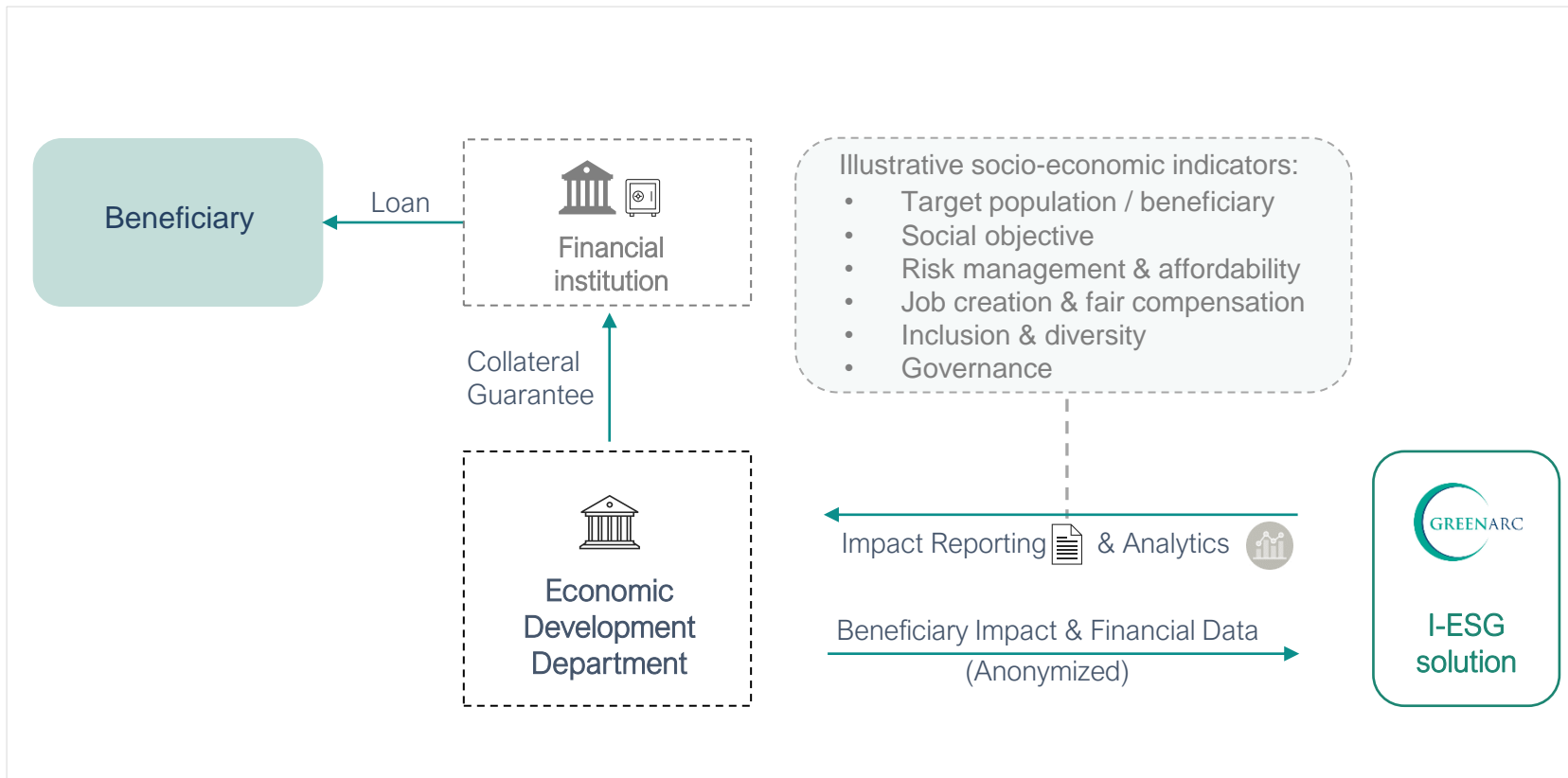




Case Studies

Case Study 1: US State Economic Development Department

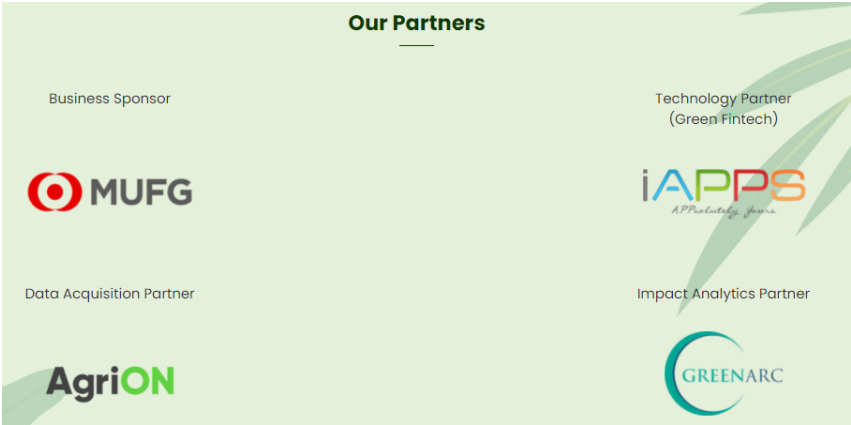
*GreenArc was engaged to measure the impact of Economic Development Department's **Collateral Assistance Program (CAP)** as part of **US Treasury funded SSBCI¹ 1.0** and (b) helping design the impact data structure for SSBCI 2.0*



Case Study 2: MUFG Agri Financing Solution

MUFG Bank sponsored agri financing platform 'GreenOn' promotes sustainability practices in palm oil farmers in Indonesia

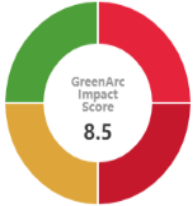
- Sponsored by MUFG Bank and Monetary Authority of Singapore's Project Greenprint, GreenOn* was introduced to promote sustainable agriculture practices and reporting through real data collection and verification
- The Platform aims to place greater emphasis on sustainability disclosures providing the required impact analysis to guide financiers and corporates to better assess green projects wrt to their social and environmental impact
- GreenArc will provide SDG alignment & impact analytics with recommendation feature, providing financiers with greater transparency and accountability to better mobilise green financing towards projects mitigating deforestation and supporting environmental protection



IMPACT ANALYSIS ⓘ

