EUROPEAN
COMMISSION

Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 5

ANNEX

to the

Commission Delegated Regulation (EU) .../....

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports

ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Global Impact Funds S.C.A., SICAR in-liquidation

Legal entity identifier: 5493008WMFEIDK6GPD19

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective: 100** %	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective is to provide excluded populations and microentrepreneurs with access to finance in developing countries, granting investment capital for the development and growth of Social Enterprises aimed at generating a positive social impact for economically vulnerable or socially excluded people improving their quality of life.

In order to fulfil this goal and outreach a high number of vulnerable entrepreneurs, GFIF invested mainly in microfinance institutions during its investment period (finalized in 2017), with relevant capillarity given their small and scattered loans. During the reference period (FY25), the Fund was in divestment phase.

During the reference period, the Fund remained aligned with the sustainable investment strategy supporting the use of the term "Impact" in its name. The Fund maintained 100% of its investments, excluding cash in socially sustainable investments and continued to apply binding exclusion criteria and ESG controls, including the IFC Exclusion List.

This general objective relates to several SDGs, but mainly to:

- SDG 1 – No Poverty: trying to improve living conditions of vulnerable communities by providing a livelihood opportunity. 100% of the investments are related to this objective.
- SDG 8 – Decent work and economic growth: granting opportunities for self-employment and fostering the development of a business fabric at the bottom of the pyramid. In this sense, Kinara's (100% of the portfolio during the reference period) loans were 100% productive.

A social due diligence of the entities, based in industry **standardized Social Performance metrics** (CERISE – SPI4) was carried out before investing, assessing the organisation's level of implementation of the Universal Standards for Social Performance Management (USSPM). The SPI4 Alinus standards cover the six dimensions of social performance management (Defining and monitoring social objectives; Commitment to social objectives; Designing products that meet customer needs; Treating customers responsibly; Treating employees responsibly; Balancing social and financial performance). This analysis was followed by a formal recommendation to the investee company regarding the aspects with wider room for improvement.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

In order to ensure the sustainable investment objective of GFIF, the team quarterly monitored during the reference period the evolution of social performance by means of an internal questionnaire based in social goal and governance training, client protection principles, product offer, focus in unbanked clients and responsibility towards the employee and the environment aspects. Close follow-up of recommended improvements was carried out during quarterly calls with dynamic advice by Kinara Capital (100% of the portfolio).

How did the sustainability indicators perform?

During its life cycle the Fund has made 10 investments in social institutions in 8 countries promoting financial inclusion.

In 2025, only considering Kinara's impact, GFIF has helped to serve over 32.909 vulnerable individuals, of which 18.3% were women, with 100% of loans having a productive purpose. GFIF contributed to generating 740 jobs in India.

…and compared to previous periods?

The evolution of the overall scores obtained by fund is the following:


0.7 0.8 0.8 0.8 0.8 0.8 0.8 0.7 0.7 0.7 0.7 0.7 0.7 0.8 0.7 0.8 0.8 0.8 0.8 0.8 0.8

- Kinara did not monitor its GHG emmited. Thus, Global Impact Funds in-liquidation is working since FY23 with the Joint Impact Model (JIM[1]) tool, used by several DFI and Impact Investing Firms in their GHG estimations[2], in an attempt to measure and report in a consistent and comparable way the Fund's GHG contributions[3]. The following results have been obtained for FY25, using the attribution according to PCAF Global Standards:

	Greenhouse Emissions (tCO2e)
Scope 1	12,25
Scope 2	4.049,75
Scope 3	6.284,45
Total	**10.346,45**

Scope 3 emissions include Backward Permanent downstream emmissions and Finance Enabling downstream emissions[4] estimated by the JIM attributed to GFIF's investment in Kinara and the emissions of the Financial Service Providers' final beneficiaries (downstream). As Global Impact Fund's in-liquidation objective is Financial Inclusion, the category of the loan purpose used for the estimates was the generic ISIC-G "Wholesale and retail trade; repair of motor vehicles and motorcycles":

