



GGSF
Global Gender-Smart Fund

**Addressing the \$1.7 trillion gender gap
through financial inclusion**

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Please refer to the disclaimer on the last page.

OPPORTUNITY FOR INVESTORS

IMPACT OPPORTUNITY

\$1.7 trillion global gender finance gap **for women-owned and women-led SMEs**

Under-representation of women at all levels of the financial system which has a wider impact on their activities, employment, education, and health.

Financial institutions **face challenges in addressing the gender issue** such as lack of gender data, inadequate policies & products, limited diversity in management, etc.

\$700 billion annual global missed revenues for financial services firms by not meeting women's needs

INVESTMENT OPPORTUNITY

GGSF is seeking **USD 200-300 million over the next 2-3 years in Senior and Subordinated Notes**

Opportunity for **institutional and professional investors to invest at scale and at market-based risk/return conditions** in the largest gender-lens investment fund

Article 9, Blended Finance Fund in Luxembourg
with solid and renowned public shareholders

Senior Notes
Market based interest
2-6 years
Min. 60% protection

Subordinated Notes
Market based interest
5-10 years
Min. 40% protection

**FROM A MICROFINANCE FUND
WITH A STRONG TRACK
RECORD SINCE 2009**



**TO A GLOBAL GENDER-FOCUSED
FUND**



GGSF
Global Gender-Smart Fund

BUILDING BLOCKS

CLEAR INVESTMENT CRITERIA

Evergreen private debt fund
providing loans to financial institutions¹

Developing markets worldwide

Gender-smart criteria

EXPERIENCED MANAGERS

3 portfolio managers



AIFM & global portfolio manager



AMBITIOUS OBJECTIVES

 **FINANCIAL TARGETS**

- **\$800 million** total assets target by 2027
- **\$150+ million** first loss component

 **EXPECTED IMPACT**

- **+50%** women, women-owned or women-led businesses borrowers by 2029
- **50%** female employees at FI level by 2033
- Around **30** TA interventions per year

SOLID ANCHOR SHAREHOLDERS

Allowing a strong Blended Finance structure



1. Financial institutions may include (without limitation) regulated and/or non-regulated microfinance institutions, local commercial banks, as well as other financial service providers such as non-bank financial institutions (leasing or factoring companies) that facilitate financial inclusion in developing countries.

GENDER FOCUS

INVESTING THROUGH FINANCIAL INSTITUTIONS (FIs)

- Sound financial results
- Balanced and diversified portfolio allocation

HAVING A GENDER AGENDA

- **Gender assessment and gender action plan** for all financed institutions
- Using tools designed for gender assessment and reporting



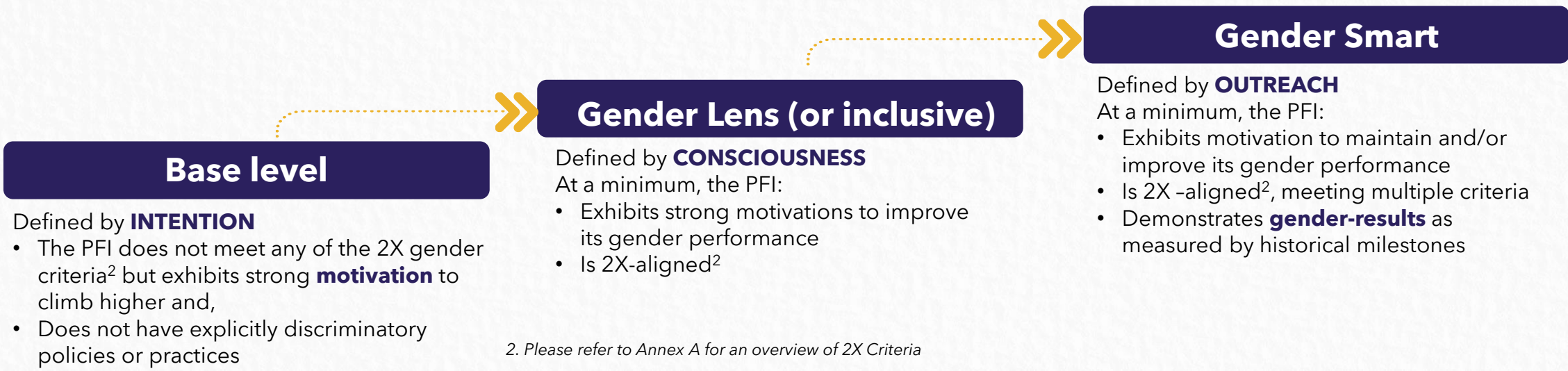
WITH POTENTIAL TA SUPPORT ON GENDER ASPECTS

