COLLECTION OF DATA USED IN THIS REPORT

We would like to thank all the fund managers who make the effort to publish an impact report regarding their funds and who have facilitated the collection of the data used in this report. The data were collected during the months of May and June 2019 and correspond to the period from January 1st to December 31st, 2018. In cases where there was no impact report for the indicated period we have used the data from the previous report published.
At Anesvad we fight against the neglected diseases that threaten millions of people’s lives in Sub-Saharan Africa. Buruli ulcer, leprosy, yaws, and lymphatic filariasis are the four Neglected Tropical Diseases (NTDs) that form the basis of our work.

The manifestation of these four NTDs share similarities: it occurs via the skin, becoming extremely aggressive and sometimes resulting in life-long disability. However, the physical marks are not the only lasting consequences for those who manage to overcome these diseases: they also lead to stigmatisation, social and occupational exclusion and diminished self-esteem.

At Anesvad we pool our efforts and we are therefore aligned with the World Health Organisation’s 2020 Road Map. We work to end neglected skin diseases, bolstering the capacities of health care systems in our countries of intervention in Sub-Saharan Africa: Benin, Togo, Ghana and Ivory Coast; thereby contributing to development by means of exercising the Right to Health.

OUR TEAM
Anesvad is governed by a Board of Trustees comprising reputable figures from the sphere of cooperation, the judiciary, medicine and public administration. Our operational work is developed in our offices by a young and energetic team of professionals with extensive experience in a wide variety of disciplines that allow us to carry out/fulfil our Mission. We carry out the work in the countries via local social organisations.

OUR ACHIEVEMENTS
In 2018, we approved 28 projects with a Social Mission investment of €8,271,821. At the same time, our work was promoted in communications campaigns, reaching not only our social base but also the general public.

We would like to make special mention of the advocacy networks we belong to with the aim of building political influence with respect to duty-bearers and responsibility-bearers so that they seek to safeguard the population’s exercise of the Right the Health.

OUR RESOURCES
The commitment of tens of thousands of people that make up our loyal base of donors has ensured we are able to make our Mission possible. They represent our biggest guarantee and they confer in us the trust, independence and legitimacy which enable us to move forward in our social objectives. Of course, we also have the loyal commitment of social organisations in our countries of intervention and people who give their time voluntarily and make our work possible.

Anesvad’s 50 years in operation has resulted in an equity endowment that stems from the backing and commitment of a broad social base which, over the years, has financially supported our organisation’s work. This is managed through Socially Responsible Investments that benefit vulnerable populations.
COMMITMENT TO SOCIAL IMPACT

THE ANESVAD FOUNDATION’S
SOCIALLY RESPONSIBLE INVESTMENT (SRI)

2018 was a year of significant advances in the management of the foundation’s assets with a Socially Responsible Investment (SRI) approach. We apply ethical, social, labour, environmental and good corporate governance principles to this management, in addition to excluding investment in activities considered immoral or questionable.

In essence, it entails complementing our regular activity of development cooperation projects in Africa with asset management, and both contribute to the Foundation’s mission.

Asset management is headed by the Foundation’s Board of Trustees, together with the Advisory Board of Ethical Investments and Social Impact.

In classifying investments and following the customary categories of SRI investment, we have divided them into four types, to varying degrees and from left to right in the chart which we feature below:

<table>
<thead>
<tr>
<th>SRI control</th>
<th>Best in Class</th>
<th>Thematic</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments with extra-financial control focused on their environmental, social and governance (ESG) policies.</td>
<td>Investments with the best practices in ESG policies.</td>
<td>Investments focused on providing solutions in highly specific fields such as agriculture, the environment, gender...</td>
<td>Investments which, in addition to the above, are able to report a clear and concrete impact of their activity.</td>
</tr>
</tbody>
</table>
The main milestones to highlight are:

- Almost all investments comply with both the exclusions and the SRI policy, giving priority to companies with the best practices in social, environmental and internal management matters. In addition, 57% of the portfolio is focused on the categories with the highest SRI quality.

