



Swiss Investment Fund
for Emerging Markets

Investing in Sustainable Development

2025 Impact Report

www.sifem.ch



SIFEM - Investing in Sustainable Development: Impact Report 2025

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Foreword

Dear reader,

This report offers a reflection on SIFEM's achievements over its 2021–24 strategic period. Over these four years, SIFEM strengthened its role as Switzerland's development finance institution, committing USD 496 million to new investments in emerging markets and bringing total active commitments to over USD 1 billion. As the portfolio has grown, so has its development impact. By the end of 2024, SIFEM investees supported nearly 600,000 jobs worldwide, expanded access to finance for 2.5 million micro, small, and medium enterprises, and contributed substantially to the development of local economies.

This period marked important advances in how SIFEM measures and manages impact. In 2024, SIFEM developed and piloted a new Impact Rating Tool to strengthen the consistency of impact assessment during investment screening and to enable more systematic tracking of performance across the investment lifecycle. This was also a period of greater accountability and transparency: at the close of the strategy cycle, we completed our second independent verification under the Operating Principles for Impact Management, which confirmed the rigour of our practices while also identifying areas for improvement.

Furthermore, SIFEM improved its standing in the impact management component of the Publish What You Fund DFI Transparency Index in 2025, reflecting progress on the disclosure of project-level additionality. The Index also pointed to opportunities for more detailed communication of impact results. Together with the findings of the Just Transition study conducted in 2024, these external assessments provide constructive input that will help shape how SIFEM could strengthen its positive impact in the years ahead.

The Federal Council's new Strategic Objectives for 2025–28 raise expectations for SIFEM. The targets for climate finance and gender finance were both increased to 30% of new investment commitments, reflecting the urgency of these priorities. SIFEM has already taken steps in this direction by joining the new 2X Challenge in 2024, committing to mobilise more capital that advances women's economic empowerment, and steadily expanding its climate finance portfolio.

SIFEM enters this new cycle with better tools, stronger partnerships, and a growing track record of delivering both financial and development impact. The board remains committed to mobilising private capital into underserved markets, supporting inclusive private sector growth, and reinforcing Switzerland's role in advancing the United Nations Sustainable Development Goals.

Jörg Frieden

Chairman of the Board

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2024 at a Glance

Key developments and milestones

A new Impact Rating Tool

To align with its Strategic Period 2025-2028, SIFEM developed a new Impact Rating Tool (IRT) to replace the GPR methodology used for more than a decade. The IRT enables a structured assessment of both the alignment of potential investments with SIFEM's Strategic Objectives, and the development impact achieved over the investment lifecycle. In 2024, the tool was tested with historical data and piloted for new investments. From January 2025 onward, the IRT serves as SIFEM's standard framework for assessing expected impact during due diligence and monitoring of the impact performance of the portfolio (see SIFEM's New Impact Rating Tool [\[p. 17 →\]](#)).

Assessment of SIFEM's contribution to the Just Transition

In 2024, SIFEM commissioned a study to evaluate the development impact of its climate finance portfolio, focusing on job creation, workforce development, supply chains, and community outcomes. Conducted by Steward Redqueen and published in May 2025, the study highlights the contribution of SIFEM's climate investments to quality employment in low-carbon sectors, especially for vulnerable populations in emerging markets. Its recommendations will inform SIFEM's future approach to aligning climate finance with inclusive development impact (see Highlight: Advancing a Just Transition Through Climate Investments [\[p. 34 →\]](#)).



Independent verification of impact management practices

In the first quarter of 2025, SIFEM completed the second independent verification of its impact management practices under the Operating Principles for Impact Management (Impact Principles) [\[p. 41 →\]](#), following the first assessment in 2020. The verification, carried out by BlueMark, confirmed SIFEM's alignment with the Impact Principles and recognised progress made since the previous review, particularly in the introduction of the new Impact Rating Tool and strengthened impact monitoring. The Board has reviewed the findings and recommendations, which will be progressively implemented over the next two to three years.

Membership in the Joint Impact Model

In June 2024, SIFEM joined the Joint Impact Model initiative to improve the measurement of greenhouse gas emissions and indirect job creation across its portfolio. By adopting this harmonised methodology, SIFEM aims to contribute to greater consistency and comparability of impact reporting among Development Finance Institutions.

New investment commitments

In 2024, SIFEM committed 173 million of investments across 12 new deals, including nine funds (84% of total commitments in 2024) and three financial institutions (16% of total commitments in 2024). Most new commitments were directed to Asia (36%) and Africa (29%), in line with SIFEM's geographic priorities and strategic focus. By instrument type, the largest share, both in volume and number, was allocated to Private Equity Funds targeting SMEs (49%). This was followed by other Private Equity Funds (17%) with diverse thematic focuses, including climate and gender.

Fig. 1

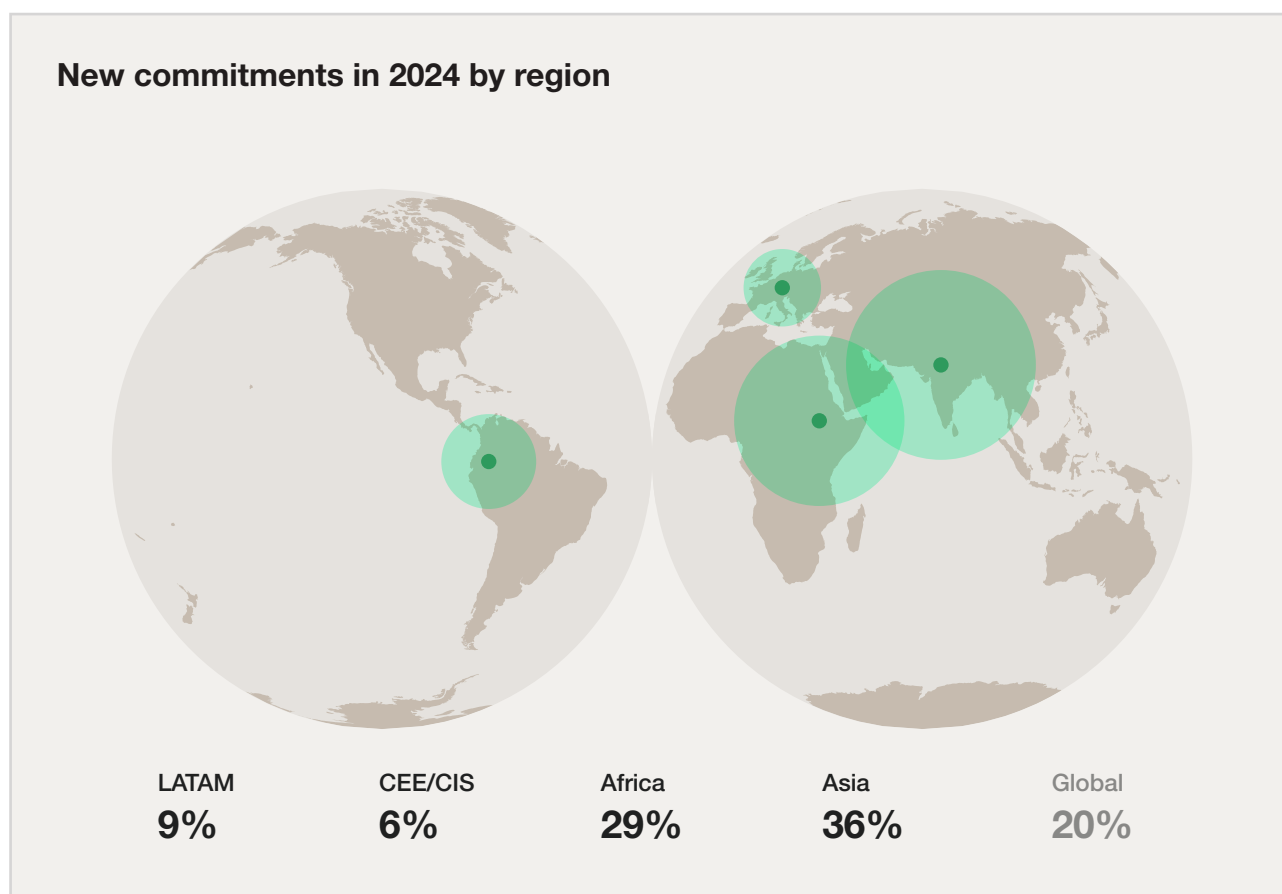
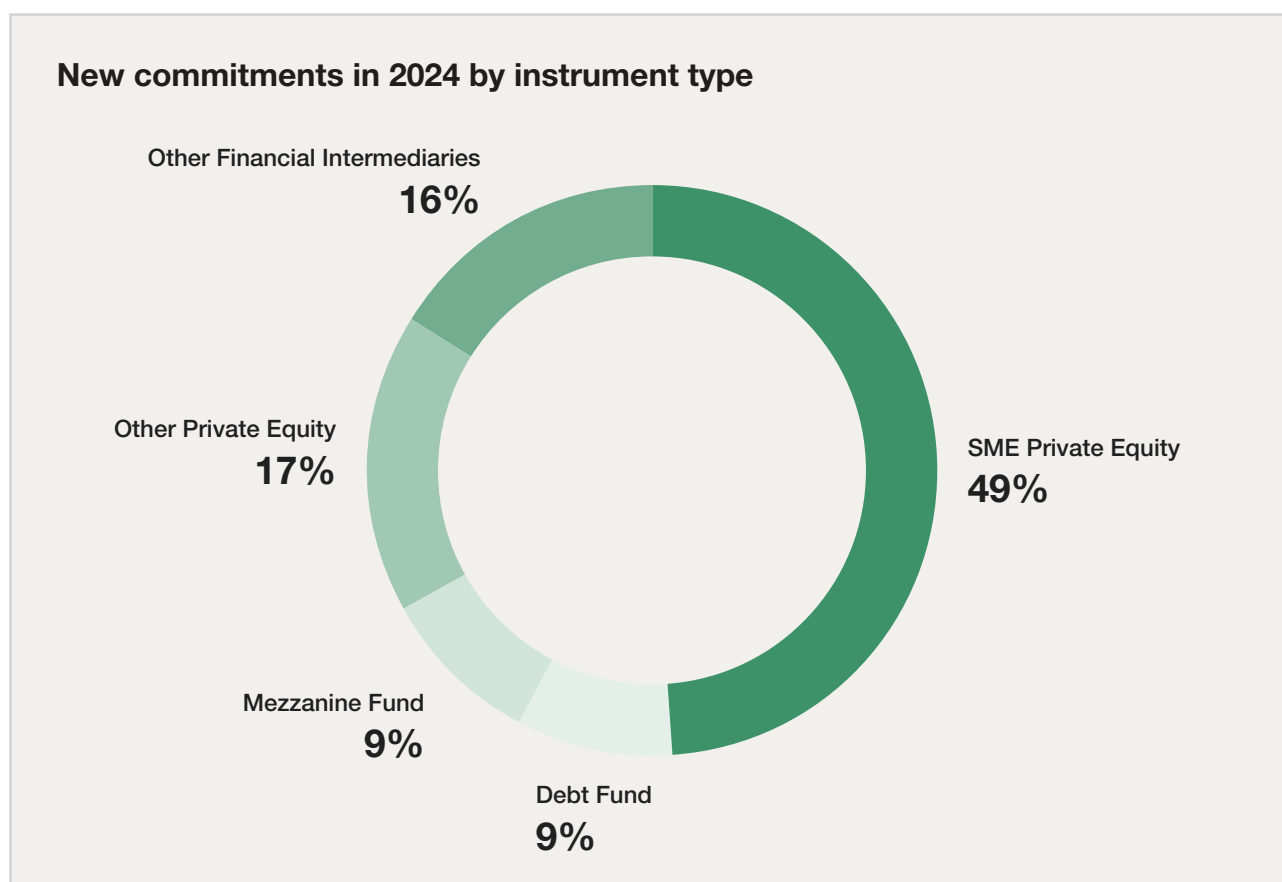


Fig. 2



Investment	Amount (USD)	Region	Instrument	Focus
Africa Credit Opportunities Fund III	15 million	Latin America	Private Equity Fund	Growth credit for SMEs, infrastructure, telecoms
Africa Development Partners IV	20 million	Pan-Africa	Private Equity Fund	High-growth consumer sectors, job creation
Apis Growth Markets Fund III	20 million	Pan-Africa	Private Equity Fund	Financial inclusion, fintech
Ashmore Andean Fund III	15 million	Latin America & Caribbean	Private Equity Fund	Infrastructure, renewables, education, transport
Helios Clear Fund	15 million	Pan-Africa	Private Equity Fund	Climate action and green growth
Ipak Yuli Bank	10 million	Uzbekistan, Central Asia	Private Debt	MSME lending, youth employment, climate finance
Jungle Ventures Fund V	15 million	Southeast & South Asia	Private Equity Fund	Early-stage tech, consumer goods, B2B solutions.
KMF Microfinance	10 million	Kazakhstan	Private Debt	Microfinance, women and rural clients
LeapFrog Climate Fund	15 million	Pan-Africa, Southeast & South Asia	Private Equity Fund	Climate-smart agriculture, green solutions
Mutual Trust Bank	8 million	Bangladesh, Southeast Asia	Private Debt	SME finance, women-led MSMEs, climate finance
Navis Asia Credit Fund I	15 million	Southeast & South Asia	Mezzanine Debt Fund	Credit for mid-market companies in manufacturing and logistics
Somerset Indus Healthcare India Fund III	15 million	Southeast Asia	Private Equity Fund	Affordable healthcare, MedTech, pharma
Total Commitments	173 million			

Further details are available in the [2024 Business & Financial Report](#) and [SIFEM's Portfolio Explorer](#).

Key Impact Results

Portfolio overview

2024

	Investment portfolio ¹ (in USD)	485M	▲ 7% compared to 2023
	Underlying Investees in fund portfolios	590	
	Funds in investment portfolio ²	90	
	Financial Institutions in investment portfolio	17	
	New investment commitments (in USD)	173M	
	Countries with investments	70+	
	Total active commitments (in USD)	1,051M	

1 Investment portfolio valuation as of 31 December 2024.

2 The number of investees includes positions invested and committed as of 31 December 2024.

Key Impact Results

Impact indicators³

SDG(s)	Theme/Indicator	Result
	Creating more decent jobs SIFEM supports SMEs and other fast-growing companies to create formal and sustainable employment	599,534 direct and indirect jobs supported in 2024 ⁴ 76% of jobs have permanent contracts 64% of Investees and Underlying Investees provided employee training
	Creating economic opportunities for women SIFEM promotes gender equality and equal opportunities, including through job creation.	39% of employees are women
	Providing access to financial services and products SIFEM facilitates access to finance for SMEs and fosters financial inclusion.	8.7 million loans (including SME, micro, and other types) outstanding at the level of Investees and Underlying Investees ⁵
 	Climate Change Mitigation SIFEM fosters access to clean energy and more efficient energy and resource management solutions.	4,475 GWh of clean energy produced 1,424 MW of clean energy capacity installed 6.3 million tonnes of GHG emissions avoided ⁶
	Broadening the local tax base Investees and Underlying Investees comply with local tax regulations and pay taxes where they operate.	USD 1,592 million in corporate and other taxes paid by Investees and Underlying Investees
	Reducing the financing gap SIFEM leverages private capital for development through fund investments.	For each USD 1 invested by SIFEM, private investors contributed USD 4.9 ⁷

³ Latest available data as of 31 December 2024. All impact data in this report is self-reported by portfolio companies and, unless stated otherwise, has not been attributed based on the size of SIFEM's investment.

⁴ This includes both direct jobs supported at the level of SIFEM's investees (funds, investee companies and financial institutions), as well as indirect jobs supported through loans to MSMEs. See Direct and Indirect Jobs supported [\[p. 19 →\]](#), for more details on the methodology.

⁵ Out of which 2.5 million MSME loans.

⁶ GHG emissions avoided figures are reported directly by portfolio companies, using their own calculation methods, as no standardised methodology is applied across investees.

⁷ This number reflects the proportion between SIFEM's commitments and private investors' commitments in fund investments. It is computed following the OECD Development Assistance Committee (DAC) methodology for measuring private finance mobilised by official development finance interventions.

Introduction

About SIFEM

The Swiss Investment Fund for Emerging Markets (SIFEM) is the Swiss development finance institution (DFI) and a key instrument in the country's International Cooperation Strategy (Swiss Confederation, 2024a). It plays a central role in promoting private sector development in developing and emerging markets by providing long-term financing to small and medium-sized enterprises (SMEs) and fast-growing companies through local and regional investment funds.

SIFEM operates under the Strategic Objectives set by the Swiss Confederation in four-year cycles (Swiss Confederation, 2024b). The Strategic Objectives are aligned with the United Nations 2030 Agenda for Sustainable Development and the Paris Agreement, setting out clear developmental and financial goals, including quantitative targets that support sustainable economic growth.

Investment approach

SIFEM pursues its mandate through three main investment channels:

- Private Equity Funds: investing indirectly in companies across emerging markets.
- Debt & Mezzanine funds / Current Income funds: providing access to growth capital for enterprises and financial institutions in emerging markets
- Direct Debt Financing / Other financial intermediaries: offering long-term loans to financial institutions in emerging markets

(See SIFEM's Overview [\[p. 52–55 →\]](#))

Through these channels, SIFEM supports job creation, inclusive economic development, and environmental sustainability, with a particular focus on climate action and green growth.

Its investment activities are implemented by its active Portfolio Manager, responsAbility Investments AG, which manages the portfolio and works closely with investees to ensure both financial performance and sustainable development impact.

SIFEM's development objectives

SIFEM's mission is to reduce poverty and promote sustainable, inclusive, and resilient economies by creating and securing quality jobs, expanding opportunities for underserved communities, and supporting projects that contribute to a Just Transition.

SIFEM is committed to aligning its investments with global environmental objectives to combat the climate crisis and help emerging markets achieve low-carbon growth. It plays a vital role in closing financing gaps and mobilising private capital for local economic development.

