IMPACT REPORT

December 2023

PUBLIC EQUITY
FUNDS AT A GLANCE

CONTENTS

If you are a fund investor

and would like to have a live demo of the Phenix Capital Impact Database, please visit www.phenixcapitalgroup.com/impact-database and register your interest.

If you are an impact fund manager

and would like to be considered for listing on the Phenix Capital Impact Database please email sales@phenixcapitalgroup.com. Listing is free of charge.

ABOUT PHENIX CAPITAL

CATALYSING INSTITUTIONAL CAPITAL TOWARDS THE SDGS

Phenix Capital Group is an impact investment consultant that enables institutional investors to make impact investments.

We assist asset owners and asset managers in aligning their investments with their values, financial objectives, and the Sustainable Development Goals.

www.phenixcapitalgroup.com

Signatory of:

Our Vision

We envision a world in which institutional capital helps to end poverty, protect the planet and ensure prosperity for all

Our Mission

Our mission is to enable and catalyse institutional investments that realise financial, social and environmental returns

What we do

To achieve our mission, we enable institutional investors to allocate capital to impact investments through our Events & Webinars, Impact Databases, Impact Fund Assessment and Placement Services

ABOUT IMPACT DATABASE

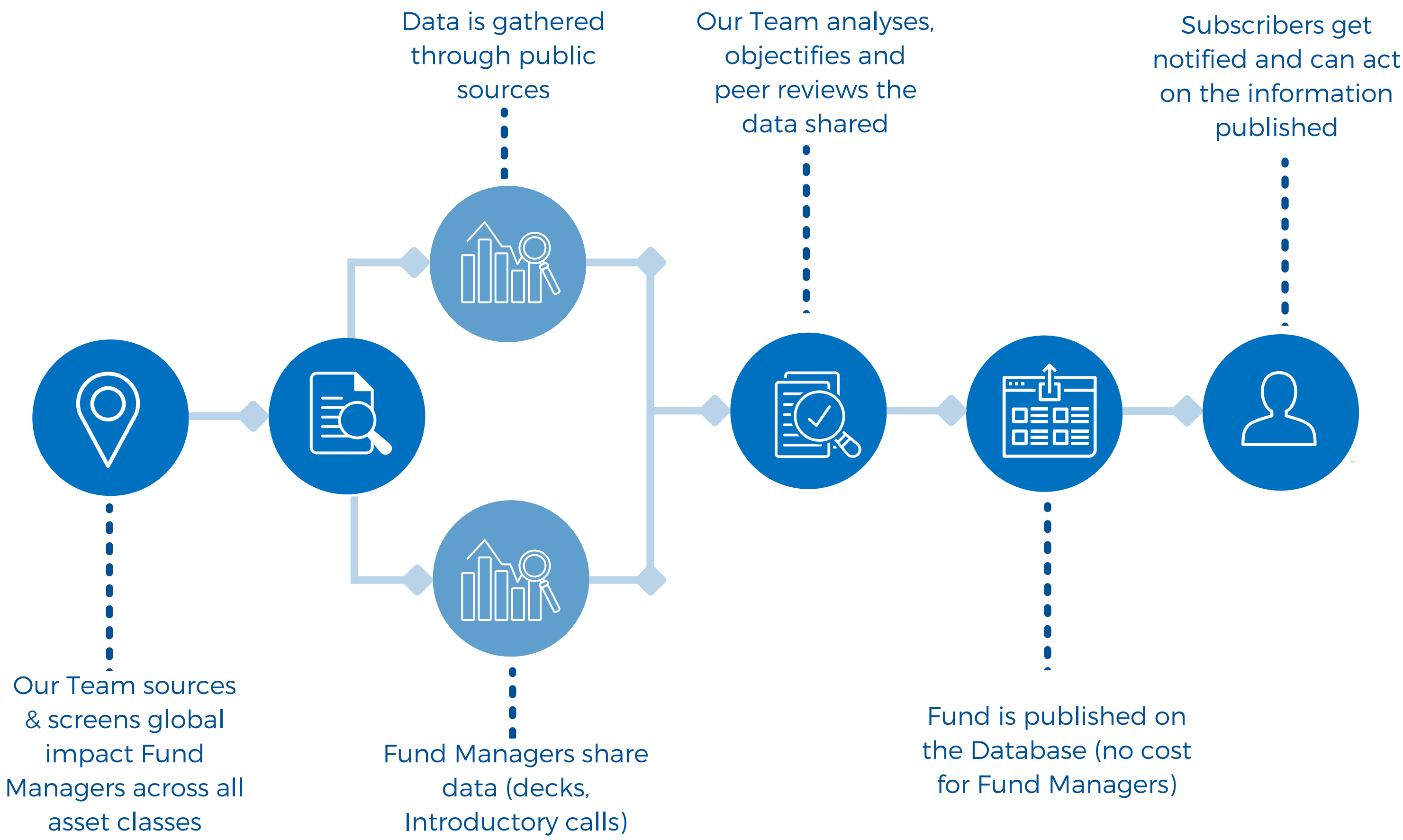
Phenix Capital's mission is to enable the allocation of capital from institutional investors towards social and environmental solutions while supporting the 2030 Sustainable Development Goals (SDGs). With the Impact Database, Phenix Capital aims to provide investors with access to and intelligence on the impact fund market opportunities available to them.

Three main variables have been central to construct, monitor and update the database: **funds considered have an impact proposition, institutional scale, and target market-rate returns.**

Impact Investing goes beyond negative screening and using Environmental, Social and Governance (ESG) integration to reduce harm or avoid risks, to generating intentional positive impact. Phenix Capital defines impact investing as **investing with the dual mandate of financial return and positive societal or environmental impacts**, with the notion of measuring the positive and negative impact of investments, ensuring both **intentionality and additionality** among these.

Phenix Capital's Impact Database features funds that align with this definition through their creation of solutions for global social and environmental issues, whilst prioritising financial returns. This category of impact investments can be referred to as **financial-first impact investments**.

FUND SOURCING PROCESS



INTRODUCTION

Traditionally associated with private markets, impact investing in the public equity arena is now becoming as accepted as ESG and many are starting to see it as the listed market successor in terms of sustainable investing. Historically, the challenge in public/listed equity markets has been to attribute measurable positive impact to non-ringfenced capital.

