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**ETHICAL FINANCE  
IMPROVES  
THE LIVES OF  
HUNDREDS  
OF THOUSANDS  
OF PEOPLE  
IN ARGENTINA**

Nearly 300,000 people benefited from access to credit in the areas of education, culture, the environment, and inclusive social development.

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Between January 2020 and July 2021, the ethical finance platform Sumatoria invested in 35 initiatives related to social economy, agroecology, organic farming, access to healthy food, financial inclusion, gender equity, impact business, and the circular economy. The capital mobilized benefited 277,878 people in 11 Argentine provinces, especially in the capital and the surrounding Buenos Aires province, through the "Sigma" impact fund and the "Covida" fund designed to help with economic and social recovery during and after the pandemic.

### Why does Fundación Avina support this initiative?

Knowing where and how to inject capital is a determining factor for the type of society that we want to build. It marks the difference between maintaining the status quo and transformation. Fundación Avina supports the values and principles of the ethical finance paradigm: investment in the real economy, exclusion criteria to not invest in companies or models that will have a negative environmental and social impact, active transparency, inclusive governance, long-term resilience, and holistic institutional culture. The three sectors where ethical finance channels investment (environment; inclusive social development; culture and education) correspond to the structural challenges that Latin America faces: inequality, loss of biodiversity, exclusion, and poor quality of education.

### What did Fundación Avina and its allies do?

We supported Sumatoria, helping them expand their reach and drive more transformation by adding meso-finance and impact investment to their work in microfinance. At the same time, we continued to support Fundación Dinero y Conciencia and Doble Impacto, working with both to open a fully licensed and regulated bank and grow the collective impact platform in Chile. In 2021, we also helped support the opening of "impact offices" in Argentina, Uruguay, and Brazil.

Fundación Avina's support for Sumatoria is ongoing, focused on public events to bring visibility to their initiatives, fundraising, and institutional strengthening.

### Impact Achieved

**Markets.** The ethical finance sector, including what is known as Latin American Ethical Banking, is gaining visibility and growing in institutional strength. While its market share is quite small at the moment, it has the potential to grow in the next few years, especially with the launch of the fully licensed and regulated bank.



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*The sustainable ethical finance sector is growing in Latin America each year, thanks to the great work of organizations like Doble Impacto and Sumatoria. We're making huge strides with the application to create an ethical bank in Chile. We're sure that the public, especially young people, are increasingly going to opt for these financial alternatives that have a positive impact on the health of the planet and people's wellbeing."*

**Pablo Vagliente, Fundación Avina**

*"It's clear that we are dealing with an unsustainable development model that excludes millions of people and destroys ecosystems. The good news is that there are countless initiatives, entrepreneurs, and businesses that are coming up with solutions for a more inclusive, just, and sustainable model. At Sumatoria, we believe in a world where all people can meet their needs and fulfill their potential in harmony with the planet. On behalf of our whole team, we want to thank Fundación Avina for the institutional support that they've given us from the very start. We trust that we'll continue to work together to develop and scale ethical finance in Latin America."*

**Nicolás Xanthopoulos, Impact Director for Sumatoria**

Impact on Fundación Avina's Strategic Pillars

**Climate Action**  
**Just and Regenerative Economy**

Impact on the Sustainable Development Goals (SDGs)



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Impact in Numbers

277,878

**people in 11 Argentine provinces, especially in the capital and the surrounding Buenos Aires province**

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## Impact on the Components of the Collaborative Process

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|  <p><b>Relevance</b></p>               | <p>Companies that offer solutions to the structural challenges that Latin America faces are gaining access to credit based on ethical values, principles, and practices.</p>   |
|  <p><b>Tipping Point</b></p>           | <p>The ethical banking sector is expanding and becoming institutionalized in different countries throughout the region. Traditional banking is adopting new financial instruments and revising their investment criteria to be more in line with ethical banking principles.</p> |
|  <p><b>Scalability</b></p>             | <p>Ethical banking's regional presence is growing. Commercial banks are increasingly adopting financial instruments with positive social and climate impact.</p>   |
|  <p><b>Collaboration Deficit</b></p>  | <p>There are few precedents in the banking industry in Latin America that are aligned with ethical banking. In other words, the industry is almost completely dominated by traditional finance.</p>  |
|  <p><b>Social Capital</b></p>        | <p>We support ethical finance stakeholders and leaders.</p>  |
|  <p><b>Unifying Vision</b></p>       | <p>The ethical banking paradigm is based on shared values, principles, and practices.</p>  |
|  <p><b>Shared Action Agendas</b></p> | <p>There are short-, medium-, and long-term plans in place.</p>  |
|  <p><b>Innovation</b></p>            | <p>Exclusion criteria to not invest in harmful companies or models. Three priority areas of the real economy to focus investment. Radical transparency in loan traceability.</p>   |
|  <p><b>Incidence</b></p>             | <p>Participation in the Global Alliance of Banking on Values, working with 13 Latin American banks, especially on climate action and decarbonizing their portfolios.</p>   |