Central to [SIFEM's Theory of Change](#)  is the role of financial intermediation in fostering private sector growth in emerging markets. Strengthening local financial intermediaries is a key focus, enhancing their ability to provide capital to local SMEs. SIFEM's contributions are both financial, through the provision of long-term capital, and non-financial, offering hands-on advisory support to these intermediaries. This integrated approach is essential for ensuring the sustainability of SIFEM's outcomes.

SIFEM in the DFI ecosystem

SIFEM operates within an ecosystem alongside peer DFIs, working to support private sector development across emerging markets. In 2024, SIFEM's total investment portfolio reached USD 485 million. This forms part of the wider European DFI network, comprising 14 DFIs with a combined portfolio of USD 62 billion in 2023.

While DFI's regional and sectoral priorities vary according to national strategies and objectives, DFIs share similar mandates addressing global development challenges in line with the Sustainable Development Goals (SDGs) and the Paris Agreement. Their investment approach emphasises respect for human rights and environmental sustainability, while supporting job creation, economic growth, gender equality, and climate action. By doing so, DFIs aim to create an enabling environment for private enterprises, encouraging responsible and sustainable business practices in emerging markets.

As a smaller DFI, SIFEM contributes to collective action alongside its peers, seeking to catalyse impact within the broader ecosystem. The average size of SIFEM's investments is about USD 14.4 million, slightly below the European DFI average of USD 18.4 million, but significant when considered in the context of Switzerland's size and in comparison to other European peers.⁸

The EDFI Association (EDFI) has published comparative data on the contributions of its members to emerging markets, including regional, sectoral, and country allocations. This information is available through the [EDFI Data Dashboard](#) .

About this report

This Impact Report has been independently prepared by Tameo Impact Fund Solutions SA, SIFEM's Business Services Manager, using data collected by SIFEM's Portfolio Manager, responsAbility Investments AG. The report provides an overview of the development impact of the SIFEM portfolio as of December 2024, based on reporting from Investees (Fund Managers and Financial Institutions) and Underlying Investees.

It also demonstrates changes in impact performance between 2023 and 2024, and across the 2021–2024 strategic period, highlighting progress achieved as well as opportunities to strengthen SIFEM's impact performance.

⁸ Data as of 31 December 2023. Average deal sizes have been converted from EUR to USD using the exchange rate on that date, to align with the reporting currency of this report. The original EDFI-reported figures were EUR 13 million for SIFEM and EUR 16.6 million for the overall EDFI average.

Portfolio Overview

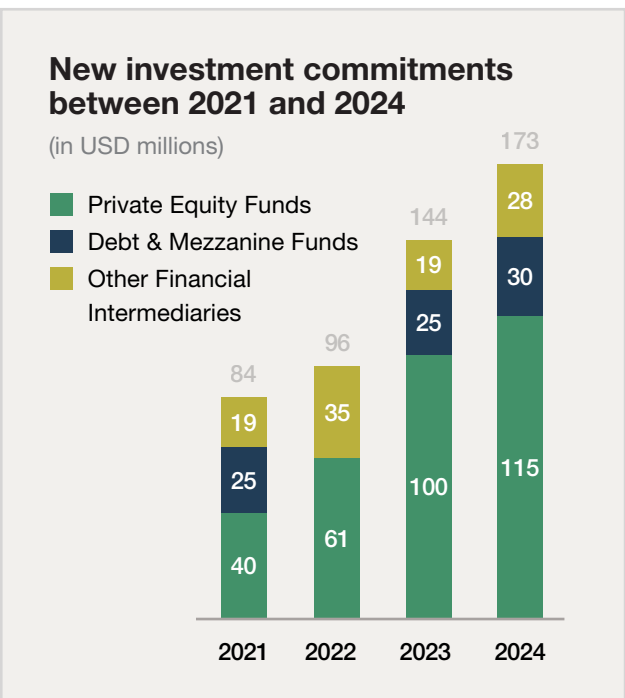
Investment commitments

Since its inception, SIFEM has committed USD 1.58 billion to more than 180 investments. As of 31 December 2024, the total active commitments stood at USD 1.05 billion, reflecting an 18% increase over the current strategic period, from USD 894 million in 2021.

The portfolio remains primarily focused on private equity funds investing in growth companies and SMEs, which account for 67% of total commitments, increasing from 63% at the end of 2023. Current income funds represent 16% of the portfolio, while other financial intermediaries, such as banks, make up 12%. Microfinance investments have decreased to 4% (down from 7% in 2023), and infrastructure investments account for 2%. This composition highlights SIFEM's strategic emphasis on equity support for private sector growth, alongside exposure to financial services and infrastructure.

Over the 2021–2024 strategic period, annual new commitments more than doubled, rising from USD 84 million in 2021 to USD 173 million in 2024. The figure below illustrates this evolution by instrument type.

Fig. 3

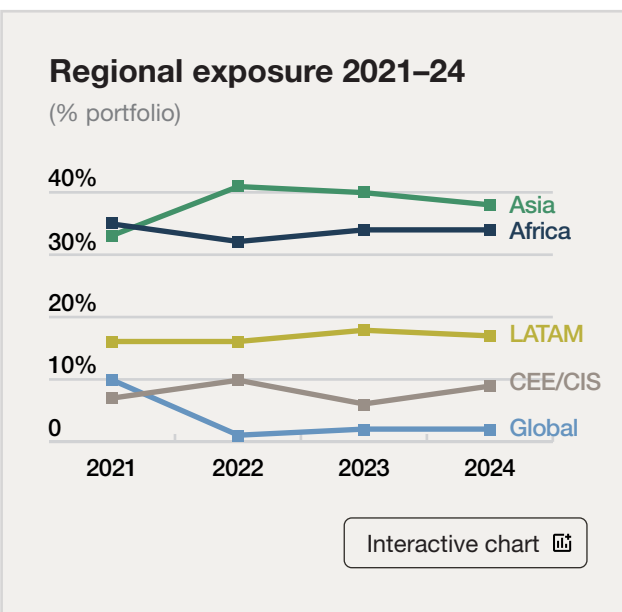


Geography

Asia remained the largest regional allocation in 2024, representing 38% of the portfolio, though slightly down from 40% in 2023.⁹ Africa followed with a stable share of 34%, unchanged from the previous year. Latin America accounted for 18% (+1 percentage point compared to 2023), while Central and Eastern Europe increased to 9% (from 6% in 2023). The remaining 2% of the portfolio is allocated to investments with global operations not tied to a single country. This category also includes entities incorporated in developed markets that deliver goods or services to emerging markets.

Over the 2021–2024 strategic period, regional exposure has been broadly stable: Asia and Africa consistently accounted for the largest shares, followed by Latin America and Central and Eastern Europe. The only notable shift was in Asia, where exposure increased between 2021 and 2022 before stabilising.

Fig. 4

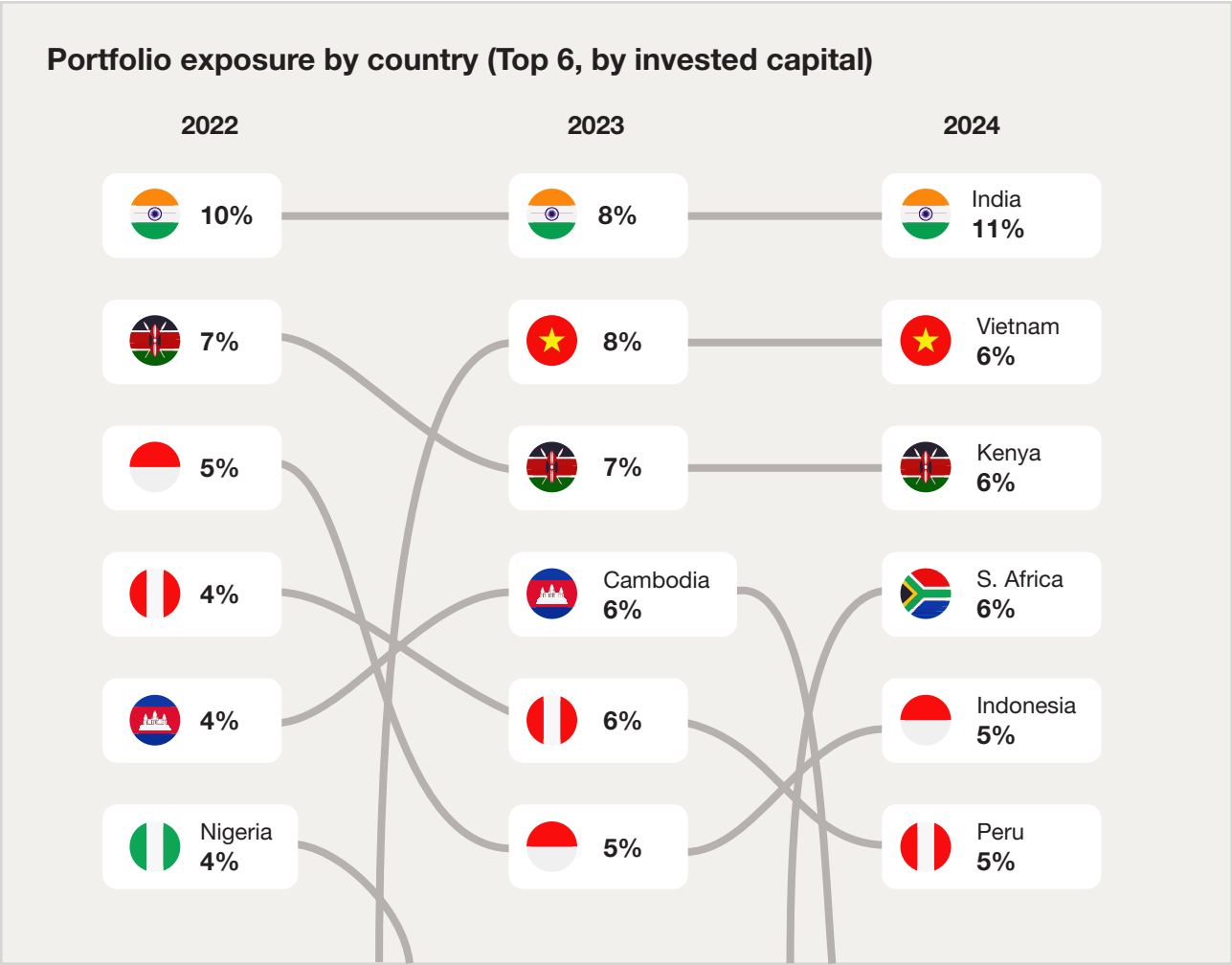


⁹ Investment concentration by geography, region, and income level and sectors are calculated based on SIFEM's cost exposure as of 31 December 2024 reflecting the proportion of investment volumes committed to each category.

Country exposure

In 2024, SIFEM's top country exposures remained broadly consistent with the previous year, with India continuing to represent the largest share at 11%, followed by Vietnam (6%), Kenya (6%), South Africa (6%), Indonesia (5%), and Peru (5%). Cambodia, which accounted for 6% of the portfolio in 2023, dropped out of the top five following SIFEM's exit from two financial institutions, reducing its exposure to 1.7% in 2024.

Fig. 5



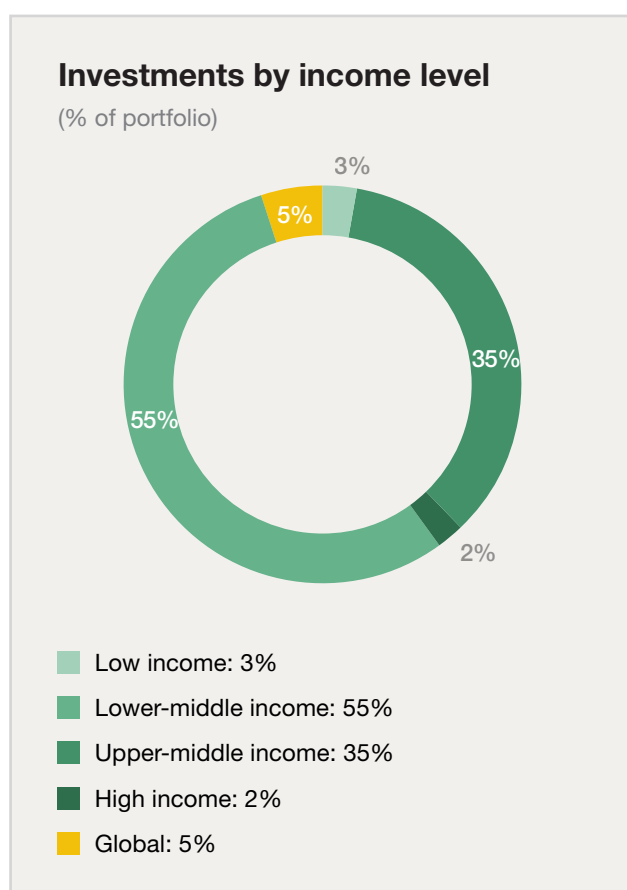
An interactive map showing SIFEM's investment by country is available on [SIFEM's website](#).

Income level exposure

In 2024, 55% of SIFEM's portfolio was invested in lower-middle-income countries, such as Nepal and Bangladesh, consistent with 2023. Upper-middle-income countries, such as Indonesia and South Africa, accounted for 35% of the portfolio.

Investments in low-income countries, such as Uganda and Malawi, made up 3% of the portfolio, while high-income countries, such as Costa Rica, represented 2%. The remaining 5% is classified as 'Global', referring to companies whose country-specific allocation is not tracked due to their operations spanning multiple emerging markets.

Fig. 6



Least Developed Countries

Least Developed Countries (LDCs) are a group of economies that face the most severe structural challenges to sustainable development. The United Nations classifies countries as LDCs when they have very low income levels, weak human development outcomes (such as poor health and education indicators), and high vulnerability to economic and environmental shocks (e.g., dependence on farming, high risk of flooding).

As of December 2024, 44 countries, primarily located in Africa (32) and Asia (8), are classified as LDCs (UNCTAD, 2024). Over time, several countries have "graduated" out of the LDC category once they improve on these criteria, but progress is gradual. Seven countries have graduated from LDC status since 1994, including Bhutan in 2023 and São Tomé and Príncipe in 2024 (UNDP, 2021).

LDCs comprise 15% of the world's population, but account only for 1.4% of global gross domestic product (GDP) (UNCTADstat). In 2024, nearly 3 in 10 workers in LDCs and 2 in 10 in landlocked developing countries (LLDCs) lived in extreme poverty (United Nations Statistics Division, 2025).

During the 2021–24 strategic period, SIFEM committed to maintaining at least 12% of its investments in LDCs. This target was met, with LDC exposure averaging 12.8%, peaking at 16.4% in 2023 and settling at 11.3% in 2024. The decrease from 2023 was driven by the exit from investments in two financial institutions in Cambodia, as well as by an increase in new commitments to funds that do not invest in LDCs.

	2021	2022	2023	2024	Avg.
Exposure¹⁰	12.5%	10.9%	16.4%	11.3%	12.8%

Nevertheless, in 2024, Angola and the Democratic Republic of the Congo entered SIFEM's portfolio as new LDC exposures through Africa River Fund IV. The fund provides long-term financing to underserved businesses in frontier African markets, with a focus on healthcare, agribusiness, logistics, pharmaceuticals, and information & communication technology. With these additions, SIFEM is now invested in 23 of the 44 countries classified as LDCs.

¹⁰ This represents the combined exposure through outstanding commitments and active investments.

SIFEM also deepened its presence in LDCs in Asia. Exposure to Nepal rose from 1.9% to 3.1% of the portfolio (now representing SIFEM's largest LDC exposure), and Bangladesh from 0.1% to 1.9%. These increases reflect new investments in financial institutions: Global IME Bank Limited in Nepal, which extends financial services to MSMEs including agribusinesses and women entrepreneurs, and Mutual Trust Bank Limited in Bangladesh, which provides working capital and trade finance to SMEs, particularly in agriculture.

Recognising the structural challenges of investing in LDCs, such as transaction size, political and currency risks, and the limited maturity of fund managers, SIFEM's approach in these markets relies more heavily on financial institutions than funds. In 2024, 48% of its LDC investments were channelled through financial institutions and 52% through funds, compared to just 16% allocated to financial institutions across the overall portfolio.

In the 2025–28 strategy cycle, SIFEM maintains its objective of allocating at least 12% of the portfolio to LDCs based on the classification as of 1 January 2025.

Sector

SIFEM's sector exposure is classified according to the Statistical Classification of Economic Activities in the European Community (NACE). In 2024, the largest share of the portfolio remained in financial and insurance activities (38%),¹¹ consistent with 2023 levels. Wholesale and retail trade decreased slightly to 8% (-1pp), while agriculture, forestry, and fishing increased to 7% (+1pp). Human health and social work activities declined to 6% (-1pp), whereas other sectors such as energy supply (7%), manufacturing (8%), information and communication (6%), and education (3%) remained stable year-on-year. Overall, the sector distribution shows continuity with only minor shifts compared to 2023.

Within the 38% sector exposure to financial and insurance activities, around 53% relates to direct investments in financial institutions, while the remaining 47% comes from indirect investment through funds that, in turn, finance companies offering financial services such as microfinance institutions, payment platforms or peer-to-peer lending.

¹¹ The financial sector exposure includes both SIFEM direct investments in financial institutions and its indirect exposure through funds that invest in financial intermediaries, such as microfinance institutions.

Fig. 7



In 2024, SIFEM introduced a more detailed “look-through” analysis by collecting the sector breakdown of its financial institution investees, complementing SIFEM's direct portfolio classification.

The results show that FI portfolios are widely diversified, with the largest exposures in wholesale and retail trade (22%) and other service activities (22%), the latter covering a wide range of small businesses such as repair services, and personal services (e.g., hairdressing and dry cleaning). These categories reflect the role of FIs in financing small businesses and household services that are less represented in SIFEM's direct investments. FIs also channel significant financing to manufacturing and agriculture, providing support to productive sectors and complementing SIFEM's direct exposure to these sectors through funds.

