



In conversation with Antonis Schwarz:

## More action – less labeling: Antonis Schwarz's unique path to impact

**When it comes to giving, philanthropist and impact investor Antonis Schwarz stands for more action and less labeling.**

"I want to help prevent climate breakdown, because my generation is the last who can," says Antonis (Toni) Schwarz. The philanthropist, impact investor and activist founded the Guerrilla Foundation in 2016, "and I am part of this group of millennials who has a burning desire to change the status quo." I met Toni at a philanthropic event and have always been impressed by how vocal he is about the changes he wants to see in the world.

As an heir to the pharmaceutical company Schwarz-Pharma, Toni spent a lot of time thinking about how he could use his inheritance to create impact. He belongs to an incredibly small and privileged group of young wealth owners. He has known since birth that he would never need to work for a living, something that gave him a huge sense of responsibility. On the day of his 18<sup>th</sup> birthday, he inherited a significant amount of wealth. And while others might be more into sports cars at that age, Toni was instead drawn to philanthropy and impact investing, marking the start of his journey.

### **Impact through political activism**

Searching for how to most efficiently deploy his funds to create impact and change, Toni soon realized that a university education could be helpful. However, it would not help him meet, engage and mobilize the critical and innovative minds that he was searching for. In his determination to tackle the truly pressing issues of our time – social injustice, climate change, the

refugee crisis and an eroding democratic landscape in- and outside Europe – it was the German "Center for Political Beauty", with their innovative forms of political activism and its significant impact on media and arguably German and European immigration politics, that impressed him: "I was amazed how provocative public interventions can have such a massive impact."

Guerrilla Foundation, which Toni founded in 2016, focuses on sourcing and supporting activist grassroots organizations. These organizations are all highly motivated, achieve great visibility with little means and are often overlooked as crucial actors in waking and shaking up decision makers in politics and society.

### **A more ethical way to invest**

But there was also another important topic that Toni wanted to address on his journey to impact. "I got into impact investing, as I wanted to combine profit with purpose and find more ethical ways to invest," he says. He started out simply, by excluding certain industries and countries. Today, a substantial part of his portfolio is in impact investing, mostly in high-impact private equity and private debt funds. Toni is convinced that "capitalism will continue to move towards impact and will increasingly integrate externalities. We have already seen a shift from pure return to internalizing risk, and more recently, the addition of social and environmental impact as a third criterion." For him, it is undeniable that the concept of risk-return-impact will gain more relevance, especially in times of global crises like the Covid-19 pandemic.

Listening to Toni, it is impressive to see the importance he attaches to challenging the status quo and questioning labels of seemingly established concepts. He also sees that impact investing has its flaws. For example, there is no common standard when it comes to measuring the true social or environmental return of impact investments. Labeling something as “impact investing” does not necessarily mean it has any kind of positive impact.

### **Greenwashing and non-transparency**

This is why he is working with an advisor to understand and navigate the impact of his own impact investments. According to Toni, there is also a lot of greenwashing and non-transparency in this field, as the companies and leadership behind the “impact investing” label are the same ones that are behind traditional investments. The advice he would give to anyone testing the waters in impact investing is to educate themselves and start with small tickets. “Be happy to make mistakes and invest time to find credible co-investors, but don’t just rely on other people’s opinions,” he says.

When I ask if he has any other big dreams, Toni once again surprises me. He explains that he is currently in Athens, Greece, which due to his Greek origins is a place that together with Munich, Germany, he calls home. One of the biggest environmental issues there is the management of waste and illegal landfills. “The nation-wide introduction of a bin for organic waste in Greece – that would be my greatest joy.” What might sound like a small step could have a catalytic impact towards creating a more sustainable and climate-friendly place.

For Toni, the way to impact is a combination of various paths. He believes in staying open, addressing the most salient issues, and that focusing on labels or concepts is useless. He also believes in starting small and applying a critical lens. Finally, he believes one should be happy to make mistakes, be it as a philanthropist, impact investor or social changer, mover or influencer.

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