

ESG & IMPACT REPORT 2025

I&P Afrique Entrepreneurs 1



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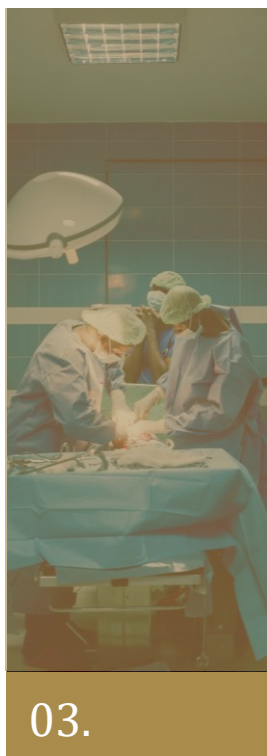
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01. Overview

Foreword

From our CEOs



Sébastien Boyé
Co-CEO



Jérémy Hajdenberg
Co-CEO

With the divestment of IPAE1 now well advanced, we reflect on a fund that paved the way for a new generation of African private equity: one grounded in impact, proximity, and long-term commitment. IPAE 1 was launched in 2012 with a bold objective — to support responsible African entrepreneurs in fragile and underserved markets — at a time when such a vision was far from mainstream.

More than a decade later, its relevance remains striking, given the continent's persistent structural challenges: constrained public budgets, unmet essential needs, acute climate vulnerability, and a chronic lack of financing for SMEs.

Over its lifetime, IPAE 1 invested in 29 SMEs across 10 countries, delivering strong additionality. More than 96% of companies reported that the investment was decisive to launching or scaling their activity, and for every euro invested by IPAE1, €0.75 were mobilized from other partners. 61% of companies offer social protection to employees, and three quarters contribute to addressing essential needs. IPAE 1 also laid early groundwork for gender-lens investing, with 30% of senior leadership roles across the portfolio are held by women.

ESG has been a central pillar of the fund's strategy. From formalizing governance bodies to implementing action plans, companies have made significant progress. Many have gone further by launching green initiatives (48% of investee companies) and embedding ESG into core operations.

As we turn the page on IPAE 1, its legacy continues to shape how we envision responsible investment in Africa: grounded in partnership, committed to transformation, and focused on impact.

From our team director



Mialy Ranaivoson
*IPAE Investment and ESG
Impact Director*

It is possible to build a business by focusing solely on financial performance. But at I&P, we believe in another way of doing business—one that is rooted in the mission of IPAE1: promote African entrepreneurship as a driver of inclusive growth and long-term resilience.

Through a €54 million fund dedicated to this mission, IPAE 1 supported 29 SMEs across Sub-Saharan Africa, many operating in contexts marked by informality, fragility, or early-stage markets. Our goal was not only to provide capital, but also to help entrepreneurs build the foundations of resilient businesses: structured governance, clear social responsibility, and long-term vision.

We supported companies in identifying and managing their ESG risks—whether related to working conditions, climate exposure, or internal controls—while also helping them seize opportunities to differentiate. When a company like PEG brings off-grid energy to underserved households, when VRS Africa facilitates access to quality vehicle rental and fleet services in fragile states, or when Nest For All offers innovative childcare services to working parents in Senegal, they are not just creating impact: they are creating relevance and competitive advantage.

This report offers a retrospective view of the fund's ESG and impact performance. It highlights progress across the five dimensions we consider essential: support to local entrepreneurship, gender inclusion, access to essential goods and services, promotion of decent work, and environmental responsibility. These results illustrate a different way of doing business—one that combines performance with purpose, and leaves a meaningful footprint in the African entrepreneurial ecosystem.

2024 highlights



29 SMES IN PORTFOLIO

88% of entrepreneurs rooted in Africa

98% **Strong additionality:** of companies would have had to carry out their investment project at a smaller scale without IPAE2's funding

€0.8 mobilized from other investors for every €1 invested by IPAE2

89% located in LDCs and fragile countries



DECENT WORK-DRIVEN JOB CREATION

82% direct employment growth since investment **Δ 2023 +1pts**

89 vs 36 employees per company after vs before IPAE2 investment (median)



PROVIDING ESSENTIAL GOODS AND SERVICES

89% of SMEs address the SDGs **Δ 2023 +0pts**

74% of SMEs address the needs of African population or African companies **Δ 2023 +0pts**



AN IMPORTANT GENDER LENS INVESTMENT

85% Satisfy at least one 2X challenge direct criterion **Δ 2023 +22pts**



CREATING OPPORTUNITIES FOR LOCAL SUPPLIERS AND DISTRIBUTORS

Over **2,800** suppliers have contracted with IPAE companies **Δ 2023 +1100 pts**

63% of suppliers are local **Δ 2023 +3pts**

Over **5,400** small producers reached **Δ 2023 +600pts**



ENVIRONMENTAL FRIENDLY DEVELOPMENT

48% of the companies have implemented a green project in 2024 **Δ 2023 +10pts**



HEALTH AND SAFETY AT WORK

61% of SMEs provide a complementary health insurance **Δ 2023 +0pts**

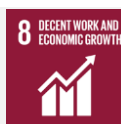


FOSTERING GOOD GOVERNANCE

46% Of IPAE2 companies developing environmental, social or quality certifications in 2024 **Δ 2023 +0pts**

IPAE1, a **€ 54 Millions fund**, to promote entrepreneurship

Main contribution to the SDGs



About us

Investisseurs & Partenaires

Investisseurs & Partenaires (I&P) is a **pioneering impact investor**, committed for over 20 years to financing, supporting, and **promoting entrepreneurs and SMEs who are transforming Africa**, often overlooked by investors despite their immense growth and impact potential.

A network of 200 people



The I&P team is made up of 80 people in 8 offices (Cameroon, Côte d'Ivoire, France, Ghana, Kenya, Madagascar, Senegal, and Uganda).

I&P works closely with the network of 9 teams financed through the I&P Développement range (over 100 people in 10 African countries).

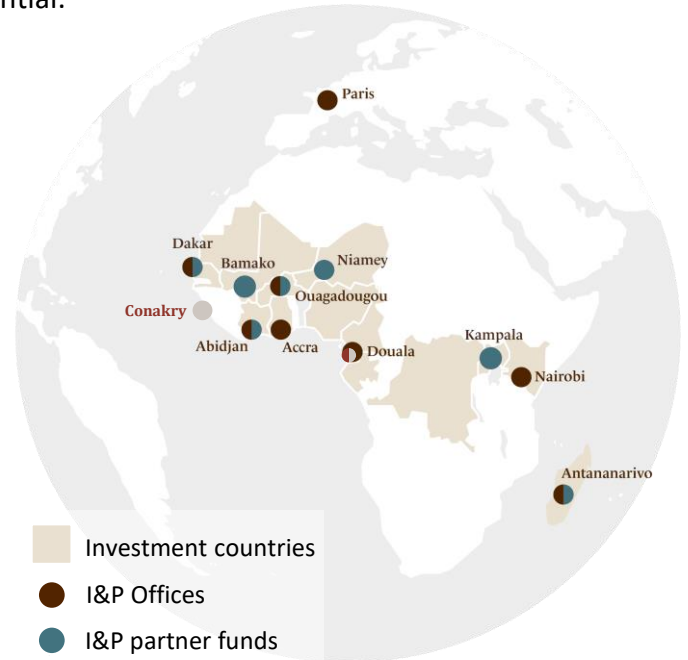
350+ investee companies



100+ SMEs funded with equity, 200 companies benefiting from acceleration programs

50 new companies funded each year

25 funds financed and supported by I&P



What we do

I&P's activities are structured around three key pillars to facilitate access to financing for African entrepreneurs: directly financing and supporting entrepreneurs (seed funding, private equity), supporting and developing African investment teams, and strengthening the entrepreneurial ecosystem.



FINANCING AND SUPPORTING ENTREPRENEURS

I&P ACCELERATION

Scaling-up young businesses through seed-funding

I&P EXPANSION

Supporting and financing growth-phase SMEs and start-ups through equity or quasi-equity investments



FINANCING AND SUPPORTING INVESTMENT TEAMS

I&P DEVELOPMENT

Sponsoring African first-time Fund managers and their teams

I&P FUND-OF-FUNDS

Financing a wide range of African investment vehicles



STRENGTHENING ECOSYSTEMS

I&P ECOSYSTEMS

Creating a conducive environment for SMEs by bolstering entrepreneurial ecosystems and launching high-impact projects.

A comprehensive financing continuum for African SMEs – Through its various activities, I&P provides direct and indirect financing to SMEs with funding needs ranging from €10,000 to €5 million.

€10 000

I&P Acceleration

€100 000

I&P Development Funds

€500 000

I&P Expansion

€5M

I&P Fund-of-Funds

I&P Afrique Entrepreneurs 1

I&P Afrique Entrepreneurs 1 targets formal SMEs and startups operating in Sub-Saharan Africa and the Indian Ocean. This generalist fund provide companies with equity investment and strategic support. Its objective: to promote the emergence of a new generation of African entrepreneurs while seeking to generate both financial profit and social impact.

Calendar	2012-2025
Status	Disinvestment
Size	€54 million
Sectors	General (all sectors)
Portfolio	29 companies
Tickets	€300,000 - €1.5 million



Equity investing: IPAE invests in SMEs as a minority shareholder, in equity or quasi-equity. The shareholding is operated through a capital increase, with an investment amount that ranges between €300,000 and €1,5 million.



Technical assistance: I&P deploys technical assistance's resources to improve the skills, knowledge transfer and training of entrepreneurs and their teams.



A tailored ESG & Impact plan for each company of the portfolio, taking into account ESG risks and opportunities throughout the investment cycle.



Geographic focus: IPAE 1 was deployed in Western and Central Africa, and in the Indian Ocean (Madagascar, Comoros).





Ultramaille © Momenti 2024

02. Our Approach

Introduction



IPAE's Mission in an African environment : Permitting resilience amid ongoing uncertainty

Africa faces a complex set of interconnected challenges. Political instability, economic and fiscal pressures, dependence on foreign aid, and the accelerating effects of climate change continue to slow progress toward long-term development. These issues make it difficult for governments to invest adequately in essential sectors such as education, healthcare, infrastructure, and the transition to clean energy.

Since the 2008 global financial crisis, public debt levels in Africa have risen sharply by more than 39 percentage points between 2008 and 2020. By 2023, the continent's average debt-to-GDP ratio reached 68.6%. While this ratio is expected to stabilize in 2024 and begin a gradual decline (Afreximbank Research, 2024)¹, many countries remain fiscally constrained. Governments are often forced to choose between servicing debt and funding critical public services. This fiscal pressure also affects the private sector through increased taxation and reduced public support.

On the economic front, inflation had started to ease by mid-2024 across most of Sub-Saharan Africa. Out of 43 countries, 30 were experiencing lower and more stable inflation. However, 13 countries continue to grapple with persistently high inflation—particularly in food and basic goods (World Bank, 2024)². Exchange rate regimes play a key role: countries with floating currencies tend to experience more volatile prices, while those in monetary unions such as WAEMU and CEMAC, which use fixed exchange rates, have seen greater price stability.

Climate change presents both a pressing challenge and a major opportunity. The African Development Bank estimates that the continent will need \$3 trillion in climate investment by 2030 to meet its environmental goals, 75% of which must come from the private sector. Yet in 2022, private capital accounted for only 14% of climate finance in Africa, far below levels seen in other regions (UNDP, 2024)³.