Development Impact

To measure the positive impact of its investments, SIFEM applies a set of complementary tools and frameworks. At the portfolio level, SIFEM uses a Theory of Change, aligned with its 2021-24 Strategic Objectives.

SIFEM's investments aim to create impact across four key outcome areas, each linked to specific SDGs. The impact results presented in this report are structured according to the framework and themes defined in the Theory of Change:

- 1. Economic opportunities and decent jobs:** Providing SMEs with access to long-term financing to support business growth and create decent, sustainable employment opportunities (SDGs 5, 8, and 9).
- 2. Social inclusion:** Expanding access to essential goods and services for underserved communities, particularly for women and entrepreneurs (SDGs 3, 4, 5, 9, and 10).
- 3. Climate change mitigation and adaptation:** Supporting businesses that deliver transformative climate outcomes, in line with the Paris Agreement (SDGs 7, 12, and 13).
- 4. Economic viability and resilience:** Investing in financially sustainable intermediaries that adhere to Environmental, Social, and Governance (ESG) standards, while aligning with the objectives of the Paris Agreement (SDG 17).

SIFEM's results measurement framework tracks, monitors, and aggregates development outcomes across its portfolio to evaluate the effectiveness and long-term sustainability of its impact.

The framework operates on three complementary levels:

- 1. Investment level indicators:** key indicators collected for each investment to measure development effects. These are aggregated at the portfolio level and reported publicly and to the Swiss government.

- 2. Case studies and evaluations:** Periodic in-depth analyses of results at different levels, including outcomes for end beneficiaries, specific sectors, and country contexts. (See Highlight: Advancing a Just Transition through Climate Investments [\[p. 34 →\]](#))
- 3. SIFEM's Impact Rating Tool:** developed in 2024 to replace the previous GPR system, this tool provides a systematic assessment of the expected and achieved impact of each investment (refer to Impact Rating Tool section below).

SIFEM's new Impact Rating Tool

In 2024, SIFEM developed a new Impact Rating Tool (IRT) to strengthen the way it assesses the expected development impact of prospective investments. The IRT replaces the previous *Geschäftspolitisches Projekt rating* (GPR) methodology, which had been in use for over 15 years. Both tools were applied in parallel in the second half of 2024 to ensure a smooth transition, and from January 2025 onwards, the IRT has become SIFEM's standard framework for all new investments.

The IRT was designed to align closely with SIFEM's Strategic Objectives for 2025–2028 and to provide a context-specific measure of expected impact at the pre-investment stage, as well as monitoring the achievement of impact over the life of an investment. Every investment proposal is now evaluated using the IRT, and the results are considered by the Investment Committee as an integral part of the due diligence and investment decision making process.

Structure and scoring of the IRT

The IRT is built on the “People, Planet, Profit” framework, aligning closely with SIFEM's development mandate. The score is calculated across four dimensions aligned with the four key outcome areas that SIFEM targets:

- Job quantity and quality (People)
- Inclusion (People)
- Climate action (Planet)
- Economic development (Profit)

Development Impact

The dimensions are assessed through 17 key performance indicators, which together provide a structured view of the development effects of an investment. These indicators are scored as ‘high’, ‘medium’ or ‘low’ based on quantitative and qualitative factors, and weighted according to the type of investment, recognising that different strategies contribute to impact in different ways:

- **Generalist funds:** Emphasis on job creation and economic development
- **SME, inclusion, or venture funds:** Focus on inclusive growth and innovation
- **Climate funds:** Primary contribution to climate action
- **Financial institutions:** Key role in expanding financial inclusion

Contextual adjustments

To better account for the macro and country-specific context, the IRT applies contextual adjustments to selected indicators. Adjustments are applied using five country-level indicators, primarily extracted from the International Labor Organisation (ILO) and the World Bank Group databases. The methodology considers that there is a higher potential for impact in terms of:

1. Job opportunities in countries with high unemployment rates or large informal sectors.
2. Employment opportunities for women in investments that employ a higher proportion of women than the national average in their countries of operation.
3. Climate action in countries with high per capita GHG emissions or climate vulnerability.
4. Electricity access in countries with low electrification rates.
5. Improving development impacts through tax payments in countries with lower perceived levels of corruption.

Implementation and testing

Before it was fully rolled out, the IRT was applied to SIFEM's existing portfolio using data from 2022 and 2023, as well as to new investments made in 2024, to test its validity across different sectors, geographies and investment types. This testing phase provided valuable insights into how the tool performed in practice and highlighted areas for refinement. Based on these findings, the methodology was fine-tuned, adjusting certain indicators, thresholds, and weighting rules to improve its accuracy and consistency. Following this iterative process, the finalised IRT was rolled out in January 2025 and is now fully operational, providing data on expected development impact, supporting alignment with SIFEM's Strategic Objectives, and enabling systematic tracking of impact performance over time.

How to read the data

The results presented in this report reflect SIFEM's portfolio as of 31 December 2024. The portfolio comprised 90 funds, 17 financial institutions, and 591 Underlying Investees, of which approximately 70% submitted data. Compared to 2023, the portfolio grew by 7%, from USD 454 million to USD 485 million, with the number of funds increasing from 86 to 90, while the number of financial institutions and Underlying Investees remained broadly stable.

It is important to note that these figures represent a snapshot of the portfolio at a given point in time. Each year, new investments are added, others exit, and reporting coverage varies. As a result, year-on-year changes shown in this report reflect shifts in portfolio composition and reporting, rather than a direct comparison of a constant sample of companies over time (see Appendix: Methodology and Data Coverage for more details [\[p. 51 →\]](#)).

All results are based on self-reported data by Investees and Underlying Investees. The development impact results presented in this report are not attributed according to the proportion of SIFEM's investment in the reporting institution, unless otherwise stated. These figures represent the total impact of the investees' activities and are not proportional to SIFEM's financial contribution.

Economic Opportunities and Decent Jobs

Direct and indirect jobs supported

Job creation is a core objective of SIFEM, as outlined in its Strategic Objectives. Employment is one of the most effective drivers of poverty reduction, private sector development, and sustainable growth. SIFEM prioritises investments that expand quality jobs in emerging markets, with a strong focus on opportunities for women in line with its commitment to inclusive development.

SIFEM supports job creation through investments in funds, financial institutions, and SMEs in emerging markets. By targeting the “missing middle”, businesses too large for microfinance but too small or perceived as too risky for traditional banks, SIFEM provides growth capital for companies that have high job creation potential. As these businesses scale, they generate employment, improve productivity, and upgrade working conditions, contributing to economic resilience, workforce development, and better livelihoods across regions.

SMEs are the backbone of most economies and key contributors to employment and income generation. For example, in Africa, small businesses create up to 80% of jobs and generate up to 70% of GDP (World Economic Forum, 2022). Despite their importance, SMEs and microentrepreneurs in developing countries often face major barriers to accessing finance. SIFEM addresses this gap by facilitating greater access to capital, enabling these businesses to grow, retain quality jobs, and expand employment.

To measure its impact, SIFEM tracks both direct and indirect job creation:

- Direct jobs refer to employment supported by SIFEM's Underlying Investees, fund managers, and financial institutions.
- Indirect jobs are estimated based on the loans disbursed by financial institutions in SIFEM's portfolio, reflecting the broader economic ripple effects of improved access to finance.

Through this approach, SIFEM contributes to inclusive, equitable, and sustainable employment in emerging markets.

In 2024, SIFEM supported a total of 599,534 direct and indirect jobs, marking a 15% increase compared to 2023. This growth reflects a combination of expanded reporting by investees, job creation within existing portfolio companies, and the addition of new investees during the year. The increase was driven entirely by direct job creation, while indirect jobs declined. This decline is largely due to two factors. First, investees that reported in both 2023 and 2024 had, on average, lower levels of indirect employment. Second, several financial institutions that had previously contributed significantly to indirect jobs either exited the portfolio or did not report in 2024, including three that together accounted for more than one-third of all indirect jobs in the previous year. Of the total jobs supported in 2024, 95% were direct jobs and 5% were indirect.¹²

Employment trends

The year-on-year change in the number of direct jobs supported between 2023 and 2024 is driven mainly by employment changes among existing investees, as well as changes in the portfolio composition and reporting coverage:

- **Continuing investees:** Over 400 investees reported jobs in both 2023 and 2024 and remained in the portfolio during this period. Within this group, there were more than 73,800 jobs created and around 24,600 jobs lost, resulting in a net change of 49,200 jobs created.
- **Portfolio entries and exits:** 97 investees were added to the total (either by entering SIFEM's portfolio or reporting for the first time), while 83 investees exited (either by leaving the portfolio or not reporting in 2024). In absolute terms of jobs, this corresponds to about 66,700 jobs entering and 58,000 jobs leaving the portfolio, resulting in a net increase of 8,700 jobs.

¹² Direct jobs are calculated in absolute terms, while indirect jobs are partly attributed to SIFEM, based on its cost exposure to the investment.

Employment by sector¹³

2024 results

In 2024, the largest share of jobs supported by SIFEM was in financial and insurance activities, representing 46% of total jobs, while representing 38% of the portfolio. While this sector has consistently been the top source of jobs in recent years, its share has steadily declined from 56% in 2022 and 49% in 2023.

This shift is largely explained by changes in portfolio composition: over the same period, SIFEM's portfolio exposure to private equity funds increased from 60% in 2022 and 2023 to 67% in 2024 while the share of investments in financial institutions declined from 22% in 2022 to 12% in 2024 (see Portfolio Overview [\[p. 13 →\]](#)).

Of the 46% total jobs in financial and insurance activities in 2024, only 10% are jobs in financial institutions that SIFEM directly invests in, while around 90% are jobs at underlying investees of funds investing in companies such as microfinance institutions, fintech firms, supply chain financiers, and payment platforms. Many of these companies are large employers with extensive networks, almost one quarter of them employ more than 900 people each, thereby amplifying their contribution to overall jobs supported.

The most notable change in 2024 was the growth of wholesale and retail trade, which accounted for 11% of total jobs supported, increasing from 8% in 2023. Other important sectors included manufacturing (6%), information and communication (6%), administrative and support services (6%), and agriculture (5%). Several sectors generated a disproportionately high share of jobs relative to their portfolio weight, including wholesale and retail trade, which accounted for 8% of the portfolio but 11% of jobs. Likewise, administrative and support services represented only 2% of the portfolio but 6% of jobs.

By contrast, the energy sector continued to create relatively few direct jobs (1% of the total) despite representing 7% of portfolio allocation. This pattern is typical for capital-intensive sectors where most employment occurs during construction with fewer long-term operational roles. However, these investments play a vital role in renewable energy expansion, climate change mitigation, and long-term economic resilience.

The graph below also compares SIFEM's invested amounts across NACE sectors with the share of jobs supported, showing that overall SIFEM's capital allocation is strongly linked to job supported across sectors, with higher investments generally corresponding to more jobs supported.

Geographical distribution of jobs

Africa and Asia remained the main hubs of job supported, accounting for 46% and 39% of total jobs, respectively. Latin America contributed 9% and Central and Eastern Europe 5%.

Even though Africa continues to be the region with the largest overall number of jobs supported, when focusing specifically on jobs created between 2023 and 2024, Asia recorded the highest share of new jobs (73%), followed by Africa (17%), Central and Eastern Europe (5%) and Latin America (5%).

¹³ The results in this section include only direct jobs.

Fig. 8

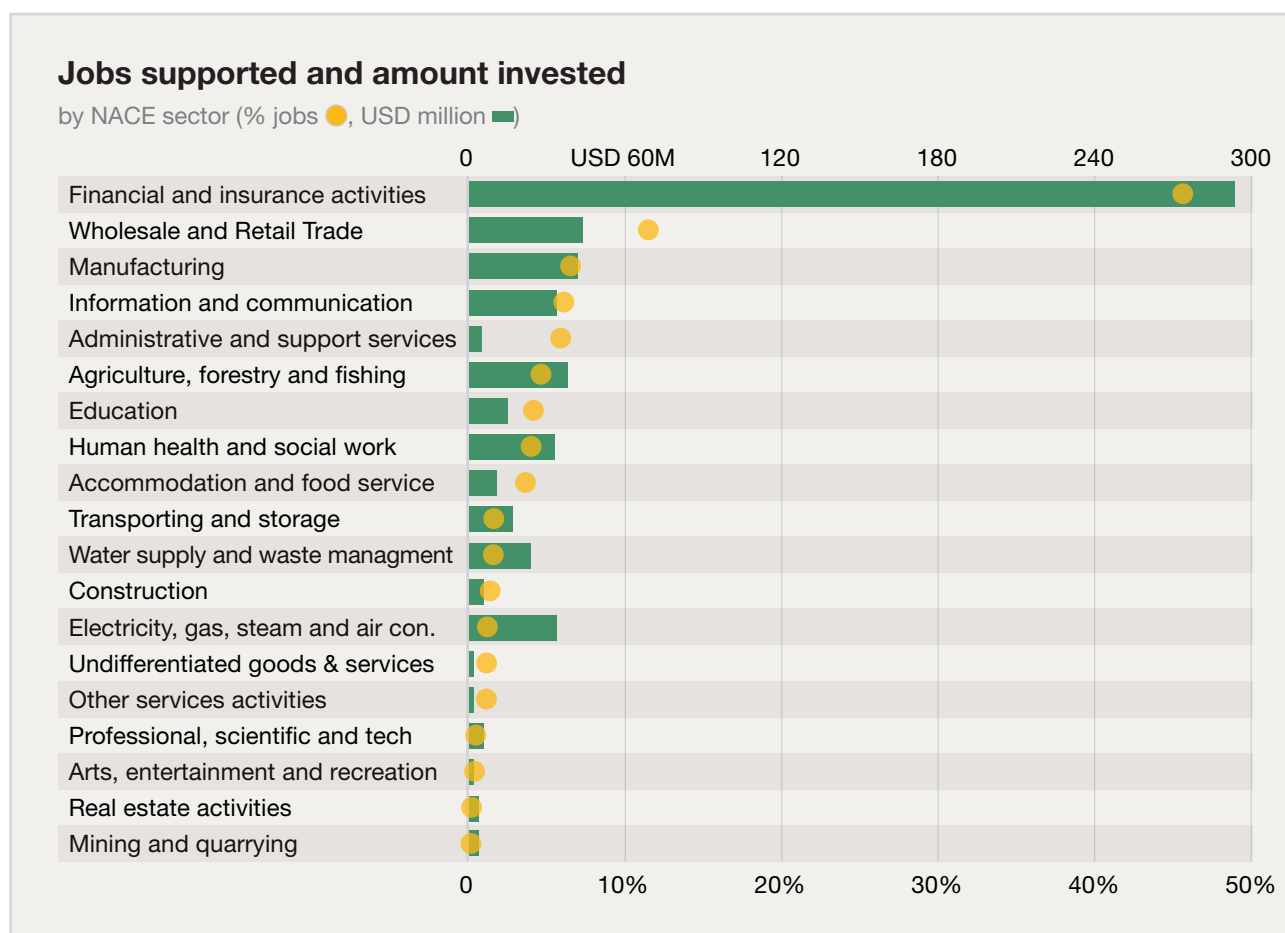
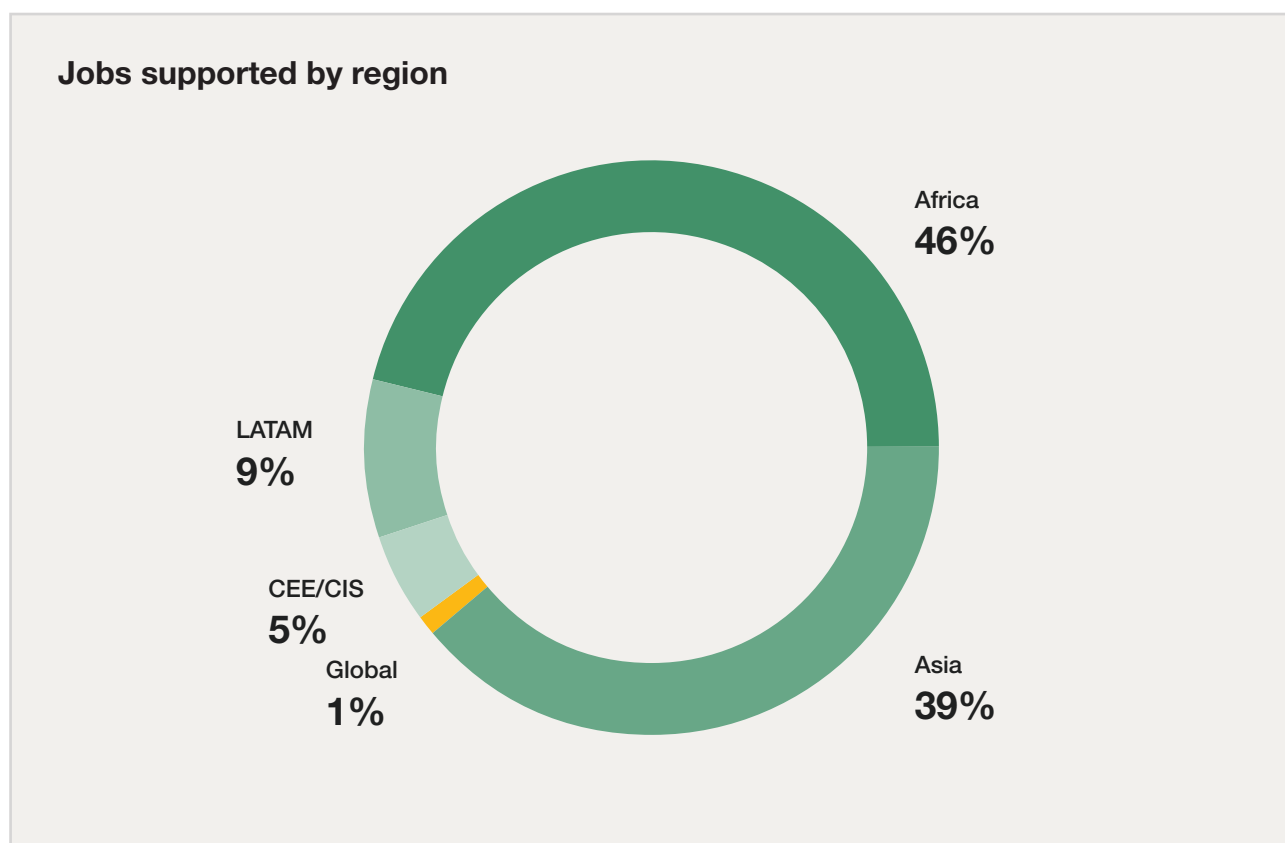


Fig. 9



Development Impact

Across all four regions, financial and insurance activities are the leading sector for jobs supported, ranging from 35% of jobs in Africa to 78% in Central and Eastern Europe. Sectoral patterns differed by region otherwise:

- In Africa and Asia, wholesale and retail trade was the second-largest source of jobs (16% and 10%, respectively).
- In Central and Eastern Europe, education ranked second (11%).
- In Latin America, construction ranked second (14%).