THE DEVELOPMENT OF SRI DISTRIBUTION, 2016–2018

- Social impact investments already make up 20%. We give priority to those that provide the greatest impact related to the Neglected Tropical Diseases (NTDs) and the associated social determinants of health: water and sanitation, housing and work, gender and interculturality, migration, disasters and conflicts, the environment and poverty.¹

- 58% of the impact investments are supporting the Sustainable Development Goals with greater cause-to-effect relationship with the NTDs according to the World Health Organisation (WHO). (See graphic section SDGs):

¹ Neglected tropical diseases: equity and social determinants. Jens Aagaard-Hansen and Claire Lise Chaignat
• Africa is our main territory of action. Impact investments which have projects in Africa are already 24%.

• We have published this 2nd Social Impact Report as an exercise in transparency with the social base and society in general.

EFFECTIVE MANAGEMENT OF THE INVESTMENT PORTFOLIO
The efficient management of our activity is consolidated. The integration of investments in a single portfolio and a single depositary together with the support of a specialist external advisor is proving to be an efficient and effective structure. We integrate in our management all the elements of control that guarantee that the policy established by the Board of Trustees is being implemented with the best results and in a cost-effective manner. Therefore, expenditure in 2018 was 0.69% of the assets managed. According to comparative studies that include management and consultancy in portfolios without an SRI policy, portfolios of this size have a global cost of 1.38%.

AFRICA 2,225,307€
INSTITUTIONAL RELATIONS

At sectorial level, we recall the main milestones achieved in 2018 and which we already anticipated in the previous Social Impact Report. Since 2018 the foundation has been a member of SpainSIF, the main forum for the promotion of socially responsible investment in Spain. It participates in group 4 together with other non-profit organisations.

In addition, in June of the same year, Anesvad became the first Spanish foundation to sign up to the UN Principles for Responsible Investment (UN PRI), making the commitment to comply with the six principles in its ISR management.

Finally, in 2018 we participated in Foro Impacto, a pioneering initiative in Spain that works for the development of the social impact investment sector in our country from all areas. The main objective is for Spain to participate in the Global Steering Group (GSG) for Impact Investment. This target was achieved in June 2019 due to the great commitment demonstrated by all the main actors from the sector involved in this initiative.

We are especially grateful for the voluntary work of the people who make up our Advisory Council on Ethical Investments and Social Impact, without whom we would not have been able to achieve our results. You can learn more about both these people and our asset management on our website: https://www.anesvad.org/en/transparency/socially-responsible-investments-and-advisory-council/

Through the funds that currently make up our portfolio, we manage to attain measurable impacts in different areas which, related to an international standard such as the UN's Sustainable Development Goals, help us to ascertain the type of impact we can achieve. Investment in funds whose direct relation with the SDGs is disclosed is distributed in the following way:
Women play a critical role in the global economy as entrepreneurs. They help create jobs, generate income, and boost revenue—driving economies, while reducing inequalities between women and men. Yet, when compared with men, women face greater obstacles in almost all spheres of economic activity—including access to finance and assets, technology, and peer-to-peer networks.

According to the World Bank Group’s 2018 Women, Business and the Law report, in more than one-third of economies, women do not have the same legal rights as men with regard to freedom of movement.

In some countries, women cannot register a business, sign a contract, or open a bank account.

The activity of several of our funds supports SDG 5 which seeks to achieve gender equality and to empower women and girls. Specifically, we invest in two funds which dedicate their efforts especially to achieving same: Lyxor Global Gender Equality and the International Finance Corporation (IFC) fund, Women Entrepreneurs Debt Fund. From the latter’s annual report, we extract these reflections which are key to understanding why and how SDG 5 can be supported from the financial sector.

### SDG 5: Gender Equality

#### SDGs RELATED TO THE NTDs

58% of the impact investments are supporting the Sustainable Development Goals with greater cause-to-effect relationship with the NTDs according to the World Health Organisation (WHO).

