

Global Impact Pool

QUARTERLY

Q3 2022



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DEAR INVESTOR,

We are pleased to report on the third quarter of 2022 for Kempen's Global Impact Pool, in which we continued to deploy capital towards the Global Impact Pool's mission, which is to make investments that positively contribute to solving global problems around the food, water and climate nexus and five Sustainable Development Goals. Specifically, while explicitly targeting a market rate financial return, we aim to address the following impact themes:



Basic needs & well-being: the provision of basic goods & services for the underserved including water and health & well-being;



SME development & decent work: creating decent jobs with fair employment practices to eradicate poverty;



Circular economy: Support sustainable consumption and production aimed at doing more and better with less, and;



Climate & energy: Contribute to abundant clean energy and reduction of CO₂ emissions.

IMPACT HIGHLIGHTS FOR THE QUARTER*



396,366

Underserved reached via
healthcare services¹

54,863 m³

Water consumption savings (LTM)

Equivalent to the water used by **998**
people in a year²



4,822,218

Underserved reached via
financial services³

7,596

Jobs supported⁴



142,395

Certified hectares cultivated

Equivalent to the size of
210,332 football fields⁵



22,778 MWh

Green energy generated (LTM)

Equivalent to powering **7,284**
households in the Netherlands⁶

10,274 tons

CO₂ emissions avoided (LTM)

Equivalent to **4,193 cars** taken
off the road for a year⁷

Kempen



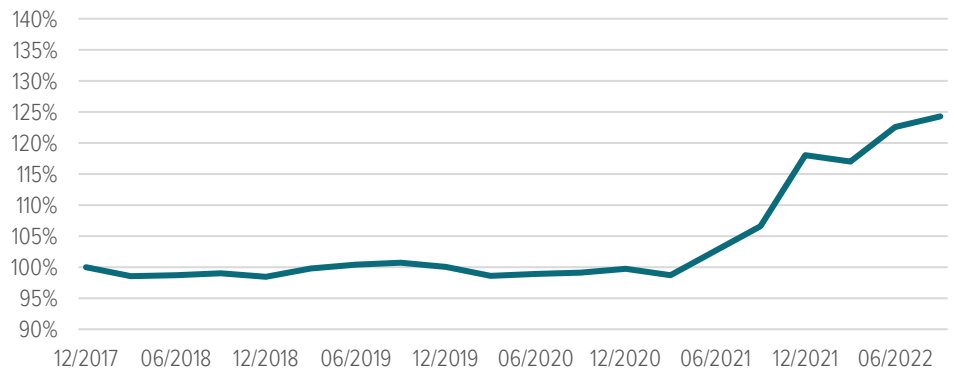
FINANCIAL RETURN

The Kempen Global Impact Pool (GIP) achieved a return of 1.4% for the FA share class during the third quarter of 2022, resulting in a YTD return of 5.3%. The return over the last 12 months amounts to 16.6%, while the average annualized return over the last 3 years is equal to 7.3%. Since the launch of the fund in the beginning of 2018, the fund realized an average annualized return of 4.7% for its participants.

In what has been a challenging year for financial markets so far, the balanced investment portfolio of the GIP delivered strong returns during the third quarter and full calendar year. Over the course of the third quarter of 2022, the Private Equity and Venture Capital component of the core impact portfolio faced some headwinds as a result of the challenging macro-environment with e.g. rising interest rates, supply chain disruptions and high inflation. This result, however, was offset by some valuation uplifts taking place at the underlying company level, the strengthening US dollar, and a positive contribution from the Private Debt portfolio of the GIP. The GIP's infrastructure allocation, which focuses on European greenfield renewables projects, realized slightly positive returns this quarter.

Detailed fund-level performance information is presented below. The GIP investment team is confident that the current portfolio is well positioned to combine impactful investments with solid financial returns as the GIP portfolio continues to mature in a promising way.

Indexed returns, since inception (FA share-class)



QTD	YTD	2021	2020	2019	2018	3 Years*	Since inception*
1.4%	5.3%	18.3%	-0.3%	1.6%	-1.6%	7.3%	4.7%

* Returns are annualized.

PORTFOLIO DEVELOPMENTS

The GIP continued its mission to pool capital and scale impact on behalf of its participants during the third quarter of 2022. Assets under management increased to €170 million at the end of September 2022. This increase can be attributed to an increase in the value of the investment portfolio and a slight inflow of client assets. On a net basis, there have been inflows of approximately €2.5 million for the GIP during the quarter. After quarter's end capital was called from investors in the F-share class which has resulted in inflows in excess of €16 million. This allows the GIP and its investment partners to deploy capital in a market that offers many opportunities at relatively attractive valuations.

During the third quarter of 2022, the team managed to deploy almost €20 million of new capital to the GIP's investment partners, who have been calling capital in order to fund new investments. Capital was called by nearly all of GIP's investment partners, with most capital drawn by Trill Impact (Northern Europe Private Equity – broad impact mandate) and Leapfrog (Emerging Markets Private Equity – focused on financial inclusion and health

services to low-income customers). Other noteworthy capital allocations went to the newest funds of our German investment partners KGAL (ESPF 5, European sustainable infrastructure) and Quona Capital (Opportunity Fund, Emerging Markets Venture Capital focused on financial inclusion).

GIP's investment team has further enhanced its promising pipeline with new investment opportunities. The team added several promising European and Indian Venture Capital opportunities to the pipeline. Furthermore, at the end of the third quarter, the team was in the final stages of adding a new investment partner within the Climate and Energy impact theme.

The overview below provides a summary of the most important developments in the portfolio this quarter per individual impact theme.



During the quarter, additional capital was allocated to the **Basic needs and well-being** theme, as LeapFrog called capital for a follow-on investment in both **HealthifyMe** and **Medgenome**. **HealthifyMe** is the largest consumer health application in India, with over 30 million downloads as of today. Through its app, the company provides affordable digital health services to consumers in India and Southeast Asia, with a focus on obesity and non-communicable diseases like Parkinson's and diabetes. The company has experienced a steep growth path over the years, both in financial terms (e.g. revenue growth) as well as the impact it is achieving (e.g. increased health of additional number of emerging consumers). **Medgenome** is the market leader in South Asia for genetic diagnostics, and plans to expand into other markets across Southeast Asia and Africa. The company has three main business focus areas: (1) providing diagnostics services to hospitals and clinicians, (2) providing next-generation sequencing research to global pharmaceuticals and academia, and (3) licensing the unique genetic database to external parties.



Within the theme of **SME development and decent work**, our investment partners made good progress by completing new or follow-on investments in portfolio companies. Quona Capital, our investment partner focusing on early-stage fintech companies in underserved economies, called capital to finance the purchase of new and existing companies for the investment portfolio. The most notable additions to the portfolio are **Makmur**, **Kanastra** and **Mewt**, all these companies perfectly align with GIP's impact target of providing essential, affordable financial and health services to low-income customers. **Makmur** operates in Indonesia and offers a multi-asset investment application that helps underserved consumers manage money and grow wealth aligned with their personal goals. **Kanastra**, focussed on the Latin American market, developed a platform through which it offers small companies financing with relatively quick turnaround time and low fees.

The Micro, Small and Medium Enterprises (MSME) market in India has seen rapid digitization over the last few years, but most players serving MSMEs offer standalone products, which has led to massive fragmentation of banking operations. **Mewt** is a digital interface that aims to simplify banking for MSMEs in India by providing insights in consolidated banking accounts which reduces complexity and provides better visibility into its cashflows.

Trill Impact, our investment partner focused on private equity impact investments in Northern Europe, called capital for a new company: **KarriereTutor**. This German company offers digital vocational education and training modules to the unemployed and people at risk of unemployment with the goal to make them more resilient in their workforce participation.



ResponsAbility, one of the GIP's investment partners within the **Circular economy** theme, focuses on providing working capital to (cooperatives of) smallholder farmers in developing countries. Most activity during the third quarter of 2022 occurred in Asia, where capital has been allocation to financial institutions with agricultural

portfolios in Vietnam. Within the Africa and Latin American region, responsAbility financed several institutions focused on cocoa and coffee. It added a new counterparty, with a focus on providing loans to coffee-producers, in both Uganda and Colombia.



With its investments within the **Climate and energy** transition theme, the GIP contributes to the energy transition towards more sustainable energy sources.

EIF, GIP's investment partner that funds early-stage companies focusing on climate solutions, called a significant amount of capital during the third quarter. Funding was used to finance a follow-on investment in **Unagi** and a new investment in **Andium**. **Unagi**, one of GIP's existing portfolio companies based in the US, produces high-end electric scooters that provide a clean, and often faster, alternative to a car in urban areas. **Andium** offers a technology that can accurately monitor emissions related to a company's operations, on top of which the company also provides analytical and reporting services. The focus of this company is on detecting Methane emissions, a gas that is 28 times more potent than carbon dioxide (CO₂). Using Andium's services will allow a company to efficiently reduce its emissions.

KGAL, our German investment partner with two funds in GIP's portfolio currently, invests in the development of wind farms and solar energy parks in Europe. KGAL continued to make good progress with the development of its assets during the quarter, resulting in a significant amount of capital calls during the quarter. As a result, the GIP's exposure to the Climate and energy theme increased. This capital was used, among other things, to finance the construction of solar power plants in Italy and Greece and to purchase the turbines for the onshore wind farm Rywald in Poland. All these investments will soon add a significant amount of renewable energy capacity to the network. As mentioned during our last quarterly update, the GIP committed significant additional capital to KGAL's latest fund during Q3 2022 which reflects our conviction in this investment partner and its exciting pipeline of projects.

The impact case for this quarter focuses on **Komet**, an Austrian company that produces high-quality water- and energy-efficient sprinklers, regulators and big volume water guns, Komet is a new portfolio company of Trill Impact, the GIP's partner for Private Equity buy-out investments in Europe.



Komet tackles global challenges on food security and water scarcity by providing solutions for more water- and energy-efficient irrigation as well as technology for optimized water distribution, leading to increased crop yield.



IMPACT CASE STUDY KOMET AUSTRIA GMBH

WHAT

Water scarcity is an increasing problem around the globe, especially in poorer countries. Today, around 2.3 billion people live in water-stressed countries, of which 733 million live in high and critically water-stressed countries⁸. The lack of access to clean water is a large problem that affects people's health and the ability to protect their families and earn a living. As much as 70% of the world's accessible freshwater is used for agriculture, however, 60% of this is wasted due to leaky irrigation systems, inefficient application methods and cultivation of crops that are not suited to the local environment⁹. This inefficient use of water is drying out rivers, lakes and underground aquifers.

Food security is another well-known challenge that we face as a global society, which is also affected by water scarcity. Estimates show that around 690 million people are hungry today and 135 million of those suffer from acute hunger¹⁰. Over the coming decades, a changing climate, growing global population, rising food prices, and environmental challenges will have significant and uncertain impacts on food security.

WHO

Komet Austria GmbH is an Austrian-based family business that manufactures high-quality sprinklers, regulators, and big volume guns in its state-of-the-art production facility. With its sales network, Komet serves local growers around the globe. Komet's irrigation devices are on average 20-30% more water and energy efficient than alternatives on the market. This results in more efficient water use, energy savings, and lower carbon footprints for the irrigation systems which benefit both the environment and the farmer. Komet seeks to address the global challenges of a growing population, an increased need for food security and water scarcity. This is of particular importance as an estimated 75% of crop surfaces are not efficiently irrigated.

CONTRIBUTION

As mentioned above, there is a need to transform the global food and agricultural system 1) to be able to feed the growing population and 2) tackle water scarcity. Studies show that irrigation has a strong contribution to higher crop yield, through droplet size, application rate and type. Since 70% of the world's accessible freshwater is used for agriculture, increasing the water efficiency and crop yield within the agriculture sector is a very important factor to help solve this problem.

This is where Komet's product line strongly contributes to solving the problem by 1) irrigating crops that are not irrigated today or irrigated with non-efficient solutions (e.g., flood irrigation) leading to higher crop yield and 2) providing the most efficient components, enabling 20-30% water savings through optimized droplet size and uniform water distribution and energy savings through distribution with lower pressure (10psi vs. 20psi)

RISK

There is the risk that the intended impact on water and energy savings is not reached as activities of Komet are not delivered as planned and do not result in the desired outcomes. In this case, the execution risk is that the serviced crop area is not effectively expanded, which would negatively affect the scale of impact. GIP's investment partner, Trill Impact, sees this risk as low due to favourable market trends and strong growth of the company. Also, the risk exists in measuring whether and how soil is positively impacted in the long run. To mitigate this risk, the company plans to closely collaborate with farmers to assess and manifest long-term impact of its products.



HOW MUCH?

Estimates¹¹

20-30%



Water savings during the irrigation process through optimized droplet size and uniform water distribution

~30%

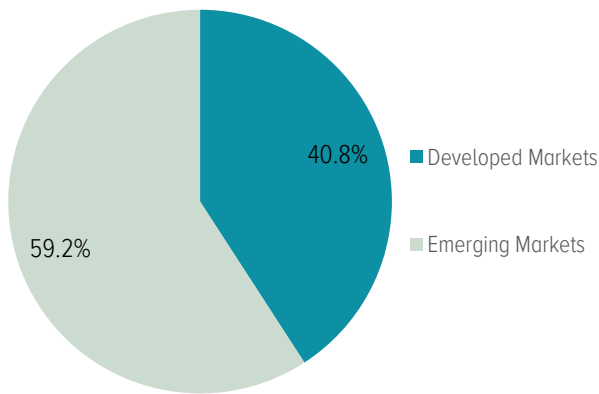


Energy savings through distribution with lower pressure

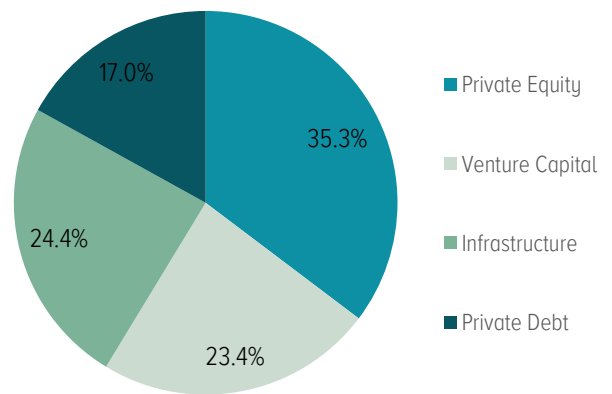
PORTFOLIO OVERVIEW

The graphs and tables on the next two pages are reflecting the portfolio as of the end of September 2022 and are based on commitments made by the fund to its investment partners. Please note that GIP's investment partners typically invest out of closed-end funds that report with a significant lag. As a result, the look-through provided on a portfolio level will always lag by one quarter.

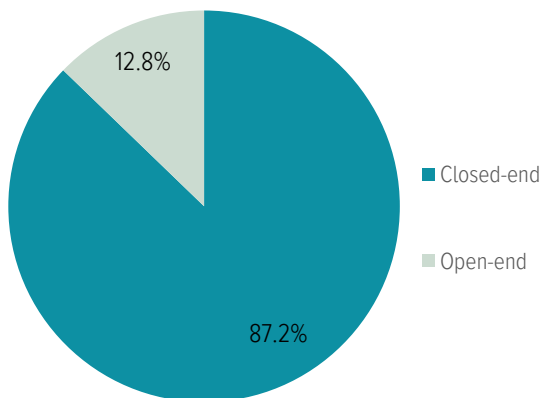
GEOGRAPHICAL EXPOSURE



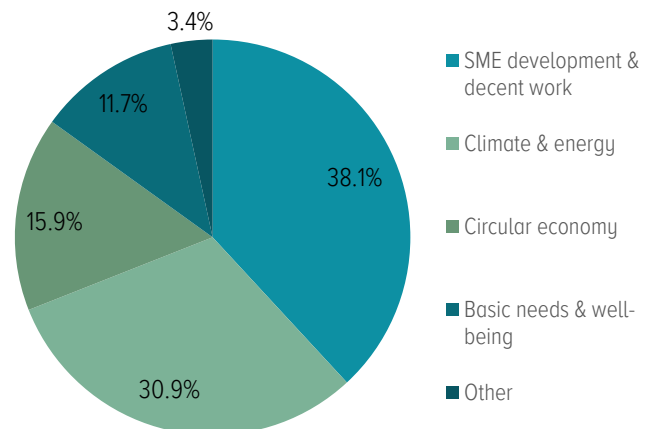
ASSET CLASS EXPOSURE



FUND TYPE EXPOSURE



IMPACT THEME EXPOSURE



Overview Impact Partners per Q3 2022

	Partnership	Asset Class	Geography	Commitment*	Impact themes	SDGs
	KGAL ESPF 4	Infrastructure	Developed markets	€22 million		
	KGAL ESPF 5	Infrastructure	Developed markets	€37.5 million		
	LeapFrog ECF 3	Private Equity	Emerging markets	\$25 million		
	LeapFrog ECF 4	Private Equity	Emerging markets	\$35 million		
	Trill Impact	Private Equity	Developed markets	€25 million		
	Quona Inclusion II	Venture Capital	Emerging markets	\$11 million		
	Quona Inclusion III	Venture Capital	Emerging markets	\$20 million		
	Quona Opportunity Fund	Venture Capital	Emerging markets	\$10 million		
	Ecosystem Integrity IV	Venture Capital	Developed markets	\$15 million		
	ResponsAbility Agriculture	Private Debt	Emerging markets	\$31 million**		
	Northern Arc India Impact Fund	Private Debt	India	\$10 million		

*Concerns Q2 2022 market value since this is a liquid investment without a commitment structure.

Overview top-10 holdings look-through (based on Q2 2022 reporting)

Company	Sector	Manager	Asset Class	Impact theme	Country	% of total value*
Zepz	Financial Services	Leapfrog	Private Equity	SME development & decent work	Global	5.6%
ZeroAvia, Inc	Transportation	EIF	Venture capital	Climate & energy	US / UK	3.4%
GP Joule	PV & Onshore Wind	KGAL	Infrastructure	Climate & energy	Germany	1.9%
Nordomatic	Industrial Services	Trill Impact	Private Equity	Climate & energy	Sweden	1.8%
Bäckhammar	Onshore Wind	KGAL	Infrastructure	Climate & energy	Sweden	1.6%
Sokowatch	E-commerce	Quona	Venture capital	SME development & decent work	Africa	1.5%
Mesalvo	Healthcare	Trill Impact	Private Equity	Basic needs & well-being	Germany	1.5%
MedGenome	Healthcare	Leapfrog	Private Equity	Basic needs & well-being	South Asia	1.4%
Klar	Financial Services	Quona	Venture capital	SME development & decent work	Mexico	1.3%
Karriere Tutor	Education	Trill Impact	Private Equity	SME development & decent work	Germany	1.3%
Total top 10:						21.4%

FOOTNOTES

*In order to publish our quarterly reports in a more timely basis, there is a one-quarter lag on impact figures.

¹ Impact of investment by GIP in Emerging Consumer Fund III (Q2 2022).

² Impact of investment by GIP in ESPF 4 (Q2 2022) and Ecosystem Integrity Fund 4 (Q4 2021). Source for the pro-rated equivalent figure on water use is from Waternet. Calculation based on households using 52,000 litres per year.

³ Impact of investment by GIP in Emerging Consumer Fund III, Inclusion Fund II, and Inclusion Fund III (Q2 2022) and Agriculture Fund (Q4 2021).

⁴ Impact of investment by GIP in Emerging Consumer Fund III, ESPF 4, Inclusion Fund II, Inclusion Fund III, and Trill Impact (Q2 2022), Ecosystem Integrity Fund 4 and Agriculture Fund (Q4 2021).

⁵ Impact of investment by GIP in Agriculture Fund (Q4 2021). The equivalent figure on football fields is calculated based on field size of 6770 m³.

⁶ Impact of investment by GIP in ESPF 4 and Green Bonds (Q2 2022), Ecosystem Integrity Fund 4 (Q4 2021). Source for the equivalent pro-rated figure on Dutch household electricity usage is from <https://www.odyssee-mure.eu/publications/efficiency-by-sector/households/electricity-consumption-dwelling.html>. Calculations based on figure that the average electricity consumption per household in the Netherlands is 3,127 kWh.

⁷ Impact of investment by GIP in ESPF 4, Trill Impact, and Green Bonds (Q2 2022), Ecosystem Integrity Fund 4 (Q4 2021). Equivalent pro-rated calculation is based on EEA, with the average new car emitting 120 g/km and driving average 20,000 km.

⁸ Source: UN-Water, 2021: Summary Progress Update 2021 – SDG 6 – water and sanitation for all.

⁹ Source: World Wildlife Fund

¹⁰ Source: United Nations

¹¹ As this company was purchased recently, there are currently no actual KPI's and impact figures available. These will be published early 2023.

MANAGEMENT AND ADMINISTRATION

Fund structure	Luxembourg SICAV Reserved Alternative Investment Fund ('RAIF')
Management company	Kempen Capital Management N.V. (AIFM)
Management team	Ralph Engelchor, Simon Oosterhof
Administrator/depositary	BNP Paribas Luxembourg S.A.
Auditor	PricewaterhouseCoopers
Legal advisor	Elvinger Hoss Prussen
Eligible for:	Professional and/or well-informed investors only

SUBSCRIPTIONS AND REDEMPTIONS

Subscriptions	Quarterly, 10 business days' notice before quarter end
Redemptions	After a 3-year lock-up period, quarterly liquidity on best-effort basis (90 days' notice)

SHARE CLASS DETAILS

Share class	ISIN	Management fee (per annum)	Service fee (per annum)	Subscription tax (per annum)	Anti-Dilution Levy (charged over commitment – one- off)	Minimum Investment
FA Class	LU 1734080564					Founders' share class: closed for new investments
FC Class	LU 1767084921					Founders' share class: closed for new investments
B Class	LU1918768901					Subscription share class: closed for new investments
D Class	LU1918769115					Subscription share class: closed for new investments
E Class	LU2437452258	0.50%	0.20%	0.01%	1.50%	€1,000,000
F Class	LU2437452332	1.00%	0.20%	0.01%	1.50%	€125,000

CONTACT

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