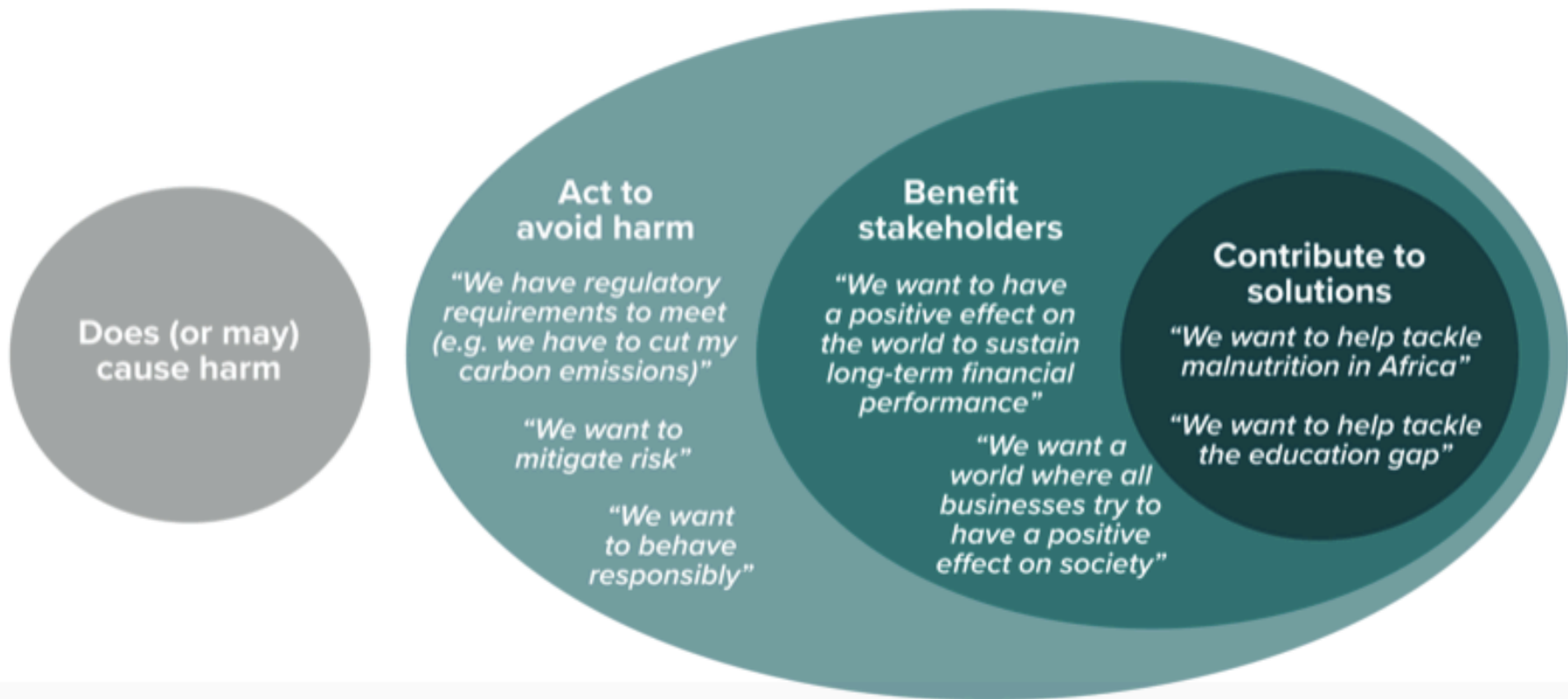
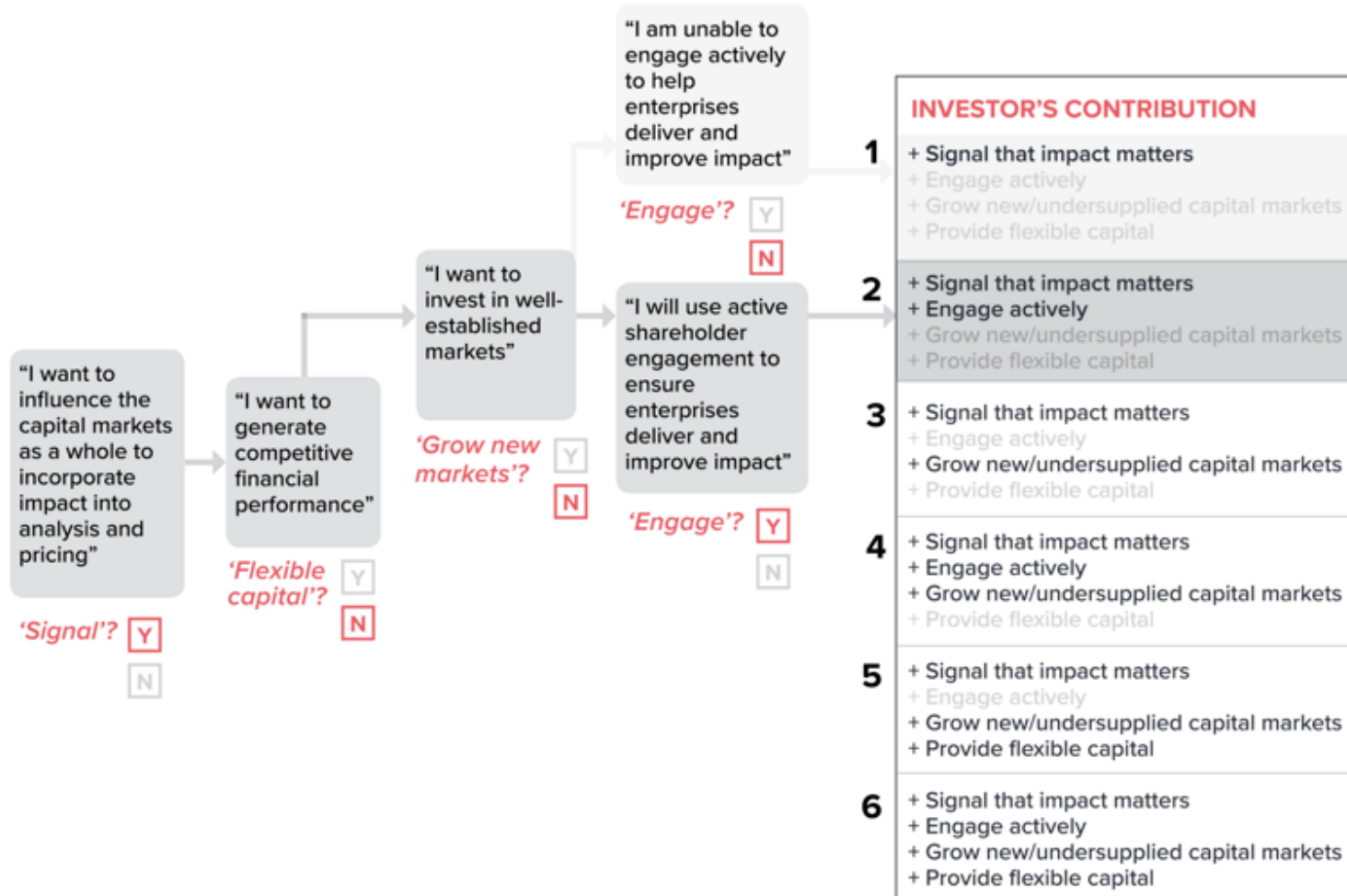

Investors' intentions relate to three types of impact: A, B or C



Investors can use a range of strategies to contribute to an enterprise's impact

Illustrative example: how an investor's financial and impact requirements drive the choice of strategy



The Investor's Impact Matrix: Mapping an investment by its impact on people and planet

Illustrative products

| | | IMPACT OF UNDERLYING ASSETS / ENTERPRISES | | | |
|-------------------------|---|---|---|--|---|
| | | A | B | C | |
| | | ACT TO AVOID HARM | BENEFIT STAKEHOLDERS | | |
| | | | | CONTRIBUTE TO SOLUTIONS | |
| INVESTOR'S CONTRIBUTION | 1 | Signal that impact matters + Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | E.g. Ethical bond fund | E.g. Positively-screened / best-in-class ESG fund | E.g. Sovereign-backed bonds (secondary market) funding vaccine delivery to underserved people or renewable energy projects |
| | 2 | Signal that impact matters + Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | E.g. Shareholder activist fund | E.g. Positively-screened / best-in-class ESG fund using deep shareholder engagement to improve performance | E.g. Public or private equity fund selecting and engaging with businesses that have a significant effect on education and health for underserved people |
| | 3 | Signal that impact matters + Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | E.g. Anchor investment in a negatively-screened real estate fund in a frontier market | E.g. Positively-screened infrastructure fund in a frontier market | E.g. Bond fund anchoring primary issuances by businesses that have a significant effect on environmental sustainability, access to clean water and sanitation |
| | 4 | Signal that impact matters + Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | <i>Investment archetype not widely observed</i> | <i>Investment archetype not widely observed</i> | E.g. Private equity fund making anchor investments in businesses that have a significant effect on income and employment for underserved people |
| | 5 | Signal that impact matters + Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | <i>Investment archetype not widely observed</i> | <i>Investment archetype not widely observed</i> | E.g. Below-market charity bonds, or an unsecured debt fund focused on businesses that have a significant effect on employment for underserved people |
| | 6 | Signal that impact matters + Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | <i>Investment archetype not widely observed</i> | <i>Investment archetype not widely observed</i> | E.g. Patient VC fund providing anchor investment and active engagement to businesses that have a significant effect on energy access for underserved people |