<table>
<thead>
<tr>
<th>SDG</th>
<th>Description</th>
<th>Impact Investments €</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDG1</td>
<td>End of poverty</td>
<td>1,745,266 €</td>
</tr>
<tr>
<td>SDG2</td>
<td>Zero hunger</td>
<td>1,106,083 €</td>
</tr>
<tr>
<td>SDG3</td>
<td>Good health and well-being</td>
<td>1,182,501 €</td>
</tr>
<tr>
<td>SDG4</td>
<td>Quality education</td>
<td>752,445 €</td>
</tr>
<tr>
<td>SDG5</td>
<td>Gender equality</td>
<td>1,715,353 €</td>
</tr>
<tr>
<td>SDG6</td>
<td>Clean water and sanitation</td>
<td>862,040 €</td>
</tr>
<tr>
<td>SDG11</td>
<td>Sustainable cities and communities</td>
<td>816,643 €</td>
</tr>
</tbody>
</table>

Source: Creating Impact. The Promise of Impact Investing, IFC, April 2019.

### ACCESS TO FINANCIAL AND NONFINANCIAL SERVICES

Access to financial and nonfinancial services is one of the key barriers for women.

A recent IFC study noted that the SME finance gap for female entrepreneurs in developing countries is $1.48 trillion (IFC 2017). The private sector is key to bridging this gap.

The Women Entrepreneurs Debt Fund, which is managed by the IFC Asset Management Company, is part of the overall Women Entrepreneurs Opportunity Facility that was launched in March 2014 by IFC and the Goldman Sachs Foundation. The Fund provides a platform for investing at scale in commercial banks in developing countries, which are essential to bridging the financing gap for woman entrepreneurs and achieving a larger reach. The investments being made in the Fund by investors go to national banks, which then increase their lending to local women entrepreneurs. To-date, the Fund has invested in nine banks in Africa, Asia, and Latin America.

The Fund has had a positive impact in supporting entrepreneurship, the largest source of female employment in emerging markets. It has helped to close the credit gap for women-owned SMEs, which should significantly boost income per capita. It has also had a catalytic impact in changing financial institutions’ approach to lending to women’s SMEs. Overall, the Fund has demonstrated that women’s SMEs are an investable asset class, and this is sparking attention and interest for future financial support.

The Anesvad Foundation invests in this fund to favour the incorporation of women into the labour and business market since 2017.
The external view of the level of implementation of the ISRs in the Anesvad portfolio is a guarantee of transparency and reliability despite the fact that the costs and management work involved in this type of report are significant. The foundation has made the commitment that at least every two years it will request an analysis of the investment portfolio from an expert entity in this matter in which it is verified that it complies with the principles, values and exclusions according to its policies. In the first quarter of 2018, said analysis was requested. As we had done in the previous report, we published the results obtained from the portfolio analysis on April 30th, 2018.

The report was carried out by MSCI ESG Research, LLC, a company with over 40 years’ experience in its sector. The studies conducted by MSCI are designed to help identify the risks and opportunities in the investment portfolio and to therefore be able to develop the ESG strategy of same with greater guarantees.

Below are the main data provided by the portfolio analysis carried out by MSCI ESG Research, LLC:

- 85% of the total of the listed securities from the investment portfolio was analysed.
- As a benchmark index, MSCI ACWI is an index which encompasses medium- and high-capitalisation companies from developed and developing countries, matching the existence of emerging investments from the investment portfolio.
- The investment portfolio attained a higher ranking than the benchmark index (6.3 vs. 5.6).
- In terms of quality, ESG is rated High and 11.7% above the benchmark.
- The investment portfolio, compared with the benchmark, has 7.1% more leading companies and 7.6% fewer lagging companies.
- More specifically, 30% of the companies from the investment portfolio are regarded as leaders in ESG, as opposed to 22.9% in the benchmark.

**INVESTMENT PORTFOLIO ANALYSIS ACCORDING TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CRITERIA**

**SUMMARY OF THE INVESTMENT PORTFOLIO’S ESG ASSESSMENT**

INVESTMENT PORTFOLIO - The Anesvad Foundation
PRIMARY BENCHMARK - MSCI ACWI
ESG QUALITY - High. 11.7% above benchmark
Below is an analysis of the potential risks the investment portfolio may face as regards CO₂, reputational risk and government risk:

- **The risk of CO₂ emissions:** the investment portfolio faces a moderate risk with regard to CO₂ emissions and is positioned below the benchmark.
- **Reputational risk:** The investment portfolio has a lower risk than the index and attained a good result.
- **Governmental risk:** The low number of companies with the possibility of generating risk must be highlighted.
An investment portfolio with a commitment to social impact provides as a differential value the ability to analyse and report concrete achievements which are being achieved. We do this through the impact reports published by the funds we have selected and taking into account the levels of investment made. Below we outline what those funds are, what they do with their investments, what their impact is and how they add to the 2030 United Nations agenda and the Sustainable Development Goals (SDGs). Some are known from our previous publication and the new additions during 2018 have added quality in the impact and focus on the African continent and Spain.

