



VAN LANSCHOT
KEMPEN

INVESTMENT MANAGEMENT

Kempfen Global Impact Pool

Annual Impact Report 2023

July 2024



Message from the team

We are happy to present our 2023 Annual Impact Report, marking 6 years of dedicated efforts in the field of impact investing. In a year of global challenges and turmoil, we are proud to report that our impact fund has continued to make meaningful progress towards our goal of driving positive social and environmental change.

Growing need to act

As we look back on the past year, we are reminded of the challenges that have tested our resilience and resolve. Amidst these struggles, we have witnessed the power of compassion and empathy, as individuals and organizations come together to support those affected by conflict. The world has also faced a surge in climate disasters; floods, wildfires, and record-breaking temperatures have reinforced the urgent need to address the climate crisis.

Creating new partnerships

Continuing our commitment to impact investing on both social and environmental themes, we are excited to announce two new significant investments in our portfolio. ETF Partners, a venture capital firm dedicated to innovative climate investments in developed markets and our first co-investment in a company called HealthifyMe, which is pioneering digital solutions in the healthcare sector in emerging markets. These partnerships signify our commitment to supporting ventures that create a lasting impact for our society and environment around the world.

Furthermore, we are thrilled to have hosted another impact webinar, this time focusing on the role of technology and AI in impact investing. This event allowed us to explore how these advancements can be harnessed to address pressing social and environmental challenges. It is through such collaborations and knowledge-sharing that we can drive meaningful change and shape a better future for all. During the year, we also received an external verification from BlueMark for the alignment of the Global Impact Pool's impact management practices with the well-recognized Operating Principles for Impact Management.

Continuing our work

We look back on a successful year in which we were able to expand the portfolio and substantially increase our impact. Together, we can build a more equitable, sustainable, and compassionate world and we look forward to continue this mission into 2024 and beyond.

Warm regards,

Simon, Eszter, Wieke, Sarah, Janine, Rayane, Theo and Titus
Van Lanschot Kempen Global Impact Pool team



About Van Lanschot Kempen

Van Lanschot Kempen is an independent, specialist wealth manager active in private banking, investment management and investment banking, with the aim of preserving and creating wealth, in a sustainable way, for both its clients and the society of which it is part.

Through our long-term focus, we create positive financial and nonfinancial value. Listed at Euronext Amsterdam, Van Lanschot Kempen is the Netherlands' oldest independent financial services company, with a history dating back to 1737.

Wealth is not just about financial resources. It's about safeguarding our clients' heritage for generations to come – or starting to build that heritage. It's about pursuing growth or handing over a business that has been built over the years. It's about seizing opportunities and creating peace of mind. In short: it's about security, dreams, ambitions, wishes and decisions – and all of these are specific to each individual.

At Van Lanschot Kempen, we're driven to understand the complete picture for our clients. We use our collective expertise and talents to present them with fitting solutions and products in support of their long-term goals.

Contents

1. Impact overview	4 >
Highlights 2023	
6 years of impact	
2. Portfolio overview	7 >
Portfolio breakdown	
Geographical breakdown	
Highlight: local impact	
Partnership overview	
Financial returns	
3. GIP focus themes	14 >
Overview impact themes	
Basic needs & well-being	
Highlight: how to measure impact	
Climate & energy	
Highlight: impact at exit	
SME development & decent work	
Circular economy	
4. Looking forward	34 >
Progress towards targets	
The GIP in 2024	
5. Impact approach	37 >
Philosophy	
Framework	
Methodology	
EU regulation	
Footnotes	44 >

1

Impact Overview



“

We are proud to help our clients contribute towards positive impact around the world and are excited to share the results we achieved in 2023.

Janine Whittington, CFA
Senior Associate, Sustainable & Impact Investing

Impact highlights 2023

Our priority is to direct capital towards innovative and impactful businesses. Our impact over the year is as follows:

33,064 MWh renewable energy generated¹

Equivalent to the energy used by **11,066** Dutch households²

15,298,196 m³ water consumption savings⁵

Equivalent to the yearly water usage of **297,254** people⁶

9,388,970
underserved
people reached via
financial services⁸

533,682
underserved
people reached via
healthcare services⁹

13,695 people
supported by
employment⁴

152,238
smallholder
farmers supported³

104,377 certified hectares cultivated³

Equivalent to **154,176** football fields⁷

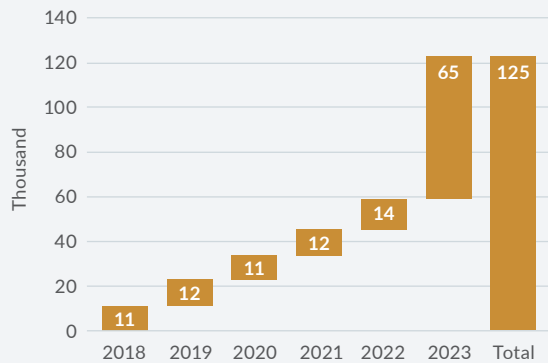
65,158 tonnes worth of CO₂ emissions avoided¹⁰

Equivalent to **30,306** cars taken off the road
for a year¹¹

6-years of impact investing

› Equivalent to **57,953** cars taken off the road today for a year¹¹

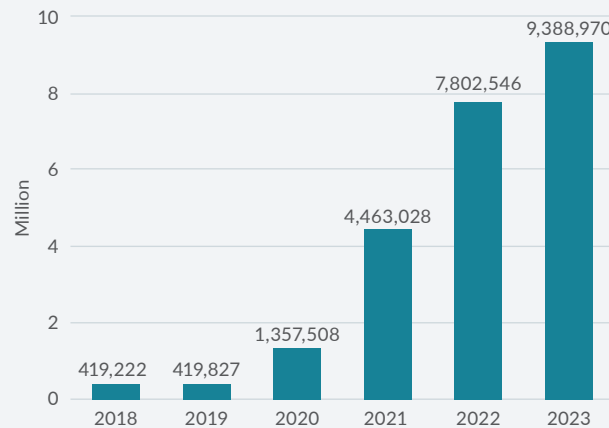
124,600 tonnes CO₂ emissions avoided



› Equivalent to **21%** of the total surface area of the Netherlands¹³

892,787 certified hectares cultivated

› **22x** increase in the level of underserved people reached via financial services in a year



› Equivalent to **6,202** Olympic swimming pools¹²

15,505,061 m³ water consumption savings

Since 2018, the GIP has worked alongside its stakeholders to contribute towards positive impact around the world through our four focus impact themes. We are pleased with the accumulated impact the GIP has reported over this time. We look forward to continuing to drive positive impact through our investments for the coming years and beyond.

2

Portfolio Overview



“

Our diversification across asset class, theme, and geography continues to contribute to the robustness of our solution.

Titus Witteveen, CFA
Senior Associate Manager Research Solutions

Portfolio breakdown

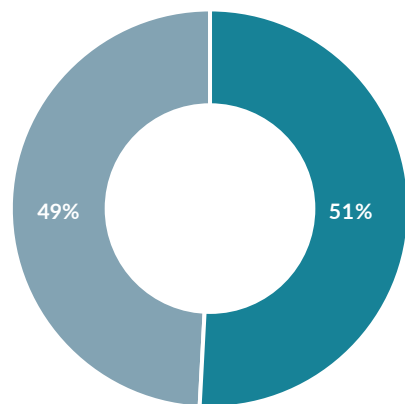
We intentionally finance solutions and opportunities that address global social and environmental challenges. To do this, we seek to invest in solutions to close SDG gaps around the world. The breakdown of GIP's portfolio, based on committed capital as per December 2023, is presented in the graphs below.

The GIP mostly addresses the impact focus theme of Climate & Energy in developed markets and the themes of Basic Needs & Well-Being and SME Development & decent work in emerging markets.

The focus theme Circular Economy is addressed in both developed and emerging markets. This geographical diversification reflects where the SDG gaps are most pressing and is aligned with the theory of change set out by the GIP. To summarize: In emerging markets we focus on solutions that address social challenges and in developed markets we invest mostly in solutions to environmental challenges.

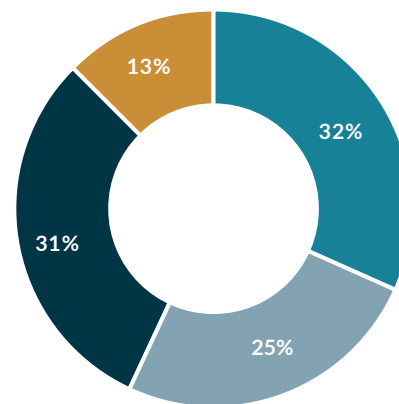
Portfolio figures	
Committed capital to the GIP	EUR 248 million
Drawn / undrawn capital	EUR 195 / 53 million
Net Asset Value	EUR 217 million
Number of core impact investments	14
Number of underlying companies	~300

Developed / Emerging Markets



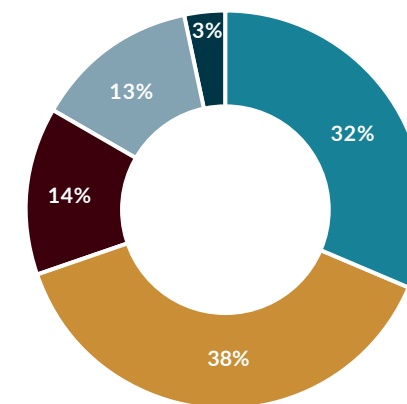
- Developed Markets
- Emerging Markets

Asset class



- Private Equity
- Venture Capital
- Infrastructure
- Private Debt

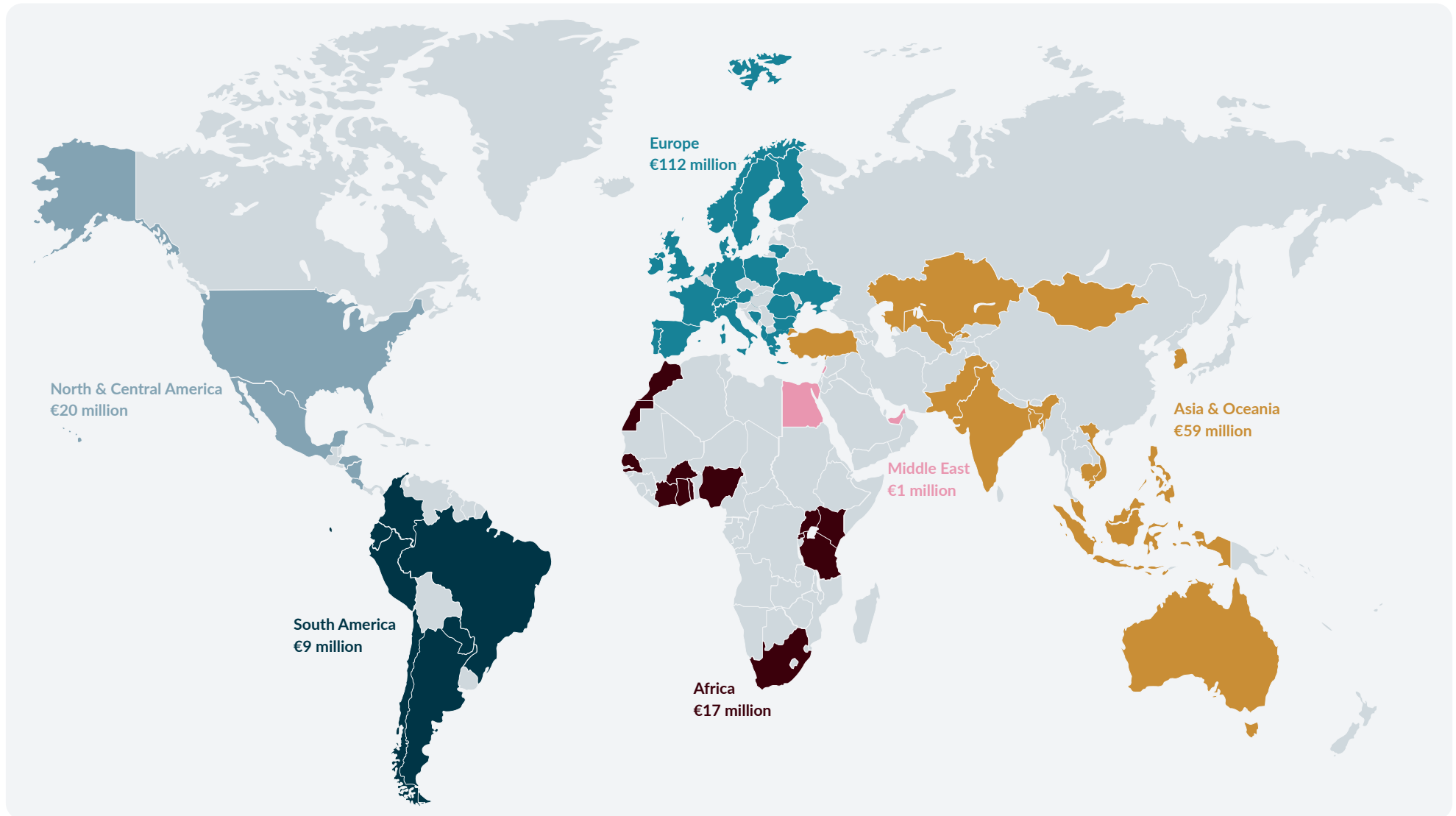
Primary impact exposure



- SME development & decent work
- Climate & energy
- Circular economy
- Basic needs & well-being
- Other

Source: Custodian, Van Lanschot Kempen

Geographical breakdown



Source: Custodian, Van Lanschot Kempen
Based on invested capital as per 31-12-2023

Highlight: local impact

Dexter Energy: using artificial intelligence (AI) to accelerate the energy transition

Dexter Energy is a Dutch company based in Amsterdam held in the portfolio of ETF Fund IV. Using AI, Dexter provides forecasting and short-term trade optimisation products for renewable energy companies. The company was founded on the idea of “using machine learning to accelerate the transition towards a fully renewable power system”.

The need comes from the way renewable energy sources may generate intermittent sources of power, such as wind and solar. To address this, Dexter helps companies process large amounts of market, weather and asset data at high speeds into accurate forecasting and trading signals to help improve renewable energy trading. This allows their clients to understand and predict the availability of renewable energy as well as offering trade optimisation solutions. This also helps to reduce the emissions related to the balancing of the energy grid – ensuring that the supply meets the demand for energy. In 2023, Dexter expanded its scope to outside of the Netherlands and into areas such as the United Kingdom, France and Poland.

We were very happy to have Luuk Veeken, CEO, join our impact webinar last year where we discussed how innovative technology can help drive positive impact creation. You can view the webinar [here](#) – please note it is only available in Dutch.



Overview of Partnerships

Partnership	Asset Class	Geography	Commitment *	Impact themes	SDG's
KGAL ESPF 4	Infrastructure	Developed market	€22 million	● ●	
KGAL ESPF 5	Infrastructure	Developed markets	€38 million	● ●	
Impax New Energy Investors Fund IV	Infrastructure	Developed markets	€20 million	● ●	
LeapFrog ECF 3	Private Equity	Emerging markets	\$25 million	● ●	
LeapFrog ECF 4	Private Equity	Emerging markets	\$35 million	● ●	
LeapFrog Co-investment: HealthifyMe	Private Equity	Emerging markets	\$4 million	●	
Trill Impact	Private Equity	Developed markets	€25 million	● ●	
Quona Inclusion Fund II	Venture Capital	Emerging markets	\$11 million	●	
Quona Inclusion Fund III	Venture Capital	Emerging markets	\$20 million	●	
Quona Opportunity Fund	Venture Capital	Emerging markets	\$10 million	●	
Ecosystem Integrity Fund IV	Venture Capital	Developed markets	\$15 million	● ●	
Environmental Technologies Fund 4	Venture Capital	Developed markets	€15 million	● ●	
ResponsAbility Agriculture Fund	Private Debt	Emerging markets	\$26 million**	● ●	
Northern Arc India Impact Fund	Private Debt	India	\$10 million	● ●	

● Basic needs & well-being ● Climate & energy ● SME development & decent work ● Circular economy

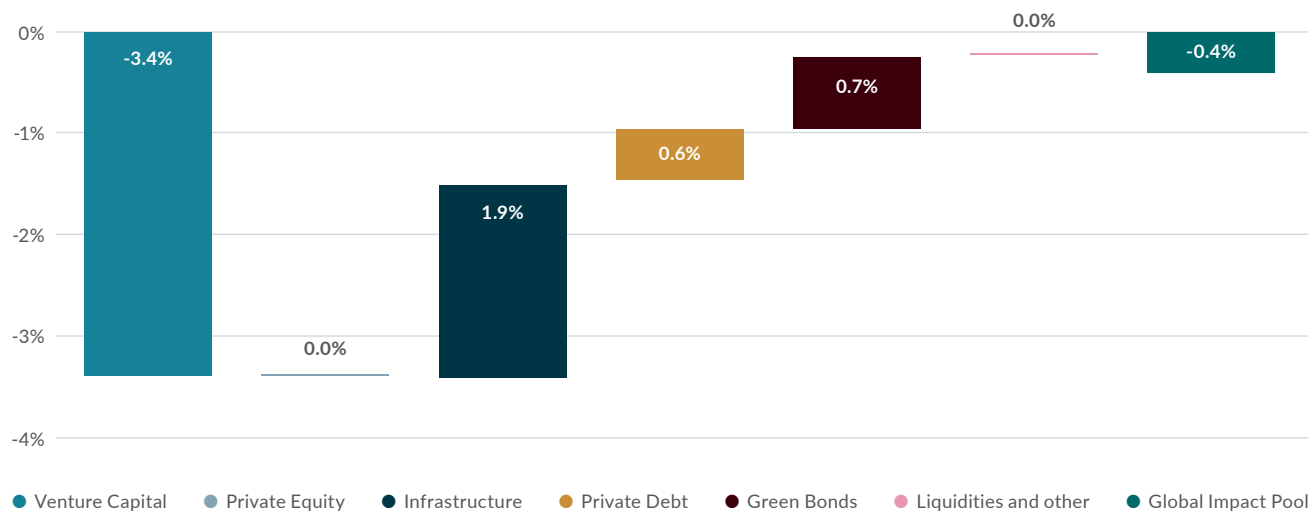
* This overview excludes any cash or cash equivalent investments.

** Concerns Q4 2023 market value as this is an open-ended vehicle without a commitment structure.

Financial returns

In 2023, the private markets investment landscape persisted with challenging market conditions that had emerged mid-2022. These conditions were characterized by increased financing costs from the high interest rate environment, maintained high levels of inflation and an uncertain growth outlook. Global fundraising contracted and the performance in most private asset classes remained below historical averages for the second consecutive year in a row. Given these headwinds, we were pleased to see that the Global Impact Pool exhibited resilience and achieved a relatively stable return of -0.4% for the full year 2023. Despite the adverse market conditions, the fund demonstrated its ability to navigate a volatile market and mitigate losses.

Performance attribution in 2023 by asset class



Looking back at 6 years of financial returns

	2018	2019	2020	2021	2022	2023	3 year, annualized	Since inception
GIP return*	-1.6%	1.6%	-0.3%	18.3%	0.7%	-0.4%	5.9%	18.4%

* past performance does not predict future returns



Just like last year, the challenging market environment allowed the GIP to showcase a valuable feature adding to the robustness of our solution: **diversification**. In a year where our Venture Capital investments were under pressure, our investments in Private Debt and more notably Private Infrastructure provided support. Private Debt offered a safety net with its attractive yields, while our Private infrastructure investments contributed significantly to returns.

The largest detractor to the Fund's performance was the allocation to Venture Capital, as higher risk capital was scarce throughout 2023 and valuations were therefore under pressure. Most of the companies in the Venture Capital portfolio however continued to develop well, with good fundamentals such as increased revenues and profit margins as well as continuing growth in the customers reached with their impactful products and solutions.

The biggest contributors to the performance in 2023 were our Private Infrastructure investments as all three investment partnerships posted positive returns. The positive momentum in these investments were threefold.

1. Some of the greenfield infrastructure projects reached an operational status, resulting in valuation uplifts, as they go from being valued at cost to being valued using a discounted cash flow method.
2. Strong development and progress in the pipeline of some of the platform investments, resulting in valuation uplifts.
3. Some sell transactions at attractive prices due to continued strong demand for these types of assets.

After two years of relatively flat performance, we are optimistic about future returns as Private Markets have slowly adjusted to higher rates and inflation, and from here we expect a gradual increase in the availability of capital and deal activity. Also, the Global Impact Pool and our investment partners, have been able to deploy capital in markets that offered good opportunities at more attractive valuations. This should bode well for future returns.

3

GIP focus themes




“

The multi-theme approach of the GIP allows us to invest where we believe the best opportunities lie from a financial and impact creation perspective.

Sarah Stols




Analyst Manager Research Solutions

Our impact themes




Basic needs & well-being

One in three people lack access to safe drinking water and at least half of the world's population cannot obtain essential health services.¹⁴ The number of people incurring large out-of-pocket health expenses has been increasing and will likely continue to increase.¹⁵ Providing efficient, good quality and affordable delivery of these services can lead to a direct improvement in a person's quality of life.




Climate & energy

Energy is the dominant contributor to climate change, accounting for around 73% of global human caused greenhouse gas emissions. 2.8 billion people still rely on wood, coal, charcoal or animal waste for cooking and heating.¹⁶ The share of renewables in total final energy consumption is only 19.1%.¹⁷ Reducing the carbon intensity of energy is a key objective in long-term climate goals.