At the country level, Kenya is the leading country in terms of jobs supported by SIFEM in 2024, accounting for 14% of the total (up from 9% the previous year) surpassing India at 13%.¹⁴ Egypt ranked third (10%), followed by Indonesia (9%) and South Africa (8%). Jobs in LDCs remained steady at 7% of the total, while 46% were in Switzerland's development cooperation priority countries (see Appendix: SIFEM Priority Countries for the Strategic Period 2021-24 [\[p. 58 →\]](#)), compared to 41% in 2023.

Types of jobs supported

In 2024, 76% of jobs supported by SIFEM were permanent (full- or part-time), compared to 77% in 2023 and 75% in 2022. Short-term jobs made up 14% in 2024 (versus 16% in 2023 and 18% in 2022), while outsourced or contracted staff accounted for 9%, a share unchanged from the previous two years. This stability over time reflects SIFEM's sustained emphasis on fostering long-term, formal employment across its portfolio.

While temporary or contracted jobs can still be formal and offer valuable income opportunities, permanent roles generally provide greater job security, benefits, and career progression. This is particularly relevant in many of SIFEM's investment markets, where informal employment is widespread. ILO estimates suggest it exceeds 90% of total employment in some developing countries, and 60% of all employment worldwide (International Labour Organization, 2025a).

By supporting investees that can offer longer-term contracts, SIFEM contributes to more stable livelihoods and a stronger foundation for economic resilience.

In 2024, 21% of SIFEM's investment countries had unemployment rates above 10%, reinforcing the importance of expanding access to stable, quality jobs in markets with limited employment opportunities.¹⁵

Better jobs

SIFEM's approach to job creation also prioritises job quality. Through its investments in financial intermediaries and fund managers, SIFEM promotes the implementation of labour rights and workplace protections across portfolio companies. For example, in Sub-Saharan Africa, the number of people gaining employment is increasing faster than the number becoming unemployed. However, growth in jobs doesn't always mean these are high-quality or sustainable roles (International Labour Organization, 2025b). This is why it is essential that the jobs supported through SIFEM's investments foster improved working conditions and promote decent jobs.

In low- and middle-income economies, many people are self-employed in agriculture or informal services, often with limited access to training or benefits.

SIFEM seeks to address these challenges by working closely with funds and financial institutions to raise labour standards, aiming to support jobs that offer fair working conditions, skills development opportunities, and employment benefits. Its investee companies are contractually required to comply with national labour laws, occupational health and safety regulations, the ILO Core Labour Standards, and the IFC Performance Standards. Where national legislation falls short, basic employment conditions aligned with international standards are applied (see ESG Standards and Risk Management [\[p. 37 →\]](#)).

¹⁴ The rise in Kenya is mainly driven by one company that reported a large number of employees this year but had not reported in the previous year, raising Kenya's overall total.

¹⁵ Calculation based on ILO statistics: Unemployment, total (% of total labor force) (modeled ILO estimate).

Employee training and skills development initiatives

In 2024, a total of 338 institutions, including fund managers, Underlying Investees, and financial institutions, reported providing training to their employees. Consistent with last year, it accounts for a substantial share, covering 64% of investees which reported having employees. SIFEM's investees provided training to 186,000 male employees and 162,000 female employees, demonstrating a meaningful commitment to workforce development. This is a notable increase compared to the reported 49,000 females employees trained last year.¹⁶

¹⁶ In 2024, the share of investees reporting on female employees trained increased by 6% compared to 2023.

Job growth and trends in SIFEM's portfolio companies (2021–2024)

The following analysis explores how SIFEM's investments have contributed to job growth over the 2021–2024 strategic period, tracing both changes between 2023 and 2024, and longer-term growth patterns over the four years across sectors, regions, and countries

Over the 2021-24 strategic period, SIFEM's portfolio experienced significant growth in job creation. By the end of 2024, companies in the portfolio directly supported 571,000 jobs, nearly double the 300,000 jobs supported in 2021. This growth came from three sources:

- 1. **New companies entering the portfolio:** 276 companies joined SIFEM's portfolio during this period, bringing approximately 286,000 jobs.
- 2. **Companies exiting the portfolio:** 155 investees completed their investment cycle and exited, representing around 109,600 jobs no longer tracked in the portfolio.
- 3. **Job growth in continuing portfolio companies:** Most importantly, 250 companies that remained in the portfolio throughout the entire period created 94,000 net new jobs. Among these portfolio companies, the majority expanded their workforce (representing 101,000 new jobs created), while a smaller number experienced workforce reductions (totalling 6,900 jobs lost).

This means that the majority of continuing portfolio companies successfully grew their employment over the four years, generating economic value and improving livelihoods in the countries where they operate. These 250 companies collectively grew from supporting 190,000 jobs in 2021 to 284,000 jobs in 2024.

Jobs in 2021	300K
Jobs added from investees that entered the portfolio since 2021	+ 286K
Jobs lost from investees that exited the SIFEM portfolio since 2021	-109K
Job increase from constant portfolio (investees that remained in the portfolio since 2021), of which:	+ 94K
Jobs created	+101K
Jobs lost	-6.9K
Jobs in 2024	571K

Net changes for constant portfolio between 2021 and 2024:

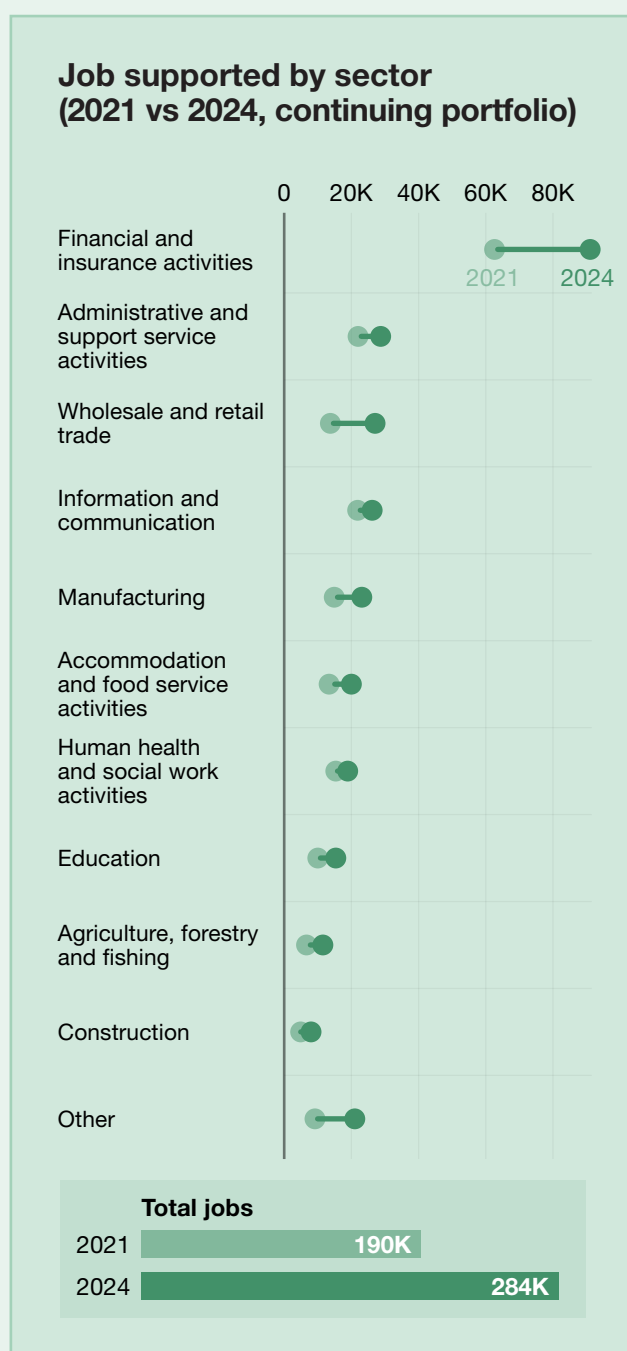
Jobs in 2021	190K
Increase between 2021-24	+ 94K
Jobs in 2024	284K

By sector

Over the 2021–2024 period, SIFEM’s continuing portfolio companies added 94,000 new jobs. Most of this growth came from financial and insurance activities, administrative and support services, wholesale and retail trade, and manufacturing.

A new area of expansion emerged in accommodation and food services, reflecting the growing importance of service industries in SIFEM’s portfolio. While the majority of new jobs were created in core sectors that represent a large proportion of SIFEM’s portfolio allocation, smaller sectors such as clean energy, agriculture, and education grew rapidly in percentage terms, demonstrating their potential to create new jobs.

Fig. 10

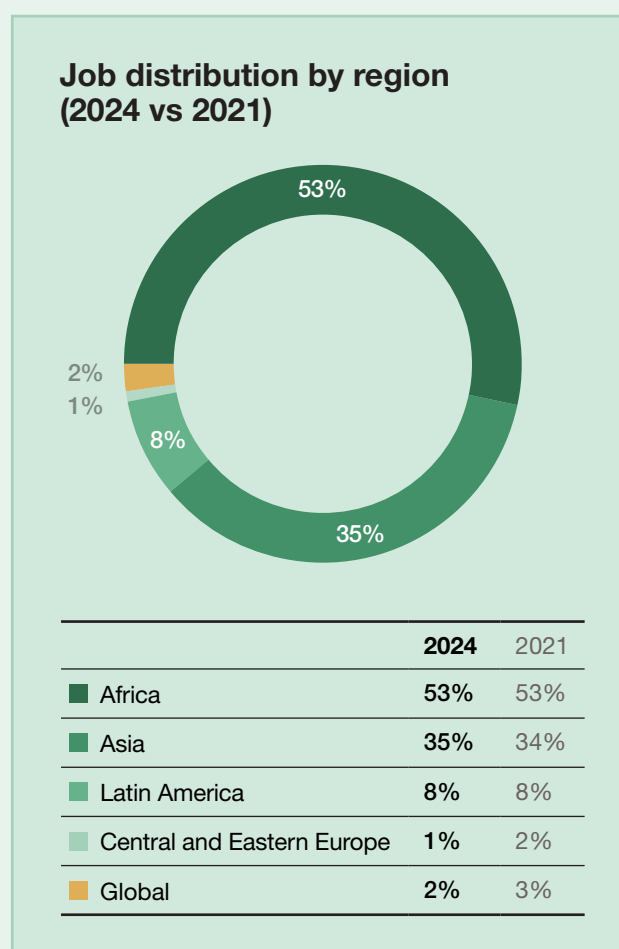


By region

Over the 2021–2024 strategic period, the regional distribution of jobs among continuing investees was broadly consistent with the overall portfolio distribution (see Fig. 11). Africa and Asia together accounted for nearly 90% of total jobs, representing 53% and 35% of employment, respectively.

While Africa holds the largest share of total jobs, Asia recorded the fastest growth, with employment growing by 55% compared to 51% in Africa. Latin America also achieved strong job growth, with a 37% increase in employment from a smaller base, while Central and Eastern Europe (CEE/CIS) recorded more modest growth of around 20% over the four years.

Fig. 11



Patterns of regional growth shifted slightly in the last year. Africa, while still the largest region by total jobs, recorded a modest 4% increase between 2023 and 2024. By contrast, Asia was the strongest performer, with employment among continuing investees rising by 23%, reflecting sustained expansion despite earlier portfolio exits. Central and Eastern Europe also posted notable growth of 15%, supported by portfolio additions, while Latin America grew by 5%.

These results (Fig. 10) highlight the complementary roles of Africa and Asia in driving overall job creation across SIFEM's portfolio.

By country

India, Egypt, and Kenya were the largest individual contributors to job creation over 2021–24, together representing over 40% of total jobs supported among continuing investees. At the same time, markets like Guatemala (+138%) and Morocco (+147%) both contributed significantly to the total number of jobs supported by continuing investees and grew rapidly over the period.

Social Inclusion

Women’s economic empowerment

Strategic Approach and Commitments

During the 2021–2024 strategic period, SIFEM committed to ensuring that at least 20% of its new investments support women’s economic empowerment (WEE) by qualifying under the internationally recognised 2X Challenge (see ‘Industry Collaboration and Alignment’ for more details [p. 40 →]). This objective aimed to strengthen the role of women as entrepreneurs, business leaders, and employees, as well as supporting the development of products tailored to women’s needs that can enhance their economic participation.

Over this four-year period, 60% of investments were either qualified or in the process of qualifying under the 2X Challenge. By the end of 2024, 16 investments (46% of transactions) had achieved full qualification, with a further four (11%) on track to qualify, exceeding the strategic period target of 20% of commitments.

Portfolio results 2024

In 2024, three out of eleven investments qualified for the 2X Challenge, including two financial institutions and one fund.

Name	Type	2X Qualification Criteria ¹⁷
Mutual Trust Bank Bangladesh	Financial Institution	Qualifying under Products & Services (dedicated products for women) and Consumption (30% of proceeds for women-owned SMEs).
Africa Development Partners IV	Fund	Qualifying under Employment and Governance and Accountability, retaining a gender lens investing focus.
KMF Microfinance	Financial Institution	Qualifying under Leadership, Products & Services, and Portfolio criteria, whereas Governance and Accountability is in place.



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Total female employment and sector concentration

Among the companies that reported gender-disaggregated employment data, 39% of the jobs supported were held by women, marking a 1 pp decrease compared to 2023.¹⁸ This represents over 225,000 female employees supported by SIFEM’s investments in 2024.

In terms of sector concentration, the largest share of the 225,000 female jobs supported by SIFEM are in financial and insurance activities (42%), followed by wholesale and retail trade (17%), administrative and support services (8%), information and communication (7%), education (6%) and human health and social work activities (6%). This reflects the sectors where SIFEM’s investments have supported the most jobs for women.

17 The updated 2X Criteria came into effect from June 2024. For any deals that have been signed after this date, the new criteria have been applied. Find more information at: <https://www.2xchallenge.org/2xcriteria>.

18 Approximately 10% of the portfolio did not report the gender breakdown. If accounting for the proportion of female jobs out of the total jobs supported by SIFEM, the figure is slightly lower, standing at 38% of total jobs.

Interestingly, when looking at the proportion of female employees in each of SIFEM's sectors, women outnumber men in healthcare and social work activities (57%), education (57%), administrative and support services (53%), and other services (51%). They also have a strong presence in information and communication (45%) and in activities of households activities as employers (45%).¹⁹ Overall, these figures are consistent with global trends.

Globally, women's participation in the workforce varies significantly by sector. According to the World Economic Forum, the healthcare sector employs 62% women, education employs 54%, and consumer services employ 53%. In contrast, sectors such as financial services and wholesale trade generally have lower female representation, with women accounting for approximately 41% and 33% of the workforce, respectively (World Economic Forum, 2024).

These figures suggest that, by virtue of its portfolio allocation to certain sectors, SIFEM is supporting a high share of female employment in sectors where women are typically underrepresented.

Female employment by company size

The share of women in employment varies modestly across company sizes in SIFEM's portfolio. Small enterprises (0–49 employees) report an average of 37% female participation, medium-sized enterprises (50–149 employees) 36%, and large enterprises (150+ employees) 39%. Although differences are small, the data suggests a gradual increase in women's representation as company size grows.

Additionally, out of the total female employees (more than 225,000) in SIFEM's portfolio this year, the vast majority (98%) were employed by large businesses, followed by medium-sized enterprises which account for only 1%. This distribution mirrors the overall employment pattern in the portfolio, where most jobs are concentrated in larger businesses with more than 150 employees (98%).

This higher proportion of women in larger businesses suggests that as businesses grow and formalise, they become more inclusive, potentially offering better working conditions, HR policies, and recruitment systems that support gender diversity. This trend reflects that larger enterprises are more likely to offer non wage benefits, such as maternity leave, childcare, and health services, that encourage their participation in the formal workforce (World Economic Forum, 2024). Larger-size businesses often have HR structures that support hiring diversity and provide more stable working conditions. One the other hand, the higher number of female employees in larger businesses is also explained by the simple fact that the SIFEM portfolio is concentrated in larger companies, which therefore employ more women overall.

However, SMEs remain crucial engines of job creation in emerging markets and microenterprises account for a large absolute number of jobs for women, especially in the informal economy. Greater numbers of women in enterprises may have a positive impact on growth and development, because micro-enterprises and SMEs often offer women an entry point into the formal labour market (International Labour Organization, 2017).

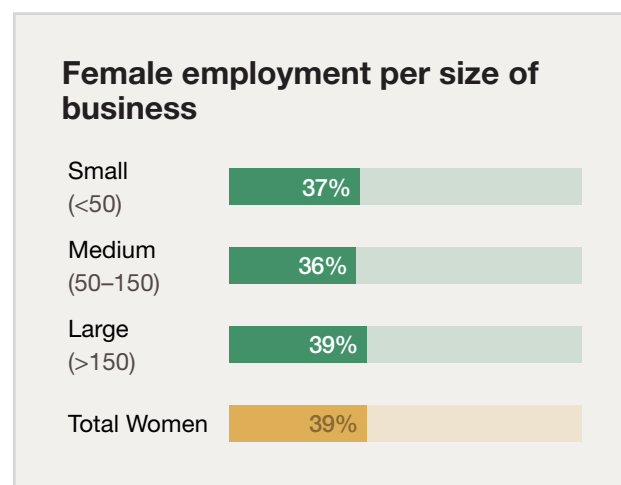


Fig. 12

¹⁹ This NACE sector covers households' employment of domestic personnel (e.g. cleaners, gardeners, or caretakers) and households that produce goods or services for their own use (e.g. subsistence farming or home-produced food).