	Greenhouse Emissions (tCO2e)	
Scope 3	Backward Permanent	4.803,27
	Finance Enabling	1.481,17
Total		6.284,45

- Kinara was not active in the fossil fuel sector; it did not have activities that affect negatively biodiversity-sensitive areas; it does not generate emissions to water or hazardous waste, nor radioactive waste;
- Even though policies related to sustainable land, agriculture practices and deforestation do not apply directly to the entitity (Financial Service Provider), Kinara incorporated an environmental and deforestation policy into their credit approval processes, showing strong commitment to sustainability.
- The Board Gender Diversity ratio was at 32% for Kinara.
- In relation to pay gap, preliminary data show that both the gender pay gap obtained in the analysis and the CEO pay ratio are low or non-existent (gender gap in women's favor). Unadjusted gender

[1] The JIM methodology has been updated to include downstream Scope 3 emissions as part of the SFDR reporting. Key changes include updated data sources, improved outlier treatment for CO2 emissions and employment data, and enhanced employment intensity forecasting. These updates align with the PCAF 2025 standards and improve the accuracy of emissions calculations, providing more detailed insights into downstream supply chain emissions and enabling better climate action and reporting.

[2] Among others: African Development Bank Group, FinDev Canada, FMO, KFW, PROPARCO, Blue Orchard, Developing World Markets, Finance in motion, Symbiotics, Triple Jump, OikoCredit, Enabling Qapital, and COFIDES.

[3] Details about the methodology can be found in the following link: https://www.jointimpactmodel.org/documentation

[4] The Backward Permanent Attribute approach is used to capture the long-term impacts of past investments. The Finance Enabling No Attribution approach highlights the role of GFIF in facilitating sustainable outcomes through financial support, without directly attributing those impacts to the institution.

pay gap was at 129.86% for Kinara, and the CEO pay ratio was 116.37 (FY24 60.56). According to The Hindu Business Line the median CEO ratio in India for the Nifty 50 companies is at 290:1, which is not close to Kinara ratio.[5]

- Regarding other relevant policies, Kinara had in place workplace accident prevention policies, even though office activities are not characterized by a high incidence of such incidents. It also had grievance/complaints handling mechanisms related to employee matters.
- Lastly, Kinara had in place anti-corruption and anti-bribery policies according to UN standards and it was not convicted or fined for violation of anti-corruption and anti-bribery laws.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The invested entity do not qualify for the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, as the fund invests primarily in small and medium-sized enterprises in emerging and frontier economies.

With respect to the United Nations Guiding Principles on Business and Human Rights, Global Impact Funds in-liquidation incorporates in all its financing agreements clauses in which the investee company commits to continue its social mission during the time horizon of the investment, to respect the ICF exclusion list, the U.S. International Development Finance Corporation (DFC) categorical prohibition list as well as the protection of workers' rights. In addition, Cerise's Alinus/SPI4 tool monitors financial service providers' implementation of the Universal Standards for Social Performance Management, including the Smart Campaign's Client Protection Principles.

How did this financial product consider principal adverse impacts on sustainability factors?

During the environmental and social risk categorization and due diligence phases, the level of risk and the main adverse impacts on sustainability factors are identified.

Due to the sectoral nature of the investments, the vast majority have been at a low level (FI-3). Microfinance institutions have a considerably low risk because their scope of financing activities covers transactions of small amount and short duration, focusing also on clients whose transactions are also generally small and whose impacts, although potentially existing, could be remediable.

The risks and covenants are monitored by incorporating the indicators of adverse impacts on sustainability factors as a tool for quantification and as a warning element in the event of potential changes in status. Thus, specific data collections have taken place during the year to proceed with the deep analysis of the principal adverse impacts on sustainability factors, as detailed above, to confirm that none of the investments caused significant harm to any sustainable investment objectives.

