



# AMETHIS

## INVESTING WITH IMPACT



## 2021 IMPACT REPORT





# INTRODUCTION

**As a responsible investor, the subject of impact and sustainability in our activities has always been at the heart of Amethis' mission.** We hope to contribute to the economic development of the African continent and to increase the quality of life for its population while improving the carbon efficiency of their growth models. This vision is the foundation of the creation of Amethis 10 years ago, the product of an encounter between two founders from the world of private sector development finance institutions and Ariane de Rothschild who wanted to expand the impact of Edmond de Rothschild Group in Africa. Today, we have the conviction that sustainability means combining impact with financial profitability, and that we can contribute at our level. We know equally that this vision is in line with that of all our investors, and would like to take this opportunity to thank all of them for their commitment and trust.

**This balance between financial profitability and economic, social and environmental impact is particularly relevant in the context of the African continent, which faces simultaneously challenges and opportunities.**

In a few years' time, Africa will be populated by 2.4 billion people, and the continent still today concentrates a large number of inequalities, both between countries and within their populations. But it is also the next continent that will enjoy structural growth for several decades because of its demographic dividend and the dynamism of its young population. It is a land of opportunity, particularly in countries with diversified economies and rapid urbanisation that are seeing the emergence of a middle class and are moving towards a development model increasingly driven by domestic consumption.



**These new African consumers are the recipients of the goods and services of the local companies we invest in, trying to position themselves** in high-demand sectors with strong growth potential. By supporting industrialisation and accompanying the growth strategy of regional players, private equity encourages economic diversification, promotes the supply of goods and services from local companies to the population, creates stable jobs in promising sectors and helps improve people's living conditions.

**As an investor, we must consider the specifics of the African continent when managing our impacts.** The continent must certainly draw lessons from Europe but equally take the local realities into account. Most of the risks and opportunities in Africa are strongly related to social and environmental challenges, such as employment and population growth, overexploitation of natural resources and health risks.

**In response, we have defined an impact approach focused on four objectives: (i) providing quality goods and services to African consumers, (ii) attracting more capital to the continent, (iii) protecting the environment, and finally (iv) creating quality jobs.**

This approach is reflected in our portfolio and guides our decision making process.

Today, the impacts of our portfolio are visible: Mereco, a miller in Mozambique, distributes 50% of the country's flour and provides bread to nearly a fifth of the population in one of the poorest countries in the world; Ramco, a printer, has produced more than 15 million school books in Kenya; Novamed treats 200,000 patients a year and has established itself as one of the largest private health groups in West Africa; Magriser's micro-irrigation systems save 100 million cubic metres of water a year, equivalent to the annual consumption of 4 million people in water stressed Morocco. Additionally, impact is also achieved from within our portfolio companies where 80% of workers employed by our portfolio companies have extended medical coverage for their families, and we are working to improve this figure further. In ten years, we have raised more than €800 million to invest in the continent, as well as more than €400 million in co-investments. Beyond the figures, our activity is above all made up of human encounters, of shared moments with exceptional leaders.






**Finally, our intervention on social, environmental and governance issues has contributed to increasing the intrinsic value of these companies.** Providing access to quality goods and services at affordable costs (health, education, food), improving workplace safety procedures, securing and stabilising formal jobs that indirectly benefit dozens of people per employee, institutionalizing governance practices, promoting the use of recycled materials, and encouraging parity and gender diversity are all factors that raise the companies we support to the rank of regional champions.

**Along the way, we have continued to roll out our monitoring and measurement tools in the environmental and social areas, focusing on areas where we believe we can be proactive.** We created Amethis in 2012 with strong ESG risk management tools, based on our past experience in Development Finance Institutions, and with the conviction that providing capital to companies in a region of the world that struggles to access financing solutions is a key to development.

Over time, we have gone further and further, integrating more intentionality: we have adopted tools, recruited dedicated resources, accompanied dozens of managers in improving their practices by sharing our methodologies and developing impact themes based on ESG. We have thus developed a real discipline in terms of impact, which reflects our beliefs and drives our corporate culture. We have gradually expanded our presence in Africa, with the opening of offices in Casablanca, Nairobi and Abidjan. Our teams work in close contact with our portfolio companies and are as close as possible to African realities.





**Today, new challenges are emerging.** In 2020, Africa experienced the shockwave of the Covid-19 pandemic worldwide. Business restraints and border closures have severely constrained the interconnected world. While the African continent has so far been less directly affected by Covid-19 in terms of health than other regions of the world, and most countries have continued to grow, this crisis will have demonstrated Africa's growing interdependence with the world's major economies. It has also carried heavy social impacts, in an environment of slum housing and informal day jobs that can hardly be supported/protected by governments as in developed countries/ Europe. In some countries, schools have closed for up to a year, with no effective alternatives provided for students.

Another challenge we face is global warming. Africa will be affected, and therefore we need to promote the most emissions-efficient models in all our portfolio companies. Indeed, the underlying issue on the African continent is rather to promote the most efficient growth models than to reduce their emissions in nominal terms. As a matter of fact, a Malian emits 0.3 ton of CO<sub>2</sub> per year, an Ivorian 0.4 ton, i.e. respectively 50 and 40 times less than an American.

We are therefore happy to work every day on an investment model that creates both financial value and impact for our investors and partners.

For us too, this approach makes sense: **investing with more impact is our responsibility as managers, but also as women and men.**

**Good reading!**



*Luc Rigouzzo*



*Laurent Demey*



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# 1 OUR IDENTITY

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OUR  
SUSTAINABLE  
INVESTMENT  
PRACTICES

OUR  
IMPACT

CHALLENGES  
FOR THE FUTURE

# PARTNERS OF EDMOND DE ROTHSCHILD PRIVATE EQUITY



EDMOND  
DE ROTHSCHILD

Amethis is a member of the Private Equity platform of the Edmond de Rothschild Group. Based on long-term partnerships with autonomous and specialised investment teams, Edmond de Rothschild Private Equity creates the ideal conditions for an alignment of interests between the Edmond de Rothschild Group, the investment teams and the investors, a guarantee of confidence for the latter.

Amethis shares the values and the strong convictions of the Group based on an entrepreneurial approach, long-term investment perspectives and the desire to support differentiated strategies to generate sustainable economic, social and environmental impact.

« The Edmond de Rothschild Group has been committed for over 250 years to accompanying the major changes that are shaping our society with the conviction that wealth is not an end in itself, but an opportunity to influence the future of the world and make it better. Our Group is the reflection of our convictions. All our activities testify to our willingness to have an impact, to transfer and modernise our heritage and to constantly innovate. They contribute to the creation of our unique vision: a long-term vision deeply rooted in reality, far from speculation and immateriality. »

*Extract from Edmond de Rothschild's sustainable development report, 2020*



# STRATEGIES AND FUNDS

*Amethis is a leading investment platform for financing SMEs in Africa and Europe.*

## 3 INVESTMENT STRATEGIES

### PANAFRICAN STRATEGY

The Pan-African strategy is aimed at medium-sized companies, well established in their market and ready to enter a new phase of growth to become regional leaders. Amethis focuses on countries in West Africa, East Africa and North Africa with diversified economies. Sectors that cater to African consumers are targeted (retail, health, education, financial services).

Funds	Year	Size	Market Segment	Ticket	Investments
Amethis Fund 1	2014	275 m€	Mid-Cap Equity	10-40m€	14 companies
Amethis Fund 2	2019	375 m€	Mid-Cap Equity	10-40m€	7 companies

### NORTH AFRICAN STRATEGY

The North African strategy is aimed at small companies, often family-owned, that are opening up to a financial investor for the first time. They are generally active on a local market and wish to be accompanied in the conquest of new geographies, often in Sub-Saharan Africa. For this strategy, Morocco and Egypt are the preferred countries, for their stability, the size of their market and their strategic positioning at the crossroads of Europe and Africa. Amethis is particularly targeting the health, technology and education sectors.

Funds	Year	Size	Market Segment	Ticket	Investments
Amethis MENA Fund 1	2013	75 m€	Small-Cap Equity	5-15m€	7 companies
Amethis MENA Fund 2	2021	85m€ (120m€)	Small-Cap Equity	5-15m€	2 companies

### EUROPEAN STRATEGY

The European strategy of Amethis is aimed at European SMEs, mostly French, who wish to capture additional growth and margin on the African continent, through export, local establishment, subcontracting or sourcing. A dedicated team, professional of the investment in Europe, will accompany these companies by relying on the Amethis infrastructure in Africa and its teams on the ground.

Funds	Year	Size	Market Segment	Ticket	Investments
Amethis Europe Expansion*	2022	(150 m€)	Small & Mid-Cap Equity	10-25m€	10 companies