SIFEM's portfolio-level female employment compared to national averages

In 2024, 39% of all jobs supported by SIFEM were held by women. To better understand this figure within SIFEM's context, the share of female employees (FTEs) in its investee companies was compared with the female labour force participation rates reported by the World Bank for each country of operation.

This comparison reveals that, in 43% of SIFEM's countries of investment, the proportion of female employees in investee companies is higher than the national average. In other words, while the overall share of women's jobs in SIFEM's portfolio is below 50%, many investees are performing above local labour market benchmarks.

Representation in leadership and senior management

Promoting women's representation in senior management and leadership roles remains a key priority of SIFEM's gender alignment. In 2024, 368 investees reported data on the gender composition of their senior management teams.²⁰ Among these, 32% of senior management positions were held by women, indicating gradual progress in enhancing female leadership within portfolio companies.



See Case Study 2

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Gender-inclusive products and female leadership

In 2024, 21 financial institutions or microfinance institutions (MFIs) within the SIFEM portfolio reported offering products or services specifically designed to benefit women. These include tailored loan products for women-owned or women-led SMEs, providing financing for working capital, seasonal needs, equipment purchases, trade finance, and bank guarantees, as well as savings products that promote financial independence and resilience.

These institutions reported on female leadership, with 27% female board representation and 27% women in

senior management.²¹ Some Underlying Investees stand out as leaders in this area in 2024:

- Cofina Côte d'Ivoire (in African Development Partners III's portfolio) reported 38% female board members and 30% female senior management.
- Rajasa de Coros (part of CASEIF IV's portfolio) had 40% female board members, 50% female senior management, and offered three different products and services targeting women.

Access to financial services

Access to financial services is a critical enabler for micro, small, and medium enterprises (MSMEs), allowing them to invest, expand, and innovate. Globally, MSMEs represent around 90% of all businesses and contribute over 50% of total employment. In emerging economies, formal SMEs generate up to 40% of GDP, making them key drivers of job creation and economic empowerment (World Economic Forum, 2024). However, 70% of MSMEs face a financing gap, and 1.7 billion adults worldwide lack access to basic transaction accounts, with the most severe constraints found in Asia and Sub-Saharan Africa, and in particular for women (International Finance Corporation, 2025).

To address these gaps, SIFEM invests in funds and financial institutions that extend loans and services to fast-growing SMEs, microenterprises, and underserved households across Latin America, Asia, and Africa. For MSMEs, these services bridge financing gaps and stimulate job creation, and, for households, they enable savings, income management, and investments in education, health, and housing, building resilience against economic shocks.

²⁰ In percentage terms, this represents around 75% of the portfolio which reported impact data in 2024.

²¹ 2X Criteria minimum threshold for leadership is 30%.

In 2024, financial institutions and microfinance institutions in SIFEM's portfolio provided 8.7 million loans to clients (USD 20.2 billion), a 9% decrease in the number of loans, but an increase in total volume compared to 2023 (9.6 million loans amounting to USD 18.6 billion). The shift reflects a higher average loan size across micro, SME, and other loan categories.

- **Volume of loan portfolio by type:** 27% microloans, 30% SME loans, 43% other loans²²
- **Microloans:** 2.3 million loans, average size USD 3,933
- **SME loans:** 216,993 loans with an average size USD 95,840, though the median size was USD 29,884 due to one large institution skewing the average.



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Women and Rural Clients

Additionally, financial institutions provided data on women clients and rural clients who have an active outstanding loan. Among those that reported serving clients²³, 69% indicated serving female clients and 62% reported serving clients in rural areas in 2024. Most female clients in SIFEM's portfolio were based in Kenya (5.5 million), followed by India (3.4 million), and Mongolia (2.3 million).

For instance, the Agricultural Rural Impulse Fund (agRIF) reported that its portfolio companies provided loans to 14.5 million clients, including 8.5 million for women and 4.9 million clients in rural areas. agRIF is a USD 200m global fund investing in sustainable institutions that provide financial services to people living in rural areas and smallholder farmers. As the majority of the world's poor live in rural areas and access to finance is recognised as one of the major challenges faced by rural entrepreneurs at the base of the pyramid, agRIF presents a compelling impact opportunity to reach the rural populations with viable financial products, as well as technical assistance.

Locfund Next, based in Latin America, also reported that its portfolio companies provided loans to 2 million clients, including 1.3 million for women and 1.2 million for clients in rural areas.²⁴ The fund is serving microfinance institutions in the Latin America and the Caribbean region by offering local currency loans, other financial products and technical assistance.

Bank of Georgia champions greater economic participation for women through tailor made financial offerings and lending approaches for women-led businesses. This focus is an integral part of the bank's core strategy to bolster the nation's economic growth by supporting enterprises both financially and non-financially, to strengthen their managerial and operational capabilities. A total of 38,704 outstanding micro and SME loans were disbursed to female and women-owned or led enterprises clients at the end of 2024.²⁵

Client protection

As part of its investment approach, SIFEM actively promotes responsible lending practices among the financial institutions it supports. This is essential to protect clients, especially vulnerable populations, from risks such as over-indebtedness.

During the due diligence process, SIFEM assesses the lending practices of each microfinance institution to ensure alignment with the Client Protection Standards. These internationally recognised standards address several key principles:

- Prevention of over-indebtedness
- Transparency in loan terms and conditions
- Fair and respectful treatment of clients
- Protection of client data and privacy

By encouraging the adoption of these standards, SIFEM helps ensure that financial services are delivered in a safe, responsible, and ethical manner. This strengthens the long-term sustainability of financial institutions and enhances the well-being and trust of clients.

22 'Other loans' refer to loans that are neither SME nor microloans. They may include loans to larger corporations or to individuals, such as housing or education loans.

23 Approximately 33% of reporting Underlying Investees and financial institutions provided a breakdown of their clients by gender and location.

24 Number does not sum up since a client can be a female client in a rural area.

25 The numbers are in number of outstanding loans in the portfolio of the bank at the end of the reporting period, which were disbursed to persons or companies with purpose of financing agricultural activities. For rural loans, it concerns outstanding loans disbursed to persons or companies that are located outside of a respective capita city.

Development Impact

Some of SIFEM's investees are participants in the Client Protection Pathway (CPP), an initiative implemented by SPTF + Cerise to promote responsible finance practices. The CPP supports financial service providers in strengthening client protection standards.

The following table provides a sample list of SIFEM's direct clients that have joined the pathway. This list of signatories is publicly available.²⁶

Organisation	Country	Date Joined
AccessBank Azerbaijan	Azerbaijan	06/08/2024
Cooperativa de Ahorro y Credito	Peru	24/03/2025
EVN Finance	Vietnam	27/12/2023
EDPYME Acceso Crediticio S.A.	Peru	21/07/2022
JSICB IPAK YULI BANK	Uzbekistan	18/08/2023
MDO IMON International	Tajikistan	12/04/2023
KMF Microfinance organization	Kazakhstan	01/06/2023

Access to essential services

SIFEM contributes to SDG 3 (Good Health and Well-being) and SDG 4 (Quality Education) by investing in companies that provide essential services to underserved populations. In many of SIFEM's target markets, there is a strong need to expand access to quality education and healthcare by strengthening infrastructure and mobilising private capital.

As of 2024, investments in education and healthcare represented 3% and 5% of SIFEM's portfolio, respectively.

Underlying Investees reported enrolling 6.6 million students, employing 11,213 teachers and supporting 5,775 educational facilities. This represents an increase compared to 2023, driven by two new investees entering the portfolio and two other existing investees reported higher numbers this year. These investments are essential in regions where educational resources are scarce, directly impacting the future of workforce and community development.

Climate change mitigation and adaptation

Strategic approach and commitments

Climate change is one of the defining challenges for emerging markets, where high exposure to climate risks coincides with limited capacity to adapt. SIFEM recognises its responsibility to channel capital towards climate mitigation and adaptation, aligning its investments with both national climate priorities and the goals of the Paris Agreement.

Investing in clean energy in emerging markets is critical to unlock universal energy access, economic growth and resilience. While progress has been made, current investment levels in emerging markets remain far below what is needed to transform their energy systems. Today, only about one-fifth of global clean-energy spending flows to these regions. By the early 2030s, annual investment must more than triple from USD 770 billion to between USD 2.2 trillion and USD 8 trillion, to meet the Global South's energy needs sustainably and in line with the Paris Agreement. Roughly two-thirds of this financing will need to come from the private sector, requiring annual private investment in clean energy in emerging and developing economies to grow from USD 135 billion today to as much as USD 1.1 trillion within the next decade (International Finance Corporation, 2023).

²⁶ The full list is available at Cerise + SPTF: 'Who is on the Pathway?': <https://cerise-sptf.org/who-is-on-the-pathway/>

During the 2021–2024 strategy period, SIFEM committed that at least 25% of new investments would be fully dedicated to climate protection. This target was met and will increase to 30% for the 2025–2028 period, reflecting SIFEM’s growing ambition to integrate climate objectives across its portfolio. All new investments must also demonstrate compatibility with the investee countries’ climate goals and with SIFEM’s Climate Approach, which promotes both climate-resilient development and the reduction of greenhouse gas (GHG) emissions (SIFEM, 2024).

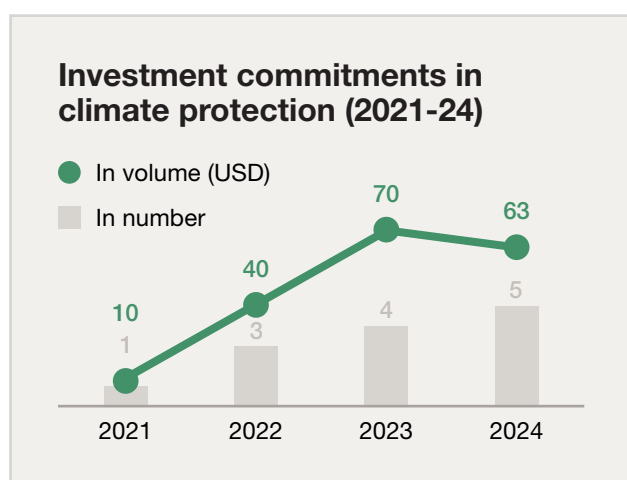
Over the 2021–24 strategic period, 13 investments were committed with climate objectives, accounting for USD 183 million (36%) of total commitments. The number of climate-aligned deals has increased steadily year on year, reflecting stronger pipeline development in climate finance. While the volume of commitments dipped slightly in 2024 compared to 2023, the breadth of deals expanded, showing a diversification of opportunities across regions and investment types. Climate funds are also increasingly integrating broader ESG and “just transition” considerations, linking climate change mitigation with social and economic benefits.

To track progress, SIFEM collects climate-related data from fund managers and financial institutions in its portfolio. This information is used to measure portfolio contributions to installed renewable energy capacity, clean energy production, and avoided GHG emissions. It also allows SIFEM to monitor whether investees have adopted climate strategies and how they operate within national contexts that vary in emissions intensity and climate vulnerability.

SIFEM’s Climate Approach is now also embedded in its new Impact Rating Tool (IRT; see ‘SIFEM’s New Impact Rating Tool’ [p. 17 →]), which systematically assesses each prospective investment against its potential climate contribution and monitors its climate impact over time.

Analysing SIFEM’s exposure using the country-level climate indicators integrated in the IRT revealed that only 20% of SIFEM’s portfolio countries had higher-than-average GHG emissions per capita,²⁷ and 59% are classified as highly climate-vulnerable (Notre Dame Global Adaptation Initiative, 2025). These findings highlight the relevance of SIFEM’s focus on climate-smart solutions, both to reduce emissions and to build resilience in communities most at risk.

Fig. 13



²⁷ As of 2024, the average CO₂ emissions in low & middle income countries is 3.7 tonnes CO₂ equivalent per capita (World Bank, 2024).

Portfolio results 2024

In 2024, SIFEM made five new investments in funds and financial institutions with an objective to address climate change.

Name	Type	Climate objective
Mutual Trust Bank Bangladesh	Financial Institution	30% of proceeds earmarked for climate change mitigation activities, including innovative technologies that reduce emissions or support sustainable agriculture practices.
Ashmore Andean III	Fund	Minimum of 30% climate investments, aligned with the European Investment Bank's principles on climate adaptation and mitigation.
Helios Clear I	Fund	The Fund supports both mitigation and adaptation through investments in areas such as climate-smart agriculture, green energy, transport, resource efficiency, and financial services.
Ipak Yuli Bank	Financial Institution	30% of proceeds targeted toward retail green lending, notably solar PV and electric mobility.
Leapfrog Climate Fund	Fund	Focus on mitigation and adaptation in energy, food, mobility, and the built environment.

Together, these commitments underscore SIFEM's focus on mobilising capital toward climate solutions across multiple sectors and geographies.

Avoided GHG emissions and carbon sequestration

SIFEM assesses its contribution to climate change mitigation by collecting information on the avoided GHG emissions across its portfolio. In 2024, SIFEM's investments resulted in the avoidance of approximately 6.3 million tonnes of greenhouse gas (GHG) emissions, representing a significant decrease compared to 2023 (32%). The decrease in avoided emissions compared to last year is primarily due to changes in one portfolio company that significantly contributed to the 2023 results. This company reduced its estimated GHG emissions avoided by 50%. The second factor explaining the decrease is that, this year, SIFEM decided to report avoided GHG emissions and GHG sequestration separately.

Around 61% of the emissions avoided were through investments based in Africa and 36% in Asia.

While year-on-year fluctuations can be substantial, particularly when driven by a handful of large energy investments, the 2024 results remain material. As a point of comparison, Switzerland total annual GHG emissions was 32 million tonnes of CO₂ equivalent in 2023 (Federal Office for the Environment, 2025). The emissions avoided through SIFEM's portfolio are therefore roughly equivalent to 14% of Switzerland's total annual emissions in 2023.

In addition, SIFEM is invested in two forestry funds in Africa. Their portfolio companies reported carbon sequestration of approximately 0.9 million tonnes, contributing positively to the overall climate impact of the portfolio.

Installed renewable energy capacity

SIFEM monitors the capacity of clean energy infrastructure, such as wind turbines, solar panels, and hydroelectric plants, that has been installed by its Underlying Investees, and is capable of generating electricity. In 2024, SIFEM's portfolio companies installed a total of 1,424 MW of clean energy capacity, representing a 70% increase compared to 2023 (839 MW). The increase is principally explained by an increased number of investees reporting on their renewable energy capacity installed in 2024.²⁸

28 Compared to 2023, 4 investees exited / did not report and an additional 11 investees reported in 2024.

Putting this into context, the 1,424 MW of renewable energy capacity installed by SIFEM's portfolio companies is equivalent to the renewable capacity needs of around 3 million people in developing countries, based on the global average of 478 W per capita. This translates to roughly 600,000 -750,000 households.

Clean energy produced

In 2024, SIFEM's portfolio companies generated 4,475 GWh of clean energy, representing a 12% increase compared to the previous year. This growth was driven by both an increase in energy production from existing investees and in the number of portfolio companies generating clean energy.

Based on a Sub-Saharan Africa benchmark of 383 kWh per person annually, this amount could power approximately 11.7 million people, or around 2.3 to 2.9 million households (assuming household sizes of 4–5 people) (World Bank, 2025).

The geographical distribution of clean energy production also changed slightly. Asia's share rose to 23% (up from 10% in 2023), while Africa remained the largest contributor at 67%, and Latin America accounted for 7%.

Advancing a Just Transition through climate investments

SIFEM commissioned an independent study, *Assessment of SIFEM's Contribution to the Just Transition*, conducted by Steward Redqueen, exploring how its climate-focused investments contribute to the broader goal of promoting economic opportunities and decent work in developing countries.²⁹ The study focused specifically on understanding the employment effects of these investments within the framework of a “just transition,” which aims to ensure that the shift toward a low-carbon economy is fair, inclusive, and supportive of sustainable livelihoods.

Scope and approach

- Review of five climate funds and 14 portfolio companies, with input from generalist funds for comparison.
- Data collected via surveys, interviews, and a field visit.
- Sectors examined included renewable energy (both grid-tied and decentralised), energy efficiency, sustainable agriculture, packaging, solar PV manufacturing, and financial inclusion.

Key findings

- Fund managers:
 - › **Principles embedded, but rarely explicit:** Fund managers do not use “just transition” terminology, but relevant elements like ESG integration, labour standards, and gender equity, are applied in practice.
 - › **Differences in employment outcomes:** Generalist funds support more jobs overall and a higher share of permanent roles, driven by sector focus. Climate funds investing in infrastructure tend to rely more on temporary construction jobs, while those active in other climate-related areas can achieve similar employment outcomes to generalist funds.
 - › **Stakeholder engagement is mostly driven by risk considerations.** While supply chain standards are enforced, engagement with communities and labour organisations is limited and not systematic.

- Portfolio companies:
 - › **Green skills & jobs:** Portfolio companies are creating new roles requiring specialised skills, often paired with formal training.
 - › **Inclusion gaps:** Progress on gender equity is visible, but engagement with vulnerable groups and local communities remains limited.
 - › **Supply chains & affordability:** Companies show growing awareness of responsible sourcing, but affordability of climate solutions for low-income consumers is still a challenge.