- \$10 million budget for five years
- Implemented by



Goal: Each PFI can become Gender-Smart with GGSF support

The gender assessment helps classify PFIs within the performance groups below, with the aim to set specific goals to move up to the next group.



Base level

- Defined by **INTENTION**
- The PFI does not meet any of the 2X gender criteria² but exhibits strong **motivation** to climb higher and,
 - Does not have explicitly discriminatory policies or practices

Gender Lens (or inclusive)

- Defined by **CONSCIOUSNESS**
- At a minimum, the PFI:
- Exhibits strong motivations to improve its gender performance
 - Is 2X-aligned²

Gender Smart

- Defined by **OUTREACH**
- At a minimum, the PFI:
- Exhibits motivation to maintain and/or improve its gender performance
 - Is 2X -aligned², meeting multiple criteria
 - Demonstrates **gender-results** as measured by historical milestones

2. Please refer to Annex A for an overview of 2X Criteria

GENDER FOCUS



Contributing to the **UN SDGs**



Aligned with **2X Criteria²**

Part of the first 7 private sector actors to commit to the **2X Challenge 2024-2027 to mobilise \$ 20 bn in financing for women**

Article 9 fund

under SFDR



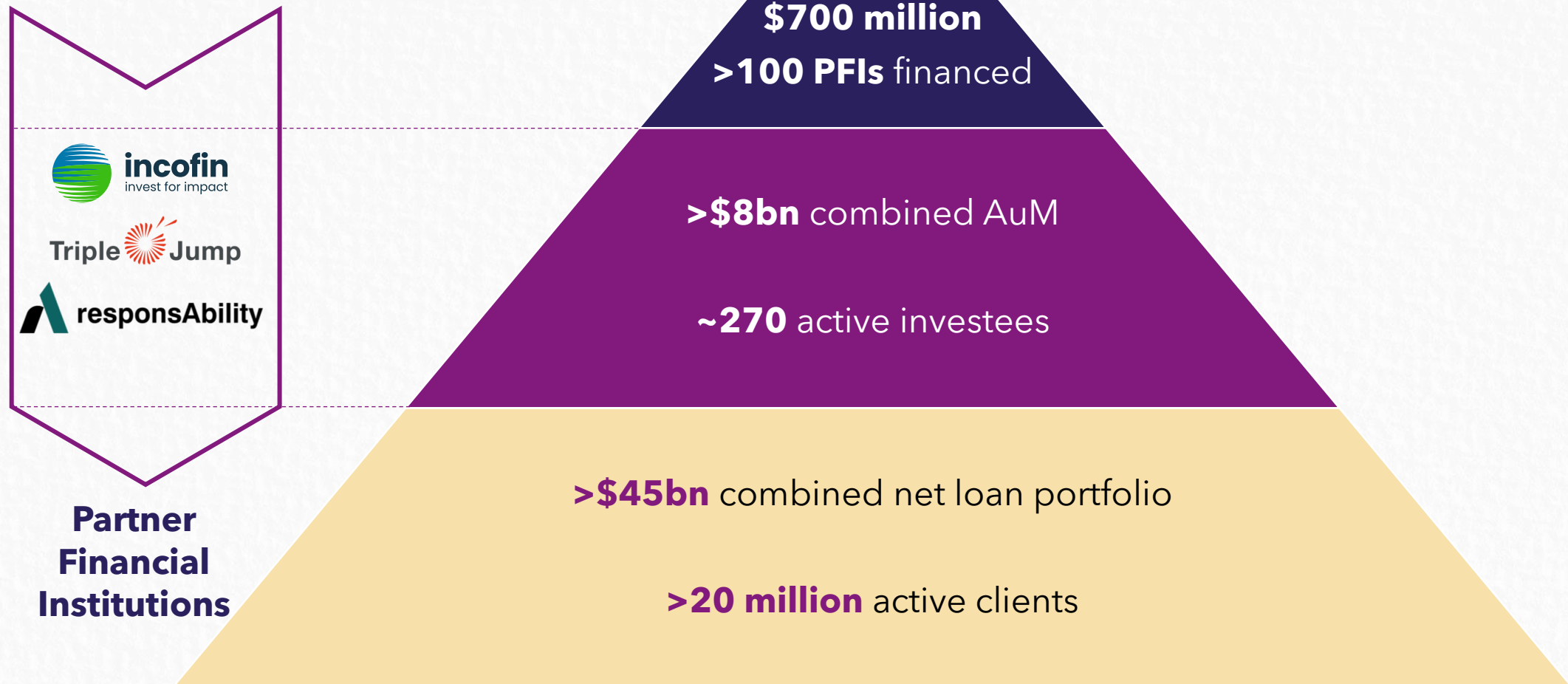
**Operating Principles for
Impact Management**

since 2021

2. Please refer to Annex A for an overview of 2X Criteria

MULTIPLIER EFFECT

The GGSF aims to have a demonstration effect, going beyond the impact of direct financing



PROVEN ACHIEVEMENTS TO DATE

New gender-smart strategy built on the basis of MEF's strong track record since 2009

SINCE INITIAL LAUNCH IN 2009



USD **3.2** billion
INVESTED



65
Countries



341
Institutions financed



956
Loans

Q4 2024



USD **550M**
Total assets



USD **480M**
Loan portfolio



44
Countries



114
Institutions financed



151
Loans



37 Months
Average outstanding
maturity



USD **4.4M**
Average exposure

SOCIAL PERFORMANCE (As of 31 December 2023)



86%
Women



69%
Rural



USD **2,044** Average
USD **2,246** Median
Loan size to final borrowers



730,000
Final borrowers
reached by funding

Average score for Dimension 4: Treat clients responsibly

93% | 75%

90% | 77% in 2022

*MEF score compared to global benchmark

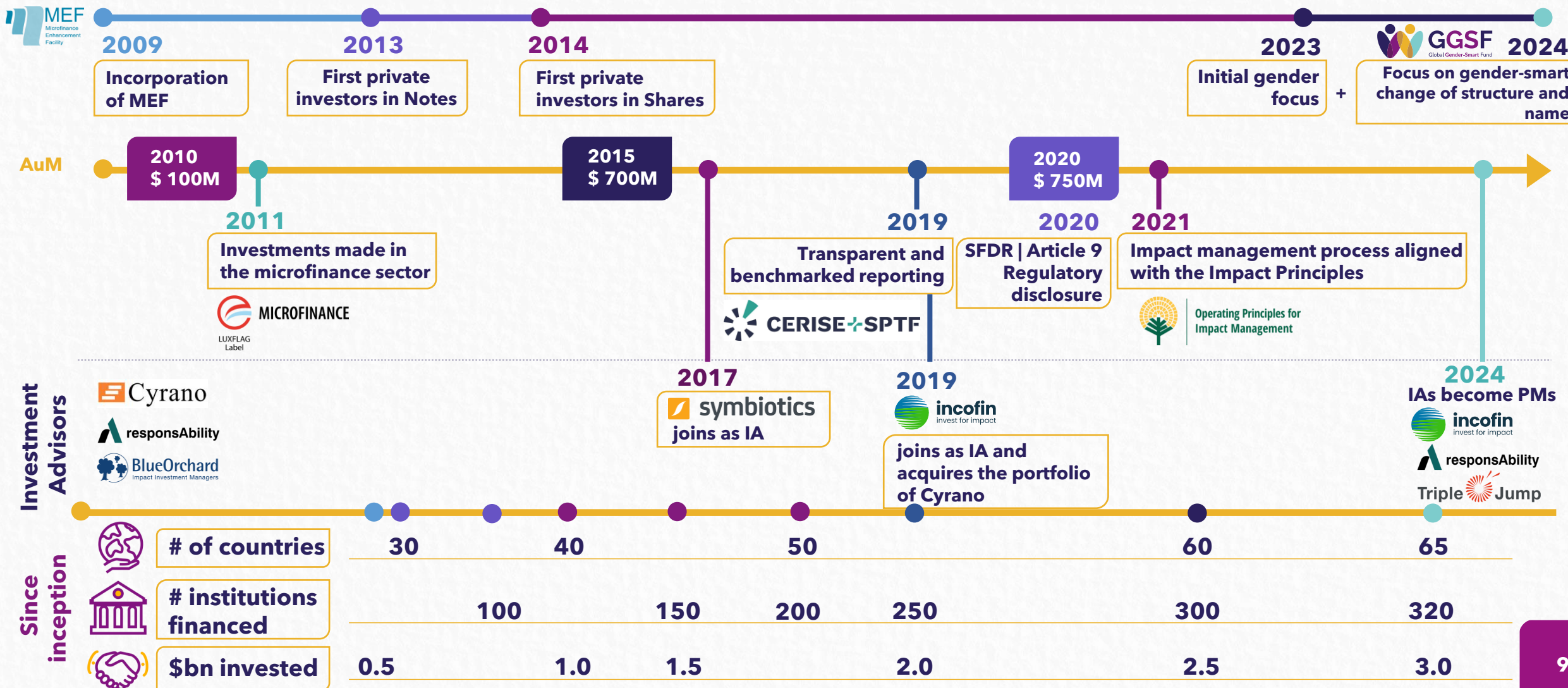
Strong client protection score



15-YEAR TRACK RECORD - FROM MEF TO GGSF



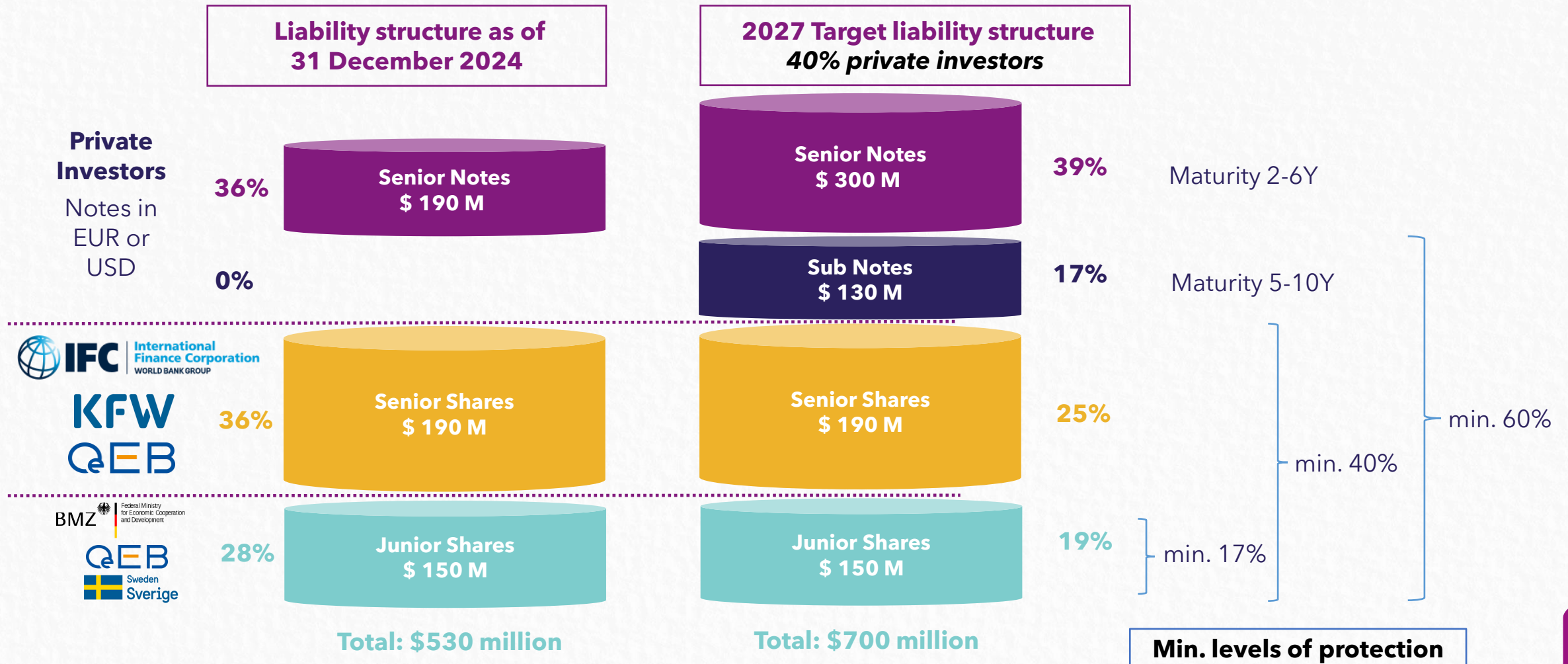
Initially set up as an emergency response vehicle to the global financial crisis in 2009, the Microfinance Enhancement Facility (MEF) has successfully provided liquidity to the microfinance sector across the developing world, and its role has now evolved to become the Global Gender-Smart Fund (GGSF)