<table>
<thead>
<tr>
<th>FUND: Institutional Microfinance Fund III</th>
<th>DESCRIPTION: A microfinance fund that works in the most impoverished areas of Asia, America and Africa. 77% of the recipients are women and 52% are in rural areas, two demographic groups that do not usually have access to traditional financing.</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGER: ACTIAM</td>
<td>Manages the fund.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND: agRIF Cooperatief U.A.</th>
<th>DESCRIPTION: The fund seeks to increase the financial inclusion of small farmers, providing investments in local financial intermediaries. At least 75% will be invested in institutions focused on agriculture. The rest, in institutions focused on the rural environment, is financing to rural entrepreneurs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGER: INCOFIN</td>
<td>Manages the fund.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND: Women Entrepreneurs Debt Fund</th>
<th>DESCRIPTION: A fund that supports women entrepreneurs in geographical areas where, if it were not for initiatives such as this, they would not obtain the necessary financing in order to realize their entrepreneurship project. (see highlighted in SDG section).</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGER: IFC Asset Management</td>
<td>Manages the fund.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND: Regional Education Fund for Africa.</th>
<th>DESCRIPTION: A fund that focuses its efforts on improving access to primary, secondary and higher education in Africa, focusing on ensuring the quality of same by granting loans to education providers such as schools and making it more accessible to families with lower income levels.</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGER: Blue Orchard</td>
<td>Manages the fund.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND: Africa Agriculture and Trade Investment Fund.</th>
<th>DESCRIPTION: The fund highlights the potential of the agricultural sector in Africa focused on benefiting the most vulnerable population. Through financing and technical support for the development of enterprises, they seek to improve productivity and to create quality employment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGER: DWS</td>
<td>Manages the fund.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND: FM0 Privium Impact Fund</th>
<th>DESCRIPTION: This fund, promoted by the Netherlands Development Bank, focuses on environmental and social aspects, financially supporting companies in emerging and developing countries in the generation of results and employment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANAGER: FM0</td>
<td>Manages the fund.</td>
</tr>
</tbody>
</table>
**FUND: OIKOCREDIT**  
**MANAGER:** OIKOCREDIT  
**DESCRIPTION:** Oikocredit International is a cooperative of Dutch origin and a social impact investor that has been working towards people-centred sustainable development since 1975. It provides financing and capacity building to related partner organisations that help low-income people in Africa, Asia and Latin America.

**FUND: Global Climate Bond.**  
**MANAGER:** LOMBARD ODIER  
**DESCRIPTION:** This fund is a green bond fund that combines the dedication to incentivising positive climate-related results by promoting markets in order to finance climate adaptation, as well as mitigating social initiatives and actions that are resistant to climate change.

**FUND: Magallanes Impacto**  
**MANAGER:** Magallanes  
**DESCRIPTION:** Social impact fund that invests primarily in social microfinancing entities that grant microcredits to disadvantaged people in developing countries in Africa, South America and Asia.

**FUND: CREAS Impacto**  
**MANAGER:** CREAS  
**DESCRIPTION:** This pioneer fund from the social impact sector in Spain fosters a business model that creates social value and brings about change towards a world where people and the planet are the most important. In addition to financial support, they provide companies with support in certain financial, management and strategic decisions.

**FUND: FP WHEB Sustainability Fund**  
**MANAGER:** WHEB  
**DESCRIPTION:** The scarcity of resources, the aging of the population, urbanisation and the increase of living standards are creating a new global economy. WHEB believes that these trends will persist for decades. The fund invests in companies that provide solutions to the challenges posed by these trends.