Recommendations and way forward

The study recommends that SIFEM and its peer DFIs strengthen the social dimension of climate finance by explicitly embedding just transition objectives into investment policies, supporting fund managers with guidance and technical assistance, and prioritising investments that generate both climate and social benefits. It further calls for more systematic stakeholder engagement, better integration of labour and community considerations into ESG practices, and proactive efforts to promote skills development, inclusivity, and affordability within portfolio companies.

SIFEM is in the process to updating its climate investment processes to operationalise the recommendations put forward by the study. The full report was published in May 2025, serving as a reference for SIFEM and other DFIs seeking to better understand and improve the social outcomes of their climate-related investments within a just transition framework.



²⁹ Available online: <https://sifem.ch/just-transition-study/>

Economic viability and resilience

SIFEM evaluates the funds and financial institutions it supports to ensure they are financially viable, adhere to international ESG standards, and align with the goals of the Paris Agreement. By collaborating closely with financial intermediaries, SIFEM helps improve environmental and social risk management processes through targeted action plans.

Domestic resource mobilisation

Resilient and inclusive economies depend on governments having reliable, long-term sources of funding to invest in public services such as infrastructure, education, and healthcare. Tax revenues from businesses are a cornerstone of this financing, enabling governments to deliver essential services, reduce inequality, and support sustainable development. The private sector, through both companies and their employees, plays a critical role in generating these revenues. As businesses grow and formal employment expands, so does the tax base, strengthening national capacities to invest in long-term development priorities.

In line with its development mandate, SIFEM supports SMEs and fast-growing businesses in emerging markets. These companies create jobs, stimulate innovation, and contribute to domestic revenue mobilisation through taxes paid to governments. By strengthening the private sector's contribution to public finances, SIFEM helps address one of the most pressing challenges in achieving the SDGs: ensuring sustainable and equitable sources of public funding.

In 2024, SIFEM's investees and their Underlying Investees paid USD 1.6 billion in corporate taxes and other government fees to country governments. This reflects a 2% increase compared to the previous year. The increase is partly explained by a higher number of investees reporting in 2024 (both newly added portfolio companies and those reporting for the first time) as well as overall growth among existing investees.

Between 2023 and 2024, the evolution of reported tax contributions can be explained by three main portfolio movements:

- Continuing investees: Approximately 331 investees reported in both years, generating an additional USD 74 million in tax contributions compared to 2023.³⁰
- Exiting or non-reporting investees: Around 84 investees either exited the portfolio or did not report in 2024, representing around USD 470 million taxes exited from the portfolio.
- New investees: About 96 investees entered the portfolio or reported for the first time in 2024, contributing USD 302 million in taxes.

This breakdown highlights how both portfolio dynamics (entries and exits) and organic growth among continuing investees influenced the overall tax contribution figures.

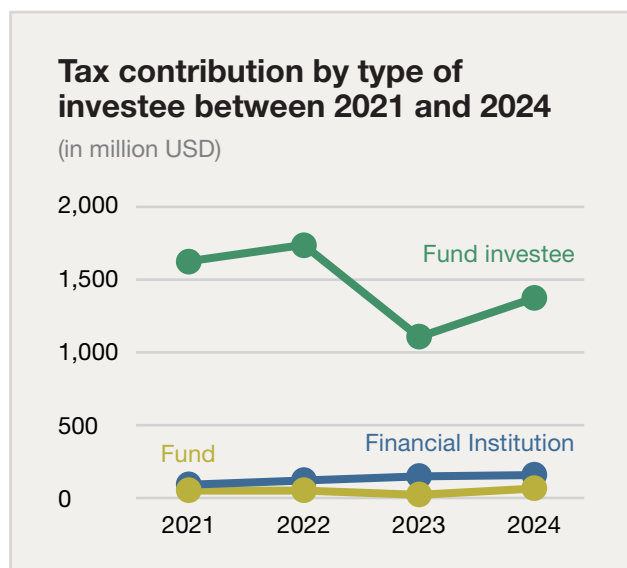
Tax payments by Underlying Investee companies fell by 36% between 2022 and 2023, likely due to external market or sector-specific conditions, before partially recovering with a 24% increase in 2024. Tax contributions from fund managers and financial institutions, by contrast, have remained broadly stable over the past four years, with only a slight upward trend in 2024 for fund managers.

Notably, the continuing investees in the portfolio from 2021 to 2024 show a very similar pattern, a decline in 2023 followed by a rebound in 2024, though with less pronounced fluctuations. This indicates that overall tax trends were largely driven by the existing portfolio, while new entries and exits had only a marginal impact on aggregate results.

In terms of geographic concentration, most taxes were paid in Kenya (18%), followed by India (12%), South Africa (6%), Ecuador (5%) and Bangladesh (5%). Kenya, India, and South Africa also rank among the top four countries in SIFEM's portfolio both in terms of jobs supported and overall portfolio exposure.

30 This figure is the net and additional tax contribution compared to 2023 for existing investees.

Fig. 14



Wages and personnel expenditure

In 2024, SIFEM introduced a new indicator on personnel expenses to better understand how portfolio companies contribute to local income generation. Data was collected for over half of SIFEM's investees. Based on this sample, the median annual wage per employee (FTE) across the portfolio was around USD 10,000.

In total, the aggregate contribution to local economies through personnel expenses reached approximately USD 5.9 million across the reporting companies. This figure reflects not only direct job creation, but also the role of SIFEM's portfolio in supporting income generation in emerging markets.³¹

A significant share of personnel expenses is concentrated in Financial and Insurance Activities (27%), Accommodation and Food Services (24%), Information and Communication (12%), Manufacturing (11%), and Wholesale and retail trade (6%). Overall, this distribution aligns with the sectors supporting the largest share of jobs. However, accommodation and food services stands out: while it accounts for only 4% of jobs supported, it represents a disproportionately high 24% of personnel expenses.

At the country level, the largest share of expenses was recorded in India (30%), followed by Kenya (7%) and South Africa (7%), reflecting the top countries in terms of jobs supported. In contrast, personnel expenses in Egypt and Indonesia accounted for only 1% and 2% of total contributions, respectively, despite both countries ranking among the top five for job support.

For context, according to the ILO, the average annual earnings of employees in 2023 were approximately USD 2,875 in India, USD 1,560 in Bangladesh, and USD 6,880 in Brazil (International Labour Organization, 2023).

Financial viability

As part of its mandate, SIFEM supports financial institutions, fund managers, and Underlying Investees in improving their financial performance. This is achieved through the provision of long-term financing, technical expertise, and the facilitation of private capital mobilisation.

Financial viability is a core investment criterion, ensuring that the profitability of investees aligns with SIFEM's strategic objectives. This dual focus, enhancing financial returns while strengthening institutional capacity, contributes both to the stability and growth of financial systems in emerging markets and to securing sustainable returns.

Paris alignment and climate strategy

In line with its Strategic Objectives, all new SIFEM investments must align with the Paris Agreement as of 2021. This involves screening investments against the Harmonised EDFI Fossil Fuel Exclusion List and conducting due diligence on environmental and social risks, climate risks, and mitigation strategies. Investments are also reviewed against the Nationally Determined Contributions (NDCs) of the host countries, where possible, to ensure consistency with national climate goals.

³¹ This corresponds to approximately 320,000 FTEs. It is important to note that not all investees included in the total jobs figure reported on their personnel expenses. Among those reporting FTEs, only about 58% also provided data on personnel expenses.

ESG standards and risk management

SIFEM commits all its investees (funds and financial institutions) to comply with its Approach to Responsible Investment and requires those investees to guarantee that their respective Underlying Investees also adhere to the Approach.³²

In addition to assessing investees' compliance with its Approach to Responsible Investment, SIFEM identifies and assesses the ESG risks of each of its investments using criteria that is harmonised among EDFIs and based on the IFC Performance Standards on Environmental and Social Sustainability (International Finance Corporation, 2012). This includes a risk assessment of the sector of investment, contextual risks, and the investee's governance practices. Each investment is assigned separate risk categorisations for E&S risks. In 2024, SIFEM's portfolio was classified as follows:

E&S risk category	FIs	Funds	Total
A (High Risk)	1%	11%	12%
B (Medium Risk)	9%	47%	57%
B+ (Medium-high Risk)	0%	21%	21%
C (Low Risk)	4%	7%	10%

The distribution demonstrates that the majority of investments fall into the medium-risk categories.

After identifying the potential risk, SIFEM assesses the ability of the institution to manage and mitigate those risks. SIFEM maintains distinct ESG requirements for funds and financial institutions, as detailed in its Approach to Responsible Investment. To enforce these standards, all investees are required to develop and implement an Environmental and Social Management System (ESMS) prior to making their first investment. These ESMSs should support the identification, assessment, remediation, and management of E&S issues in their pipelines and portfolio companies, and their sophistication should be commensurate with the ESG risks and impacts associated with the Funds' investment strategies.

This entails:

- **Compliance** with the SIFEM Exclusion List and EDFI Fossil Fuel Exclusion List.³³
- **Adherence** to national environmental, health & safety, and labour regulations.
- **Alignment** with international standards, including the UN Guiding Principles, ILO Core Conventions, and IFC Performance Standards.
- **Dedicated ESG oversight** by senior management and qualified staff.

Additionally, SIFEM requires investees to observe high standards of business integrity and governance. SIFEM is a member of the Corporate Governance Development Framework. Prior to investment, Corporate Governance risk is assessed, by reviewing a combination of contextual risks (such as type of investees and country exposure) as well as policies and processes in place at the investee to ensure good corporate governance and business integrity practices.

To support compliance, SIFEM develops Environmental, Social, and Governance Action Plans (ESGAPs) with investees, where gaps are identified. These action plans are binding, time-bound, and often coordinated with other DFIs to reduce duplication.

³² For more information, see SIFEM's Approach to Responsible Investment, available online, at: <https://sifem.ch/wp-content/uploads/2024/06/240417-SIFEM-Approach-to-Responsible-Investment-v2.2.pdf>

³³ The full exclusion list is available online at: <https://edfi-website-v1.s3.fr-par.scw.cloud/uploads/2021/02/EDFI-Fossil-Fuel-Exclusion-List-October-2020.pdf>

Development Impact

SIFEM regularly monitors the ESG performance of its investments through a structured process that includes:

- **Annual reporting monitoring** of E&S risks to track performance, resulting in a Compliance Score.
- **Follow-ups on ESGAP implementation.**
- **Review and feedback** on the first three and high-risk investments of newly invested funds, through review of the ESG analysis, due diligence documents and ESAPs.
- **Direct engagement with ESG-dedicated staff** at investees, including participation in ESG sub-committees to the Limited Partner Advisory Committees (LPAC), where relevant.
- **Incident reporting:** Investees are required to report serious ESG incidents within three business days of becoming aware of them. Reported incidents are thoroughly reviewed, with follow-ups to undertake appropriate corrective actions, such as root cause analyses, enhanced training, or improved safety protocols. Any systemic issues identified require ongoing close monitoring and engagement. In cases of material serious ESG incidents, SIFEM follows a structured escalation process outlined in its Crisis Communication Policy. The policy defines criteria for classifying serious incidents, establishes immediate reporting and escalation protocols to the Board of Directors, and mandates the formation of a Crisis Unit to coordinate incident management. The Crisis Unit is responsible for fact finding, stakeholder engagement, and timely, transparent communication.

Through these processes, ESG compliance is systematically tracked, and investees with higher risk profiles receive more intensive monitoring and engagement to address gaps or unexpected issues.

Additionally, SIFEM provides technical assistance and strategic advisory to investees to help address gaps in areas such as climate, gender, and business ethics. This support may include training programs, development of management systems or the implementation of new processes.

Finally, SIFEM actively participates in the supervisory bodies of the funds it invests in. It is a voting member of the LPACs in most funds (80 out of 93), allowing SIFEM to provide advisory services and offer technical support, and ensure alignment with its sustainable development and responsible investment goals.

Technical Assistance Facility

In 2024, SIFEM launched a new Technical Assistance Facility (TAF) with a three-year pilot phase (2024–2026) and budget of CHF 3.48 million provided by its shareholder, the Swiss State Secretariat for Economic Affairs (SECO). The TAF co-finances advisory projects to strengthen the capacities of fund managers, financial institutions, and their portfolio companies, to facilitate investments in challenging contexts and amplify development outcomes.

The TAF focuses on themes closely aligned with SIFEM's strategic priorities, including climate, environmental and social (ESG) standards, gender and inclusion, and digital transformation. Projects are designed on a demand-driven basis, tailored to investees' needs, and implemented in close coordination with investment activities. Management of the Facility has been entrusted to responsAbility Investments AG, leveraging its role as portfolio manager to develop synergies between advisory services and investment operations. The Facility became fully operational in Q3 2024.

Early project highlights

In 2024, the first projects supported by SIFEM's TAF focused on climate-related capacity building and cybersecurity and data risk management for fund managers. One of these projects strengthened the internal climate capabilities of Metier Private Equity International, which manages two SIFEM portfolio funds (Metier Sustainable Capital Fund II and Metier Capital Growth Fund III). The initiative helped the firm integrate climate risk assessment and GHG accounting tools into its due diligence processes through a structured pilot and ongoing advisory support. A training-of-trainers component also extended this expertise to Metier's portfolio companies, expanding its impact across the investment chain. Following the pilot, Metier is now applying these tools across its portfolio and is better equipped to refine its climate methodologies and explore future climate target-setting for its funds.

The cybersecurity and data risk management initiative, launched by SIFEM's TAF and representing a first-of-its-kind effort among DFIs, was designed using insights gathered directly from fund managers. The programme comprehensively assessed the practices of 25 fund managers across domains such as security governance, incident response, third-party risk, and business continuity. Each participant received a tailored benchmarking report and guidance for improvement. The strong uptake and positive feedback have led SIFEM to expand the initiative and explore partnerships with peer DFIs to scale its reach.

Through these targeted interventions, the TAF enhances the resilience and impact of SIFEM's portfolio while advancing good practices across the impact investing ecosystem.

Industry collaboration and alignment

SIFEM actively participates in impact measurement and management initiatives within the impact investing sector to foster greater harmonisation and transparency. Its impact framework is aligned with leading industry standards, defining best practices for management processes and performance indicators.

EDFI

SIFEM is an active member of the Association of European Development Finance Institutions (EDFI), which is a network of 15 publicly backed DFIs from across Europe. Its members invest in private sector projects in emerging and developing economies to foster sustainable economic growth, create jobs, and strengthen climate resilience, while ensuring long-term financial viability. EDFI promotes responsible investment practices by applying strict ESG standards and aligning with global development and climate objectives such as the UN SDGs and the Paris Agreement. Collectively, EDFI members managed a portfolio of EUR 60 billion in 2024. SIFEM actively contributes to EDFI working groups that aim to harmonise environmental, social, and impact standards across DFIs. Topics covered include:

- **Climate and Paris Alignment:** SIFEM is involved in ongoing discussions on climate, particularly on what it means for financial institutions to invest in a Paris-aligned manner and how to implement Paris alignment in practice.
- **Impact Measurement and Reporting:** SIFEM also engages in efforts to improve the alignment of impact communication, including on impact figures reported in absolute terms and how attribution of results can be made more consistent in the future.

HIPSO

SIFEM aligns its impact indicators with the Harmonized Indicators for Private Sector Operations (HIPSO) and the IRIS Catalogue of Metrics. The HIPSO initiative is a joint effort by DFIs and Multilateral Development Banks (MDBs) to standardise the measurement and reporting of development results for private sector investments. HIPSO provides a common set of indicators, covering areas such as job creation, environmental impact, and access to finance, that enables consistent data collection, comparability of results, and greater transparency across institutions. By using HIPSO, DFIs and MDBs can better demonstrate the impact of their investments and contribute to shared global development objectives.

HIPSO also organises an annual meeting where members exchange knowledge on methodologies and tools to improve transparency and streamline approaches. The conference was held in London in 2024 and Luxembourg in 2025, with SIFEM's active participation.

Joint Impact Model (JIM)

SIFEM became a member of the Joint Impact Model (JIM) in June 2024. This collaborative initiative was developed by several DFIs to provide a standardised approach for estimating the indirect impacts of investments. Using a common methodology, the JIM enables financial institutions to measure and report portfolio GHG emissions, economic value added, and indirect jobs supported.³⁴ By harmonising calculation methods, the model improves transparency, consistency, and comparability of results across institutions, strengthening the credibility of impact reporting and supporting alignment with global sustainability goals.

³⁴ The JIM methodology has not been used in this report to estimate impact results.

Operating Principles for Impact Management

SIFEM's impact management practices are aligned with the Operating Principles for Impact Management (Impact Principles). The Principles are a set of best practices designed to ensure that investments actively contribute to positive social and environmental impact. Launched in April 2019, the Impact Principles were developed by the International Finance Corporation and are now hosted by the Global Impact Investing Network (GIIN). The Principles provide a framework for integrating impact considerations throughout the investment lifecycle, from strategy and due diligence to monitoring and reporting. Signatories commit to transparency, accountability, and continuous improvement in managing impact, helping to build trust and credibility in the impact investing market.

The principles also require annual disclosure and independent verification, adding credibility. SIFEM was among the founding signatories of the Impact Principles, and is now among 182 signatories managing USD 619 billion in impact assets across 40 countries (as of October 2025). SIFEM's alignment was independently verified in 2025. The verification was conducted by BlueMark.³⁵

2X Global

SIFEM is a committed and active participant of the 2X Challenge, an initiative launched by the G7 DFIs to mobilise capital for gender equality and women's empowerment. As part of its Strategic Objectives, SIFEM aimed to ensure that at least 20% of its investments met the 2X Challenge criteria during the 2021-24 strategic period, supporting women as entrepreneurs, leaders, employees, and consumers in emerging markets. In 2024, the 2X Challenge updated its criteria to strengthen its impact and scope. Key changes include:

- Investees and Underlying Investees must now meet foundational ESG standards, including safeguards against Gender-Based Violence and Harassment (GBVH), alongside minimum governance and accountability requirements (2X Global, 2024).