Yet according to Vontobel's 2023 Impact Investing Survey of 200 institutional and professional investors, it looks like this is not longer an issue as 71% of those surveyed are looking to increase their allocations to impact investing in public markets and 67% currently or planning to allocate to listed equities making it the most popular impact class.

Public equities provide an exit for private capital investment. Key to success for impact in public equities is taking a long-term, active ownership strategy. Engagement and exercising voting rights, through share ownership, is another way to make a positive difference.

Two key drivers that makes impact investing different to other forms of sustainable investing, irrespective of whether it is in public or private markets, are intentionality and additionality.

Impact investors invest for impact rather than just 'with' impact, and the additionality is generated by the positive social or environmental impact that would have not otherwise happened. In this section, we explain the difference and similarities between ESG and impact investing.

And one of the reasons it is important to find ways to include listed equities within impact investing is the scale of the UN Sustainable Development Goal funding gap and by comparison the potential of the listed equity market given its size.

In 2014, the United Nations Conference on Trade and Development (UNCTAD) World Investment Report estimated that the annual investment gap to achieve the goals at $2.5 trillion, and that is just by the developing countries.

In September this year, the number had been revised to between $4 trillion to $4.3 trillion, highlighting the need for larger pools of capital to become involved in impact investing, and supporting the financing of the SDGs.

As at 23 October 2023, the global listed equity market had $106 trillion in capitalisation, with the US representing more than 40%, so listed equities have the scale to make a significant impact.

INTRODUCTION

Earlier this year, the Global Impact Investing Network (GIIN) published *Guidance for Pursuing Impact in Listed Equities* to help investors achieve impact in public equity investing.

In addition to how to set up a fund or strategy; portfolio design and selection; engagement; and performance data usage, the report introduces two key concepts: investor contribution and theory of change. The latter is a process that the international development community has been using to structure and track impact.

Theory of change is becoming the *de facto* way of articulating a portfolio's impact goals and how the selection and management of investments will contribute towards progress of the goals. Not all firms will apply the theory in the same way with some focusing on the overall portfolio and others applying it to each stock.

In short, in listed equities, investors need to: outline the specific problem that the investment strategy will target; who will benefit; how the investee company is actively addressing the problem; how the investor will act to support/assist or drive the investee change; and finally, the non-financial targets that will play a material role in the selection of equities and ongoing evaluation of performance.

As investors start to want more sustainable investment options, so too regulators are looking at impact investing in regulations for listed equity funds. For example, the UK's Financial Conduct Authority is putting in place new Sustainability Disclosure Requirements and an investment labels regime so products cannot be described as having a positive impact on sustainability when they do not.

In fact, the Dutch Authority for the Financial Markets proposed improvements to the Sustainable Finance Disclosure Regulation (SFDR), in the light of the European Commission's current consultation of the European Commission on a review of the framework. The proposal seeks to make the framework more meaningful to investors and to facilitate the reorientation of capital towards investments with sustainable impact.

Report Highlights:

- 9.7% of the Phenix impact universe is invested in listed equities
- 122 listed equity funds focus on SDG7: Affordable & Clean Energy
- 61% of the listed equity impact funds have a global focus
- 49 investors are focusing on SDG13: Climate action for listed equities

IMPACT THEMES MAPPED AGAINST THE SDGS

The Phenix Capital Group has mapped the SDGs against Impact Themes, which are based on **the most globally endorsed terms used by practitioners in the financial sector** and what's used by generally accepted frameworks, to enable both fund managers and fund allocators to better **understand how the SDGs and it's sub-goals translate into outcome-based investment areas -** by the name that they are commonly known and referred to in the financial industry.

Mapped against the SDGs' sub-goals, our Impact Themes offer a comprehensive way for investors and fund managers in the financial industry to identify what social or environmental outcome is generated by an impact investment and its contribution to the Sustainable Development Goals.

THE REVAMPED IMPACT THEMES ARE ALREADY AVAILABLE IN OUR IMPACT DATABASE FOR FUND FILTERING, VIA THE FUND SEARCH FUNCTION.

BE PART OF THE
IMPACT REPORT

Every month Phenix Capital Group publishes a new Impact Report, bringing up-to-date data on impact investments and interviews with impact fund managers and investors from the field.

PAST REPORTS INCLUDE:

See all Impact Reports on our webiste, visit: https://phenixcapitalgroup.com/impact-report

WOULD YOU LIKE TO BE FEATURED IN THE NEXT EDITION?

Featured interviews are carefully chosen taking into consideration the theme from the month and the expertise of the person to be interviewed, besides the company where he or she works.

Talk to our team about opportunities to be featured. Upcoming report topics include:

YEAR	REPORT THEME
2024	TBA

Contact us to learn more about how to be featured in our reports.