**FUND: Global Impact Fund**  
**MANAGER:** Wellington  
**DESCRIPTION:** The fund invests in listed companies related to issues which are essential for life (hunger, health, water, affordable housing), human empowerment (training, financial inclusion, digital divide) and the environment (alternative energy, resource control and efficiency).

**FUND: Hermes Impact Opportunities**  
**MANAGER:** HERMES  
**DESCRIPTION:** The fund seeks long-term results by investing in successful companies that generate sustainable and positive changes in the basic needs of society, the environment, energy efficiency and health and well-being.

**FUND: Hermes Infrastructure Fund I LP (core)**  
**MANAGER:** HERMES  
**DESCRIPTION:** The fund invests in regulated public services (gas, water and electricity), renewable energy (solar, wind), transport and distribution (roads, bridges, ports and airports) and social infrastructure (hospitals, schools and universities, public housing and security).
### Impact Results Organised According to Manager and Fund

<table>
<thead>
<tr>
<th>Name of Fund (MANAGING COMPANY)</th>
<th>% s/ TOTAL FUND</th>
<th>% s/ ANESVAD</th>
<th>IMPACT*</th>
</tr>
</thead>
</table>
| **Institutional Microfinance Fund III (ACTIAM)** | 1.85 | 4.29 | • 185,253 people reached.  
• €5,650 in average loans.  
• Ratio of women/men: 77%/23%.  
• Ratio of rural/urban areas: 52%/48%. |
| **agRIF Cooperatief U.A. (INCOFIN)** | 0.50 | 1.09 | • 30 financial institutions focused on agriculture in Africa, South America and Asia.  
• 1.8 million rural clients of which 500,000 are farmers**.  
• $3,627 in average loans.  
• Ratio of women/men: 44%/56%. 3 million women.  
• 77% in rural areas.  
• 81% of the financial institutions have given training to entrepreneurs. |
| **Women Entrepreneurs Debt Fund (IFC)** | 1.27 | 2.49 | • 9 financial institutions focused on prioritising gender quality in business ventures in Africa, South America and Asia. |
| **Regional Education Fund for Africa (BLUE ORCHARD)** | 3.19 | 1.67 | • 6,093 students have access to quality education.  
• 585 education providers involved**.  
[See section on case studies for more details]. |
| **AATIF (DWS)** | 1.53 | 1.40 | • 12 financial, intermediary and microfinance institutions in Africa supporting more than 250 agriculture businesses.  
• 38 technical assistances for business development and improvement.  
• 15 African countries benefited.  
[See section on case studies for more details]. |
| **FMO Privium Impact Fund (FMO)** | 0.87 | 2 | • Almost 100 direct and indirect jobs generated.  
• 59 tons of CO₂ of greenhouse gas avoided.  
• 0.2 GWh of renewable energy generated.  
• 212 people benefiting from renewable energy.  
[See case studies for more detail]. |
| **Oikocredit** | 0.02 | 0.40 | • 498 microfinance institutions, 183 agricultural partners and 24 renewable energy partners.  
• 7,200 clients reached by financial inclusion entities.  
• Ratio women/men: 84%/16%.  
• Ratio of rural/urban areas: 49%/51%.  
• 8 people employed in an agricultural environment with 61% permanent contracts.  
• 102 farmers benefited.  
• 3 homes with better access to energy thanks to renewables.  
• 7.62 tons of CO₂ avoided. |