- Beyond a focus on simply counting investments that meet a single criteria, the updated approach requires that at least one of the six 2X criteria must be met, together with a time-bound commitment to achieving an additional criterion.
- The updated 2X Criteria Reference Guide (June 2024) introduces Criterion 4: Supply Chain, which provides a clear framework and quality indicators for how investees can demonstrate meaningful gender-responsive interventions in supply chains.
- New dynamic threshold data, expanded sector definition (ISIC/NACE) for clearer leadership and employment thresholds; lessons learned have been incorporated to better support the application of the framework.

Additionally, the updated criteria explicitly include references to indirect investments with new requirements. Criteria and thresholds for such indirect channels are as follows:

- For funds: the fund must meet one of the 2X criteria and a minimum proportion (typically 30%) of the portfolio must meet at least one of the direct 2X Criteria (Leadership, Ownership, Employment, Consumption, or Entrepreneurship).
- For financial intermediaries: at least 30% of loan proceeds or portfolio companies need to meet one of the direct 2X Criteria, making indirect investments more transparent and actionable.

By aligning its investments with the revised 2X Challenge, SIFEM directly supports efforts to close the gender gap in regions where women face significant barriers to economic participation. Through targeted investments, SIFEM promotes women's leadership and participation in high-impact sectors such as renewable energy, healthcare, and financial services.

³⁵ The last publication of the Verification Statement was published in April 2025: SIFEM Disclosure Statement: Operating Principles for Impact Management.

Case Studies



Case Study

Empowering women entrepreneurs in Bangladesh

Mutual Trust Bank

In 2024, SIFEM committed USD 8 million in Mutual Trust Bank (MTB), which is supporting women-owned SMEs and climate-related projects. MTB, operating in a priority country and LDC, has committed to doubling its services for SMEs and the agricultural sector within two years.

SIFEM's investment is dedicated (30%) to support women-owned SMEs and will address significant financing gaps: in 2020, only around 25% of SMEs in Bangladesh were women-owned, and 60% of their financing needs remain unmet (The Daily Star, 2016). Between 2010 and 2018, women accessed just 3.5% of total disbursed loans in the country (Shoma, 2019). In addition to its gender impact, 30% of the funding will support climate change mitigation, including sustainable agriculture and low-emission solutions.

In 2024, MTB strengthened its commitment to women's economic empowerment by offering a diverse range of financial products tailored to both individual women and female-owned MSMEs. The bank reported a total of 12 products and services targeted specifically at women, including several innovative initiatives with strong presence in Bangladesh's credit market.

Three of its flagship financial products are:

- MTB-Bhagyobati Loan - exclusively designed for women entrepreneurs-owned SMEs.
- MTB-Gunabati Loan - a unique loan product developed for women engaged in the manufacturing and service industries.
- MTB Angona – tailored financial solution for women with specialised training and workshops

MTB Angona, the dedicated women's banking segment of Mutual Trust Bank PLC offers exclusive financial solutions alongside specialised training and workshops that foster financial independence, literacy, and entrepreneurship.

Through its tailored savings, loans, and insurance products, Angona empowers women from all walks of life to achieve economic self-sufficiency.

MTB was honoured with the “Most Innovative Women Empowerment Initiative – Banking – Bangladesh 2024” award by Women's Tabloid for its signature project, “এমটিবি স্বনরিভর অঙ্গনা (MTB Shwanirbhor Angona).”

Key Initiatives under MTB Shwanirbhor Angona:

- Skill Development Program: Facilitated a Graphic Design Training Course in collaboration with Creative IT Institute, benefiting 23 participants with practical digital skills and career opportunities.
- Financial Literacy & Inclusion Program: Conducted in Louhajang, Munshiganj, reaching 250 women from marginalised communities, including farmers, students, micro-entrepreneurs, retailers, and migrant workers, through interactive workshops and expert-led sessions, followed by instant account opening via the E-KYC platform.
- Teaching Skill Development Program (S.P.E.E.D): Designed to train women in teaching methodologies, communication, and classroom management. This initiative enables women to pursue sustainable careers as private tutors and educators, helping them achieve financial independence while contributing to community learning. Currently, 15 participants are enrolled in this course, which is scheduled to be completed by November 2025.

Through these initiatives, MTB Angona is enabling women to achieve economic independence, build sustainable livelihoods, and contribute to community development and inclusive growth. Ultimately, MTB Angona is not just a women's banking segment for products and services - it is a movement for empowerment and inclusion, building a stronger, more equitable economy for all (Mutual Trust Bank PLC, 2024).



Case Study

Driving inclusive leadership

**Africa Rivers
Fund IV**

SIFEM committed USD 10 million to Africa Rivers Fund IV in 2023. The fund plays a catalytic role in addressing the funding gap for SMEs while providing technical assistance and business advisory services. These efforts contribute to inclusive economic growth, job creation, increased resilience in underserved markets, and capital market development.

The fund has showcased strong progress in gender-inclusive leadership. For instance, the fund's portfolio companies have 12 female board members, representing 28% of all reported board members (43% considering companies with gender-disaggregated data). Additionally, the portfolio includes 12 female founders, highlighting the fund's role in backing women entrepreneurs.

The fund is managed by XSML Capital, which has a strong local presence and over 15 years of experience investing in SMEs in Africa's frontier markets in Central, East and Southern Africa. XSML Capital primarily provides growth capital in the form of debt and actively promotes women's empowerment and gender equality. Its gender lens investment team integrates gender considerations throughout the investment process and has completed the 2X assessment of both the team and portfolio, confirming the fund manager's alignment with the 2023 2X criteria as well as Africa Rivers Fund IV.

As part of its gender strategy, XSML Capital is mapping gender balance across its portfolio and defining initiatives to promote women in leadership positions. This includes a planned pilot with four companies - two in Uganda and two in the DRC - that already perform well against certain 2X criteria. The pilot aims to identify best practices and explore ways to further strengthen gender policies within these companies.

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Case Study

Powering Africa's low-carbon transition through clean energy investments

Evolution II

Of the clean energy produced in 2024, 27% originated from portfolio companies backed by Evolution II, a fund in which SIFEM invested in 2017. Evolution II is a leading climate-focused investment with a dual mandate to support renewable power generation and resource efficiency.

In 2024 alone, Evolution II's portfolio companies generated 1,194 GWh of clean energy, installed 505 MW of additional clean energy capacity, and avoided 3.4 million tonnes of GHG emissions. This underscores the fund's strong climate impact and demonstrates how targeted investments can deliver both environmental and economic returns in emerging markets.

Evolution II, managed by Inspired Evolution, invests in companies across Sub-Saharan Africa. The fund supports the transition from aging, carbon-intensive power plants to modern, least-cost, low-carbon, and sustainable energy infrastructure.

In doing so, it helps address the region's estimated 130 GW of suppressed electricity

demand in high-growth markets.

In addition to expanding access to clean power, Evolution II promotes improved energy and resource efficiency by investing in technologies, products, and businesses that enhance sustainability across key sectors in Sub-Saharan Africa. These sectors are experiencing growing energy and resource insecurity.

Within this changing resource landscape, the responsible deployment of capital to companies that are 'doing more with less' is a compelling private equity growth story.

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Conclusions and outlook

The 2025 SIFEM Impact Report highlights progress in advancing our mission of fostering sustainable economic development in emerging markets. Throughout the year, SIFEM continued to focus on key areas, including employment, gender equality, financial inclusion, and climate change mitigation. These initiatives were supported across a diverse portfolio, with investments spanning 72 countries, primarily in regions with the highest development needs. The report underscores the role of SIFEM in promoting inclusive economic growth through targeted investments in sectors such as financial services, renewable energy, and social inclusion.

The year's results are significant, with 599,534 jobs supported and 8.7 million loans facilitated through partner financial institutions. SIFEM's Investees and Underlying Investees have demonstrated a growing contribution to global climate action with the installation of additional renewable energy capacity and the avoidance of over 6 million tonnes of GHG emissions. The report also highlights the continued advancement of gender equality, with 39% of jobs within the portfolio held by women.

Looking ahead

The 2025–28 strategy cycle marks a new phase with an even stronger focus on scaling impact where it is most needed. Portfolio-level results from the newly adopted Impact Rating Tool will be presented in the next report, providing a more systematic view of development outcomes across SIFEM's investments. The Theory of Change will be updated, incorporating evidence-based assumptions and portfolio-level impact risks. At the same time, a clearer approach to assessing and communicating SIFEM's additionality will be defined, promoting greater transparency on the added value of public capital.

In addition, SIFEM plans to formalise its process for reviewing impact performance and integrating lessons learned into its operations with involvement from the Board's Performance and Impact Committee to reinforce accountability. Externally, SIFEM will build on its gender commitments by qualifying eligible deals on the 2X platform.

Appendices

Methodology and data coverage

Methodology for calculation of development impacts

SIFEM aims to collect impact data for all Investees and Underlying Investees in its portfolio, which includes both directly invested Financial Institutions and investments through fund managers.

Fund managers are responsible for collecting data from their Underlying Investees and submitting this information to SIFEM. However, not all Financial Institutions and fund managers have provided impact data. In some cases, this is because the fund managers had no active investments during the reporting period, or because the investment had already been exited at the time of the reporting.

Note on attribution: All the impact indicators in this report represent the impact of SIFEM's Investees and Underlying Investees but do not present SIFEM's impact proportional to the size of its investment in these Investees nor of the Investees in the Underlying Investees. The only exception is in the calculation of indirect jobs, which considers the share of SIFEM's investment in a Financial Institution to estimate the number of jobs supported by its micro and SME loans (using the assumption that each microloan supports one job, whereas each SME loan supports 10 jobs).

Data coverage

Portfolio evolution

	Funds	FIs	UIs
2024	90	17	591
2023	86	17	594
2022	83	17	595

The information below provides further detail on the level of impact reporting coverage in 2024.

Funds

- Total portfolio: 90 (up from 86 in 2023; 9 new funds entered, 5 exited).
- Reporting: 64 funds submitted impact data, representing a 71% reporting coverage rate.

Financial Institutions (FIs)

- Total portfolio: 17 (unchanged from 2023; 4 new investments, offset by 4 exits).
- Reporting: 13 institutions submitted data, corresponding to a 76% coverage rate.

Underlying Investees (UIs)

- Total portfolio: 591 companies (compared to 594 in 2023)
- Reporting: 418 investees provided data, covering 71% of the portfolio.

SIFEM applies a “one-year roll-over” rule: if a company does not provide a value for a specific indicator in the current reporting year, but did report it the previous year, the previous year's figure is carried forward once. However, if a company fails to report the same indicator for two or more consecutive years, it is recorded as missing. With the roll-over applied, the overall data coverage for 2024 reached 77%. Data coverage may vary by indicator.

SIFEM's Overview

What is SIFEM

SIFEM is the Swiss DFI. It is owned by the Swiss Government and is an integral part of the instruments of economic development cooperation. SIFEM specialises in providing long-term financing to small and medium-sized enterprises and other fast-growing companies in developing and emerging countries, focusing on the priority countries of Switzerland's development cooperation. This helps to create and secure more and better jobs and reduce poverty while also contributing towards the integration of these countries into the global economic system.

What is the role of a development finance institution?

DFIs are government-backed institutions that provide finance to private-sector companies in developing and emerging countries. They have a double mandate to generate development impact as well as financial profitability. Only profitable companies will be able to generate lasting development effects on people and society. As a complement to traditional aid and public sector loans, DFIs are one of the key channels for development finance from donor countries to beneficiary countries. DFIs can help sustainably shape the private sector in developing countries, where companies tend to have insufficient or inadequate access to finance, and as a result are hampered in their growth, technological innovation, and job creation. DFIs also have a key demonstration effect on private investment flows.

Compared to the majority of private investors, which only operate in developed markets, DFIs have a higher risk tolerance, a longer-term investment horizon, and a successful track record in difficult markets. DFIs will typically remain invested in projects for an extended period of five to 10 years, or even longer. At the end of the investment period, the proceeds of the investment—including the profits—are then reinjected into other investments. Finally, when global economic conditions deteriorate and when the risk appetite of international investors vis-à-vis emerging markets weakens, DFIs can play a useful role in acting in a “countercyclical” way, that is, in continuing to invest in those markets.

How does SIFEM work?

SIFEM follows an indirect investment strategy by investing in regional or local Private Equity or Current Income Funds, or by providing credit lines to local banks and other Financial Institutions (together, the “Investees”), often in collaboration with other DFIs and private investors. This strategy is in general a more efficient solution than providing direct support to individual SMEs and contributes to strengthening the local financial and capital markets in developing countries and emerging markets, which are important development facilitators.

SIFEM invests around USD 80-100 million each year in new operations, through three channels:

- “Private Equity Funds”: SIFEM invests in Private Equity Funds, which are managed by professional fund managers with presence in the region where they invest. These fund managers negotiate equity investments into a portfolio of SMEs.
- “Current Income Funds”: SIFEM invests in Current Income Funds, which then provide debt to a portfolio of companies or other Financial Institutions.
- “Financial Institutions”: SIFEM lends capital directly to Financial Institutions, which are typically regulated licensed banks or non-banking Financial Institutions. The bank then lends to SMEs or micro-credit customers.

In addition to financing, SIFEM may provide advice to its Investees on matters pertaining to the E&S dimensions of their investment activities. If needed, it may agree with the Investees on the implementation of an ESAP to improve their practices and compliance with [SIFEM's Responsible Investment Policy](#) .

SIFEM does not finance directly local businesses in developing and emerging countries, such as SMEs, fast-growing companies or infrastructure projects (the “Underlying Investees”). The latter are financed by the Investees through debt or equity investments, or through micro- and SME loans from the Financial Institutions.

In turn, the Underlying Investees generate various development outcomes such as the creation of jobs, production of renewable energy, avoidance of GHG emissions, and taxes paid to local authorities.

The Investees and Underlying Investees report ESG and impact information to SIFEM on an annual basis, which constitutes the raw data of this impact report. The investment value chain is summarised on the following page.

SIFEM's Strategic Objectives

The Swiss Government defines SIFEM's financial and development impact objectives through a set of strategic objectives. They are typically set for a period of four years and are revised at the end of each period. The Strategic Objectives 2021–24 were set in the spirit of the continuity from the previous period – given the long-term nature of SIFEM's investments – but they also highlight new challenges and priorities such as gender equality and the contribution to the objectives of the Paris Agreement on Climate Change. SIFEM entered a new four-year strategic period in 2025 (2025–2028). While the overall strategic objectives remain broadly consistent, the new strategy sets more ambitious targets, particularly in areas such as climate and gender. The next impact report will reflect these objectives and provide further details on their implementation.³⁶

SIFEM monitors its investment activities and reports annually on the achievement of its strategic objectives. The results are published in the Annual Business and Financial Report, which assesses the performance of each objective based on an agreed methodology. These assessments typically cover all investments closed during the reporting year, as well as impact data reported by Investees and Underlying Investees at the end of the previous year. This Impact Report complements the Business and Financial Report; however, it does not summarise the performance results of the strategic objectives.

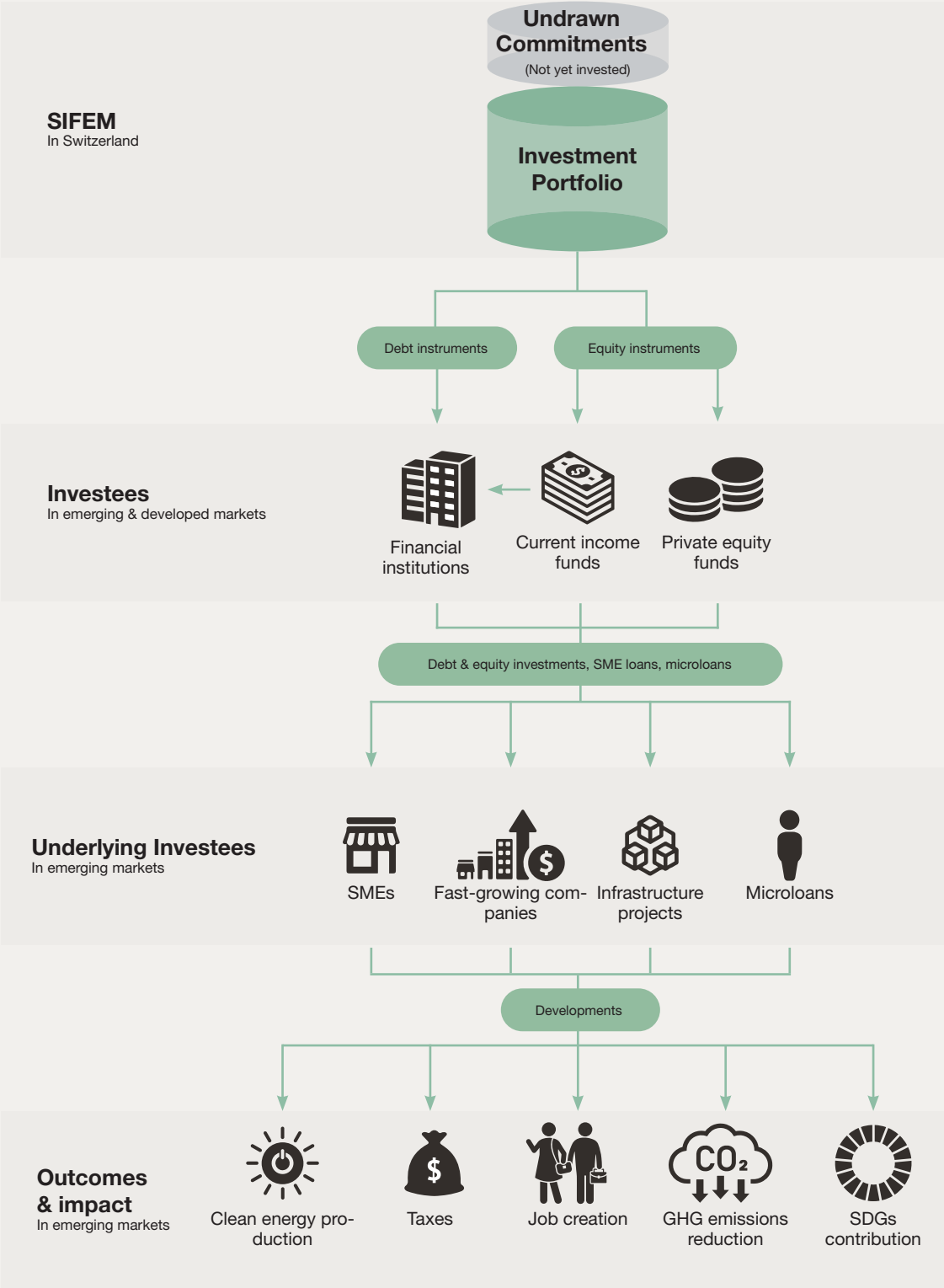
SIFEM's strategic objectives are structured around four thematic areas:

1. Programme-related objectives, focusing on compliance with SIFEM's investment guiding principles;
2. Company-related objectives, reflecting SIFEM's ability to balance financial sustainability with development impact across its portfolio;
3. Financial objectives, addressing SIFEM's long-term financial sustainability; and
4. Cooperation objectives, aimed at strengthening collaboration with other DFIs.

