

Impact Report

2019 Financial Year

Our impact
management,
measurement
& performance.

CONTENTS

3	About Us
5	Our Impact at a Glance
6	Our Performance Highlights
7	Renewable Energy
9	Venture Capital: Giant Leap Fund
11	Real Estate & Place-based Investing
13	Catalyst Fund
14	IIG Operational Impact
15	Our Impact Processes
17	About the Impact Management Project
19	About the Sustainable Development Goals
20	Appendix: Impact Reports for Our Trusts & Funds
43	Stay In Touch

About Us

IIG is a leading Australian Impact Investment Funds Manager.

We want to prove that finance can be a force for good. That finance can support outcomes that are good for people and good for the planet. We believe that helping to transform crucial economic systems is our path to meaningful environmental and social impact. We see a future where energy is 100% renewable, affordable and universally accessible. Our buildings, towns and cities can be sustainable, inclusive and beautiful. Vibrant businesses can grow while regenerating the earth and contributing to our society.

Our community of investors has funded solar farms, green buildings, and the start-up years of mission-driven businesses. As impact investors, we aim for financial

returns alongside intentional environment and social benefits that we manage towards and measure. We help individuals, family offices, foundations and institutions invest in line with their values, and we support them to move further towards positive impact.

We contribute work, ideas, and energy to the communities that share our goals. We're part of the Impact Management Project, a member of the Responsible Investment Association of Australasia, the Global Impact Investing Network, and we're a proud B-Corporation.

We're fully owned by Small Giants, the family office of Berry Liberman and Danny Almagor.

Below (L-R): Danny Almagor – Chair, Amanda Goodman – Head of Syndication, Daniel Madhavan – CEO, Caroline Vu – Head of Enlightened Hospitality, Will Richardson – Head of VC



“Tell me, what is it you plan to do with your one wild and precious life?”

Mary Oliver



Dear Reader,

We are happy to share our first organisation-wide impact report to show how we're thinking about impact and share some highlights of our impact performance.

The aim of this report is transparency — a chance for us to share our impact without being worried about perfection.

Impact management and measurement is an emerging and evolving space, and we believe it's time to lift the curtain and share our thinking and approaches.

We believe that by making investments, we are having an impact. We define impact as a meaningful change experienced by people or the planet as a result of our intervention or investment. This can be positive or negative. The change can occur from our investments, but it can also occur as a result of our behaviours as an organisation and as wider systemic changes that occur because of what we learn and what we share.

We are striving for a balance between, what our chairman Danny Almagor calls, the poetry and the grammar of impact investing.

The grammar of impact investing is the conventions and frameworks that help us make meaningful sense of all of this. As impact investors, we are intentional and evidence-driven in creating positive change. So we align with global best practice in impact management and measurement. We use theories of change, performance data, and global conventions such as the UN Sustainable Development Goals and the emerging Impact Management Project.

The poetry of our work is how we can feel impact, hear the stories, and know something meaningful is happening; we can be inspired and know that matters.

We hope the whole picture feels easy to digest, has intuitive meaning, and gives a balanced picture of what we do, who we are, and how we think about impact. We hope it makes a whole poem.

We have also shared some indications of where we hope to go in the coming year or two to deepen our impact across our investment teams. We also hope to deepen our impact as a whole enterprise and with our partners across sectors to drive meaningful systemic change that can be somehow observed, measured, and conveyed.

Please get in touch with us if you are inspired to join us in a conversation about the impact we can make together and what we might also learn from you.

Warm Regards,

Erin Castellanos

Chief Impact Officer

Our Impact at a Glance

The Impact Management Project's framework helps us to screen investments, manage and assess our impact performance.

This is an assessment of our overall portfolio; the investments and projects within all of our products.



Our products address a range of social and environmental challenges. For example, our investments can address: climate change; the need for clean energy; sustainable cities and communities; better health outcomes; closed loop systems; waste reduction; and, educational training programs.



Our investments support different types of beneficiaries. Firstly, as many of our investments support improved environmental outcomes, we recognise the planet as a vulnerable 'stakeholder'.



This is one of the most difficult dimensions to assess as it requires choosing a benchmark, which is not always straightforward. We try to be thoughtful about how we approach 'how much' impact we create and base the assessment against our impact thesis as well as what is happening in the world around us.



We often don't have a data-driven approach to assessing what would have happened in the absence of our investment. In many cases, we know that commercial (non-impact) investment would support the companies or projects that we have. However, we contribute more than financial investment, and it is difficult to assess what would happen in our absence.



Like other types of risk, impact risk can vary throughout an investment's lifecycle. We try to screen for different types of impact risk to determine whether there is a high or low risk if that impact does not take place or of unintended negative consequences. We try to manage risks where possible and update the risk profile in our annual reporting to clients.

Our Performance Highlights

Our investments are producing benefits that reflect aspirations under the UN Sustainable Development Goals



\$1 million estimated healthcare savings in FY19 from improved treatment plan adherence¹. Cumulative: \$1.2 million to date (since Jan 2018)

1,020 avoided pollution-related illnesses in FY19². Cumulative: 2,053 to date (since FY16)



3 properties targeting 5-star NABERS Energy ratings.

2 properties targeting the maximum-possible 6-star GBCA Green Star certification.

2 properties targeting highest-possible Platinum WELL rating for occupants' wellbeing.



639 education program graduates in FY19³.



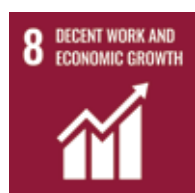
137.6 tonnes waste diverted from landfill in FY19⁸ (more than 19 garbage truck-loads!)⁹.



99,583 MW-hours⁴ of clean electricity generated in FY19 (equivalent to the electricity consumed by 17,504 Australian homes in a year — more than enough to power all the homes in the suburb of St Kilda⁵).



217,970 tonnes of CO₂-e emissions removed or abated in FY19 (equivalent to taking 46,000 cars off the road for a year)¹⁰. Cumulative: 328,128 tonnes to date¹¹



\$6.9 million gross sales volume generated for independent retailers in FY16⁶. Cumulative: \$15 million (FY17–19)



446 jobs secured by candidates that otherwise wouldn't have been hired⁷.

1. Perx

2. Renewable Energy Portfolio

3. Academy Xi

4. Renewable energy portfolio

5. Based on average household use of 5.689 MWh per annum. Ref: Australian Energy Regulator, and ~14,000 households in St Kilda in 2019. RefSource: <https://forecast.id.com.au/port-phillip/population-households-dwellings?WebID=160>

6. YourGrocer

7. Applied

8. Goterra+Glamcorner

9. Ref: <https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references#vehicles>

10. Ref: <https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references#vehicles>

11. IIG Renewables FY16–19, Future Super FY19 only

Renewable Energy

We see a future where energy is 100% renewable, affordable and universally accessible. We are committed to supporting Australia's transition to a clean energy economy.

- Six solar farms and one wind farm
- \$35.4 million deployed in FY19
- \$176.7 million under management at 30 June 2019
- Three active funds (IIG Solar Income Fund, IIG Solar Asset Fund and IIG Wind Trust)
- Assets in four states/territories



99,583 MW-hours of clean electricity generated in FY19.



104,064 tonnes of CO₂-e emissions avoided in FY19¹².



1,020 avoided pollution-related illnesses in FY19¹³.

12. Full cycle carbon intensity factors applied according to regional location of the asset in accordance with the National Greenhouse Accounts July 2018.

13. Ref: The Lancet (15–21 September 2007): 370, 9591 "Energy and Health 2: Electricity Generation and Health", by A. Markandya & P. Wilkinson. Based on estimate of current grid composition: 75% coal, 15% gas and 10% other (assumed to have no overall impact when compared to renewable energy)

Renewable Energy Continued

Caused harm

Avoided harm

Benefited people and the planet

Contributed to solutions

IIG's Renewable Energy Portfolio

We are dedicated to investing in the clean energy revolution.

Our renewables team invests in high-quality infrastructure to support Australia's transition to a clean energy system. To date, we have raised three renewable energy funds that develop and operate Australian utility-grade solar farms and a wind farm. These assets increase the share of utility-scale renewable energy, facilitating a transition to a cleaner economy with reduced pollution, climate benefits, and associated health outcomes for people.

What we're thinking in deepening our impact — lifting the benchmark

By developing and operating renewable energy assets, particularly in a time when the policy environment is highly uncertain, we feel we have an important role to play in bringing more renewables into the energy mix. In our most recent renewables fund, the Solar Asset Fund, we demonstrated that investors are willing to understand the complexity of the energy market and take on power price risk. In our 2016 renewables fund, the Solar Income Fund, we financed 5 percent of Australia's installed renewable energy capacity¹⁴, helping to play a catalytic role as the market began to develop.

As we look to deepen the impact of our renewables portfolio, we are also thinking more deliberately

about how we engage communities and how we manage the land for better environmental and biodiversity outcomes. At our Mount Majura Solar Farm in the ACT, we recently moved a colony of bees onsite. This is part of our exploration of opportunities to find ways of mixing sustainable land management and renewable energy generation. We are also looking for possibilities around how we manage land for multiple benefits by thinking about factors such as managing soil health and weed management. We have also been engaging more meaningfully with stakeholders around our solar farms, including engaging with Indigenous Australians to better understand the history of the land and how we can more meaningfully work with traditional owners and custodians of the land.

