

WHAT IS IMPACT INVESTING?

"I remember taking the Lundin family to see Frigoken, which is a green bean business just on the outskirts of Nairobi. They were buying beans from 100,000 small farmers in western Cairn. This was a very formative moment — I could just see the lights go on. The business was making money by improving food security and incomes for 100,000 people permanently in western Cairn. This was an Aga Khan company that had been in business forever. I can still remember the family kind of looking at this and you could just see them going, 'Wow.'"

"Impact investments are investments made into companies, organizations, and funds with the intention to generate social and environmental impact alongside a financial return."

Stephen Nairne
Managing Director
Lundin Foundation



- The Global Impact Investing Network

How is Impact Investing different from other types of investing?

Impact Investing is an approach to investing that intentionally seeks to have a positive social and/or environmental impact while also generating a financial return.

Impact investments:

- Can be applied across asset classes, sectors and geographies
- Have a range of return expectations and risk profiles
- Can be made in non-profit and for-profit companies through debt, equity, grants and credit guarantees
- Are part of a continuum of investment approaches that include traditional, responsible and sustainable investing, as described on the next page

Characteristics of Impact Investing

Investor Intention

Investors wish to have a positive impact and generate a financial return.

Investee Intention

Investees wish to have a positive impact and generate a financial return.

Measurable Impact

Investors and Investees have a demonstrable and measurable positive impact.