³⁶ For more information, see The Federal Council's Strategic Objectives for SIFEM AG 2025–2028, available online at: https://sifem.ch/wp-content/uploads/2024/12/Strategische-Ziele-2025-2028-des-Bundesrates-fur-die-SIFEM-AG_EN_6.12.2024.pdf

Fig. 15

Investment value chain



SIFEM Structure

About the Portfolio Manager

The Portfolio Manager sources, identifies and advises on investment opportunities, conducts the investment cycle management, monitoring and reporting, performs the business and strategic planning, financial, transaction, liquidity, development impact and ESG, and risk management, as well as other day-to-day operations.



responsAbility Investments AG is the Portfolio Manager of SIFEM. The Portfolio Manager sources, identifies and advises on investment opportunities, conducts the investment cycle management, monitoring and reporting, performs the business and strategic planning, financial, transaction, liquidity, development impact and ESG, and risk management, as well as other day-to-day operations of SIFEM.

responsAbility is a globally leading Swiss impact asset manager, specialising in private market investments across three core themes. These themes directly contribute to the United Nations Sustainable Development Goals (SDGs): Financial Inclusion, to finance the growth of Micro & SMEs; Climate Finance, to contribute to a net zero pathway; and Sustainable Food, to sustainably feed an ever-growing population. responsAbility also offers tailor-made and fund investment solutions to institutional investors. All responsAbility investment solutions target specific measurable impact alongside market returns.

Since its inception in 2003, responsAbility has deployed over USD 17.1 billion in impact investments. With over 280 employees collaborating across 6 offices, as of 30 September 2025 the company manages USD 5.4 billion in assets across approximately 330 portfolio companies in around 70 countries. responsAbility's expertise helps to drive SIFEM's mission to deliver on sustainable and impactful growth.

About the Business Services Manager

The Business Services Manager performs policy-related activities in support of the Board of Directors. It is responsible for representative functions, administrative functions, the financial management of the Board's administrative expenses, external reporting, compliance with Swiss laws, communication functions and support the Board in its strategic, planning and oversight roles.



Tameo Impact Fund Solutions SA (Tameo) serves as the Business Services Manager (BSM) for SIFEM, supporting the Board of Directors with policy-related activities, financial management, compliance, and risk oversight.

It also assists in monitoring the Portfolio Manager's activities. Tameo independently assesses the impact performance of SIFEM's portfolio management through this report.

Tameo provides independent, data-driven solutions for impact investing. The company specialises in impact fund data, research and reporting, verification and benchmarking, and advisory services that deliver high-quality market intelligence and support for impact management. Tameo empowers impact fund managers, catalytic investors and institutional investors with reliable insights and solutions to optimise their strategies and drive impact capital flows. With proprietary datasets and practitioner expertise, Tameo is recognised as a centre of excellence in private asset impact investing.

NACE sector abbreviations

To improve readability, some of the NACE sector classifications have been shortened in this report. The corresponding NACE classifications terms have been matched below:

NACE reclassification by SIFEM for this report	NACE Level 1 classification
Agriculture, forestry and fishing	A. Agriculture, forestry and fishing
Mining and quarrying	B. Mining and quarrying
Manufacturing	C. Manufacturing
Electricity, gas, steam and air con.	D. Electricity, gas, steam and air conditioning supply
Water supply and waste management	E. Water supply; sewerage; waste management and remediation activities
Construction	F. Construction
Wholesale and retail trade	G. Wholesale and retail trade; repair of motor vehicles and motorcycles
Transporting and storage	H. Transporting and storage
Accommodation and food service	I. Accommodation and food service activities
Information and communication	J. Information and communication
Financial activities	K. Financial and insurance activities
Real estate activities	L. Real estate activities
Professional, scientific and technical activities	M. Professional, scientific and technical activities
Administrative activities and support services	N. Administrative and support service activities
Education	P. Education
Human health and social work activities	Q. Human health and social work activities
Arts, entertainment and recreation	R. Arts, entertainment and recreation
Other services	S. Other services activities
Households activities as employers	T. Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use

SIFEM priority countries for the strategic period 2021-24

Egypt	Afghanistan
Occupied Palestinian Territories	Bangladesh
Syria	Cambodia
Tunisia	Indonesia
Benin	Laos
Burkina Faso	Myanmar
Burundi	Nepal
Democratic Republic of the Congo	Vietnam
Chad	Kyrgyz Republic
Ghana	Tajikistan
Mali	Uzbekistan
Mozambique	Albania
Niger	Armenia
Rwanda	Bosnia & Herzegovina
Somalia	Georgia
South Africa	Kosovo
Tanzania	Moldova
Zambia	Macedonia
Zimbabwe	Serbia
Colombia	Ukraine
Peru	

Portfolio by countries

Country	% Portfolio	LDCs	Priority country
Algeria	0.3%		
Angola	0.3%	0.3%	
Argentina	0.2%		
Armenia	1.9%		1.9%
Azerbaijan	2.2%		
Bangladesh	1.9%	1.9%	1.9%
Benin	0.0%	0.0%	0.0%
Bolivia	0.0%		
Brazil	0.6%		
Burkina Faso	0.4%	0.4%	0.4%
Burundi	0.1%	0.1%	0.1%
Cambodia	1.7%	1.7%	1.7%
Cameroon	0.2%		
China	1.8%		
Colombia	2.2%		2.2%
Costa Rica	0.8%		
Cote D'Ivoire	1.9%		
Democratic Republic of the Congo	0.3%	0.3%	0.3%
Dominican Republic	0.3%		
Ecuador	1.0%		
Egypt	3.1%		3.1%
El Salvador	1.1%		
Eswatini	0.1%		
Ethiopia	0.4%	0.4%	
Georgia	2.3%		2.3%
Ghana	1.2%		1.2%
Guatemala	1.6%		
Haiti	0.001%	0.0%	
Honduras	0.9%		
India	11.2%		
Indonesia	5.1%		5.1%
Kazakhstan	0.0%		
Kenya	6.4%		
Kyrgyz Republic	0.0%		0.0%
Laos	0.1%	0.1%	0.1%

Macedonia	0.0%		0.0%
Madagascar	0.1%	0.1%	
Malawi	0.5%	0.5%	
Mexico	1.2%		
Moldova	0.0%		0.0%
Mongolia	0.1%		
Montenegro	0.0%		
Morocco	2.7%		
Mozambique	0.1%	0.1%	0.1%
Myanmar	1.4%	1.4%	1.4%
Namibia	0.1%		
Nepal	3.1%	3.1%	3.1%
Nicaragua	0.9%		
Nigeria	3.2%		
Pakistan	0.1%		
Panama	0.7%		
Paraguay	0.1%		
Peru	5.1%		5.1%
Philippines	3.3%		
Rwanda	0.03%	0.03%	0.03%
Senegal	0.2%	0.2%	
Serbia	0.0%		0.0%
Sierra Leone	0.4%	0.4%	
Somalia	0.0%	0.0%	0.0%
South Africa	6.3%		6.3%
Tajikistan	0.5%		0.5%
Tanzania	0.6%	0.6%	0.6%
Thailand	0.3%		
Timor-Leste	0.0%	0.0%	
Tunisia	1.3%		1.3%
Turkey	0.0%		
Uganda	0.9%	0.9%	
Ukraine	1.1%		1.1%
Uzbekistan	2.2%		2.2%
Vietnam	6.5%		6.5%
Zambia	0.01%	0.01%	0.01%
Zimbabwe	0.1%		0.1%
'Other Global'	4.7%		
Grand Total		11%	49%

SIFEM Board Members

Dr Jörg Frieden

Chairman of the Board of Directors since 2018,
Chairman of the Investment Committee since 2018

Jörg Frieden's career at the Federal Department of Foreign Affairs, from 1986 to 2018, covered a broad range of posts and responsibilities. He worked as country director in Mozambique, senior advisor for the Swiss Executive Director at World Bank in Washington, and as Head of the Eastern and Southern Africa Division in Bern. Between 1999 and 2003, his professional career took a sidestep to the Federal Office for Refugees where he held the position of Deputy Director. In 2003, he returned to the Swiss Agency for Development and Cooperation (SDC) where he took up the position of Resident Director of Development Programmes in Nepal. From 2008 to 2010, he was Deputy Director of the SDC and headed the Global Cooperation Department. He was also an advisor to and representative of Federal Councillor Micheline Calmy-Rey in the UN Commission on Sustainable Development. From 2011 to 2016, Jörg Frieden was Executive Director of Switzerland at the World Bank Group, and closely followed the activities of the International Finance Corporation (IFC). He was then Swiss Ambassador to Nepal until 2018. Jörg Frieden is presently a board member and international delegate of Helvetas, an NGO working in the field of development cooperation and active in different foundations oriented towards development. He was recently appointed as non-voting board member of the International Facility for Education (IFFEd).

Laurie J. Spengler

Vice-Chair of the Board since 2025 and Investment Committee Member,
Member of the Investment Committee since 2023

Laurie J. Spengler is the Vice-Chairwoman of SIFEM and an impact investment banker and active contributor to the impact investing industry. Among current board engagements, Laurie serves as a non-executive director of British International Investment, Lendable, Delta40, and BRAC Uganda Bank Limited. She is an Impact Advisor to the Future Fund of private equity firm EQT and a founding partner of Mondiale Impact which puts impact at the heart of 21st century governance. Laurie serves as trustee of the Global Steering Group Impact and is a member of the Advisory Council of the UK Impact Investing Institute. She is also CEO of Courageous Capital Advisors, LLC, an impact investing advisory firm dedicated to generating outsized positive impact by providing targeted strategy, transaction and governance services. Laurie has a JD from Harvard University and an undergraduate degree from Stanford University.

Angela de Wolff

Member of the Investment Committee from 2017 to 2022, Chairwoman of the Performance and Impact Committee since 2022

Angela de Wolff has been active in the financial sector for almost 30 years, with a focus on responsible investment since 2001. She began her career as a consultant with Andersen Consulting and then held various positions in private banks. Among other positions, she has led the sustainability team at Lombard Odier bank. In 2007, she capitalised on her experience to create Conser, an independent verification firm specialised in responsible investment / ESG. She is the co-founder of Sustainable Finance Geneva, a non-profit association which aims to promote responsibility and sustainability in finance. She also sits on the Board of Directors of Société Générale Private Banking (Suisse) SA, Equitim Foundation (Lausanne) and of the Audemars-Watkins Foundation in Geneva. Angela de Wolff obtained a Master's in economics from Lausanne University in 1989. She became a Certified European Financial Analyst (CEFA) in 2000.

For more than 25 years, **Dominique Biedermann** has been committed to the promotion of socially responsible investments and good governance. After receiving his PhD in economics from the University of Geneva in 1989, he joined the Pension Fund of the Canton of Geneva (CPEG) as CEO from 1994 to 1998. In that function, he was co-founder of the Ethos Foundation in 1997 and of the company Ethos Services in 2000, two institutions fully dedicated to the promotion of sustainable investments. CEO of both organisations until 2015, he was subsequently Chairman of their Boards of Directors from 2015 until June 2018. He is Chairman of the Committee of Ethics and Deontology of the University of Geneva and member of the Board of the relief and social organisation Caritas-Genève.

Dr Dominique Biedermann

Member of the Performance and Impact Committee since 2021

Alongside her active involvement in the SIFEM Board, **Kathryn Imboden** served for 15 years as a Senior Financial Sector Specialist at the Consultative Group to Assist the Poor (CGAP), a research and policy platform on financial inclusion housed at the World Bank. In this position, she focused on the engagement of global standard-setting bodies in financial inclusion. In earlier years, she spent 20 years with the Swiss Agency for Development and Cooperation (SDC), where she led SDC's macroeconomic and financial sector work. Between the time at SDC and at the World Bank, she held financial sector policy related positions at Women's World Banking, United Nations Capital Development Fund, and the Aga Khan Foundation.

Kathryn Imboden

Member of the Investment Committee since 2014. Former Vice-Chair of the Board until 2025

Pascal Pierra has been making and advising on impact, innovative and emerging markets investments for over 30 years with a particular focus on funds of funds and venture capital vehicles. He worked for and advised a variety of public and private institutions such as Fidelity Investments, Banque Paribas, Seventure Partners and several DFIs and launched various projects (Averroes Finance, Proparco's private equity department). He also supported the launch and development of numerous investment managers on the ground. He sits on several Investment Committees and Boards with the aim to create synergies and build global value. Pascal holds a Master in Economic integration and Public management from University of Poitiers, a Master of Finance and Law from Emlyon Business School and an MBA from USC Marshall School of Business.

Pascal Pierra

Chair of the Audit Committee since 2024, Member of the Investment Committee since 2023

Margarita Aleksieva is a global energy and infrastructure professional with 20 years of experience, with a focus on renewable energy and impact investing. She has a strong track record in strategy development, ESG alignment, and investment management, including M&A transactions, capital structuring, and direct and indirect investments. Since 2020, Margarita has led the renewables business at BKW, overseeing P&L, operations, investments, and a multidisciplinary organisation across Europe. Previously, she was in the executive team at IST Investment Foundation, managing institutional private infrastructure equity investments in OECD countries. From 2006 to 2015, she held various strategic and leadership positions at Alpiq covering the entire energy value chain. She has held multiple board roles across Europe and North America and is active in various public and private institutions. Margarita holds an MBA from Purdue University and a dual degree in Business Administration and Political Science.

Margarita Aleksieva

Expert Member of the Investment Committee since 2024, Member of the Audit Committee since 2024

Definitions

Attribution

The share of the impact result (e.g. indirect jobs or jobs created and maintained) of the Investee that is allocated to the investment or the loan.

Avoided GHG Emissions

Amount of greenhouse gas (GHG) emissions avoided by the organisation during the reporting period.

Current Income Fund

An investment vehicle primarily focused on generating regular income for investors by investing in interest-bearing securities, typically composed of various forms of debt instruments.

Debt Instrument

A financial contract that represents a borrower's obligation to repay borrowed funds, typically with interest, to a lender or investor.

Decent Job

In the context of employment, it refers to fair wages, safe working conditions, job security, and opportunities for personal and professional development, ultimately contributing to a higher quality of life for workers.

Environmental and Social Management System

It is a structured framework and set of practices implemented by organisations or investors to systematically assess, monitor, and manage the social and environmental impacts of their activities, to promote sustainability and responsible business practices.

Environmental, Social and Governance Action Plan (ESGAP)

A set of initiatives that investment entities or companies put in place to proactively address and manage environmental and social issues in their operations or projects.

Equity Instrument

Ownership in a company, often in the form of equity shares, membership interests, or other securities, granting investors a stake in the company's ownership.

Financial Institution

An organisation, such as a bank, credit union, or microfinance institution, that provides a range of financial services, including loans, savings accounts, and payment solutions, to individuals and small businesses.

Investees

A Fund or Financial Institutions that receives investment capital from SIFEM.

Investment Portfolio

In the case of SIFEM, it refers to the outstanding portfolio at cost that SIFEM has in Investees or Underlying Investees, i.e., what has been paid out by SIFEM but not yet reimbursed by Investees or Underlying Investees (impairments, if any, are not considered).

Jobs created and maintained

Jobs created: net change in jobs of Investees and Underlying Investees already in the previous period's SIFEM portfolio.

Jobs maintained

jobs from Investees or Underlying Investees that entered SIFEM's portfolio during the period.

Just Transition

A Just Transition seeks to ensure that the substantial benefits of a green economy transition are shared widely, while also supporting those who stand to lose economically.

LDCs

Least Developed Countries (LDCs) are low-income countries confronting severe structural impediments to sustainable development. They are highly vulnerable to economic and environmental shocks and have low levels of human assets.

Mezzanine Fund

A close-ended, collective investment platform which aggregates capital from multiple sources to then invest in debt and quasi debt securities of primarily private companies.

Micro-enterprises

Very small, often informal businesses, typically operated by a single individual or a small group of people.

Microloan

A small, short-term loan extended to individuals, particularly those in low-income or underserved communities, to help them start or expand a small business, address immediate financial needs, or improve their livelihood.

Private Equity Fund

A close-ended, collective investment platform that aggregates capital from multiple investors to then invest in private equity securities.

Private investor

In the context of development finance, a private investor is an investor providing commercial capital to a fund or a Financial Institution.

Priority Countries

As defined by the Swiss Federal Department of Foreign Affairs, these are countries where the Swiss government has decided to invest the majority of the bilateral development cooperation funds.

Renewable Energy

Energy derived from natural sources that are replenished naturally and sustainably, such as sunlight, wind, water (hydropower), and geothermal heat, with minimal environmental impact.

SME (or MSME)

An enterprise that falls within a specific range of micro, small to medium size, often defined by criteria like the number of employees, annual revenue, or total assets. The exact definition of an SME or an MSME can vary by country and industry.

Underlying Businesses = Underlying Investees

In the context of this report, an Underlying Investee is a company that receives capital from a fund in which SIFEM has invested.

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