This financing gap offers a significant opportunity for impact-driven investors. The private sector is already gaining ground in areas like clean energy, which was valued at \$83 billion in 2023 (IEA, 2024)⁴. However, investors must also manage growing climate-related risks both physical and economic.

Despite the challenges, Africa's outlook remains hopeful. In 2025, the continent is projected to be the world's second-fastest-growing region after Asia, with a forecasted growth rate of 4.3% (AfDB, 2024)⁵. This recovery is expected to be supported by easing inflation, improved access to financing, and renewed investor interest. With over 1.2 billion people and rising demand for goods and services, Africa offers strong potential in sectors such as retail, telecoms, banking, and manufacturing.

In this context, Investisseurs & Partenaires (I&P) remains committed to supporting African small and medium-sized enterprises (SMEs) and local entrepreneurs. Traditional investment models are often not adapted to the realities of African markets, which are marked by limited scale, macroeconomic volatility, and elevated political risk. As a result, many countries in Sub-Saharan Africa remain outside the scope of conventional investors.

That's why IPAE1's mission is to foster inclusive growth in high-potential sectors, strengthen business resilience to crises, and contribute to meeting essential needs and long-term development challenges. Our approach is rooted in the three core principles of impact investing: **intentionality**, **additionality**, and **measuring what matters**.

¹ African Export-Import Bank (Afreximbank), *African Trade and Economic Outlook Report 2024*, 2024.

² World Bank, *Africa's Pulse: An Analysis of Issues Shaping Africa's Economic Future*, Avril 2024.

³ United Nations Development Programme (UNDP), *Climate Finance for Africa: Trends, Gaps, and Opportunities*, 2024.

⁵ African Development Bank (AfDB), *African Economic Outlook 2024: Driving Inclusive Growth Through Smart Financing*, 2024.

⁴ International Energy Agency (IEA), *Africa Energy Outlook 2024*, 2024.

Impact Investing

A Tailored Response to Africa's Challenges

“SMEs in Africa represent around 90 per cent of all businesses and contribute up to 33 per cent of Africa's Gross Domestic Product (GDP). small and medium enterprises also account for about 40 per cent of the total employment in Africa, making them a crucial source of jobs on the continent. ”

The African Development Bank Group, Unlocking the Potential of SMEs for Sustainable Development in Africa (2024)

ACCESS TO FINANCING

41% of SMEs cite access to finance as a major constraint to their growth as they do not meet the criteria of traditional financial institutions* (microfinance, commercial banks, etc.). To address this:

- I&P provides **equity and quasi-equity financing** and seed funding.
- I&P financing provides companies a significant **leverage effect** and enables them to raise additional money more easily.

ACCESS TO SKILLS

SMEs also face difficulty recruiting key personnel, especially at the middle management level. To improve the access to skills:

- I&P offers portfolio companies **personalized management support** in various areas of expertise (strategy, accounting, financial management, etc.)

*Data from the annual ESG and Impact Questionnaire completed by portfolio companies (2024)

Why focusing on SMEs?



CREATE STABLE AND DECENT JOBS : Formal SMEs are the pillars of job creation in Africa. These formal jobs offer higher and regular wages, which allows families to plan for the future, save money, and thus improve their access to credit, housing and education. Jobs also provide access to training opportunities and social security benefits.



STRUCTURE LOCAL ECONOMIES : SMEs, which are generally created and led by African managers, stimulate local growth. They tend to source locally - more than multinationals, which rely on international networks. SMEs structure local value chains, beyond the ripple effect they may have on their suppliers and distributors.



IMPROVE LOCAL ACCESS TO ESSENTIAL GOODS AND SERVICES : In Africa, many essential products and services are unavailable locally or difficult to access. Mainly focused on domestic markets, many African SMEs are trying to fill in these market gaps. SMEs address a wide variety of local needs, some of which are essential: water, health, housing, education, energy, and financial services.



PRESENT SIGNIFICANT GROWTH POTENTIAL : When they are financed and supported, SMEs have high growth potential. The financing of the early stages of development can lead to exceptional growth rates.

2024 IPAE portfolio overview

Western Africa

15 investments

Benin

- Tincy Boulangerie (*Nutrition & Agribusiness*)* | 2015

Burkina Faso

- ACEP Burkina (*Microfinance*)**
- Bakou Logistics (*Transport*)* | 2013

Cote d'Ivoire

- Conergies Group (*Construction & Equipment*) | 2012
- Enval Laboratoire (*B2B*) | 2015
- Pharmivoire Nouvelle (*Health*) | 2014

Ghana

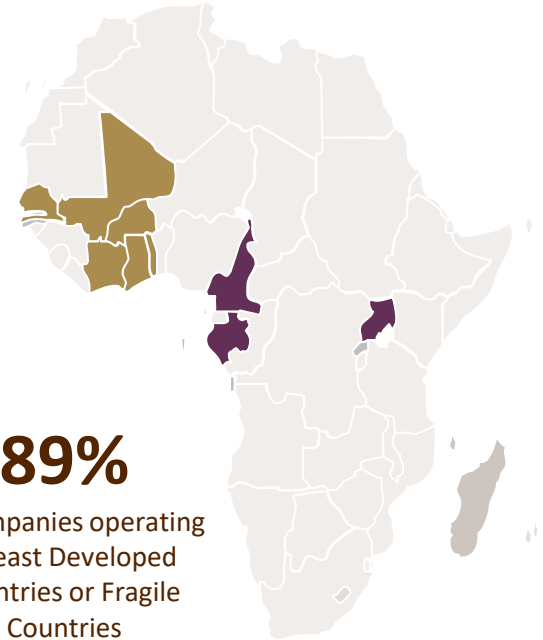
- Eden Tree (*Nutrition & Agribusiness*) | 2015
- PEG (*Renewable Energy*) | 2015
- VRS (*Transport*) | 2014

Mali

- Carrières et Chaux du Mali, CCM (*B 2B*)* | 2016
- Société Malienne de Blanchisserie, SMB (*B2B*)* | 2017

Senegal

- Delta Irrigation (*Construction & Equipment*) | 2012
- Nest For All (*Health*) | 2012
- Neurotech (*IT*) | 2016
- Sofamac (*Construction & Equipment*)* | 2014



Multi-country

4 investments

- ACEP Group (*Microfinance*) | 2017
- Africa Radio (*Media*) | 2016
- Enko Education (*Education*) | 2016
- Barajii (*Nutrition & Agribusiness*) | 2016

Indian Ocean

5 investments

Comoros

- Banque des Comores, BDC (*Microfinance*)* | 2014

Madagascar

- ACEP Madagascar (*Microfinance*)** | 2012
- PDS (*Nutrition & Agribusiness*)* | 2016
- Scrimad (*Nutrition & Agribusiness*)* | 2015
- Ultramaille (*Other Industry*)* | 2016

Central Africa

5 investments

Cameroon

- Carrières du Mongo (*Construction & Equipment*)* | 2014
- ITG Store (*IT*) | 2013

Democratic Republic of Congo

- Oxus DRC (*Microfinance*)* | 2012

Gabon

- Trianon (*Construction & Equipment*)* | 2014

Uganda

- Finance Trust Bank, FTB (*Microfinance*) | 2013

* We no longer receive impact report from 14 companies since IPAE has mostly or fully exited from these companies.

** Acep Madagascar and Acep Burkina are integrated in ACEP GROUP since 2017

2024 IPAE portfolio overview

Since its creation in 2012, IPAE has invested in **29 companies located in 12 different African countries** and operating in a great variety of sectors.

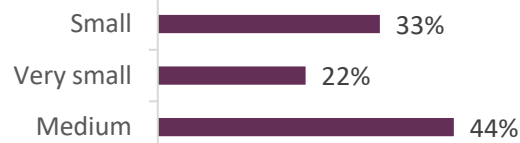
To foster Sub-Saharan SME development, IPAE finances **small to medium-size businesses** that are mostly at an early or expansion stage.

Countries

12 different countries

Benin	4%
Burkina Faso	4%
Cameroon	7%
Comoros	4%
Congo, The Democratic Republic Of The	4%
Cote D'Ivoire	15%
Gabon	4%
Ghana	7%
Madagascar	11%
Mali	11%
Multi-country	11%
Senegal	15%
Uganda	4%

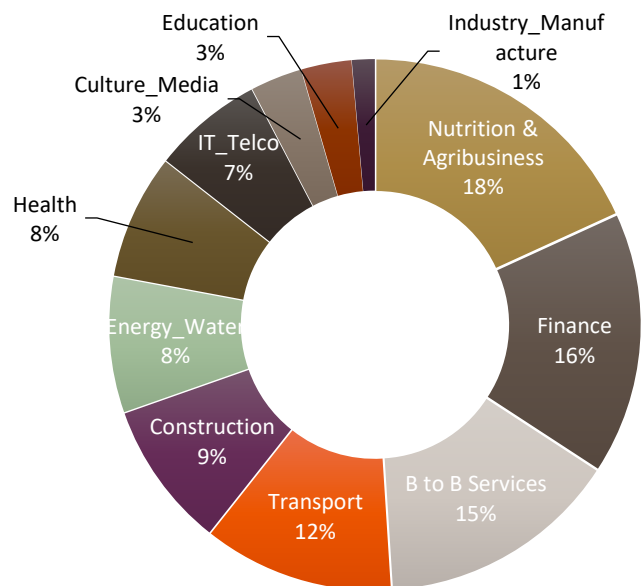
Size



55%
very small or small SMEs¹

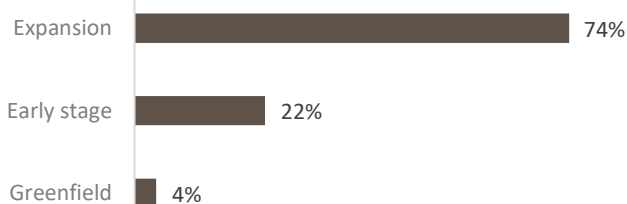
¹ **Very Small SME** : Turnover < € 0.5M and Employees < 25
Small SME : €0.5M < Turnover < €1.5M or 25 < Employees < 50
Medium SME : €1.5M < Turnover < €4M and Employees > 50

Sector



Maturity

22%
early stage companies



Note: The percentages in each category are calculated according to the number of companies and include all 29 IPAE investments.

External ESG Standards & Certifications (1)

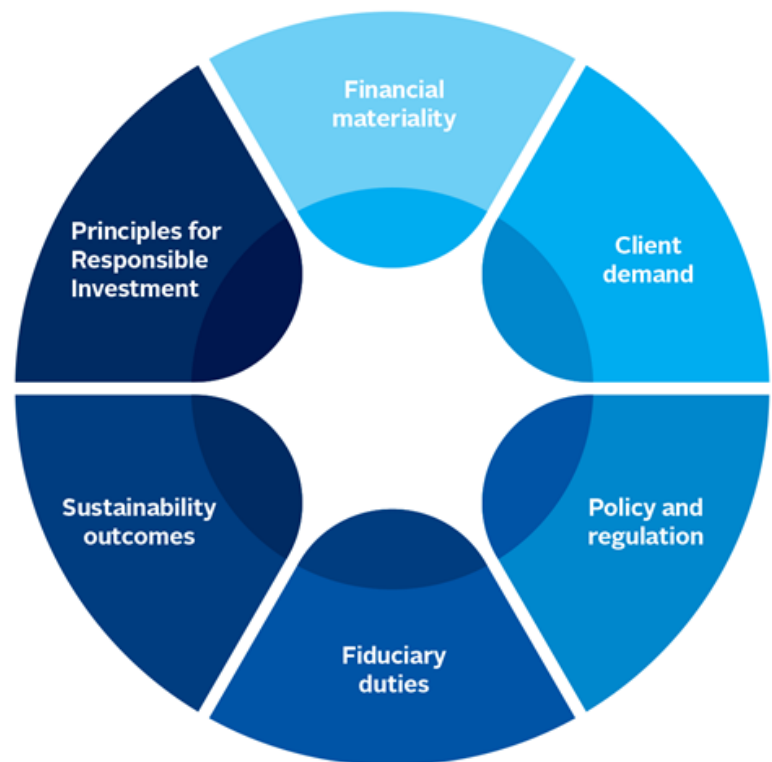
Demonstrating commitment through PRI & B Corp performance

Principles for Responsible Investment (PRI)

Signatory since 2013

I&P demonstrates its leadership in responsible investment through third-party assessments, confirming the robustness of both its ESG integration (PRI) and company-wide sustainability performance (B Corp).

