Delivering lasting impact for underserved communities

IMPACT REPORT 2023



BAMBOO CAPITAL PARTNERS

Delivering lasting impact for underserved communities

IMPACT REPORT 2023

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BAMBOO
CAPITAL PARTNERS



David Grimaud
Chief Executive Officer
Bamboo Capital Partners

"Bamboo's expertise builds upon over 15 years of experience investing in companies that service low-income, underserved communities in some of the world's most challenging geographies and sectors."

Foreword

2023 was a pivotal year for Bamboo Capital Partners. As the world continued to navigate economic uncertainty, climate shocks, and deepening inequality, our mission – to deliver impact-driven capital solutions that create lasting social and environmental impact – felt more urgent than ever.

Over the year, we remained committed to supporting underserved communities by investing in some of the world's most challenging geographies and sectors. In close partnership with our investees, we focused on helping them adapt to climate change, reduce gender inequalities, and improve low-income populations' livelihoods. Whether supporting financial inclusion in underserved communities, accelerating clean energy access, supporting agribusiness value chains or backing innovative digital health solutions in low- to middle-income countries, our work aimed to generate meaningful and measurable impact.

The blended finance funds that Bamboo manages continued to deploy investments in some of the world's most challenging geographies. The Agriculture-Based Capital (ABC) Fund further empowered smallholder farmers through five new investments in two agri-SMEs, a farmer cooperative, and two financial institutions. Persisting in our support to investees facing challenges such as the consequences political turmoil, inflation, value chain disruptions and climate change, we endeavored to remain a flexible and patient financing partner. With six additional investments, the BUILD Fund, focused on Least Developed Countries, continued deploying capital in 2023. Leveraging our partnerships with UNCDF, we will perpetuate our efforts to bridge the financing gap faced by SMEs in these regions.

Our funds Oasis and Financial Inclusion II have continued progressively exiting stakes in their portfolio companies, striving to return capital and profit to investors. Our World Bank mandates in the Clean Energy sector in Haiti (OGEF) and Madagascar (OMDF) have remained committed to providing energy access in remote areas and were complemented by the launch of FESEC, focused on accelerating access to solar energy and clean cooking in Burundi.

Going forward, we will focus on accelerating the deployment of investments within our blended finance funds as well as clean energy mandates, as well as building upon our long-lasting experience and staff expertise in the financial inclusion sector.

Bamboo's expertise builds upon over 15 years of experience investing in companies that service low-income, underserved communities in some of the world's most challenging geographies and sectors. We are committed to continue to serve our target beneficiaries and to leverage our successes and lessons learnt to deliver lasting impact. We will also increase efforts into mobilizing capital for our target geographies and sectors. Pushing the boundaries of our investments to channel capital where it is most needed and scaling impact will necessarily require attracting institutional investors, whose attention is currently diverted from our area of interest.

Bamboo's progress on this transformative journey would not be possible without the support of our partners and stakeholders to whom I express my sincere gratitude. Their collaboration will be necessary to continue delivering a strong impact and increase our common reach, accelerating innovation in the impact investing sphere.

I also specifically wish to commend the unwavering dedication of our Bamboo team, who are our paramount asset. This is an incredibly committed group of people – committed to Bamboo and to our partners, but most of all to the impact and outcomes of our work.



Bamboo Capital Partners today

Bamboo Capital Partners ("Bamboo") is an impact asset manager which provides innovative financing solutions to catalyse lasting impact. Bamboo bridges the gap between seed and growth stage funding through a full suite of finance options – from debt to equity – which we activate unilaterally or through strategic partnerships. Founded in 2007, Bamboo aims to improve the lives of underserved communities across the world while delivering financial returns. Since its inception, Bamboo has raised over $450m and invested in over 40 developing countries. Bamboo has a team of 50 professionals active across Europe, Latin America, Africa and Asia. Bamboo is the Asset Management arm of global impact firm Palladium, which operates in over 90 countries.



Latin America

Argentina
Bolivia
Brazil
Chile
Colombia
Ecuador
El Salvador
Guatemala
Haiti
Honduras
Mexico
Paraguay
Peru

Bogota

IMPACTASSETS

Bamboo Capital Partners included in the IA50 list of ImpactAssets for 12 consecutive years and recognised as an Emeritus Impact Manager

ESG
LUXFLAG Label

GIIRS IMPACT RATED

BEST for THE WORLD 2017

Operating Principles for Impact Management



Africa

Benin
Burkina Faso
Burundi
Cameroon
Côte d'Ivoire
Ghana
Kenya
Mali
Malawi
Madagascar
Mozambique
Niger
Nigeria
Rwanda
Senegal
Sierra Leone
South Africa
Tanzania
Togo
Uganda
Zambia



Middle East

Jordan
Lebanon
Iraq

Luxembourg
Geneva
Bujumbura
Nairobi
Antananarivo



Asia

India
Indonesia
Kyrgyzstan
Laos
Mongolia
Pakistan
Philippines
Romania
Vietnam

BCP Offices



Countries of investments

Cumulatively, our investee companies have positively impacted nearly 253 million lives, supported over 61,100 jobs including 21,700 jobs for women, and avoided 17.7 million metric tons of CO2 emissions.

Contributing to the Sustainable Development Goals

Across the Funds that we manage, Bamboo invests in companies that improve the lives of underserved populations in developing countries. Through their products, services or operations, investee companies generate lasting impact and contribute to the Sustainable Development Goals.



50 microfinance institutions and **8 fintech** companies financed

105.9 million people provided with access to financial services



4 farmer organizations and **17 agribusinesses financed**

147,217 smallholder farmers supported by farmer organizations and agribusinesses



6 access to healthcare companies financed

4.4 million patients served by investee companies



2 access to education companies financed

3,200 children attended affordable schools in India

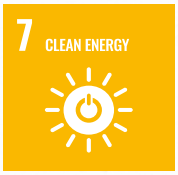
13,300 student loans provided in Mexico



21,725 women jobs supported within investee companies

3 companies providing financial services entirely dedicated to women have served so far **4.9 million female borrowers**

61% farmers supported by investee organisations are female

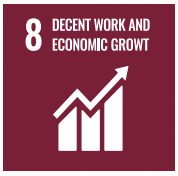


23 off-grid solar energy companies financed

178 MW installed clean energy capacity

105.5 million people provided with access to solar energy

119,172 businesses provided with solar energy systems



61,102 jobs supported within investee companies

8 fintech companies financed having served 4.2 million clients through digital technologies

121 companies serving low- to middle-income populations financed

Over 253 million lives impacted by investee companies

104,993 metric tons of agricultural production from investees in the agricultural sector in 2023

237,696 hectares of agricultural land farmed by companies financed in the agricultural sector

4 Fairtrade certified farmer cooperatives representing 48,044 smallholder farmers

Sustainability certifications generated 1.86 million EUR in price premiums for agricultural production

17.7 million tons of CO2 emissions avoided by investee off-grid solar energy companies

Partnerships with the World Bank, the United Nations Capital Development Fund (UNCDF), the International Fund for Agricultural Development (IFAD), Smart Africa and many other public and private partners committed to contributing to the SDGs.

Cumulative data reported by active investees as of December 2023 and latest data available at time of Bamboo's exit for divested companies. Scope: active funds managed by Bamboo as of December 2023 (Bamboo Financial Inclusion Fund I, Bamboo Financial Inclusion Fund II, Oasis, BEAM, ABC Fund, BUILD, BLOC Smart Africa, OGEF, OMDF).





TECH FOR IMPACT

Leveraging digital technologies for accelerated economic and social impact

By revolutionizing how humans live, work, and connect, technology can create a pivotal impact in underserved communities, providing essential opportunities for education, economic advancement, and social connection and inclusion. For instance, technology improvements have strongly contributed to expanding electricity access globally: since 2000, global access to electricity has jumped from 75% to 90% in 2020, while the global population dramatically increased by 2 billion over that period. However, the population without access to electricity has increased in Sub-Saharan Africa, where 80% of the people without access to electricity are living.

As technology is such a rapidly expanding sector, communities that lack its access constantly miss out on new opportunities and changes that can drastically improve change their way of living. Although connectivity has experienced drastic improvements, there are still ongoing disparities in digital inclusion. Around 33% of the global population still lacks reliable access to the internet according to the International Telecommunication Union (ITU). The digital divide creates significant obstacles to economic prosperity by perpetuating isolation and limiting access to essential resources.

2023 was a volatile year for the tech market. Stocks saw a modest rebound after 2022's downturn. The market rebounded primarily due to easing inflation and renewed investor confidence, especially in sectors like green technology, health tech and artificial intelligence. Despite this slight recovery, the tech industry still struggles with economic headwinds, including softening consumer spending and reduced product demand, compounded by falling valuations and global uncertainties such as geopolitical tensions and supply chain disruptions. Many tech companies that had rapidly expanded during the pandemic were forced to downsize significantly. Additionally, emerging markets still face capital constraints, which further aggravate the intensifying digital divide. Venture capital funding contracted, affecting startups and scaleups.

In 2023, total funding in Africa, including both equity and debt, fell by 46% year over year, from $6.5 billion to $3.5 billion. The number of deals also saw a 28% reduction. These declines resulted from the impact of the macroeconomic challenges such as high interest rates, currency devaluation and inflation. In this context, startups focused on capital efficiency over fundraising. The Seed stage continued to account for most of the equity deals in 2023. At the Series A stage, there was a moderate decline suggesting a consistent interest in startups as they begin to scale, while the Series B and Growth stage faced a notable decrease. This not only illustrates the overall reduction in the number of large-scale investments but also reflects the significant shift in investor sentiment, where there is a cautious stance on the most substantial funding rounds amidst the economic uncertainties.

Over the year, Bamboo continued to support underserved communities steering through economic uncertainties via investments in sustainable tech solutions increasing access to essential products and services. The revolutionary potential of technology lies in its ability to enable extension of affordable access to essential products and services including energy, financing, education and healthcare, to last mile communities. BLOC Smart Africa, a blended finance tech impact fund managed by Bamboo, is directly dedicated to this mission. Founded with the intention to finance high-impact tech-enabled companies in Africa, BLOC Smart Africa has invested over EUR 2.3 million into technology-based businesses. The fund invests in businesses using scalable technology-led solutions that create growth opportunities for underserved communities in Africa. BLOC Smart Africa is a partnership between Bamboo and the Smart Africa Alliance, a pan-African initiative to accelerate sustainable socioeconomic development, and is supported by the Governments of Luxembourg and Côte d'Ivoire. The Smart Africa Alliance supports investee fundraising efforts and deal flow sourcing in the tech sector, and connects investees into its technology ecosystems, including incubators and accelerators.

BLOC Smart Africa's investees use technology to accelerate access to essential products and services in the continent. For instance, TooMuchWifi is a South African internet service provider that provides reliable, uncapped, high quality and affordable broadband internet services to underserved households and businesses in South African townships. In the agricultural sector, BLOC Smart Africa invested in Afrikamart, a Senegalese end-to-end supply chain platform which improves smallholder farmer access to markets in Senegal while ensuring transparency, precision, and efficiency in the food value chains. Afrikamart's technology streamlines supply chain operations and improves sustainability by reducing food waste, supporting local food production, and decreasing reliance on imports. In the healthcare sector, BLOC Smart Africa invested in Kasha, a femtech platform operating in Kenya and Rwanda which enables women to discreetly purchase healthcare and personal care products, such as menstrual hygiene products, contraceptives, and other health-related items. Additionally, BLOC Smart Africa's investee Waspito is a health tech startup from Cameroon, that leverages technology to provide a seamless and accessible healthcare experience to address critical gaps in healthcare access and delivery in underserved regions. They achieve this through home diagnosis services, medication delivery, and a health-centric social network. They offer instant video consultations with verified doctors and collaborates with pharmacies to ensure that patients in remote areas can obtain quality medical care.

Bamboo also manages the Financial Inclusion Fund II, an impact fund dedicated to accelerating financial inclusion in emerging markets with a special focus on fintechs. For instance, Bamboo's Financial Inclusion Fund II has invested in Amartha, a pioneering peer-to-peer lending platform for micro-entrepreneurs in Indonesia. Founded in 2010 by Indonesian entrepreneur Andi Taufan Garuda Putra, Amartha started as a microfinance institution before pivoting into Fintech P2P lending in 2016. Amartha's mission is to connect aspiring micro-entrepreneurs in rural areas who lack prior credit history experiencing difficulties finding working capital with online lenders interested in making profitable, impactful investments. They do this while employing a self-learning algorithm that assesses borrower risk, creating credit histories for future funding. To ensure inclusivity for those without smartphones or access to internet, Amartha also rely on a network of field agents to reach remote areas.

Other Funds managed by Bamboo also support tech-driven business models that align with their impact thesis. For instance, the ABC Fund has financed Apollo Agriculture, a Kenyan agritech company which uses machine learning and automated operations technology. It aims to help smaller scale farmers access the resources they need to maximize profitability by providing a bundle of financing, inputs, advice, and insurance. Apollo's digital approach integrates machine learning and satellite data throughout the farming lifecycle, from customer acquisition and credit evaluation to repayment collection, as well as evaluating customer credit worthiness. The farmers receive seeds and fertilizer through a voucher system and repay via mobile payments after the harvest. Apollo is building on previously run pilots to launch new crops and products, with the aim of enabling a shift from subsistence maize farming to more profitable, commercial farming.

Waspito – Improving healthcare access and delivery in Cameroon and Ivory Coast

700,000 patients subscribers

71% female subscribers

32% users are located in peri-urban or rural areas

1,030 verified doctors registered

151 laboratories registered

Over 82,000 tele-consultations

Over 6,800 laboratory encounters

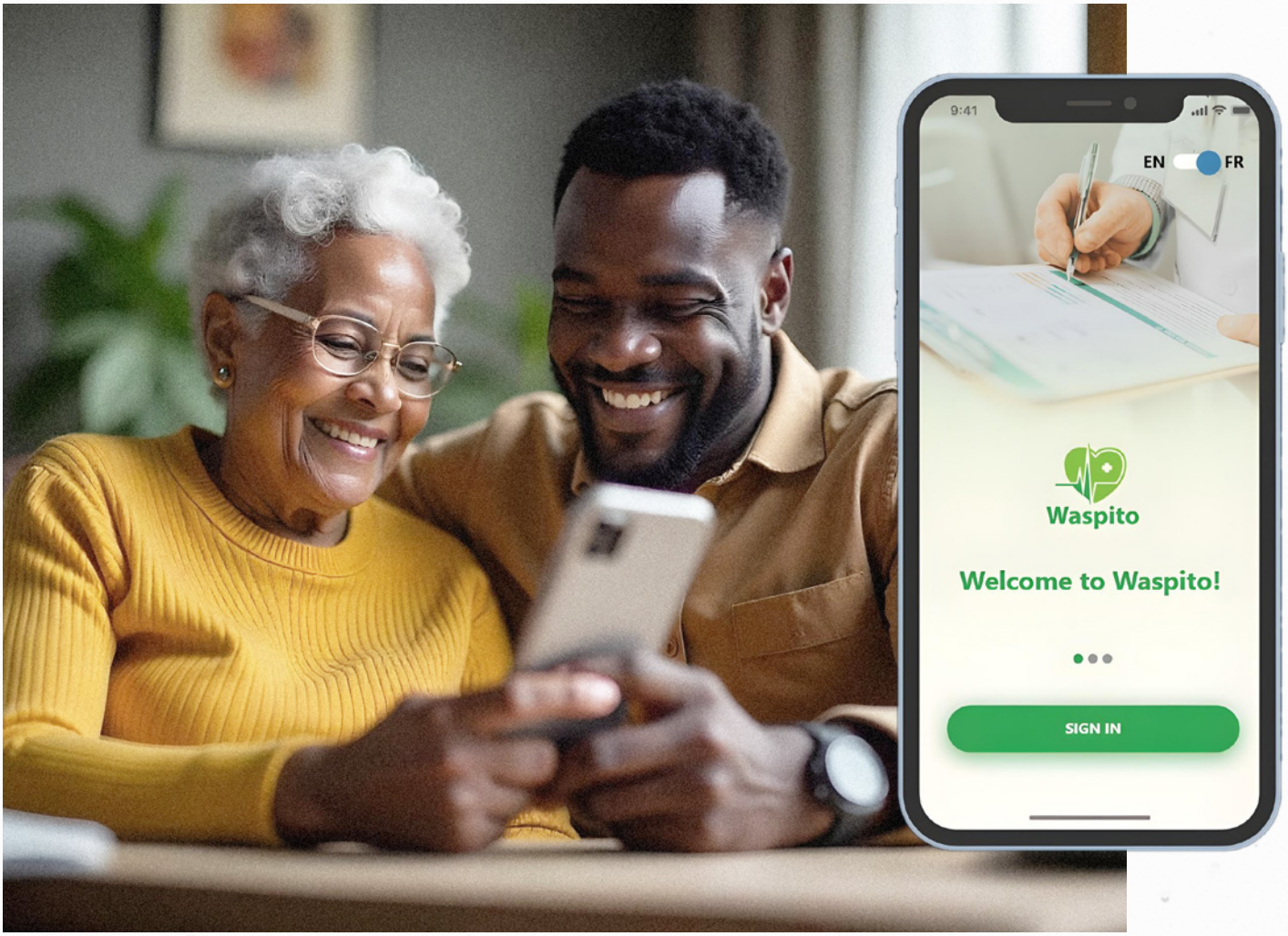
Access to healthcare in Africa faces numerous challenges, including a high disease burden, limited healthcare infrastructure, and financial barriers. According to WHO, about 672 million people, representing 56% of the African population, do not have access to quality healthcare. This disparity is driven by a shortage of healthcare professionals, insufficient medical facilities, and inadequate healthcare infrastructure, particularly in rural and underserved areas. It is estimated that at least 500 million people must travel a minimum of 5km before being able to see a doctor. For a specialized one, this distance is multiplied exponentially. A significant portion of healthcare expenditure in Sub-Saharan Africa comes from out-of-pocket payments directly borne by households, averaging over 30% of total health expenditure. African governments spent only 7.4 percent of their national budgets on health care on average, the lowest proportion compared to other regions of the world according to Human Rights Watch. This financial burden often leads to catastrophic health expenditures for many families, pushing them into poverty.

Achieving universal health coverage is a pivotal objective for the continent, striving to guarantee that all individuals and communities can access essential health services without facing financial strain. Efforts are underway to strengthen African health systems, improve service delivery, and provide financial protection to reduce out-of-pocket expenditures. Especially, there is a growing emphasis on digital health solutions to bridge gaps in access to healthcare. Telemedicine, mobile health applications, and artificial intelligence are increasingly being adopted to improve medical outcomes, enhance diagnostic accuracy, and provide remote consultations. Telemedicine is a global trend that has accelerated during the COVID-19 pandemic.

Waspito, a health tech startup based in Cameroon, has made significant strides in improving healthcare access and delivery in the region since its founding in 2020. Cameroon especially faces important healthcare challenges, exacerbated by conflicts in the Western part of the country. In some underserved rural areas, the doctor-to-patient ratio falls to 1:50,000, well below the OECD average of 1:300 and the WHO minimum recommendation of 1:10,000. Created in 2021, Waspito leverages technology to provide a seamless and accessible healthcare experience, connecting doctors, patients, and laboratories on a single interface. Through instant consultations, home diagnostic services, medication delivery, mobile laboratory, and a health-centric social network, Waspito addresses critical gaps in healthcare access and delivery in underserved regions.

The platform offers customers instant consultation with verified doctors without requiring booking an appointment, as well as mobile laboratory and imaging services. The interface also contains health-related information with the possibility for customers to access their health records, consultation history, and diagnostic results. This feature helps in maintaining continuity of care and easy access to personal health data. After consultations, prescriptions can be filled, and medications delivered directly to the user's location. Waspito collaborates with pharmacies to ensure timely and accurate delivery of medications. The platform also provides mobile laboratory services, where lab technicians collect samples from users' homes, and medication delivery services. These features help streamline the process of obtaining medical care and reduce the barriers for patients living in remote areas, reducing the need for users to travel to laboratories and wait in long queues.

Waspito has built a health-centric social network where users can interact with medical professionals anonymously to get preventive care tips and ask health-related questions. The platform also acts as an interactive health social network for patient education and support. Patients can discuss anonymously with doctors to get care tips or answers to health-



related questions. This approach has made healthcare more accessible to many people who otherwise might not have timely access to medical advice and services. To reach customers, the company has established partnerships with telecommunication and insurance companies Orange and Prudential. Insured customers have access to Waspito's services and telecommunication companies' clients are given discounts.

With its model, Waspito enables patients from underserved areas to access healthcare services while giving doctors the possibility to earn extra income. The company aims to rapidly scale up, enhancing access to healthcare for a larger share of the African population. With a reduced consultation price, The platform now counts 700,000 customers, 71% of whom being women and 32% residing in peri-urban or rural areas. As at December 2023, 82,000 tele-consultations had been made on the platform, which has also enabled 6,800 laboratory encounters. It has onboarded over 1,000 doctors and 151 laboratories, demonstrating substantial engagement and a growing user base.

The company has undergone very rapid growth since inception and sets high targets for the coming years. Waspito has expanded beyond Cameroon into Ivory Coast, and it plans further growth into other Francophone African countries. As mobile penetration increases rapidly, West Africa presents considerable opportunities. In Cameroon alone, the total addressable market is worth USD 1 billion, with 50,000 consultations per day. Waspito's growth will mainly come from new partnerships with insurance companies and the development of its B2C practice, directly reaching patients and increasing the number of users. In Ivory Coast, the company is piloting hybrid models to better serve offline populations, such as setting up a network of mini-clinics within postal branches to ensure broader healthcare access. This model aims to bridge the gap between digital and offline healthcare services.Ivory Coast also allows the sale of drugs online (which is not the case in Cameroon) enabling Waspito to collaborate with pharmacies and facilitate timely access to medications.

Capitalizing on this momentum, the company raised $2.7 million in seed funding in 2022 and $2.5 million in 2023. The BLOC Smart Africa Fund has participated in the 2022 funding round through a USD 457,000 investment. Other seed round investors included Launch Africa and Orange Digital Ventures. With its innovative approach, Waspito gained significant traction and was named the best health startup in Africa at the 2023 VivaTech awards. Within 5 years' time, Waspito aims to serve over 5 million people and be present in 11 countries throughout Africa. To accelerate the growth of both its B2C and B2B segments, Waspito plans to expand in other Francophone countries such as Senegal and Gabon. To secure the necessary financing for this expansion, Waspito hopes to raise additional funds through a Series A round.

FINANCIAL INCLUSION



Digital transformation and new players as a driving force to increase financial inclusion

According to the World Bank's Findex, about 1.4 billion adults remained unbanked globally in 2021. Regions with the highest share of the population lacking access to formal financial services included Sub-Saharan Africa (57%), Middle East and North Africa (48%) and South America (42%). Financial inclusion focuses on providing equitable access to financial services for all individuals, especially underserved groups. This includes services like payments, savings, credit, and insurance. In microfinance, for example, the industry has continued to play a crucial role in promoting financial inclusion, particularly in underserved and rural areas. Innovations in microfinance have been focused on enhancing accessibility and affordability of financial services for low-income populations.

2023 was a year of substantial challenges and evolution in the financial inclusion space. High interest rates and inflation, along with significant appreciation of hard currencies like the US dollar, shaped the economic landscape. Amidst these conditions, financial (client) deposits grew due to attractive rates, while lending growth slowed. This macroeconomic environment pressured emerging economies and frontier markets, particularly impacting financial intermediaries with rising funding costs and narrowed financial margins. Consequently, many

institutions implemented cost reduction strategies to improve their profit margins or contain losses and cash burn.

The presence of well-funded and emerging players in the financial services sector, leveraging new customer-experience models and digital channels, has introduced a wide range of alternatives to serve broader populations with loans, payments, remittances, savings, and other financial products. Digital insurance, especially non-life insurance, is gaining momentum, driven by policies like subsidized personal accident and health insurance, particularly in Asia. Despite its growth, the digital insurance sector remains underpenetrated, indicating substantial potential as digital distribution channels expand.

Digital banking has also experienced significant growth, fueled by increased internet access and smartphone penetration (which reached 69% globally in 2023). In emerging markets, there has been a notable rise in mobile and internet banking usage across Latin America, Africa, and Asia. For instance, a large portion of Brazil's population now accesses financial services via mobile phones and internet banking platforms, reducing reliance on traditional banking channels. The digital wave has even reached remote corners of Latin America, increasing internet penetration and enabling broader access to financial services and e-commerce, which in turn drives economic development and financial inclusion.

In Africa, fintech has become a significant recipient of debt financing, accounting for around 20% of total disclosed debt funding. Digital lending products are a major focus, with startups using their existing loan books as collateral to secure funding. Most debt funding has gone to companies in Nigeria, Kenya, Egypt, and South Africa, which have become hubs for digital innovation and entrepreneurship, attracting substantial investment to support their growing tech ecosystems.

In Asia, the adoption of digital financial services in Southeast Asia (SEA) has been rapid. Digital payments now constitute more than 50% of transactions in the region, with a noticeable shift from cash to digital payments, including QR codes and various online payment methods.

The expansion of digital services has particularly benefited middle- and lower-income classes by making financial services more accessible. Fintech companies have introduced innovative financial solutions tailored to the needs of unbanked and underbanked populations, such as digital payment apps, online lending platforms, and blockchain-based solutions. The use of fintech services has grown substantially, streamlining financial transactions and increasing convenience for users.

At Bamboo, we have made progress in exiting our legacy funds, particularly the Bamboo Financial Inclusion Fund I, which, as of the end of 2023, has four remaining positions in microfinance institutions (MFIs) that are seeking exits in the next 12 months. These companies have continuously evolved, enhancing their corporate governance and adopting digital tools and strategies to improve their operations, client service, and profitability. The Bamboo Financial Inclusion Fund II is seeing growing interest in its portfolio companies, with some nearing potential public market issuances or attracting local market interest for consolidations and strategic acquisitions. Others have faced challenges amidst the difficult macroeconomic environment and scarce venture funding.

The Agri-Business Capital (ABC) Fund has continued to deploy debt funding to partner MFIs working with smallholder farmers, contributing to the expansion of financial services and technical assistance for these segments of the population.

The ABC Fund's involvement with UNI2, one of its portfolio companies in Latin America, exemplifies this commitment. In 2021, ABC Fund provided a subordinated debt facility to UNI2, aimed at bolstering their financial stability and supporting their growth. This facility included a technical assistance component focused on the digitalization of UNI2's operations and enhancing the efficiency of their credit advisory processes. Specifically, the technical assistance involved the development and implementation of a comprehensive digital platform that streamlined loan application processes, improved data management, and facilitated better customer relationship management. Additionally, the training of credit advisors on using digital tools was prioritized to ensure they could effectively leverage these technologies to better serve their clients.

The technical assistance provided has led to significant improvements in UNI2's digital capabilities and the efficiency of their credit advisory processes. This has enhanced their outreach and service quality, further contributing to financial inclusion in the region. With continued support from the ABC Fund, UNI2 is well-positioned to attract additional equity investors, sustain its growth trajectory, and expand its impact on financial inclusion for smallholder farmers and underserved communities.

Furthermore, ABC Fund's strategic investment in Insotec during the COVID-19 pandemic played a pivotal role in supporting the institution through a transformative period. Over three years, our investment accompanied Insotec in its transition to becoming a bank, a milestone achieved in the first half of 2023. This transformation enabled Insotec to significantly enhance its service offerings, reach a broader customer base, and strengthen its financial position, ultimately contributing to greater financial inclusion in Ecuador.

By integrating innovative financial solutions, digital transformation, and strategic investments, the ABC Fund exemplifies the potential to drive financial inclusion and economic development in emerging markets.

Cumulatively, as of December 2023, across all funds managed by Bamboo:

50 microfinance institutions and 8 fintech companies financed

105.9 million people provided with access to financial services

8 fintech companies financed having served 4.2 million clients through digital technologies



Premier Credit Kenya - Improving skills and financial inclusion of dairy farmers in Kenya

Although being the continent's strongest region in terms of economic growth, several challenges such as conflicts and severe drought are threatening food security in East Africa. Agriculture is the backbone of the Kenyan economy, contributing to one-third of the country's GDP and over 50% through connections with other sectors. The sector employs over 40% of the Kenyan population and provides livelihood to over 70% of the rural population. Despite the strong contribution of the agricultural sector to the country's economy, over 35% of the Kenyan population is food-insecure. Enhancing the production performance and supporting smallholder farmers and SMEs involved in local food value chains is crucial to improve food security in the country. However, the funding needed to support rural agricultural ecosystems is not always available from local credit institutions or commercial banks.

To address this unmet demand, Premier Credit Kenya began operating in 2014 as a credit only institution providing credit to individuals and SMEs, with an average loan size around USD 500. Premier Credit now has 97 branches, most of them located in rural areas (76) where a majority of households derive their income from agricultural activities. The company has actively sought to address gender inequality by having 52% of its rural borrowers and 66% of its employees as women. The microfinance institution's unique offer also lies in its ability to process demands and disburse capital faster than any other credit institution in the country.

In 2021, in order to support the growth of Premier Credit's agricultural portfolio, the ABC Fund extended a term-loan facility of EUR 2.0M to Premier Credit. At the time when the ABC Fund assessed the opportunity to support Premier Credit Kenya, the Company had deployed loans suitable for farmers, such as group loans and biogas loans to finance bio-digesters, however these did not compose a significant proportion of the company's loan portfolio. Premier Credit Kenya's agriculture loan clients were mainly served through the SME loan products and Personal loan products. The company saw the ABC Fund as a critical partner in strengthening and scaling their agriculture lending strategy by improving internal capacity to service various agriculture value chains and efficiently assess agriculture credit risk. The first amount of EUR 1.0M was disbursed to Premier Credit in December 2021. A subsequent investment of EUR 1.0M was made following the institution's demonstrated ability to work with smallholder farmers and agriculture-focused SMEs (mainly for working capital loans). Indeed, from the beginning of 2022 to the end of 2023, the agri-portfolio grew from USD 5.3M to USD 7.7M.

In addition to the capital provided by the ABC Fund, the company received funding for a technical assistance project to support dairy farmers benefitting from Premier Credit's Maziwa loan product (Maziwa means milk in Kiswahili). Dairy milk yields in Kenya remain well below global average and high price volatility often results in thin margins for smallholders farmers. Through its Maziwa loan product, the company provides financing to dairy farmers as well as technical support. The Maziwa loan product allows dairy farmers to access loans with a tenure of 1-12 months and amounts ranging from EUR 12.00 up to EUR 2,500. The loans are approved within 24-48 hours. Premier Credit also gives farmers the option to take up insurance on their livestock. To deepen the impact of this loan product, Premier Credit was seeking to provide further technical assistance to its Maziwa clients. To this end, Premier Credit Kenya received technical assistance funding from the Smallholder Safety Net Upscaling Programme (SSNUP), an initiative supported and funded by the governments of Luxembourg, Switzerland, and Liechtenstein. The objective of this technical assistance is to help farmers improve their agricultural practices, skills related to animal husbandry, enterprise development and financial literacy, as well as constructing 15 silage training sites. The project started in 2023 and will be finalized mid-2024.

PremierCredit
Your premier choice ... in Credit

As of December 2023:

97 branches across Nairobi, Central, and Western Kenya. Most of the branches are located in areas where a majority of households derive their income from agricultural activities.

1,200 rural employees, of whom 66% are women and 94% are young

KES 72,644 (USD 563) average loan size

51,584 rural borrowers served with Premier Credit's products

52% of rural borrowers are women

30% of rural borrowers are young

31% of borrowers involved in food crops



ENERGY ACCESS

Expanding access to electricity for last-mile communities through off-grid solar solutions

The number of people worldwide lacking access to electricity in 2023 declined to 750 million people, about 10 million less than in 2022. The 2023 progress was mainly driven by renewed grid expansions and the adoption of solar home systems in sub-Saharan Africa, according to the International Energy Agency (IEA). However, this progress is fragile and 2022 was the first year in decades showing a global reversal in progress, with the number of people lacking access to electricity globally increasing. Although the energy crisis and Covid-19 explained part of this surge last year, an important portion of it is also associated with an imbalance between improvements in energy access and population growth in Sub-Saharan Africa. According to the IEA, 80% of the 745.7 million people lacking access to electricity in 2023 are located in Sub-Saharan Africa. In Asia, the number of people without access to electricity was divided by seven over the past 10 years, from 761.1 million in 2013 to 106.9 million in 2023. During the same period, the population without electricity access remained stable in Sub-Saharan Africa.

Addressing this issue is paramount as lacking electricity is a poverty trap for low-income households. Enhancing populations' electricity access enables improved quality of life with considerable impacts on health, education, security,

and capacity to generate an income. In addition, the lack of electricity access limits investment and hinders the development of productive businesses.

Additionally, in 2023, nearly a third of the world's population (2.3 billion people) was living without clean cooking, using combustible materials to cook, and thus breathing hazardous substances on a regular basis. The lack of access to clean cooking causes approximately 3.7 million deaths annually, 60% of whom are women and children. This issue also affects productivity and women's education, as households without clean cooking spend on average five hours per day collecting fuel and cooking. In Africa, roughly four in five (1 billion) people rely on highly polluting cooking fuels used in open fires or basic stoves. As for electricity access, progress advances slower than the growth of the sub-Saharan African population, causing the number of people without access to clean cooking to continue rising in Africa. While technology and policy solutions are known, the region faced a clear lack of proper implementation and funding. As an illustration of the growing consciousness around this issue, the first-ever cooking summit was held in May 2024 in Paris. To ensure universal access by 2030, 300 million people need to gain access to clean cooking every year.

Electricity and clean cooking access are most severely lacking in rural areas and companies face multiple issues when trying to implement plans to address these challenges. For electricity access, off-grid solar technologies are an important complementary solution in the short term. However, as most end-customers are unavailable to pay upfront, companies have to pre-finance products and manage payment collections. This scheme poses several challenges as products are paid in USD and proceeds received later in local currency, requiring the selling company to provide customer financing and manage currency and collection risks. With important fixed costs and low profit margins, off-grid solar distributors must reach scale to become financially sustainable.

On the clean cooking side, the two primary solutions are liquefied petroleum gas (LPG) cooking systems and electric cooking solutions. The former requires efficient fuel distribution networks to be a suitable option. For the latter, accessibility challenges are exclusively related to electrification issues. Therefore, for both access to electricity and clean cooking, challenges related to infrastructure development and customers' purchasing power add up.

In recent years, the energy access sector has achieved significant progress in several larger markets, enabling million people to access clean energy. Beyond providing energy for lighting, mobile phone charging, and small appliances, companies are increasingly focusing on productive uses of off-grid solar solutions, including solar water pumps, cold storage, and other products designed to support public institutions. Despite these advancements, off-grid companies targeting the most remote and low-income households continue to face challenges in achieving profitability. Even within large markets, reaching the poorest rural communities often necessitates substantial grant funding or reliance on cross-subsidization strategies. Indeed, for products targeting households, margins are constrained by customers' low purchasing power. Companies offering these products thus need to offer consumer financing, secure capital to prefinance the assets, and effectively manage credit risk. For many of these companies, the cost of capital is extremely high, particularly in contexts where they face currency devaluation because the products are often purchased upfront in USD, while payments are collected from customers in local currency over an extended period. Currency devaluations have severely impacted many developing countries where off-grid solar solutions are deployed, leaving companies with limited access to affordable local currency financing options.

Companies targeting underserved households need the help of grants to scale and reach populations in remote areas and to become financially sustainable. Results-based financing is among the most effective methods of delivering subsidies, as it motivates companies to meet clearly defined quantitative targets. Companies offering products to SMEs of the commercial and industrial (C&I) sector tend to generate healthy enough profit margins and rely less on subsidies. In both cases, focusing on companies' financial sustainability and preventing market distortions should remain the key focus.

Carefully designing and managing sector development programs for clean energy access has become a core competency of Bamboo. Bamboo has a long experience in investing in companies providing off-grid solar energy solutions to low-income households who do not have access to electricity, through the Oasis Fund launched in 2007 and the Bamboo Energy Access Multiplier (BEAM) Fund launched in 2018. Bamboo's pioneer, exploratory fund Oasis started to invest in clean energy access over a decade ago, recognizing the sector's strong potential to deliver long-term impact for low-income people. Over the years, Bamboo explored various business models, from pico-solar to mini-grids using biomass and solar power, as well as solar home systems relying on tech platforms with remote control and pay-as-you go functioning.

More recently, we started to deploy our expertise in clean energy in specific countries where we were selected as fund manager to support Governments' plan to build or develop the clean energy market. In 2019, the Haitian Government launched the Off-Grid Electricity Fund (OGEF) with support from the World Bank to address Haiti's critical electricity access challenges. The fund aims to electrify 200,000 Haitian households and SMEs within a decade. Its mission is to transform Haiti's outdated and unreliable energy system, heavily reliant on costly fossil fuels, into a modern and sustainable energy market with diverse energy sources. OGEF achieves this by providing debt and grant financing to companies delivering off-grid energy solutions in the country. The fund is co-managed by Bamboo Capital Partners and Haiti's Development Finance Institution, Fonds de Développement Industriel (FDI). Backed by the World Bank, OGEF is financed through the Clean Technology Fund and the Scaling Up Renewable Energy Program, initiatives that drive climate action by advancing clean technologies, enhancing energy access, and promoting climate resilience in low-income and developing nations.

In Burundi, the Ministry of Hydraulics, Energy, and Mines (MINHEM) of the Republic of Burundi recently launched the Solar Energy



Project in Rural Communities, also known as SOLEIL-NYAKIRIZA, with financial backing from the World Bank. The project aims to enhance access to electricity and promote efficient, clean cooking solutions across rural areas. A key component of SOLEIL-NYAKIRIZA is the Solar Energy and Clean Cooking Fund (Fonds d'Energie Solaire et de Cuisson – FESEC). Bamboo Capital Partners was selected by MINHEM as the international fund manager for FESEC. With a budget of USD 17 million, FESEC is designed to provide off-grid solar products to 65,000 households and improved stoves to 300,000 households for cleaner and more efficient cooking.

The Government of Madagascar and the World Bank launched the Off-Grid Market Development Fund (OMDF), a USD$ 40 million renewable energy access fund and appointed Bamboo as international fund manager in 2020. OMDF aims to increase access to electricity via off-grid solar energy solutions, from solar lamps to entry-level Solar Home Systems (SHS). The Fund aims to support the electrification of at least 300,000 households and SMEs in Madagascar, initially until June 2024. The fund's lifetime was recently extended to June 2025. OMDF is part of the LEAD project ("Least-Cost Electricity Access Development Project"), an initiative of the Malagasy Government, led by the Ministry of Energy and Hydrocarbons (MEH) and financed by the World Bank. The Fund is managed by Bamboo Capital Partners in partnership with Société Générale Madagasikara. OMDF provides both a Results-Based Financing (RBF) grant program and a loan facility. The RBF grants are designed to support off-grid solar distributors in expanding their operations within Madagascar. The grant facility offers subsidies to companies distributing VeraSol certified products, with extra incentives for those implementing end-customer financing solutions through pay-as-you-go models or microfinance institutions (MFIs). Additionally, the grant facility assists new market entrants by partially prepaying the RBF grant to help them overcome entry barriers. In parralel, OMDF extends credit solutions to distributors and financial institutions involved in the off-grid solar sector. This credit offering is specifically aimed at financing working capital, building inventory of quality products, and facilitating end consumer financing. Moreover, it will help establish credit history within the energy access sector in Madagascar, thereby attracting additional private sector investment to solar distributors. As of December 2023, the beneficiaries of OMDF's result-based grant financing have sold over 236,000 off grid solar products of which over 106,000 were sold in 2023, cumulatively reaching over 224,000 households and over 12,000 small- to medium-sized businesses. These products generated more than 552,000 kWh of clean electricity during the year, avoiding nearly 45,000 tons of carbon emissions (tCO2eq) in 2023.

Cumulatively, as of December 2023, across all funds managed by Bamboo:

178 MW installed clean energy capacity

105.5 million people provided with access to solar energy

119,172 businesses provided with solar energy systems

17.7 million tons of CO2 emissions avoided by investee off-grid solar energy companies

ORB ENERGY – Scaling solar energy adoption for households and businesses in India and Africa

Orb Energy was founded in 2006 by Damian Miller and NP Ramesh in India with the mission to make solar energy affordable, available, and hassle-free to customers looking for a better energy alternative. At that time, 68% of India's population had access to electricity, falling to 57% in rural areas. Orb Energy provides a range of solar energy solutions, including solar electricity and solar water heating systems, adapted to the needs of residential, commercial, and industrial customers. Headquartered in Bangalore, India, Orb Energy is vertically integrated, from manufacturing, to sales, to installation and finance. Orb Energy manufactures its own solar panels and solar water heating systems in-house in India, enabling control of quality and cost. Orb Energy has two factories, one producing solar photovoltaic panels and one producing solar water heating systems. As of 2023, the company had over 270 employees.

Orb Energy has historically developed its business on the model of residential solar systems providing reliable, clean energy at an affordable price to Indian households. In 2014, with the goal to replicate its model in Africa, Orb Energy started its operations in Kenya, a country with an electrification rate of 36% and 25% in rural areas at that time. Over recent years, recognizing that businesses were also an underserved market for solar energy, the company started to address the needs of commercial and industrial clients with larger solar systems offering higher power generation capacities. At the end of 2023, Orb Energy has served over 175,000 households and 7,200 business clients.

The company has been a leading provider of solar energy solutions in India, delivering quality, affordable products and services to households and businesses. For households, using solar energy means and reducing CO2 emissions, but also improving safety and increasing comfort, while reducing the risks of respiratory diseases. Orb Energy's products do not only reduce clients' dependence on fossil fuels – they also demonstrate that solar energy can be cheaper than grid electricity. A typical rooftop solar system offers a three-to-four-year payback on their investment. This means that the client will benefit from effectively free energy after this period. For businesses, investing in a rooftop solar system can be costly, especially with large solar systems with significant capacity to produce clean energy. To help them ease the upfront cost of investment, Orb Energy offers finance options to its business customers via an in-house finance facility which provides extended payment terms. This credit financing option is offered without asking customers for any collateral, other than the rooftop solar system itself. Orb Energy aims to match the tenure of the loan with their payback. By helping them reduce their energy bill, Orb Energy's products have the potential to boost the competitiveness of its client businesses.

The company now serves a wide variety of clients, ranging from food and packaging businesses, rubber, fabric, clinics, and hospitals, to universities and public institutes. The savings generated allow the clients to invest in delivering essential services to Indian and Kenyan populations, while reducing carbon emissions, that other systems based on fossil energy would have generated. As an example, the Bhat's Nursing Home, based in Mangalore, Karnataka, has been able to save approximately Rs. 4 Lackhs (US$5,267) per year by switching to Orb Energy's solar systems. "Using solar energy helps reduce the hospital's carbon emissions and has a positive effect on the environment. With the savings from solar, we can also make operational improvements," said Dr. Rajesh Bhat, Managing Partner.

As of December 2023, Orb Energy has sold more than 175,000 solar systems with installations of more than 70 MW of rooftop solar systems. The clean energy generated by the company's products have helped avoid 645,000 tons of CO2 emissions cumulatively.

As of December 2023:

175,379 households served

7,210 business clients served

70.5 MW solar capacity installed

645,000 tons of CO2 avoided

276 permanent employees

The company's business model and growth potential combined with its positive impact on both individuals and businesses has attracted interest from various funding partners. In 2012, Bamboo invested USD 3 million in the company through the OASIS Fund, and a further USD 1 million in 2014. In 2015, the Dutch development bank FMO invested $2 million in Orb Energy to support the company's expansion into Kenya. In October 2019, Shell's New Energies business invested in the firm, further supporting the company's growth. In 2022, Orb Energy received a $20 million USD follow-on loan from the United States International Development Finance Corporation (DFC) to support its unique in-house financing facility for rooftop and ground mounted solar customers in India.



AGRIBUSINESS

Empowering communities through sustainable agriculture investments

The agribusiness sector plays an essential role in most developing economies, with small- to medium-sized agribusinesses (agri-SMEs) providing employment to a significant portion of the rural population. For instance, agriculture generates jobs for 60% of the West African population according to the Food and Agriculture Organization. As such, agri-SMEs have a key role to play in the fight against poverty, hunger, and the strengthening of food systems in developing economies. Yet, SMEs face persistent challenges in accessing the financing needed to grow and sustain their operations. Indeed, local traditional credit institutions typically offer unfavorable terms, including high interest rates and unrealistic requirements such as collateral. Lengthy credit processes also prevent SMEs from receiving disbursements when needed. This financing gap threatens the essential development of agri-SMEs, acting as an obstacle to the growth of sustainable agricultural value chains in emerging markets.

In 2023, the sector continued to experience some of the ripple effects of global disruptions. The war in Ukraine and escalating climate concerns have put immense pressure on agricultural operations. These events have made it significantly harder for agribusinesses, especially those in developing countries, to ob-

tain critical inputs and financing, hampering their ability to adapt and expand. Occurring political and economic events such as the currency crisis in Ghana or political turmoil in Mali and Burkina Faso, further widen that gap, with many international investors reducing their exposure to these markets and unwilling to address the "missing middle" market segments perceived as riskier in these geographies. Finally, the damages of climate change – mainly drought and floods – on food crops increase the perception of risk for investments in this sector and highlight the need for improved farming techniques and resilient agricultural systems. As a result, food security has been negatively impacted by shortages in fertilizer, decreasing agricultural productivity, and increasing food costs.

Despite these challenges, the agribusiness sector has the capacity to lead the way for developing resilient food systems which can withstand future shocks and bring a significant contribution to addressing rural poverty. Agribusinesses practicing climate-smart and sustainable farming have proven resilience in the face of adversity. To help address the financing challenges faced by agri-SMEs in developing economies, Bamboo has realized a wide range of investments in the agriculture sector through the blended finance funds that we manage. Most of these investments have been made through the Agri-Business Capital (ABC) Fund, as well as the BUILD and BLOC Smart Africa funds.

The ABC Fund, which has celebrated its fifth-year anniversary in 2023, is a blended finance impact fund providing financing to farmer cooperatives, agribusinesses, and microfinance institutions supporting smallholder farmers in developing countries. Since its inception in 2019, the ABC Fund has financed 33 companies across 12 countries, supporting more than 724,000 smallholder farmers. The fund has put efforts on investing in the empowerment of youth in agricultural sectors, as well as gender inclusion, with a major portion of beneficiaries being women. In 2023, the ABC Fund invested in five new organisations, including a cocoa farmer cooperative in Côte d'Ivoire, two agri-SMEs in Uganda and Kenya as well as two financial intermediaries in Senegal. Additionally, the Fund financed three follow-on transactions, benefitting a cocoa cooperative based in Côte d'Ivoire, as well as a raw cashew nut processor in Burkina Faso and a financial intermediary in Benin. The Fund was initiated by the International Fund for Agricultural Development (IFAD) in partnership with and with funding from the European Union, the Organisation of African, Caribbean and Pacific States, the Luxembourg Government and AGRA. In 2020, IFAD made a landmark investment into the Fund. IFAD's investment was made possible thanks to financial support from the Swiss Agency for Development and Cooperation. In 2022, Bank of America invested in the ABC Fund, becoming the first corporate global financial institution to invest in the Fund. Managed by Bamboo Capital Partners in partnership with investment advisor Injaro, the ABC Fund offers both financing and Technical Assistance, focusing on underfinanced yet profitable segments of agribusiness value chains in developing countries.

Bamboo also supports agricultural value chains through the BUILD Fund, a blended finance vehicle focused on SMEs in Least Developed Countries (LDCs) and established as a partnership between Bamboo and the United Nations Capital Development Fund (UNCDF). In 2023, the BUILD Fund provided a working capital loan to Ziweto, a Malawian company supplying livestock farmers with quality and affordable livestock production equipment. Ziweto distributes veterinary and animal care products from various international manufacturers and needed financing to purchase new inventory. By enhancing livestock health in Malawi, the company improves the livelihoods of its network of farmers and contributes to the country's health security. The BUILD Fund also supports Green Mountain Arabica Coffee (GMAC), a producer and exporter of green coffee in Rwanda that received financing in 2022. Additionally, BLOC Smart Africa, a blended finance technology impact fund managed by Bamboo Capital Partners, which invests in tech start-ups in Africa, invested in the Senegalese ag-tech Afrikamart.

Afrikamart is an agri-tech startup linking rural farmers and urban retailers by offering a technology-based distribution platform for smallholder farmers, and digital purchasing center for retailers.

As we continue to deepen our impact and diversify our geographical footprint, we are committed to driving meaningful change across agricultural value chains, fostering sustainability, and empowering communities for a resilient future.

Cumulatively, as of December 2023, across all funds managed by Bamboo:

4 farmer organizations financed

17 agribusinesses financed

147,217 smallholder farmers supported by farmer organizations and agribusinesses financed



Ecakoog – Unlocking access to international markets for cocoa farmers

With a production of 1.8 million metric tons in 2023, Ivory Coast is the world's largest cocoa producer. The cocoa industry is a critical component of the country's economy, constituting around 40% of the country's export earnings. However, despite the region's optimal tropical climate, several factors such as limited access to financing and modern inputs hinder the growth of national cocoa production. Helping cocoa farmer groups obtain the financing they need to finance their cocoa production and supporting them in accessing export markets is thus essential to support the country's economy.

Cooperatives play a key role in building sustainable cocoa value chains in Ivory Coast and helping smallholder farmers transition from an informal to an organized production system. They source raw cocoa from their members, process it, store it, and sell it to local and international buyers. Additionally, they provide support to their members on agricultural practices and enable them to obtain sustainability certifications which command a price premium. These premiums improve farmers' livelihoods and help fund community projects like schools, water pumps, and building renovations. However, many cooperatives struggle to access the working capital needed to finance their cocoa harvest. Local banks typically only disburse loans to cooperatives after the cocoa beans have been delivered to the warehouse at the port, leaving a financing gap for the cost of collection, purchase, storage, and transport from villages to the warehouse.

Ecakoog is an Ivorian cocoa cooperative incorporated in 2012, which now counts 8,233 members. The cooperative is Fair Trade certified and 1,763 of its cocoa producers are Rainforest Alliance certified, in addition to 105 of them being Bio certified. Ecakoog provides valuable services to its farmers including technical assistance in good agricultural practices and responsible social and environmental practices. Ecakoog has been selling cocoa locally until 2021 when it ventured into the international market.

A pre-investment Technical Assistance was provided by the ABC Fund in 2023 to help the cooperative secure export sales contracts. The Technical Assistance consisted in evaluating the potential of the cocoa produced by the cooperative on the market, strengthening the capacity of management and staff in charge of sales and developing marketing activities in order to build a commercial strategy including market analysis, stakeholders mapping, product specifications, and marketing presentations. Additionally, the technical support helped connect Ecakoog to potential buyers through direct contacts. As a result, Ecakoog has secured a contract of 500MT (EUR1.2M) with AFRICAO, an international Swiss trading company.

The ABC Fund provided a EUR 800,000 working capital facility in 2023 to help the cooperative execute this contract. Indeed, at the start of the cocoa harvest season, cooperatives typically need working capital to pre-finance their annual harvest and provide smallholder farmers with an advance payment for their produce. Without this advance payment, farmers often prefer to sell their cocoa at lower prices to local traders and intermediaries who will enable them to receive immediate cash needed to cover household expenses. By doing so, they do not receive the price premiums associated with certifications and are left vulnerable to potentially unfair middle-men's practices. Thus, pre-financing solutions are essential to support the livelihoods of smallholder farmers and to help cooperatives secure cocoa and fulfill their commitments to international buyers. With funding from the ABC Fund's TA facility, an impact study was implemented on Ecakoog by the impact measurement firm 60 Decibels which conducted 250 farmers' interviews. The study highlighted the importance of the cooperative for farmers and the lack of comparable alternatives. Notably, 75% of farmers reported enhancements in their ways of farming thanks to Ecakoog's training on optimized agricultural practices. Producers benefiting from prepayments (19% of the study's sample) also reported considerable improvements in their life standards – most pre-payment funds being used to pay for education fees, medical expenses and food.

Following the completion of the AFRICAO transaction, Ecakoog hopes to continue improving its sales and marketing capabilities to secure new export contracts. Such growth will enable the cooperative to increase its impact on farmers and to expand the number of members. Today, exporting cocoa enables the cooperative to collect price premiums from its certifications and to handle the export process itself, together resulting in a profit improvement of at least 12 eurocent/kg. This profit increase also translates into a greater income distributed to smallholder farmers, thus contributing to improving their living standards.

As of December 2023:

8,233 farmers are members of Ecakoog

2x in the number of member farmers between 2019 and 2022

25% of member farmers are young

22,134 hectares of total harvested area

6,000 Metric tons of cocoa beans sold by Ecakoog during the 2022/2023 season



IMPACT MANAGEMENT AND MEASUREMENT

Driving Impact, Advancing the SDGs in Times of Crisis

The year 2023 was marked by escalating and interconnected global crises and conflicts. Rising food and energy prices, exacerbated by inflation, significantly impacted lower-income communities globally. Geopolitical tensions strained economies, disrupted supply chains, and triggered widespread humanitarian needs. The ongoing war in Ukraine along with other regional conflicts, intensified global instability. Additionally, climate-related disasters, including floods, droughts, and severe weather, compounded food insecurity and limited access to resources. Some countries like Haiti were particularly affected by a combination of both conflict and climate shocks, leading to widespread displacement and exacerbating poverty. In this context, we believe impact investments are crucial to help affected populations continue to access essential products and services and to contribute to make progress towards the Sustainable Development Goals. Bamboo specializes in providing innovative financing solutions to businesses in emerging and frontier markets, ensuring affordable access to essential products and services for low- to middle-income populations. By channeling financing to those most affected by crises, we help address critical needs of underserved clients. While each fund we manage has a unique investment strategy, all share

the goal of fostering positive impact toward the SDGs by supporting SMEs that fall within the 'missing middle' of financing gaps in their target regions.

Since its inception, Bamboo's investee companies have collectively impacted nearly 253 million lives, supported over 61,100 jobs including 21,700 jobs for women, and avoided 17.7 million metric tons of CO2 emissions. Through our historic funds, BFIF I and BFIF II, we have advanced financial inclusion by investing in diverse sectors, including microfinance, fintech, small and medium-sized banks, money transfer operators, correspondent banking, and peer-to-peer lending. The OASIS fund launched in 2007 has been a pioneer in delivering equity and debt investments to high-impact companies in sectors including clean energy, healthcare, education and affordable housing. In the clean energy sector, we lead efforts to bring clean energy to off-grid communities by leveraging innovative distribution models and technology. The energy access funds OGEF in Haiti, OMDF in Madagascar, and FESEC in Burundi mandated by the World Bank and national governments as well as the BEAM Fund, support providers of pay-as-you-go solar energy systems and mini-grid developers and operators, enabling sustainable energy access in underserved areas.

In recent years, Bamboo has launched a range of blended finance vehicles in collaboration with international organizations, NGOs, and UN agencies. These initiatives explore new impact themes and refine our impact theses by combining our proven expertise with that of partners specializing in areas such as smallholder agriculture, gender equality, SME financing in Least Developed Countries, and African startup ecosystems. In addition to their domain knowledge, our partners contribute regional insights and local presence in their areas of intervention. Together with Palladium which has deep knowledge in this area, we are also exploring and developing nature-based investment solutions aimed at promoting sustainable practices and preserving natural ecosystems. Many of the blended finance impact funds that Bamboo manage include a Technical Assistance Facility, offering on-the-ground advisory support to strengthen investees' capacities and enhance the overall impact of our investments. Throughout the year 2023, across our various funds, we continued to invest in essential sectors to deepen our impact and further contribute to the Sustainable Development Goals.

The ABC Fund provides financing and technical assistance to underserved yet viable segments of agricultural value chains, focusing on enhancing rural livelihoods for smallholder farmers, with a particular emphasis on women and youth. In 2023, the ABC Fund made investments in five new organizations, including one cocoa farmer cooperative in Côte d'Ivoire, two agri-SMEs in Kenya and Uganda, as well as two financial intermediaries in Senegal. The Fund also supported three follow-on transactions benefiting another cocoa cooperative in Côte d'Ivoire, a raw cashew nut processor in Burkina Faso, and a financial intermediary in Benin. The ABC Fund generates significant impact for smallholder farmers. As of December 2023, the companies that the Fund has financed since its inception positively impact over 724,000 smallholder farmers of whom 61% are women and 37% are young. Out of the farmers supported by these organizations, it is estimated that the ABC Fund's financing has directly benefitted over 206,000 smallholder farmers. The ABC Fund also supports employment and income-generating activities in rural communities. At the end of 2023, ABC Fund's investees employed 4,253 people in rural areas. During the year 2023 alone, 749 new permanent jobs were created within ABC Fund's investees in rural areas. ABC Fund's investments have helped sustain 3,495 permanent rural jobs, 46% of which have gone to women and 72% which have gone to youth.

The Bamboo-UNCDF Initiative for the Least-Developed countries (BUILD) Fund, created in partnership with the United Nations Capital Development Fund (UNCDF), supports SMEs contributing to the SGGs and located in geographies classified as Least Developed Countries primarily. This Fund is complemented by the BUILDER Technical Assistance Facility, managed by UNCDF, which strengthens the impact of the fund's financing. In 2023, the Fund financed five new financial intermediaries in Sierra Leone, Tanzania, Uganda, Benin and Kyrgyz Republic. These five investments contributed to increase financial inclusion through microfinance services for underserved populations in the countries where they operate. The Fund also financed an SME specialized in the distribution of veterinary and animal nutrition products as well as livestock production equipment in Malawi. Cumulatively as of December 2023, the BUILD Fund has invested in 8 companies, contributing to improving access to electricity, to productive assets and to financial services, or helping smallholder farmers secure livelihoods. Together, these investments have positively impacted the lives of over 645,000 people since inception and supported 2,471 jobs in 2023. The Fund also supports women empowerment with 1,470 women employees (59%) across portfolio companies in 2023, over 175,000 women impacted by portfolio companies as customers (56%) and 320 women farmers (27%) in the supply chain of portfolio agri-businesses. The BUILD Fund contributes to climate change mitigation and adaptation through its investments in clean energy, sustainable agricultural practices and green financing. Four out of the five financial intermediaries financed by the Fund provide green loans, benefiting over 4,700 clients. Additionally, one investee promotes sustainable transportation and has so far financed 994 electric bikes. These efforts help drive climate action while supporting economic growth and job creation.

BLOC Smart Africa focuses on investing in tech-enabled African businesses across various sectors, including financial inclusion, energy access, healthcare, education, ag-tech, and digital infrastructure, driving growth and innovation across the continent. As of December 2023, the BLOC Smart Africa Fund has invested in 5 companies, including two health-tech, one agri-tech, one insur-tech as well as a provider of internet connectivity. Together, these investments positively impact the lives of over 856,000 African people including 69% women and support 406 permanent jobs, with 41% of jobs for women and 39% for young people. Indirectly, these companies support at least 12,930 jobs. They contribute to increasing connectivity with over 55,500 individuals connected to the internet, improving access to healthcare with over 787,000 patients including 70% women served so far, to

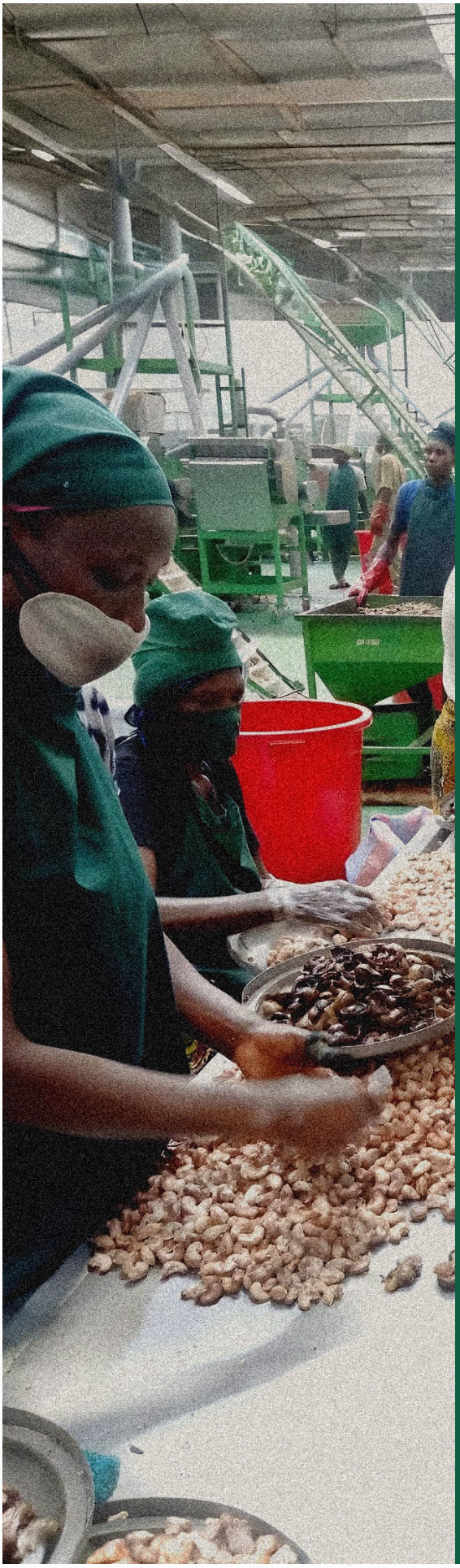


increasing food security by developing fresh food product supply chains and supporting 9,000 smallholder farmers including 54% women, and supporting the development of the insurance sector in Africa. Through their business and operations, they contribute to the Sustainable Development Goals in the continent.

Measuring the impact of our investments is at the core of our impact investing strategy. For each fund that we manage, Bamboo has built robust impact management processes in collaboration with our fund's partners. Bamboo regularly measures impact by tracking key data for each investment, in accordance with each Fund's Impact Framework. This includes assessing the Fund's outreach to target beneficiaries, such as smallholder farmers, women entrepreneurs, and low-income customers, as well as its impact on job creation and other critical outcomes based on the Fund's impact thesis. Additionally, most of the active Funds that Bamboo manages are classified as "Article 9 Funds" under the European Sustainable Finance Disclosure Regulation (SFDR) and we have implemented robust compliance and reporting processes to ensure full adherence to this critical transparency and reporting framework. Furthermore, for a sample of investments we aim to conduct impact studies that measure improvements in the lives of end-customers, end-users, or end-beneficiaries.

We are a signatory to the Operating Principles for Impact Management and have been publishing an annual disclosure statement since 2021, demonstrating our alignment with these Principles (for more details please visit our website). Bamboo first endorsed the UN Principles for Responsible Investment (PRI) in 2011 and has consistently contributed to this reporting effort, fostering greater transparency in the sector. Our impact performance and management processes have consistently earned third-party recognition. In early 2023, we were named to the ImpactAssets 50 (IA50) list for the twelfth consecutive year and received the distinction of Emeritus Impact Manager, highlighting our sustained excellence in impact fund management. Additionally, the ABC Fund renewed its ESG LuxFlag label, acknowledging its robust management of environmental, social, and governance (ESG) considerations throughout the investment process.

We continuously learn from and collaborate with other impact investors, industry associations, and academics to improve our impact management practices. Through initiatives like the Council on Smallholder Agricultural Finance (CSAF), the Smallholder Safety Net Upscaling program (SSNUP), the Impact Principles signatories' community and the Social Performance Task Force, we actively share knowledge and engage with peers in the field. We have been actively contributing to the development of an industry tool for assessing agricultural impact, as part of an initiative supported by the Swiss Development and Cooperation Agency. This effort led by CERISE and the International Institute for Sustainable Development (IISD) involves collaboration with several impact investors. Despite the global crises affecting our investees in developing countries, we remain steadfast in our commitment to delivering impact investments that contribute to the Sustainable Development Goals (SDGs) in the years ahead.



Measuring outcomes at end-beneficiary level through impact studies

With funding from the ABC Fund's TA Facility, a deep-dive impact study was conducted in 2023 on Anatrans, a cashew nut processor based in Burkina Faso, to collect impact information at the level of the final beneficiaries. The insights are based on phone interviews with 274 farmers, conducted by the researchers of the organisation 60 Decibels which was in charge of the deployment of a series of impact studies for the ABC Fund. Of the 274 customers interviewed, 9% were female.

The study revealed that Anatrans is positively impacting its farmers' quality of life with about 88% farmers saying that their quality of life has improved and 45% saying it has 'very much improved'. These farmers talk about improved ability to afford education for their children (34%), better housing and living conditions (31%), as well as better transportation (22%). Anatrans is also positively impacting farmers' agricultural practices, with 76% farmers saying that their way of farming has 'very much improved'. This impact is attributed to a reduced use of chemical fertilizers (39%), an increased use of natural fertilizers (30%) as well as the training received from Anatrans (23%).

The impact study also revealed that farmers' production levels and earnings are increasing because of Anatrans. Almost all farmers (95%) report increases in production with two thirds of them using the same amount of land, suggesting their new farming methods are improving their yields. Similarly, a very high proportion of farmers (90%) report an increase in money earned from cashew nut farming. This increase is mostly attributed to increase in volume sold (81%). Farmers are mostly using the additional income to cover education costs, medical expenses and food expenses. Of those who used it for business activities, over half bought supplies and materials. Among the farmers who used the increase in money to cover food expenses, 88% report increased quantity of meals in the household and 90% report increased quality of meals.

However, Anatrans' farmers need support in boosting their resilience to climate shocks. About 43% farmers experienced climate shocks in their communities in the last two years. Pest or farm disease was the top shock reported (31%), followed by flooding (11%) and drought (10%). Among households affected by the shocks, only 21% have recovered and 79% are still recovering. About 17% farmers report that they were unaffected by the climate shocks which affected their community. Of these, 55% say Anatrans helped their resilience to this shock. The study also helped identify areas where farmers would like to see improvements from Anatrans, related to financial support, pricing, and more engagement with the company.

Impact management

Impact management is at the core of our processes and is deployed across the lifecycle of our investments. Each of our funds has an Impact Framework which includes the fund's Theory of Change, its impact measurement process and the list of indicators that will be tracked at the investee company level and at the fund level, as well as the policy and processes related to the management of environmental and social risks.



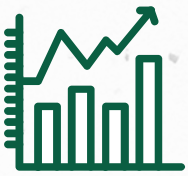
Pre-Investment

Prior to investing in a company, we check that the potential investment is aligned with the impact thesis of the fund. During the due diligence phase, we conduct an Environmental, Social and Governance (ESG) risk assessment and further analyses on the expected impact of the company. These analyses are both part of the investment decision.



Investment

Upon approval and during the discussion on the terms of the investment, we define with the investee company the selected impact indicators to be monitored and reported on throughout the holding period. We also include conditions in the investment agreement related to the monitoring of ESG risks.



Post-Investment

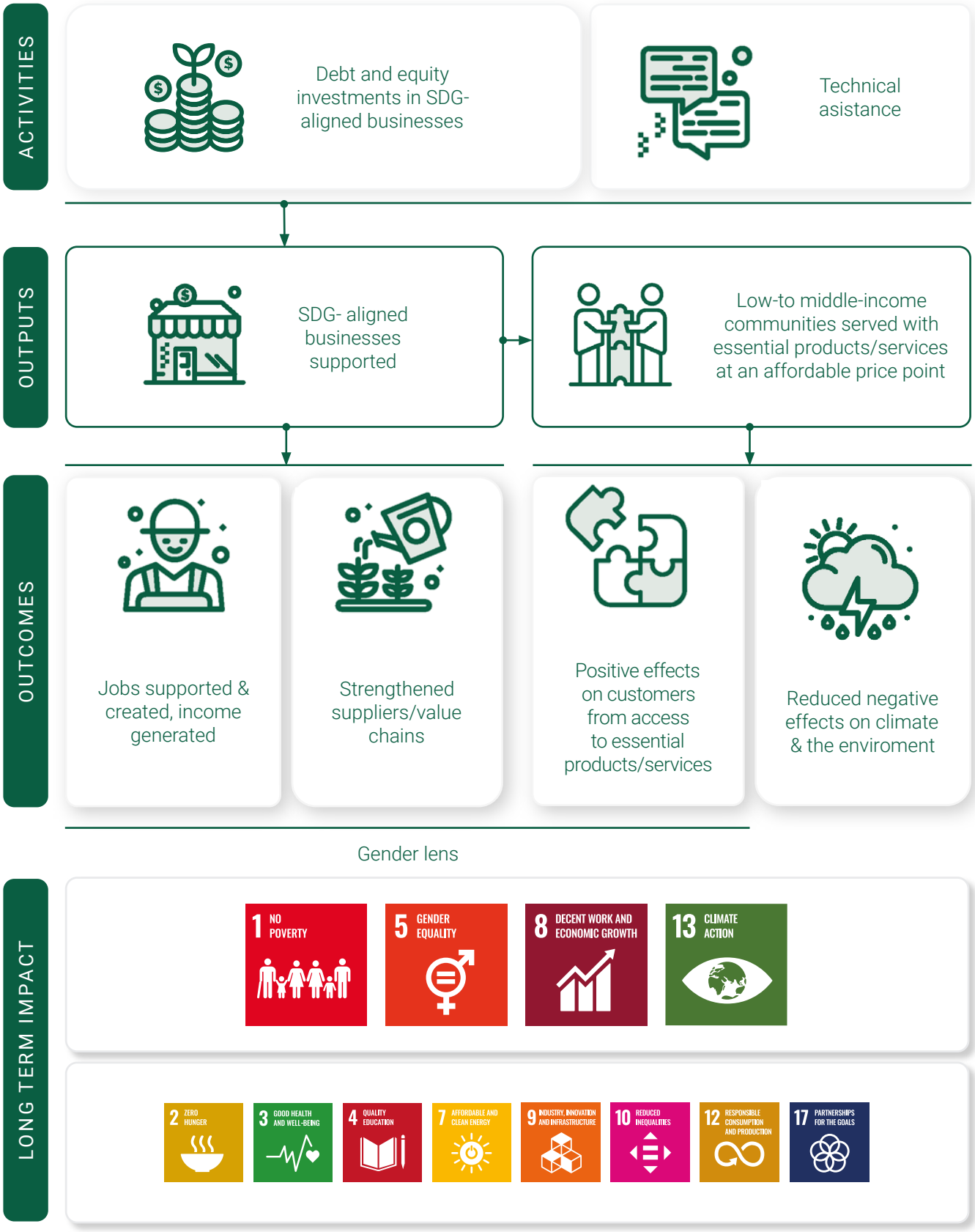
During the holding period, we monitor the impact data reported by our investee company at the agreed upon frequency. Additional in-depth impact analyses may be carried out upon availability of resources. In case of specific ESG risks identified, we also monitor the progress reported by the company in monitoring and mitigating those risks. As an equity investor, we usually sit on the board of our investees, overseeing and contributing to impact performance alongside financial matters.



Divestment

We seek to divest to trustworthy investors who will allow and enable the companies to pursue their missions and visions. We also aim for organized, simple, fair and transparent divestment processes.

Theory of Change of our Funds





References

Impact management is at the core of our processes and is deployed across the lifecycle of our investments. Each of our funds has an Impact Framework which includes the fund's Theory of Change, its impact measurement process and the list of indicators that will be tracked at the investee company level and at the fund level, as well as the policy and processes related to the management of environmental and social risks.

IRIS+

IRIS+ is a set of standardized indicators to describe an organzation's social, environmental, and financial performance. Bamboo Capital Partners started to adopt and align with IRIS indicators in 2011. We also track non-IRIS indicators in our impact reporting.

GOGLA

GOGLA, established in 2012, is the global association for the off-grid solar energy industry. Bamboo's impact measurement in the Energy Access sector is aligned with the Gogla standardized impact metrics for the Off-Grid Solar Energy Sector.

GIIRS

The Global Impact Investing Rating System, managed by B Corp, was an independent third-party assessment to rate funds and companies' social, governance and environmental performance. At Bamboo, we have rated our funds with the GIIRS assessments since 2013, until discontinuation of the ratings in 2020. For two years in a row, we were recognized as Best for the World Fund, in 2016 and 2017 (the Best for the World Fund's recognition was discontinued after 2017).

Global Compact

The United Nations Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN Goals. As a signatory, Bamboo embraces the Ten Principles of the Global Compact, which relate to human rights, labour, environment and anti-corruption.

Impact Management Project

Impact Management Project (IMP) is a forum aimed at building global consensus on how to measure, manage and report impact. As an IMP Practitioner, we are part of a community of practitioners sharing findings and challenges on impact measurement.We are constantly contributing to, and learning from, industry impact frameworks. Among others, our impact management system is aligned with the following standards, initiatives and best practices:

Operating Principles for Impact Management

The Operating Principles for Impact Management seek to establish a common discipline and market consensus around the management of investments for impact. Bamboo is a signatory to the Operating Principles for Impact Management and applies the principles throughout its portfolio and investment process.

Social Performance Task Force (SPTF)

The SPTF develops, disseminates and promotes high social performance standards and good practices for social performance management and reporting. Among others, Bamboo follows the Universal Standards for Social Performance Management, a comprehensive manual of best practices created by and for people in microfinance as a resource to help financial service providers achieve their social goals.

Smart Campaign

The Smart Campaign focuses on client protection and has articulated 7 basic Client Protection Principles. Bamboo endorsed the Smart Campaign and actively encourages financial institutions to implement the principles.

United Nations Principles for Responsible Investment (PRI)

Bamboo is a signatory to the Principles for Responsible Investment, which we endorsed for the first time in 2011, and contributes every year to this reporting exercise. We are also a founding signatory to the Principles for Investors in Inclusive Finance.

For more information about our ESG risk management process and SFDR disclosures, please visit our website: www.bamboocp.com/esg-risk-management

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World Economic Forum

David Grimaud, CEO, Bamboo Capital Partners, makes the case for stronger commitments to impact investing to deliver on the UN SDGs.

ESG investing



How Fintech is Enabling Progress Toward the SDGs — And Why it's Time for Investors to Double Down

NextBillion

ABC Fund announces investments totalling EUR 4.21 million into four agribusinesses and one microfinance institution in sub-Saharan Africa

Infine

Agri-Business Capital Fund invests in four African food processing businesses



Impact Alpha

ABC Fund has financed 28 organisations supporting nearly 600,000 smallholder farmers since 2019



Farmer Review Africa

Bamboo Capital's Build Fund backs Green Mountain Arabica Coffee in Rwanda



Impact Alpha

Bamboo's CEO on moving impact into the mainstream

Impact Investor

Bamboo Capital Partners launch BUILD Fund to support and empower SMEs in Zimbabwe

UNCDF

Switzerland Pledges 15 Million Francs to the Bamboo-UNCDF Initiative for the Least Developed Fund

NextBillion

ABC Fund invests EUR€800,000 into Ugandan coffee supplier JKCC

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