14. In 2016, IIG financed 13 MW of solar energy projects out of 264 MW installed capacity across Australia. <https://www.cleanenergycouncil.org.au/resources/resources-hub/clean-energy-australia-report>

Below: IIG Solar guardians visit to the Chinchilla Solar Farm in Queensland



Venture Capital: Giant Leap Fund

- 1 Impact-focused VC fund
- Raised \$15 million
- 10 portfolio companies as of 30 June 2019
- 4 new portfolio companies in FY19
- \$2.2 million deployed in FY19



\$1 million estimated healthcare savings from improved treatment plan adherence in FY19¹⁵.



\$6.9 million gross sales volume generated for independent retailers in FY19¹⁶.
Cumulative: \$15 million (FY17–19)



446 jobs secured by candidates that otherwise wouldn't have been hired¹⁷.



137.6 tonnes of waste diverted from landfill¹⁸.

6 billion kms+ cumulative, carbon-neutral delivery¹⁹.



113,900 tonnes of CO₂-e emissions avoided by portfolio companies in FY19.

\$2 million funds divested from direct fossil fuel activity in FY19²⁰.

15. Perx

16. YourGrocer

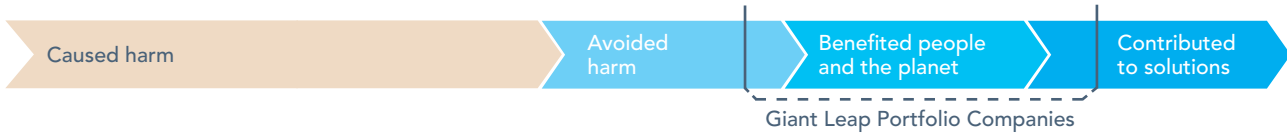
17. Applied

18. Goterra + Glam Corner

19. Sendle, company lifetime

20. Future Super

Venture Capital: Giant Leap Fund Continued



We believe that investing in businesses that do good is simply good business.

Since launching in 2013, IIG has made investments in early stage businesses that share its values and have great business potential. After seeing numerous impact start-ups with strong potential, IIG established a dedicated venture fund in 2016 called the Giant Leap Fund.

Giant Leap is Australia's first 100 percent impact venture capital fund, designed to meet investor demand for attractive risk-adjusted financial returns as well as measurable social and environmental outcomes.

What we're thinking in deepening our impact — lifting the benchmark

Passionate people have a way of being able to make big things happen, and we want to be a part of those successes. There are many ways that finance can play an instrumental role in supporting businesses that are focused on addressing the world's most pressing social and environmental challenges. While we provide investment capital at crucial stages of an enterprise's development, we know that our real value is in supporting impact entrepreneurs at all stages of their journey: sharing what we've learned, connecting people to one another, and starting from a position of service.

Our research shows that nearly 25 percent of Australian venture capital deals in 2018 could be classified as impact deals, and we are committed to growing this number by growing the ecosystem. We believe that if we demonstrate how we respect and care for people, we will help cultivate a thriving ecosystem of passionate entrepreneurs, values-driven investors, and skilled intermediaries who feel supported and connected in their efforts to use business as a force for good.

Below left: Giant Leap at the Above All Human conference.
Below right: Sendle CMO Eva Ross & Giant Leap Venture Partner Adam Milgrom



Real Estate & Place-based Investing

- 6 active trusts/assets at 30 June 2019
- \$115.3 million deployed FY19
- \$508.6 million under management at 30 June 2019



3 properties targeting 5-star NABERS Energy ratings²¹.

2 properties targeting the maximum-possible 6-star GBCA Green Star certification²².

2 properties targeting highest-possible Platinum WELL rating²³ for advancing the wellbeing and health of building occupants.

14 community events hosted/supported in FY19.

2 properties targeting zero waste and carbon neutrality.

1 property targeting water neutrality.

21. NABERS (National Australian Built Environment Rating System) is a buildings performance rating system that can help managers assess their energy, waste and water usage. The NABERS Energy rating has a maximum of 6 points based on energy efficiency and carbon emissions. <https://www.nabers.gov.au/about/what-nabers>

22. The GBCA (Green Building Council of Australia) Green Star Design and As Built certification relates to a building's environmental performance and includes assessments on energy, water, materials, indoor air quality etc. For more see: <https://new.gbca.org.au/green-star/rating-system/design-and-built/>

23. The WELL rating is about human health and well-being, focused on improving the indoor environment of buildings. In Australia, only 5 properties have attained a Platinum WELL rating. <https://www.wellcertified.com/>

Real Estate & Place-based Investing Continued



We invest in industry-leading green buildings and run ambitious rejuvenation projects.

We invest in places to create more sustainable cities and communities. We do this by delivering best in class environmental building performance and attractive returns with the potential for capital appreciation. We also work on ambitious rejuvenations of properties that have great unrealised long-term potential for investors and communities.

What we're thinking in deepening our impact — lifting the benchmark

We have recently developed the Net Community Benefit Methodology (NCBM) as a way to identify the best ways to create public value for

communities and private value for investors²⁴. We are working with partners to draw upon existing evidence and take a data-driven approach combined with community consultation to understand the greatest opportunity to design for community benefits. For example, if we invest in a precinct with high unemployment, we could potentially curate a mix of tenants and offer incentives for those creating particularly meaningful work opportunities that match the community's needs. We hope to work with government to deliver more attractive incentives, particularly through the planning and permitting process, that boost financial returns and in turn can be reinvested into community benefits. We are passionate about investing in places that deliver positive outcomes for our communities, the environment and our investors.

The methodology was developed from our experience with the Young Husband development in Kensington, Victoria, which was a finalist for Best New Project, Mixed-Use Development at the World Architectural Awards in November 2018. The development has provided us with the knowledge on how best to engage in collaboration to co-design a vibrant community.

24. See our 2019 article published in the Stanford Social Innovation Review on our methodology to improve place-based programs: https://ssir.org/articles/entry/clarifying_community_benefits_to_improve_place_based_programs

Image courtesy Bates Smart



Property Highlight – 25 King Street, Brisbane

In FY19, IIG sold the highest rated energy building in Brisbane while delivering a 15% annualised return for investors.

- Tallest and largest engineered-timber office building in the world at the time of completion
- 14.5% of whole building electricity consumption supplied by rooftop solar (July 2019)
- 5-star target NABERS energy rating

- 100% of potable water consumption to date has been supplied by rooftop rainwater harvesting
- 6-star target Green Star Rating (highest possible)
- 8.15 tonnes waste diverted from landfill
- Platinum WELL rating targeted
- Queensland Architecture Awards 2019 winner
- Good Design Australia Awards 2019 winner

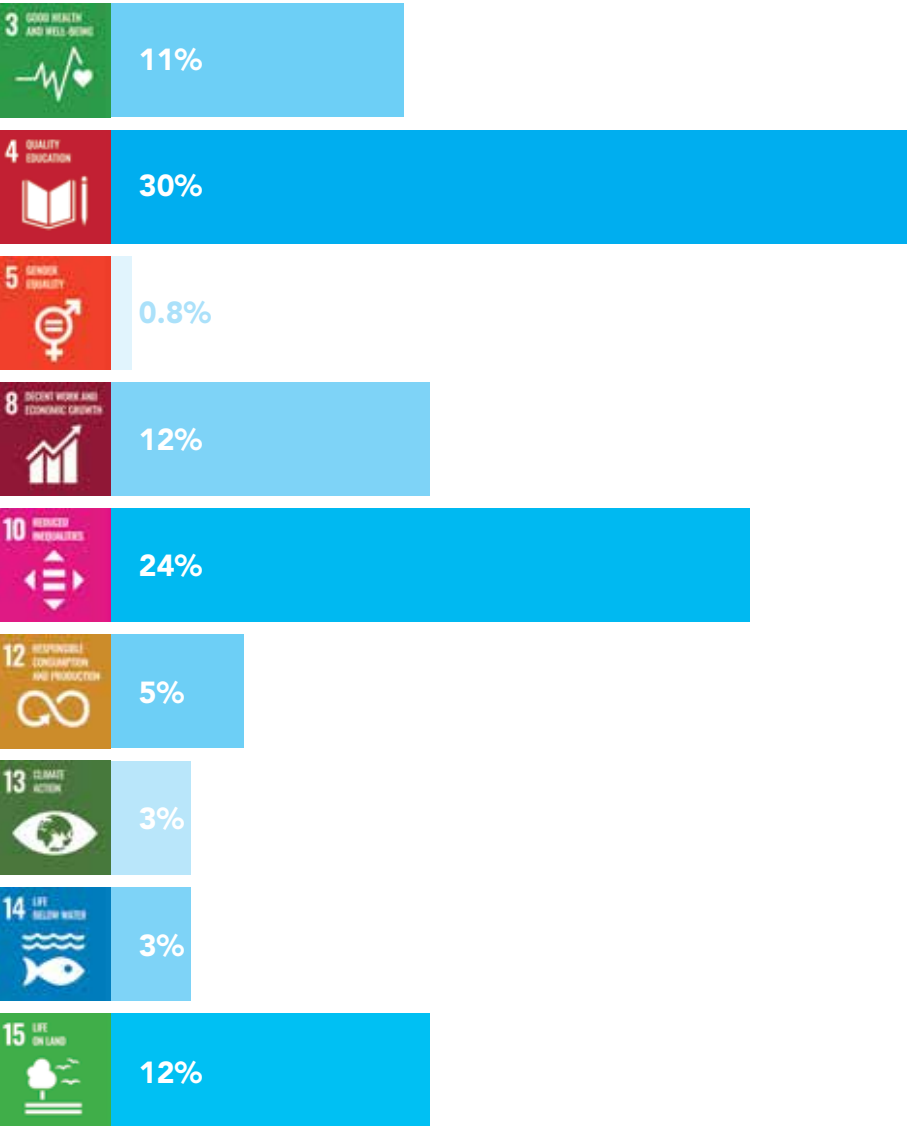
Catalyst Fund

The Catalyst Fund is our foundation established to support a range of impactful organisations in different ways.