*\*fundraising ongoing. The size in brackets is the target size.*

# OUR TEAM

*A team of private equity professionals with strong roots in Africa.*



**40** PROFESSIONALS

**5** OFFICES

**10** NATIONALITIES

**41%** WOMEN

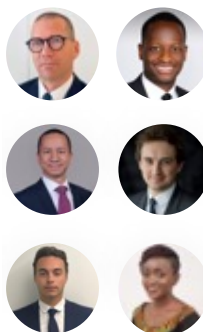
PARIS



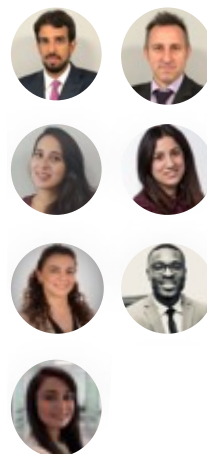
ABIDJAN



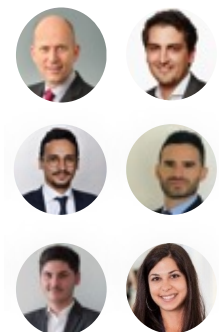
NAIROBI



CASABLANCA



LUXEMBOURG





# AMETHIS PORTFOLIO

## AMETHIS FUND II 2018 | 375M€ | 7 INVESTMENTS



Morocco  
Distribution



Mozambique  
FMCG



Mauritius  
Hospitality



Kenya  
Distribution



Senegal  
Agrobusiness



South Africa  
Pharma



Côte d'Ivoire  
Precast concrete

## AMETHIS FUND I 2014 | 275M€ | 14 INVESTMENTS



Côte d'Ivoire  
Distribution



Côte d'Ivoire  
Distribution



Mauritius  
Transport/Logs



Kenya  
Finance



Ghana  
Finance



Kenya  
Production



Mauritius  
Finance



Côte d'Ivoire  
Finance



Nigeria  
Production



Côte d'Ivoire  
Health



Kenya  
Production



Burkina Faso  
Distribution



Côte d'Ivoire  
Production



Morocco  
Finance

## AMETHIS MENA FUND I 2015 | 75M€ | 7 INVESTMENTS



Morocco  
Distribution



Morocco  
Agribusiness



Morocco  
Construction



Tunisia  
Distribution



Morocco  
Health



Morocco  
Media



Morocco  
FMCG

## AMETHIS MENA FUND II 2021 | 120M€ (TARGET) | 2 INVESTMENTS



Morocco  
Agribusiness

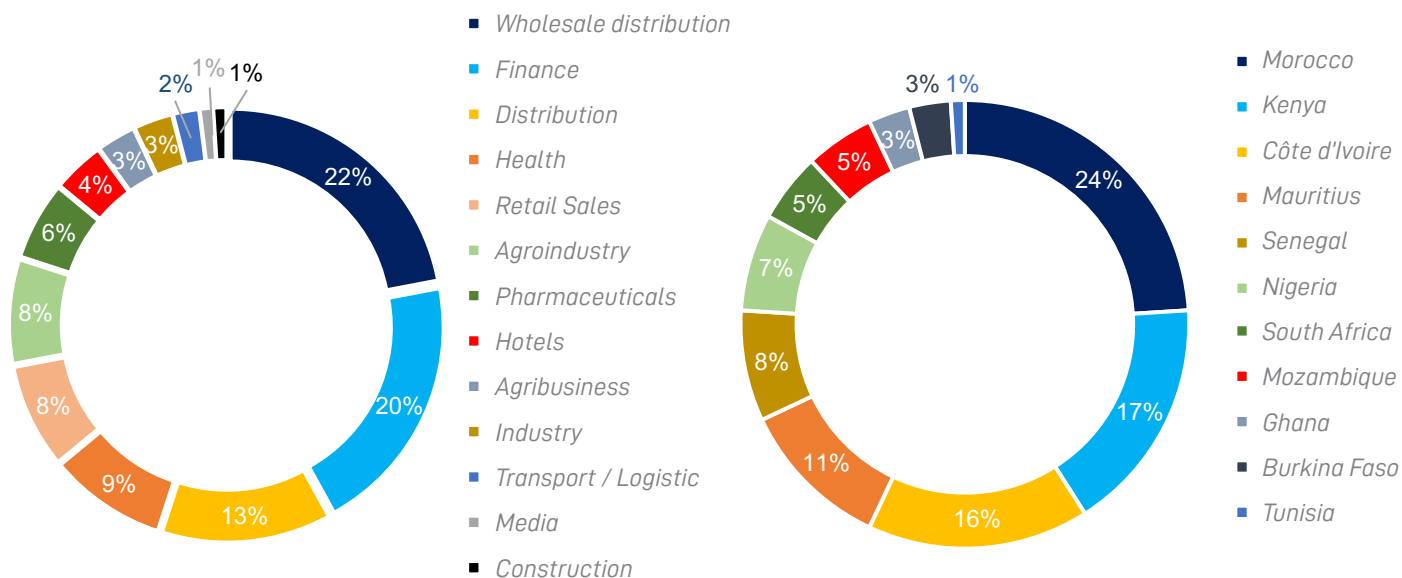


Jordan  
Traduction/tech

■ In Portfolio

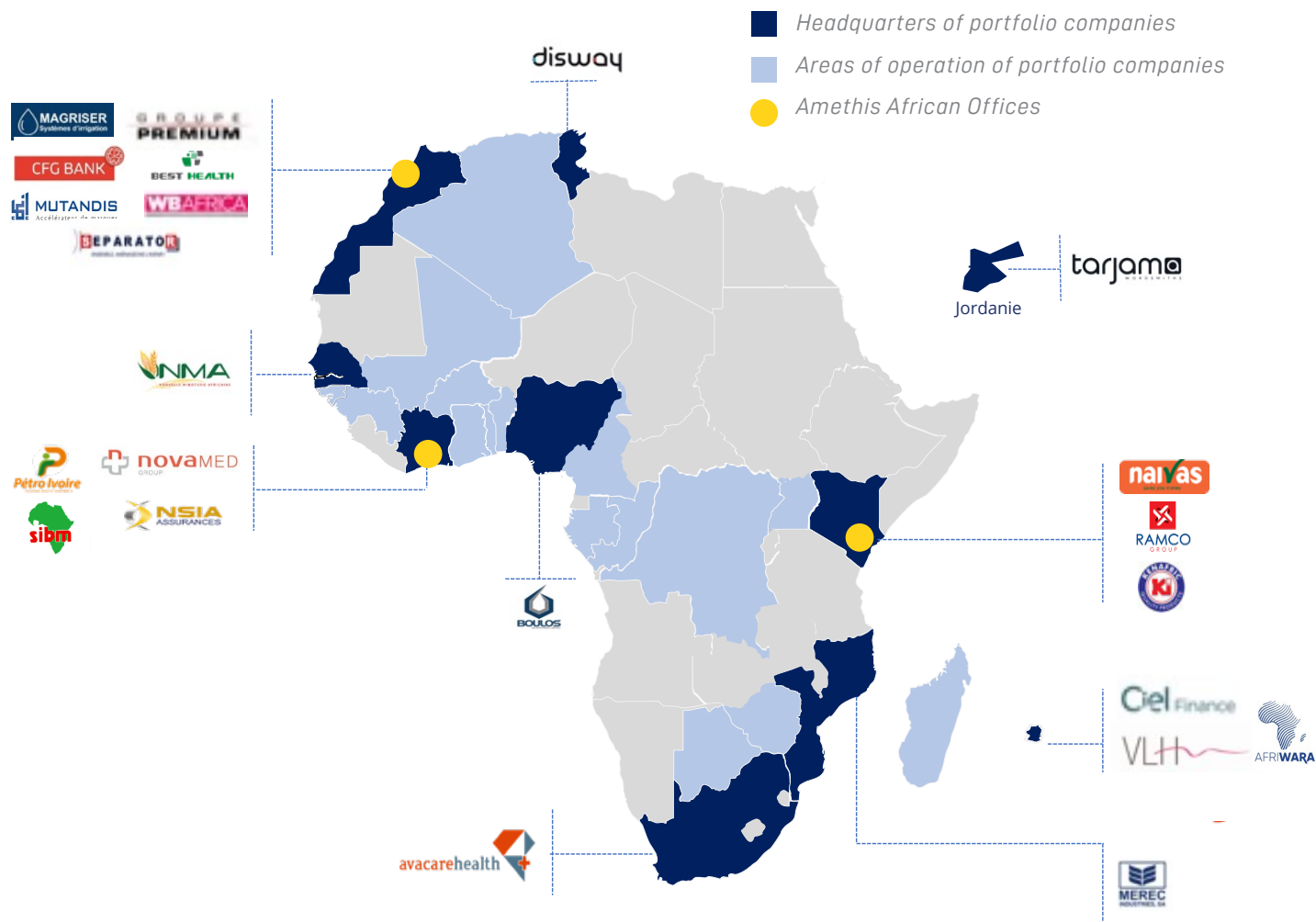
■ Exits

## A DIVERSIFIED PORTFOLIO IN TERMS OF SECTORS AND GEOGRAPHIES



## A PRESENCE IN 12 COUNTRIES

Based on current portfolio



OUR  
IDENTITY

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## 2 OUR SUSTAINABLE INVESTMENT PRACTICES

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OUR  
IMPACT

CHALLENGES  
FOR THE FUTURE



# DEPLOYING OUR IMPACT STRATEGY

To respond to the environmental and social challenges facing the continent, Amethis has defined an **impact strategy built upon four principal objectives:**



PILLAR  
**1**

## **Providing quality goods & services:**

Providing local markets with quality goods and services for African consumers



PILLAR  
**2**

## **Mobilising Capital:**

Supporting the development of local economies and acting as a catalyst for development finance in Africa



PILLAR  
**3**

## **Protecting the environment:**

Protecting the local ecosystem by working on environmental externalities and optimising resources



PILLAR  
**4**

## **Supporting quality employment:**

To provide jobs, enabling workers to earn a living by being mindful of health and safety conditions at work

To operationalise this approach in our investment activities, we have built a robust internal organisation around these topics: a dedicated manager for the subject, responsible for the integration of E&S tasks into the activities of the investment teams (exchanges with holdings, monitoring of action plans, reporting, regular training).

We have also adopted a number of methods and tools from best practices promoted by development banks and market initiatives:

- We **integrate** environmental and social issues throughout our **full investment process** (pre-investment, holding, exit).
- We draft, implement and monitor **environmental and social action plans** (ESAP) together with our portfolio companies, and put in place a **reporting system**. In the vast majority of cases, an E&S due diligence is carried out before investment by an independent provider. **We communicate our findings** to our LPs (for each holding and for each fund).
- We take the **Sustainable Development Goals** (SDGs) into account in our environmental and social strategy.

- We strive to apply an **intentional, incremental and measurable impact approach to environmental and social issues**, in line with the definitions proposed by the Global Impact Investing Network and France Invest.
- We are **signatories to market initiatives** dedicated to responsible investment issues (UN-PRI since 2013, and the 2X Challenge, the Impact Principles and the Climate Initiative since 2021).

All these topics are further presented in the following pages.



# E&S INTEGRATION WITHIN OUR INVESTMENT PROCESS

## PRE-INVESTMENT

### SCREENING

The investment team and the E&S Manager provide an opinion on:

- Compliance with the exclusion list (updated regularly to respond to the demands from development banks)
- Categorizing E&S risks, according to the principles of the IFC
- Material E&S topics

### DUE DILIGENCE E&S AND INVESTMENT COMMITTEE

The investment team and the E&S Manager:

- Assess the topics identified in the screening phase
- Carry out an E&S due diligence with the help of a specialized third party
- Prepare an E&S action plan
- Present the key elements to the investment committee
- Negotiate an E&S action plan with the target company (see following pages)

## HOLDING

### CONTRACTUALISATION

We include E&S conditions in our shareholder's agreement (including the E&S action plan and reporting obligations, and options to sell based on E&S criteria).

### SUPERVISION E&S

Amethis has regular interactions with its portfolio companies concerning E&S topics, the implementation of the E&S action plan and –if necessary- corrective actions. The objective is to improve the E&S performance of these firms on topics that matter. These topics are regularly on the agenda of the Board of Directors meeting.

### ANNUAL REPORTING

All the portfolio companies report annually to Amethis a series of E&S indicators, enabling us to get an overview of the E&S performance at several different levels: portfolio, funds, GP.

## EXIT

### E&S REPORT

Amethis works with companies to take stock of accomplishments, and to formalize progress made over the years.

### SUSTAINABLE IMPACT

Amethis helps portfolio companies to put ESG governance in place, in order to ensure continuity after our exit. We help companies formalize the next steps to ensure the sustainability journey continues.

### E&S DATA

Through E&S reporting during the investment period, Amethis provides potential investors with reliable and timely E&S data.



# EXAMPLES OF E&S TOOLS

## 1. CATEGORIES

We assess each potential investment against the environmental and social categories principles defined by the IFC. These principles guide our approach to identifying and monitoring project risks and impacts. As part of this process, we categorise all our investments into one of three categories (A, B or C), and tailor an appropriate monitoring programme accordingly.

CATEGORY	DEFINITION	EXAMPLES OF PROJECTS	SUPERVISION ARRANGEMENTS
Category A	Business activities with potentially significant adverse environmental or social risks and/or impacts that are diverse, irreversible or unprecedented.	<ul style="list-style-type: none"><li>- Building infrastructure</li><li>- Waste management</li></ul>	Monthly meetings, site visits every 6 months
Category B	Business activities with limited potential for adverse environmental or social risks and/or impacts that are few in number, generally site-specific, largely reversible and easily addressed by mitigation measures.	<ul style="list-style-type: none"><li>- Processing of raw materials</li><li>- Limited extension of commercial or industrial buildings</li></ul>	Meetings every 3 months until the completion of the ESAP, site visits every 18 months
Category C	Business activities with minimal or no negative environmental or social risks and/or impacts.	Business services without building extension projects	Meetings every 6 months, site visits every 24 months

# EXAMPLES OF E&S TOOLS

## 2. EXCLUSION LIST

We have adopted an exclusion list, which is systematically applied ex-ante. No investment is therefore possible in the excluded sectors. Any investment opportunities in these sectors would be excluded from the screening phase of analysis (companies involved in child labour, unsustainable fishing, production of racist content, tobacco, coal etc.). Our full exclusion list is available in our Environmental and Social Management System on our website.

## 3. OPTIONS TO SELL BASED ON E&S CRITERIA

Progress against the Environmental and Social Action Plan (ESAP) is recorded in a document shared between Amethis and the stakeholder. The investment documentation includes provisions to protect Amethis in the event of non-achievement of the ESAP or significant E&S issues. These provisions may include, for example, punitive put options against the sponsor or majority shareholder.



# ENVIRONMENTAL AND SOCIAL ACTION PLAN (ESAP)



For each investment, we deploy an Environmental and Social Action Plan (ESAP), which aims to improve the environmental and social (E&S) practices of the company. By implementing an ESAP with each holding, we contribute to:

- Formalising the company's E&S procedure (drafting of policies, procedures, action plans)
- Strengthening the governance of subjects (appointment of E&S managers)
- Strengthening performance monitoring (structuring of reporting, transparency of practices to third parties)
- Improving E&S performance (regulatory compliance and adoption of best practices)

There are three key stages in the deployment of an ESAP:

## 1. GAP ANALYSIS AGAINST THE REGULATORY AND VOLUNTARY FRAMEWORK

Prior to any investment, we systematically review the participation's compliance with our Responsible Investment Policy, which includes our exclusion list, the IFC Performance Standards and the World Bank's Environmental, Health and Safety (EHS) guidelines, as well as the regulatory requirements of the country concerned. To do this, we conduct a gap analysis to identify where the project does not comply with the requirements listed above.



## 2. BUILDING AN ACTION PLAN FOR EACH IDENTIFIED GAP

After identifying key participation gaps, we develop an ESAP that defines the tasks for managing, mitigating and offsetting the impacts (including timing and costs). The investment documentation includes provisions to protect Amethis in the event that the ESAP is not achieved or significant E&S issues arise.

These provisions may include, for example, punitive put options against the sponsor or majority shareholder.

## 3. MONITORING THE IMPLEMENTATION OF THE ACTION PLAN

During the monitoring phase, we want to ensure that the elements of the ESAP are effectively implemented and that the company's E&S performance improves.

Exchanges between Amethis and the company usually take place in three complementary forms (calls, exchange of documents, site visits). The frequency of monitoring depends on the categorisation of the project. High risk projects are monitored more frequently, while low risk projects are monitored less frequently. The minimum monitoring frequency is as follows:

- Project category A: monthly meetings, site visits every 6 months
- Project category B: meetings every 3 months until the completion of the ESAP, site visits every 18 months
- Project category C: meetings every 6 months, site visits every 24 months



# ESAP EXAMPLE



Below is an example of an ESAP (simplified and truncated for ease of understanding and confidentiality of the operation), implemented at Magriser. Magriser distributes and installs complete micro-irrigation and solar pumping systems in Morocco. The company is a pioneer in the micro-irrigation sector in Morocco.

SUBJECT		ACTION PLAN TO COMPLY WITH AMETHIS' RESPONSIBLE INVESTMENT POLICY	
1. General environmental and social approach (E&S)			
1.1. E&S Competencies		Magriser needs to strengthen its E&S management skills. This can be done through external recruitment or internal promotion.	
1.2. E&S Policy		Magriser will need to put in place a set of E&S policies aligned with local regulations and international standards.	
1.3. E&S Training		E&S subjects have to be included in the company's training plan.	
2. Human resources, health & security, working conditions			
2.1. Skills and HR Policy		Magriser should appoint or recruit a dedicated HR person and draft an HR policy in line with local and international standards.	
2.2. Health & Security		Magriser will have to improve safety conditions (signage, storage rules, road safety training etc.).	
3. Environment and climate			
3.1. Consumption monitoring		Magriser will have to develop and implement a system for monitoring fuel consumption.	
4. Stakeholder relations			
4.1. Grievances and complaints		Magriser will have to put in place a grievance escalation mechanism and a grievance register.	
4.2. Supplier / subcontractor relations		Magriser will have to develop and implement contracts with external providers, and develop a supplier monitoring plan.	



# OUR CONTRIBUTION TO THE SDGs



Launched as part of Agenda 2030, the 17 Sustainable Development Goals (SDGs) are a global call to action to eradicate poverty, protect the planet and ensure that all people live in peace and prosperity. They cover the full range of sustainable development issues such as climate, biodiversity, energy, water, poverty, gender equality, economic prosperity, peace, agriculture and education.

Recognizing that its investment activity has an impact on an economic, social and environmental ecosystem, Amethis believes it can make a positive contribution to the SDGs. During our first years of activity, we illustrated our contribution in terms of the 8 SDGs below. Then, in a second phase (see next page), we built a more intentional and structured approach, tightened around 4 SDGs.

## GOOD HEALTH AND WELL-BEING



Amethis promotes the implementation of best measures and practices in terms of occupational health and safety and seeks to improve the social protection of employees.

## QUALITY EDUCATION



Amethis assists companies in developing ambitious training plans to address the low levels of education in Africa.



## GENDER EQUALITY



Amethis promotes gender equality and supports women empowerment (e.g. by signing the 2X Challenge).

## DECENT WORK AND ECONOMIC GROWTH



Each portfolio company implements an Environmental and Social Management System, to comply with minimum wage standards and to strengthen the HR policy.

## SUSTAINABLE CITIES AND COMMUNITIES



The portfolio companies are implementing action plans that include, for example, energy and resource efficiency measures for the benefit of people in disadvantaged areas.

## REDUCED INEQUALITIES



Amethis' investment aims to contribute to the sustainable development of the target countries by having an impact on the entire value chain.

## LIFE ON LAND



We encourage the implementation of environmental measures (wastewater treatment, reduction of atmospheric emissions, waste recycling, etc.).





## PARTNERSHIPS FOR THE GOALS



We are signatories to several initiatives promoting sustainable development (UN-PRI, 2X Challenge, Impact Principles, Climate Initiative).

We have gradually refocused our approach around a more limited number of SDGs, for which we have strengthened and systematised our approach. We have chosen to focus on three SDGs: no poverty, decent work and economic growth, and responsible consumption and production.

For these three SDGs that we have targeted (see notion of intentionality on page 25), we include in our environmental and social action plans (ESAPs) items directly targeting these three objectives, work regularly with our holdings on these subjects (additionality), and measure the results via at least annual reporting (measurability). The methodological framework presented below is now applied to all the participations for which these topics are relevant.

SDG	OBJECTIVES	APPROACH	MESURE ARRANGEMENTS
<b>NO POVERTY</b> 	Completely eliminate extreme poverty (currently defined as living on less than \$1.90 a day)	HR policy favoring stable jobs and decent salaries	<ul style="list-style-type: none"> <li>- Share of permanent contracts</li> <li>- Share of part time contracts</li> <li>- Average daily earnings</li> </ul>
	Establish social protection systems and measures for all, adapted to the national context, including social protection floors	Promoting social protection	Share of employees covered by social protection offered by the company
<b>GENDER EQUALITY</b> 	Achieve a high level of economic productivity through diversification, technological upgrading and innovation, including a focus on high value-added and labour-intensive sectors	Optimising operational performance	Change in staff turnover rate
<b>DECENT WORK AND ECONOMIC GROWTH</b> 	Defend workers' rights, promote safety at work and ensure the protection of all workers, especially women, and those in precarious employment	Improving health and safety conditions at work	<ul style="list-style-type: none"> <li>- Frequency rate of accidents at work</li> <li>- Number of deaths</li> <li>- % of women in the workforce and management</li> </ul>
<b>RESPONSIBLE CONSUMPTION AND PRODUCTION</b> 	Achieve sustainable management and rational use of natural resources	Optimising the consumption of natural resources	Operational performance indicators for resource consumption
	Establish environmentally sound management of chemicals and all wastes throughout their life cycle, and significantly reduce their release into the air, water and soil	Optimising and managing discharges to air, soil and water	Operational performance indicators for discharges
	Significantly reduce waste production through prevention, reduction, recycling and reuse	Limiting waste production	Waste production

# OUR IMPACT APPROACH

Impact refers to the positive social and/or environmental externalities expected from investments, while managing negative impacts. It is assessed against specific impact targets defined ex-ante for each investment. The three key features of Amethis' impact approach are presented below. They are aligned on the conclusions of the report "Investissement à Impact" published by France Invest in 2021.

## 1. INTENTIONALITY



- **Definition:** Intentional willingness to contribute to a measurable social or environmental benefit. This intention concerns all of the fund's investments, and occurs at the time of the investment decision (i.e. ex-ante).

- **Amethis' Approach:** We have identified four objectives which are key to our investment strategy:

- 1 - Providing quality goods and services to African consumers
- 2 - Mobilising new investments for Africa
- 3 - Protecting the environment
- 4 - Providing quality jobs

## 2. ADDITIONALITY



- **Definition:** It refers to the specific and direct contributions of Amethis that allow the invested company to increase its positive impact. Additionality answers the question: if the company had not been accompanied by Amethis in particular, what would be the difference?

- **Amethis' Approach:** We deploy environmental and social action plans for each investment, and offer investors the opportunity to co-invest with us to help finance the African economy.

### 3. MEASURABILITY



- **Definition:** This is the assessment of the social and/or environmental externalities of investments against the intended impact objectives. The assessment can be qualitative or quantitative. Its results are communicated to investors.
- **Amethis' Approach:** We implement a reporting system, and communicate our results to our investors every year.



This intentional, additional and measurable approach has led us to sign the Operating Principles for Impact Management, an innovative and demanding international initiative on impact investment, supported in particular by the IFC. In this context, our impact approach will be audited annually by a third party.



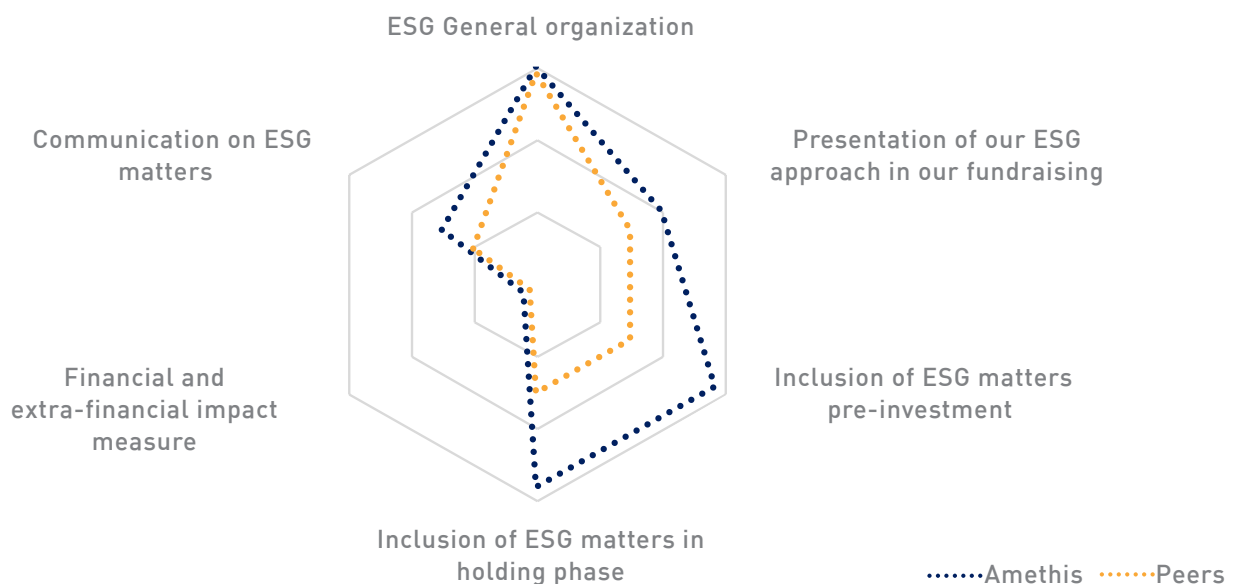


# OUR COMMITMENT TO THE PRI

Amethis has been a signatory of the United Nations Principles for Responsible Investment (UN PRI) since July 2013. Launched in 2006, UN PRI is the world's leading responsible investment initiative with over 3,000 signatories worldwide.