PUBLIC EQUITY FUNDS

DATA OVERVIEW

251

Public Equity Impact Funds

116

Public Equity Impact Fund managers

€500 m

Median Size of Impact Public Equity Funds

149

Public Equity Funds with a Global Strategy

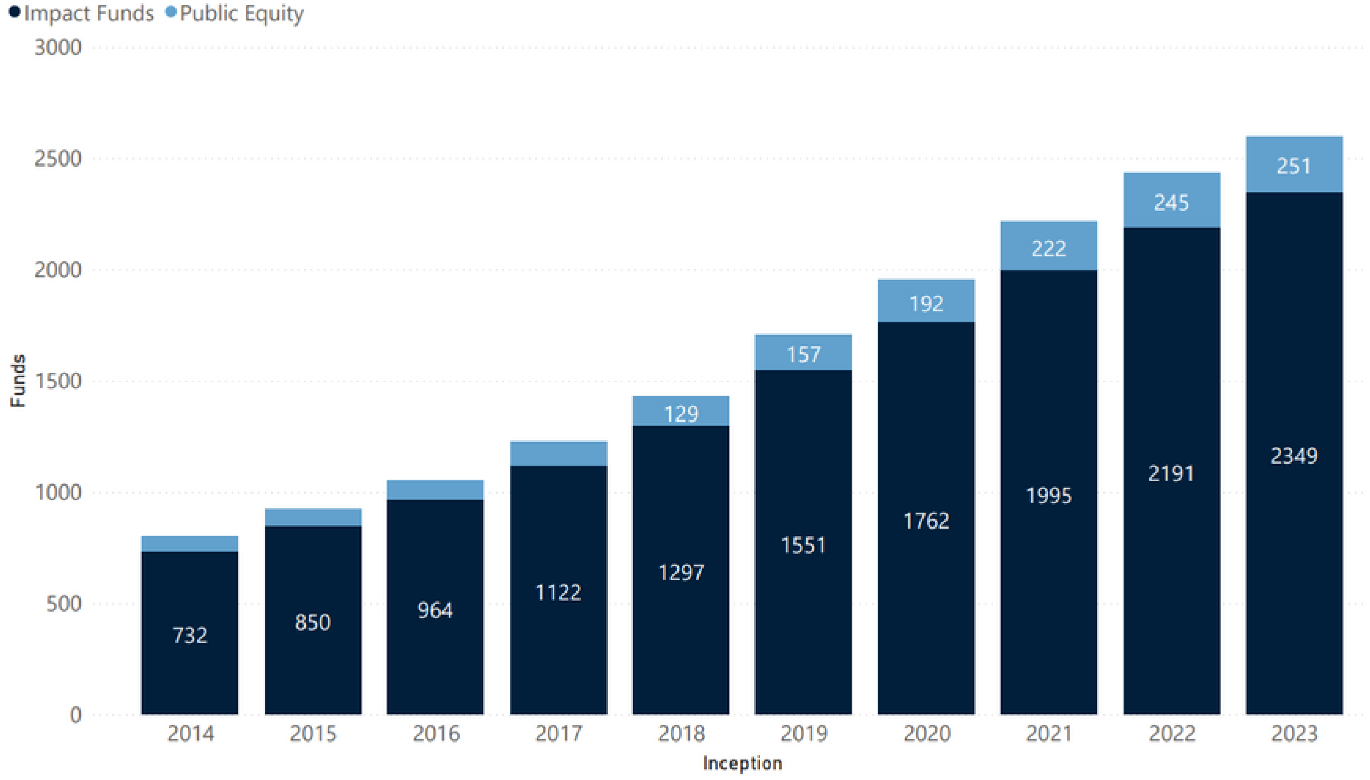
€226 bn

Total capital raised by Impact Public Equity Funds

5

is the average number of SDGs focused by Impact Public Equity funds

Impact Funds Market Growth



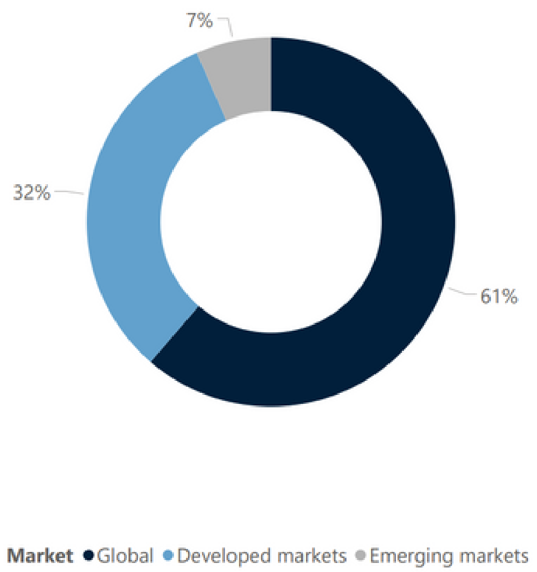
In December 2023, there were a total of 2,600 impact funds in the Phenix Impact Database. Of these, 251 are public equity funds, equivalent to almost 9.7% of the total asset base. The percentage capital raised by public equity funds, however, is more significant.

Public equity funds have €226 billion in assets under management, run by 116 public equity impact managers, equivalent to 34% of the total €652 billion mapped by the database.

The median size of a public equity impact fund is €500 million, and of the different regional strategies 149 have a global focus.

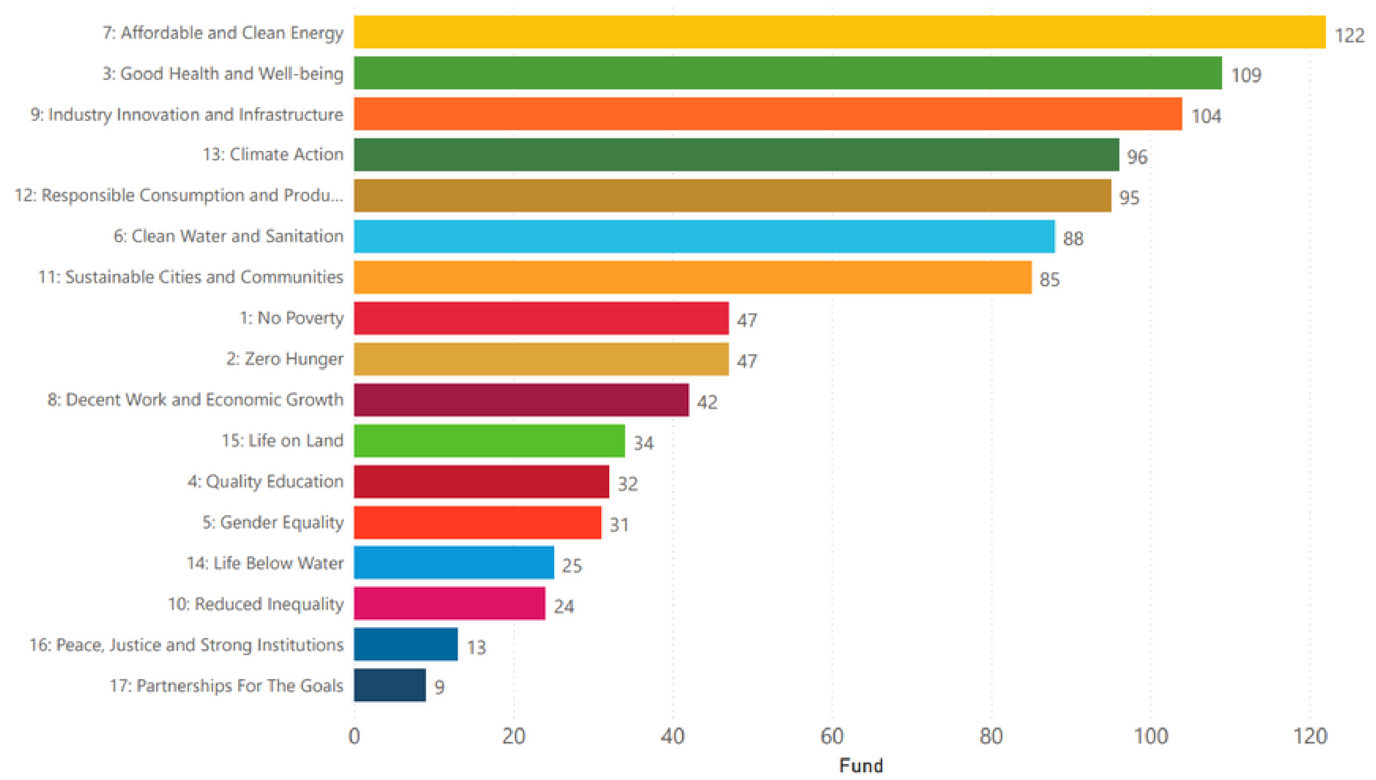
With the US equities representing 42.9% of global listed market, it is no surprise that 61% of the assets are in global listed equity funds, 32% in developed markets and just 7% in the emerging markets, despite the latter offering an accessible entry point for investors seeking liquid options.

Market targeted by Public Equity Funds



*Data may overlap as funds can target several asset classes, SDGs and/or regions.

Public Equity Funds' SDG preferences



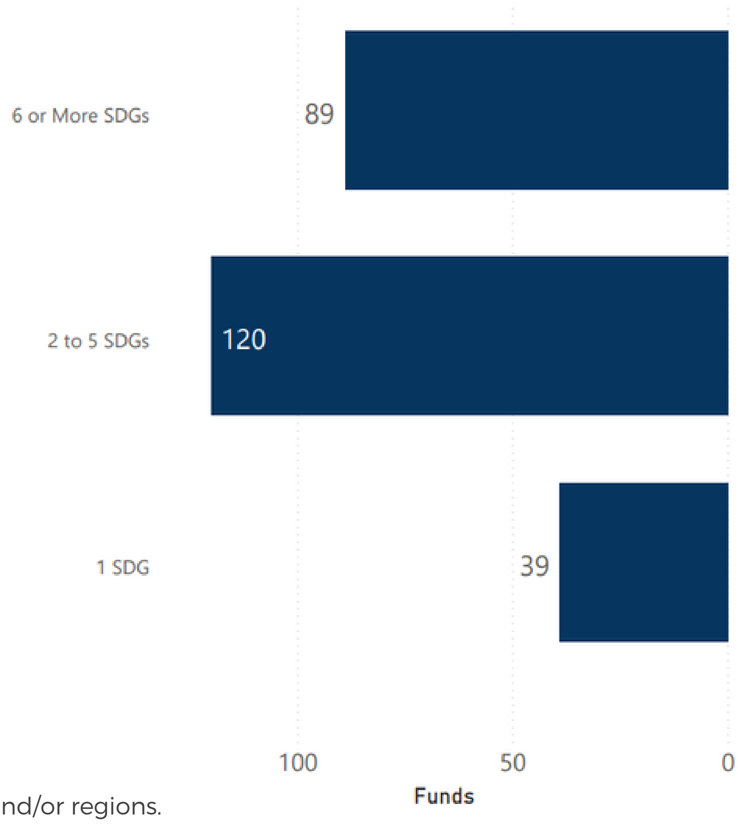
The Sustainable Development Goals (SDGs) form an ideal thematic framework for public funds that want to engage with sustainable development.

One initiative that has been driven by investors including APG, Australian Super, British Columbia Investment and PGGM is the Sustainable Development Investments Asset Owner Platform.

It was designed to align portfolios with the SDGs by focusing on companies' products and services, using revenues and other exposure metrics, to provide transparent, quantitative datapoints on SDG contributions. To December 2023, the platform classified 10,248 companies issuing publicly traded securities.

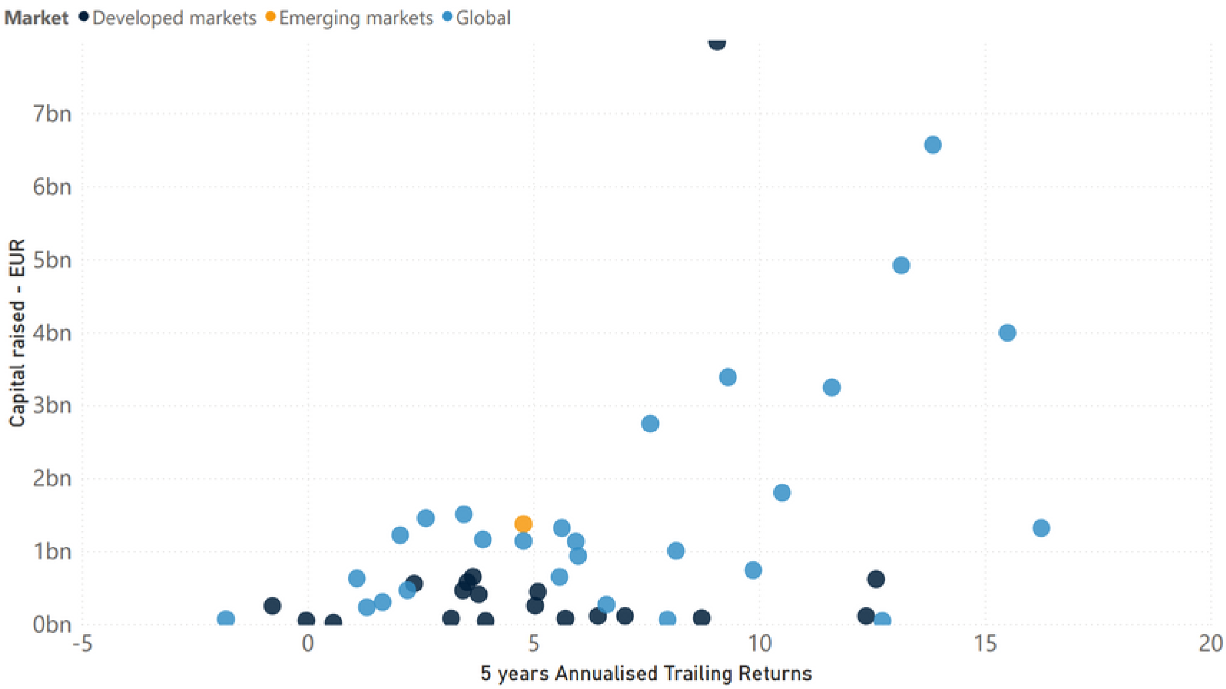
According to the Phenix Impact Database data with 122 funds focusing on it, SDG7: Affordable and Clean Energy is the most targeted by public equity funds. On average, public equity impact funds focus on five SDGs with a minority focusing on just one.

Number of SDGs focused by Public Equity Funds

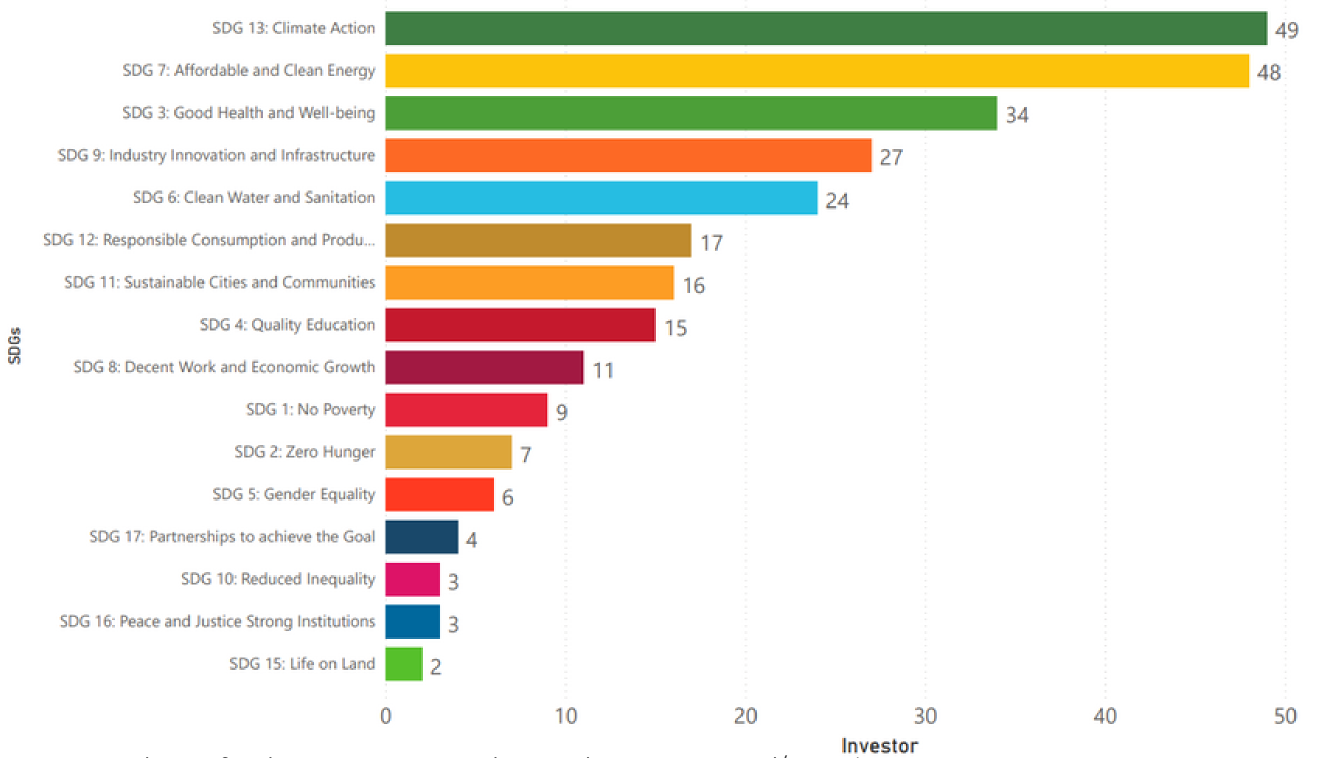


*Data may overlap as funds can target several asset classes, SDGs and/or regions.

Public Equity 5 years Annualised Trailing Return as end of Q3 2023 (EUR)

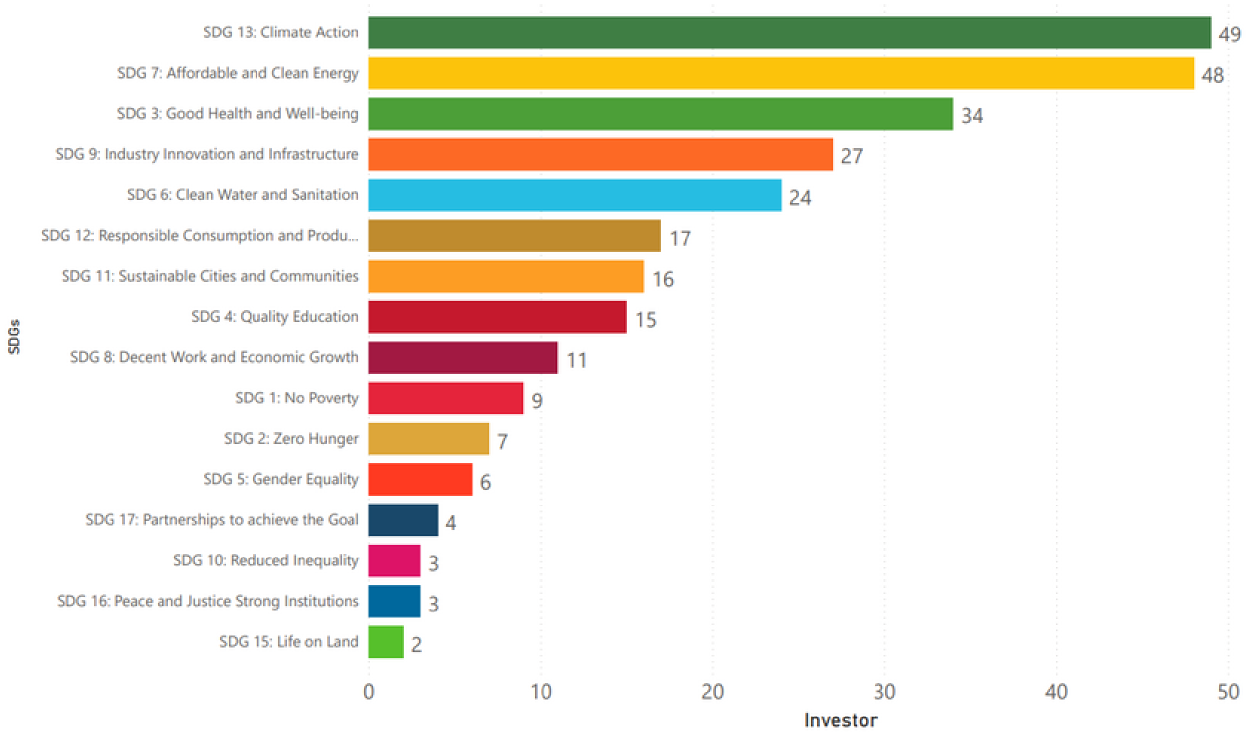


The Phenix Impact Database team collects data for Public Equity Funds quarterly from public sources. The graph is a smaller sample of funds mapped in the database with a track record of at least five years and performance measured in Euros. It is important to highlight, as shown in the previous graph, that the investments vary across sectors and they can be more or less focused on specific SDGs. That said, the sample contains data from funds with a diversified number of strategies. Interestingly, the sample contains only one fund focused on Emerging Markets with five years' track record.



*Data may overlap as funds can target several asset classes, SDGs and/or regions.

SDGs most targeted by investor commitments in Public Equity



The Phenix Impact Investor Database team mapped a total of 145 investors with commitments towards public equity impact funds. In this case, the SDGs with the highest recurrence among investors are SDG 13: Climate Action; SDG 7: Affordable and Clean Energy, and SDG 3: Good Health and Well-being.

This is not surprising in a world where climate risk is no longer just an environmental concern but also a recognised financial risk. The global cost of climate change damage is estimated to be between $1.7 trillion and $3.1 trillion per year by 2050, according to a report in *Nature Communications*.

The risk is so widespread that it has been incorporated into the regulatory framework of most developed nations, but it is the power of institutional investors' over their investments in terms of the active nature of their ownership that could move the dial. This has led to groups such as the Institutional Investors Group on Climate Change with more than 400 members managing more than $65 trillion in assets being created,

Yet according to *Sustainability integration by public pension and sovereign wealth funds, 2022* report, which examined the ESG and sustainability integration in the investment practices of the world's 100 largest public pension funds and sovereign wealth funds, accounting for $22 trillion in assets under management, 53% did not report on ESG integration in 2021. Non-reporting funds include 21 SWFs, equivalent to 70% in the sample and 32 public pension funds, equivalent to 43%.

*Data may overlap as funds can target several asset classes, SDGs and/or regions.

INDUSTRY INTERVIEW

Bertrand Lecourt,
Senior Fund Manager –Thematics
Head of Thematic Investments
Strategies

Saurabh Sharma,
Portfolio Manager – Thematics

“THERE IS NO ECONOMY WITHOUT WATER, NO SUSTAINABLE ECONOMY WITHOUT WASTE MANAGEMENT.”

The story of water and waste is as old as the story of civilisation. Regnan Sustainable Water and Waste Fund’s Portfolio Managers Betrand Lecourt and Saurabh Sharma discuss the unique proposition of investing in water and waste.

The Water & Waste Story

As towns and cities developed from small settlements, one of the first services to develop were water and sanitation systems. Today, the need for water and waste management is growing faster than GDP, and while the theme is global the impact is local, making it an interesting decorrelation play, among many of its features.

Fresh water is a scarce resource. As the population becomes wealthier, it consumes more water intensive resources. For example, to produce a pint of beer takes 75 litres of water, while one pair of jeans takes 7,979 litres.

Waste is a lesser told story of economic development. Increased consumption leads to discarded waste that does not disappear overnight. A milk carton can take five years to decompose, batteries 100 years and fishing lines up to 1,000.

But as the waste market is set to double over the next decade, its potential as a resource is growing investment opportunity as secondary raw materials, agricultural fertilizers or refuse derived fuels.

Driven by population growth, increased urbanisation and environmental degradation, companies in the water and waste industries are at the centre of many core themes, yet less than 5% of waste and water 'stocks' are accessible to investors as they are fragmented markets.

But this also means there is a lot of potential. Most of the $30 billion or so in funds with related investment capacity in this universe is largely focused on investing in water. Where Regnan differs from other funds is that we look at water and waste together; this combination is unique.

For us, waste and water are the same story. For water, you pay to clean and transport it. The same is true for waste, except for the fact that waste is where water was 15 to 20 years ago, particularly in the emerging markets where waste is still often just dumped.

How did Regnan enter this sector?

Regnan, named after Eucalyptus regnans a species of very tall forest tree native to the Australia states of Tasmania and Victoria, started life in 1996 as an advisory business within Monash University.

Initially known as Monash Centre for Environmental Management (MCEM), the seed for what is now Regnan was planted when the superannuation fund, now known as Commonwealth Superannuation Corporation (CSC), asked Monash University to investigate overlooked ESG-related sources of risk and value for long-term shareholders in Australian public-listed companies.

In 2000, MCEM became Monash Sustainability Enterprises (MSE), around the same time as the creation of BT Governance Advisory Service, which evolved into Regnan Governance Research & Engagement. The Pendal Group was established as a founding part-owner and client, eventually becoming a full owner in 2019 as Regnan expanded into impact investment management with a dedicated team.

This year, the Pendal Group became part of Perpetual Group, a multi-boutique business, which includes UK-based listed equity expert J O Hambro Capital Management ("J O Hambro"), and collectively manages €123 billion. We joined the London team in the J O Hambro office in early 2021 from Fidelity International ahead of the launch of the global equities sustainable water and waste investment strategy.

We loved the idea that Regnan would be the umbrella under which we would manage the water and waste fund, as the firm capitalises on the strengths of the individual portfolio managers rather than needing the macro-overlay usually provided by a chief investment officer.

More than that, Regnan grew from the need for ESG and has produced pioneering research that has changed the way investors think about their wider responsibilities to society including advising influential organisations, such as the Principles for Responsible Investment.

When we joined, we brought in a decade's experience in managing water and waste equity portfolios, so our track record is quite long even if the Regnan fund's is less than three years. We have worked together for more than six years and brought a strong understanding of where the world is going and why a strong ESG overlay is essential.

Opportunities in water & waste

Water and waste together are a $2.5 trillion market with some 350 investable companies, with an average $5 to $10 billion dollar market capitalization. Each year, 10 or so viable companies become available as investments. In the early '90s there were 30 or so stocks available; now there are 10 times more.

Geographically, there are strong opportunities, and greater need, in the emerging markets, but the investable universe is roughly split 50% in the US, 30% in Europe and only 20% in the emerging markets.

As an investment thesis, however, we believe it is important not just to focus on recycling and the circular economy, which while important, is only a small part of the whole equation. So, at a global level, we focus on identifying pure companies that have exposure to water and waste or as we like to call them, enablers that deal with water and waste management.

One of the best examples of this is Coca Cola. We prefer to invest in Coca Cola's waste and water service providers, as opposed to Coca Cola itself. So, we would opt to invest in Evoqua Water Technologies, water treatment solutions and services, or Xylem, a global water technology company, which bought Evoqua earlier this year, or Veolia, which has activities in three main service and utility areas traditionally managed by public authorities, namely water management, waste management and energy services.

From a water point of view, we might look at chemical, water meters, pipe, and utility companies, while for waste management, we look at transportation, recycling of metal or waste oil, for example. Essentially, we invest in companies involved in the design, manufacture or sale of products and services used in the water and waste management sectors

How does the Regnan fund look at the sector?

From a thematic point of view, Regnan can't look at a company in isolation, as a process it needs to look at the whole system.

Most impact and sustainable funds in this space focus on technology stocks, but for us the key story, as mentioned previously, is the water and waste value chain. Not all water distribution is gravity driven, so transportation is key to distribution and cleaning of water.

Moreover, when we look at companies, we discuss their energy consumption and how they might offset the carbon footprint, so there is a double benefit: diversification and sustainability.

For many investors, sustainability is 'degree' alignment, so many funds they will select have almost the same characteristics as they try to avoid carbon dioxide.

By investing in water and waste, CO2 mitigation is a collateral benefit. The Regnan Sustainable Water and Waste Fund moves in opposite direction to petrol, banks, technology, and pharma, typically going up with the market, but resilient on the downside.

There are only two risk factors to look at in our fund. The first is sector exposure. By only owning primarily service and equipment companies, the performance will move differently from a fund that also invests in energy companies, banks, technology, or pharmaceutical companies.

Yet if you were to plot annualised returns against annualised volatility, water and waste are closer to technology stocks than for example utilities giving water and waste equities a strong and consistent risk-return profile over the long term.

The second risk is size factor. We don't invest in mega cap. In water and waste management, roughly $50 billion is the market cap of the largest company, so there is no Amazon or Google of water, as the market is local and fragmented. With only two risks to consider, the return profile over time is much smoother.

Moreover, in an inflationary environment, equities compete against cash so finding themes that are inflation proof are a benefit. Investing in water and waste is a natural hedge against rising water and waste bill. That said, in general water and waste bills, at least in the UK, are relatively small. So even if they go up, there is still capacity to absorb the change, which is a key diversification benefit for pensions.

What really makes this fund unique is that it is truly thematic and not a sector fund, which by its nature means when a sector fund stock, such as bank or tech, is in trouble then all the stocks in that sector are affected. A water or waste problem in one part of the world will not impact another part of the world, as the correlation on the companies is close to 0.3.

"THERE IS NO AMAZON OR GOOGLE OF WATER"

What are the fund's objectives?

The capacity of the fund itself is not small, and could comfortably invest $5 billion to $10 billion, largely because by adding the waste component we add capacity in terms of the range of companies we can invest in.

One of the reasons why we love this theme is that it is global, growing, and diverse in terms of countries, and industries, with at least 25 options for both. Moreover, these two sectors are not well covered by the big groups, giving us an edge.

The fund is relatively concentrated as we invest in between 35 to 50 stocks, and currently have 40 to 45, with 2% to 3.5% in each company. We don't plan to equal weight, but it is close. In terms of strategy, we invest in a bit of everything from growth to value, and some income, blending it all in rather than picking one to concentrate in. Over the last 20 years these companies have had the capacity to create value.

The fund is designed with four objectives. First and foremost, the fund is being run to manage people's savings. Our aim is to invest in a good story that is also good for the investor, by providing the returns, so the quality of the earnings needs to be strong.

The second objective is about mission is purity. Investing in what we state is very important to us. Our aim is to identify how much of the revenue is derived from waste or water and our minimum threshold is that more than 70% of the portfolio revenues are driven by water and waste solutions.

The third objective is ESG integration. What this means is that we invest in companies that get better over time. Sometimes these smaller companies are doing well by may not have the capacity to give us and other investors the data required, so we help them so they can grow over time.

We may be a public equity investor, but we operate like a private equity one, in that we try to help them understand the risks, qualify their climate exposure, or by building their board. We like to accompany them as they realise that there might be issues and how to communicate on them. It is to everyone's advantage to help them get third party ratings.

As a SFDR Article 9 fund, the fourth objective is in line with EU requirements to have a sustainable objective, so we have mapped the companies in revenue terms by risk, return, ESG integration and objective purity, into 10 solutions in waste and 10 in waste management. We think it speaks to people as it is tangible.

What are the challenges to impact investing in the public markets?

One of the key issues when it comes to "impact" in public equities is the notion of being able to measure, monitor and report on impact. Our track record, and now for the funds we run for Regnan, can be considered impactful but we prefer to steer away from the term impact investing as the waste and water story is pure as it is from an ESG perspective.

We take a long-term view. As mentioned earlier, we may be a public equity investor, but we operate like a private equity one, so we don't tend to trade too much turnover and prefer to operate more like a partner. Our portfolio turnover averages 20% per year. The decision process is strict, and we look at value creation, balance sheets and valuations, to avoid falling in love with a single company. A sell trigger could be a broken business model or change in ESG policy.

An additional benefit that public equity investing offers, of course, is that impact can be created by providing an exit by providing capital needed for growth. For part of the 'impact' is making sure that companies are understood. Otherwise, we vote and make sure the investment process is stable and help to give access to companies off the radar, which in itself is helping to grow and support the sustainable investments market.

BUT WHEN IT COMES TO WATER AND WASTE, OUR MOTTO IS THERE NO ECONOMY WITHOUT WATER AND NO SUSTAINABLE ECONOMY WITHOUT WASTE MANAGEMENT.

Bertrand Lecourt,
Senior Fund Manager –Thematics
Head of Thematic Investments Strategies

With 23 years equity investing experience, Bertrand Lecourt started his career at Goldman Sachs in 2000 in investment research for water & waste utilities, as well as power utilities. In 2003, he moved to Dresdner Kleinwort Benson, as director of water & waste utilities and power utilities, and then Deutsche Bank in 2007 as head of French equity and utilities research –Water & Waste Utilities, Power Utilities.

In 2013, Betrand joined Aquilys Investment Management as portfolio manager and chief investment officer of the global water & waste long/short strategy, moving onto Polar Capital on the long only side in 2017 as portfolio manager, global sustainable water & waste. He joined Fidelity in the same capacity in 2018, before moving to Regnan in April 2021 as senior fund manager – thematics and overall head of thematic investments strategies.

Saurabh Sharma,
Portfolio Manager – Thematics

With 13 years equity investing experience, Saurabh Sharma started his career in 2010 at GlobalData as an equity research analyst, Financials. He moved to Moody's Analytics, as equity research analyst, industrials, and financials in 2011, before joining Fidelity International as an investment director – sustainable and thematic strategies in 2014. It was at Fidelity that Saurabh became the assistant portfolio manager for the Global Sustainable Water & Waste strategy in 2020, ultimately leaving to join Regnan in April 2021 as portfolio manager – thematics.

About Regnan

“Regnan” is a specialist sustainable and impact investing brand of the Australian asset manager Perpetual Limited, which encompasses J O Hambro Capital Management, Thompson, Siegel & Walmsley, Pendal Australia, Barrow Hanley Global Investors, and Trillium Asset Management.

“Regnan” is a registered trademark of Pendal Group Limited. The Regnan business consists of two distinct business lines. The investment management business is based in the United Kingdom and sits within J O Hambro Capital Management Limited.

“Regnan” is a trading name of J O Hambro Capital Management Limited. J O Hambro Capital Management Limited is authorised and regulated by the Financial Conduct Authority in the UK and is registered as an investment adviser with the SEC in the USA.

Alongside the investment team is the Regnan Insight and Advisory Centre of Pendal Institutional Limited in Australia, which has a long history of providing engagement and advisory services on environmental, social and governance issues.

While the investment management team will often draw on services from and collaborate with the Regnan Insight and Advisory Centre, they remain independent of the Regnan Insight and Advisory Centre and are solely responsible for the investment management of the Regnan investment strategies.

To find out more, **click here**

Regnan Sustainable Water and Waste Strategy

Regnan

There is no economy without water, no sustainable economy without waste management”

For professional investors only

It takes

140 Litres

of water to make one cup of coffee

and up to

500 years

for a coffee pod to decompose

Visit **regnan.com**

Source: www. waterfootprint.org, www.conserve-energy-future.com, Regnan.

PHENIX IMPACT FUND ASSESSMENT 2.0

Phenix Impact Fund Assessment is a proprietary framework developed in close consultation with institutional asset owners and industry leaders, for the purpose of **assessing the robustness of a fund's impact proposition**.

On 6 themes and 45 criteria, it examines to what extent the policies, procedures and human resources are in place to deliver the impact that a fund aims to create.

ASSESSING THE ROBUSTNESS OF IMPACT FUND PROPOSITIONS

Uncover strengths and weaknesses

Adopt industry best practices

Prepare for institutional impact due diligence

100/100 PHENIX IMPACT FUND ASSESSMENT

September 2023

VISIT SITE >>>

GLOSSARY & SYMBOLS

Committed capital: Amount committed in a fund vehicle by its limited partners / investors.

Developed markets: We include Europe (excl. Eastern Europe), North America, Asia Pacific (Singapore, Japan, and South Korea only), Oceania (New Zealand, Australia) Middle East and Africa (Israel only).

Direct lending: A specialised form of private debt, in which loans are made to middle-market companies. It is the private debt strategy with lower risk, achieved by using collateral.

Emerging markets: We include Latin and Central America, Asia Pacific (excl. Singapore, Japan, South Korea), Middle East and Africa (excl. Israel) Europe (Eastern Europe only).

Fund managers: Organisation managing commingled, pooled and customised vehicles invested by institutional asset owners. Also called General Partner or GP.

Global: Funds that have an investment geographic scope encompassing both developed and emerging markets.

Impact investing: Investments with the dual mandate of financial return and positive societal or environmental impacts, with the notion of measuring the positive and negative impact of investments, ensuring both intentionality and additionality among these.

Institutional asset owners: Outsourced CIOs, pension funds, insurance companies, family offices, sovereign wealth funds, endowments, foundations, banks, fiduciary managers, discretionary investment consultants. Also called Limited Partner or LP.

Market targeted: Markets fund managers target for their investments: We include Global, Developed markets, Emerging markets.

Mezzanine: A specialised form of financing in which loans are subordinated to banks, with no collateral. It is the most equity-like form of private debt.

Microcredit: A common form of microfinance, characterised by small loans to individuals or small companies.

Private debt: Debt instruments to companies: direct lending, mezzanine, microfinance strategies.

Public debt: Publicly traded fixed income securities: investment grade or high yield, focused on green bonds and municipal and community infrastructure and affordable housing issuers.

Regions targeted: Regions fund managers target for their investments: We include Asia Pacific (East Asia, Central Asia, South Asia, South East Asia), Europe (Western Europe, Eastern Europe), Global, Latin and Central America, Middle East and Africa (East Africa, Middle East, Northern Africa, West Africa, Southern Africa), North America, Oceania.

Target fund size: Amount the fund manager is targeting when raising capital.

Vintage: Year where the fund manager first calls capital from investors.

Full glossary: www.phenixcapitalgroup.com/impact-investing-glossary

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