Snapshot:

- \$170,000 disbursed since inception (FY17–19)
- 20 organisations supported to date

Figure 1: \$ Deployed by SDG



We established the Catalyst Fund to catalyse deeper and more meaningful impact

Our mission is to use the entire spectrum of returns to generate impact, including, but not limited to, providing a complementary set of resources to help achieve the broader change targeted by IIG’s commercial investment portfolio.

The Catalyst Fund has provided different types of grants and investment capital with the thesis of catalysing deeper and more meaningful positive change. We do this by matching staff donations, engaging in strategic philanthropy, investing in capacity building through philanthropy and investments, and demonstrating the spectrum of impact investment returns to expand the universe of impact investment opportunities.

Organisations supported to date include:

- Sycamore school, Project Santo; Makerspace, Summer Foundation, Australia Institute, Victoria University WoMEDA, Tender Funerals, Think Equal, Lymphoma Australia, Great Barrier Reef Foundation, Social Studio, Environment Victoria, Bethel Orphanage, Australian Childhood Foundation, Yher from YGap, Fair Agenda, Standup, Royal Children’s Hospital, Hope for Nauru, and the Western Health Foundation.

IIG Operational Impact

We think about impact not just in terms of our investments, but also in terms of our culture, our operations, and our people.

IIG has been a certified B Corporation since 2013. As an Australian pioneer and proud supporter of the B Corp movement, we are committed to demonstrating how business can balance both profit and purpose by adhering to third party certification and auditing of our social, environmental and governance policies, practices and performance.

Our overall B Impact Assessment score is 86.6²⁵ (out of a possible 200 points) and we know we can do better.

The average B Impact Assessment score for Certified B Corps is currently 95.1²⁶ (compared to the average score of 55.1 for all businesses of our size — B Corp and non-B Corp). As part of B Corp Awareness month 2019, we held a whole of team engagement workshop to understand how we could use the B Corp assessment framework to help us lift staff happiness and perform better across our operations. And going forward we intend to collect more operational impact data to better understand and manage our water and energy usage, and our emissions intensity.

In addition to being a B Corporation, we are proud sponsors, advisors and members of many industry and sector building initiatives and groups including: Impact Management Project; Investor Group on Climate Change; Responsible Investment Association AustralAsia; Creative

State (Victorian government's strategy for creative industry); Impact Investing Summit Asia-Pacific; Green Building Council of Australia; Global Impact Investing Network; and, Bioregional One Planet Living network.

We are also working toward more meaningful engagement with Indigenous Australians and are building our Reconciliation Action Plan, which we hope to share in the coming year.

And we are thinking about how we value and create value for our employees. We are experimenting with the use of a global tool that measures Gross National Happiness²⁷. This tool was developed by the government of Bhutan and is used to measure not just national growth and productivity but the overall health, happiness and satisfaction levels of the entire population. We are hoping to launch in the next year the Gross IIG Happiness survey as a way of

measuring how happy and engaged our staff are. Prior to aligning with Gross Happiness, IIG measured its staff engagement and in FY19 staff reported an NPS score of 60. This indicated a very high level of staff engagement and that staff strongly recommend IIG as a place to work.

And finally, we are deliberate in moving beyond the transactional nature that has come to define the way business is typically done and are striving to build meaningful relationships and nurture our community. We see and relate to others as human beings with feelings, plans, desires and needs. When we approach people through a lens of shared humanity, we can best serve them, ourselves and our work. Our team calls this approach, 'Enlightened Hospitality', and we are building these ideas into ways of working with each other, our investors and our extended community.

“Clearly this is a very talented group, but what appeared to be particularly exceptional was the level to which each individual's actions are aligned with their own hearts and each other's hearts.”

Investor

25. To become a B Corporation, an organisation must score at least 80 points <https://bimpactassessment.net/>

26. B Corp Impact Data, B Lab, data.world/blab/b-corp-impact-data, Accessed 27 August 2019

27. <http://www.gnhcentrebbhutan.org/what-is-gnh> Small Giants (IIG's owner) has partnered with Bhutan's Gross National Happiness Centre and runs programs to support clients and other investors to connect with purpose and impact through 'Impact Safaris' (<https://www.impactsafaris.com/bhutan-2019>)

Our Impact Processes

How do we manage and measure impact?

We embed an impact lens into our decision making across our business and we have developed processes and tools that reflect both how we manage for better outcomes and how we measure the type and degree of change that has resulted from our efforts.

We ask what impact we can have; screen for whether there is enough impact and understand how we can manage and deliver those targets; and, evaluate and reflect upon whether we achieved what we set out to do.

We have aligned with global best practice in impact management and measurement and have incorporated elements from the Impact Management Project and Sustainable Development Goals into our processes and tools.

Bringing it all together; how do we know meaningful change has occurred?

We collect impact data in different ways. In some cases, we collect data from the enterprises in which we invest, agreeing with executive teams about the appropriate impact metrics (including qualitative evidence), and recognising we are aiming to support the mission and growth of these businesses. To not over-burden small teams and tight budgets we defer to simpler proxy metrics that align with what entrepreneurs are already

measuring. In other cases, where we manage assets directly, we work with our internal team, consultants and third-party independent experts to collect social and environmental data. And occasionally, we feel that an in-depth impact evaluation is required to understand deeper or more complex outcomes from a programmatic intervention.

We have adopted a cloud-based impact management and measurement platform, Impact Cloud²⁸, which supports our team in keeping track of the most up-to-date impact performance of our investments.

To report our impact results, we try to make meaningful sense of what has happened for our clients and broader stakeholders. We do this by streamlining impact reporting and consistently reporting against the Sustainable Development Goals, Impact Management Project, highlighting the most important headline quantitative impact metrics and sharing at least one case study or story. The balance of key metrics, consistent frameworks, streamlined reporting and meaningful stories lets us and our stakeholders know whether and what type of change has resulted from our investments.

28. <https://info.sopact.com/impact-cloud>

Figure 2: Impact across the investment lifecycle



Our Impact Processes Continued

Our Theory of Change

Our approach to creating more positive impact is underpinned by our theory of change, which tells us how we translate the inputs for our business into activities or what we do that should ultimately result in things that matter and lead us to the outcomes we are seeking to achieve.

Our theory of change (see Figure 3) says that we acknowledge and value that we are more than a business based on financial inputs but we rely upon people, the environment and their connections to exist.

Each of our investment teams have theories of change that reflect this approach to managing for better outcomes through our investments. And our operational teams embed this thinking into how we run our organisation as a values-driven B corporation²⁹. As we share our theory of change, we also want to share that we are learning as we go, testing this theory, adapting and iterating. We're happy to share our thinking on this before it's perfect as we feel there is value in opening up the 'black box' and getting other perspectives.

29. <https://bcorporation.com.au/>

Figure 3: Theory of Change



About the Impact Management Project

The Impact Management Project

The Impact Management Project³⁰ is an initiative with input from over 2,000 impact management professionals globally that aims to build consensus across the industry about how we talk about, manage and measure impact. The foundation framework includes the five dimensions of impact, which outline who is impacted, what the problem is being solved, how much impact is being created, the contribution toward impact of the investment intervention, and the impact risks. We have adopted these five dimensions to assess impact³¹ as part of our due diligence process and in our communications and reporting.

30. <https://impactmanagementproject.com/>

31. <https://impactmanagementproject.com/wp-content/uploads/Impact-data-categories-worksheet-2.pdf>

Figure 4: The IMP reached global consensus that impact can be deconstructed into five dimensions; What, Who, How Much, Contribution and Risk

Impact dimension	Impact questions each dimension seeks to answer
 WHAT	What outcome occurs in period? How important is the outcome to the people (or planet) experiencing it?
 WHO	Who experiences the outcome? How underserved are the affected stakeholders in relation to the outcome?
 HOW MUCH	How much of the outcome occurs — across scale depth and duration?
 CONTRIBUTION	What is the enterprise’s contribution to the outcome, accounting for what would have happened anyway?
 RISK	What is the risk to people and planet that impact does not occur as expected?

About the Impact Management Project Continued

Figure 5: Using the IMP framework, we can assess a project against each of the five dimensions, which produces an overall classification

Impact assessment classification table					
<div><div></div><div>WHAT</div></div>	Unknown	Important negative outcomes	Important negative outcome(s)	Important positive outcome(s)	Specific positive outcome(s)
<div><div></div><div>WHO</div></div>	Unknown	Various	Underserved	Various	Underserved
<div><div></div><div>HOW MUCH</div></div>					
<div><div></div><div>DEPTH</div></div>	Unknown	Various	High degree of positive change	Various	High degree of positive change
<div><div></div><div>SCALE</div></div>	Unknown	Various	Various	Various	And/or for many
<div><div></div><div>DURATION</div></div>	Unknown	Various	Various	Various	And/or long term
<div><div></div><div>CONTRIBUTION</div></div>	Unknown	Various	Likely same or better	Likely same or better	Likely better
<div><div></div><div>RISK</div></div>	Unknown	Various	Various	Various	Various
CLASSIFICATION OF IMPACT	May cause harm	Does cause harm	Act to avoid harm	Benefit stakeholders	Contribute solutions

About the Sustainable Development Goals

Sustainable Development Goals

The United Nations (UN) Sustainable Development Goals (SDGs)³² outline 17 aspirations for global development that were adopted by all UN member states in 2015 and has been widely endorsed by the global corporate community. These include aiming to eliminate poverty and hunger; addressing health and well-being; addressing issues of inequality and access to basic needs such as clean water, clean energy and decent work; acknowledging the need for a clean and thriving planet; and recognising that our cities, industry, and behaviours need to reflect these global challenges and aspirations. At IIG, we have adopted the SDGs as a framework to inform the design of our investment approach and product offering as well as a reporting and communication tool.

32. <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

The 17 aspirations for global development adopted by the UN

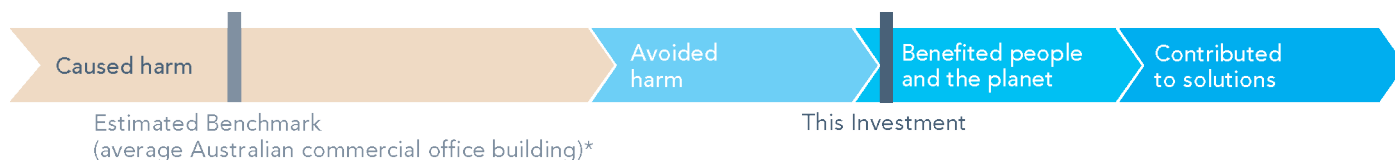


Appendix: Impact Reports for Our Trusts & Funds

Impact Report – 401 Collins Trust

For the Year Ended 30 June 2019

1. Impact Result



With 401 Collins, the Trust invested in a heritage building that incorporated design choices which prioritised environmental outcomes. These included investing in better-performing building infrastructure, which helped achieve a higher-than-target energy rating. As a result, tenants and the environment are benefiting from a healthier, more sustainable building. Ultimately, we believe 401 Collins provides an example for others in the property sector to transform their approach to retrofitted sustainability upgrades.

4.5 stars

Projected NABERS Energy rating

The building was rated at 1.5 stars when IIG purchased it in 2014.

2.5 Stars

Projected NABERS water rating

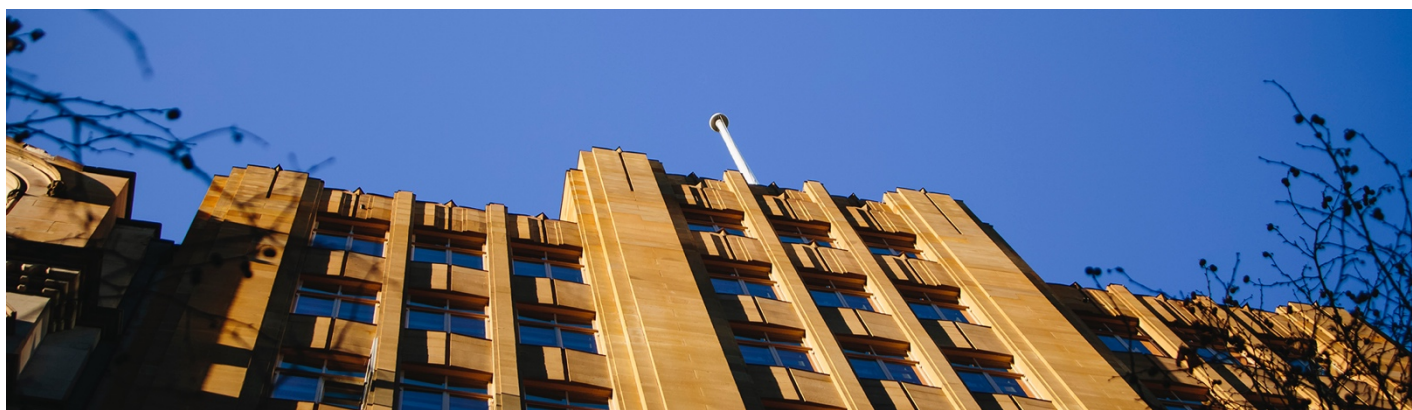
2. Impact Story: Waste Management Strategy

IIG is working with 401 Collins' building manager and the major tenant, WeWork, to develop and implement a zero-waste strategy.

The average amount of waste that is diverted from landfill for 401 Collins St is currently 26.1% and the goal is to improve the diversion rate. This strategy is largely possible given that WeWork is aiming for zero waste as part of their global strategy.

Part of the role of IIG, and that of our buildings and facilities managers, is to engage with tenants, tailor waste diversion strategies to their needs and design solutions to implement and monitor waste streams. On site, there is currently a strategy to monitor and understand waste streams, conduct a waste audit to understand what waste can be diverted through recycling and organic waste management, and ensure there is a clear understanding of waste disposal needs, including e-waste.

By working with tenants, waste contractors and cleaners to support a zero-waste strategy, the Trust is moving toward reducing the asset's negative environmental impact and demonstrating collaboration for waste reduction.



* based on NABERS annual report 2017/18 <https://nabers.info/annual-report/2017-2018/> and GBCA statistics as of 30 June 2019 <https://new.gbca.org.au/green-star/>

3. Targeted Sustainable Development Goals

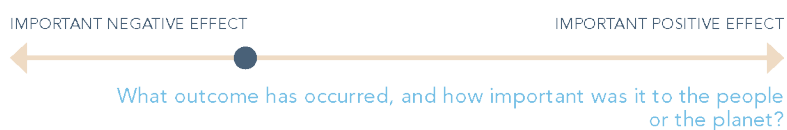


The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

4. Impact Assessment



WHAT



401 Collins is mitigating the negative effects of the built environment by improving environmental performance.



WHO



The environment is underserved, particularly in the context of the built environment. Tenants at 401 Collins are more well-served.



HOW MUCH



401 Collins has a moderate to low amount of impact.



CONTRIBUTION



The Trust's contribution is likely better than the mainstream commercial market; we believe through IIG's management, some design choices in the heritage context have led to outperformance.



RISK



We do not believe there are significant impact risks or adverse effects as a result of the Trust's investment.

Impact Report – Byron Beach Hotel Trust

For the Year Ended 30 June 2019

1. Impact Result



With the Beach Hotel, the Trust invested in an iconic community hotel and pub in Byron Bay which seeks to improve environmental performance and facilitate community connections through events and community engagement. To date, the Trust has made some progress toward minor environmental upgrades.

5 Community Events

Hosted/sponsored

2. Impact Story: Community Gathering Place



As part of the investment in the Byron Bay Beach Hotel, IIG has aimed to work with the tenant and local community groups to support and facilitate community events.

Since purchase, the Trust has helped to support and sponsor five community events, including beach clean ups where the pub and hotel rewards community volunteers that collect beach rubbish with free food and drinks.

A recent beach cleanup in March 2019 resulted in 403kg of trash collected by 56 participants.

The Hotel sponsored and hosted a women's panel as part of the Byron Bay Surf Festival.

The venue also hosted a sustainable fashion event in April 2019. It was held in partnership with Dumbo Feather as part of the Byron Writers' Festival and attended by 200 people.

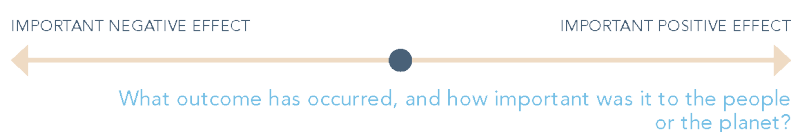
* based on NABERS annual report 2017/18 <https://nabers.info/annual-report/2017-2018/> and GBCA statistics as of 30 June 2019 <https://new.gbca.org.au/green-star/>

3. Targeted Sustainable Development Goal



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

4. Impact Assessment



The hotel is hoping to mitigate some environmental impacts associated with the built environment and create a space for community events.



The environment is underserved, particularly in relation to the built environment.



HOW MUCH



The hotel is currently tracking to deliver marginal impact.



CONTRIBUTION



It is likely the Trust is delivering outcomes similar to those that would have occurred with another property owner perhaps with more impact intent and community engagement.



RISK

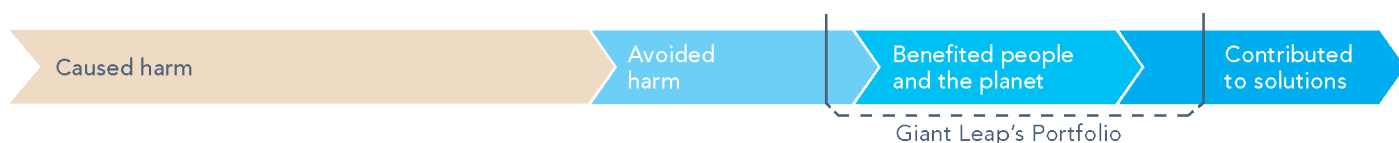


There are moderate to low risks that the intended impact is not as high as envisioned.

Impact Report – Giant Leap VC Fund

For the Year Ended 30 June 2019

1. Impact Results



Giant Leap Fund has invested in building the capacity of impact-focused founders, by investing in commercially minded, early-stage businesses driving positive social or environmental change, and by helping to build the impact start-up ecosystem. As a result, we believe more businesses will deliver deeper social and environmental outcomes and ultimately lead to a more inclusive, sustainable, connected, equitable future.

2. Impact Highlights



86% treatment plan adherence

average plan adherence in Perx programs (compared to 50% baseline for non-Perx patients)



639 Graduates

Education program graduates (Academy Xi)



\$6.9 million

Gross sales volume generated for independent retailers (YourGrocer)



446 Candidates

Who otherwise wouldn't have been hired (Applied)



3,034 tonnes of CO₂-e emissions

avoided (Switch)



137.6 tonnes of waste

diverted from landfill (Goterra+Glamcorner)



110,800 tonnes of CO₂-e emissions

avoided or abated in FY19

6 billion kms

Cumulative, carbon-neutral delivery (Sendle company lifetime)

\$2 million

Funds divested from direct fossil fuel activity in FY19 (Future Super)

3. Impact Assessment


WHAT

IMPORTANT NEGATIVE EFFECT

IMPORTANT POSITIVE EFFECT

What outcome has occurred, and how important was it to the people or the planet?

Giant Leap is having direct impact across a number of social and environmental issue areas through its portfolio companies. In addition, it is proving how venture capital can be impact-focused.


WHO

WELL SERVED

UNDER-SERVED

Who experienced the outcome, and how underserved are they?

Beneficiaries range from more well-served customers and stakeholders to the more disadvantaged including minority groups and the environment.


HOW MUCH

MARGINAL

DEEP EFFECT

How much of the outcome occurred, across scale, depth and duration?

The assessment of how much impact will likely change over time as portfolio companies mature and impact data becomes more evident.


CONTRIBUTION

LIKELY WORSE

LIKELY BETTER

What was the enterprise's contribution, accounting for what would have happened anyway?

We believe that while Giant Leap makes commercial investments, its impact focus is making a contribution to the finance sector that is additional. We do this by demonstrating how venture capitalists can make competitive returns while supporting businesses that are a force for good. We work hard to support the ecosystem and inspire purpose-driven founders who are creating new solutions to old problems.


RISK

HIGH IMPACT RISK

LOW IMPACT RISK

What is the risk to people and planet that the impact doesn't occur as expected?

Impact risks, including the risk that positive effects do not occur and unintended negative effects occur, is moderate to low across the portfolio.



Invested: August 2016

A carbon-neutral, low-cost, door-to-door parcel delivery platform that lets people send parcels from any pick-up address for a fixed price. By investing in Sendle, we are hoping to reduce greenhouse gas emissions, demonstrate carbon-neutral transport models, and economically empower small businesses via affordable delivery of their goods.

Sustainable Development Goals

- 12 - Responsible consumption and production
- 13 - Climate Action

6 billion+

Kilometres of carbon-neutral delivery in company lifetime



Invested: October 2016

An online, grocery delivery platform supporting independent, local businesses and their local communities. By investing in YourGrocer, we are hoping to economically empower and improve the resilience of local communities.

Sustainable Development Goals

- 8 - Decent Work and Economic Growth

\$6.9 million

Gross FY19 sales volume generated for independent retailers



Invested: July 2017

Australia's leading online designer clothing hire destination creating Australia's ultimate endless wardrobe. By investing in GlamCorner, we are hoping to reduce tonnes of clothing waste in landfill, avoid associated greenhouse gas emissions and water usage, and shift consumer behaviour away from fast fashion towards a sustainable circular economy.

Sustainable Development Goals

- 12 - Responsible consumption and production

116 tonnes

Clothing diverted from landfill in FY19



Invested: September 2017

A smart building platform, improving building efficiency and delivering exceptional occupant experiences. By investing in Switch Automation, we are hoping to contribute to the reduction of greenhouse gas emissions and water usage associated with buildings.

Sustainable Development Goals

- 11 - Sustainable Cities and Communities
- 9 - Industry, Innovation and Infrastructure

3034 tonnes

CO₂-e emissions avoided in FY19 through energy savings and avoided technician site visits



Invested: December 2017

A platform that uses gamification and behavioural psychology to improve treatment adherence. By investing in Perx Health, we are hoping to improve treatment adherence, thereby improving health outcomes for patients and avoiding unnecessary hospitalisations.

Sustainable Development Goals

- 3 - Good health and wellbeing

86% treatment plan adherence

of Perx users (compared to non-users baseline adherence of 50%, a 36% improvement)

AU\$1 million

Estimated healthcare savings from improved treatment adherence in FY19



Invested: June 2018

An organic waste management solution that uses insects to turn food waste into livestock feed and soil conditioner. By investing in Goterra, we are hoping to reduce organic waste sent to landfill and contribute to reduction of greenhouse gas emissions.

Sustainable Development Goals

- 12 - Responsible consumption and production
- 13 - Climate action

21.6 tonnes

Organic waste diverted from landfill by Goterra in FY19

40.3 tonnes

Net CO₂-e emissions avoided in FY19



Invested: July 2018

Australia's first ethical, diversified superannuation portfolio that completely excludes fossil fuels. By investing in Future Super, we are hoping to increase investment in and generation of renewable energy as well as divestment from fossil fuels and contribute to the reduction of greenhouse gas emissions.

Sustainable Development Goals

- 13 - Climate action
- 7 - Affordable and clean energy
- 12 - Responsible consumption and production

110,800 tonnes

CO₂-e emissions avoided or abated in FY19

\$2 million

Funds divested from direct fossil fuel activity in FY19



Invested: October 2018

A recruitment platform that uses behavioural science to remove unconscious bias and improve hiring decisions. By investing in Applied, we are hoping to improve equality, diversity and well-being in the workplace.

Sustainable Development Goals

- 10 - Reduced inequalities
- 8 - Decent work and economic growth

446

Number of candidates hired through Applied in FY19 that wouldn't have been hired otherwise¹

¹ Assumes 30% of all candidates hired wouldn't have been without the platform, although the validation study we did showed it was as high as 60% <https://medium.com/finding-needles-in-haystacks/putting-applied-to-the-test-part-1-9f1ad6379e9e>

Academy Xⁱ

Invested: November 2018

Delivers practical, skill-specific courses in human-centred design, emerging tech and more, to help create a future-ready workforce. By investing in Academy Xi, we are hoping to create employment pathways for graduates, some of whom are disadvantaged.

Sustainable Development Goals

- 4 - Quality education
- 8 - Decent work and economic growth
- 10 - Reduced inequalities

639

Education program graduates

>98%

Program completion rate

>93%

Employment rate (within 3 months of active job-seeking)

129

Pro-bono student consulting projects delivered to cause-based organisations in FY19



Invested: December 2018

Full Cycle Bioplastics has developed a process to turn organic waste into a fully biodegradable, compostable plastic. By investing in Full Cycle Bioplastics, we are hoping to and reduce consumption of unsustainable plastic, divert organic waste from landfill which in turn reduces greenhouse gas emissions.

Sustainable Development Goals

- 12 - Responsible consumption and production

Metric reporting starts FY20

Full Cycle has a bioplastics plant currently under construction and in FY20 will begin reporting amounts of Organic waste diverted from landfill and bioplastic created.

Impact Report – GC Healthcare Trust

For the Year Ended 30 June 2019

1. Impact Result



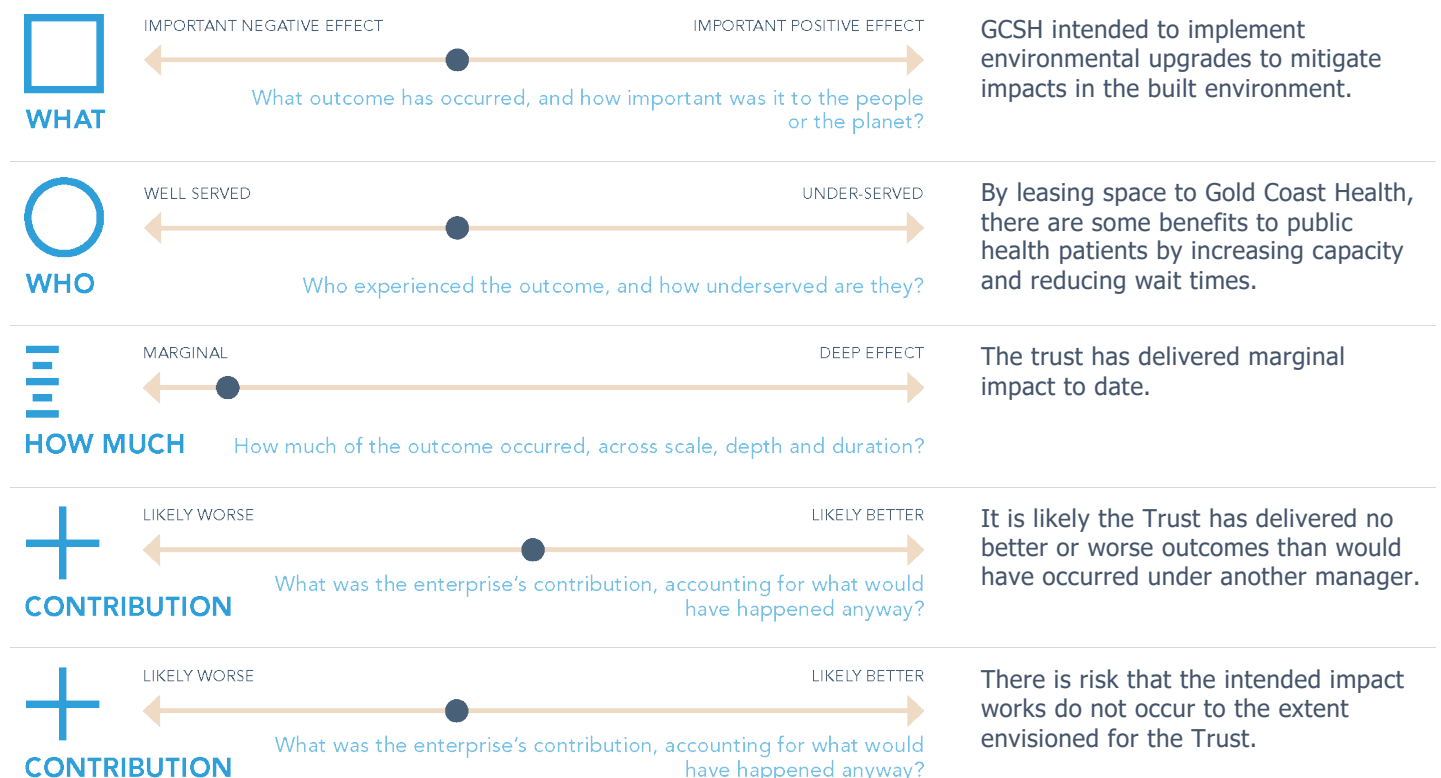
With Gold Coast Surgical Hospital, the Trust invested in a commercial medical facility with possibility for environmental upgrades, specifically with a planned rooftop garden and solar panels to improve patient outcomes and contribute toward environmental benefits. To date, there has been minimal progress toward these proposed impact works. This has largely been driven by the Trust managing the asset and prioritising financial returns for investors over impact works.

2. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

3. Impact Assessment

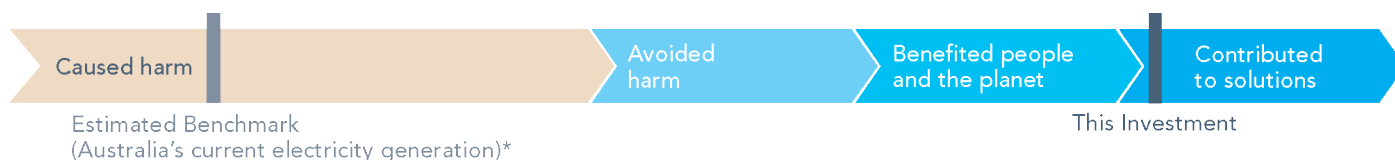


* based on NABERS annual report 2017/18 <https://nabers.info/annual-report/2017-2018/> and GBCA statistics as of 30 June 2019 <https://new.gbca.org.au/green-star/>

Impact Report – Wind Trust

For the Year Ended 30 June 2019

1. Impact Result



The IIG Wind Trust invested in the development and ongoing operations of a 3-turbine wind farm. As a result, Australians can benefit from increased renewable energy supply and a cleaner healthier environment. The fund helps change Australia's energy mix to a less carbon intensive supply and ultimately helps reduce the emissions associated with climate change and adverse health outcomes.

Output:

20,200 MW-hours

of clean electricity generated; the equivalent of 4,226 average Australian homes' yearly electricity use¹; 79,800 MW-hours since inception.²

Benefits:

22,500 tonnes

of CO₂-e emissions avoided³;
91,600 tonnes since inception.

207 illnesses avoided

related to pollution⁴;
818 since inception.

72 million litres

of water saved⁵;
286 million since inception.

\$847,000

in health & environmental damage avoided⁶;
AU\$3.3 million since inception.



* Impact Baseline represents Australia's current energy mix of an estimated 85% coal and gas reliance for electricity generation as of 30 June 2019; <https://www.energy.gov.au/government-priorities/energy-supply>

¹ Based on average household use of 5.689 MWh per annum. Ref: [Australian Energy Regulator](#)

² Chepstowe Wind Farm began supplying electricity to the grid in April 2015, however generation data available to IIG covers July 2015 onwards. Actual output and benefits described as 'since inception' are likely to be slightly higher than our estimates.

³ Full cycle carbon intensity factors applied according to regional location of the asset in accordance with the [National Greenhouse Accounts July 2018](#).

⁴ Ref: The Lancet (15 – 21 September 2007): 370, 9591 "Energy and Health 2: Electricity Generation and Health", by A. Markandya & P. Wilkinson.

⁵ Based on consumptive water use through lifecycle assessment. Ref: The Conversation, G Bilotta. Energy sector is one of the largest consumers of water in a drought-threatened world. Published online 9 June 2016.

⁶ Ref: American Economic Review 101 (August 2011): 1649-1675, "Environmental Accounting for Pollution in the United States Economy", by N.Z. Muller, R. Mendelsohn & W. Nordhaus.

2. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

3. Impact Assessment



WHAT

IMPORTANT NEGATIVE EFFECT

IMPORTANT POSITIVE EFFECT

What outcome has occurred, and how important was it to the people or the planet?

Contributing toward increasing the share of renewable energy available to Australians and associated climate and health benefits.



WHO

WELL SERVED

UNDER-SERVED

Who experienced the outcome, and how underserved are they?

Renewable energy generation benefits the planet by reducing pollution and emissions; we believe in the context of the energy mix, the environment is under-served.



HOW MUCH

MARGINAL

DEEP EFFECT

How much of the outcome occurred, across scale, depth and duration?

The clean energy generated is estimated to be equivalent to powering 4,226 homes, providing electricity to 10,776 people⁷ each year.



CONTRIBUTION

LIKELY WORSE

LIKELY BETTER

What was the enterprise's contribution, accounting for what would have happened anyway?

We believe the IIG Wind Trust was playing an important role in financing renewable energy assets at a time in the market where there were only a few funders of these types of projects.



RISK

HIGH IMPACT RISK

LOW IMPACT RISK

What is the risk to people and plant that the impact doesn't occur as expected?

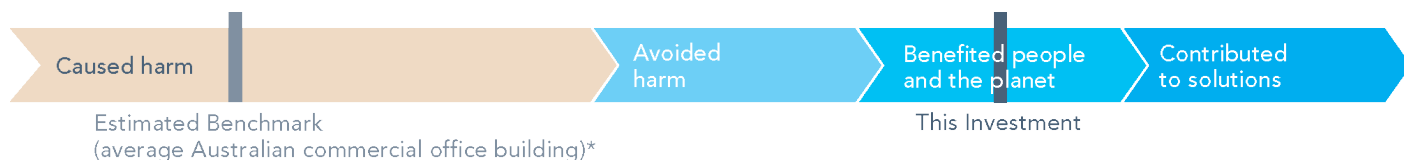
Studies undertaken since the construction of the asset have shown negligible impacts on wildlife, and there has been negligible community resistance for this asset.

⁷ 2.55 persons per dwelling is the average household size in Australia (as of 2016 census). Ref: <https://profile.id.com.au/australia/household-size>

Impact Report – K5 Property Trust

For the Year Ended 30 June 2019

1. Impact Result



With 25 King the Trust invested in a built environment that incorporated design choices which prioritised environmental outcomes. As a result, communities and the environment are benefiting from a healthier more sustainable building. Ultimately, we believe 25 King provides an example for others in the sector to transform their approach to development.

14.5%

of whole building electricity consumption supplied by rooftop solar (July 2019)

30,000kL

capacity of water tanks for storing collected rainwater

100%

Of toilet-flush water to date supplied by rooftop rainwater harvesting

8.15 tonnes

waste diverted from landfill

6 GreenStar

Target GBCA Rating

5 Star NABERS

Target energy rating

Platinum WELL

Target occupant wellbeing rating.

2. Impact Story: Innovative timber for well-being and productivity



At 25 King Street, our team was incredibly proud to be a part of the world's tallest cross-laminated timber (CLT) office building at the time of development completion. Cross-laminated timber is an engineered wood product used for prefabricated structural applications.

The many proven benefits of using CLT instead of more traditional building materials like steel and concrete result in a number of environmental benefits. CLT produces less greenhouse gases and requires less water and energy to produce. It is easier to demolish and reuse or recycle (due to its prefabricated nature and ability to be repurposed in many ways) and produces less waste during construction. Additionally, CLT and wood interiors have proven health and productivity benefits, including doubling

workplace satisfaction, lowering stress levels and improving work productivity for workers occupying buildings with visible timber interiors. The building won a number of awards in recognition of its leadership in sustainable design.

"Aurecon has long seen timber as a viable alternative to steel and concrete. We are thrilled to now have a home which will promote movement and collaboration between our teams and a positive working environment for our staff"--Neil Barr
Queensland Regional Director Aurecon (tenant at 25 King St)

* based on NABERS annual report 2017/18 <https://nabers.info/annual-report/2017-2018/> and GBCA statistics as of 30 June 2019
<https://new.gbca.org.au/green-star/>

3. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

4. Impact Assessment



25 King minimizes the negative environmental impacts associated with the built environment and promotes sustainability and well-being.



The environment is very underserved particularly in relation to the impacts of the property industry; 25 King's tenants are well served.



25 King has had moderate impact for a single building, given its national and global recognition in sustainable design.



The Trust's contribution is better than the market; most development does not reach these environmental ratings, and through IIG's management, the ratings have been increased.

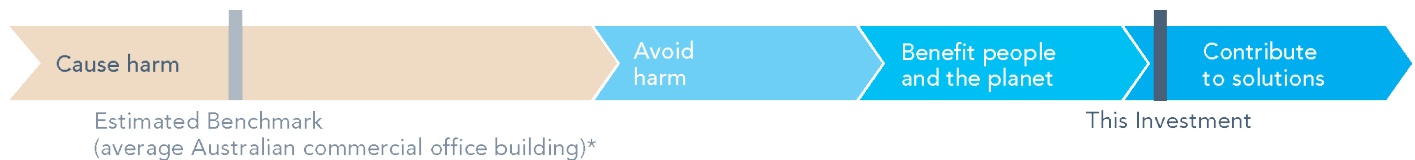


We do not believe there are significant impact risks or adverse effects as a result of the Trust's investment.

Impact Report – Kensington Property Trust

For the Year Ended 30 June 2019

1. Impact Result/Anticipated Impact



IIG plans to share our processes, data and stories, demonstrating how to apply best in class principles to rejuvenate a sustainable heritage precinct. We intend to implement world leading sustainable design principles, targeting water, waste and carbon neutrality. We are helping to build a culture of creativity, connection, belonging and inclusion at Younghusband, engaging with the community to ensure our development incorporates their needs and identity.

Net Zero

Targeting carbon, water and waste neutrality

5 star

Targeted NABERS energy rating

One Planet Living

International Sustainability Certification

5 star

Targeted NABERS water rating

2. Impact Story: Supporting the Cultural and Creative Industries at Younghusband



IIG hosted community consultation workshops, the results of which informed the design and development plan.

Community priorities highlighted the value of cultivating a vibrant, diverse community of tenants, including the existing craftsmen and artisans.

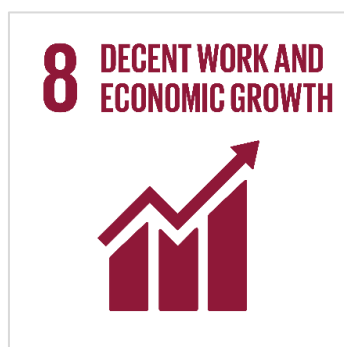
As a result, IIG offered below-market rent to creative tenants. Our formal evaluation found that each \$1 of subsidised rent created \$1.85 of value in the form of the economic benefits for tenants as well as additional economic and social value for the community, wider public, and for IIG as a developer.

Tenants shared that benefits include access to otherwise unaffordable space, a sense of belonging, and collaboration with a useful community. Tenants also reported well-being benefits and the ability to create pathways for younger creative practitioners who may otherwise struggle to establish themselves at higher rents. The tenants created 460 jobs, equating to 120 full-time equivalent jobs, twice the number of jobs per square meter compared to similar businesses in the community.

Younghusband has been recognised for this work in community engagement, winning an International Association for Public Participation Core Values Award in 2018. More detail on the study is available from IIG, and we intend to continue this stream of work demonstrating how governments and developers can collaborate to deliver public value that aligns with private value outcomes.

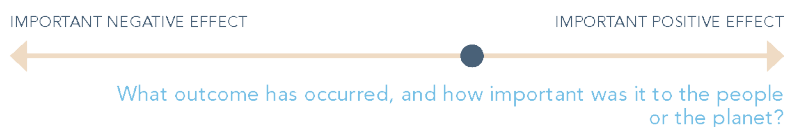
* based on NABERS annual report 2017/18 <https://nabers.info/annual-report/2017-2018/> and GBCA statistics as of 30 June 2019 <https://new.gbca.org.au/green-star/>

3. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

4. Impact Assessment



We believe Younghusband is an opportunity to demonstrate sustainable development in the built environment.



We expect Younghusband's tenants will range from well-served to more vulnerable. The environment is also a beneficiary.



HOW MUCH



We expect Younghusband's demonstration effect will be important.



CONTRIBUTION



We expect IIG's contribution to go far beyond most mainstream developers and investors.



RISK

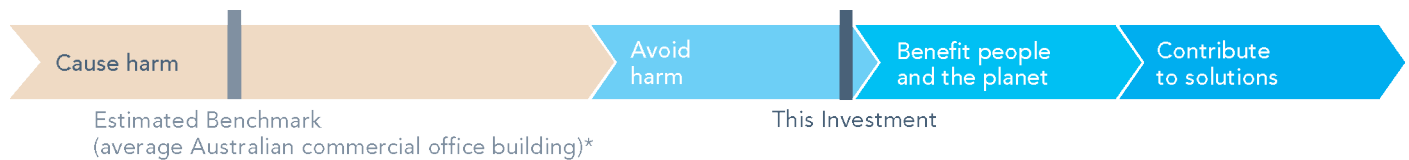


We believe we will be able to avoid or mitigate most impact risks and minimise negative and unintended consequences.

Impact Report – Northumberland Development Property Trust

For the Year Ended 30 June 2019

1. Projected Impact Performance



Northumberland is a commercial office building targeting the highest environmental performance standards. The development aims to achieve global sustainability credentials and certifications, leading to improved environmental performance of the building and lower operating costs. Northumberland is on track to deliver positive environmental benefits, including energy efficiency, water efficiency, sustainable materials and waste management processes, high indoor air quality, and environmentally sensitive landscaping.

6 Star

Green Star rating projected

5 Star

NABERS energy rating projected

WELL Platinum

Target rating projected

4 Star

NABERS water rating projected

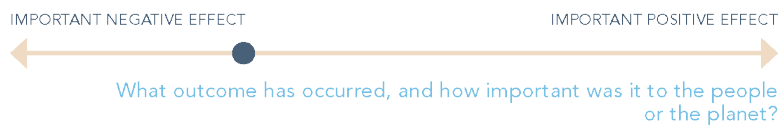


2. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

3. Impact Assessment



We believe Northumberland presents an opportunity for high environmental performance standards in the built environment.



We expect Northumberland's tenants to be 'well-served.' We also consider the environment as a beneficiary.



We believe Northumberland has the opportunity to create strong environmental building performance and better indoor air quality for tenants; however, the impact is limited to this single building, limiting the scale of impact benefits.



We expect the trust's contribution to exceed industry standards for environmental performance.



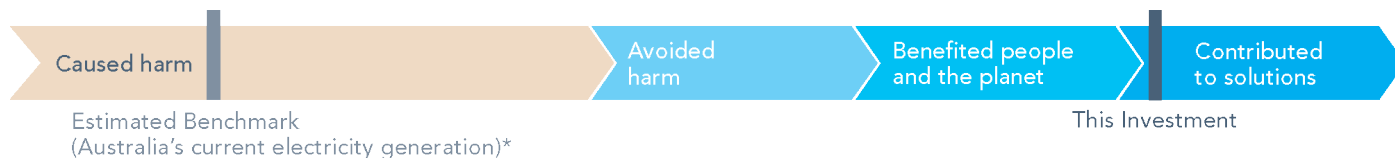
We believe we will be able to avoid or mitigate most risks to impact and minimise negative and un-intended consequences.