The construction and application of a coherent and demanding ESG approach is a progressive process, which itself requires progress. In this perspective, Amethis answers each year to a UN PRI questionnaire allowing us to position ourselves in comparison with our peers.

In the 2020 rating exercise, Amethis received an 'A' rating for its overall approach and for its internal ESG management. As shown in the graph below, we have received excellent scores for our overall approach, and for the integration of environmental and social issues at different stages of our investment process. There is room for improvement, and we intend to make progress on all the evaluation criteria, particularly those for which we have lower scores (communication and impact monitoring, in particular).



In addition to the UN-PRI (signed in 2013), Amethis is committed to new initiatives. We are signatories of the Impact Principles (impact), the 2X Challenge (women in business) and the International Climate Initiative (climate).



Operating Principles for  
Impact Management

**2X CHALLENGE**  
FINANCING FOR WOMEN



# TESTIMONIES OF SUPPORTED COMPANIES



## HEALTH AND SECURITY AT WORK - VELOGIC

«With the help of Amethis, we have implemented an ambitious occupational health and safety programme. As a result, Velogic has obtained OSHAS 18000\* certification. Velogic has also implemented an incident and accident management and reporting system. The Board of Directors is informed of all important events. »

*Naveen Sangeelee, CFO*

*\* Standard on the implementation of an occupational health and safety management system*



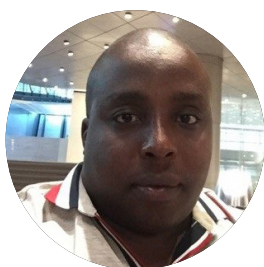
## INCREASING WOMEN IN THE WORKPLACE – RAMCO PLEXUS

« Ramco Plexus, in collaboration with Amethis, has identified room for improvement in the employment of women. At the time of the investment by Amethis (2014), women represented approximately 5% of the company's workforce. After implementing various ESG action plans resulting from ESG monitoring audits (internal & external) and a new HR policy, the share of women employed increased steadily, and in 2021 women represent over 20% of the workforce. The Group's leadership has also embraced the importance of empowering women in the workplace to advance this agenda. In the words of Kofi Annan, at Ramco Plexus we believe that "There is no more effective development tool than the empowerment of women". »

*Agnes Kimaru, ESG Senior Manager*



## ENERGY EFFICIENCY - NAIVAS



« At Amethis' recommendation, we carried out an energy audit with an external consultancy firm. The audit evaluated the energy consumption, energy losses and energy saving potential in all our supermarkets. We then rolled out an energy savings plan including (among other things) close monitoring of energy consumption data, awareness raising and training of staff in energy efficiency and the establishment of an energy committee to periodically review the energy efficiency and sustainability of our operations. »

*Peter Kago, Head of Operations*



The three examples above illustrate our approach centered around intentionality, additionality and measurability, on some strategic issues for Amethis (supporting quality jobs, protecting the environment). This is achieved through the implementation of comprehensive and demanding ESAPs on the material issues of the participations.

# OUR CSR INITIATIVES

## PROJECT SOLIDARITY - NAIVAS

The Covid crisis continues to affect African populations, particularly the most disadvantaged and poorest ones. This is particularly felt in Kenya, where Amethis has opened an office in Nairobi. In June 2020, through Naivas, a local supermarket chain in the portfolio, Amethis launched an initiative to support these communities by providing basic necessities and essential goods to these populations.

In total, over 4,000 food parcels provided by Naivas have been distributed in the poorest communities in and around Nairobi, Narok County and the coastal region of Kenya. The project is sponsored by the Amethis team, Edmond de Rothschild Private Equity and our investment partners in Naivas.



## CENTRAL FOUNDATION CASABLANCA



Amethis supports the Centrale Casablanca Foundation. Thanks to the Fonds Parcours Réussite of the CentraleSupélec Foundation, 58 African and Moroccan students (both male and female, and especially from disadvantaged backgrounds) have received a life grant to complete their studies at Centrale Casablanca.

This fund has been supporting Centrale Casablanca students since the opening of the school and has thus helped 230 students to progress over 3 years for an average amount of €1,100 per student.

Opened in 2015, Centrale Casablanca is positioned as a university pole of pan-African dimension, perfectly integrated into the entrepreneurial ecosystem of the MENA region, offering access to the best scientific research globally.



OUR  
IDENTITY

OUR  
SUSTAINABLE  
INVESTMENT  
PRACTICES

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## 3 OUR IMPACT

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CHALLENGES  
FOR THE FUTURE



# THE FOUR PILLARS OF OUR IMPACT STRATEGY

Through its investments, Amethis seeks to contribute to **the needs of African consumers**, the economic development of the region, and the **creation of quality jobs**. In parallel, we support our portfolio companies to help them reduce their **water and energy consumption**.



PILLAR

1

## PROVIDING QUALITY GOODS AND SERVICES

*Providing local markets with quality goods and services for African consumers*



PILLAR

2

## MOBILISING CAPITAL

*Supporting the development of local economies and acting as a catalyst for development finance in Africa*



PILLAR

3

## SUPPORTING QUALITY EMPLOYMENT

*Providing jobs, enabling workers to earn a living by being mindful of health and safety conditions at work*



PILLAR

4

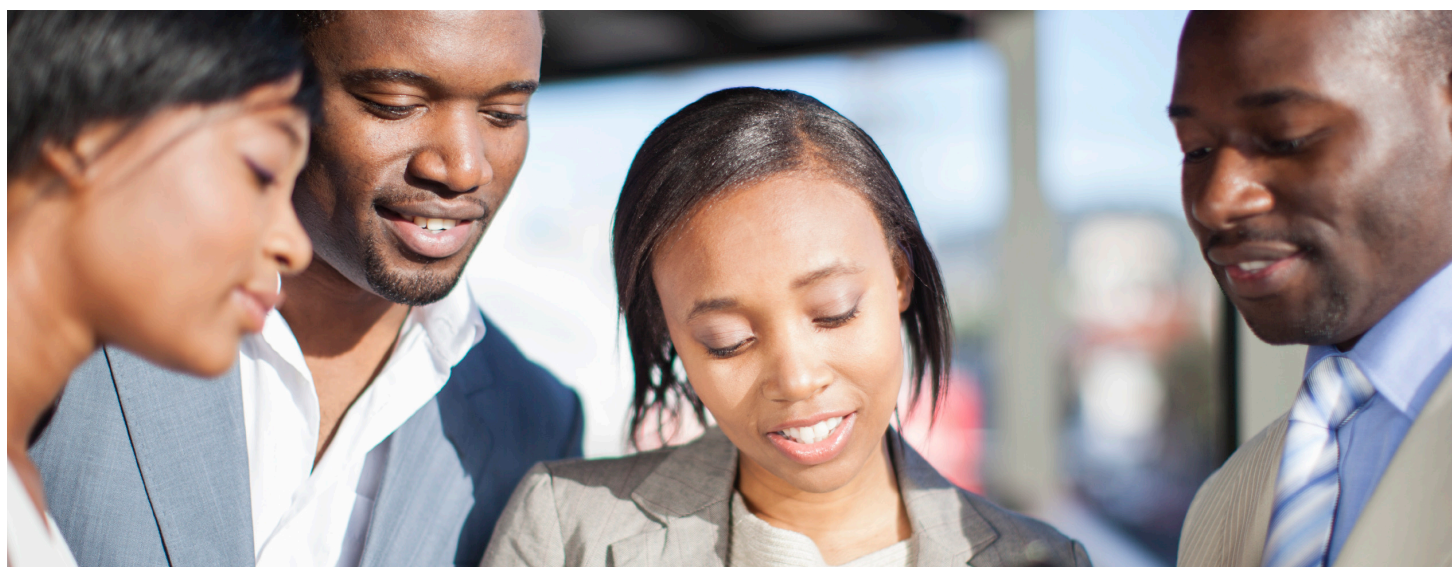
## PROTECTING THE ENVIRONMENT

*Protecting the local ecosystem by working on environmental externalities and optimising resources*

# E&S INDICATORS

For each investment, **we set up a reporting system together with our portfolio partners, based on material quantitative indicators.** We aggregate these indicators annually at the level of each fund, as part of our E&S reporting to our investors. The main E&S indicators of our three funds (Fund 1, Fund 2, AMF 1; provided with FY2020 data) are presented below. The list below is not exhaustive, and is intended to evolve where relevant.

Indicator	Data	Scope
Number of employees	20,680	Fund 1, Fund 2, AMF 1
% of women employed directly	35%	Fund 1, Fund 2, AMF 1
% of youth employed directly (<30 yo)	17%	Funds 1, AMF 1
Workplace accident frequency rate (per million hours worked)	17,9	Fund 1, Fund 2
% of employees covered by medical insurance	87%	Funds 1, AMF 1
Number of severe environmental accidents	0	Fund 1, Fund 2, AMF 1
Number of hours of training provided	80,000	Fund 1, Fund 2, AMF 1
Revenue (Euro millions)	2,176	Fund 1, Fund 2, AMF 1
Annual contribution to state revenues (Euro millions)	73	Fund 1, Fund 2, AMF 1





# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET



*Amethis' primary mission is to support local actors that provide quality goods and services to the African population. This is one of the reasons why this pillar of our impact strategy is overweighted.*

*In markets that still suffer from food insecurity, lack of access to health care, under-banking or difficulties in accessing basic necessities, supporting businesses in these sectors is essential.*

*This affects the middle class who seeks to improve their quality of life, but also a large proportion of the population at the "bottom of the pyramid".*

## IMPROVE FOOD SECURITY



### MEREC

Merec is one of the leading millers and packaged food manufacturers in Mozambique. The company **provides half of the wheat supply of the country**, and allows the delivery of affordable bread and pasta to millions of Mozambicans. With a population of around 30 million and a GDP per capita of approximately USD 500, Mozambique is a poor country with a high development potential. In this country with a growing population, 44% of children suffer from chronic malnutrition. To combat chronic malnutrition, Merec offers its consumers products with **enhanced nutritional values**, through a fortification process that adds vitamins and minerals (e.g., in wheat flour and maize meal).

Initially operating in wheat and corn milling, the group has become a diversified player in the field of consumer food products (pasta, cookies and animal feed). In particular, **Merec has introduced pasta to Mozambique**, which was practically non-existent until then. This product is now widely consumed and played an important role in maintaining access to affordable food at the height of the Covid crisis. With a strong local presence (Merec has a factory in each of the three main regions of the country) and vertical integration, **Merec is able to supply the population with food products at prices well below the market average**. The flour distributed by the company allows bakers to produce about **5 million breadsticks every day, sold at 0.09€ each**.

By transforming raw materials locally into essential goods, Merec contributes to the **reinforcement of food security** in Mozambique as well as to the **added value produced in the country**.



The group also continues to develop a strong footprint in southern Africa. Thanks to its distribution network (transporters, wholesalers, retailers), which is partly outsourced, Merec supports the regional economic ecosystem since **100% of its products (flour and packaged foods) are sold in Mozambique, Malawi, Zimbabwe and Zambia**. In order to build customer loyalty, **Merec supports Mozambican artisan bakers in their business** by helping them to improve the quality of their bread and thus increase their sales. Merec has also sensitised and trained farmers and breeders (mainly poultry) to help them acquire new skills and knowledge.



# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## DISTRIBUTE ESSENTIAL CONSUMER GOODS (1/2)



### NAIVAS

Founded in 1990 and family-owned, Naivas is the leading supermarket chain in Kenya, with 78 stores spread across the country.

In a country like Kenya where it is estimated that over 16 million Kenyans have limited access to food at all price levels, Naivas provides an answer to these challenges. **Naivas now covers most of the country** after recently diversifying into growing regions and cities. With an **average basket size of €7**, Naivas serves **more than 5 million customers per month**, with products from short circuits that support the development of local producers. Naivas **works daily with 2,000 suppliers** active in the primary (livestock, agriculture, poultry, etc.) and secondary (manufacturing) sectors.

This network of suppliers and brands (employing 7,000 people) makes Naivas a strong player in the Kenyan landscape, **supporting both production and local employment.**



# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## DISTRIBUTE ESSENTIAL CONSUMER GOODS (2/2)



### BOULOS

Founded in 1987 in Lagos, Boulos has established itself as one of **Nigeria's leading producers of jumbos** (paper rolls) and their conversion into **toilet paper, napkins, handkerchiefs and paper towels**. The Group currently dominates the paper products market in Nigeria with a **60% market share in jumbo rolls and a 35% market share in finished products**. With its integrated production platform, Boulos is a unique industrial asset in Nigeria and West Africa, with an **annual production capacity of almost 45,000 tonnes of jumbo rolls**.

Thanks to the quality of its products, which meet the best international standards, and its production capacity, which was recently expanded with a third paper mill, **Boulos is helping to improve hygiene conditions in the country**, particularly **among the most vulnerable populations**. The company has succeeded in developing its own brands, which have become

references in the Nigerian market (Softwave, Belle, Carla) and are distributed throughout the country via its distribution network of traditional wholesalers and retailers.



During the **global pandemic**, the company, with the support of the State, mobilised to **ensure continuity of production and distribution of its products** throughout the country while ensuring the **safety of its employees** in compliance with health regulations.



# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## HEALING AND IMPROVING THE HEALTH OF POPULATIONS (1/3)



### NOVAMED

**Novamed is the first network of clinics - 7 private hospitals, 1 dental centre, 2 diagnostic centres and specialised centres (NovaCardio and NovaOnco) - in Côte d'Ivoire and Burkina Faso, with a total of approximately 300 beds in these two countries. Novamed is the first integrated network of its kind in West Africa and is already one of the largest players in the private healthcare market in Côte d'Ivoire.**

Côte d'Ivoire has been experiencing significant economic growth for several years (8% per year on average since 2012); it is today a regional economic driver in the UEMOA. Nevertheless, life expectancy at birth is 57 years, while malaria accounts for 68% of hospitalizations and 28% of mortality.

In this context, the Novamed group responds to a significant need of the populations, contributing to improving their health and more specifically to reducing maternal and infant mortality (for example, through clinics that have developed a strong mother-child expertise such as the Polyclinique des Deux Plateaux and Sainte Rita de Cascia located in Abidjan).

Novamed is pursuing its development and expansion strategy outside Côte d'Ivoire with the objective of becoming the leader in private health care across West Africa. Amethis is working with Novamed to introduce new cutting-edge specialties, such as cardiology and oncology.





# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## HEALING AND IMPROVING THE HEALTH OF POPULATIONS (2/3)



### SODIGAZ

Sodigaz APC is the leading distributor of gas cylinders (LPG) in Burkina Faso with a substantial market share of over 60% and a unique distribution network of 2,200 gas retailers.

By extending its distribution network to the whole country and making it accessible to the majority of the population, **Sodigaz contributes significantly to the energy transition of local households by enabling them to switch from harmful and environmentally damaging energy sources such as charcoal or firewood to cleaner and more efficient energy sources such as gas.** In this sense, Sodigaz participates in the fight against deforestation.



Sodigaz also contributes to the improvement of living conditions and health of the population. The use of gas prevents the development of diseases generated by the inhalation of smoke from charcoal or firewood, responsible for 8.5% of morbidity in the country. In particular, the use of gas helps to prevent childhood respiratory diseases. In addition, gas is an inexpensive alternative to charcoal. Today, 250,000 Burkinabe households have access to gas distributed by Sodigaz.

Amethis has also supported Sodigaz in its commitment to women empowerment. To date, they represent 50% of the board of directors and 50% of the top management of the group.





# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## HEALING AND IMPROVING THE HEALTH OF POPULATIONS (3/3)



### AVACARE

Avacare is a pan-African **distributor** and **manufacturer** of pharmaceutical products and medical consumables for diseases such as HIV, hypertension, malaria, mental health, tuberculosis, diabetes, cancer, etc.

With a portfolio of **9,000 products sold at affordable prices in countries** across the continent including South Africa, Namibia, Botswana, Zimbabwe, Eswatini, Lesotho, Zambia and Kenya, the company is playing a key role in **providing access to innovative and affordable treatments in Africa.**



In addition, Avacare is **one of the leading distributors of antiretrovirals (ARVs)** in a region of the world that is home to more than 50% of the population affected by HIV, thus playing a key role in the fight against the virus.

Recently, Avacare **has been at the forefront of the fight** against the spread of **COVID-19** through the sale of consumables and protective equipment (masks, gloves, coveralls). The company also participated in the South African consortium working with the World Health Organisation to establish the first COVID-19 messenger RNA vaccine technology transfer centre on the continent.



# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## FAVORING FINANCIAL INCLUSION (1/2)



### FIDELITY

Fidelity Bank is a Ghanaian bank that provides financial services to a wide range of clients in the private and public sectors. **Fidelity Bank is Ghana's 6th largest bank by assets and 4th largest by revenues.**

In a country with a low banking rate (58% in 2019), Fidelity plays **an active role in the financial inclusion** of small and medium-sized enterprises (a segment it has worked particularly hard to develop in recent years) and low-income individuals.

**Fidelity has financed 1,600 small and medium-sized enterprises to date and has over 850,000 small deposit customers.** The bank launched the Fidelity Smart Accounts program to reach out to the poorest customers, especially women in the Greater Accra area, to educate them about the importance of saving (women make up the majority of the unbanked population in Ghana).

Faced with the lack of banking infrastructure in Ghana, Fidelity is developing a strategy to digitalize its offer in order to **facilitate access to credit and financial services for the population** particularly in regions deserted by bank branches. This initiative has resulted in **the opening of 31,000 online accounts.**





# PROVIDING QUALITY GOODS & SERVICES TO THE LOCAL MARKET

## FAVORING FINANCIAL INCLUSION (2/2)



Ciel



### CIEL FINANCE

Ciel Finance Ltd (CFL) is a **platform of financial services** founded in 2013 by Ciel Group, a mauritian conglomerate. The platform consists of two banks (Bank One in Mauritius et BNI in Madagascar), an asset manager (IPRO), a business service company (MITCO) and a private equity fund (KIBO).

Through BNI Madagascar, one of the two banking entities of Ciel Finance, the company participates in **financial inclusion** in a country where **the banking rate is one of the lowest on the continent and does not exceed 10%**.

In 2019, BNI Madagascar launched KRED, a microfinance initiative to help SMEs and VSEs develop their business through the granting of micro-loans, in a country where traditional bank financing is usually reserved for large companies. BNI has already made it possible to **grant 8 million euros in micro-credits** and to **finance 6,000 micro-entrepreneurs**.

In Madagascar, **KRED has become the first digital bank**: it allows its customers to make contact, receive credit and repay it from a cell phone.

# MOBILISING CAPITAL



*African economies are hampered in their development by a lack of investment and private capital. By demonstrating that these economies have successful and value-creating businesses, Amethis is helping to attract capital to the African continent.*

*Our investment activity has a double catalytic effect: the creation of a successful track record sends a positive signal to attract new capital, but the co-investment activity we offer to our investors further increases financial flows to the continent.*

## GROWTH IN ASSETS RAISED FOR THE AFRICAN CONTINENT

Assets raised by Amethis (Euros millions)



- In 10 years, Amethis has raised more than 800 m€ from 200 clients for investment strategies targeting African SMEs.
- Of these amounts raised, almost 70% came from private investors. For many of them, this was their first investment in the African continent.
- Amethis has convinced the largest institutions specialised in development financing.

## CO-INVESTMENTS AND INVESTMENT PROMOTION INITIATIVES



400 millions euros

Of co-investments have been generated by Amethis and offered to investors



African Private Equity and  
Venture Capital Association

Involvement in professional African private capital and investment associations



3 investment strategies

Deployment of numerous investment strategies to respond to market needs



## SUPPORTING QUALITY EMPLOYMENT



*We believe that economic growth must be accompanied by professional opportunities that improve people's quality of life without compromising their health. Within our portfolio, we have quickly identified several areas for improvement and have established clear roadmaps with the leaders we support.*

*They include sections on job creation and sustainability, vocational training, employee health and safety at work, gender equality and inclusion, minimum wage and social dialogue.*

### KEY INDICATORS WITHIN THE AMETHIS PORTFOLIO

21 000

jobs affected  
by portfolio  
companies

87%

workers are  
covered under a  
medical aid scheme

35%

of positions  
are occupied  
by women

80 000

hours of  
training have  
been provided

### ENSURING SECURITY AND WELL-BEING AT WORK (1/3)



#### KENAFRIC

Kenafric is a producer and distributor of cookies and snacks. Established in 1987, the company is one of the market leaders in consumer products in Kenya and Uganda.

To ensure the health of its employees, an important issue for a company such as Kenafric with the dual activity of production and distribution, the company has considerably reinforced its safety procedures. Within a few years, the number of work-related accidents has been reduced by 75%. This is especially important on a continent where approximately 240,000 deaths per year occur in the workplace, not counting accidents in the informal sector.

Kenafric also ensures the professional development of its employees through the implementation of initiatives aimed at retaining talent: definition of clear career plans, training programs and creation of new management positions each year.

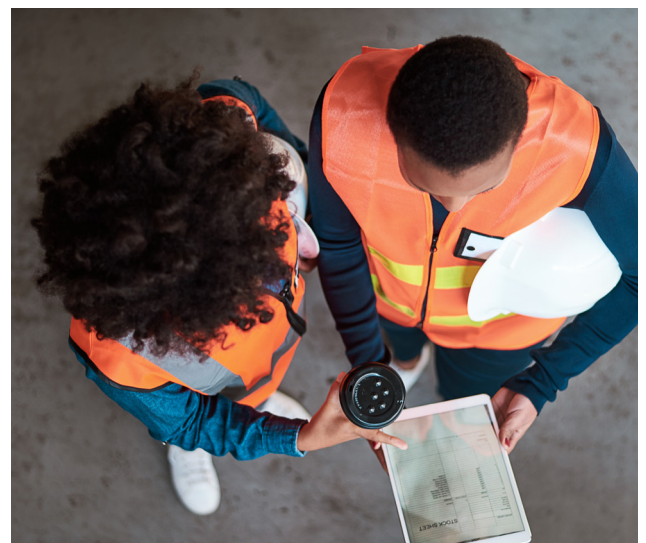
## ENSURING SECURITY AND WELL-BEING AT WORK (2/3)



### VELOGIC

Velogic is a leading **transport and logistics company** in Mauritius. It offers its customers a complete range of services, including sea and air freight, land transport and warehousing services. Velogic has an international presence through a **network of 26 agencies in 7 different countries**.

With the support of Amethis, Velogic **strengthened its occupational health and safety procedures and obtained OSHAS 18000 certification**. This transformation has led to both a reduction in the number of accidents and an improvement in operational performance. A more **rigorous incident reporting system** has also been deployed.



## ENSURING SECURITY AND WELL-BEING AT WORK (3/3)



## MERECE

Merec is one of the **leading millers and packaged food manufacturers** in Mozambique.

With the support of Amethis, Merec has put in place a series of **measures to improve the well-being and safety of its employees at work**. For example, Merec measures heat, noise and dust levels at the industrial sites every year to ensure that health limits are not exceeded. **A complete update of safety measures was carried out in 2020:** updating of safety signs, drawing of a separation line on the ground to separate employees from machines, restructuring of the emergency procedure and renewal of the fire prevention system.

**To strengthen dialogue within the company**, Merec organizes a monthly meeting between management and an employee-elected union to discuss employees' requests **and improve their working conditions**. Non-discrimination, freedom of association, and social dialogue have also been formalized in the company's HR policy.

Finally, during the Covid crisis, Merec took sanitary measures **to protect the health** of its employees: mandatory hand disinfection at entry points, wearing of masks, daily disinfection of surfaces (offices, vehicles), social distancing of 1.5m between the different workstations etc.





## IMPROVING PEOPLE'S LIVING CONDITIONS (1/3)



## NAIVAS

Founded in 1990, Naivas is Kenya's leading supermarket chain, with more than 78 stores in the country, especially in rural areas.

In a country where the supply of jobs is much lower than the demand - so much so that it is estimated that 83% of the working population works in the informal sector - **Naivas targets local people as a priority in its recruitment process.** In 2020, the chain recruited **300 direct local employees for the opening of its 10 new stores.** Naivas provides **social security coverage for 80% of its employees** (and is aiming for 100% by 2022), while in the country only 25% of the population has access to social protection.

In addition, **Naivas has formalized equal treatment and non-discrimination between employees in its HR policy,** as well as their freedom of association to ensure a healthy social dialogue. As an example, the HR department has recently made store managers, assistants and department heads aware of the legal provisions on maternity leave and the obligations of companies towards mothers. In 2020, **Naivas allocated almost EUR 2.5m in additional benefits and services for its employees** (gift vouchers, bonuses, insurance, etc.).

These efforts to improve working conditions are reflected in the turnover rate, which hit a maximum of 4.6% in 2020.





## IMPROVING PEOPLE'S LIVING CONDITIONS (2/3)

G R O U P E  
PREMIUM

## PREMIUM GROUP

Created in 1961, Groupe Premium is the **Moroccan leader in the distribution of capital goods**. The Group distributes machines for the industrial, mining and quarrying, construction and agricultural sectors. The company is present and developing in West Africa (Ivory Coast, Senegal, Burkina Faso, Mali and Togo).

In a country where social security coverage is not yet widespread, Groupe Premium has gradually strengthened its health and safety practices in the workplace. **All of the group's employees benefit from medical coverage and provident insurance, and almost all of them have a pension plan.**

Groupe Premium offers **training and personalized support to its employees in order to develop their skills and raise their awareness of occupational health and safety**. Finally, the implementation of an integrated management system that includes ISO 9001, 14001 and 45001 standards demonstrates the Group's commitment to progress in the area of workplace safety.



## IMPROVING PEOPLE'S LIVING CONDITIONS (3/3)



## ROGERS HOSPITALITY (EX-VLH)

Rogers Hospitality is one of the major players in the hotel and leisure sector in Mauritius. The group operates 7 hotels through two chains: "Veranda" (3 and 4 star hotels) and "Heritage" (5 star hotels).

Rogers Hospitality supports the development of the local economy: the Group's hotels recruit Mauritians for their own activities, while external activities are offered by companies founded and managed by Mauritians. In addition, gender parity has been steadily increasing within the group's teams, today 42% of the company's employees are women.

Rogers Hospitality also ensures that the group's employees benefit from continuous training: in 2020, **the company provided 29,000 hours of training despite the covid outbreak.** This training reduces work-related incidents, lowers turnover and prepares employees for new responsibilities such as customer service, management and communication. Finally, performance reviews are conducted annually by the HR department of each hotel, during which management systematically collects employee feedback on their working conditions.



## PROMOTING GENDER EQUALITY AND PARITY (1/2)



## RAMCO PLEXUS

Ramco is a consortium of **13 companies** forming an integrated printing and packaging platform, offering one-stop products and services primarily to B2B customers across Kenya and East Africa. The family-owned group employs over 3,000 people and has a turnover of USD265 million. Within this consortium, Ramco Plexus has a total **turnover of over USD62 million** and **employs over 1,200 people**.



Ramco Plexus has, over the years, integrated a specific focus on the non-discrimination of women in the company, including a change in HR policy but also internal awareness campaigns against discrimination. Amethis has worked with the company's management on this issue and since our investment, the share of women employees has increased from 5% to 20%. They are present in management positions and are fully integrated in the decision-making process of the company.



## PROMOTING GENDER EQUALITY AND PARITY (2/2)



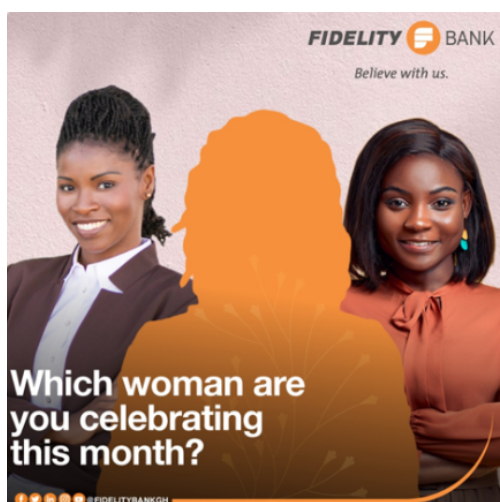
*Believe with us.*

## FIDELITY

Fidelity Bank is a **Ghanaian bank** that provides financial services to a wide range of clients, including those in the institutional and public sectors. **Fidelity Bank is the 6th largest Ghanaian bank in terms of assets and the 4th in terms of revenues.**

Through its Smart Account initiative, Fidelity **promotes financial inclusion by offering current accounts for individuals, traders and micro-entrepreneurs.** Using their **phones**, 850,000 small subscribers have been able to open an account online, track their spending and make purchases where they previously had to rely on a less available branch away from home. This programme for the poorest customers **is particularly beneficial for women**, the majority of whom are in the Greater Accra area.

Access to credit in rural areas is even more difficult for women for whom receiving a bank loan is often impossible and has a heavy impact on the development of their business. This **service helps women, who work partly in informal settings, to become involved in an economic activity while relying on digital tools.** Clients can carry out transactions such as withdrawals, deposits, bank transfers, money transfers (from one account to another), bill payments, telephone top-ups, balance requests and statement requests.



In addition, the programme promotes savings and good financial management. Fidelity has launched a project in partnership with the World Bank that allows them to save Ghc160 per month for six months and obtain a loan of Ghc500 to finance their activities.



# PROTECTING THE ENVIRONMENT



*One of our responsibilities is to maintain and reduce pollution from our portfolio activities. Resource management (waste, water, energy) is crucial for the continent to address the scarcity of natural resources, to contribute to the fight against climate change and develop competitive and energy efficient companies.*

*Beyond environmental regulatory constraints, we seek to take advantage of the many opportunities related to recycling and waste management, as well as energy efficiency issues.*

## SUPPORT ACTIVITIES THAT RESPECT THE ENVIRONMENT (1/3)

### MAGRISER

A pioneer in the micro-irrigation sector in Morocco, Magriser distributes and installs complete **micro-irrigation** and **solar pumping systems**. Magriser irrigation systems provide significant savings while increasing crop yields.



In Morocco, a country suffering from water stress, agriculture accounts for 70% of water consumption. **Magriser's irrigation systems enable significant savings while increasing agricultural yields. Magriser saves 100 million m3 of water each year, the equivalent of the annual consumption of 4 million Moroccans.** Magriser's systems offer a water-saving solution by providing the exact amount of water needed for the plan rather than spreading it around the surrounding area. **Micro-irrigation can save between 20% and 60%** of the water needed to irrigate a field compared to traditional irrigation methods.



In addition to saving water, Magriser also offers solar pumping systems, **which reduce operating costs and the environmental footprint.** These solar pumps are used for filling tanks or for cultivation.

## SUPPORT ACTIVITIES THAT RESPECT THE ENVIRONMENT (2/3)



## BOULOS

Founded in 1987 in Lagos, Boulos has established itself as one of Nigeria's **leading producers of jumbos (paper rolls)** and their conversion into toilet paper, napkins, handkerchiefs and paper towels. The Group currently dominates the paper products market in Nigeria with a 60% market share in jumbo rolls and a 35% market share in finished products. With its integrated production platform, Boulos is a unique industrial asset in Nigeria and West Africa, **with an annual production capacity of almost 45,000 tonnes of jumbo rolls.**

With one of the highest deforestation rates in the world (5%), Nigeria is now facing a **real resource management and responsible sourcing challenge.** The country has lost a quarter of its natural forests in the 2010-2015 period alone.

Aware of these major issues for the country, Boulos has chosen to produce paper reels from locally collected paper. **80% of the finished products sold by Boulos are made from recycled paper.** The group has its own **collection centre** that allows it to **store more than 3,000 tonnes of paper per month** to feed its production, thus contributing to better management of the use of raw materials. This initiative is part of an emerging waste management industry in Nigeria. Boulos works with 200 suppliers and collectors of recycled paper, who are subject to quality control every two months.



## SUPPORT ACTIVITIES THAT RESPECT THE ENVIRONMENT (3/3)



## RAMCO PLEXUS

Ramco Plexus is a consortium of **13 operating companies** forming an integrated printing and packaging platform, offering one-stop products and services mainly to B2B customers across Kenya and East Africa.

The company is currently developing more environmentally friendly products, **such as the production of paper bags** (following the Kenyan ban on plastic bags) and the production of cardboard pallets, which are better alternatives to existing products.

In addition, the demand for electricity in Kenya continues to grow despite the low growth in supply capacity. Ramco Plexus **has installed solar panels in its most electricity-intensive factories** to reduce its environmental impact and reduce the amount of electricity it purchases. In line with the above, the company has recently changed the way it heats its plants by **installing boilers and switching to the use of biomass**.



ENCOURAGING THE PRESERVATION OF ENDANGERED  
NATURAL HABITATS (1/2)

## CIEL FINANCE

Ciel Finance Ltd (CFL) is a **platform of financial services** founded in 2013 by Ciel Group, a mauritian conglomerate. The platform consists of two banks (Bank One in Mauritius and BNI in Madagascar), an asset manager (IPRO), a business service company (MITCO) and a private equity fund (KIBO).

CIEL Group adopted a **Group Sustainability Strategy 2020-2030** in February 2020, focused around 3 dimensions: fostering a dynamic workforce, championing inclusive economic growth and activating the climate response.



In Madagascar, BNI's ambition is to position and develop the private estate of Ferney (2,800 hectares) as **a centre for sustainable development** working for environmental education, healthy living and responsible agro-development. The Ferney Valley is one of the largest reserves in Madagascar. The project includes initiatives to preserve forests, protect rare plants and reintroduce bird species (namely through the planting of 100,000 endemic trees until 2030) and to reinforce bird species.

At the same time, the group is developing a network of green, environmentally friendly, fully solar-powered **bank branches**.





ENCOURAGING THE PRESERVATION OF ENDANGERED  
NATURAL HABITATS (2/2)

## ROGERS HOSPITALITY (EX-VLH)

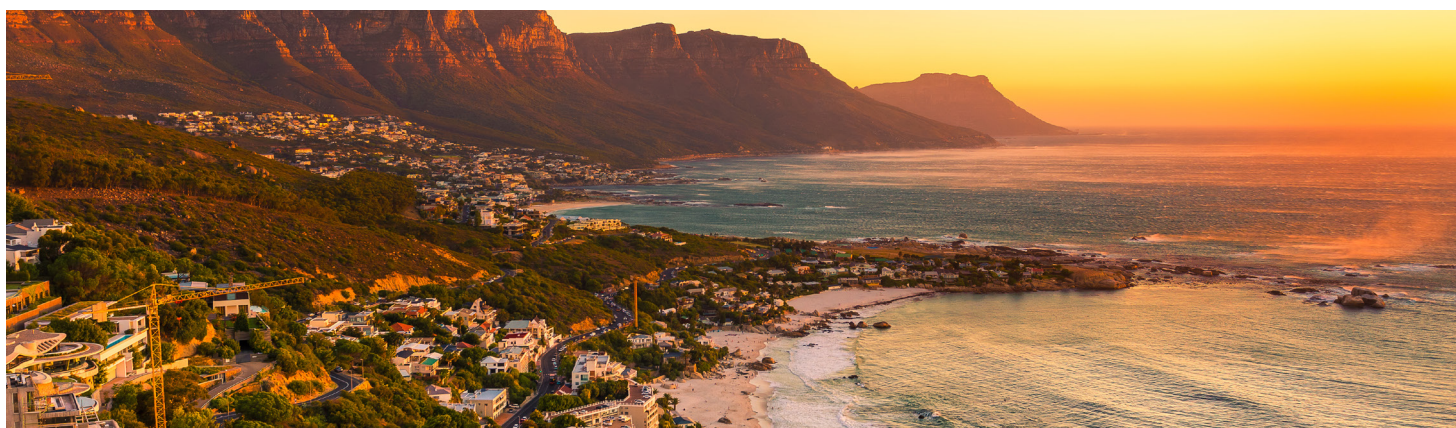
Rogers Hospitality is one of the main players in the hotel and leisure sector in Mauritius. The group operates 7 hotels through two chains: "Veranda" (3 and 4 star hotels) and "Heritage" (5 star hotels). Rogers Hospitality is particularly committed to the protection and safeguarding of the environment and local jobs, through the initiatives presented below.

**Promote Local Agriculture :** Rogers Hospitality favors short circuits from farm to table, buying fresh fruits and vegetables from its reasonable agriculture partner Agria, which transforms monoculture sugar cane fields into diversified vegetable farms. Rogers Hospitality also has a culinary charter that favors local suppliers whenever possible.

**Reduce carbon footprint via renewable energies:** Rogers Hospitality recently launched a **new offer of stays with a reduced environmental impact:** the energy necessary for the heating of the water and the air conditioning systems of the hotel rooms is provided by solar panels, and a rainwater collection system allows for the supply of non-potable water.

**Protect maritime and coastal ecosystems:** Rogers Hospitality worked **with the communities surrounding** its hotels, fishermen and other hotels to initiate lagoon preservation work, with the support of the Mauritian authorities, the conservation NGO REEF and the University of Mauritius, by building breakwaters in the Bel Ombre lagoon to protect its coast and wildlife.

**Improve waste management efforts:** Since 2018, the Bel Ombre area has been **equipped with a composting site that allows 50,000 m3 of food waste** to be composted each year. Alongside these measures, Rogers Hospitality installed a plastic bottle recycling unit in 2017, recycling 900,000 plastic bottles (27 tons of recycled plastic). Rogers Hospitality intends to ban all single-use plastic from the Bel Ombre banner by 2022, while educating 3,200 Mauritian school students on the precepts of a circular economy.



OUR  
IDENTITY

OUR  
SUSTAINABLE  
INVESTMENT  
PRACTICES

OUR  
IMPACT

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# 4 CHALLENGES FOR THE FUTURE

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# RESPONSE TO THE COVID CRISIS

*We are proud to have assisted and contributed to the mobilisation of all the companies in our funds at the height of the Covid 19 crisis.*

*All of them took steps to minimise the negative impacts on their employees and contractors and local communities.*

## PROTECTION OF EMPLOYEES AND CONTRACTORS

- Systematic use of masks and sometimes protective gloves
- Enabling employees to work remotely for positions that allow it
- Implementation of company-paid car-sharing schemes to avoid the use of public transport facilities
- Awareness campaigns to respect protective measures
- Temperature checks at building entrances
- Regular disinfection of offices and production units

## SUPPORT FOR COMMUNITIES

- Digitalisation of certain services
- Financial donations to medical teams and associations
- Donations of basic necessities
- Adapting the offer: increase in the production of certain products, delays granted to borrowers



# RESPONSE TO THE COVID CRISIS

## EXAMPLES FROM THE AMETHIS PORTFOLIO



..... **Novamed** positioned itself on the front line against COVID-19 in Côte d'Ivoire and in Burkina Faso, through its resources, infrastructure and equipment



..... **Fidelity** donated approximately euros 140,000 to the Ghanaian Covid Response Fund for the construction of a health centre



..... **Ramco** launched a production unit for surgical masks



..... **Fidelity** financially supported a client company that had been awarded a contract by the Ghanaian government to produce masks



..... **Pétrolvoire** distributed petrol coupons to ambulance drivers



..... **Sodigaz** launched, with support from Amethis, a financing scheme enabling SMEs to receive aid



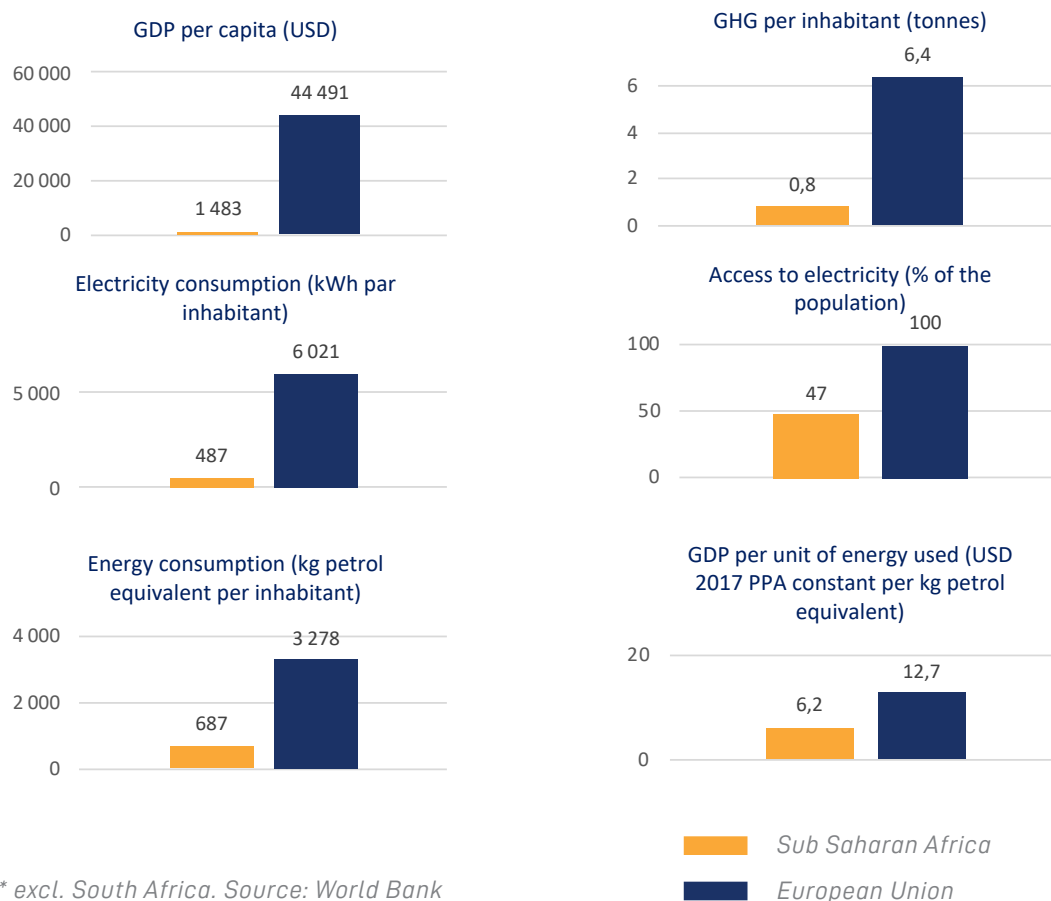
# OUR CLIMATE POSITIONING

The African continent has a specific climatic context, articulated around the triptych: **low levels of consumption, low greenhouse gas emissions** (0.4 t GHG/inhabitant\* compared to 6.4 in the European Union and 15 in the United States) and **high exposure to the consequences of climate change**.

In light of this fact, which raises not only climate but also major social issues, **we strive to adopt an approach that contributes to improving the carbon efficiency of companies and mitigating the effects of climate change within our portfolio**. Our intervention is centered around three key themes:

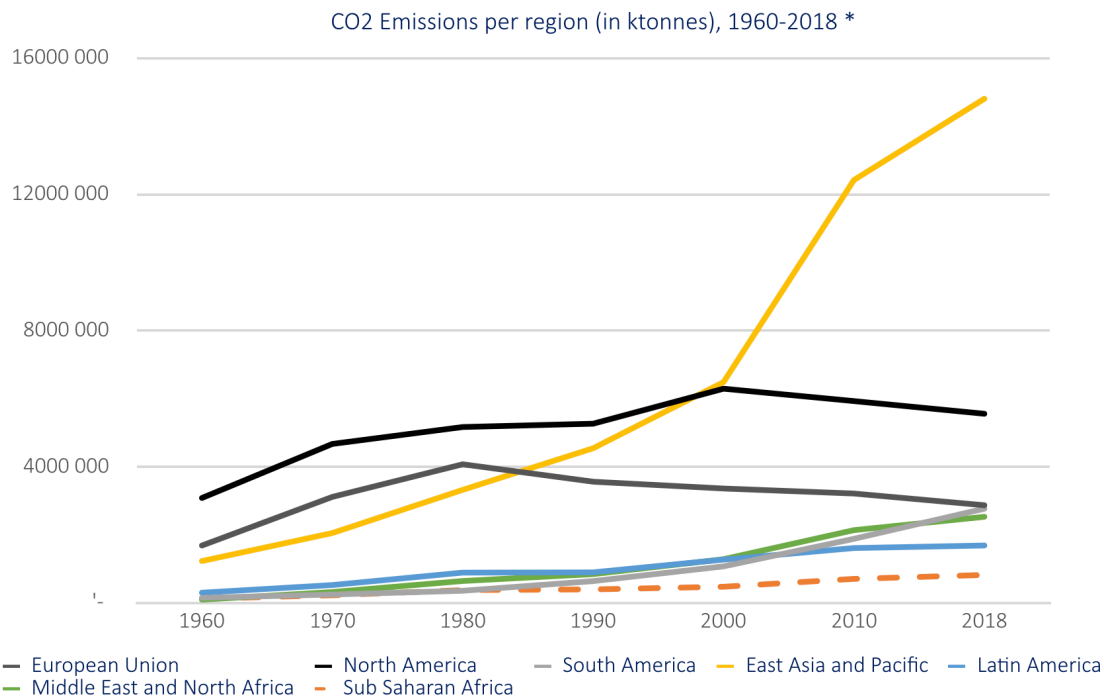
- financing projects capable of enhancing carbon energy efficiency
- promoting energy efficiency projects in economic production
- preparing territories to adapt to climate change, given that Africa will be particularly exposed.

## 1. LOW CONSUMPTION AND EMISSIONS IN SUB SAHARAN AFRICA\*



# OUR CLIMATE POSITIONING

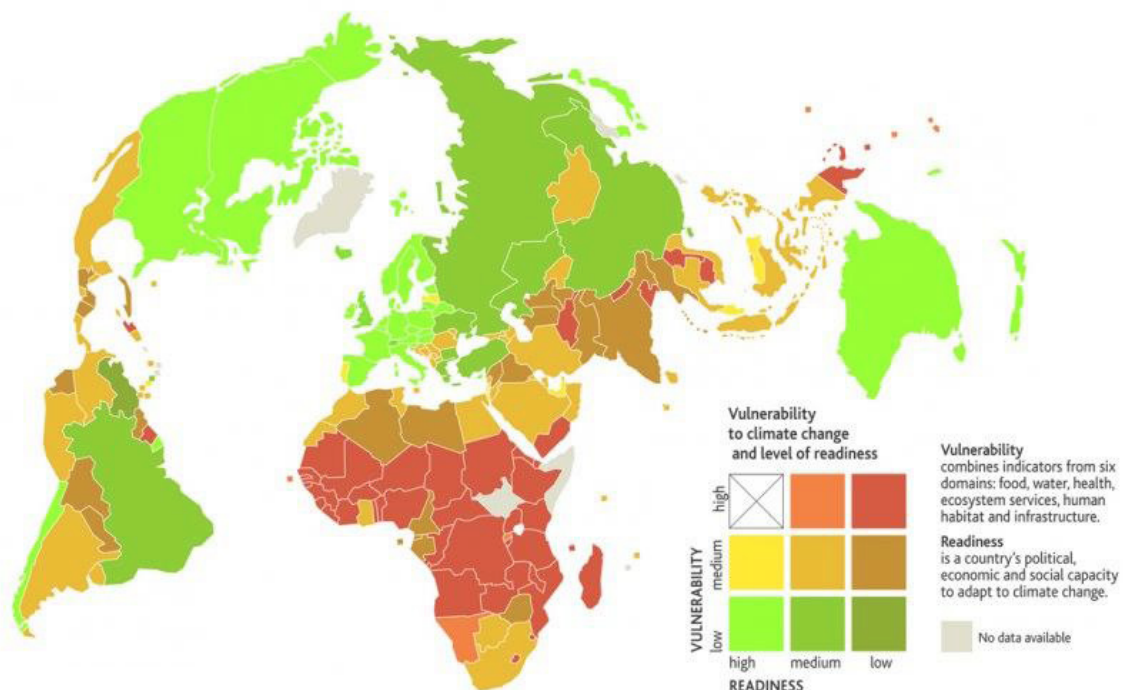
## 2. AFRICA, A CONTINENT WITH BARELY ANY EMISSIONS YET THE MOST EXPOSED TO CLIMATE CHANGE



\* Source: World Bank

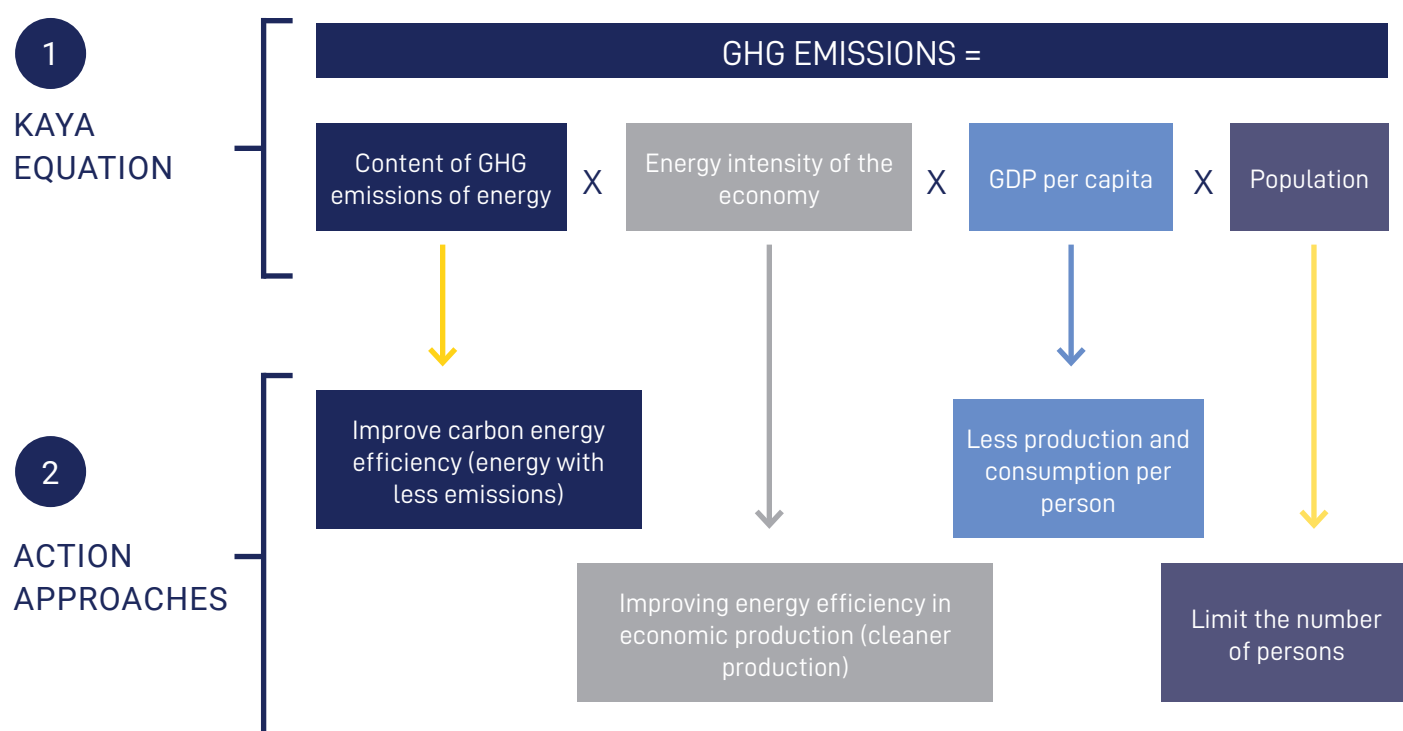
### Vulnerability and preparedness to climate change

(Source: Notre Dame Global Adaptation Initiative, 2019)



# OUR CLIMATE POSITIONING

## 3. OUR APPROACH TO CONTRIBUTE TO CONTROLLED EMISSIONS AND GREATER RESILIENCE IN AFRICA



The Kaya equation presents the **four main factors that determine the level of GHG emissions** in an economy. Levers for action on these four factors are identified, but have different characteristics (and social acceptability and feasibility). Indeed, the level of acceptability and feasibility of a decrease in both population and consumption is low.

If these two factors tend to increase, we must act strongly on the two remaining factors: **improve the energy efficiency of production systems and use less emissive energy**. Through our investments, it is on these two levers that we wish to aim.

Moreover, **several of these factors are interdependent**. Up to a certain extent, an increase in GDP per capita can lead to a decrease in population growth. A decrease in the GHG emissions of energy can go hand in hand with less energy-intensive production.

# OUR CLIMATE POSITIONING

## 4. EXAMPLES OF AMETHIS' CONTRIBUTION TO FIGHTING CLIMATE ISSUES ON THE CONTINENT

### Preparing territories to adapt to climate change



We are financing a specialist in the distribution and installation of complete micro-irrigation and solar pumping systems (Magriser), enabling farmers to reduce water input while improving agricultural productivity. These irrigation systems save 100 million m<sup>3</sup> of water each year, equivalent to the annual consumption of 4 million people in Morocco.



### Targeting projects to improve the carbon efficiency of energy

We are financing the growth of a butane gas supplier for cooking in Burkina Faso (Sodigaz), replacing wood. This reduces emissions and deforestation in the country, thus preserving sources of emission capture.



### Systemize energy efficiency projects key for economic production

We are supporting energy efficiency work in a supermarket chain in Kenya (Naivas) to reduce the energy consumption of buildings and ovens.



# PERSPECTIVES

Since its creation in 2012, Amethis has tried to fully play its role as a responsible investor on the African continent. We have established a relationship of trust with our investors and holdings on E&S issues, based on an investment process that fully integrates E&S issues (pre-investment, holding and reporting, exit).

All our investments are making progress on E&S issues, to which we are initiators or contributors. In order to take a new step in our management of E&S issues and to strengthen our positive contribution to our targeted SDGs, we have defined a new 2021-2025 strategy based on a 5 key areas.

## 1 - AMETHIS COMMUNICATES

We are working to systemise communication on E&S and impact at Amethis level, through the regular publication of a report ( of which this document being the first edition).

## 2 - AMETHIS EQUIPS ITSELF

We are working on the implementation of an E&S IT tool. This tool should constitute an interface between our holdings and us, and thus strengthen the quality of our exchanges and reporting.

## 3 - AMETHIS ACCOMPANIES

We are working on strengthening the support to our holdings on the most material E&S subjects, via new exchange methods (dedicated E&S days, meetings between holdings, etc.).



# PERSPECTIVES

## 4 - AMETHIS TRAINS ITSELF

We are working on a plan to increase the skills of all the relevant teams, in order to deepen E&S knowledge internally.

## 5 - AMETHIS ENGAGES ITSELF

In 2021, we signed up to three flagship responsible investment initiatives, a sign of our growing commitment to new issues.



Strengthening the role of women in portfolio companies.



Operating Principles for  
Impact Management

Systemising our approach to impact in our investment process.



Taking the climate into account in our investment activities



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# CONTACTS

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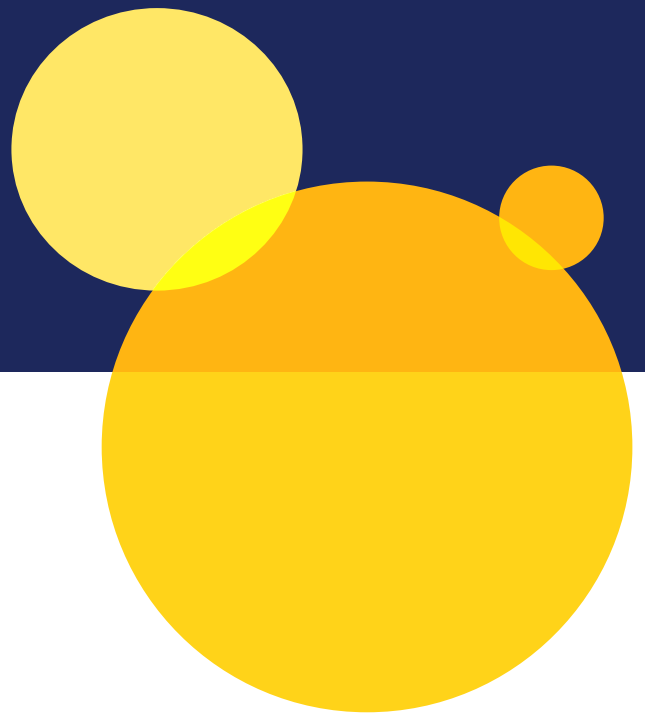
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