**Sources of Information**
- ACTIAM. AIMF III Responsibility and Impact Report 2018  
- INCOFIN. agRIF Cooperatief Environmental & Social Report 2018  
- IFC. Creating Impact. The Promise of Impact Investing, IFC, April 2019  
- BlueOrchard Impact Report 2019-2020  
- DWS. AATIF Annual Report 2017/18  
- FMO PRIVIUM Impact Fund. Annual Report 31/12/2018  
- OIKOCREDIT. Social and environmental performance report 2017
<table>
<thead>
<tr>
<th>Name of fund (MANAGING COMPANY)</th>
<th>% of TOTAL FUND</th>
<th>% of ANESVAD</th>
<th>IMPACT*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Climate Bond (LOMBARD ODIER)</td>
<td>0.46%</td>
<td>1.76%</td>
<td>- 322 tons of greenhouse gas avoided. Equivalent to removing 68 vehicles from circulation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 141 passengers per day in low CO₂ emissions transports. It involves 51,630 passengers per year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 1,072 MWh of energy generated from renewable sources. Equivalent to the use of 91 American homes in one year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 1,153 m³ of treated drinking water per day. Equivalent to an amount greater than that of 160 Olympic swimming pools in a year.</td>
</tr>
<tr>
<td>MAGALLANES IMPACTO (MAGALLANES)</td>
<td>13.55%</td>
<td>4%</td>
<td>• Support for 1 microfinance financial institution in South America that facilitates access to financing for the most vulnerable segment of the population.</td>
</tr>
<tr>
<td>CREAS IMPACTO (CREAS)</td>
<td>1.53%</td>
<td>1.40%</td>
<td>• Support for 1 entity in the field of education in Spain, a leading Spanish-speaking educational entity, whose mission is to contribute to the transformation of the education system in Spain and Latin America.</td>
</tr>
<tr>
<td>FP WHEB Sustainability Fund (WHEB)</td>
<td>0.36%</td>
<td>1.91%</td>
<td>• Avoided 688 tons of CO₂ emissions, equivalent to the energy use of a European household for 63 years.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Savings of £55,900 in healthcare expenses and treatment for more than 45 people.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 44 people benefited from prevention and healthy living. Avoiding the expense of £84,300 in health treatment costs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 8.6M litres of water treated. Equivalent to the use/year of 77 European households.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Distribution of 12 million litres of running water for reuse, equivalent to the annual drinking water consumption of 16,300 people.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Generation of 1,547 MWh of renewable energy. Equivalent to the consumption/year of 97 European households.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Recycling or recovery of 172 tons of waste material. Equivalent to the total amount of garbage generated by 172 European households in one year and represents a saving of £15,500 in landfill costs.</td>
</tr>
<tr>
<td>Global Impact Fund (WELLINGTON)</td>
<td>1.88%</td>
<td>4.12%</td>
<td>• Access to financial services for almost 700,000 people not traditionally catered for.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Training and professional training for almost 34,000 people.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 11 million cubic metres of polluted water purified.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 7.40 Terawatt hours of renewable energy, capable of supplying 620,000 homes and avoiding the emission of almost 5.2 million metric tons of CO₂.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Access to more than 3,760 homes and about 18,800 loans to low and middle income families.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Access to the digital environment to about 2.8 million people in developing countries.</td>
</tr>
<tr>
<td>Impact Opportunities Fund (HERMES)</td>
<td>1.88%</td>
<td>4.12%</td>
<td>• 34.8% of the investment goes to health and well-being issues.</td>
</tr>
<tr>
<td>Infrastructure Fund I LP (core) (HERMES)</td>
<td>1.88%</td>
<td>4.12%</td>
<td>• 0.04 GWh of energy generated via photovoltaic energy***.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 0.08 GWh of energy generated via wind power***.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• More than 66 tons of reduced CO₂ emissions thanks to photovoltaic energy***.</td>
</tr>
</tbody>
</table>

* The impact data provided is the result of the proportion of the Anesvad Foundation’s investment in each fund.
** Result achieved by the total fund.
*** Result achieved with a portion of the fund’s investments.

- Lombar Odier. LO Funds - Global Climate Bond Impact Report 2018
- MAGALLANES. https://magallanesvalue.com/nuestros-productos/magallanes-impacto-fil/
- CREAS. https://www.creas.org.es/
- HERMES. Hermes Infrastructure Fund I LP Q4 2018.
Wienco (Ghana) Ltd (“Wienco”) is a wholly owned subsidiary of RMG Concept Limited (“RMG”), a strategic investor with operations across 17 countries in Western Africa including Ghana, working in partnership with several thousands of smallholder farmers. The company was established in 1979. It is an importer and distributor of agro-chemicals into Ghana, mainly for use in cocoa, cotton and maize production. In addition, the company provides inputs on credit to smallholder farmers and commercial farms across Ghana. Wienco organized the Cocoa Abrabopa Association (CAA), which operates in Dunkwa (4 h west of Accra) since December 2007. This was followed by the establishment of the maize association Masara N’Arziki (in Northern Ghana) in 2010 and the establishment of a cotton division within Wienco that is carrying out its smallholder business under a government concession after the Ghana Cotton Company in 2010 discontinued its operations. Since 2006, Wienco has been strategically moving up-stream in cocoa, maize and cotton through organizing and providing input on credit to out-grower schemes in all three crops. In October 2013, AATIF disbursed a USD 6 m and EUR 9 m senior loan to Wienco.