The following indicators for adverse impacts on sustainability factors have been analysed from Annex I of the SFDR regulated delegation: Table 1, indicators 1 to 14; Table 2, indicators 11 and 15 and Table 3, indicators 1, 5, 8, 15 and 17. Data on the performance of these indicators have been disclosured in the previous section ("*How were the indicators for adverse impacts on sustainability factors taken into account?*").

[5] https://www.thehindubusinessline.com/data-stories/data-focus/tech-majors-have-the-highest-ceo-to-employee-pay-ratio-among-nifty50-companies/article68634170.ece

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2025.

Largest investments	Sector	% Assets	Country
Kinara Capital Private Limited	*Microfinance/FSP*	*100%*	*India*

As of 31/12/2025 the only remaining entity in the portfolio has been nearly written-off (EUR 814.77).

What was the proportion of sustainability-related investments?

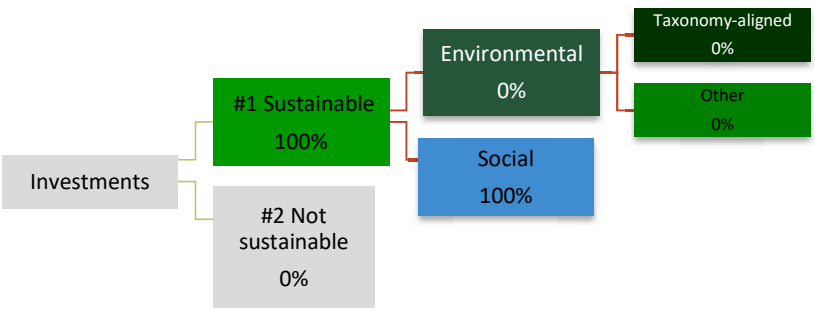
100% of the investments of the Sub-Fund (excluding cash and Temporary Investments, if any) qualify as sustainable investments. The cash and temporary investments, if any, are not considered in the calculation of the proportion as the Fund only holds cash to pay for operating expenses until it distributes it to its investors (Fund in divestment phase). During the investment period (finalized in 2017), the Fund held cash to pay for operating expenses and to invest it in sustainable-related investments. Including cash in the calculation of sustainability-related investments does not reflect the true image of the Fund.

The percentage of sustainable investments remains unchanged in comparison to previous periods.

What was the asset allocation?

100% of investments of the Sub-Fund (excluding cash and Temporary Investments, if any) qualify as sustainable investments, as detailed above. The fund has 100% of social sustainable investments for FY25.

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

Microfinance institution, other financial intermediary or organization that aims to deliver social impact to the vulnerable population and microentrepreneurs in developing countries:

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switchin to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmenal objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

- Microfinance institution and other financial services provider (SME lending) in the microentrepreneur sector account for the only investment (100%).

The Fund has no exposure to fossil fuel activities. Kinara was not active in sectors or sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

As reported in the asset allocation, there are no investments with an environmental objective. Thus, none of the investments are aligned with the EU Taxonomy (not applicable).

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[6]?

☐ Yes:

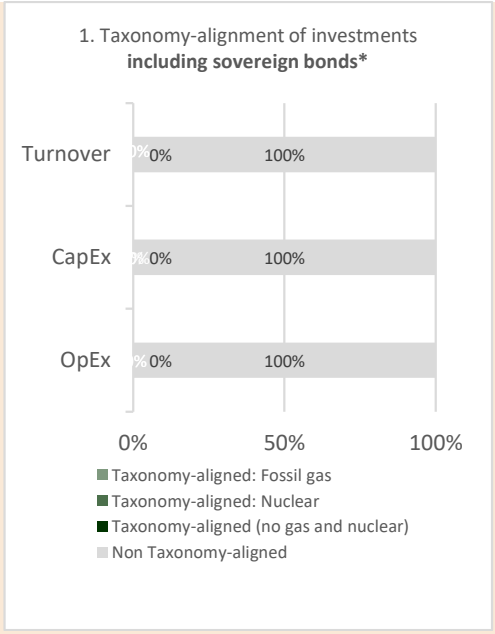
☐ In fossil gas ☐ In nuclear energy

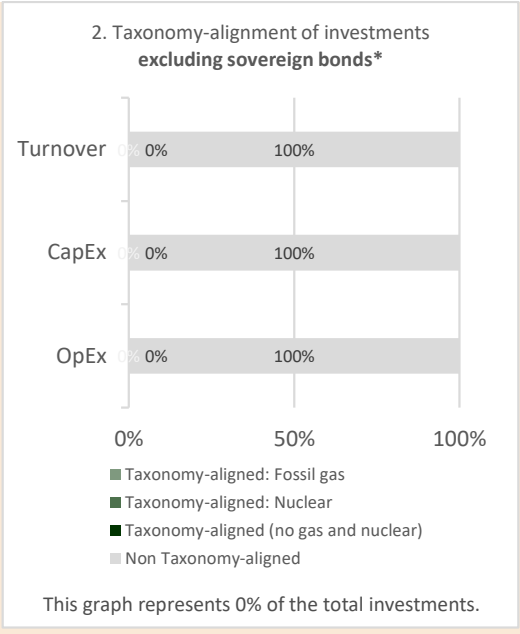
☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

[6] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

The below figure does not apply to this financial product.

What was the share of investments made in transitional and enabling activities?

Not applicable

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Not applicable

What was the share of socially sustainable investments?

100% of the investments

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The investment is a sustainable investment, as disclosed in the asset allocation. The Fund did hold cash as of year end to pay for operating expenses (as the Fund will no longer receive interest/debt repayments and cannot make capital calls). This amount of cash cannot be invested (end of investment period was in 2017) and it has not been taken into account for the calculation of the percentage of "not sustainable" investments, as this would not reflect the true image of the Fund. The total cash amount that the Fund had at year end is EUR 69,292.83.

What actions have been taken to attain the sustainable investment objective during the reference period?

GFIF's social objective is to improve the lives of vulnerable populations through financial inclusion, business advisory and other social services related to health, education and basic sanity service. To achieve this objective, it measures the social performance of entities with the Cerise SPI4 tool and GAWA's internal social metrics (based in the SPI4 dimensions).

Social impact is maximized by actively measuring and managing it.

First of all, a social due diligence of the entity is carried out before investing, in which the social level status of the entity is analyzed. For this, standardized Social Performance metrics (CERISE –SPI4) are used. The social due diligence is performed in order to diagnose and identify strengths and opportunities for improvement in the systems related to financial inclusion, or social performance practices of the potential investee company. All detected deficiencies, as well as identified areas for improvement, will be captured in a "Social Due Diligence Report", which will serve for the establishment of improvement plans or social clauses in the contractual information (on a best practices and social covenants basis), which are periodically monitored along with their performance.

Over the investment's life, the evolution of the investee's metrics is reported quarterly. These metrics measure to what extent the invested companies implement policies/business models that serve entrepreneurs and vulnerable communities (input) and what real impact is generated through their activities (outcome). Social Impact Scores are subsequently audited by an independent social auditor chosen by investors (for GFIF MicroFinanza Rating was selected in 2020 when divestments started).

Through the quarterly monitoring of the investees, the progress made by the entities is measured (each entity is assigned a social impact score). Active management is maintained, checking the evolution of indicators and compliance with metrics, thus allowing to react in case the objectives are not being reached and redirect if necessary.

So far (considering all 10 investments), GFIF's portfolio companies have helped impact over 9 million vulnerable indviduals and microentrepreneurs, directly benefiting over 95 thousand families, with an overall social performance score of 0.81, with 9 out of 10 social audits executed as of December 2025.

Lastly, GFIF does not have engagement policies referred to in Article 3g of Directive 2007/36/EC of the European Parliament and of the Council, as the Directive is not applicable given that the fund does not invest in shares admitted to trading on regulated markets within any Member State.

How did this financial product perform compared to the reference sustainable benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***

Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable