



Operating Principles for Impact Management

DISCLOSURE STATEMENT

Triple Jump

30 SEPTEMBER 2022 | AMSTERDAM

Triple Jump is a signatory to the Operating Principles for Impact Management (“the Impact Principles”) since September 2019. The Impact Principles provide a reference point against which the impact management systems of funds and institutions may be assessed. They draw on emerging best practices from a range of asset managers, asset owners, asset allocators, and development finance institutions.

This Disclosure Statement covers Triple Jump’s total assets under management, which stand at USD 972 million as of 30th June 2022 and composed of the following six funds and mandates:

1. ASN Microcredit Pool
2. MicroBuild Fund
3. Oxfam Novib Fund
4. Triple Jump Innovation Fund
5. Dutch Good Growth Fund (Track 2)
6. Energy Entrepreneurs Growth Fund
7. Clean Energy and Energy Inclusion for Africa



Steven Evers
Chief Executive Officer
30 September 2022

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Principle 1: Define strategic impact objective(s), consistent with the investment strategy

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

- Investing for impact has been Triple Jump's focus since its start in 2006. As an impact driven asset manager, we believe that investing in entrepreneurship can unlock the potential to overcome global challenges such as poverty, inequality, and climate change. We therefore offer our investors meaningful and responsible investment opportunities in developing countries and frontier markets by selecting investments where capital empowers people and improves lives.
- As of September 2022, we have seven funds and mandates under management or advisory, all of which have an impact thesis and explicit impact objectives within three main impact verticals:
 - Through **Financial Inclusion** we strive for the elimination of poverty (SDG 1), improving rural livelihoods (SDG 2), the promotion of female empowerment (SDG 5), and ensuring access to affordable housing for all (SDG 11).
 - Through **SME Finance** we strive for the empowerment of the youth through education (SDG 4); the promotion of female leadership (SDG 5); and the creation of decent jobs (SDG 8).
 - Through investments in **Climate and Nature** we strive for improved access to sustainable energy (SDG 7) and the mitigation of the effects of climate change (SDG 13).
- To achieve these objectives Triple Jump provides capital in the form of debt, equity, and fund investments, as well as advisory and technical assistance to investees. Our impact management framework is adapted to the different impact verticals and type of capital provided. In general, equity and fund investments come with higher engagement from Triple Jump than debt due to the nature of the relationship with investees.
- ESG and Impact management is fully integrated in the investment process and described in more detail in our [Responsible Investment Policy](#). A dedicated ESG & Impact team is responsible for the overall implementation and monitoring of the funds' impact strategies and independently reviews every deal to ensure alignment with stated strategies.

















<i>Impact vertical</i>	<i>Fund under management</i>	<i>Core SDGs</i>	<i>Type of investments</i>
Financial Inclusion	ASN Microcredit Pool	   	Debt and equity
	Oxfam Novib Fund	  	Debt
	Triple Jump Innovation Fund	   	Debt
	MicroBuild Fund	  	Debt
SME Finance	Dutch Good Growth Fund	   	Funds and debt
Climate and Nature	Energy Entrepreneur Growth Fund	   	Debt and equity
	Clean Energy Inclusion for Africa	   	Debt and equity

Figure 1: Triple Jump's funds and mandate by SDGs



Principle 2: Manage strategic impact on a portfolio basis

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

- Applying a portfolio approach is a key pillar of an active impact management strategy. The funds and mandates we manage aim to deliver double or triple bottom line returns and within their impact these several impact objectives are targeted. Combining diverse impact and financial objectives often entails trade-offs that must be looked at from a portfolio level perspective in order to guide a portfolio construction and investment selection process that optimizes the impact, risk and return profile of the fund.
- Impact results and scores are measured for each and every investee in Triple Jump's portfolio. The frequency and depth of an investee's impact reporting depends on the specific investment fund and financial instrument used. These results are then aggregated and reported at the portfolio and Triple Jump company level. The progress of each fund and Triple Jump overall is measured against pre-defined impact targets and if one or more impact target falls short, an evaluation takes place and the investment strategy is adapted.
- A dedicated ESG & Impact team is responsible for collecting, aggregating, and managing impact information.
- Part of every Triple Jump employee's variable compensation is determined by the company's overall performance against two impact KPIs: number of beneficiaries reached and the number of jobs supported through our investments. Furthermore, one fund under management links a portion of its carried interest to the achievement of impact over the life of the fund.