* based on NABERS annual report 2017/18 <https://nabers.info/annual-report/2017-2018/> and GBCA statistics as of 30 June 2019 <https://new.gbca.org.au/green-star/>

Impact Report – Solar Asset Fund

For the Year Ended 30 June 2019

1. Impact Result



The Solar Asset Fund has invested in the development and ongoing operations of three solar farms. As a result, Australians can benefit from increased renewable energy supply and a cleaner healthier environment. The fund helps change Australia's energy mix to a less carbon intensive supply and ultimately helps reduce the emissions associated with climate change and adverse health outcomes.

Output:

52,660 MW-hours

of clean electricity generated, the equivalent of 9,256 average Australian homes' yearly electricity use¹.

Benefits:

57,300 tonnes CO₂-e
of emissions avoided²

539 illnesses
related to pollution avoided³

188 million litres
of water saved⁴

\$2 million
in health & environmental damage avoided⁵

2. Impact story: Engaging traditional owners



This year, IIG has focused effort toward reconciliation and better engaging with indigenous Australians. To better understand how we can build more meaningful relationships with stakeholders, including through reconciliation, our management teams have been developing relationships with the traditional owners of the land where the Solar Asset Fund solar farms operate. We have started these conversations to understand more about the traditional cultures, the land, and the people with whom we would like to work more closely.

At the Swan Hill solar farm, we asked Wamba-Wamba clan elder Ron Murray (left) to run a workshop for the management and the construction teams on the local traditional culture. The Wamba-Wamba clan comes from the land around Swan Hill, and up to Mildura. He welcomed us on Lake Boga, shared some beautiful dreaming stories about the eagle, the baby and the trees; the red-tailed eagle and the black duck. He then helped open the solar farm with a moving smoking ceremony.

* Impact Baseline represents Australia's current energy mix of an estimated 85% coal and gas reliance for electricity generation as of 30 June 2019; <https://www.energy.gov.au/government-priorities/energy-supply>

¹ Based on average household use of 5.689 MWh per annum. Ref: [Australian Energy Regulator](#)

² Full cycle carbon intensity factors applied according to location of the asset as per [National Greenhouse Accounts July 2018](#).

³ Ref: The Lancet (15 – 21 September 2007): 370, 9591 "Energy and Health 2: Electricity Generation and Health", by A. Markandya & P. Wilkinson.

⁴ Based on consumptive water use through lifecycle assessment. Ref: The Conversation, G Bilotta. Energy sector is one of the largest consumers of water in a drought-threatened world. [Published online 9 June 2016](#).

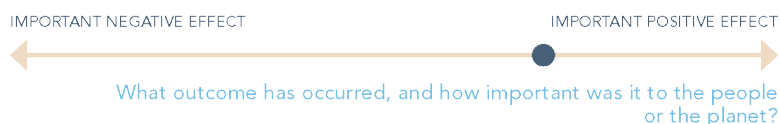
⁵ American Economic Review 101 (August 2011): 1649-1675, "Environmental Accounting for Pollution in the United States Economy", by N.Z. Muller, R. Mendelsohn & W. Nordhaus.

3. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

4. Impact Assessment



Contributing toward increasing the share of renewable energy available to Australians and associated climate and health benefits.



Renewable energy generation benefits the planet by reducing pollution and emissions; we believe in the context of the energy mix, the environment is under-served.



The clean energy generated in FY19 is estimated to be equivalent to powering 9,256 homes, providing electricity to 23,603 people⁶ each year.



The Solar Asset Fund has played a catalytic role in demonstrating how to finance renewable energy assets while managing different types of risks, including merchant risk.



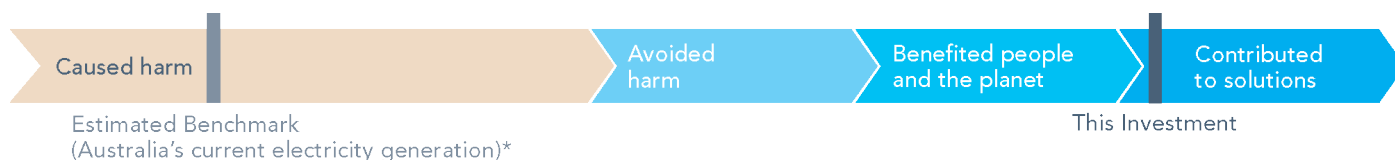
We do not believe there are significant impact risks or adverse effects as a result of the Fund's investments.

⁶ 2.55 persons per dwelling is the average household size in Australia (as of 2016 census). Ref: <https://profile.id.com.au/australia/household-size>

Impact Report – Solar Income Fund

For the Year Ended 30 June 2019

1. Impact Result



The Solar Income Fund has invested in the development and ongoing operations of three solar farms. As a result, Australians can benefit from increased renewable energy supply and a cleaner healthier environment. The fund contributes toward changing Australia's energy mix to a less carbon intensive supply and ultimately contributes to reduced emissions associated with climate change and associated health benefits.

Output:

26,678 MW-hours

of clean electricity generated in FY19. The equivalent of 4,689 average Australian homes' yearly electricity use¹. 66,940 MWh total since inception FY17.

Benefits:

24,200 tonnes CO₂-e

of emissions avoided in FY19²
60,600 tonnes total since inception FY17

273 illnesses

related to pollution avoided in FY19³
687 total since inception FY17

95 million litres

of water saved in FY19⁴
240 million total since inception FY17

\$874,000

Avoided health & environmental damage FY19⁵
\$2.1 million total since inception FY17

2. Impact Story—Interpretive Dance Performance at Mount Majura Solar Farm



Photo by Lorna Slim

Alongside their environmental benefits, solar farms can host communities to engage with renewable energy. This fund is very open to partners who approach us to host events that encourage and enable broader community engagement.

This year, the Canberra-based Australian Dance Party (ADP), who use dance to encourage debate around current issues, rehearsed and performed their show *ENERGEIA* at the fund's Mount Majura Solar Farm.

The show was inspired by their exploration of Australia's resistance to fully embracing renewable energy and by the Australian Capital Territory's

target of reaching 100% renewable energy by 2020. The company aimed to stimulate conversations about how we operate in the world, both with our energy consumption and beyond; challenge the movement of today's society; and also capture new audiences for dance. The performance was run entirely on battery, solar and kinetic power and gave audiences the chance to be immersed in a solar farm environment positioned against the dancing, moving body, according to ADP.

* Impact Baseline represents Australia's current energy mix of an estimated 85% coal and gas reliance for electricity generation as of 30 June 2019; <https://www.energy.gov.au/government-priorities/energy-supply>

¹ Based on average household use of 5.689 MWh per annum. Ref: [Australian Energy Regulator](#)

² Full cycle carbon intensity factors applied according to regional location of the asset in accordance with the [National Greenhouse Accounts July 2018](#).

³ Ref: The Lancet (15 – 21 September 2007): 370, 9591 "Energy and Health 2: Electricity Generation and Health", by A. Markandya & P. Wilkinson.)

⁴ Based on consumptive water use through lifecycle assessment. Ref: The Conversation, G Bilotta. Energy sector is one of the largest consumers of water in a drought-threatened world. [Published online 9 June 2016](#).

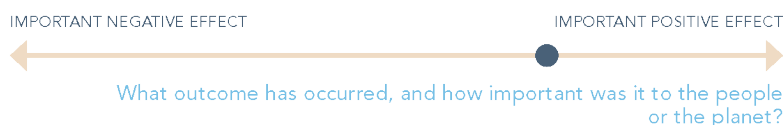
⁵ Ref: American Economic Review 101 (August 2011): 1649-1675, "Environmental Accounting for Pollution in the United States Economy", by N.Z. Muller, R. Mendelsohn & W. Nordhaus.

3. Targeted Sustainable Development Goals



The UN's 17 Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

4. Impact Assessment



Contributing toward increasing the share of renewable energy available to Australians and associated climate and health benefits.



Renewable energy generation benefits the planet by reducing pollution and emissions; we believe in the context of the energy mix, the environment is under-served.



The clean energy generated is estimated to be equivalent to powering 4,689 homes, providing electricity to 11,957 people⁶ each year.



The Solar Income Fund has played a catalytic role in demonstrating how to finance renewable energy assets at a time in the market and inception of the fund (2016) where we helped fund 5% of Australia's renewable energy capacity⁷, paving the way for others.



We do not believe there are significant impact risks or adverse effects as a result of the Fund's investments.

⁶ 2.55 persons per dwelling is the average household size in Australia (as of 2016 census) <https://profile.id.com.au/australia/household-size>

⁷ <https://www.cleanenergycouncil.org.au/resources/resources-hub/clean-energy-australia-report>

Stay In Touch

T: +61 3 8534 8060

E: enquiries@impact-group.com.au

W: impact-group.com.au

Melbourne

11 Princes Street
St Kilda
VIC 3182

Sydney

Level 2, 11 York Street
Sydney
NSW 2000