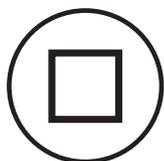


Understanding our impact information

Understanding each 'Impact Dashboard'

Our 'Impact Dashboard' for each investment defines what we expect to achieve through the investment. It involves assessing the impact against six dimensions of impact, as well as linking the impact of the investment to the Sustainable Development Goals.



WHAT

The type of impact the investment is contributing to, linked to the Sustainable Development Goals.

- We select a maximum of three core impacts we expect the investment to deliver.
- These impacts are linked to the relevant Sustainable Development Goal to ensure alignment with our impact objectives.

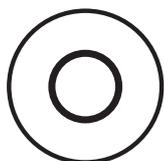


HOW

The process through which our investment into a company or fund contributes to impact.

This recognises that there are different channels through which we deliver impact, which require different measurement and management. For example, in one investment we may deliver impact directly by investing in a business to support its growth, which creates jobs for employees. In another we may invest in an economic enabler such as a solar power plant, which generates power that is distributed and sold to the national utility grid, in turn enabling businesses to expand and create jobs and providing access to power for households.

In the first investment we can monitor the jobs created and seek to understand the difference they make to people's lives. In the second we can monitor the generation of power, but we need to model the impact of the investment on job creation.



WHO

Which stakeholders are reached and their circumstances prior to the investment.

Stakeholder: The type of stakeholder experiencing the outcome, for example, employees, customers, suppliers. The stakeholder can also be 'the planet' for investments addressing climate change or environmental sustainability.

Geography: The location where the stakeholder experiences the impact.

Characteristics: The socio-demographic or other relevant characteristics of the stakeholder. For example, gender, income level or whether the stakeholder is gaining access to a product or service for the first time.

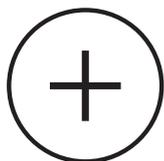


HOW MUCH

How many stakeholders experience the outcome, what degree of change they experience, and how long they experience the outcome for.

Scale: The number of people experiencing the outcome, or a proxy which estimates the scale. Where the planet is the stakeholder this category is not relevant.

Depth/duration: The difference the impact has made to the stakeholders' lives. This will depend on the extent to which they were underserved before the investment, and the time period the impact lasts for.



CONTRIBUTION

Whether our efforts are likely to result in outcomes that are better than what would have occurred otherwise.

The role of our capital, expertise and advice in supporting and enhancing the impact of the investment. For example, providing capital not available from commercial investors, or supporting a company's efforts on women's economic empowerment or resource efficiency.



RISK

The likelihood that impact will be different than expected.

We use the Impact Management Project's nine categories of impact risk to help us identify, assess and mitigate risks to the impact we expect to achieve.

Understanding each 'Impact Score'

To complement our detailed assessments of individual investments, we use a tool called the 'Impact Score' to help us manage strategic impact on a portfolio basis. It's designed to recognise and incentivise investments that are likely to contribute most to our three strategic impact objectives of productive, sustainable and inclusive development.

We give every potential investment a score for each of these three objectives and then calculate an overall investment score (which ranges from -1 to a maximum capped at 10). The higher the score, the greater the alignment with our objectives. Each investment's expected Impact Score will be updated after two years, to reflect actual performance.