Principle 3: Establish the Manager's contribution to the achievement of impact

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

- Each fund has an explicit impact thesis or theory of change. In order to achieve the funds' impact objectives, Triple Jump provides finance and advisory to intermediaries in developing countries serving the target beneficiaries. These intermediaries may be financial institutions, local investment funds or SMEs.
- Triple Jump invests in countries and sectors where access to capital is still underdeveloped and limited. Several of our fund mandates have the explicit objective of being additional to the market, which means their aim is to support an underserved or underdeveloped market and to catalyze other investors into these markets to further grow their impact.
- For our fund investments, Triple Jump uses a pre-investment scorecard to assess the level of additionality. The scorecard also assesses the potential for an investment to catalyze further investments into the market.
- With our equity and fund investments we aim to add value as an active shareholder, engaging with our investees in areas such as ESG and impact, risk management, fund raising, and more. At investment we design an engagement plan and monitor its fulfillment over time.
- With our debt investments, Triple Jump's financing solution is specifically designed for the needs of the financial inclusion sector. We aim to enable our investees to access international capital markets, grow their portfolio and often vulnerable and underserved client base, serve new client segments, develop new products, and expand their geographic outreach.
- Where appropriate Triple Jump provides customized technical assistance to help investee meet higher operating standards. As of the end of 2021, Triple Jump Advisory Services funded and managed 219 technical assistance projects.
- To measure the impact attributable to Triple Jump's financing, our impact results are prorated according to the share our investment represents of an investee's assets. This reflects our contribution to the impact and the fact that we are part of a group of parties that are enabling an investee's impact.



Principle 4: Assess the expected impact of each investment based on a systematic approach

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer the fundamental questions: 1) What is the intended impact? 2) Who experiences the intended impact? 3) How significant in the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relevant size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

- Triple Jump sets ex-ante impact targets for each investment in its fund of fund activities (via the Dutch Good Growth Fund) and for its Energy Entrepreneurs Growth Fund (EEGF). As part of the investment selection process, the investment and impact team jointly calculate the expected impact of each investment and assess its contribution to the fund's overall impact targets. These impact expectations relate to the type of impact (what), the target beneficiaries (who), the extent of the impact (how much) and the catalytic or systemic impact. Within the 'who' is an assessment of the extent to which the end-clients are underserved.
- Individual targets per investee are established based on conversations with the investee and its past impact performance. These targets are reviewed by the dedicated ESG & Impact team and form part of the investment memorandum on which the investment committee bases its decision.
- For investments in the financial inclusion space, Triple Jump uses a social and environmental performance assessment tool called SPI4 Alinus, which was developed with peers to assess the extent to which the financial institution has defined a social mission (What, Who, How) and if it has the necessary systems and process in place to fulfill and monitor this mission. Further information on SPI4 Alinus [can be found here](#). A minimum score needs to be reached for approval and a summary of the assessment forms part of the investment memorandum on which the investment committee bases its decision. The score is reviewed annually.
- The relevant size of the challenge addressed is assessed by looking at the penetration of the targeted sector in the market and the extent to which the sector is underfunded. Within financial inclusion, the assessment of the penetration of financial services is central to avoid supporting an overheated market with risk of over-indebtedness.



Principle 5: Assess, address, monitor, and manage potential negative impacts of each investment

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

- For all funds under management, an Environmental, Social, and Governance (ESG) management system is implemented to address the ESG issues that may arise throughout the course of an investment. These issues are treated separately from the strategic impact objectives of each fund in that they are unintended adverse risks or opportunistic positive impacts. Exposure to ESG issues can differ significantly between investees, depending on their specific circumstance.
- Triple Jump's ESG management system is coordinated by a dedicated ESG & Impact Team and runs in parallel to the Impact management system, beginning pre-investment and continuing post-investment. Pre-investment, it includes:

Sector-dependent ESG frameworks

Different companies are exposed to different ESG issues and require frameworks based on distinct standards. For our Financial Inclusion portfolio, the Universal Standards of Social and Environmental Performance Management enshrine the essential practices that financial institutions are expected to implement to minimize the chances of over-indebtedness among clients and ensure product affordability – to name two main ESG issues in this sector.

For the companies in our Sustainable Energy portfolio, end-clients are exposed to similar issues related to indebtedness and affordability. But these issues manifest differently due to the differences in the business model between access to energy and financial institutions. Consequently, we based our ESG framework in this portfolio on the GOGA Client Protection Standards. Other standards on which our ESG frameworks are based include the IFC Performance Standards, the ILO Conventions and the United Nations Guiding Principles on business and human rights (UNGPs).

1. The exclusion of activities deemed to be off-limits due to their severe social and/or environmental risks.
2. An ESG risk score and categorization.

3. An assessment of an institution's Commitment, Capacity, and Track record with regard to managing ESG issues.
 4. An in-depth assessment of the ESG management system of the investee, leveraging reputable international standards, such as the IFC Performance Standards and the Universal Standards for Social and Environmental Performance Management. This due diligence is conducted onsite by or under the coordination of the ESG & Impact team.
- If an investee is approved for investment, Triple Jump's ESG management system continues, consisting of:
 1. If applicable, an ESG Action Plan, which is included in the legal agreement and outlines the necessary points of improvement.
 2. Annual reporting of ESG-related indicators and significant changes to the ESG management system.
 3. Engagement with investees if significant changes are observed compared to initial ESG appraisal.
 - The degree to which the full ESG process is implemented is dependent upon the financial instrument used by Triple Jump, with equity investments implying higher requirements due to the nature and duration of the relationship with the investee.
 - For further details on our ESG management system please refer to our [Responsible Investment Policy](#).



Principle 6: Monitor the progress of each investment in achieving impact against expectations and respond appropriately

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate actions. The Manager shall also seek to use the results framework to capture investment outcomes.

- On a periodic basis, investees are required to provide information on pre-defined impact metrics. The selection and reporting frequency of these indicators depends on the specific fund. The impact information is checked for completeness and coherence and investees are engaged if the information appears inaccurate.
- The responsibilities for impact measurement, monitoring and reporting rests with the ESG & Impact team. On an annual basis, the team assesses how investees are performing in terms of impact. Investees are engaged if performance materially differs from expectations.
- Impact information is reported to us directly by our investees. Triple Jump recognizes that having adequate impact management capabilities is also important for our investees. We therefore support selected investees with technical assistance and advisory to improve their impact management system.

Third party independent impact assessments

Understanding development impact and its nuances is complex. In addition to gathering impact results through systematic investee reporting, Triple Jump also commissions third-party impact assessments on selected investments on a regular basis. These deep-dives are essential complements to the regular impact reporting, as they bring independence, depth and the ability to integrate qualitative information in the quest to measuring and understanding impact.







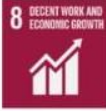




SDG	Target	Impact		Secondary SDG	Impact
	1.4: Ensure equal right to economic resources, including microfinance	Direct beneficiaries reached through microfinance: 540.03K Avg loan to end-clients (EUR): 1,058		2.3: Double productivity and incomes of small-scale food producers through access to finance	Rural borrowers: 68% SMEs in rural areas: 21%
	5.1: End all forms of discrimination against all women and girls everywhere 5.5: Ensure women's full and effective participation and equal opportunities for leadership	Female borrowers: 81% Female-owned SMEs: 36%		11.1: Ensure access to adequate, safe, and affordable housing	Housing microfinance clients: 38.21K
	7.1: Ensure universal access to affordable, reliable and modern energy services 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix 7.3: By 2030, double the global rate of improvement in energy efficiency	Energy products sold: 9.58K 10,290 kWp of additional energy received by end-client 141m hours of light available from sold products		13.2: Integrate climate change measures into policies, strategies and planning	Tons of GHG emissions avoided: 9.23K
	8.3: Promote policies that support job creation and encourage the formalization of MSMEs	SMEs financed: 11K Jobs supported: 114K 34% of financed SMEs are youth-led		4.4: Increase the number of youth and adults who have skills for employment	16,273 SMEs receiving business training
	10.2: Empower and promote the social, economic and political inclusion of all, irrespective of age 10.b: Encourage financial flows to states where the need it greatest	Invested capital in LDC: 16.21% Invested capital in LIC and LMIC: 49%		8.10: Strengthen the capacity of domestic financial institutions	14 TA projects completed by EOY 2021
				17.3: Mobilize additional financial resources for developing countries from multiple sources	1.3bn USD catalyzed investments by EOY 2021

Figure 2: Triple Jump's contribution to the SDGs as of EOY 2021



Principle 7: Conduct exits considering the effect on sustained impact

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effects which the timing, structure, and process of its exit will have on the sustainability of the impact.

- For equity investments a proposed exit must be approved by the investment committee on the basis of an exit memorandum which includes an assessment on the appropriateness of exit in terms of timing, buyer profile, structure, price and potential actions to safeguard the investees mission and impact beyond exit. The ESG & Impact team reviews the proposal and provides an independent advice to the Investment Committee on the topic of responsible exit.
- For debt and fund investments the timing, structure and process of exit is agreed in advance with the investee as part of the loan contract or fund documents. The decision not to renew a loan beyond its term is a function of the needs expressed by the investee, liquidity, pricing and risk, but also considers the potentially negative impact on the investee and its clients. In case of defaulting debt investees, Triple Jump, where possible and consistent with its fiduciary duty, will strive to maintain the going concern of the borrower.



Principle 8: Review, document, and improve decisions and processes based on the achievement of impact and lessons learned

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

- On quarterly or annual basis depending on the fund, the ESG & Impact team assesses the impact results of each investee. Each investee is also required to provide an update of its ESG performance and policies annually. If performance materially differs from expectations the Impact and Investment teams engage with the investee.
- The next step includes assessing impact at the portfolio level. Analyses are conducted to understand the over- and under- performance of each fund against the impact targets. This assessment is then used as input for adapting the portfolio or the investment strategy.
- Third-party impact assessments are conducted on a regular basis at the investee or fund level and provide additional information to validate or adapt the strategy.
- Annual reports to investors are published for every funds and include a review of impact.
- Lastly, Triple Jump actively participates with peers in sector initiatives and working to exchange on the latest knowledge and promote new standards related to impact and ESG management.



Principle 9: Publicly disclose alignment with the Impact Principles and provide regular independent verification of the alignment

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

- As a signatory of the Impact Principles, Triple Jump is committed to disclosing the degree of alignment of its impact management system with the Principles. This disclosure statement will be updated annually and published on Triple Jump's [website](#).
- In accordance with the Impact Principles' requirements, Triple Jump has mandated Steward Redqueen as its external and independent verifier. Steward Redqueen's verification statement, dated 21 July 2021, can be found on the following page.
- The next independent verification is planned to take place during the course of 2024.

VERIFICATION STATEMENT

Background

Triple Jump is a signatory to the Impact. As per the ninth Impact Principle, each signatory undertakes an independent annual verification of the Impact Principles' implementation.

Triple Jump has requested Steward Redqueen to verify alignment of its six funds under management (USD 1 billion as of 30th June 2020) with the Impact Principles.

This verification statement is delivered to Triple Jump on 21 July 2021 and refers to Triple Jump's Disclosure Statement dated 12 September 2020.

Verification process

For this verification, Steward Redqueen undertook the following activities:

1. Review of documentation on Triple Jump's policies, procedures and tools around impact management to assess alignment with the Impact Principles;
2. Verification of how these are implemented in practice based on a selection of six transactions (selected by considering (i) diversity in types of instruments, (ii) geographical location, and (iii) the sector, and (iv) the date of investment);
3. Interviews with staff and senior management to evaluate how impact management is incorporated into team research, discussions, and decision-making.

Verification outcomes

Triple Jump shows clear commitment to impact for each of its sector mandates. Impact is placed at the core of Triple Jump's investment operations and decision-making, demonstrated by detailed policies, procedures and tools and further ensured by a knowledgeable and committed team.

All things considered, Triple Jump's impact practices align with the Impact Principles and its Disclosure Statement provides a fair reflection of the impact framework's operational functioning. Nevertheless, Steward Redqueen identified a few areas with opportunities for improvement.

First, Triple Jump could embrace a more holistic approach to impact at company level, by explicitly connecting Triple Jump's mission and vision with the impact propositions of the sectors it manages and by outlining how each of these sectors contribute to the company's impact goals. Furthermore, Triple Jump could develop an integrated and standardized evaluation process in its investment cycle to ensure that learnings are embedded in its impact management practices.

Haarlem, November 16, 2021

Morgane Fleury



Willem Vosmer