SME development & decent work

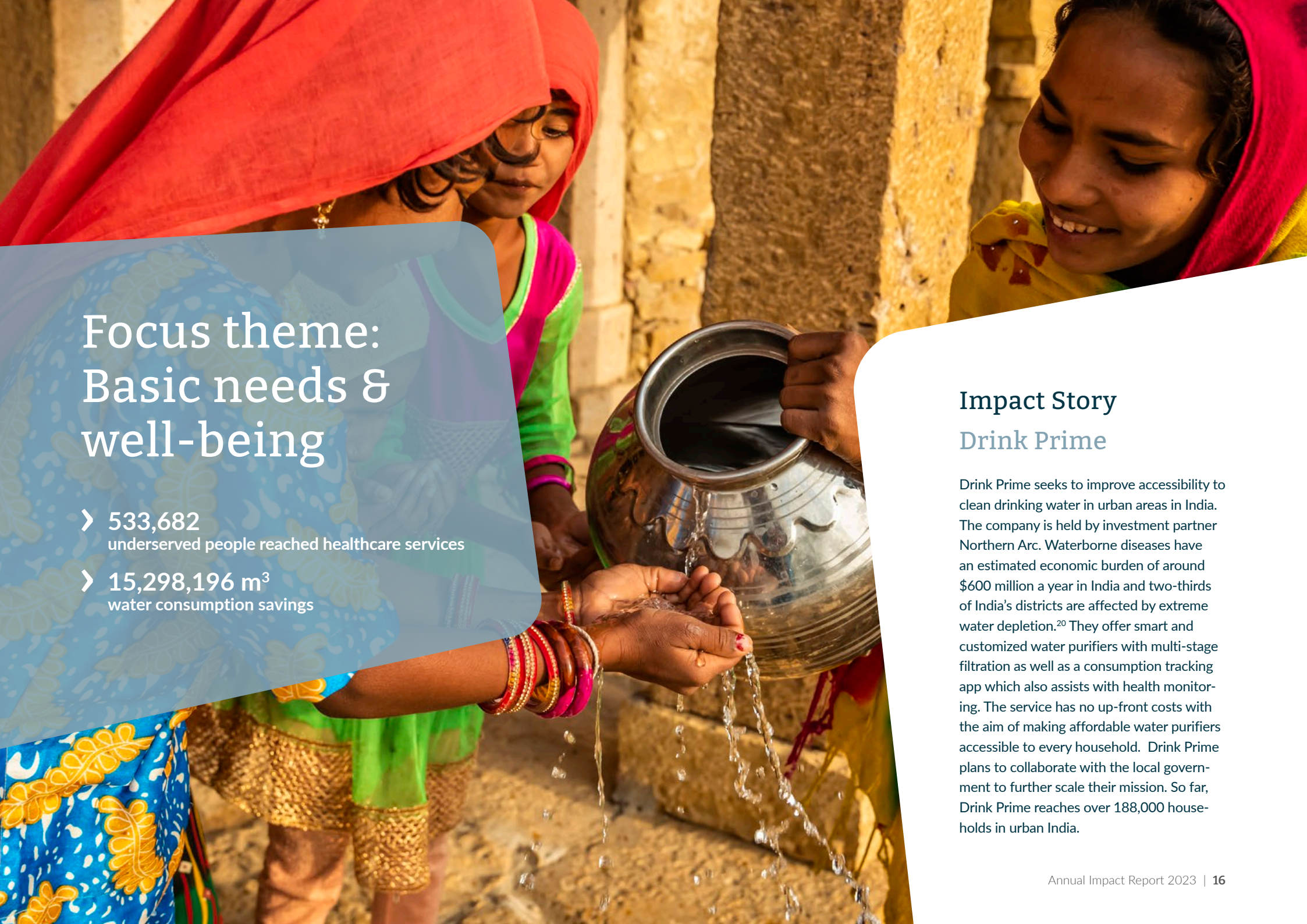
Sustainable SME development and the provision of decent jobs with fair employment practices is essential for the eradication of poverty. However multiple crises are placing the global economy under serious threat. 8.5% of people around the world live below the US\$2.15 poverty line and this number is still rising.¹⁸ Eradicating poverty is only possible through stable and well-paid jobs.



Circular economy

Unsustainable patterns of consumption and production are the root causes of the triple planetary crisis of climate change, biodiversity loss and pollution.¹⁹ The transition towards sustainable consumption and production methods contributes to “doing more and better with less”. This can increase net welfare gains from economic activities by reducing resource use, degradation and pollution along the whole lifecycle, while raising quality of life.





Focus theme: Basic needs & well-being

- › 533,682
underserved people reached healthcare services
- › 15,298,196 m³
water consumption savings

Impact Story

Drink Prime

Drink Prime seeks to improve accessibility to clean drinking water in urban areas in India. The company is held by investment partner Northern Arc. Waterborne diseases have an estimated economic burden of around \$600 million a year in India and two-thirds of India's districts are affected by extreme water depletion.²⁰ They offer smart and customized water purifiers with multi-stage filtration as well as a consumption tracking app which also assists with health monitoring. The service has no up-front costs with the aim of making affordable water purifiers accessible to every household. Drink Prime plans to collaborate with the local government to further scale their mission. So far, Drink Prime reaches over 188,000 households in urban India.

Basic needs & well-being

Investments in line with SDG 3 by the provision of good healthcare and SDG 6 through water use efficiency

□ What

Globally, about 4.5 billion people, more than half of the world population, lack full access to essential health services.²¹ Interruptions to health systems and services were reported in 92% of 129 countries surveyed at the end of 2021. This lowered global life expectancy has halted two decades of work towards making health coverage universal.²² GIP investee companies work to enable underserved households with the provision of basic health services and building safety-nets.

Access to clean drinking water & sanitation is also important to this theme. The UN reports 2.4 billion people live in water stressed countries.²³ Around 70% of the world's accessible freshwater is used by agriculture²⁴ and around 10% of freshwater withdrawals globally are used for the global energy system.²⁵ Increased water use efficiency in agriculture is fundamental to tackling water scarcity, while the shift to renewable energy can also help to reduce water stress as solar PV and wind use up to 200 times less water than coal power plants for the equivalent electricity.²⁶

+ Contribution

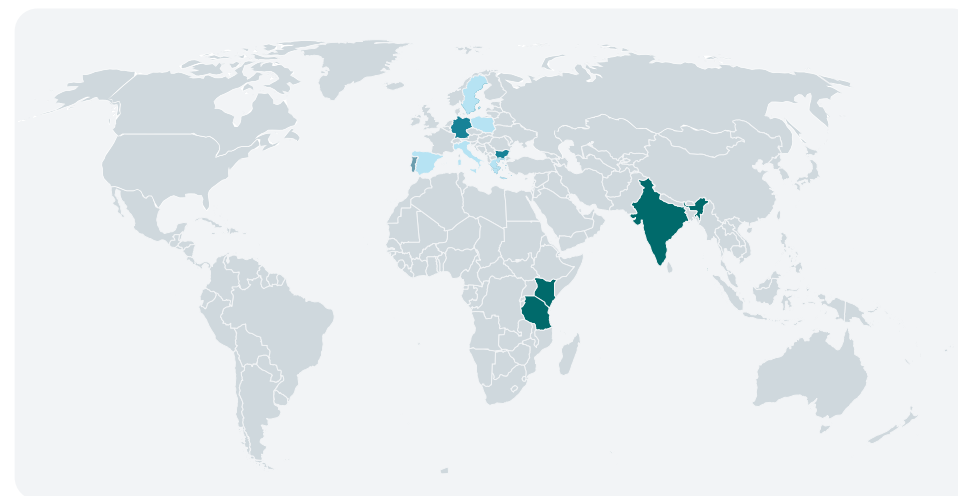
Our contribution this theme is twofold, focussing on both healthcare and water. Our investment partners invest in companies that are providing access to quality healthcare services for low-income consumers in emerging markets. These consumers are underserved by traditional healthcare providers due to factors like income, availability, and geographical access. Our investment partners also invest in companies that have a focus on water savings and water use efficiency. Renewable energy projects brought to life by multiple investment partners substitute fossil power plants and contribute to the conservation of water.

△ Risk

Execution risk exists if the intended number of healthcare customers reached is not met or if there are insufficient water savings. To monitor this, the impact from all investee companies is measured regularly through performance data and direct customer feedback. There is the risk that unforeseen water use during the construction, installation, and maintenance of solar and wind farms cancels out a significant portion of the water savings from renewable energy.

○ Who

GIP's investments contribute to SDG 3 & SDG 6 in the highlighted countries



● Major Challenges Remain ● Significant Challenges Remain ● Challenges Remain ● SDG Achieved

≡ How much

Significant changes (+/-25%) are described in the footnotes, page 44

Figures (pro-rated)	2023	2022	Change	IRIS+code	Funds (2023)
Underserved people reached via healthcare portfolio	533,682	401,413	+33%	PI7098	ECF 3, ECF 4
Actual m ³ annual water consumption savings	15,298,196	93,609	+16,243%	PD7621	EIF 4, ESPF 4, Trill

Case study

Redcliffe

In June 2022, the GIP investment partner Leapfrog made an investment in Redcliffe, an Indian based digital healthcare diagnostics company. Redcliffe has an attractive social impact centered on illness prevention and wellness, thus contributing to SDG 3 “Good health & well-being”.

What

India’s economic output lost to Non-communicable diseases (NCDs) is estimated at \$3.6 trillion for the period from 2012 to 2030, creating an urgent need for innovative new models of healthcare to protect lives and prevent crippling costs to the country’s already stretched healthcare system.²⁷ Tackling NCDs now is a critical priority for emerging markets like India, where the burden of non-communicable diseases is near epidemic proportions and threatens to overwhelm the resources of both public and private health systems. For the NCD epidemic, both public and private health providers have an important role to play in broadening the reach of services like diagnostics and driving innovations that lower cost and increased convenience.

Who

NCDs such as heart disease and cancer, cause 63% of all deaths in India.²⁸ The money to fund out-of-pocket expenses for treatment in India often comes from household savings and money borrowed from relatives. Additionally, household spending on healthcare frequently diverts resources away other critical areas like education or day-to-day essentials.

Access to diagnostics on NCDs has historically been difficult in India given the low penetration of accredited medical laboratories. India currently has around 2500+ accredited laboratories, serving a population of approximately 1.5 billion²⁹, compared to the US, which has 260,000 accredited medical laboratories and a quarter of India’s population.³⁰

Contribution

Redcliffe primarily provides access to affordable, convenient diagnostic services across Tier 2/3 cities in India with a focus on preventive care, enabling a reduction of the non-communicable disease burden.



Redcliffe offers more than 3600 diagnostics tests. Its network of 1,200 phlebotomists and logistics staff enable timely and accurate results. Testing covers routine, specialized and genetic testing at competitive prices. Approximately, 65% of its user base is classified as low-income consumers living in households earning less than US\$11.20 per day and Redcliffe offers 25 – 60% lower pricing to its customers when compared with incumbent provider.

Risks

Due to its inherently impactful business model, Leapfrog has assessed the risk of Redcliffe as low. The company manages key E&S risks such as HR management and compliance with required regulatory permits and licenses. Execution risk, however, is still present. This is the risk that the company will not be able to deliver the scale of impact that it intends to. Redcliffe relies on successful organic and inorganic expansion to reach across underserved markets and achieve impact.

How much?

> 3,701,047
people reached

> 2,331,532
emerging consumers reached

> 2,769
jobs supported



Highlight: how to measure impact

Impact data measurement on water savings achieved by Komet

In 2023 the GIP investment partner Trill began reporting water savings as an impact indicator for its investment in Komet, a leading global manufacturer of agricultural irrigation components, including sprinklers, regulators and big volume guns for pivot and hose reel applications. The impact angle for Komet relates to providing solutions for more water and energy efficient irrigation as well as technology for optimized water distribution.

Due to the inclusion of the impact data on Komet, the realized water savings of the GIP increased by 162x. Given estimations that irrigated agriculture remains the largest user of water globally, it is understandable that efficiency gains in this area can have such an impact on the GIP annual water savings. However, such a large increase still warranted a query on our end to assess the impact measurement applied by Trill. They provided full transparency on the data sources and assumptions used to calculate the annual water savings achieved via the units of large volume sprinklers and center pivot irrigation systems sold by Komet.

To get a value for water savings, an assessment was made which compared water efficiency levels of traditional surface irrigation systems (averaging 60%) to those of large volume sprinklers (75 - 85% efficiency) and center pivot irrigation systems (85 - 98% efficiency) produced by Komet. The figures were gathered from publicly available research/articles. The efficiency gains were used in combination with assumptions on the water flow and hours of operation per year. Although we understand impact calculations are not an exact science, we are satisfied with the detailed calculations provided.





Focus theme: Climate & energy

- › **65,158 tonnes**
CO₂ emissions avoided
- › **33,064 MWh**
Green electricity generated

Impact Story

Lasuno

While Poland has had notable success in pushing for energy transition, the total share of renewables in the country's electricity mix is still only about 20% while coal accounts for 70%. Poland therefore needs much more wind and solar energy. Our investment partner KGAL has been active in the renewables market in Poland since 2019, and in 2023, to further support the renewable energy needs and to capitalize on the demand for green energy, the KGAL ESPF 5 fund established a joint venture with Polish project developer Lasuno, for the purpose of developing four solar parks with a total capacity of more than 200 megawatts (MW). The pipeline will expand in the coming years to include additional solar and wind projects. The first solar parks are expected to reach Ready-to-Build (RTB) status by the end of 2025.

Climate & energy

Investments contributing to SDG 7 through the delivery of clean and renewable energy

□ What

Over a 100 years of burning fossil fuels along with unequal and unsustainable energy and land use has led to global warming of 1.1°C above pre-industrial levels.³¹ Since 1990 alone, global CO₂ emissions have increased by more than 46%, with three-quarters of total emissions coming from the fossil-fuel based energy sector.³² Global electricity use is rising rapidly, but our reliance on fossil fuels is unsustainable and is harmful to our planet and future generations. Although the world is advancing towards sustainable energy, to meet global energy and climate objectives, a major push in the deployment of renewables with massive finance mobilization is required.³³ A faster transition to cleaner sources of energy allows us to significantly reduce carbon emissions in the race against climate change.

+ Contribution

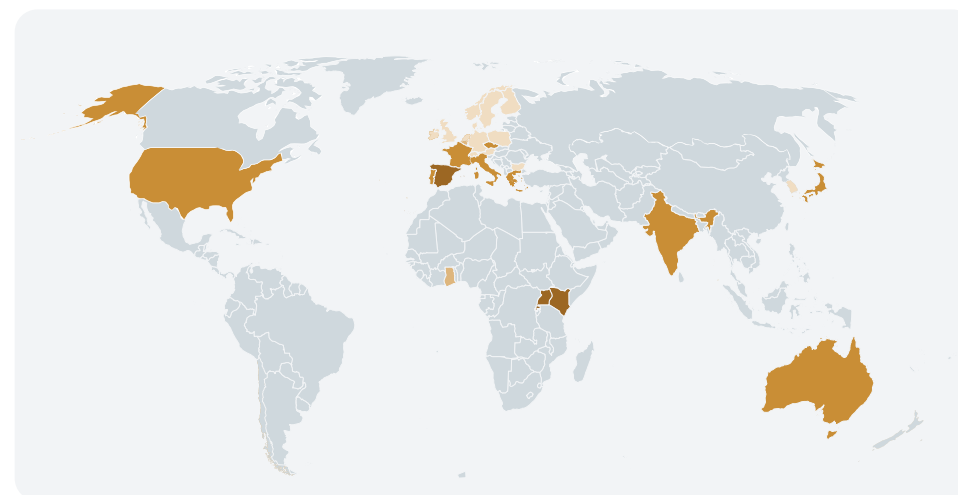
While on the global scale, the GIP's contribution to tackling climate change can be considered modest, the duration and depths of our projects are significant. Our investment partners build new solar and wind projects that will be operational for the next 20+ years. This is long-term additionality. Our investments in are aimed at supporting the transition to cleaner sources of energy and contribute to both mitigating and adapting to climate change. In 2023, the GIP invested in ETF Partners, which focuses on climate investments in start-up companies across themes which include future mobility, energy transition and green connectivity.

△ Risk

There is execution risk if the rate of replacement of fossil fuels is too slow, or the reduction of carbon emission levels is not significant enough to combat the consequences of climate change. There are evidence and endurance risks that need to be mitigated to make sure the full expected benefits are delivered.

○ Who

GIP's investments contribute to SDG 7 in the highlighted countries



● Major Challenges Remain ● Significant Challenges Remain ● Challenges Remain ● SDG Achieved

≡ How much

Significant changes (+/-25%) are described in the footnotes, page 44

Figures (pro-rated)	2023	2022	Change	IRIS+code	Funds (2023)
Actual annual tonnes CO ₂ emissions avoided	65,158	13,861	+370%	PI2764	Green Bonds, ESPF 4, EIF 4, Trill, ETF 4, Impax
Actual annual MWh renewable energy generated	33,064	33,409	-1%	PI5842	Green Bonds, ESPF 4, EIF 4, Impax

Case study

BNRG

In May 2022, the GIP investment partner Impax Asset Management established a 50:50 joint venture with a Dublin-based solar developer, BNRG Ireland. The addition of solar PV projects help to reduce GHG emissions and provides a source of sustainable and affordable electricity, thus contributing to SDG 7 “Affordable and Clean Energy”.

What

Having a fossil fuel-intensive energy system exacerbates a variety of issues including climate change, energy security and access to energy. On climate change, increasing the rollout of renewable energy is imperative to helping Ireland halve emissions by 2030 and reach net zero by 2050. Meanwhile, on energy security, many local energy grids across the world are struggling to meet increased energy demand, as is the case in Ireland. This means that power outages and disruptions are becoming more frequent. Furthermore, concentrated power sources put additional pressure on local grids and often cannot adequately serve remote communities. Energy security and rising energy costs also impede access to energy, particularly for vulnerable populations who find they cannot afford the energy they need to meet their basic needs.

Who

The planet is negatively affected by the burning of fossil fuels as it generates greenhouse gas emissions which trap heat in the atmosphere and cause climate change. Climate change affects people the world over as well as in Ireland. It is causing pressing societal problems including more extreme weather events, air pollution, biodiversity loss and decreased crop yields. In

addition, the Irish population is impacted as its reliance on imports to meet most of its oil and gas requirements make it vulnerable to price fluctuations and political instability in exporting regions.

Contribution

BNRG take solar projects into and through construction, adding new renewable energy capacity into the grid and displacing fossil fuel energy capacity. This helps decarbonise Ireland’s energy system and achieve its net zero ambitions. BNRG is enhancing Ireland’s energy security by developing, building and operating domestic renewable energy projects. This helps to reduce Ireland’s dependence on foreign suppliers and shields the country from global price fluctuations. BNRG are improving access to energy across



Ireland. As solar is a distributed form of power generation, it can be built in a variety of different regions, close to those who need it. By creating multiple power sources across the country, access to electricity is improved for remote communities and the grid becomes less vulnerable to outages at a single point. This helps remote communities improve their access to electricity and takes the pressure off the power grid. Furthermore, solar is the most cost-effective form of energy production, this helps to improve access to energy by making it more affordable.

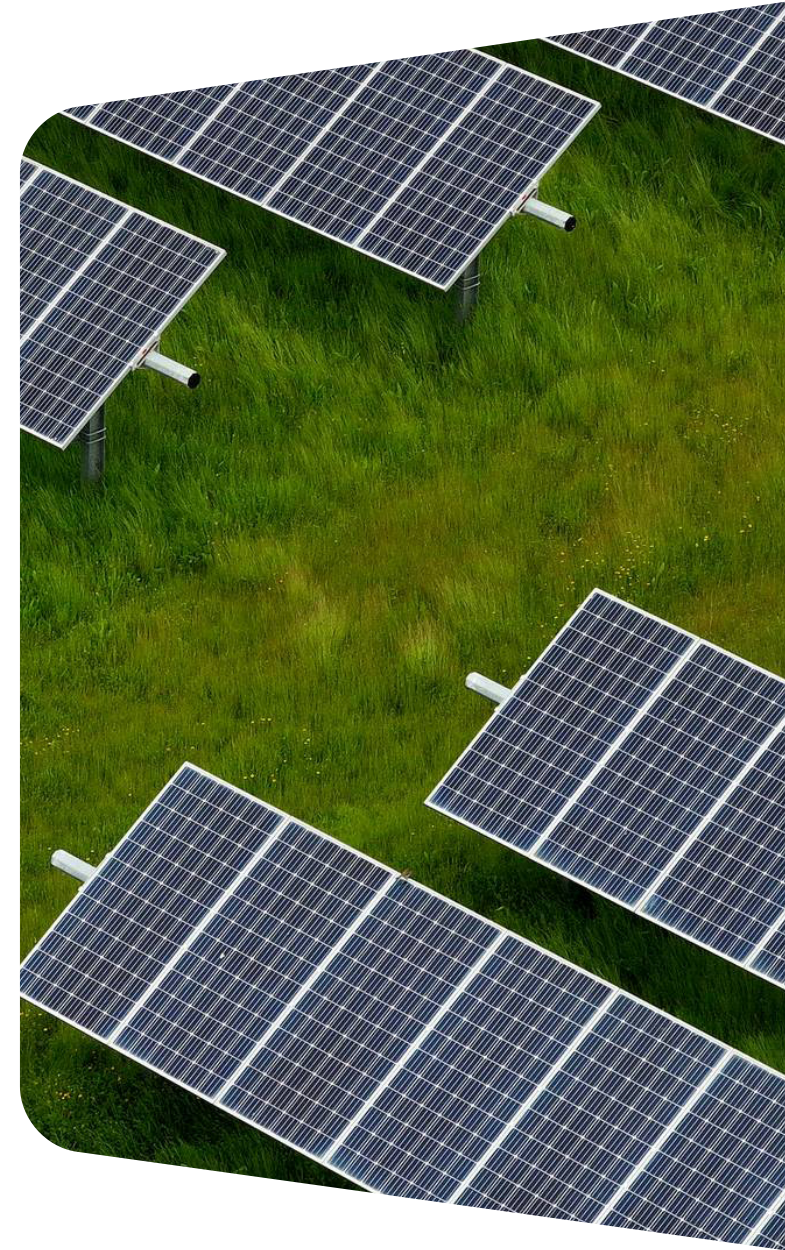
Risk

The amount of renewable energy produced is dependent on the successful completion of the development phase and the number of projects that are constructed and connected to the electricity grid. Impax has majority ownership and control rights, which helps to mitigate the risk of portfolio companies not being aligned with these targets. Post-acquisition Impax continues to work with investee companies to develop business plans and execute the bespoke ESG strategy.

How much?

➤ **40 MW**
In ready-to-build stage and expected to enter construction in Q2 '24

➤ **120 MW**
Total granted permit size of project



Highlight: impact at exit

impact query on managing successful exit of portfolio holdings

EIF sale of AMP

The GIP investment partner Ecosystem Integrity Fund (EIF) sold Auto Motive Power (AMP) in November 2023. The company focuses on battery management systems for electric vehicles. AMP sells the soft- and hardware to manage charging and battery health.

AMP was sold to Ford who have reported that they will integrate AMP into their electric car division. Electric vehicle adoption has been growing rapidly over recent years with total sales more than tripling from 2020 – 2023 and strong growth expected to continue. AMP's technology allows the vehicles to be run more efficiently, more cost effectively and overall looking to increase the adoption of EV's which is a vital element in the decarbonisation of the transport industry. This acquisition further helps realizing AMP's mission to hasten the global transition to electrified transportation.

Impax Asset Management sale of Solar project

The GIP investment manager Impax sold a sizable solar portfolio, which at the time was still under construction, to an established solar operator.

While Impax always aims to secure the best price for its assets, other factors are also considered when selecting a suitable buyer. Establishing alignment of interests between the Fund and buyer is key, and they look to work with buyers with the ability to manage the assets post-sale. This not only increases the likelihood of completing the transaction, but critically safeguards the projects' environmental impact. As the Fund's strategy is to take assets into and through construction, its impact is measured by the new renewable energy capacity created by the Fund's projects and the subsequent CO₂ avoided by the renewable energy generated. When selecting the buyer for this solar portfolio, Impax was confident in their ability to operate and maintain the portfolio, preserving its positive environmental impact.



Focus theme: SME development & decent work

- › **9,388,970**
underserved people reached financial services
- › **13,695**
jobs supported

Impact Story

Yoco

In South Africa, over 80% of small businesses do not have the ability to accept debit or credit cards whilst over 75% of the population have access to a bank account and card. The amount of people with access to banking has increased from 54% in 2011.³⁴ Yoco, held in the portfolio of Quona's Opportunity Fund, seeks to address this mismatch and is currently the leading mobile point of sale provider in South Africa. Yoco exists to make it simple for entrepreneurs to get paid and grow their businesses – and with it, the local economy. Most of its customers are now able to accept card payments for the first time. Yoco also offers flexible working capital solutions, small business management software to help small merchants grow and accept multiple payment forms (such as online payments), and help owners to run their business through their Yoco app. To increase the accessibility of the solution, Yoco offers no fees for the first 3 months.

Case study

Svasti

Svasti Microfinance Private Limited is held in the portfolio of the Northern Arc India Impact Fund. The microfinance institution offers inclusive access to finance to all segments of society using smart processes and innovative technology. Through empowering this underserved target group, Svasti seek to contribute to SDG 8: Decent Work and Economic Growth.

What

In 2023, the Ministry of Labour and Employment in India reported that 93% of the total work force of the country is made up by the unorganized (or informal) sector.³⁹ Wages earned in this sector might be at the minimum wage and uncertain, resulting in lower job security. According to The World Economic Forum, despite women accounting for almost half of India's population, women comprise less than a quarter of India's workforce and contribute to 18% of the country's GDP. This is one of the lowest proportions in the world.⁴¹ From an analysis conducted by the Indian Government, women are also mostly confined to the informal sector.⁴⁰

Who

It is estimated that 65% of women have challenges with access to formal banking. Due to the relatively informal working contracts in this sector and decreased job security, those working in the unorganized sector may have little income and savings information and lack access to collateral. Therefore, they may face challenges when seeking access to finance through traditional methods and thereby limiting their opportunities which could be afforded to them with access to finance. Svashi see these women as not only essential members of every household, but also significant contributors to the Indian economy.

It is estimated, that by bridging the gender gap in India the country's GDP could increase by 30%.⁴²

Contribution

Svasti's vision is that the Right to Finance becomes a possibility for all. The company's focus is on women in the unorganized sector as Svasti provides access to finance for those who do not have collateral to support their need to financing. Svasti provide loans to groups of women in a joint liability lending model – whereby groups of women mutually come together to form a



group for the loan without any collateral. Svasti also has a focus on innovative technology-driven processes which enables digital disbursement, cash collections and training programs. The loans granted assist lenders to finance business setups, expansions and extension. Their mission is to help transform the lives of 10 million women across India by 2023.

Risk

As Svasti is working with borrowers who have historically lacked access to finance, execution risk is present in this strategy as financing and repayment may not go as planned. However, Svashi has an on the ground presence to ensure a deeper understanding of their customers and the company also offers training programmes to customers. Svashi has also developed their own technology framework, Svastech, to ensure the successful management of their operations and risks.

How much?

> 453,100
emerging consumers reached

> 2,020
jobs supported





Focus theme: Circular economy

- › **104,377 hectares**
sustainably cultivated
- › **76 tonnes**
waste avoided

Impact Story

Renewtech

Renewtech purchases used IT hardware from suppliers with the purpose of refurbishing it. The company is held by investment partner Trill and is based in Denmark. According to the World Health Organisation, e-waste is the fastest growing type of waste in the world. Meanwhile, in 2019, only 17.4% was documented as formally collected or recycling.⁴³ The material footprint per capita of higher income countries is 10 times more than that of low-income countries further indicating where this issue is most prevalent.⁴⁴ Renewtech seeks to address this issue and contribute to the circular economy by extending the life of enterprise IT hardware. In doing so, they also aim reduce the CO₂ footprint of the hardware by up to 90%. When Renewtech purchase the used hardware, they sort it and ensure that data is securely erased. They then test, refurbish and clean the hardware before re-sale.

Circular economy

Investments promoting SDG 12 through the transition towards sustainable production and consumption

What

From 2000 to 2019, total domestic material consumption rose by more than 65% globally.⁴⁴ According to the world economic forum, research indicates that the transition to renewable energy can address around 55% of emissions. The remaining 45% is from the production of products as cars, clothes, food, etc.⁴⁵ The sustainable production of food is a focus area within this topic for the GIP. To meet the increasing demand for food, annual investments of about USD \$83 billion are necessary in the agriculture sector. This also applies to developing countries, where 34% of the workforce is employed in agriculture and smallholder farmers dominate the sector.⁴⁶ By providing these farmers with access to capital and efficient supply chains, companies strengthen value chains, promote environmentally sustainable agricultural practices, boost local economic growth and help to improve rural livelihoods. Transforming our relationship with nature is key to a sustainable future.⁴⁷

+ Contribution

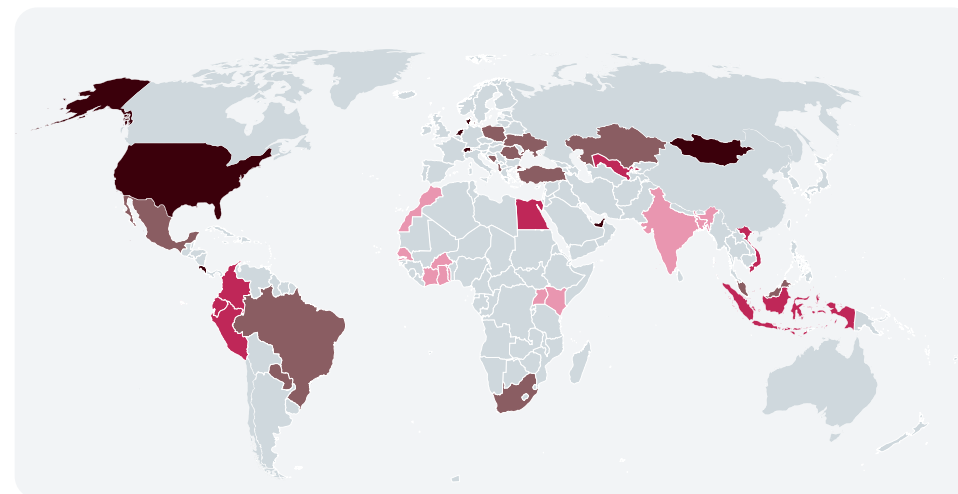
Among the 450 million smallholder farms worldwide, the agricultural and non-agricultural financing needs of the roughly 270 million smallholder farmers in Latin America, Africa, and Asia are estimated to exceed USD \$200 billion.⁴⁸ By providing short-term export and working capital financing as well as medium-term financing, our investment partner responsAbility helps to improve both the input quality and the farmers' ability to sustainably manage the ecosystems around them, for example by focusing on producing organic or certified produce. EIF, another investment partner of the GIP, works towards waste reduction and resource use efficiency through for instance textiles, food, and e-waste.

△ Risk

There is the risk that the impact is not significant enough or is counterbalanced, as improvements in resource use and waste production in some countries can be offset by increases in unsustainable resource intensity in others. Measurement risk is also present, as “certified hectares under cultivation” is an impact indicator reliant on the strength and monitoring of the certification. The potential weakness of certification schemes creates the risk that agricultural practices may not be as sustainable as they indicate.

○ Who

GIP's investments contribute to SDG 12 in the highlighted countries



● Major Challenges Remain ● Significant Challenges Remain ● Challenges Remain ● SDG Achieved

≡ How much

Significant changes (+/-25%) are described in the footnotes, page 44

Figures (pro-rated)	2023	2022	Change	IRIS+code	Funds (2023)
Smallholder farmers reached by investees	152,238	237,830	-36%	PI6372	Agri Fund
Sustainable hectares under cultivation	104,377	144,079	-28%	PI6796	Agri Fund
% investees with a sustainability certification	61	73	-16%	PI6796	Agri Fund
Tons of avoided resource waste	76	33	+130%	PI8177	EIF 4

Case study

Cajou Espoir

Cajou Espoir, held in responsAbility's Agriculture Private Debt Fund, is a cashew nut processor working with smallholder farmers in Togo. Rather than exporting unprocessed cashews, Cajou Espoir was the first processor in Togo with the aim of increasing the processing capacity in West Africa. They portray how sustainable agriculture, social entrepreneurship and local value chain creation go hand in hand thus contributing not only to SDG 12 Circular Economy but also SDG 8 Decent Work and Economic Growth.

What

Looking to the global cashew industry, almost half of the world's cashew production comes from African farmers, but around 90% of these nuts are shipped to India, Vietnam and Brazil for processing and then subsequent export.⁴⁹ This approach not only prevents local jobs and value creation in the country where the cashew nuts are farmed, but also exhibits unsustainable production processes as it increases the carbon footprint of cashew nuts as they are exported around the world to be processed and sold. Cajou Espoir believes that agriculture and agribusiness are some of the key drivers for development in Africa. The amount of cashew nuts produced in Togo has increased by 112% from 2016 to 2022⁵⁰ and is in the top 25 producers of cashews worldwide.⁵¹

Who

In Togo, most of the population live on less than two euros a day.⁵² It is one of the poorest countries in the world as it is currently ranked 162 out of 191 countries on the United Nations Human Development Index.⁵³ Furthermore, the environment is negatively impacted by the increased carbon emissions from the separated value chain. The environment may also be further negatively affected by unsustainable farming practices at the cashew farms.

Contribution

The smallholder farmers, through working with Cajou Espoir, are assisted in switching from conventional, less sustainable farming practices to organic farming practices. This increases their yield by approximately 40% from around 500kg/ha to 700kg/ha.⁵⁴ This switch to more organic practices may have a positive effect on the environment. In addition, Cajou Espoir, through developing the processing plants creates stable, year-round and decent



employment for over 900 employees - of which 70% are women – thereby contributing to decent job creation in the region. In addition to this, they look to assist in building the community by including creche facilities, small interest-free loans for long term employees and free transport. The creation of the development processes in Togo where the nuts are farmed further benefits the environment as it decreases the total carbon emissions of the product. The traditional transport route from Togo via Asia to Europe generates around 17 tonnes of CO₂ per container. Cajou Espoir reduces emissions to 1.3 tonnes of CO₂ per container due to the direct route from Togo to Europe.⁵⁴

Risk

There is external risk present with this company as external factors, such as the country's economic state, global trade changes affecting exports or natural disasters affecting cashew nut yield can negatively impact Cajou Espoir and its ability to create a positive impact. Where risks can be mitigated, Cajou Espoir works with the local smallholder farmers to minimize them.

How much?

> 2,300,000
Number of certified hectares under cultivation

> 2,769
jobs supported



4

Looking forward

“

We look forward to deploying the capital inflows received throughout 2023, both from Private and Institutional clients, into exciting opportunities that contribute to further impact creation.

Simon Oosterhof, CFA

Director Manager Research Solutions

Progress towards impact targets

Impact management is complex. This can make target setting a difficult activity. During the GIP due diligence process, we ask our underlying managers if impact targets are in place or can be developed in the future. If targets are in place, we request the manager to report on progress towards them. When possible, we assess the managers progress towards impact targets in their previous funds in order to determine how relevant, realistic and ambitious the impact targets are.

In practice, some investment managers have targets at the fund level, while others may do it on a company-by-company basis. A rationale for this provided by one of our investment managers was that they aim for all portfolio companies to be achieving impact targets, rather than being in a situation where one company contributes enough for the whole fund

while others contribute minimally. Not all GIP investment managers have quantified targets for their funds, as some focus on a more qualitative approach and report realized outcomes. However, we do encourage the setting impact targets for all managers.

When targets are in place, we continue to monitor performance and engage if there is evidence of underperformance. Regardless of whether a manager has targets in place or not, we monitor the impact reported for every investment and engage if we see any deviations in impact creation trends. This table provides a look into the progress made by a selection of the GIP investment managers towards reaching their impact targets. These are established at the manager and are not pro-rated for the GIP.

Theme	Fund	Metric	Target	2023	% reached
SME development & decent work	ECF 3	Jobs supported	40,000	97,000	243%
SME development & decent work	ECF 3	Emerging consumers reached	60 million	185 million	308%
SME development & decent work	ECF 4	Emerging consumers reached	125 million	21 million	17%
SME development & decent work	Agri Debt	Staff employed	30,000	16,000	53%
Circular Economy	Agri Debt	Hectares cultivated by investees	1.5 million	670,000	45%



The GIP in 2024

The year 2024 has already kicked off with an exciting start, as the GIP has experienced good inflows which allows the fund to grow the impact contribution through topping up current investments and expanding into new partnerships and opportunities.

The correction in the Private Equity and Venture Capital markets offers many compelling opportunities at attractive entry values. In Q1 2024 we have topped up our investments in several high conviction partnerships such as Leapfrog and ETF Partners. We believe that they will be able to close investments with strong financial upside and at the same time will drive positive impact creation.

In addition to this, we have also topped-up our infrastructure investments with KGAL and Impax, as we continue to see the energy transition as a vital topic. Both managers have continued to perform well in terms of impact creation and financial performance increasing our conviction in their solutions.

When looking at new investment opportunities, we are aiming to increase our exposure to Circular Economy and biodiversity through a new Private Debt investment in Finance in Motion's Eco.business.fund. The fund focusses on biodiversity conservation, the sustainable use of natural resources and climate change adaptation and mitigation in Latin America and the Caribbean.

We will also continue our research in impactful Infrastructure solutions and opportunities in the Venture Capital climate and food transition space with the aim of increasing our exposure in these areas.

As part of a continuous goal to enhance our impact monitoring and measurement and stay in line with best industry practices, in 2024 we will keep on ambitiously looking for areas to grow in this space.

We look forward to continue working with our managers on our collective journey to create positive social and environmental impact around the world.

“

Goal setting and reporting is important: lasting impact can only be reached by setting and driving intentional and measurable progress through clear KPI's.

Eszter Vitorino-Fuleky,
Lead Expert Sustainable & Impact Investing

5

Impact approach

“

Our impact approach is instrumental to the fund and fully integrated into everything we do.

Wieke Maarleveld, CEFA
Director Solutions Development

How Van Lanschot Kempfen defines impact

The visual on the right shows how we map investments based on investor additionality and sustainability level of the investment.

We view the below four elements as vital for impact investing:

Intentionality

At its core, it is about having an intentional desire to contribute to solutions that lead to measurable social and/or environmental benefits for stakeholders. This intention is needed at both the manager and investee level to realize the delta (change).

Additionality

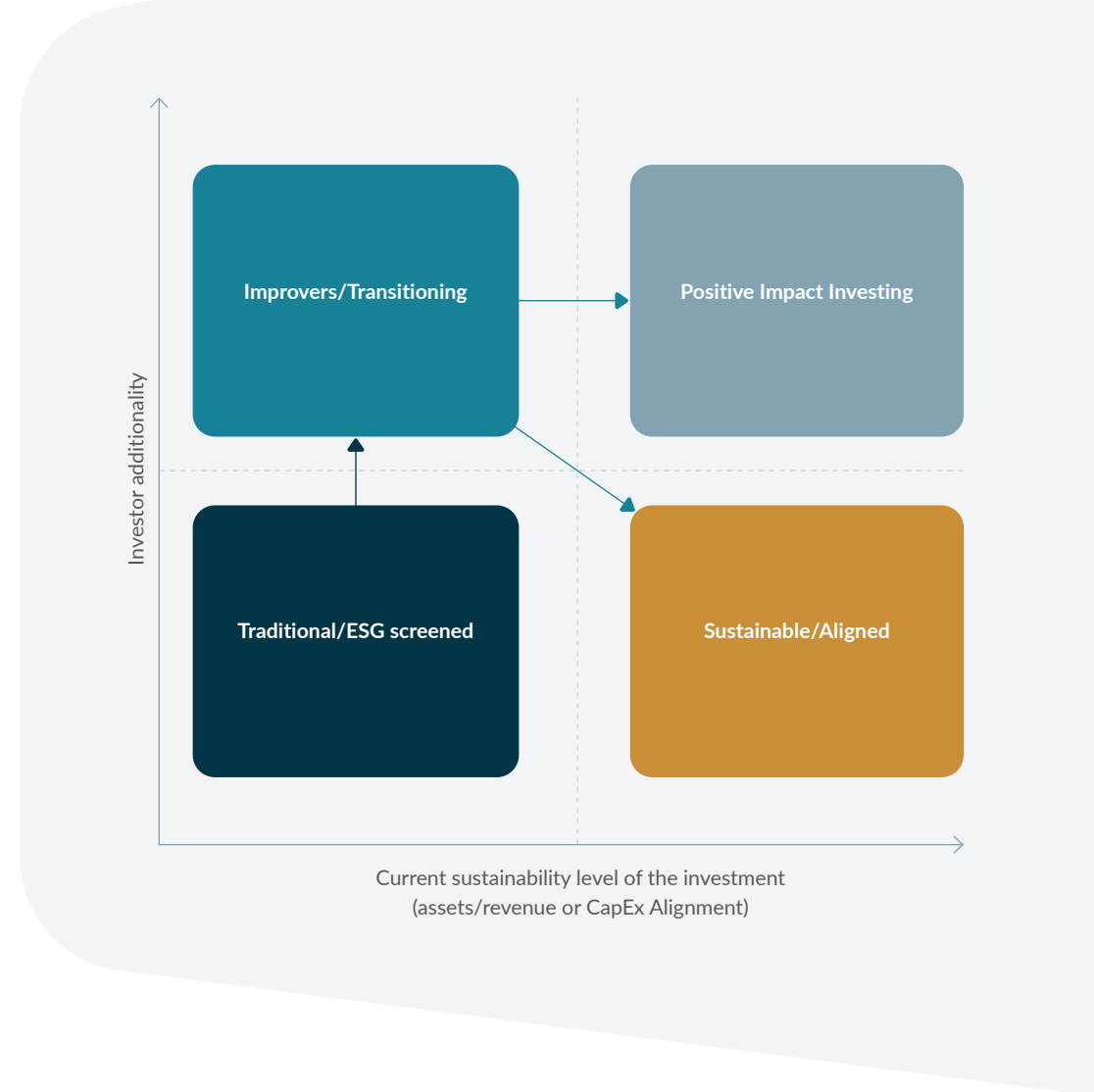
Additionality means the outcomes would not occur if not for the engagement or the investment. It occurs at the investee level by generating a positive real-world outcome, as well as the manager level by providing patient capital and having terms tied to impact outcomes. It is reflected in our contractual obligations.

Measurability

This requires setting clear positive impact KPIs, thresholds and targets from the outset. Helpful tools for this are to apply aligned frameworks (primarily IRIS+ and the 5 dimensions of impact) for outcome measurement, monitoring, management and reporting. A challenging but important task is to make measurements as comparable as possible across investments.

Investment Return

By proving the feasibility of impact investing, we also contribute to growing the industry. Therefore, alongside generating positive real-world outcomes, investment returns are equally weighted with impact.



Philosophy

Our mission

To make investments that positively contribute to our four themes and five SDGs primarily, though not exclusively, through the goods and services that the underlying investee companies provide. We focus on funds that invest in countries where gaps remain on SDGs. The GIP was created to enable institutional and eligible retail investors who want to realise a market rate of return while also investing in solutions related to a subset of selected positive outcome goals.

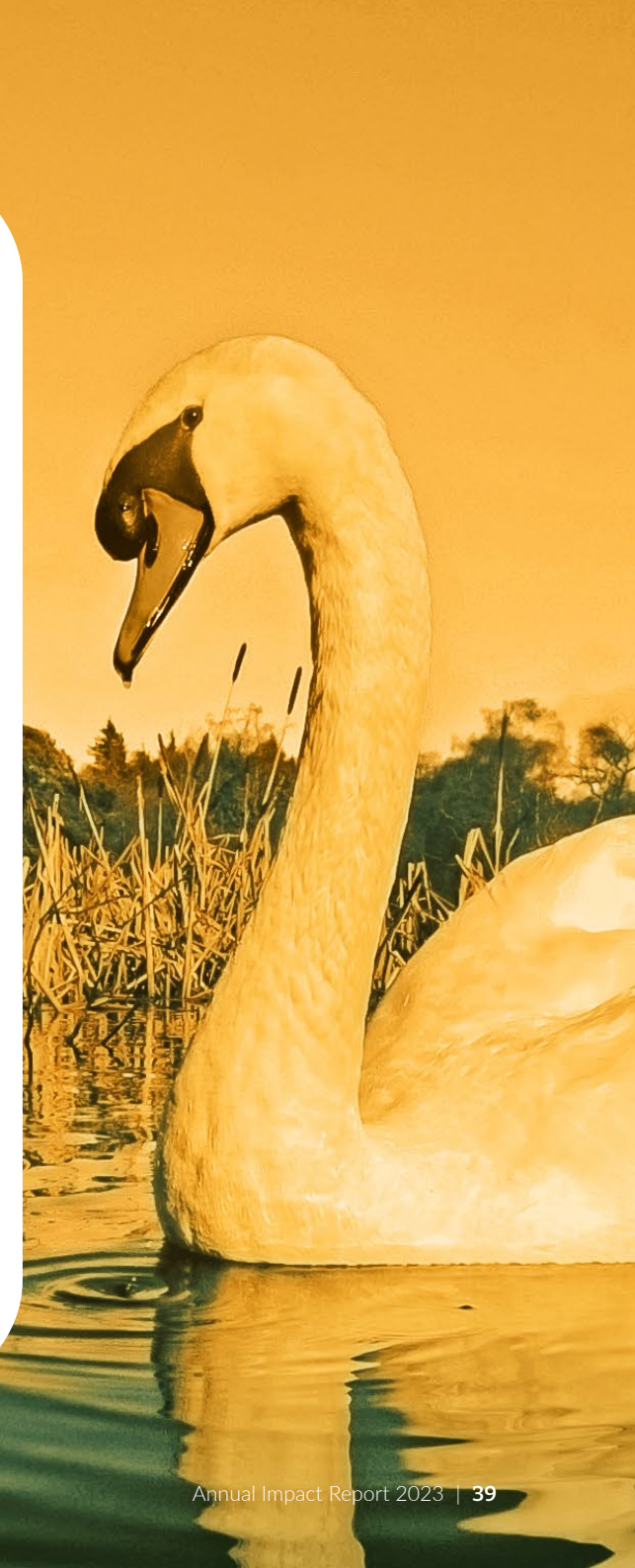
Our theory of change



When sourcing new investments, we start with the problem definition. We look at our chosen impact themes around basic needs, climate change mitigation, circular economy & SME growth and five SDGs related to these themes and consider what type of investments and through which asset classes would be most suitable to make a positive contribution to address these issues. Within the identified asset classes and geographies, we assess the intentionality of the fund partners and the quality of the proposed solutions versus the available alternatives.

Once prospective investment funds are identified, we check how the countries in which the fund is planning to invest perform on individual SDGs and sub-targets. We want to understand whether people or the planet are underserved on the target outcomes in these geographies and whether any additionality of impact can be expected. In other words, we look at whether there are country gaps in our focus SDGs and whether the selected investments can make a positive contribution towards solving these challenges in countries that score relatively low on achieving the selected goals. To understand the progress made on the SDGs per country, we use the SDG Index Dashboards that are based on publicly available data from the UN, World Bank, WHO, ILO and other organisations.

In addition, based on our target SDGs we have identified the sub-targets underpinning the SDG-framework which the GIP focuses on. The suitable KPIs to report on these SDGs are a mix of KPIs identified by Dutch institutional investors under the Dutch Central Bank Platform for Sustainable Finance and the key material KPIs that our investment partners are measuring and tracking. The core KPIs are based on the GRI and IRIS+ metrics.



Framework

Our impact reporting

To assess the impact of portfolio investments and report on theme level KPIs, the GIP uses the Impact Measurement Platform’s (IMP) five impact dimensions. The five dimensions outlined below are used throughout the annual impact report. The dimensions help explain how the GIP, its investment partners and the underlying companies have realised positive impact and progressed towards reaching impact targets.

□ What

What outcome occurs in the period?

How important is the outcome to the people/planet experiencing it?

○ Who

Who experiences the outcome?

How underserved are the stakeholders in relation to the outcome?

△ How much

How much of the outcome occurs – across scale, depth and duration?

+ Contribution

Would this change likely have happened anyway?

≡ Risk

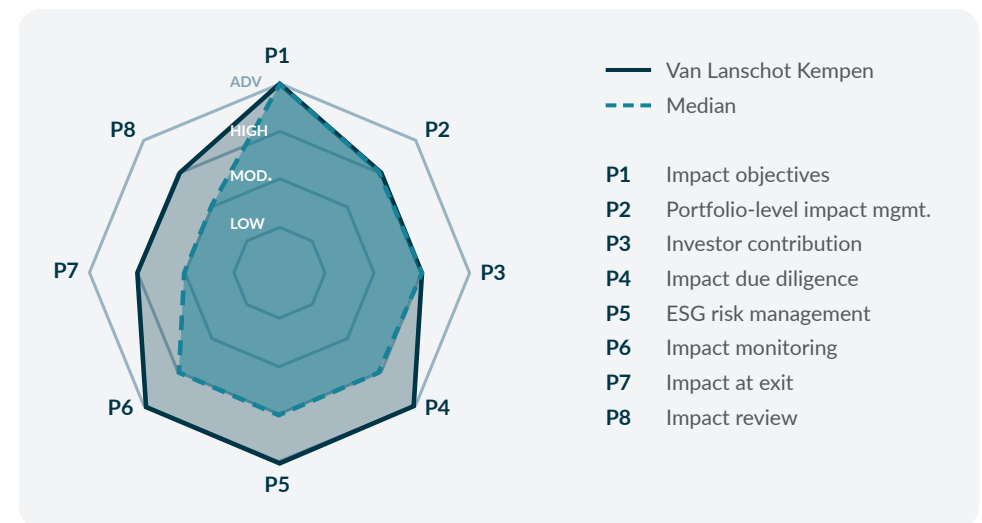
What is the risk to the people / planet if the impact is not as expected?

BlueMark verification

Van Lanschot Kempen engaged BlueMark, a Tiel company, to independently verify the alignment of the Global Impact Pool’s impact management practices with the Operating Principles for Impact Management, an industry standard for integrating impact throughout the investment lifecycle.

BlueMark’s assessment findings cover both areas of strength and areas for improvement, as reflected in the Verifier Statement.

For the 8 Principles assessed, the Global Impact Pool was awarded high or advanced alignment. More details on the Principles for Impact Management can be found on page 41. The independent verification report can be found on our website.



To read more about our BlueMark verification please click [here](#).

Impact methodology and limitations

Impact target

Although some of our underlying investments have specific impact targets, we do not have fund-level quantitative impact targets for the GIP at this moment. The impact achieved by the GIP will be highly dependent on the size of the fund, the type and number of the investment partners and on underlying investments. We ask our underlying partners to set impact targets and report against them. We target funds with a positive contribution to our selected SDGs, and sub-targets.

Impact attribution

Impact attribution is a complex process, but we find it critical to avoid double counting and impact exaggeration. In the ideal situation the additionality of investor capital, its catalytic role and any sustainable outcome related value added should be considered. In practice these values are difficult to calculate. We use an approach that reflects the fact that the GIP is not the only investor in the underlying funds, and these funds are not the only investors in the underlying companies. This means only a part of the impact generated by the fund investments can be attributed to the funds, and an even smaller part can be attributed to the GIP. However, in some cases either the GIP or the underlying investors have been catalytic in bringing about the desired impact at the investees.

When reporting on the aggregate GIP level impact, we calculate pro-rated impact based on our commitment to the underlying funds and the fund size at the end of 2023. That means we take the total impact of an investee as reported by the funds, and then pro-rate it by the percentage that GIP represents in the fund. We have chosen not to pro-rate

the impact based on the percentage the underlying funds own in the companies unless the funds provide pro-rated numbers to us themselves. Often even with minority equity investments or through loans, the impact that the fund has in scaling and growing the business is significant.

Risks and limitations

We must be aware that investments may have a positive contribution to some SDGs while having a negative contribution to others.

For example, stimulating growth and decent jobs while emitting CO₂ and thereby contributing to climate change. We aim to mitigate this risk by selecting high-quality partners that have high ESG-management systems. We only invest when the positive contribution outweighs the possible negative contribution and if we are satisfied with the funds' risk management with respect to management and mitigation of potential negative contribution. Another risk to impact investing is that the targeted impact and outcomes are not (fully) achieved, and that far fewer people benefit from the investments than planned by the investee funds. We strive to mitigate this by continually engaging with our partners to understand their investment processes and how they select and manage investments.

Renewable infrastructure projects

For some of our investments it is more straightforward to calculate impact than for others. The case for brownfield renewable energy projects is an example of this. For these projects, the amount of energy generated and people employed is known. These are the actual numbers. Looking at the greenfield projects, assumptions need to be made about



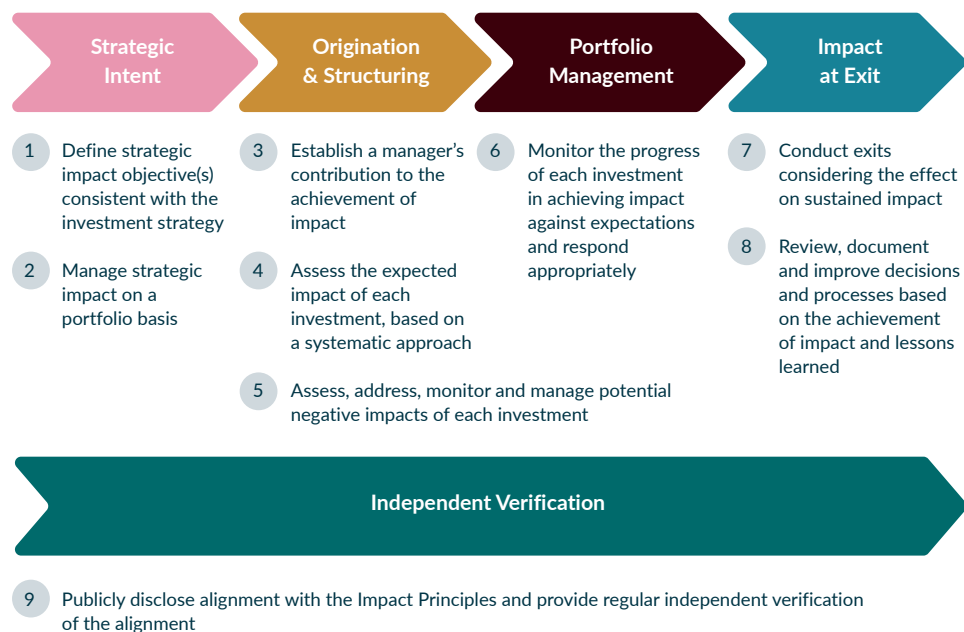
expected energy generation targets for each project. This can create assumption-sensitive outputs for reporting purposes. For our investment partners KGAL and Impax, we use the estimated energy generation numbers that are provided by the partner. These are impact projections so the actual numbers can differ.

Private equity

In the case of private equity investments, the numbers of employees and contractors may vary significantly due to seasonality. This can make it unclear as to what number of jobs should be reported. In that scenario, we analyse the data on a case-by-case basis, but the general guideline is that we use the annual total of employees.

The GIP makes use of the 9 Operating Principles for Impact Management

This framework is used for the design as well as implementation of the GIP's impact contribution, measurement and management. This ensures that impact considerations are integrated into every stage of the investment process. Both our Investment Team and Impact Team (which make up our GIP Team) are involved throughout this process.



Strategic Intent

The Global Impact Pool aims to address global challenges whilst also meeting clients' risk-return requirements. Investments are made with the intention to generate positive, measurable social and environmental impact alongside a financial return. To achieve this, GIP focuses on investing in solutions to SDG gaps. We made (and continue to make) use of the theory of change to help define our strategic impact objectives. We have identified four impact focus themes in which we seek to contribute; Basic needs & well-being, Climate & energy, SME development & decent work and Circular economy.

Origination and Structuring

During our due diligence processes, we assess the managers potential to create positive impact in line with our expectations. Amongst other actions, we make use of the IMP Framework as well as our own internally developed ESG & Impact scorecard to assess a potential managers contribution towards impact and risk management. If a possible underlying manager falls short of our impact expectations, we do not proceed.

Portfolio Management

Impact performance is measured and monitored by the team on a quarterly basis. Impact is assessed against our expectations and the targets that the managers have set. We will initiate engagement if issues of underperformance or unintentional negative impact occurs.

Impact at exit

During due diligence phase we enquire about the managers impact at exit procedures and management. We continue to monitor this throughout the investment process and will engage on exits if we are not satisfied with the managers approach to ensure continued impact at exit. Insufficient management of impact at exit may affect our decisions to invest future capital with the manager.

EU taxonomy regulation and the GIP

Due to our focus on environmental and social investments, the GIP classifies as an Article 9 solution under the SFDR regime. This classification means that we have committed to the highest standards when it comes to making sustainable investments. The GIP has extensive processes in place to perform ESG and impact due diligences on its investment partners and their underlying investee companies, including do no significant harm and good governance. The GIP selects investment partners globally who invest in impactful companies and projects

that contribute to addressing social and environmental challenges related to our focus themes. Our European investment partners have classified their funds as Article 9 under the SFDR regime. KGAL has classified ESPF 4 as article 8, however we will engage with the manager on if they target a reclassification to Article 9. While our international investment partners are not subject to the SFDR regime, their funds are pursuing social and/or environmental objectives. They have expressed a willingness to provide relevant regulatory data where possible.

GIP Investment Partner (excluding cash and alternatives)	SFDR Article	Environmental objective	Social Objective
Fund classified			
LeapFrog Emerging Consumer Fund IV	9		✓
Goldman Sachs Corporate Green Bond Fund	9	✓	
ResponsAbility Agriculture Fund	9	✓	✓
Trill Impact	9	✓	✓
KGAL ESPF 5	9	✓	
KGAL ESPF 4	8	✓	
Impax Next Energy Investors Fund IV	9	✓	
Environmental Technologies Fund 4	9	✓	
Funds not classified			
Quona Inclusion Fund II			✓
Quona Inclusion Fund III			✓
Quona Opportunity Fund			✓
Ecosystem Integrity Fund IV		✓	
LeapFrog Emerging Consumer Fund III			✓
Northern Arc India Impact Fund			✓



Footnotes

Explanation for significant changes in impact figures (+/- 25%)

Figure	Change	Rationale
Underserved people reached via healthcare portfolio	+33%	ECF 4 contributed to the increase of this impact KPI as the fund continued to deploy capital and began to report impact in the healthcare sector.
Actual m ³ annual water consumption savings	+16243%	Trill Impact contributed the vast majority of the increase for 2023 through its investment in Komet. Please refer to page 20 for a case study on the impact measurement process on water savings.
Actual annual tonnes CO ₂ emissions avoided	+370	ETF partners and Impax contributed to the increase as it was the first time their impact was included by the GIP annual figures. KGAL ESPF 4, our infrastructure investment since 2019 increased 49%.
Smallholder farmers reached by investees	-36%	responsAbility contributed to the decrease due to a large investee (coffee trader) dropping out of the portfolio. Fluctuations in investees and values are expected due to the short-term nature of the loans.
Sustainable hectares under cultivation	-28%	responsAbility contributed to the decrease due to a large investee (coffee trader) dropping out of the portfolio. Fluctuations in investees and values are expected due to the short-term nature of the loans.
Tons of avoided resource waste	+130%	EIF contributed to the increase of this KPI as growth of sales by the underlying investee enabled further avoided waste through use of their products offering.

Photos used in this report have been provided by the GIP investment partners or sourced externally. Statistics listed in impact cases as well company details throughout the report are provided by our investment partners or available on the investee company website. All country SDG rankings are sourced from the country profiles and interactive map from the Sustainable Development Report 2023: <https://dashboards.sdindex.org/map>
All portfolio information is provided by Van Lanschot Kempen.

