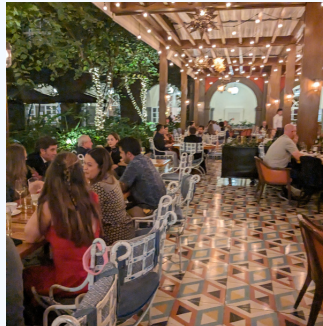


## Leaders Forum 2023 - Key Takeaways

**“Impact in a Time of Transition”** was the theme of this year’s **Leaders Forum** in vibrant Mexico City where 75 community members from 13 countries gathered to explore the myriad challenges and opportunities they encounter as they work to allocate capital to reimagine and shape a more fair and sustainable economic and social system.



### Wednesday, October 4

#### ***Centered on the Family***

Given the number of family members that attended with a parent, child, sibling or cousin, the key plenary session on our first day of programming looked at the complexities of **The Family as a System** for impact.

*“Achieving a common impact goal within complex family systems requires aligning values, love, financial goals, parenting styles, and family cooperation.”*

The session, led by Sam Bonsey, Executive Director of The ImPact, not only provided valuable insights into the complexities of aligning family values with capital, but also shed light on the added challenges when families are in the midst of significant transitions. In small group conversations, members explored the dynamics of love and money, responsible parenting, intergenerational relationships, as well as sibling and cousin cooperation.

As one member pointed out:

*“Families can be both the biggest accelerator as well as the biggest hurdle when wanting to use wealth to create change. Especially when times and generations are in transition, having open conversations like this with peers is helpful to open minds and hopefully will help to unlock more capital for impact.”*



Creating meaningful discussions within families about aligning their capital with their values was also the topic of discussion during the first breakout session of the day, where attendees shared in small groups their most meaningful investment, grant, or family business initiative that best represented their family's values and vision.

### ***And Rooted in Mexico...***

This theme continued during **The Past, Present, and Future of Mexico** fireside chat with local members, who shared how deeply their families' impact investing journeys have been connected to their family's experience in Mexico. The speakers explained how their family's achievements in building their businesses combined with their family and cultural legacies have contributed to their desire to activate change in Mexico and beyond.

*“Caring for the health of the Mexican people has been expanded in parallel to our family’s economic growth and wealth creation.”*

The sense that families feel an immense duty and pride in rooting themselves in their region and solving challenges that are key to the communities they belong to was shared by many in the room.

Those wanting to further explore the changing landscape of Latin America's impact investing ecosystem had the opportunity to hear from members and experts during **The Evolution of the Venture Capital Ecosystem in Latin America** session.

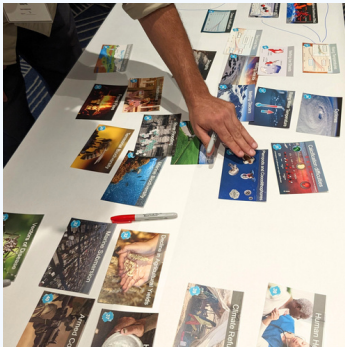
Two ImPact members were joined by guest speaker, Antonia Rojas, Partner at LATAM VC fund ALLVP, to share insights on the development of venture capital in the region. Families and family offices were urged to see their role not merely as passive investors, but as proactive creators of the venture ecosystem - supporting high-impact founders in order to build more innovative solutions to the many challenges that are specific to LATAM.



*“There seems to be a pivotal moment in most impact investing journeys, where you just don’t want to wait anymore for opportunities to materialize, but you realize that you need to actively create them especially when faced with growing social disparities and environmental threats.”*

## ***Systems Thinking and Climate Change***

The growing complexities and interconnectedness of social disparities and environmental threats globally was also the subject of the **Applying Systems Thinking to Climate Change - The Climate Fresk session**. In small groups, attendees navigated the intricate web of global challenges by creating a “systems-map” revealing cause-consequence relationships between climate change and other social and societal challenges.



The exercise led to lively discussions about the complexity of systems highlighting the importance of not only investing in solutions, but importantly lobbying key stakeholders and advocating for the right laws, governance, and infrastructure in which solutions can thrive. Members also warned that discussing challenges should not overshadow conversations about potential solutions.

*Data Point: While agriculture accounts for 25% of all GHGs to date, scenarios from organizations like [Project Drawdown](#) predict that the atmospheric greenhouse gas reduction through regenerative and conservation agriculture will be substantial. This means investments into solutions that aim to transition and reimagine these sectors are key.*

Transitioning out of a content-rich day, we emerged into Mexico City and spent the evening with one of our member families, who graciously opened up their home allowing us to continue conversations over a “Día de los Muertos” themed celebration with delicious food, music and some mezcal.



## **Thursday, October 5**

Responding to member interest at the Leaders Forum - and in the community in general - we held a breakfast around the topic of **Women and Impact**.

We wanted to create a space for:

1. Women running their family's family offices and/or foundations.
2. Women want to discuss power dynamics within their families, particularly in male-dominated family structures.
3. Investors interested in investing in and for women.

A very engaged group of over 25 women (and 2 men) leading their family's investments and/or philanthropy joined the conversation. Many women commented how often they felt the need to choose between “family harmony” and having to step back (or even resign) from active roles in the family, when it created conflict with their fathers and brothers.

*“My dad is very supportive of women, but he doesn’t like them touching the money.”*

This breakfast session marked a continuation of The ImPact's efforts to cultivate a more purposeful environment for these emerging female leaders. If you are interested in connecting with this group, please get in touch with [Linda](#).

The program continued with sessions on **Reimagining Philanthropy for Greater Impact** and a **Show and Tell Session: How to Build a Portfolio for Impact**.

Members discussed and explored how families could use their philanthropic capital as an extension and integral part of their impact strategy.



An ImPact member shared how she came to the realization that “philanthropy seemed to be part of the problem and not the solution”, which triggered her to completely rethink how she and her family approached their philanthropic giving.

*“We need a complete reset and we need it urgently. We need to think about our philanthropic investments both as a complement and supplement to our financial investments. When decoupling financial return expectations from deployment, you can take higher risk and achieve higher impact.”*

Many members agreed that a mindset shift that would put the priorities of others first - building relationships with communities and understanding their perspectives rather than imposing solutions from the top down - needs to happen fast.

As another ImPact member mentioned:

*“Foundations and Donor Advised Funds (DAFs) should pioneer a seismic shift in investment strategy, pivoting from a financial-first to an impact-first investing mindset.”*

The **Show and Tell: Building an Impact Portfolio** session focused on learning from other members as to how they are *actually* implementing their impact investment strategies. To start the exchange, each attendee was asked to line up based upon the scope of their impact approach: those that aspire to a 100% impact multi-asset portfolio went to one side of the room, and those pursuing a carve out/single asset class strategy for their impact investments on the other. Most of the attendees were in the middle - weaving impact and investments across their portfolios.



Participants then joined small discussion groups to answer questions about their role in the family and why they had chosen specific structures and impact goals. Attendees shared details on decision making, entity structures, sourcing, vetting, and measurement. At the end of the session, each attendee was asked to think about the interrelationship between impact, risk, and return, and to share what is working and what is not with their impact portfolio.

The key plenary of the day asked whether we are **Reaching the Limits of Win-Win Thinking?** Duncan Austin “streamed in” from London for his keynote address. Duncan shared his background, 14 years as an investment partner at a fund manager focusing on Sustainable Investments, as well as serving as a senior economist at a global research nonprofit focusing on climate change. He is presently an author, writing his first book.

### **Growth: The Problem or the Solution**

Duncan shared his thesis that the market-based belief that continued economic growth will inevitably lead to reduction in environmental damage (and other social ills, e.g. inequality) is only theoretical and has not been empirically validated. He shared his concern that the “win win” approach - summed up by statements such as “doing well by doing good” - may be reaching its limits, citing as examples the withdrawal of the national pledge to reach net zero by current UK Prime Minister Sunak, and Amazon’s pull back from its net zero campaign (through SBTi). He voiced a concern that we may not have the time to “grow” our way to a sustainable climate solution.



### **Pricing Externalities**

Duncan’s paper written earlier this year challenged investors to consider whether important variables are “fully costed” in a company’s Profit and Loss statement. His discussion of “externalities” (e.g. air and water pollution, waste generation, unfair labor practices) prompted meaningful reflection as to whether asset owners (and board directors) can drive change - within a market system - to better “price” negative externalities that create social and environmental harm.

The session presentation can be found [here](#). The questions for discussion are [here](#).

## **An Afternoon at Lago Algo**

For the second half of the day, we moved our programming to Lago Algo - a collective art space developed by ImPact members in Mexico. During the afternoon, attendees were encouraged to reflect on their personal impact journeys and contribute ideas that could help shape The ImPact community's future.

During the **Shaping Our Vision for 2030** session members engaged in discussions that aimed to inform and design the community's vision for the future. In small groups, attendees were asked to share input on both the “foundations” work of The ImPact (learning, education, collaboration) as well as the work at the “frontiers”, delving more deeply into The ImPact Lab, and its three current initiatives of the Systemic Investing Platform (TransCap) and Impact-First Fund-of-Funds (Trimtab) as well as the Impact-Linked Compensation Research Study.

Some of the points that were made for building out the Foundations work included an ask for more guidance (what to invest in/what not to invest in), case studies and shared lived experiences (how others have done it), as well as the opportunity for “play dates” - as one member put it - that would allow members to every month call or meet with someone they have not met before.



On the Frontiers side, people encouraged The ImPact to support more advocacy as well as research work, but multiple groups also raised the topic of a “common community goal” and something that the community as a whole could prioritize and allocate time and resources to.



The discussion then turned inwards during the **Amplifying Your Impact: Sharing Your Vision for 2030** session, where participants considered their own vision and strategy for crafting a lasting impact in 2030. Members were led through a creative arts and crafts exercise leading to their individual vision boards. The interactive dialogue was designed to ignite inspiration and assist members as they shared their visions for the future, dipping into their creativity before embarking on a guided art tour of the space.

The day concluded with member-led sessions covering a diverse range of impactful topics. **"What's Art Got to Do With It"** explored the intriguing connection between art and its role in driving meaningful social change. **"Artificial Intelligence and Impact"** offered a thought-provoking discussion on how AI is reshaping investing and society, and discussing the risks and opportunities of these technological advancements. During **"Reimagining the Americas: Indigenous Medicine and Social Change"**, one member led a discussion around the impacts that colonialism and the War on Drugs have had on The Americas and shared his thoughts on the intersection of indigenous medicine and its profound influence on social transformation.

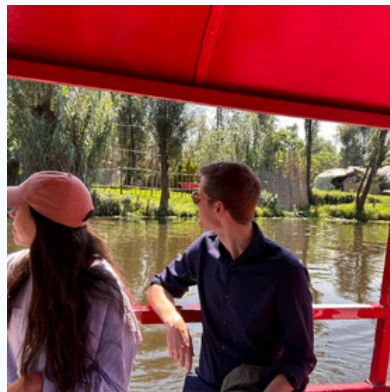
We concluded the official program on a high note with a fantastic reception hosted by our local members. This event provided attendees with the opportunity to relish each other's company, participate in thought-provoking discussions inspired by the day's sessions, and even indulge in a bit of dancing and margaritas!

## Getting to Know Mexico City!

Local members encouraged and invited members to get to know their City and Country, offering a few optional field trips and activities in and around Mexico City. The week began with an optional visit to the Museo Nacional de Antropología, an iconic cultural landmark in Mexico City. This served as a perfect introduction to Mexico's rich and diverse history, as members who arrived early explored its extensive collection of pre-Columbian artifacts and anthropological exhibits. Local members provided insightful guidance during the museum visit, immersing participants in the essence of Mexico. Later that evening, we gathered for a welcome dinner at the Four Seasons hotel, where members connected as they got ready for the start of the event.

### Xochimilco and Arca Tierra

On Friday local members guided participants through an exploration of Xochimilco and the ancient Chinampas of Mexico. These Chinampas, with their Aztec origins, showcased innovative agricultural systems that transformed the challenging environment of Lake Xochimilco into a fertile oasis. The group gathered for lunch at Arca Tierra, a local initiative committed to sustainable agriculture. There, participants enjoyed a tour of Chinampa del Sol and learned about regenerative agricultural practices, followed by a tortilla-making workshop and a freshly harvested brunch. We also heard from a member and Karla Gallardo from Viwala about how using innovative financing structures is opening opportunities to invest more in highly impactful business models, with Arca Tierra being a perfect example.



## Agenda & Resources

For those who would like to explore the Leaders Forum agenda, [please visit our event website](#). For those wanting to access or explore some of the content we shared and mentioned during the day, please see below:

- **Climate Fresk Session:** [Applying Systems Thinking to Global Challenges](#)
- **The Evolution of the Venture Capital Ecosystem in LATAM:** Find our report on the state of the impact investing ecosystem in [LATAM Report](#)
- **The Family as a System:** Find the deck for this session [here](#)
- **Reaching the Limits of Win Win Thinking:** The Duncan Austin session presentation can be found [here](#). The questions for discussion are [here](#).
- **Reimagining Philanthropy:** Other articles that inspired the philanthropy conversation were [The Charitable-Industrial Complex](#) by Peter Buffet, [Philanthropy's Role in Creating a Just World: Centering People and Communities in Your Giving](#), and [The Forbes Philanthropy Score 2023: How Charitable Are The Richest Americans?](#).