The project contributes towards the following Sustainable Development Goals:

UN SDGs	Highlights	Improvement Recommendations
	<ul style="list-style-type: none">Woman led cooperative and has above average number of female employees	
	<ul style="list-style-type: none">Employees working on the farm have formal contractsFocus on provision of sustainability training and employee well-being	<ul style="list-style-type: none">Average worker salary to be increased in line with industry and national standards
	<ul style="list-style-type: none">All inputs locally sourcedTraining provided on sustainable practicesHas the appropriate certifications, i.e. RSPO certified and has EMS policies in place (formal)Minority use of organic or safe pesticides/fertilisers	<ul style="list-style-type: none">Increase the number of suppliers/producers (more community impact)



Social Indicators

* <https://greenon.io>

Case Study 3: BNP Paribas Impact Audit Project



Impact audit solution to prevent “impact washing”

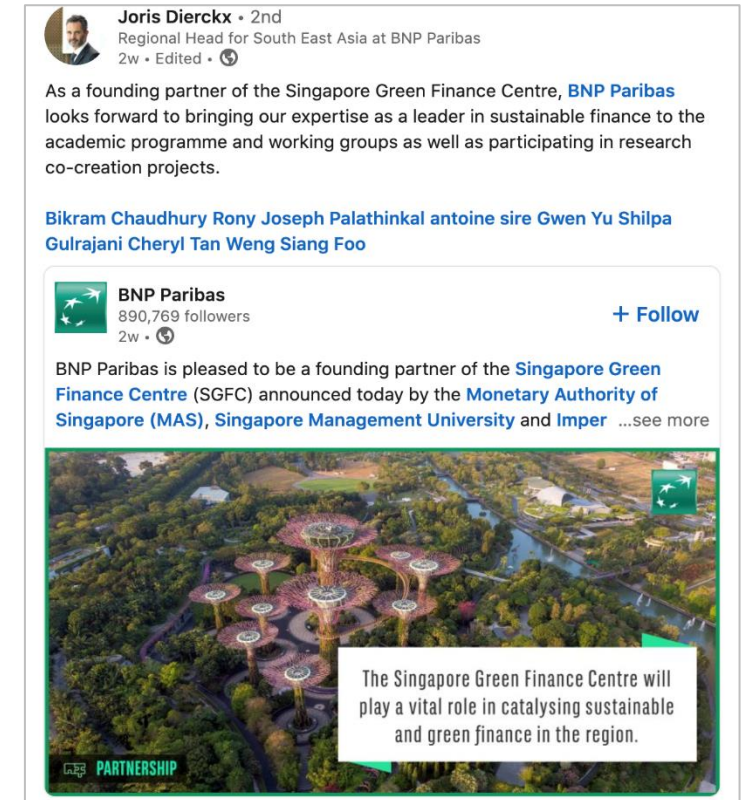
Problem Statement

Fintech and microfinance lenders who lend to SMEs and individuals in Emerging Markets have the potential to generate significant positive social impact. However, much of this social impact is often mis-reported or manipulated leading to potential impact washing.

Solution

Advanced ML techniques anchored in big data are used to *provide assurance to investors* that they are achieving stated impact objectives of financial products, while facilitating investor capital to flow towards true sustainable investments to avoid impact washing.

"Through our partnership with GreenArc, we aim to bring transparency to investors and liquidity to select last-mile lenders and microfinance lenders. ... The FSTI POC grant to GreenArc comes at an opportune moment, when institutional and retail investors are looking for positive investment returns while having a material positive impact on today's most pressing issues – climate change and economic inequality." Joris Dierckx, Regional Head of BNP Paribas Southeast Asia:



Case Study 4: International DFI Covid Relief Facility

A blended finance solution to accelerate new financing towards expediting COVID recovery in South & SE Asia

- The Facility is to be structured as part loan/part bond transaction with a target notional of up to USD 38m
- The Facility aims to catalyse financial institutions and impact investors to grow their SME and development impact portfolios by contributing the remaining 50% of the Facility
- GreenArc Capital, as Facility Manager, will be responsible for:
 - ***Identifying, vetting, approving and underwriting eligible loans under the Facility***
 - ***Managing the Facility Loan Portfolio and all eligible loans***
 - ***Facility impact measurement, management and reporting***

Covid Facility Objectives

- Accelerate investments towards priority financing areas to address the negative social and economic effects of COVID
- Meet the strong demand from Impact Investors around the world looking to deploy capital for COVID response, recovery and resilience with a scalable, high impact investment product
- Combine private financing with development financing to help mitigate currency risk, duration and volatility, catalysing private capital towards development impact

Covid Facility Outcomes

- Faster economic recovery across COVID affected regions and sectors
- Positive financial returns with strong social impact through alleviation of liquidity constraints affecting enterprise and low income populations across South and SE Asia
- Creation of a widely accepted and replicable financial instrument to regularly deliver capital for development investment projects

Case Study 4: International DFI Covid Relief Facility (contd.)

GreenArc's Impact Management Solution will provide impact measurement & reporting as per DFI requirements

Our impact measurement process is fully integrated into the investment process and utilises a set of indicators selected based on socio-economic factors which represent the below goals and themes. Indicators are predominantly selected from GIIN's IRIS+ catalogue of metrics.

Covid Recovery Strategic Goals	Key Themes represented across Indicators
Improving access to responsible financial services	Target population/beneficiary
Supporting job creation and fostering economic development	Social objective & SDG contribution
Sustaining micro-economies through financial inclusion	Risk management & affordability
Supporting MSME financial health	Access to basic services

For each loan, impact data is collected on behalf of the beneficiary and a score is allocated based on its alignment with how we assess expected impact, contribution to social objectives and comparability relative to national level socio-economic benchmarks where applicable.

This data is then analysed and consolidated into an impact score and used for our social reporting to investors, providing the ability to assess and compare the social impact of the investment. This is done for each individual loan, with the data collected twice, once at the outset of the loan, and then at repayment. Using this data allows us to ascertain whether we are reaching our target beneficiaries, as well as track the change in their social and/or economic circumstances i.e the impact.

We align each indicator selected with the relevant UN SDG to assess our contribution and help us work towards achieving the goals. Deploying capital through a Covid recovery facility for financial inclusion is directly linked with the following SDGs:



SDG 1 No Poverty



SDG 5 Gender Equality



SDG 10 Reduced Inequalities



SDG 8 Decent Work & Economic Growth



SDG 9 Industry, Innovation & Infrastructure

Case Study 5: US Sovereign Wealth Fund

A US based private investment firm deployed debt financing from a US Sovereign Wealth Fund to small-mid sized businesses to mitigate the negative economic and social impacts of Covid

Objective:

The private investment vehicle, part-funded by a state sovereign wealth fund, provided debt financing to boost economic recovery and support jobs and income generation by channelling responsible financing to small and medium sized businesses in the state that have struggled to maintain business operations due to adverse effects of the pandemic.

Project outcomes:

GreenArc provided an impact report on the fund investment using a custom impact measurement framework, with detailed analytics assessing the fund's alignment with its stated impact objectives, highlighting key areas of the fund's contribution towards creating impact and providing recommendations for similar future investments.

GreenArc is responsible for:

- Identifying key impact metrics in alignment with stated impact objectives
- Designing the data gathering template
- UN SDG alignment
- Integrating impact considerations into the Fund's investment process
- Ongoing impact measurement and reporting


Thank You




When people gain income, they gain choice, and that is fundamental to dignity.

Jacqueline Novogratz, Founder, Acumen Fund

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