



ROOTS OF IMPACT RAISES IMPACT-LINKED FINANCE TO GROW THE PIE AND HELP OTHERS ENTER THE MARKET

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Roots of Impact, a pioneer and acknowledged international leader in Impact-Linked Finance (ILF), is excited to announce the successful closing of its first financing round. The investment is dedicated to scaling the company’s proven solutions and enabling other practitioners to join the fast-growing Impact-Linked Finance movement. Naturally, the company led by Co-CEOs Natasha Dinham and Bjoern Struewer raised the kind of impact-driven capital it stands for: [Impact-Linked Finance](#). The majority of the round is directly tied to specific outcome performance indicators and offers the company “better terms for better impact”.

The Roots of Impact team is thrilled to welcome a fantastic group of investors that is fully aligned with its mission: [the Delta Fund](#), [the European Social Innovation and Impact Fund \(ESIIF\)](#), and [BMH](#), the public investment arm of the German state of Hesse. The [Swiss Agency for Development and Cooperation \(SDC\)](#), a long-standing partner and co-creator of Impact-Linked Finance, has contributed additional catalytic funding to the round.

With this fresh capital injection, Roots of Impact will build the enabling infrastructure to scale Impact-Linked Finance and support other practitioners to enter this promising field. While the company will continue to manage its own Impact-Linked Funds, it will double down on helping others to master the innovative practice and benefit from Roots of Impact’s more than [8 years of experience and lessons learned](#). This entails creating a [community of practice](#) that will offer targeted training and resources for practitioners and a [digital platform](#) that aims at enabling other impact actors to manage ILF transactions as easily and efficiently as possible.

[Bjoern Struwer](#), Founder and Co-CEO, explains the rationale behind Roots of Impact’s strategy: *“Instead of increasing our share, we want to significantly grow the pie. ILF has proven to work and is now taking off. We are fully committed to making it the new normal and helping others to include ILF into their toolboxes.”*

[Brian Boland](#), Co-Founder of the Delta Fund, is convinced of the potential of Impact-Linked Finance and Roots of Impact’s approach: *“Roots of Impact is uniquely positioned to scale this practice, thanks to their team’s relentless drive for innovation, quality, collaboration, and mission to reinvent finance. I firmly believe their current plans and execution are precisely what the market needs to streamline efforts for other practitioners and amplify their capabilities to achieve sustainable impact at scale.”*

For the SDC, Impact-Linked Finance has been an increasingly important part of the development agency’s strategy to drive private sector engagement and sustainable impact since 2016. Its contribution to Roots of Impact today is part of a two-part field-building initiative that also includes creating an [ILF Collaborative](#) tasked with standard-setting and market-neutral coordination.

[Patrick Egli](#), Co-Head of Section Economy and Education at SDC, details the vision behind the agency’s contribution: *“Our support will help Roots of Impact continue its impactful journey as an innovator, market creator, and enabler for Impact-Linked Finance. It will generate and systematize knowledge for this important practice and thus allow all of us to harness the potential of ILF, with the vision of improving and scaling impact investing and development finance to create lasting system change.”*

More information about Roots of Impact can be found here: www.roots-of-impact.org

Press contact: Christina Moehrle, Lead Communications & Community Management, cmoehrle@roots-of-impact.org

About Roots of Impact

Roots of Impact is the expert and enabler for Impact-Linked Finance. As a pioneer in this field, the company believes in aligning capital with incentives to drive change for people and the planet. Its mission is to empower entrepreneurs to unlock their full impact potential by managing Impact-Linked Funds, providing advisory and education to catalytic funders and investors, and enabling practitioners across the globe to use Impact-Linked Finance effectively. More about Roots of Impact: <https://www.roots-of-impact.org/>

About the Delta Fund

The Delta Fund makes charitable grants and impact investments that focus on improving human agency around the world. The focus is specifically on ending extreme poverty, bringing greater financial inclusion around the world and improving racial justice in the United States. More about the Delta Fund: <https://www.delta-fund.org/>

About SDC

The Swiss Development Agency for Development and Cooperation (SDC) is Switzerland's international cooperation agency within the Federal Department of Foreign Affairs (FDFA). In operating with other federal offices concerned, SDC is responsible for the overall coordination of development activities and cooperation with Eastern Europe, as well as for the humanitarian aid delivered by the Swiss Confederation. More about SDC: <https://www.eda.admin.ch/eda/en/fdfa/fdfa/organisation-fdfa/directorates-divisions/sdc.html>

About the European Social Innovation and Impact Fund (ESIIF)

The European Social Innovation and Impact Fund (ESIIF) is an innovative impact fund investing in social enterprises in Germany and the European Union. It targets and supports business models that generate positive impact, for example in sectors such as education & employment, health & wellbeing, food & agriculture, and circular economy & climate action. More about the ESIIF: <https://www.avesco.de/european-social-innovation-and-impact-fund/>

About BMH

Beteiligungs-Managementgesellschaft Hessen mbH (“BMH”) is a wholly-owned subsidiary of the Landesbank Hessen-Thüringen Girozentrale (Helaba), the joint state bank of the German federal states of Hesse and Thuringia. Via the Wirtschafts- und Infrastrukturbank Hessen (WIBank), the Hessian development bank, BMH is actively involved in further developing the Hessian economy. As a mid-sized investment and venture capital organization, BMH combines public investment interests and financing instruments for early-stage, growth and medium-sized businesses in Hesse. More about BMH: <https://www.bmh-hessen.de/>