SPONSORS & INVESTORS

Capital structure

GGSF's objective is to double the proportion of private investors over the next 5 years to further **leverage funding** from founding shareholders, **diversify** the pool of investors, and lay the ground for **future sustainable growth** through **long-term partnerships**



SPONSORS & INVESTORS

Result allocation

Liability risk

Senior Notes

Subordinated Notes

Senior Shares

Junior Shares

Senior Notes and Subordinated Notes

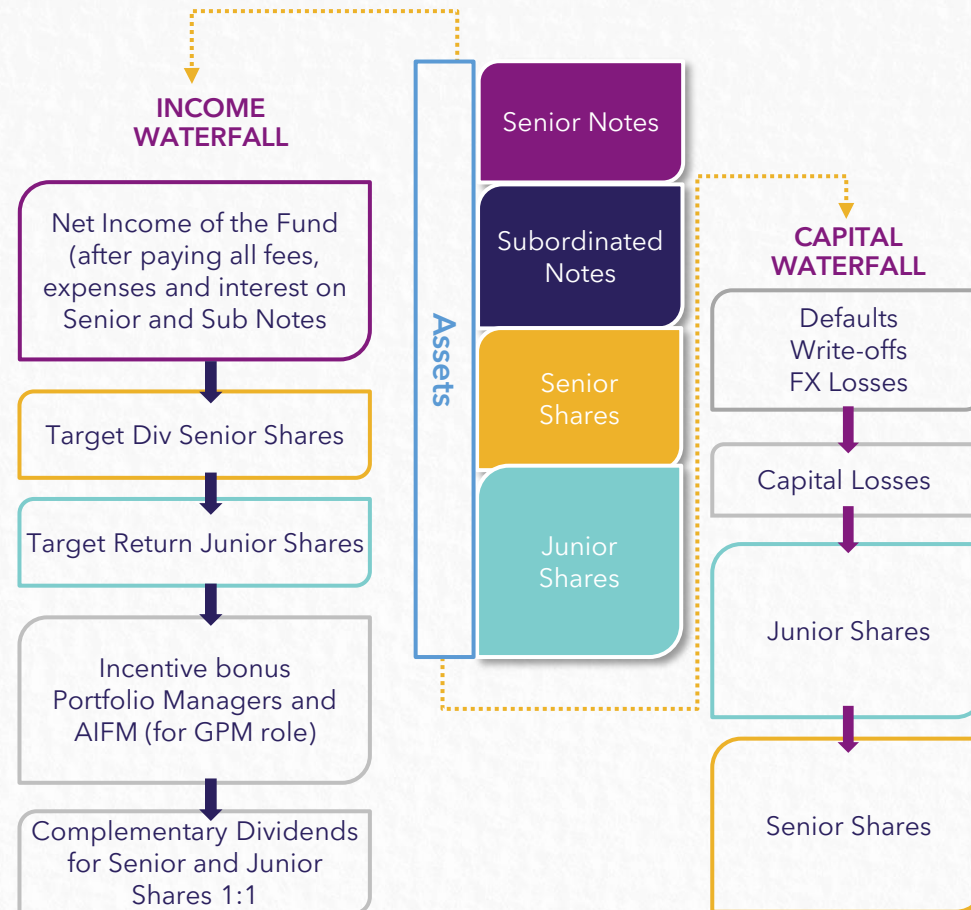
- Low risk and associated lower cost
- Creates wider participation in impact, designed for private investors