The Principles for Responsible Investment (PRI) is a United Nations-supported initiative that defines global standards for responsible investing. It encourages institutional investors to incorporate environmental, social, and governance (ESG) factors into investment decision-making and ownership practices. As a PRI signatory, I&P publicly commits to aligning its investment process with six core principles covering ESG integration, stewardship, transparency, and collaboration.



Module	I&P score	PRI Median	Performance	Explanation
INVESTMENT AND STEWARDSHIP POLICY	64/100	53/100	Above median	Evaluates how ESG is embedded into the organization's overall investment policy and decision-making processes.
PRIVATE EQUITY	78/100	62/100	Among top performers in the category	Assesses how ESG is operationalized in private equity: from sourcing and due diligence to monitoring and exits.

External ESG Standards & Certifications (2)

Demonstrating commitment through PRI & B Corp performance

B Corp Certification



The B Corp Certification is an independent global standard that evaluates companies based on their social and environmental performance, accountability, and transparency. Certified B Corporations use business as a force for good, balancing purpose and profit. The certification process reviews company practices across five pillars: governance, workers, community, environment, and customers.



💡 Scores are calculated on a 0 to 200+ scale, tailored to company size, sector, and geography

💡 Companies must score at least 80 out of 200 on the B Impact Assessment (BIA) to qualify for certification

💡 Among already certified B Corp companies, the average (verified) score is roughly 91 points (e.g. 90.9 in version 6) ([Bcorp, 2020](#))

SUMMARY OF B CORP SCORE RANGES

0–79 points: Below certification threshold

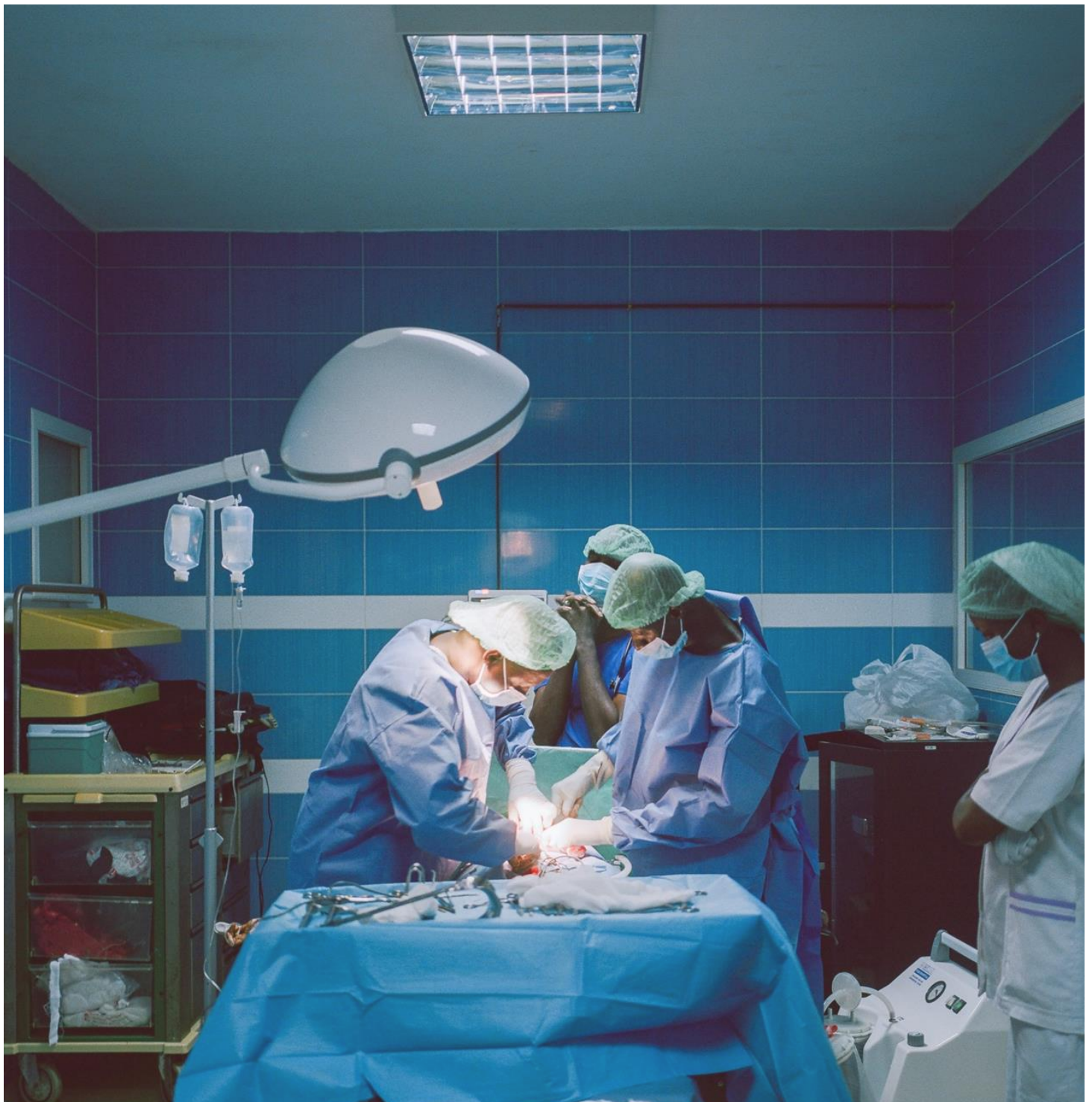
≥ 80 points: Eligible for certification

~91 points: Average certified B Corps, signifying strong ESG practices

Scored 97/200



03. Impact Focus



3.1. Impact Thesis & Methodology

3.2. Impact Results

IIPAE 1 impact thesis

Promote local entrepreneurship to foster inclusive growth and stability in Africa

The impact thesis of IIPAE 1 is grounded in the belief that supporting local entrepreneurship is key to fostering inclusive, resilient, and sustainable growth across Africa. The fund's four impact pillars—entrepreneurship, access, jobs, and local economic fabric—are designed to address critical structural challenges while building long-term, context-appropriate solutions.



ENTREPRENEURSHIP

Accompanying the emergence of **new generation of African entrepreneurs**, particularly in Fragile and Least Developed Countries

Supporting a new generation of African entrepreneurs, particularly in fragile and least developed countries, is key to unlocking inclusive growth, fostering stability, and addressing development gaps where formal jobs and institutions are lacking. By backing local talent, our fund builds long-term resilience, innovation, and sustainable livelihoods.



ACCESS

Meeting unmet demand for essential goods and services

Many underserved regions lack reliable access to critical goods and services such as food, healthcare, energy, and education. By investing in SMEs that fill these gaps, IIPAE 1 helps strengthen local supply chains, reduce dependency on imports, and improve affordability and access. This pillar supports the emergence of inclusive value chains tailored to local realities.



JOB

Creating decent jobs and training opportunities

With 12 million young people entering the African labour market annually, but only 3 million formal jobs created each year (AfDB, 2022), supporting SME-led job creation is both urgent and strategic. IIPAE 1 prioritizes businesses that generate decent employment and skills development, especially for youth and women, contributing to poverty reduction and social stability.



LOCAL ECONOMIC FABRIC

Creating opportunities for local suppliers and distributors

Strengthening the local economic fabric means creating opportunities for local suppliers and distributors connected to investee companies. This helps anchor value locally, support micro and informal enterprises, and stimulate resilient economic ecosystems especially in fragile contexts where local linkages are weak and often overlooked.

RISK MANAGEMENT

Understand and minimize Environmental Social and Governance (ESG) risks

VALUE CREATION FOR THE INVESTEE COMPANY

Identify ESG opportunities and promote actions creating combined societal and economic value

DEVELOPMENT IMPACT

Enhance positive impact to achieve broader development outcomes, especially on our four impact objectives

IPAE 1 portfolio : A brief on the portfolio analysis

A mission accomplished

IPAE1's mission has been accomplished in many aspects...

IPAE1 has fulfilled its role in supporting African entrepreneurship

- Fund fully deployed with nearly 30 portfolio companies
- 89% of investees operate in Fragile and Less Developed Countries
- Unprecedented impact on the African entrepreneurial landscape

IPAE1 has demonstrated that success stories exist

- +75% of invested SMEs are operational successes
- More than 6,276 jobs have been maintained or created, of which 82% direct job growth.

IPAE1 has played its role of crisis buffer, while demonstrating that exiting from African SMEs is possible: despite an unprecedented health crisis during the divestment period, leading to the postponement of buy-back decisions with a significant negative impact on the fund's IRR, invested SMEs have been able to **maintain employment and activity** and even to **strongly recover and restore growth** (Ultramaille, ACEP, Barajii...). 15 exits are realized or committed.

IPAE1 has strongly contributed to the rise of private equity in Africa

- Qualified pan-African investment team created *ex nihilo*, established in 7 African offices and having invested in nearly 15 countries.

FOCUS ON IPAE1'S ADDITIONALITY

At the overall portfolio level, the additionality of IPAE1 has been very strong: **96% of the companies would not have been able to carry out their investment project without IPAE1.**

IPAE1 financed numerous companies that did not have access to other financing opportunities. The fund has been able to **finance entrepreneurs rooted in Africa** (88% of investments involve companies whose managers are African or have been living in Africa for many years), **in the most fragile countries**, reinforcing its positioning **as a fund able to invest where others do not go.**

ESG and Impact management on IPAЕ

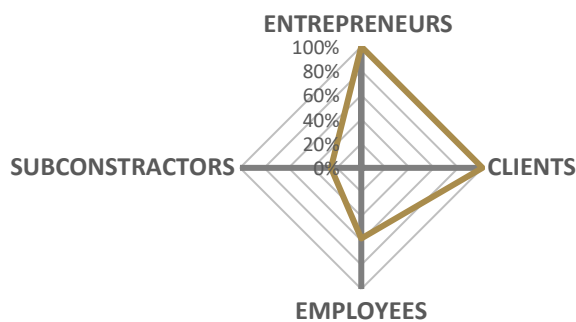
From screening to exit

Screening

Assessing prospective impacts

I&P employs **Impact Screening Scorecards** to align with the fund's core impact objectives and identify opportunities for enhancing overall impact:

- + on **local entrepreneurship empowerment**
- + on **employees**
- + on **clients**
- + on **suppliers and distributors**



Due diligence

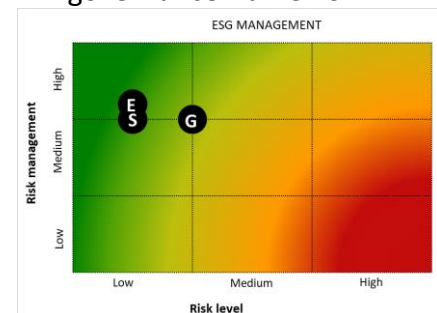
Conducting ESG due diligence

I&P conducts **in-depth analysis of ESG risks** based on IFC Performance Standards:

Social: working conditions and HR management, occupational health and safety and impact on local communities...

Environmental: water and waste management, biodiversity, etc.

Governance: business integrity, corporate governance framework...



Exit

Ensuring good impact management after exit

I&P will identify buyers who **support the sustainability of the company's impacts** and uphold strong ESG practices.

These topics will be integrated from the start into the discussions with potential buyers.

Potential buyers will be required to present an ESG strategy in their offer, and this will be considered into the scoring.

Monitoring

Implementing ESG action plans and measuring impact

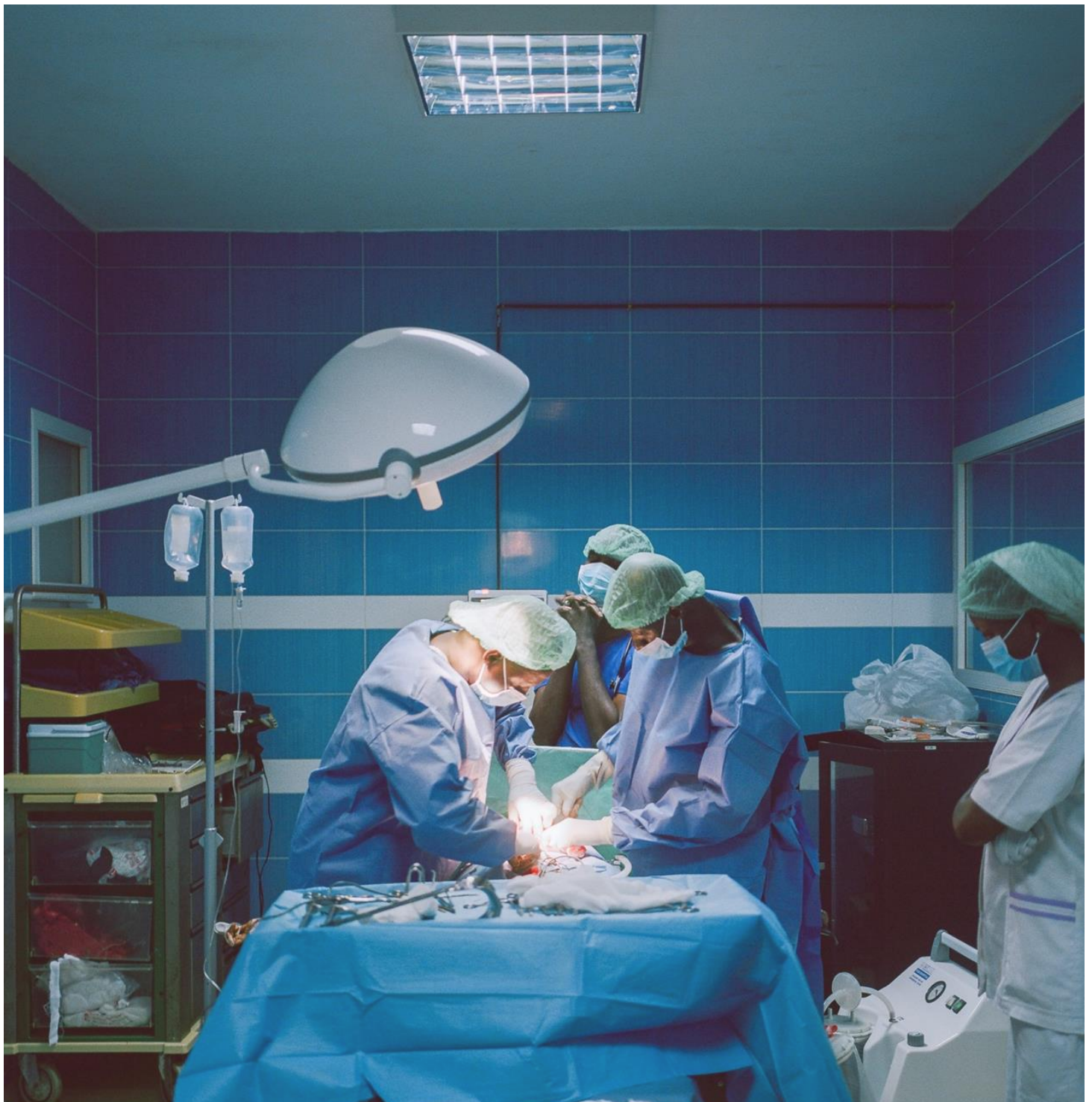
ESG action plans are devised by investee companies and I&P, with the appointment of an ESG point of contact within the company

Regular **progress assessments and updates** to the action plan are conducted, along with **an annual collection and analysis of impact indicators** using an in-house IM tool based on IRIS metrics. **ESG site visits** are also organized to assess companies' activities directly.

I&P Afrique
Entrepreneurs 1



Previous Impact reports available on our [website](#).



3.1. Impact Thesis & Methodology

3.2. Impact Results



Promoting African entrepreneurs

Fostering African entrepreneurship lies at the core of IPAE 1's investment philosophy. In a continent where structural barriers often limit access to capital, formal jobs, and capacity-building opportunities, investing in local entrepreneurial talent is both a necessity and a strategic lever for sustainable development. IPAE 1 aims to strengthen inclusive growth by supporting entrepreneurs with deep local knowledge, operating in fragile environments, and driving long-term impact within their ecosystems.

✓ **76%**

of our partner companies financed by IPAE1 are led by Africans

✓ **89%**

of our partner entrepreneurs operating in **Least Developed Countries or Fragile Countries***

*As per UNDCP list of Least Developed Countries and the WB list of fragile and conflict-affected Nations.



Key Insights

- ✓ **Local leadership** is a central feature of the portfolio: **76% of IPAE 1 partner companies are led by African nationals**, confirming the fund's commitment to empowering local decision-makers and fostering homegrown solutions.
- ✓ The fund is highly active in vulnerable geographies, with **89% of entrepreneurs operating in Least Developed or Fragile Countries**. This reflects a deliberate strategy to invest where capital is most needed and impact potential is highest.
- ✓ **Gender diversity** remains a challenge: while **16% of companies are led by African women**, this highlights both progress and the need to further promote female leadership in entrepreneurship.

Gender-diverse entrepreneurs with significant local and international experience



16%

owned or led by **African women**



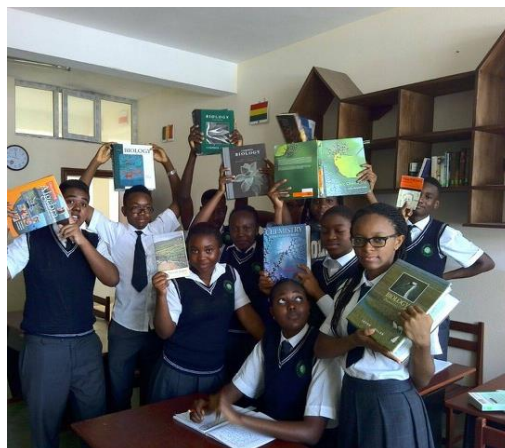
90%

of the African CEOs have **studied abroad**



15

Years of **experience** in their sector





Strong additionality of IPAE1's investment

IPAE1 was designed to respond to a financing gap that continues to hinder the growth of African SMEs—especially in fragile and underserved markets. By providing risk-taking capital and long-term support where few others invest, IPAE1 plays a key additionality role in the ecosystem. Its presence not only fills a critical funding gap but also enhances the credibility and visibility of investees, paving the way for further capital inflows. This catalytic role is instrumental in mobilizing additional resources and delivering on SDG 17.3.

Strong additionality of IPAE's investment

55% of portfolio companies reported that IPAE1's investment was additional, meaning it would not have occurred—or would have had to carry out their investment project at a smaller scale without IPAE's funding. This is particularly significant in contexts where access to finance is repeatedly cited as the top barrier to growth. In fact, **41% of our portfolio companies identified access to investment financing as a key constraint**, followed by cash flow challenges (37%) and lack of skilled labour (30%). This confirms the value of our differentiated positioning and proactive approach in de-risking early-stage or underfunded ventures.

Among them, **96%** would not have been able to carry out their investment without IPAE.

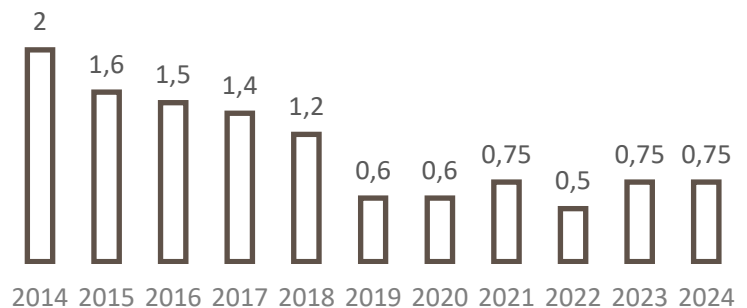
According to the World Bank Enterprise Surveys, access to finance is one of the 5 main obstacles faced by companies (*). In fact, it ranked first among our partner companies.

For every €1 invested by IPAE1, an additional €0.75 was mobilized from other investors—bringing the total capital deployed per euro to €1.75. This multiplier effect highlights the fund's role as a trusted anchor investor, capable of crowding in both private and public co-investors across equity, debt, and blended finance instruments. It validates the strength of our investment strategy and our capacity to amplify impact through partnerships.



(*) This figure is computed by dividing the amount invested (equity, debt, and subsidies) by investors other than IPAE1, by the amount of IPAE1's investment (equity and debt).

Since 2013, IPAE1 **has mobilized around €26.9 million in co-investments**, reflecting its strong catalytic role. During the active investment period (2013–2018), the leverage effect averaged between 1.2 and 2, reflecting strong co-investor interest. As the fund moved into its divestment phase and began exiting companies, the ratio declined and stabilized at 0.75. This trend aligns with the fund's maturity, initially designed as a 10-year vehicle, still managing a few active positions nearing closure.



Total investments contributed by co-investors per 1 euro invested by IPAE

Leverage effect of IPAE's investment

SMEs face significant difficulty securing external financing from local commercial banks and other traditional financiers. We assist our entrepreneurs in their negotiations with other local or international financial institutions or by participating in the search for new shareholders, using our networks.

IPAE 1's investment creates a strong leverage effect by **improving the company's equity base**, thus increasing its borrowing capacity. Our early involvement, combined with rigorous due diligence, signals credibility and encourages other investors to follow.

(*) Source: World Bank Enterprise Surveys — Click [here](#) for more information



Support from the technical assistance program

IPAE builds strong partnerships with its investee companies by providing them with both financing and managerial support. Given the lack of human and financial resources in Africa, IPAЕ's technical assistance (TA) program is critical to fostering capacity building, skills transfer and training in partner companies and is complementary to IPAЕ's general strategic and management mentoring. The TA program is funded by grants from the European Investment Bank and FISEA and co-finances a great variety of support missions being carried out by independent specialists.

