



# INNOVATIONS IN FINANCE

WORKSHOP 3 : ESG & IMPACT FINANCE SIMULATION

*Make an impact*

# INTRODUCTION

*Make an impact*





## OUR GOAL : UNDERSTAND THE FUTURE OF FINANCE

Can finance truly drive positive change in the world—or is ESG just a marketing tool?

→ Today, YOU are the fintech innovators





# LEARNING OBJECTIVES

◆ **Knowledge (know/understand):**

- Understand the concept of ESG (Environmental, Social, Governance) in finance
- Learn how fintech can support ESG-aligned goals and SDGs
- Recognize how financial solutions can promote inclusion, sustainability, and ethical practices

◆ **Skills (be able to):**

- Design a fintech concept aligned with an ESG theme and an SDG
- Analyze sustainability goals through a business lens
- Collaborate in teams to pitch a socially impactful solution

➔ This tutorial is practical, team-based, and graded.



# WHAT YOU'LL DO TODAY

- ◆ **Pick a sustainable development goal(choose from our list)**
- ◆ **Brainstorm & design your solution**
- ◆ **Build a project brief (template provided)**
- ◆ **Prepare your 5-min pitch (all team members contribute)**

➔ This tutorial is practical, team-based, and graded.



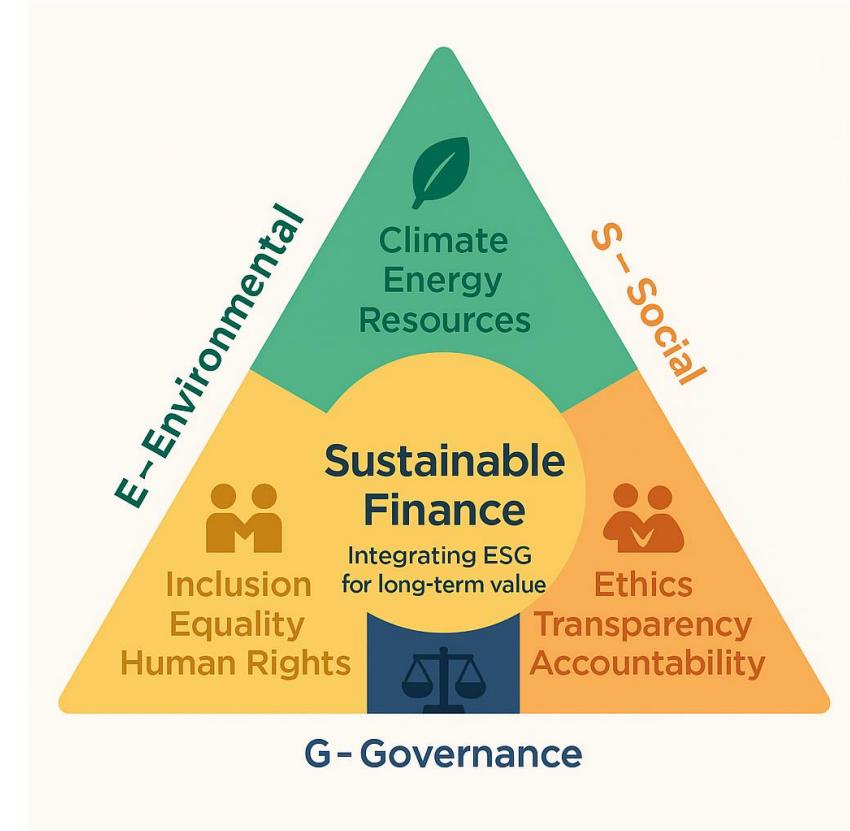
# PREVIOUSLY ON INNOVATIONS IN FINANCE



*Make an impact*

# WHAT IS ESG & WHY IT MATTERS

- ◆ Finance shapes the world — capital allocation influences climate, equality, and innovation
- ◆ ESG = Environmental, Social, and Governance — a framework to manage sustainability risks and opportunities.
- ◆ Investors, regulators, and clients demand responsible finance.
- ◆ **ESG is no longer a “nice to have”** — it's a competitive and regulatory necessity.





# FROM EXCLUSION TO INNOVATION

- ◆ Yesterday: “Don’t invest in bad sectors.” (exclusion, screening)
- ◆ Today: “Create positive change.” (innovation, measurable impact)
- ◆ ESG is now about value creation, not only risk avoidance.
- ◆ **Fintechs can embed sustainability into products and customer behavior.**



# WHAT ARE THE UN SDGS?

- ◆ The UN **Sustainable Development Goals (SDGs)** are 17 global objectives set by the United Nations for 2030.
- ◆ They cover themes like poverty, health, education, climate change, gender equality, and economic growth.
- ◆ ESG-aligned fintech should ideally support one or more SDGs.

# THE 17 SDGS

- ◆ **People:** No poverty, zero hunger, good health...
- ◆ **Planet:** Climate action, life below water...
- ◆ **Prosperity:** Industry innovation, reduced inequalities...
- ◆ **Peace & Partnership**



# FINANCE AS A LEVER FOR THE SDGS

Type of finance	Focus	SDG link
Traditional finance	Risk & return	None
ESG finance	Add sustainability lens	Risk + Return + ESG
Impact finance	Intentionally create measurable impact	Risk + Return + <b>Impact (SDG-linked)</b>

## Examples:

- Green & SDG-linked bonds → Climate (SDG 13),
- Energy (SDG 7)
- Microfinance → Inclusion (SDG 1, 8, 10)
- Carbon-tracking fintechs → Responsible consumption (SDG 12)
- Tokenized renewable assets → Industry & innovation (SDG 9)

# FINTECH & SDG ALIGNMENT — EXAMPLES

## M-KOPA

- **Country:** Kenya, Nigeria, Ghana,...
- **SDG:** #7 Affordable and Clean Energy
- **Model:** Pay-as-you-go solar energy financed through embedded mobile lending
- **Tech:** Mobile wallets, IoT-enabled solar devices
- **Impact:** Reached over 6 million customers



- **Country:** Global (HQ USA)
- **SDG:** #1 No Poverty, #5 Gender Equality
- **Model:** Microfinance and mobile tech for women's financial inclusion
- **Tech:** Mobile banking, financial literacy apps, data collection via SMS
- **Impact:** Empowered over 1.5 million female entrepreneurs in rural areas



- **Country:** Germany
- **SDG:** #13 Climate Action
- **Model:** Neobank where every payment contributes to climate-positive projects
- **Tech:** ESG-backed debit card, carbon tracking, app UX
- **Impact:** Over €10 million invested in reforestation, sustainable water projects



# GOALS

*Make an impact*





# CHOOSE YOURS

1. Green SME Lending
2. Financial Inclusion for Women Entrepreneurs
3. Carbon Offset Marketplace
4. Climate Risk Insurance for Farmers
5. Inclusive Finance for Migrants
6. ESG Investment Platform
7. Green Property Finance
8. Youth Financial Literacy & Access
9. Waste-to-Energy Crowdfunding Platform
10. Green Payroll & Carbon Tracking
11. Fair Credit for Gig Workers
12. ESG Compliance & Scoring as a Service



# LET'S START!

UNPACK THE FINTECH ENGINE

*Make an impact*





# INSTRUCTIONS FOR TODAY'S WORK

- ◆ Form groups.
  - ◆ Each group will work on a Goal.
  - ◆ You will:
    - Assign roles: analyst, designer, tech lead, regulator, etc.
    - Use your editable project brief template
    - Think about:
      - ◆ Problem & user
      - ◆ Tech solution
      - ◆ Business model
      - ◆ Legal/ethical issues
      - ◆ ESG impact mechanism (data, tokenization, incentives, scoring, transparency, etc.)
      - ◆ KPIs: both financial and impact (ROI + CO<sub>2</sub> saved, jobs created, inclusion, etc.)
  - ◆ Be creative, clear, and realistic
- ◆ Pitch Expectations (5 min max)
    - The goal
    - The proposed solution & tech used
    - Target customers
    - Business model
    - Regulatory / ethical considerations
    - ESG Impact mechanisms
    - Why it's innovative & feasible



# EVALUATION RUBRIC

- ◆ Is your solution able to improve the current situation ?(5 pts)
- ◆ Innovation of Solution (5 pts)
- ◆ Use of Tech (5 pts)
- ◆ Business Model Fit (5 pts)
- ◆ Regulatory Awareness (5 pts)
- ◆ ESG impact mechanism (5 pts)
- ◆ KPIs: both financial and impact (ROI + CO<sub>2</sub> saved, jobs created, inclusion, etc.)
- ◆ Quality of Pitch (5 pts)



# WRAP-UP



*Make an impact*



# KEY TAKEAWAYS FROM TODAY

- ◆ ESG and SDGs can be a true innovation lever in fintech
- ◆ Fintech can play a major role in solving global challenges
- ◆ Tech alone doesn't guarantee impact: ethics and governance matter
- ◆ Financial innovation must be measurable, inclusive, and responsible

→ *Should ESG impact be mandatory in all future financial innovation?*



*Make an impact*