Senior Shares

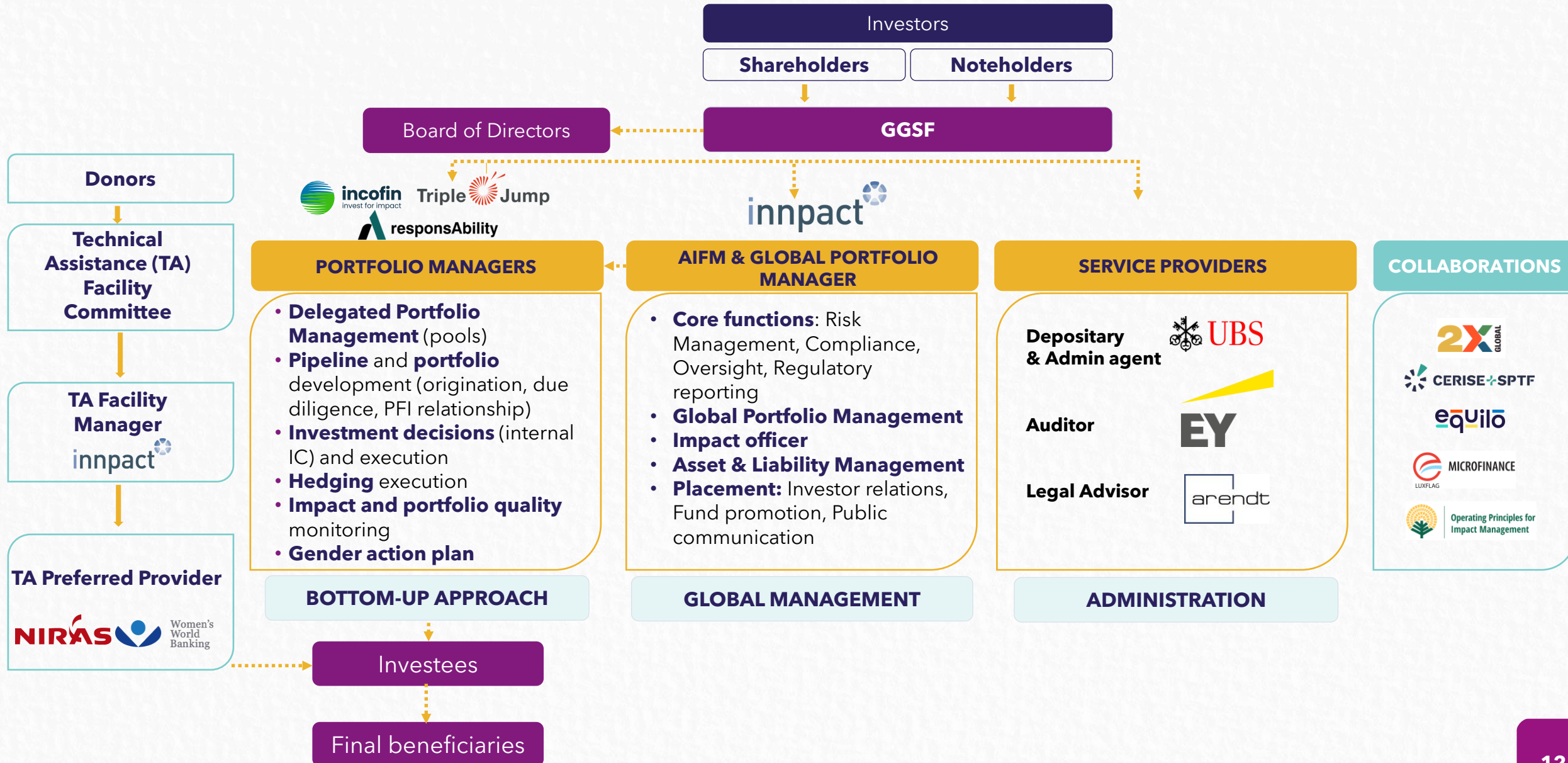
- Preservation of mission and objectives
- Reduced level of risk
- Designed for DFI funding

Junior Shares

- Catalytic role
- Sustainability of vehicle
- Efficient use of donor money
- Take initial credit risk
- Designed for Foundations, Donors, Venture Phil., Coop. Agencies



THE TEAM BEHIND GGSF





FUND INFORMATION

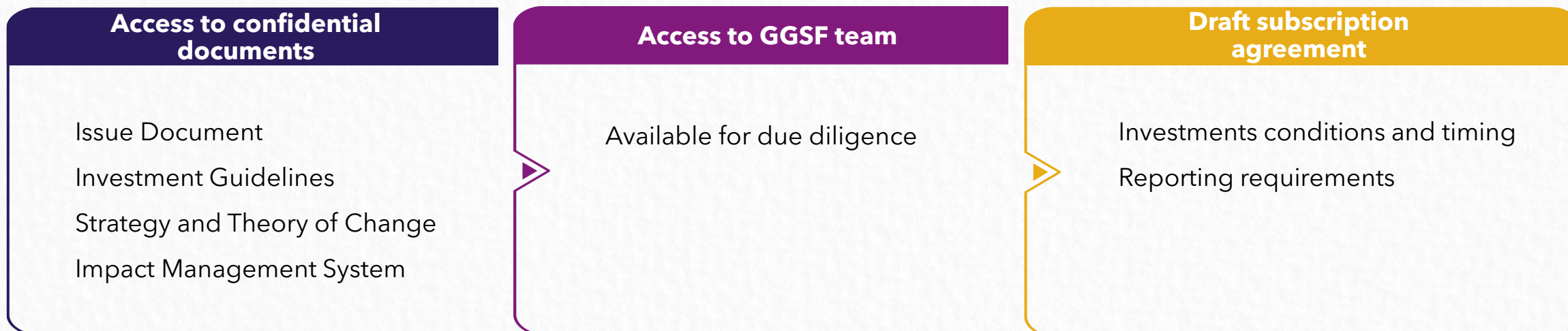


FUND NAME	GLOBAL GENDER-SMART FUND S.A., SICAV-SIF
REGULATOR	CSSF (Luxembourg)
FUND STRUCTURE	SICAV-SIF
REGISTERED OFFICE	5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg
CAPITAL STRUCTURE	Senior and Subordinated Notes, Senior and Junior Shares
FUND TYPE	Article 9 under the EU's Sustainable Finance Disclosure Regulation
AIFM & GLOBAL MANAGER	Innpact Fund Management S.A.
PORTFOLIO MANAGERS	Incofin Investment Management NV responsibility Investments AG Triple Jump B.V.
AUDITOR	Ernst & Young S.A
DEPOSITARY	UBS Europe SE, Luxembourg branch
ADMINISTRATIVE AGENT	UBS Fund Administration Services Luxembourg S.A. (UBS FASL)
LEGAL ADVISERS	Arendt & Medernach

INVESTMENT PROPOSAL

OFFERING	Investment in a gender-smart financial inclusion investment fund 15-year track record Strong founding shareholders (BMZ, KfW, IFC & OeEB) First loss component for credit/FX risks Providing debt financing to PFIs in developing markets	INSTRUMENT	Senior Notes (min. 60% protection) and Subordinated Notes (min.40% protection)
FUNDING	2025 \$120M to \$150M	CURRENCIES	USD or EUR
NEEDS	2026 \$90M to \$140M	MATURITY	Senior Notes: 2 to 6 years Subordinated Notes: 5 to 10 years
		INTEREST RATES	Market-based fixed or floating interest rates
		ELIGIBILITY	Professional or well-informed investors

If interested, next steps upon signature of a non-disclosure agreement :



DISCLAIMER



GLOBAL GENDER-SMART FUND S.A., SICAV-SIF (the "Fund" or "GGSF") is an investment company with variable capital (a "*société d'investissement à capital variable*" - SICAV), organised as a public limited company (a "*société anonyme*") under the laws of the Grand Duchy of Luxembourg and qualifies as a specialised investment fund ("*fonds d'investissement spécialisé*" - SIF) within the meaning of the Luxembourg law of 13 February 2007. The Fund further qualifies as an externally managed alternative investment fund within the meaning of article 1 (39) of the Luxembourg law of 13 July 2013 on alternative investment fund managers, as amended (the "AIFM Law"). The Fund has appointed Innpact Fund Management S.A. as its external AIFM within the meaning of article 4 of the AIFM Law and article 5 of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers ("AIFMD").

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ANNEX A - 2X CRITERIA - Financial Institutions

FI must meet the basic 2X ESG (including safeguarding) and minimum Governance & Accountability requirements AND

(a) at least ONE of the 2X Criteria 1-5 at the FI level (Criteria 4 unlikely to apply) AND the Portfolio threshold OR a target for the Portfolio threshold OR (b) vice versa: the Portfolio threshold AND at least ONE of the 2X Criteria 1-5 at the FI level OR a target for the FI level

IMPORTANT NOTES:

- Criteria 6A: if use of proceeds are stipulated in a legal doc, it counts as "met" not "commitment";
- Portfolio Companies of FIs must meet ONE Criteria + Basic ESG (i.e. no additional Criteria commitment nor the Governance & Accountability metrics); and
- At Portfolio level, FIs may use the [country-sector specific thresholds](#) or simplified thresholds (see next page)

Basic 2X ESG		
Governance & Accountability	Gender strategic action(s), management system(s) and data ¹	Yes/No
1 Entrepreneurship & Ownership	1A. Share of women ownership	51%
	OR	
	1B. Business founded by a woman	50%
OR		
2 Leadership	2A. Share of women in senior management	Varies ²
	OR	
	2B. Share of women on the Board or Investment Committee	Varies ²
OR		
3 Employment ³	Share of women in the workforce AND	Varies ²
	One "quality" Employment indicator ⁴ beyond compliance	Yes/No
OR		
4 Supply Chain	Commitment to women in supply chain AND	Yes/No
	One "quality" Supply Chain indicator ⁴ beyond compliance	Yes/No
OR		
5 Products & Services	Product(s) or service(s) enhance(s) well-being of women/girls and/or drives gender equity	Yes/No

Portfolio⁵

6A. Financial Institutions (Fis): Percent of the investor loan proceeds or percent of FI's portfolio supporting businesses that meet the 2X Criteria

6 30%

¹ In exceptional cases, where the investee does not meet this requirement yet, the investor can agree on a formal time-bound action item to have this requirement met within max. 2 years and follow-up/monitoring from the investor.
² For direct investments, thresholds vary based on sector/country intersection. For FIs, simplified thresholds will apply at Portfolio level.
³ Requires no dissonance with the Leadership criteria, i.e. there should be at least some progress on women's representation in leadership.
⁴ Includes diversity practices, pay equity, care support, health & well-being and GBVH (further details provided).
⁵ For Funds and FIs, criteria (or target) need to be met at both the institutional and portfolio level.