AATIF’s financial commitment has allowed Wienco to significantly expand the scope of its smallholder operations in the past 3 years. In October 2016, AATIF approved an extension of the Wienco facility up to September 2019. Funding provided by AATIF will continue to finance the provision of inputs and off-take of cotton, maize and cocoa to and from the outgrower schemes of Wienco Ghana.

**WIENCO SOCIAL AND ENVIRONMENTAL REVIEW**

During 2017/18, RMG, Wienco’s parent company, developed Group Guidelines on Occupational Safety and Health and on the Minimum Content of Contracts with Outgrowers.

Both sets of guidelines have been shared with the different subsidiaries and associations, including Cocoa Abrabopa and Masara N’Arziki, and serve as a guide to develop or improve the existing policies and contracts with farmers, respectively. In addition, the Group has started working on a social and environmental monitoring document that will be progressively adapted to all subsidiaries.

In an effort to better understand farmers’ needs, Cocoa Abrabopa conducted a survey and identified the following needs priorities: access to water facilities, access to sanitation facilities, and basic amenities at a closer distance (schools, clinics and libraries). In response to these needs, the association constructed mechanized boreholes in 25 communities spread over 5 (out of the 6) of its operational regions between October 2017 and March 2018.

**EMPLOYMENT IMPACT**

<table>
<thead>
<tr>
<th>December 2017</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RMG</td>
<td>30  (4 women)</td>
</tr>
<tr>
<td>Wienco</td>
<td>48  (9 women)</td>
</tr>
<tr>
<td>Cocoa Abrabopa</td>
<td>99  (12 women)</td>
</tr>
<tr>
<td>Masara N’Arziki</td>
<td>95  (6 women)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>272 (31 women)</td>
</tr>
</tbody>
</table>
In June 2012, AATIF provided a loan to GADCO to finance a rice mill as a first step for GADCO to develop an integrated value chain. The farm consists of a nucleus which is surrounded by land used by smallholders to grow rice. Traditionally, rice production within Ghana suffered from the stigma of being considered low quality. Hence rice for retail use is largely imported. GADCO developed its brand under which rice from the nucleus farm and the community farmers is being sold in the local market.

Following operational challenges experienced in 2014 and early 2015, GADCO announced in July 2015 that it was acquired by RMG. Operations resumed successfully under GADCO’s new management on the nucleus farm. The GADCO smallholder scheme (Copa Connect) has successfully been merged with RMG’s Smallholder scheme (Fievie Connect Program) for rice.

**NUCLEUS FARM OPERATIONS**

In the first quarter of 2018, GADCO had planted 132 ha of rice on the nucleus farm to be harvested during the main season, while 146 ha were harvested from the previous minor season producing roughly 451 tons of rice and 216 tons of by-products (husk, bran and sortex).

**GADCO SOCIAL AND ENVIRONMENTAL REVIEW**

In line with its Environmental and Social Management Plan, GADCO continuously monitored its social and environmental impacts during 2017. This included conducting biannual water quality tests, tracking energy and fuel use as well as waste generated, following an Integrated Pest Management approach to make adequate use of agrochemicals, and doing direct planting (zero-tillage) in 40 % of the land. As per the requirements of the Ghana Environmental Protection Agency, the Annual Environmental Report was submitted in January 2018.

In addition, GADCO provided orientation to new employees on topics including their rights and obligations, occupational, safety and health measures and procedures in place, and potential hazards and emergencies. During 2017, the company organized trainings for staff on the safe use of inputs, water management, fire-fighting, integrated pest management, and the emergency action plan.

**EMPLOYMENT IMPACT**

International staff members are covered by a health insurance and national members of staff are covered by a health insurance and are in possession of health insurance cards.

<table>
<thead>
<tr>
<th></th>
<th>December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>GADCO</td>
<td></td>
</tr>
<tr>
<td>Fixed-term Contract</td>
<td>88</td>
</tr>
<tr>
<td>Casual Contract</td>
<td>13</td>
</tr>
<tr>
<td>TOTAL</td>
<td>101 (7 women)</td>
</tr>
</tbody>
</table>
GREEN VALLEY SCHOOL
Mr. Yahaya Ngarita, Finca Tanzania client

The founder and owner of the Green Valley School, Yahaya Ngarita, started the school in his own house in the year of 2000 and later transformed his attached farm in order to expand.

Mr. Ngarita is first of all a business man but with special training on how to run schools. Today, the pre- and primary school hosts 1292 students of mixed gender and includes also a boarding school for about 200 children.

54 teachers and ca. 25 additional staff are employed by the school, which also has a little shop that sells uniforms, school books, etc. Some of the children who come from very poor families attend the school free of charge, as well as the teachers’ children.

In 2016 Mr. Ngarita joined FINCA and took his first loan of the equivalent of USD 43,860 (TZS 100mm) for construction to extend the school.
FROM BASIC MATERIAL TO VALUE ADDED PRODUCT

In Tanzania, more than a quarter of the gross national product comes from the agricultural sector. This sector accounts for 85% of exports and 80% of employment. The sector is fairly diverse; next to the production of coffee, sisal, tea, cotton and cashew nuts there are various types of livestock farms. Tanzania’s other income comes mainly from gold and tourism to for example Lake Victoria and the Kilimanjaro. Increasingly income is generated from export of end- and semi-finished products. The government of Tanzania sees this as a good addition to continue the development of the country and has made stimulation of the value-add sector a focus point within its policies.

RESTORING A SUSTAINABLE PRODUCT

In 2014 FMO and Mohammed Enterprises Tanzania Ltd signed an agreement to finance the rehabilitation and expansion of her sisal plantations. Mohammed Enterprises is a large and diverse family business with activities in agriculture, trade and processing of agricultural products, energy generation and transport. This makes the 40-year-old company a major employer in Tanzania and it plays an important role in development of the country.

One of the products of Mohammed Enterprises is sisal. Sisal is an agave plant and is used for making fibers that are traditionally used for rope, carpeting, brushes, but increasingly also for furniture, the automotive industry and construction, including as a replacement of asbestos.

Sisal is a particularly ecological responsible plant; it grows throughout the year and does excellent without irrigation in hot and dry places where few other plants thrive. Growing them is a labor-intensive process due to, among other things, the harvesting of the leaves which must be cut off every few weeks. This does provide a stable source of employment.

THE FMO LOAN

The USD 20 million loan to Mohammed Enterprises provided in December 2014 for a period of 8 years, has the purpose of replanting the existing sisal areal and expanding with new sisal plantations. Mohammed Enterprises will not only the manage the plantations and transport of the produce, it is also well-equipped to add value to the base material and process the sisal into semi-finished products.

With approximately 25,000 people in employment, distributed over the various parts of its businesses, Mohammed Enterprises makes a significant contribution to the gross national product of Tanzania. It is also an organization with a mission that goes beyond economic growth. It sees great value in the ecological and social progress of Tanzania and invests for example in education, training, healthcare and access to water.
Texts: Gorka Goikoetxea, Isabel Goiri and Mikel Postigo.
Photography: Elssie Ansareo.
FMO Privium Impact Fund and Blue Orchard Africa.
Edition: Anesvad Foundation.
Graphic design: ROS.
Cover Illustration: Andrea Conde.
Printing: La Trama.

This publication is printed on paper with Forest Certification (PEFC), guaranteeing that the raw material for its manufacture comes from forests managed with criteria of sustainability and rational use.

CREATIVE COMMONS 3.0 UNPORTED LICENSE

The contents of this publication are subject to a Creative Commons 3.0 Unported license. Non-commercial reproduction and dissemination is permitted, provided the source is cited. Any alteration, transformation or derivation of this work can only be distributed under an identical license to this one.

Signed by: