

Innpact AIFM AfricaGoGreen Fund SFDR website disclosure

Article 10 Transparency of sustainable investments

AfricaGoGreen Fund for renewable energy and energy efficiency S.A., SICAV-RAIF (the “Fund”) aims at spurring additional greenhouse gas (“GHG”) reductions by encouraging corporate and industrial entities, local financial institutions, and other businesses (“Partner Institutions” or “PIs”) which are developing and/or investing in eligible energy efficiency (“EE”) and renewable energy (“RE”) projects by providing medium and long-term debt financing, guarantees and specific technical assistance aimed at maximising learning-by-doing opportunities, facilitating deals and encouraging the long-term sustainability of the EE and/or RE market in the target region (“Sustainable Investments”¹).

The Fund pursues two objectives (“hereinafter referred to as “Sustainable Investment Objectives”):

1. Fostering EE and increasing RE production by extending senior and mezzanine loans dedicated to finance energy solutions predominantly via direct investments to non-financial institutions,
2. Catalysing local financial sector to finance private sector investments in EE and RE by demonstrating the commercial viability of green finance predominantly via credit lines as well as guarantees and guarantee-type products,

with the view of contributing to the long-term global warming objectives of the Paris Agreement.

The Fund expects that its Sustainable Investments should represent a minimum of 80% of its total assets.

The Fund investments shall comply with its investment policy where detailed investment criteria are outlined. In addition, the Fund’s environmental and social management system (“ESMS”), consisting of a set of processes and practices that allows the Fund to incorporate environmental and social considerations into its decision-making and operations as well as to ensure that the Fund’s investment activities do not significantly harm any other environmental or social objectives. The Fund’s ESMS is underpinned by an overarching E&S policy describing how the Fund will implement the ESMS and achieve its Sustainable Investment objectives. The E&S Policy and the associated ESMS constitute an integral element of the investment decision-making process. The E&S Policy shall be approved by the Board of the Fund.

The AIFM, and as the case may be the delegated portfolio manager, seeks to ensure that the Fund’s investments do not significantly harm its Sustainable Investment Objectives, by screening potential Investments and managing the environmental and social performance of investments throughout the life of the investment, in accordance with the environmental, social, and governance (“ESG”) requirements to be laid down in the Fund’s E&S Policy, and in accordance with the due diligence, approval, escalation and reporting procedures to be laid down in the Fund’s investment policy.

Further information regarding the Fund’s approach with principal adverse impact on sustainability factors will be available in the Fund’s annual financial statements from 2021 financial year onwards.

¹ Sustainable Investment defined under (EU) SFDR 2019/2088 Art.2 (17) as “an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, [...] provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance”.