- ¹ Data on renewable energy generated is provided by investment partners Goldman Sachs, EIF, KGAL, and Impax. It is pro-rated for the GIP.
- ² The equivalent figure on Dutch household electricity usage is sourced from: <https://www.odyssee-mure.eu/publications/efficiency-by-sector/households/electricity-consumption-dwelling.html> Calculations used the Netherlands 2,988 kWh.
- ³ Data on smallholder farmers reached and certified hectares is provided by investment partners responsAbility. It is pro-rated for the GIP.
- ⁴ Data on jobs supported is provided by investment partners LeapFrog, responsAbility, Quona, EIF, Trill and Northern Arc. It is pro-rated for the GIP. Please note at the time of this report not all impact data was collected for all underlying companies from the Northern Arc Indian Impact Fund. These figures will be updated in the Q2 2024 report when data becomes available.
- ⁵ Data on estimated water savings of wind and solar projects is provided by investment partners KGAL and EIF. Water savings from efficient agricultural irrigation components is provided by investment partner Trill. It is pro-rated for the GIP.
- ⁶ The equivalent figure on water use is sourced from Waternet: <https://www.waternet.nl/en/service-and-contact/tap-water/average-water-use/> Calculation based on 51,465 litres per year (141 litres per person per day).
- ⁷ The equivalent figure on football fields is calculated based on field size of 6770 m².
- ⁸ Data on underserved financial services is provided by investment partners LeapFrog, responsAbility, Quona and Northern Arc. It is pro-rated for the GIP. Among the people reached not all the individuals would be equally underserved even if they live in the same country. The definition of underserved can vary per investment partner, as well as among the people reached. Please note at the time of this report not all impact data was collected for all underlying companies from the Northern Arc Indian Impact Fund. These figures will be updated in the Q2 2024 report when data becomes available.
- ⁹ Data on underserved healthcare services is provided by investment partner LeapFrog. It is pro-rated for the GIP. Not all those reached are equally underserved. LeapFrog's definition of underserved people, which are those willing and able to pay for critical health services but are either entirely excluded or underserved by traditional institutions by virtue of being a low-income consumer, or due to other factors (health condition, caste, religion, ethnicity, gender).
- ¹⁰ Data on CO₂ emissions avoided is provided by investment partners Goldman Sachs, KGAL, EIF, ETF Partners, Impax, and Trill. It is pro-rated for the GIP.
- ¹¹ The equivalent figure on cars is sourced from the EEA: https://www.eea.europa.eu/data-and-maps/daviz/average-emissions-for-new-cars-5#tab-googlechartid_chart_11 Based on car emitting 107.5 g/km driving 20,000 km.
- ¹² The equivalent figure on swimming pools is calculated based on pool size 2,500 m³.
- ¹³ Data on the total surface area of the Netherlands is sourced from Centraal Bureau voor de Statistiek. [How do we use our land? - The Netherlands in numbers 2021 | CBS](https://www.cbs.nl/en-gb/our-data/statistics/2021/12/how-do-we-use-our-land)
- ¹⁴ Accelerated action needed to ensure safe drinking-water, sanitation and hygiene for all. World Health Organization: <https://www.who.int/news/item/14-12-2022-accelerated-action-needed-to-ensure-safe-drinking-water-sanitation-and-hygiene-for-all>
- ¹⁵ Sustainable Development Goal report 2020, SDG 3. United Nations. – [SDG Indicators \(un.org\)](https://www.un.org/sustainabledevelopment/2020/09/sustainable-development-goals-report-2020/)
- ¹⁶ The Sustainable Development Goals Report 2022. United Nations: <https://unstats.un.org/sdgs/report/2022/The-Sustainable-Development-Goals-Report-2022.pdf>

Footnotes

- 17 IEA (2023), SDG7: Data and Projections, IEA, Paris <https://www.iea.org/reports/sdg7-data-and-projections>, Licence: CC BY 4.0
- 18 Goal 1: End Poverty in all its forms everywhere. United Nations: <https://www.un.org/sustainabledevelopment/poverty/>
- 19 Goal 12: Ensure sustainable consumption and production patterns. United Nations: <https://www.un.org/sustainabledevelopment/sustainable-consumption-production/>
- 20 Unicef India: Clean Drinking Water. [Clean drinking water | UNICEF India](#)
- 21 Tracking universal health coverage: 2023 global monitoring report. World Bank. Open Knowledge Repository (worldbank.org)
- 22 The Sustainable Development Goals Report 2022. United Nations: <https://unstats.un.org/sdgs/report/2022/The-Sustainable-Development-Goals-Report-2022.pdf>
- 23 The Sustainable Development Goals Report 2023. United Nations: [The-Sustainable-Development-Goals-Report-2023.pdf](#) (un.org)
- 24 Water – at the centre of the climate crisis. World Wildlife Fund. [Water Scarcity | Threats | WWF](#) (worldwildlife.org)
- 25 Clean energy can help to ease the water crisis. International Energy Agency. [Clean energy can help to ease the water crisis – Analysis - IEA](#)
- 26 IRENA (2015), 'Renewable Energy in the Water, Energy & Food Nexus'
- 27 [Non-communicable diseases to cost India around \\$3.6 trillion by 2030 | Mint](#) (livemint.com)
- 28 [Non-communicable diseases responsible for maximum out-of-pocket expenditure on health: Government - The Economic Times](#) (indiatimes.com)
- 29 List of NABL Accredited Testing laboratories in India 2017 | LABGO
- 30 Strengthening Clinical Laboratories | CDC – Division of Laboratory Systems (DLS)
- 31 [IPCC Press release 2023: Urgent climate action can secure a liveable future for all. IPCC_AR6_SYR_PressRelease_en.pdf](#)
- 32 [GOAL 7: Affordable and clean energy | UNEP - UN Environment Programme](#)
- 33 The Sustainable Development Goals Report 2022. United Nations: <https://unstats.un.org/sdgs/report/2022/The-Sustainable-Development-Goals-Report-2022.pdf>
- 34 [South Africa: bank account penetration rate | Statista](#)
- 35 Transformative change and SDG 8. The critical role of collective capabilities and societal learning. International Labour Organisation. [2023 wcms_893832.pdf](#) (ilo.org)
- 36 United Nations: SDG 8. Economic Growth - [United Nations Sustainable Development](#)
- 37 United Nations. [The-Sustainable-Development-Goals-Report-2023.pdf](#) (un.org)
- 38 Informal Economy. International Labour Organization: https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_627189/lang--en/index.htm#:~:text=employed%20population%20...%2C%20More%20than%2060%20per%20cent%20of%20the%20world%27s%20employed%20population,work%20and%20decent%20working%20conditions.
- 39 [Unorganized Worker | Ministry of Labour & Employment|Government of India](#)
- 40 [Why buses are vital for women's economic success in India | World Economic Forum](#) (weforum.org)
- 41 Ministry of Women and Child Development, An empirical study on problems faced by women workers in unorganised sector. [wcd.nic.in/sites/default/files/Final Report Women Worker in Unorganized Sector%2C Himalayan.pdf](#)
- 42 [Gender Gap: Bridging gender gap in employment can boost India's GDP by 30%: Study | Lucknow News - Times of India](#) (indiatimes.com)
- 43 World Health Organization: [Electronic waste \(e-waste\)](#) (who.int)
- 44 [Goal 12 | Department of Economic and Social Affairs - SDG Indicators](#) (un.org)
- 45 [7 surprising facts about the circular economy for COP26 | World Economic Forum](#) (weforum.org)
- 46 [responsAbility Press Release June 6, 2018: https://www.responsability.com/en/responsability-launches-new-fund-sustainable-agriculture](#)
- 47 The Sustainable Development Goals Report 2022. United Nations: <https://unstats.un.org/sdgs/report/2022/The-Sustainable-Development-Goals-Report-2022.pdf>
- 48 [Three Big Opportunities for Unlocking Smallholders' Access to Finance: https://www.fao.org/family-farming/detail/en/c/414650/](#)
- 49 Fairtrade Network of Asia & Pacific Producers: [Fairnameese-Cashews-Final-Report.pdf](#) (fairtradenapp.org)
- 50 [Togo: Cashew output expected to pass 40,000 tons in 2023 - Togo First](#)
- 51 [Top countries for Cashew Nuts Production](#) (nationmaster.com)
- 52 [Togo Transitional ICSP \(January 2018 - June 2019\) | World Food Programme](#) (wfp.org)
- 53 [Human Development Index | Human Development Reports](#) (undp.org)
- 54 [Cajou Espoir: PRESENTATION-ENG.pdf](#) (cajouespoir.com)

Colofon

This report was prepared by

Van Lanschot Kempen Investment Management Management N.V.

For more information about this report and Van Lanschot Kempen's Global Impact Pool / responsible investment approach, please contact:

Janine Whittington
Senior Associate Impact & Sustainable Investing
j.whittington@vanlanschotkempen.com

Contributors

Simon Oosterhof, Wieke Maarleveld, Titus Witteveen, Sarah Stols, Eszter Vitorino, Janine Whittington.

Special thanks

To the investment partners of the GIP, for the impact that has been achieved, the data provided, and the effort put towards the publication of the report.



General Provisions

Global Impact Pool: general risks to take into account when investing in the Global Impact Pool

Please note that all investments are subject to market fluctuations. The Diversified Structured Credit Pool will primarily invest in a diversified pool of investment funds managed by third-party investment managers with the primary investment objective to achieve capital growth and positive social and environmental impact. Investing in this strategy is subject to risks arising from the volatility of securities, bonds, currency and interest rate markets that could negatively affect the performance. Under unusual market conditions the specific risks can increase significantly. Potential investors should be aware that the underlying investment funds often pursue a more alternative investment policy than traditional investment funds. Some investments, particularly private (non-listed) investment strategies, may involve assets which are illiquid, are difficult to value and/or are exposed to high market, credit and liquidity risk including the risk of insolvency or ban. In such circumstances, the ability for an investor to redeem its interest in the strategy will be limited due to a lack of available liquid assets.

The value of your investment may fluctuate, past performance is no guarantee for the future. Do not take unnecessary risks. Before you invest, it is important that you are aware of and are informed about the characteristics and risks of investing. This information can be found in the available documents of the strategy and/or in the agreements that are part of the service you choose or have chosen.

Profile of the typical investor in the Global Impact Pool:

The strategy may be suitable as a core or supplemental investment for those:

- are interested in gaining exposure to a concentrated pool of participations in investment funds with a primary objective to achieve capital growth and positive social and environmental impact;
- seek long-term growth of their investment (at least 5 years and longer);
- seek meaningful impact investments in an efficient way;
- can bear the possibility of reduced or no liquidity and significant losses, especially in the short term; and
- have experience with the risks and rewards of investing in (non-traditional) markets.

Disclaimer

This presentation of Van Lanschot Kempen Investment Management (VLK Investment Management) is for information purposes only. The information in this document is incomplete without the verbal explanation given by an employee of VLK Investment Management. VLK Investment Management is licensed as a manager of various UCITS and AIFs and authorized to provide investment services, and, as such, is subject to supervision by the Netherlands Authority for Financial Markets. VLK Investment Management explicitly wants to prevent the benchmarks being used in this presentation from being published or made available to the public within the meaning of the Benchmark regulation. Therefore, the benchmark data in this presentation is made available to you, exclusively to internal business and non-commercial purposes. No part of this presentation may be used without prior permission from VLK Investment Management.

The fund currently holds shares in the companies mentioned. The views expressed in this presentation may be subject to change at any given time, without prior notice. VLK Investment Management has no obligation to update the contents of this presentation. As asset manager VLK Investment Management may have investments, generally for the benefit of third parties, in financial instruments mentioned in this document and it may at any time decide to execute buy or sell transactions in these financial instruments.

This document should not be considered to constitute an investment recommendation and it is not intended as an offer or a solicitation to buy or sell any financial instrument mentioned in this document. This document is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. The views expressed herein are our current views as of the date appearing on this document. This document has been produced independently of the company and the views contained herein are entirely those of VLK Investment Management.



INVESTMENT MANAGEMENT

Beethovenstraat 300
1077 WZ Amsterdam
Postbus 75666
1070 AR Amsterdam

T +31 20 348 80 00
vanlanschotkempen.com/investment-management