink, appearing to be 'P. Fanconi'.



Philipp Mueller

Chief Executive
Officer

A handwritten signature in blue ink, appearing to be 'P. Mueller'.

Inequality - Bridging the divide

The BlueOrchard Impact Summit 2024 brought together exceptional minds, thought leaders, and forward-thinking investors, all dedicated to driving positive change globally. This year's Summit was centred around the critical theme of inequality, providing a platform to tackle social and environmental disparities. Participants delved into various aspects of inequality, including gender, education, environment, race, finance, income, opportunities, and geography. The Summit featured thought-provoking keynote speeches, a fireside chat, an immersive fieldtrip, an art exhibition and four interactive panel discussions, each designed to foster insightful dialogue and collaborative exploration of effective strategies to address these pressing issues.

Panelists & speakers



Dr. Mehreen Afzal

Adjunct Professor of International and Public Affairs, Columbia University



Amit Bouri

Chief Executive and Co-Founder, Global Impact Investing Network (GIIN)



Danielle Brassel

Head of Responsible Investment, Zurich Insurance Company Ltd



Sergio P. Ermotti

Group Chief Executive Officer, UBS



Peter Fanconi

Chairman of the Board, BlueOrchard



Michael Joseph

Chairman of the Boards of the Ethiopian Joint Venture, Kenya Airways and Pula Advisors Inc



Dr. Kurt A. Lambert

Director, ForlamVentures & Founder and Chairman, The Forlam Foundation



Isabel Leroux

Program Manager, Nordic Development Fund (NDF)



Dr. Isabel Martínez

Founder and head of the research section "Inequality and Public Economics" at the KOF Swiss Economic Institute at ETH Zurich



Ayaka Matsuno

Director, Social Innovation Program, Sasakawa Peace Foundation



Philipp Mueller

CEO, BlueOrchard



Giorgio Pradelli

Chief Executive Officer, EFG International and EFG Bank



Prof. Dr. Michèle Sutter-Ruedisser

Member of Board of Directors, BlueOrchard & Director at the Institute for Law and Economics, University of St. Gallen



Dr. Tomáš Sedláček

Author and Economist



Gelong Thubten

Buddhist monk, author and meditation teacher



Andreas Vollenweider

Grammy winner; Composer, musician and author



Lucy Wilfred

Principal Kingdom School, Tanzania



Georg Wunderlin

Global Head of Private Assets, Schroders



Maria Teresa Zappia

Chief Impact and Blended Finance Officer, Deputy CEO BlueOrchard



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In order to fully address the biggest and most pressing crisis of our time for our humanity is in fact that we need to reconnect to ours.

Dr. Mehreen Afzal, Adjunct Professor of International and Public Affairs, Columbia University

Inequality is the challenge of society going forward

by Peter Fanconi, Chairman of the Board of Directors, BlueOrchard

Inequality, in all its forms - income, wealth, education, health, and beyond - presents a significant challenge facing our society today. As we approach the boundaries of ecological sustainability, we also encounter the social limits that threaten peaceful coexistence. Disparities in life expectancy, educational access, and economic opportunity are profound and ever-widening.

While some countries enjoy advanced healthcare and high life expectancy, others struggle with limited access to these basic rights.

Recent data reveal stark contrasts:

infant mortality rates, education duration, and wealth distribution highlight an unequal world where the richest fractions hold a disproportionate share of resources while billions strive to meet basic needs. The poorest half of the global population barely owns any wealth at all, possessing just 2% of the total, in stark contrast to the richest 10% who own 76% (1).

Regional inequalities are further exacerbated by demographic shifts.

As global population growth begins to level off, areas like the African continent face rapid demographic expansion, bringing stressors that could amplify existing conflicts if unaddressed.

The UN projects the population in Africa to grow from 1.5 billion to 3.8 billion by 2100, with 8 out of 10 people born in either Africa or Asia by the end of the century (2).

It is impossible to discuss inequalities without addressing the pivotal issue of climate change.

The world faces twin crises of climate breakdown and runaway inequality. Those living in poverty, facing marginalisation, and residing in the Global South bear the brunt of these crises. Women and girls, Indigenous Peoples, and marginalised communities are particularly disadvantaged. While the consequences of climate breakdown affect every part of the world, only the wealthiest people and nations possess the means to shield themselves effectively.

The 2024 Sustainable Development Goals (SDG) Report highlights that we are **severely off track to realise the 2030 Agenda, with only 15% of targets on course to be achieved by 2030 (3).**

Addressing this challenge demands extraordinary measures, elevated awareness, and collaboration across stakeholders using multidimensional approaches.

The BlueOrchard Impact Summit aimed to promote such collaboration by bringing together decision-makers and providing a platform for meaningful dialogue and innovative thinking.

We must pursue solutions for our world with urgency and confront the challenge of inequality with renewed determination and action. One pressing question remains:

What concrete actions can we take?

Watch the fireside chat here



*Fireside chat "Exploring Inequalities"
From left to right: Sergio P. Ermotti and Peter Fanconi*



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If you can do something good, then you just must do it.”

**Dr. Kurt A. Lambert, Director, ForlamVentures & Founder and Chairman,
The Forlam Foundation**

The corporate path to equality

by Philipp Mueller, CEO BlueOrchard

In a world increasingly defined by complex challenges, inequality stands as a significant barrier to achieving sustainable development. During the Summit, we explored how businesses can drive positive social and environmental change. Historically, businesses have been viewed as vehicles primarily for generating profit. However, the paradigm today demands a more nuanced approach. Companies should take a longer-term view and embrace the opportunities that lifting millions of people out of poverty can bring. The increasing transparency and interconnectedness of climate issues and social equity underscore the need for a holistic strategy that brings together technology, entrepreneurship, and corporate responsibility. There is huge potential for businesses to reduce inequality and foster positive societal impact.

The role of businesses in reducing inequality

Though businesses are not mandated to solve inequality, they hold immense power to influence meaningful change. Engaging in sustainable practices and factoring in longer-term risks are not just options but imperatives. Businesses are woven into the fabric of daily life, and their actions can leave an imprint on both local and global scales.

Key to this is understanding that value creation isn't just about quarterly profits – it is about building assets and companies that serve society and contribute positively to the communities in which they operate.

This requires a shift from short-term profits to long-term value, encompassing sustainability and sound practices in every layer of corporate strategy.

Harnessing technology and innovation

Technology and innovation are pivotal in creating avenues to tackle inequality. By leveraging digital tools, businesses can expand access to financial services, education, and healthcare, especially in underserved markets. Mobile technology, for instance, has revolutionised financial transactions, enabling millions to participate in the economy, as demonstrated by innovations like M-Pesa (4).

Moreover, embracing technology to improve the efficiency and sustainability of operations can reduce costs and environmental impacts while promoting transparency and inclusiveness. Companies that invest in green technology not only support environmental goals but also reduce dependency and create value-added jobs.

Corporate responsibility and sustainable practices

Corporate responsibility must go beyond traditional frameworks and marketing schemes. Companies need to truly engage with stakeholders to understand and, ideally, mitigate the externalities of their operations in line with their long-term objectives. Our Summit showcased examples where integrating sound principles and aligning with stakeholder expectations has led not only to notable societal benefits but also to significant increases in profitability.

Successful businesses understand that operating responsibly enhances their reputations and strengthens trust among consumers and investors. By leading with purpose, they attract talent who are keen to work for companies with a purpose.

Looking ahead: Future trends and opportunities

As the conversation turned to future trends, it became clear that aligning with broader sustainability goals can be a key opportunity for businesses. This includes investing in frontier markets, fostering entrepreneurship and access to local talent, and deploying proven green technologies to reduce dependencies, lower costs, and strengthen customer engagement.

A forward-looking perspective also includes recognising the role of policy and regulation. Businesses can influence positive change by advocating for and contributing to policies that support both sustainable development and their long-term objectives.

In conclusion, the choice to act is ours. Businesses, though not compelled, can choose to be change-makers in reducing inequality through sound practices and forward-looking strategies. The opportunity to make a lasting impact is profound and within reach if we accept our collective responsibility. The question we leave with is:

How will we harness our potential to reshape the world for the better?



Panel "Unwrapping the layers of inequality"

Panelists from left to right: Danielle Brassel, Michael Joseph, Georg Wunderlin and Philipp Mueller

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The vision we've set out was a world where financial markets play a positive force in solving our social and environmental problems.

Amit Bouri, Chief Executive and Co-Founder, Global Impact Investing Network (GIIN)

Blended finance: A key to bridging social divides

by Maria Teresa Zappia, Chief Impact & Blended Finance Officer, Deputy CEO BlueOrchard

In a time when addressing inequality feels increasingly complex, the merger of public and private efforts offers a path forward—and it is not just about good intentions. It is about strategically leveraging resources to achieve tangible impact. At the heart of this is blended finance, an approach that harmonises public resources with private investment to address global challenges.

A new financial paradigm

The face of development aid is changing. Traditional government aid budgets seldom stretch beyond 0.4% of Gross National Income (GNI), and this figure shows little sign of growth. By contrast, private capital and commercial funding are ascending to the forefront, offering new opportunities for collaboration and innovation. Blended finance sits at this pivotal junction. It is not a mere blend of investments but a **strategic allocation of risk and reward across different financial instruments, tailored to attract both public subsidies and private capital.**



Panel "Public-private cooperation to build an inclusive society"
Maria Teresa Zappia

This financial architecture could redefine how we address issues like climate adaptation and socio-economic disparity.

Unlocking new opportunities

Consider the financial dynamics at play: Norway, with its significant GNI commitment to development, and Japan, a seasoned leader in development aid, are paving the way. However, it is the rise of commercial funding that brings a striking dimension to the table.

Blended finance funds managed to the tune of billions are not just about capital; they are about patience and commitment, often with investments locked in for 10 to 15 years. This long-term view is essential in realising substantial impacts, from climate resilience to Small and Midsize Enterprises' (SMEs) economic vitality during unanticipated shocks like COVID-19.

Challenges and collaborative solutions

Yet, the journey is far from seamless. Aligning the diverse objectives of multinational stakeholders requires significant negotiation and trust-building. Each actor brings different priorities to the table—some seek rapid deployment of funds, others prefer cautious, strategic placement—making blended finance a complex, albeit powerful, dance of interests.

Nonetheless, the potential for impact is profound. The expansion of impact investing in regions like Asia signals a burgeoning enthusiasm for these differentiated but cooperative financial structures. The narrative is increasingly global, backed by government initiatives that aim to integrate social impact into economic growth strategies.

A collective call

What is clear is this: achieving inclusivity and reducing inequality, particularly in emerging and frontier markets, requires an understanding that we can no longer operate in isolation. Governments, bilaterals, multilaterals, asset owners, financial intermediaries, businesses, corporates, and civil society must embrace this collaborative blueprint, promoting a culture of joined-up investments and shared values.

Blended finance is more than just a financial tool; it is a testament to the power of collaboration in action and requires an innovative, solution-driven mindset. Harnessing its full potential means bridging the divide between public needs and private interests, ensuring that both financial and social capital are mobilised for sustainable, inclusive growth. Asset managers like BlueOrchard have a significant role to play and an important responsibility to make this happen.



Panel "Public-private cooperation to build an inclusive society"

Panelists from left to right: Amit Bouri, Isabel Leroux, Ayaka Matsuno, and Maria Teresa Zappia

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This is so incredible, the individual, the power of the individual. This is because you believe in what you're doing.

Andreas Vollenweider, Grammy winner, Composer, musician and author

Decoding Inequality

by Prof. Dr. Michèle F. Sutter-Ruedisser, Member of Board of Directors, BlueOrchard

During the Impact Summit Panel “Decoding Inequality”, Prof. Dr. Sutter-Rüdissler, alongside Dr. Sedláček, Dr. Afzal, and Dr. Martínez, took on the bold challenge of exploring the complexities of inequality.

One could argue that fully decoding inequality is an impossible task, and I would agree. It is a multifaceted phenomenon, shaped by historical, political, and economic forces, and has been at the heart of societal and economic debates for centuries.

Some of the greatest economic and philosophical thinkers - Adam Smith, David Ricardo, Karl Marx, John Maynard Keynes, Simon Kuznets, and many more - have explored, debated, and sought to understand its complexities. Yet, none have fully succeeded, and certainly, none have handed us a solution on a silver platter for a more equitable world.

Inequality is starkly reflected in data. The richest 1.5% control 47.5% of global wealth, while the top 17% hold 87% (5). A UN (2023) report highlights the gender income gap: women earn just 51 cents for every dollar men make (6). These are just a few figures; inequality extends far beyond, with countless statistics painting a similar picture across different dimensions of life.

However, during the panel, a classical economic argument was raised: inequality itself is not the issue, but rather the well-being of the most vulnerable.

If their conditions improve, which they have in many countries, inequality becomes secondary. This reflects a common capitalist view: better an unequal but prosperous society than one where everyone is equally worse off. Still, we should not be too quick to abandon the vision of achieving both equality and a prosperous society.



Panel “Decoding Inequality”

Panelists from left to right: Dr. Tomáš Sedláček, Dr. Isabel Martinez, Prof. Dr. Michèle F. Sutter-Rüdissler, and Dr. Mehreen Afzal

Soul and spirit economics

Shifting beyond traditional economic debates and looking toward the future, Tomáš Sedláček (2024) describes a fundamental transformation in the global economy, one he terms “soul and spirit economics”.

Developed economies are increasingly shifting from production-based models to those driven by intangible assets such as knowledge, creativity, well-being, and purpose. These elements are becoming more influential than material production in shaping economic growth, value creation, and competitive advantage at both organizational and individual levels.

While this evolution presents new opportunities, it also carries risks, potentially deepening existing inequalities and creating new dimensions of disparity.

Addressing inequality - past, present, and future - goes beyond understanding its causes; it demands concrete actions to reduce disparities while fostering economic growth and equal opportunity. Solutions often center on policy reforms and systemic change, yet one crucial aspect is frequently overlooked - an element that may hold the key to creating more sustainable and meaningful progress.

Our shared responsibility: Impact through individual action

Amid all the data and economic discussions, one fundamental truth remains: change begins with individuals. Rather than continuously searching for - or worse, expecting - a grand solution to equality, we must first recognise our own accountability. Addressing inequality is not solely the responsibility of institutions, policymakers, or economists. No, it starts with the very small steps of all of us. As one of the most profound thinkers, someone who embodies and inspires change through personal responsibility, beautifully put it:

“The changes start with one person. If one person changes, they will change their family. If one family changes, it will transform society. If society changes, it will reshape the nation. And if the nation changes, it will inspire the world.”

Lucy Wilfred, Principal, Kingdom School, Tanzania

Lucy Wilfred shows how taking responsibility can create real change. We don't need to wait, we just need to start. It is this very principle that fuels my work at BlueOrchard: true transformation is not born from waiting, but from acting, not from grand solutions, but from countless small yet meaningful steps.



Panel “Decoding Inequality”

Panelists from left to right: Dr. Tomáš Sedláček, Dr. Mehreen Afzal, Dr. Isabel Martinez, and Prof. Dr. Michèle F. Sutter-Ruedisser



Reflections and routes to change

Through a combination of keynotes, fireside chats, presentations, and panel discussions, participants shared ideas and engaged in in-depth dialogue about the pressing issue of inequality and all its facets. This year's discussions underscored that reducing inequalities requires a comprehensive, multidimensional approach that incorporates several key drivers.

Participants collectively agreed that while addressing inequality is complex, significant progress can be made by focusing on the interrelated factors of partnerships between varied stakeholders, individual empowerment, and technological innovation.



PARTNERSHIPS

The BlueOrchard Impact Summit 2024 highlighted the critical role of partnerships in tackling inequality, including policy makers. Stakeholders from diverse backgrounds converged to discuss the importance of collaborative initiatives. Addressing inequality effectively requires cooperation among businesses, civil societies, and government entities. Emphasising the complexity of addressing social and environmental disparities, participants agreed that progress is possible through coordinated efforts that pool expertise and resources.

Blended finance exemplifies how cooperation across sectors can realise ambitious development goals, providing a model that incentives can align diverse objectives.

- **Strengthen partnerships with Development Finance institutions (DFIs)**
- **Greater involvement of policy makers**
- **Foster more collaboration and communication between the public & private sector**
- **Utilise blended finance to align diverse objectives**

THE POWER OF THE INDIVIDUAL



The Summit vividly demonstrated the transformative power of the individual in the quest for equality. While systemic challenges can seem daunting, the involvement of inspired and committed individuals can catalyse significant change.

Participants were urged to embrace their potential to make a difference, underscoring the belief that it often takes just one person to spark broader movements.

Empowerment was a recurring theme, with discussions highlighting how individuals can initiate change within their communities and beyond.

Whether through leadership, advocacy, or grassroots initiatives, each person's contribution is invaluable. Encouragingly, the Summit reinforced the idea that collective empowerment strengthens the foundation for tackling inequality, paving the way for substantial progress.

➤ **Promote leadership & advocacy as avenues for individual contributions**

➤ **Focus on empowering individuals who can initiate change in their communities**

➤ **Encourage introspection among individuals regarding their potential for impact**



TECHNOLOGY & INNOVATION

Technology and innovation were identified as crucial in combating inequality during the Summit. Emerging tools, particularly in digital empowerment, offer opportunities to bridge divides in underserved regions. Innovations like mobile banking and e-learning have transformed access to financial services and education, benefiting historically marginalised communities.

Participants highlighted the importance of technological innovation in driving inclusive economic growth and urged businesses to

adopt sustainable practices that utilise technological advancements for social impact. The key action is to integrate technology thoughtfully to promote equitable and sustainable development.

➤ **Leverage technology to innovate products that reduce inequalities**

➤ **Ensure all geographies benefit from technological advancements to eliminate the technology gap**

➤ **Promote digital empowerment tools in underserved regions**

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I think that the topic of addressing poverty and education is the key building block to address a lot of issues that we are facing as a society.

It's very important to us as an industry to understand how to create leverage and how to take a different approach to the various types of capital needs. We want to lead the space by providing our best offerings and solutions in helping to close the gap. So, it is very important that we understand what our role is, but we cannot force clients to do things. We can help assets move in the direction they want, according to their risk profiles and priorities in how they wish to invest.

Sergio P. Ermotti
Group Chief Executive Officer, UBS



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GDP growth has detached itself from material growth... we will need to be greedy in the right areas, shifting from material wealth to knowledge.

We can grow in kindness, we can grow in equality, we can grow in patience. We need to be more inclusive, more democratic. If I have knowledge, if I have language, I want you to use it.

We need somebody who has the vision, somebody who believes, somebody who cares, not just for himself, but also for the environment or the culture around the company. We need to make trade, not war.

Dr. Tomáš Sedláček
Author and Economist



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There are a lot of people present who have the potential to drive change and positively impact lives. I hope the stories shared here can bridge the gap between theory and reality.

Christian Bobst

Reportage photographer

Through the artful lens: Inequality portrayed

Elevating voices for tomorrow – uniting the fight against inequality and climate change to forge a sustainable future for all.

An art exhibition was based on a collection of art pieces of diverse formats created by elementary and high school students from the Kingdom School in Tanzania and the Academia Engiadina in Switzerland, exploring the theme of inequality and its significance to them.

Our aim was to integrate the perspectives of the younger generation, as they are the ones who will shape the future. Additionally, we were pleased to have some students from the Academia Engiadina participate alongside us at the Summit.



Students from Academia Engiadina



Christian Bobst's photography exhibition

Christian Bobst's photo exhibition focused on climate change in Senegal, illustrating how rising sea levels and coastal erosion threaten millions along the West African coast. It also highlighted the interconnected issues and compelling stories behind each image. www.christianbobstphotography.com

Impressions



Watch the
after movie
here







A photograph of a group of men, likely at a cultural festival, wearing dark puffer jackets and grey St. Moritz hats. They are playing didgeridoos. The image has a blue overlay. In the background, there is a dark sign with white German text: "Sie wählen die Größigkeit zum... wir helfen Ihnen das...".

See you
**FOR 25 YEARS
OF IMPACT**

**SAVE
THE DATE**
16-17 September
2026



[BlueOrchard Finance Ltd](#)



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BlueOrchard Finance Ltd
Talstrasse 11
8001 Zurich · Switzerland
+41 44 441 55 50
info@blueorchard.com

Visit www.blueorchard.com