Main figures



131 missions have been conducted



A total budget of **€1,520K** financed by EIB (€818k), FISEA (€439k) and investee companies (€263k)

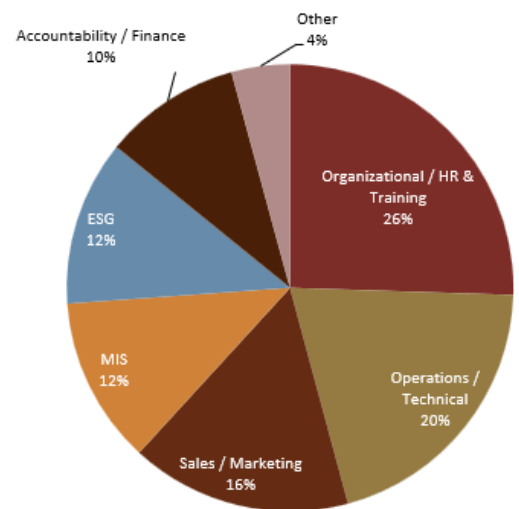


3,738 days of consultancy have been dedicated to TA missions.



101 experts have been involved in TA missions, **45%** of whom are locals, potentially providing insights that better reflect the local context.

Areas of support



ESG & Impact

Acep Group (IMF) received support in the implementation of an ethics code and a CSR policy (Multi-countries)

Number of beneficiary employees: 16

Number of people trained : 8

Deliverables and tools used by the company : 2

Human Resources

5 companies received team management training (Delta Irrigation, Enko, Enval, Pharmivoire, Acep Burkina)

Number of beneficiary employees: 15

Number of people trained: 15

Deliverables and tools used by the company : 1

Operations

Lean management and Yellow Belt training for Ultramaille (Madagascar)

Number of beneficiary employees: 45

Number of people trained: 45

Deliverables and tools used by the company : 13

Accounting & Finance

Capacity building of the accounting team at Enval (Côte d'Ivoire)

Number of beneficiary employees: 8

Number of people trained: 3

Deliverables and tools used by the company: 4

Management Information Systems

Implementation of an accounting software at Neurotech (Senegal)

Number of beneficiary employees: 3

Number of people trained: 3

Deliverables and tools set up by the company: 3



GENDER



Addressing the gender gap

Women's access to leadership and entrepreneurship

IPAE 1 tackles the gender gap by promoting women's participation in decision-making and enterprise development. Through its investments, the fund drives structural change toward more inclusive and diverse business ecosystems in Africa.

15% of companies are women-owned or led—more than double the **African average of 7%.**

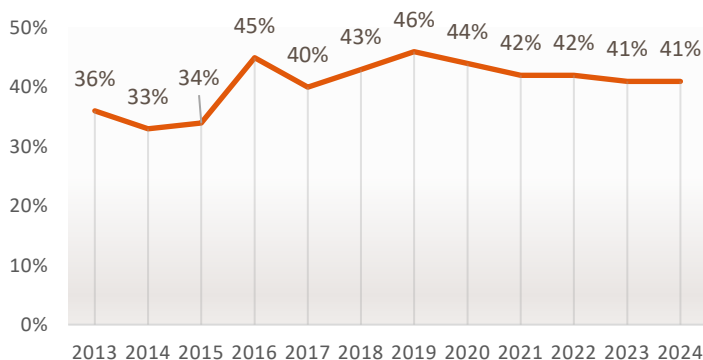
30% of senior leadership roles across the portfolio are held by women, outperforming the **regional average of 22%.**



Women's access to decent jobs

In 2024, women made up **41%** of the **workforce** across IPA 1 portfolio companies, maintaining the same level as 2023.

Share of women employees in portfolio companies



This **stabilization** follows a gradual decline since the 2019 peak (46%) and aligns with the fund's current disinvestment phase, during which several company exits have occurred. The trend reflects the natural dynamics of the portfolio's lifecycle rather than a setback in gender inclusion. **Overall, the share of women employees has remained above 40% since 2016, highlighting a lasting positive impact.**



Zoom in on FINANCE TRUST BANK

Finance Trust Bank (FTB) was originally established in 1984 as the Uganda Women's Finance and Credit Trust, with a **mission to improve women's access to financial services**—a vision that remains central to its operations today. Now a licensed Tier 1 Financial Institution, FTB continues to uphold its founding commitment by **providing inclusive financial solutions primarily serving low- and middle-income populations, with particular attention to supporting women.**

In 2024 alone, **over 15,000 women (38%)** accessed loans from FTB—**47% of whom are entrepreneurs.** These microloans help women overcome one of the primary barriers to entrepreneurship: lack of access to financing. According to the African Development Bank*, the finance gap for women entrepreneurs in Africa is estimated at \$42 billion. By offering tailored financial services to women—who often face systemic barriers to accessing formal credit—**FTB helps unlock women's entrepreneurial potential.** This not only enhances women's economic agency but also increases the viability and appeal of entrepreneurship as a pathway to financial independence and resilience.

*African Development Bank. Market Scoping Study to Inform the Development of the AfDB's Affirmative Finance Action for Women in Africa Programme (AFAWA). 2017

While IPA 1 did not formally commit to the 2X Challenge, its portfolio shows a degree of **alignment with international gender-lens investing standards.** Based on 2X Challenge criteria:

63%¹ of IPA 1 portfolio companies meet at least one direct criterion

26%¹ meet two or more criteria

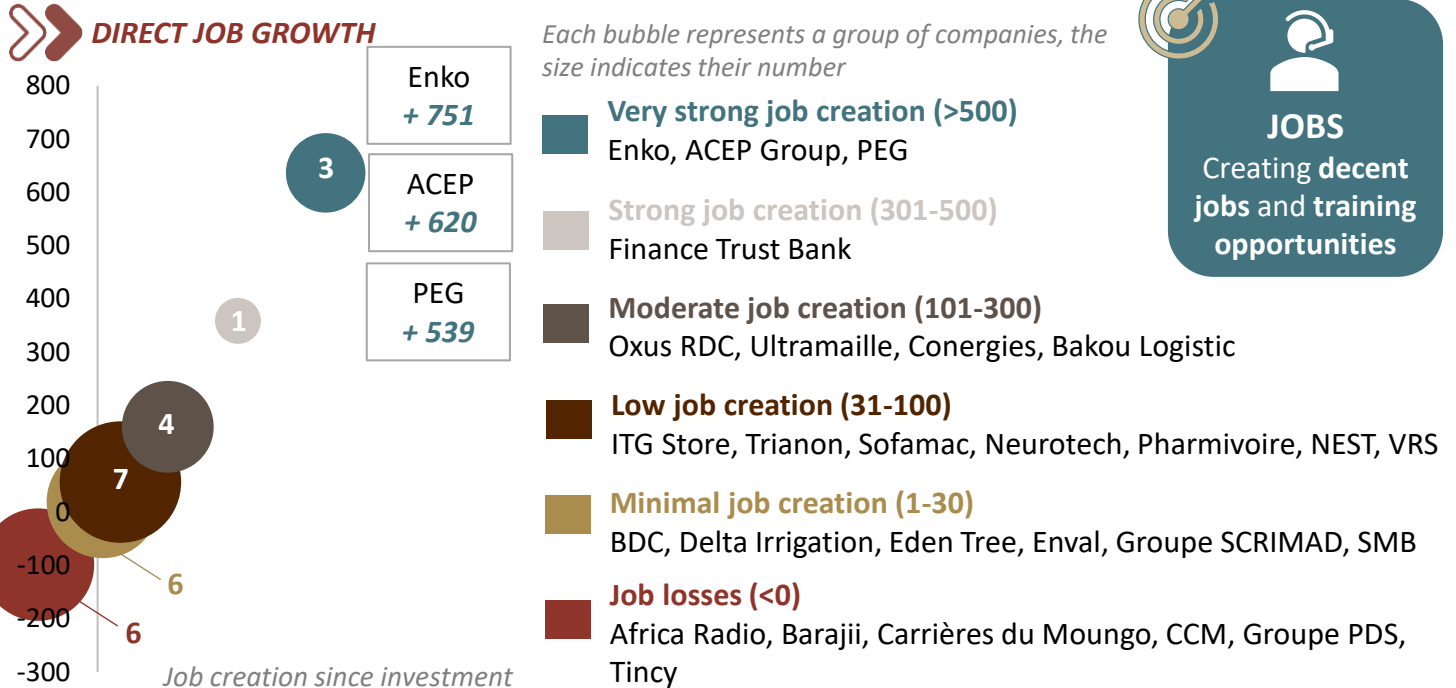
—highlighting meaningful progress toward gender-inclusive practices across the portfolio.

¹ These figures are based on the 2X criteria in place prior to the updates issued in February 2024. Since the updated criteria apply only to new deals from July 1st, 2024, we have opted to continue reporting based on the previous criteria for consistency.

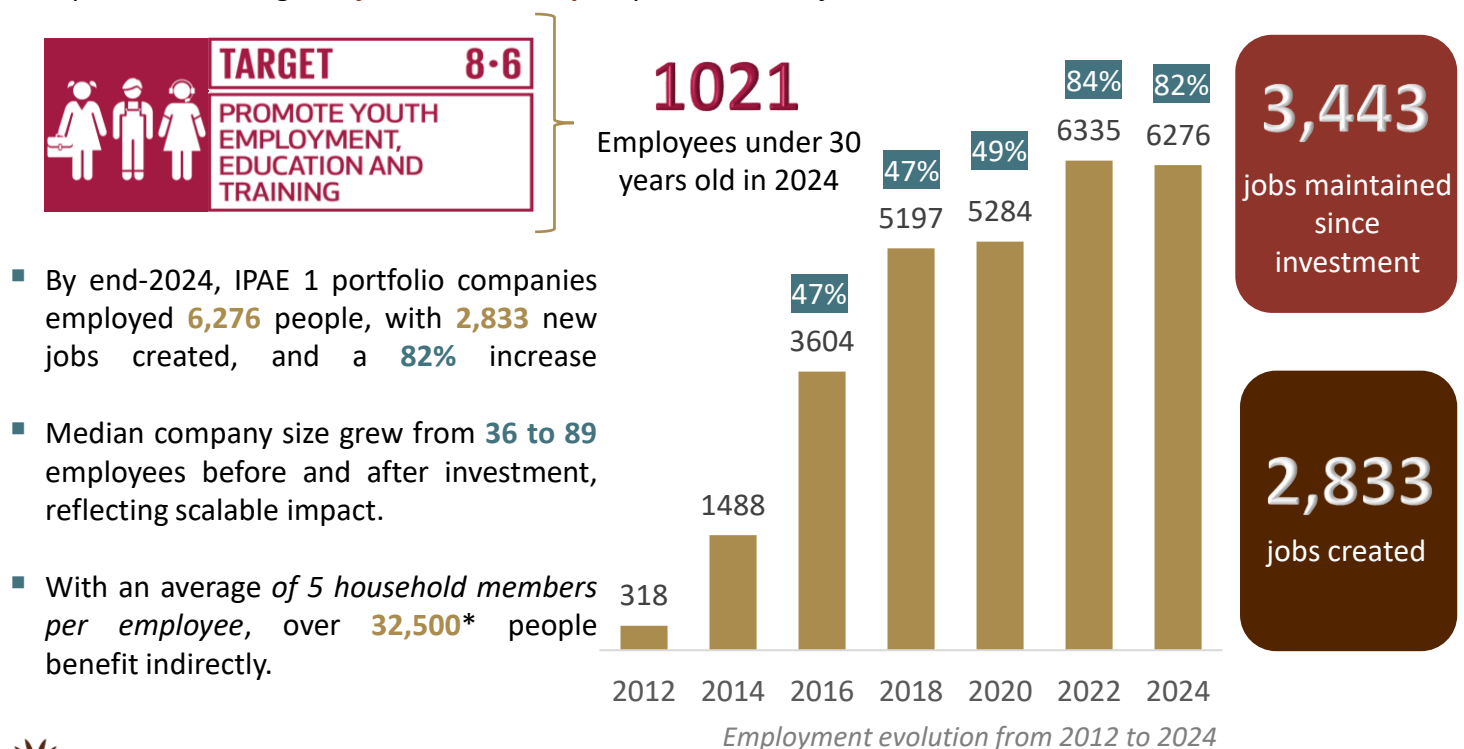


Creating decent jobs

Decent, stable jobs are key to inclusive growth and poverty reduction in emerging and fragile markets. In Sub-Saharan Africa, over 12 million youth enter the workforce annually, but only 3 million formal jobs are created (AfDB, 2022). The gap is wider in fragile countries like Mali, Burkina Faso, and Madagascar, where informality exceeds 80% and formal jobs are limited to a few sectors.

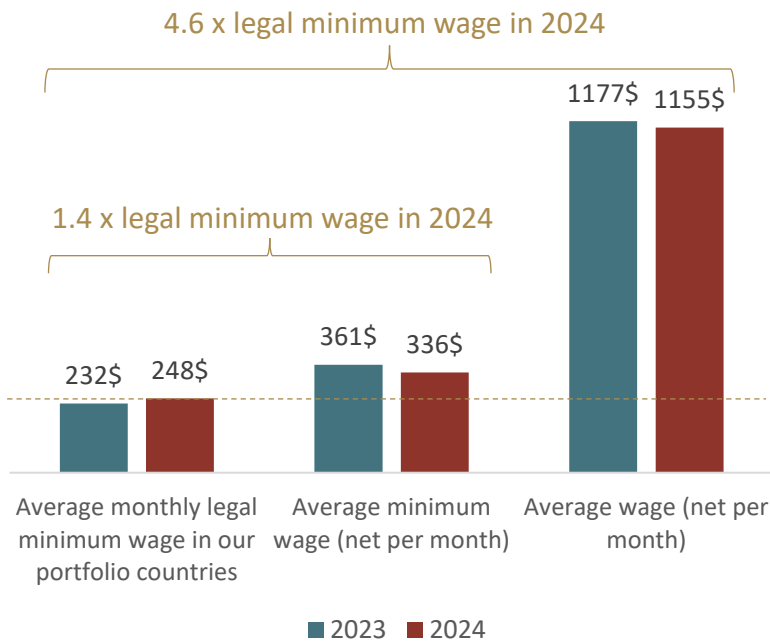


Employment growth across the portfolio highlights both the scale and diversity of the fund's impact, with over **6,000** jobs in portfolio companies to date. While most companies fall into low to moderate job creation brackets, **Enko**, **ACEP Group**, and **PEG**, drive the majority of employment gains. **Finance Trust Bank**, **Ultramaille**, and **Conergies** also contribute meaningfully at mid-scale levels. At the same time, a subset of companies, including **Barajii** and **PDS Group**, experienced net job losses.





Wage level



Evolution of average monthly wages (2023-2024)

We use the Purchasing Power Parity (PPP) conversion rate to control for the variable cost of living in various countries. CEO wages are not taken into account in order to more accurately reflect the reality of salary levels.

33% of companies' wages are at least **1.5 times** the legal minimum



64% of companies pay above their country's legal minimum wage.

PROMOTING DECENT WAGES IN PRACTICE

We go beyond paying above legal wage minimums by helping portfolio companies create conditions for decent wages, including better health and safety, training and career development opportunities, establishing employee representation, grievance mechanisms and contributing to long-term security through social protection schemes such as pensions.

Notably, companies like **Neurotech**, **Delta Irrigation**, and the **ACEP group** have made substantial progress: the **average wage across these three companies exceeds by more than 7.5x** the minimum legal in their respective countries, to align pay with actual living costs. These results reflect ongoing efforts to create more inclusive and working conditions. These advances mark a clear step forward achieving decent wages.





Addressing basic needs in Africa (1)

Since the adoption of the UN Sustainable Development Goals (SDGs) in 2015, global awareness has increased. However, as of 2024, Africa remains off-track to achieve most of these goals by 2030. According to the 2024 Africa Sustainable Development Report published by the African Union Commission, UNECA, UNDP and African Development Bank, less than 6% of the 32 measurable SDG targets are on track to be achieved by 2030. Of the remaining measurable targets, 21 need to be achieved, and the negative trends for 8 targets need to be reversed. Overall, major data gaps persist, limiting a full and reliable assessment of the continent's progress.

In this context, the private sector has emerged as a critical lever for SDG acceleration—especially in fragile and underserved markets.

I&P contributes to this agenda by channelling capital, technical support, and governance capacity toward SMEs that provide essential goods and services, create jobs, and strengthen local value chains.

89% of our current partner companies **address the needs of the African population or African companies** (i.e., these companies focus mainly on the local market and not on exports)

(*) Investment companies can improve local access to essential goods or services, as direct providers or as part of the value chain. Essential goods and services include: food, water, sanitation, energy, land, health, lifelong education and learning, housing, clothes, media and information, new technologies, financial services for underserved populations, and passenger transport.

74% of our current partner companies improve local access to goods or services that **address essential needs and the UN Sustainable Development Goals***

Main contribution to the SDGs



By supporting income-generating opportunities, financial inclusion, and entrepreneurship in low-income regions



Through sustainable agriculture, food processing, and local supply chains (e.g. Eden Tree).



Via quality healthcare services, including gynaecology, diagnostics, and hospital supplies (e.g. Nest For All, Pharmivoire).



By financing high-quality education providers like Enko Education, reaching thousands of students.



By promoting women's leadership, employment, and access to finance across value chains and sectors.



Through the distribution of clean water and irrigation systems adapted to local constraints (e.g. Barajii, Delta Irrigation).



By supporting off-grid solar access and energy-efficient technologies (e.g. PEG).



Through SME financing, local employment, and skills development.



By investing in sustainable construction, green technologies, and local industrial capacity (e.g. CCM, Enval, Conergies).



By supporting circular economy models, local sourcing, and environmental standards.



Through investments in climate-smart businesses and improved resource efficiency.



Through collaboration with DFIs, development agencies and ecosystem actors to scale impact



Addressing basic needs in Africa (2)

Expanding on this impact, the following section highlights how our portfolio companies are intentionally aligned with the UN Sustainable Development Goals (SDGs), making meaningful contributions through their core business activities. By improving access to essential goods and services, such as healthcare, clean energy, agriculture, and education, they address some of the most pressing challenges facing underserved communities. These businesses are not only meeting basic needs; they are actively building pathways to long-term resilience and economic empowerment across the continent. Their activities sparks hope, drives inclusion, and plants the seeds for lasting, sustainable development in places where it's needed most.

GOAL 3



Ensure healthy lives and promote well-being for all at all ages



NEST For All

Quality healthcare for women and children in Senegal

12,793 Gynaecological consultation in 2023



Pharmivoire

Intravenous fluids for Ivorian medical centers

1,454,227 Liters of intravenous fluids sold in 2022



GOAL 2

Achieve food security and improved nutrition



Eden Tree

Provider of fresh fruits, vegetables and herbs

505 Tons of fruits & vegetables sold in 2024



GOAL 5

Achieve gender equality and empower all women and girls



Enko education

Renowned, high quality education provider in multiple countries

50% Of women students in 2022



Finance Trust Bank

Bank in Uganda with high percentage of women customers

47% Of borrowers are women in 2024



NEST For All

Quality healthcare for women and children in Senegal

12,793 Gynaecological consultation in 2023



GOAL 4

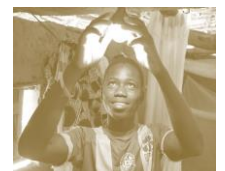
Ensure inclusive and quality education



Enko education

Renowned, high quality education provider in multiple countries

6,968 Impacted students in 2024





Addressing basic needs in Africa (2)



GOAL 6

Ensure availability and sustainable management of water and sanitation for all



Barajii

Produces and markets water and locally produced fruit juices.

7,615,752 Packs sold in 2024



Delta Irrigation

Saves water with an efficient irrigation systems

1,060 Hectares of land irrigated by Delta Irrigation in 2017



GOAL 7

Ensure access to affordable, reliable, sustainable and modern energy for all



PEG

Brings off-grid solar energy access to urban and peri-urban communities

15,724 Solar kits sold in 2019



GOAL 9

Build resilient infrastructure, promote inclusive and sustainable industrialization



Sofamac

Producer of clay building materials

4,185 Tons of clay building materials produced in 2024



Carrières et Chaux du Mali

Producer of lime and quicklime

12,050 Tons of agricultural lime produced in 2024



Enval

Microbiological and physico-chemical tests and analysis

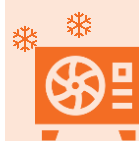
108,203 Analysis performed in 2022



Trianon

Building company

164 Apartments and buildings built in 2024



Conergies

Air conditioning and industrial cooling systems using energy-efficient technologies

19 Maintenance contracts in 2018

GOAL 8



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



ACEP Group

Access to affordable loans for small scale enterprises in multiple countries

49,548 Borrowers in 2024



Finance Trust Bank

Access to affordable loans for small scale enterprises in Uganda

15,162 Women received loan in 2024

By meeting basic needs, these companies are advancing sustainable development across Africa. Their models prove that impact and profit can go hand in hand. Achieving the SDGs in Africa could unlock \$1.1 trillion in opportunities and 85 million jobs by 2030 (Business and Sustainable Development Commission, 2017). Our portfolio companies are helping lead this transformation.



Focus : Trianon Homes

Sustainable and Inclusive Urban Housing in Africa

Access to safe, affordable, and climate-resilient housing remains one of Africa's major development challenges. With the continent's population expected to double by 2050, and rapid urbanization creating pressure on infrastructure, the need for inclusive and sustainable housing solutions is more urgent than ever.

Trianon Homes, operating in Gabon and Côte d'Ivoire, addresses this need by designing and constructing eco-friendly, community-oriented housing adapted to local lifestyles and tropical climates. Through responsible urban planning and environmental design, the company creates liveable neighbourhoods that integrate natural ecosystems, local materials, and efficient energy use.



About Trianon Homes

- ✓ Founded in 2011, headquartered in **Gabon**
- ✓ Over **80 real estate projects completed** (2023)
- ✓ **700 new homes** to be delivered between 2023–2025
- ✓ **164 new housing** units built in 2024
- ✓ **24,000 jobs** created through real estate and construction activities (2023)
- ✓ **86 full-time employees** are working for Trianon
- ✓ 16 women employees
- ✓ **Local sourcing** from Gabonese SMEs
- ✓ HQE environmental framework (energy, biodiversity, noise control, health)

11 SUSTAINABLE CITIES AND COMMUNITIES



Sustainable Cities and Communities

By developing integrated urban projects with green spaces, pedestrian areas, and localized services, Trianon supports resilient, inclusive, a sustainable communities.

13 CLIMATE ACTION



Climate Action

Through passive cooling design, local material use, energy-efficient equipment, and water management systems, the company reduces climate impact in housing.

8 DECENT WORK AND ECONOMIC GROWTH



Decent Work and Economic Growth

Trianon empowers hundreds of workers by partnering with local SMEs, generating formal jobs and skills development in the construction sector.

12 CONSOMMATION ET PRODUCTION RESPONSABLES



Responsible Consumption and Production

Trianon promotes sustainable construction practices, from limiting the use of metal roofing to encouraging biodiversity through native landscaping.





Indirect impact on competitors and local suppliers

Small and medium-sized companies are facing market struggles such as the fragility of the global value chains, high cost of goods and inflation, as well as limited options of local suppliers. Suppliers are the backbone of businesses and any supply chain management.

However, SMEs dominates domestic food supply chains accounting for 85% of total marketed food supply in Sub Saharan Africa and a corresponding 80% of the total food consumption in terms of value (Reardon et al., 2019).

For IPAE, 96% of suppliers in the Agricultural sector (including PDS, SCRIMAD and Eden Tree) are local, with 820 suppliers.



Ripple effect on local suppliers

2,898

suppliers have
contracted with
IPAE's
companies in
2024

27

IPAE SMEs
currently in
portfolio

€33.7M

intermediate
consumption
in 2024

63%

are local
suppliers

AGRIBUSINESS

Agribusinesses, in particular, generate business and income for thousands of local farmers.



2,300 farmers receiving technical
support from SCRIMAD in 2024



971 farmers receiving technical
support from PDS in 2024



505,282 tons of fruit and
vegetables sold by Eden in 2024.



5,473 small producers
reached in 2024 by SCRIMAD,
Eden Tree and PDS



*This data refers not only to IPAE-provided technical assistance but also to other programs implemented by the companies themselves



04. ESG Focus

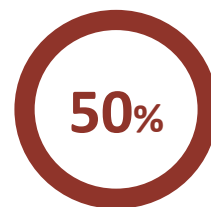
ESG Portfolio Overview

Environmental, Social, and Governance (ESG) factors form a foundational pillar of our investment strategy. Unlike impact—which focuses on generating intentional and measurable positive outcomes—ESG is primarily a risk management approach. It involves identifying, assessing, and mitigating environmental, social, and governance risks that may affect the long-term performance and sustainability of our portfolio companies.

Companies with strong ESG performance tend to outperform their peers over the long term: according to a 2020 meta-analysis by NYU Stern¹, 58% of studies showed a positive link between ESG and financial performance, particularly in emerging markets. Moreover, firms with robust ESG risk management are 20% less likely to experience severe operational or reputational crises², contributing to greater resilience and investor confidence.

Focus on I&P's risk rating matrix

We conduct an **in-depth analysis of ESG-related matters** based on field visits to investee company head offices and branches and meetings with management and other stakeholders. Using this analysis, we rate potential ESG risks, as well as the quality of the partner company's ESG management system (based on a scoring system upgraded in 2017), and assess the **ESG net risk** that each of our investee companies bears.

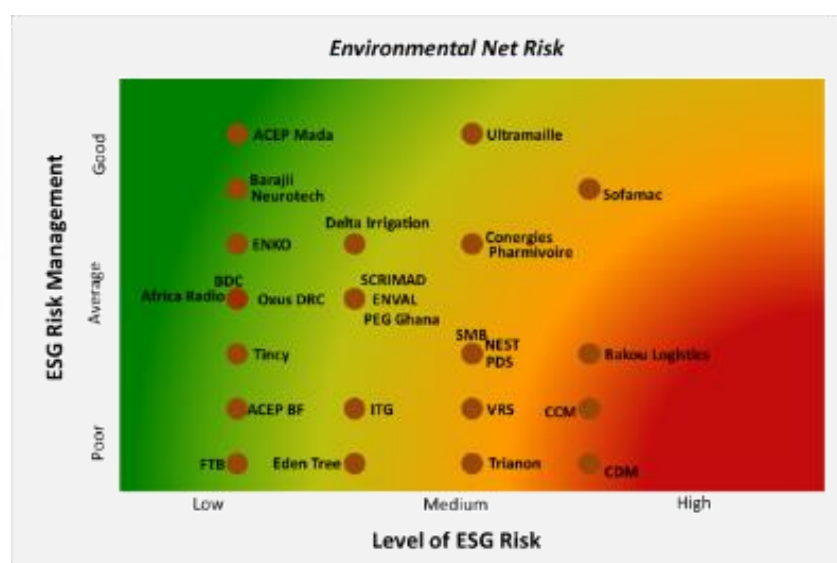


Of the portfolio companies are rated « Medium risk » (B)



Of the portfolio companies are rated « Low risk » (C)

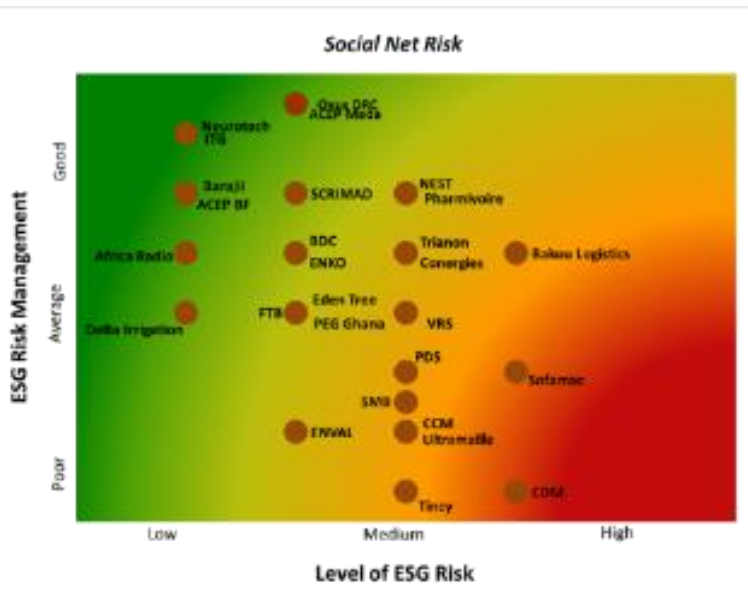
Environmental risk assessment



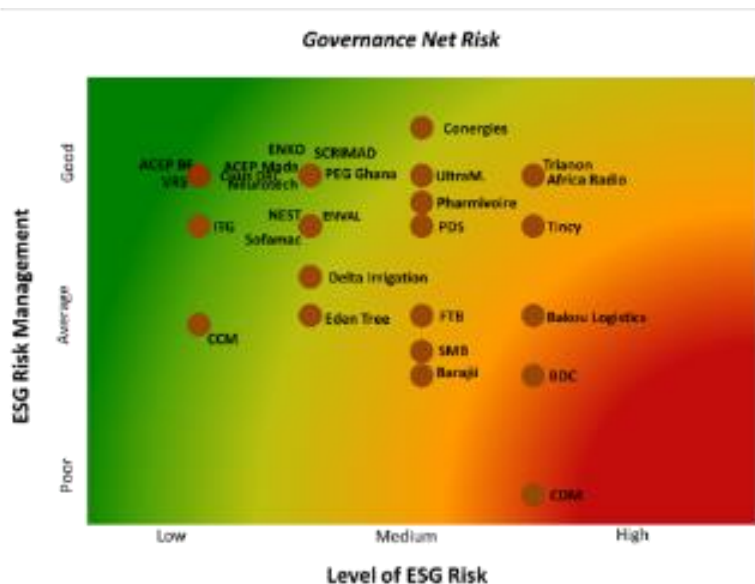
¹ NYU Stern Center for Sustainable Business. *ESG and Financial Performance: Aggregated Evidence from More than 1,000 Studies*, 2020.

² MSCI ESG Research. *Foundations of ESG Investing: How ESG Affects Equity Valuation, Risk and Performance*, 2021; McKinsey & Company.

Focus on I&P's risk rating matrix (2)



- **Low to high social risk** for IPAE1's partner SMEs.
- **Implementation of ESG action plans to manage and mitigate the inherent risk of ICONA and Trianon.** *See the section focusing on each company.*
- IPAE1's investee companies offer **excellent opportunities** - in terms of job creation (Zeepay), training (AMI), access to quality education (Pigier), and access to healthcare services (Procréa).



- Governance includes aspects of business integrity, as well as good corporate governance.
- The governance net risk is **high for three portfolio companies**. Specific action plans have been implemented.
- **Anti-Money Laundering (AML) and Know Your Customer (KYC) research** is systematically carried out before any of IPAE's investments to check for potential corruption/money laundering or integrity issues.



Contribution to environmental challenges

I&P's climate policy

I&P wish to establish a "climate policy" to formalize our objectives and approaches to climate-resilient economic growth in Africa through private finance and local entrepreneurship. This policy will be carried out at two levels:

At I&P: in line with our B-Corp certification, we have implemented several actions to **reduce our carbon footprint** at our headquarters (green electricity supplier, offsetting of carbon emissions, implementation of more extensive waste sorting, reduction of plastic packaging for lunch, etc.)

In our partner companies: **environmental risks** are systematically analysed. As explained in our impact monitoring methodology, an environmental impact objective has been set in our Extra Carry, etc.

For the **successor fund, IPA3**, the impact thesis will have a strong climate focus, with three objectives in particular: companies offering solutions for adapting to or mitigating climate change (i), companies supported in adaptation and mitigation strategies (ii), and decarbonizing the portfolio by decoupling CO2 emissions from company turnover.

Reducing the portfolio's carbon footprint

OUR APPROACH:

- Our partner companies can play an active role in experiencing and sharing **new and replicable energy efficiency and renewable energy solutions**.
- Ultimately, we aim at separating investees' economic growth from their carbon growth.

OUR ACTIONS:

- We assess the portfolio's carbon emissions on a yearly basis to identify the main sources of reduction or offset.
- We try to implement specific actions to promote energy efficiency and renewable energy.

Implementing "green project"

Green projects are intentional activities undertaken by companies that have a positive impact on the environment or aim to mitigate the negative impacts of their activities.

48% of our partner companies **implement "green" projects**, as part of their products and services or as a way to mitigate their environmental impact.

The list of green projects is as follows:

- Renewable energy project
- Energy efficiency projects generating significant energy savings
- Forestry projects
- Biodiversity projects
- Sustainable agribusiness projects (e.g. sustainable fishing, sustainable farming)
- Nature conservation projects
- Provision of environmental services (e.g. environmental impact assessment)



Focus on IPA3 positive contributions

Five IPA3 companies provide equipment and/or services with environmental benefits:

- ✓ **Conergies** - Energy-efficient cooling and AC systems
- ✓ **Delta Irrigation** – Energy and Water-efficient irrigation systems
- ✓ **Enval** - Air and water quality analysis
- ✓ **PEG** - Solar systems for rural households
- ✓ **SOFAMAC** - Clay bricks with high insulating properties

Aquaculture: **IOT (part of PDS Group)** contributes to biodiversity in Madagascar by implementing an innovative sea cucumber breeding project that reintroduces natural stocks of sea cucumbers, which are overexploited, albeit very beneficial to local ecosystems.



Focus on energy-related measures

Update on energy-related actions

Our approach

Our investees can play an active role in experiencing and sharing innovative and replicable energy-related solutions. For energy-consuming projects, energy screenings are now systematic but need to be carried out as early as possible in the investment process (to include specifications in the equipment list).



45%

of our partner companies are using renewable energy in their mix after IPAE investment

ENERGY EFFICIENCY



Enval: They conducted an environmental impact assessment to reduce their negative impact and promote better practices.

Carrières et Chaux du Mali (CCM): Plans in place to use sawdust as a fuel for quicklime production

Conergies: 100% of energy efficient air conditioning and cooling systems as well as audit/consulting services on energy efficiency

RENEWABLE ENERGY



Ultramaille: Installation of a hybrid system for energy optimization with solar power

Eden Tree: Implementation of a solar PV system to reduce energy costs and carbon footprint

PEG: Installation of 15,724 new solar kits for underserved rural households in 2021

FOCUS ULTRAMAILLE



ULTRAMAILLE
knitwear & crochet manufacturer

Ultramaille is a company manufacturing knit garments mainly for the mid- and high-end European fashion market, particularly in France, but also for the USA and South Africa. Ultramaille is one of the Malagasy companies committed to the energy transition. It has set up a system of solar panels to improve its energy efficiency and to accelerate decarbonization.



[Watch the video](#)





ENVIRONMENT



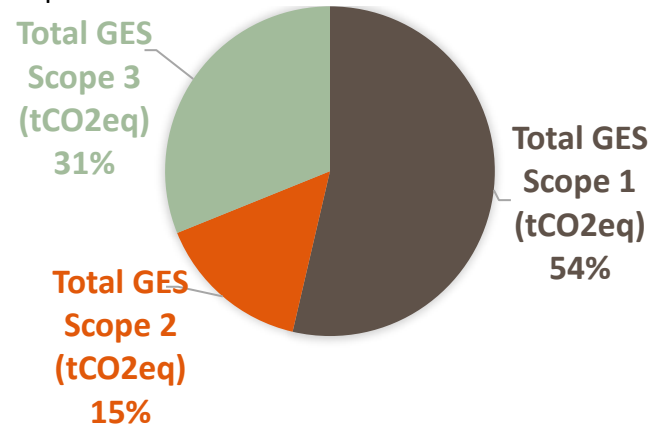
Portfolio Carbon Footprint – Monitoring GHG emissions

IPAE1 has stepped up its efforts to **reduce carbon emissions**. Indeed, even if Africa today only contributes 3.8% of global greenhouse gas emissions (compared with 23% for China and 19% for the U.S.), the continent suffers significantly from their impact. Our objective is to decouple the evolution of carbon emissions from the evolution of companies' sales figures.

Our actions:

- Strengthening the measurement and monitoring of carbon emissions for each company ;
- Technical assistance in energy efficiency ;
- Encouraging the use of renewable energies.

The peak observed in 2017 and 2018 corresponds to the entry of several companies in 2016, including CCM and PDS, two of the portfolio's highest emitters. This period also marks the end of the fund's investment phase. The subsequent decline in emissions from 2019 onwards is largely due to data gaps and limited reporting coverage. In recent years, emissions have increased again, reflecting improved measurement practices, broader data collection, and a more accurate representation of high-emitting companies.



Scope 1: Emissions due to the company's direct business activities (2024)

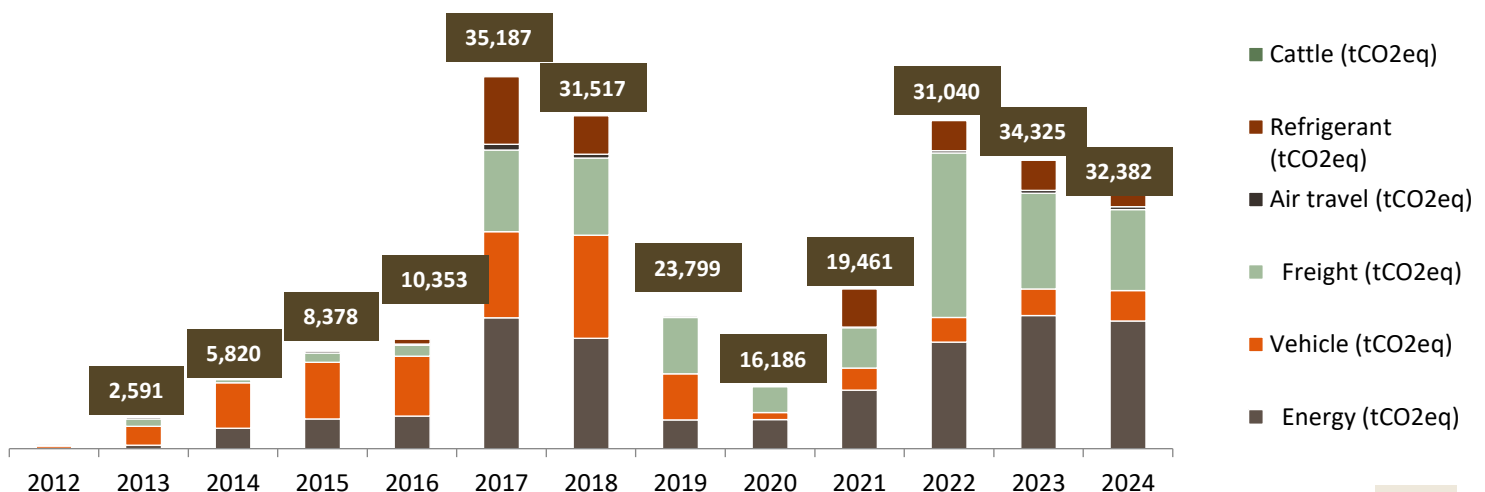
Scope 2: Indirect GHG emissions from consumption of purchased electricity, heat or steam (2024)

Scope 3: Other indirect emissions (production of purchased materials and fuels, transport-related activities in vehicles not owned by the company, outsourced activities, etc.) (2024)

32,382 tCO₂eq emitted

In 2024, the total greenhouse gas (GHG) emissions of the portfolio reached **32,382 tCO₂e**, covering Scope 1, 2, and 3 emissions based on the ADEME methodology. This overall increase is largely due to the expansion of reporting coverage, improved data accuracy, and the growth of operations in certain high-emitting companies. Following the exit of several portfolio companies, as the fund is in its tenth year, we used data from the last available year for the exited companies. Moreover, emissions have remained stable, with a 6% reduction over one year.

GHG emissions trend





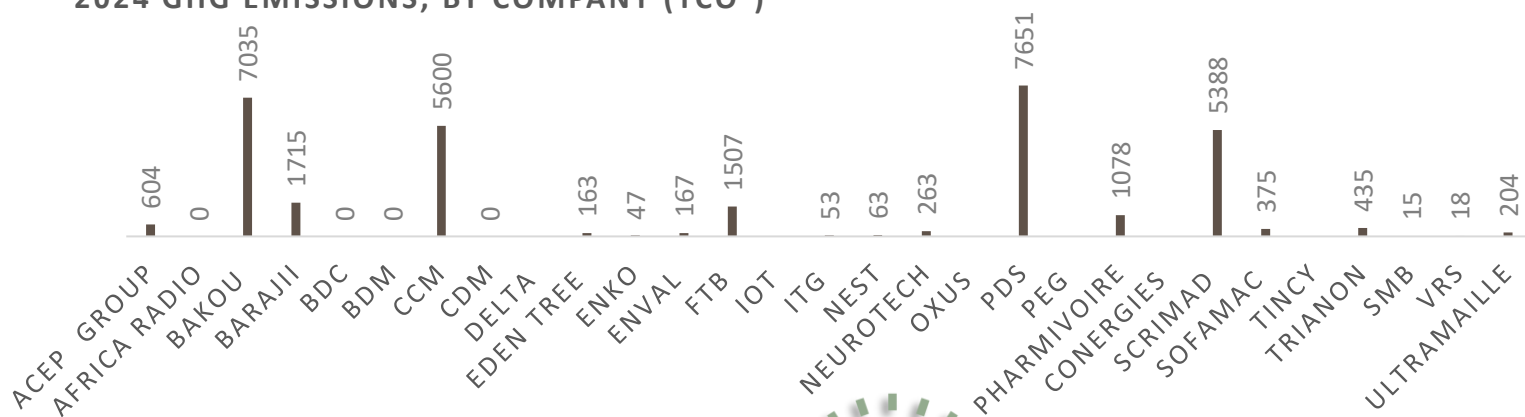
ENVIRONMENT



GHG Emissions: Portfolio Insights & Mitigation in Action

This section presents a breakdown of GHG emissions by company, highlighting key emitters and companies with potential environmental co-benefits. In 2024, the main emitters in the IPAE1 portfolio are CCM, Bakou, PDS, and SCRIMAD (79% of the portfolio emissions), mainly due to their industrial activities. These companies operate in agro-industrial and extractive sectors that are vital to Africa's development, particularly for food security and local value creation. Notably, Carrière et Chaux du Mali (CCM), despite its high emissions, may have a positive environmental contribution through the production of agricultural quicklime. Quicklime is used to neutralize soil acidity, improve fertility, and increase crop yields, especially on degraded land—supporting sustainable agriculture and land restoration. This illustrates how some companies can emit significant GHGs while generating environmental benefits.

2024 GHG EMISSIONS, BY COMPANY (TCO²)



TOP EMISSIONS SOURCES



30% from freight: Sea, air and road transport for equipment or goods, mainly due to CCM, Eden Tree, SCRIMAD and PDS activities.



48% from energy: Some companies need energy to run their plants (CCM, PDS, Pharmivoire) or for their offices.



11% from vehicles: mainly due to PDS and SCRIMAD activities.



ENERGY SECURITY AND CARBON MITIGATION

As of 2024, energy security remains a major bottleneck for African SMEs. In response, several IPAE1 portfolio companies—such as PDS, CCM, and SCRIMAD—have taken steps to integrate renewable energy solutions into their operations.

Today, 45% of IPAE1 portfolio companies include renewable energy in their energy mix. This shift not only enhances their operational resilience but also contributes significantly to the fund's carbon mitigation strategy. Examples of renewable energy use in the portfolio (as a share of the energy mix):

- ✓ ACEP Burkina: 45%
- ✓ Barajii: 22%
- ✓ PDS: 33%
- ✓ SCRIMAD 30%
- ✓ Ultramaille: 50%

(1) Bockel, L., Veyrier, M., Gopal, P., Adu, A. et Ouedraogo, A. 2020. Développement de la filière karité - Principal moteur pro-pauvre de fixation du carbone en Afrique de l'Ouest. Accra. FAO et Alliance Globale du Karité.



ENVIRONMENT



Quality Hygiene Security Environment

Africa faces significant challenges in Quality, Health, Safety, and Environment (QHSE) management. Rapid industrialization and urbanization have increased environmental pollution, posing serious health risks. Inadequate infrastructure and regulatory frameworks hinder effective waste management and occupational safety. Additionally, many industries lack stringent quality control measures, leading to substandard products and services. Addressing these issues requires comprehensive policies, robust enforcement mechanisms, and greater investment in QHSE training and infrastructure to ensure sustainable development and safeguard public health and safety.

Source: "Challenges in QHSE Management in Africa," African Development Bank Group, 2023.

OUR RESPONSES

- Technical assistance for Hazard Analysis Critical Control Point (HACCP) and ISO certifications
- Supporting companies in setting up quality management and QHSE systems
- Supporting and encouraging companies to systematically train their staff
- Encouraging waste treatment and recycling
- Encouraging rational consumption of resources (energy, water, etc.)



FOCUS ON Nest For All

Founded in 2012, Nest For All (NFA) is a Senegalese medical network comprising a maternity ward and a paediatric centre, offering continuous care for women and children up to the age of 15. Available 24/7, NFA provides quality services at moderate prices, primarily targeting the middle class.

- ✓ **First ISO 9001-certified** clinic in Senegal, NFA is fully committed to a robust quality management system. The certification covers:
- ✓ Visible services: patient reception, consultations, hospital care;
- ✓ Behind-the-scenes operations: hygiene, waste management, procurement, maintenance, risk management.



QHSE approach aims to:

- Improve patient safety and experience;
- Foster a culture of continuous improvement;
- Strengthen medical and operational performance.

This quality-driven model positions NFA as a reference in integrated care and private healthcare management in Senegal.



12,793

Gynaecological visits
in 2023



5,495

Paediatric visits
in 2023



Employee Well-Being and Training

Approximately 14% of the population in Sub-Saharan Africa benefits from at least one social protection benefit (ILO, 2022). The high prevalence of informal employment in Africa (around 85.8% of total employment) limits access to formal social protection schemes.

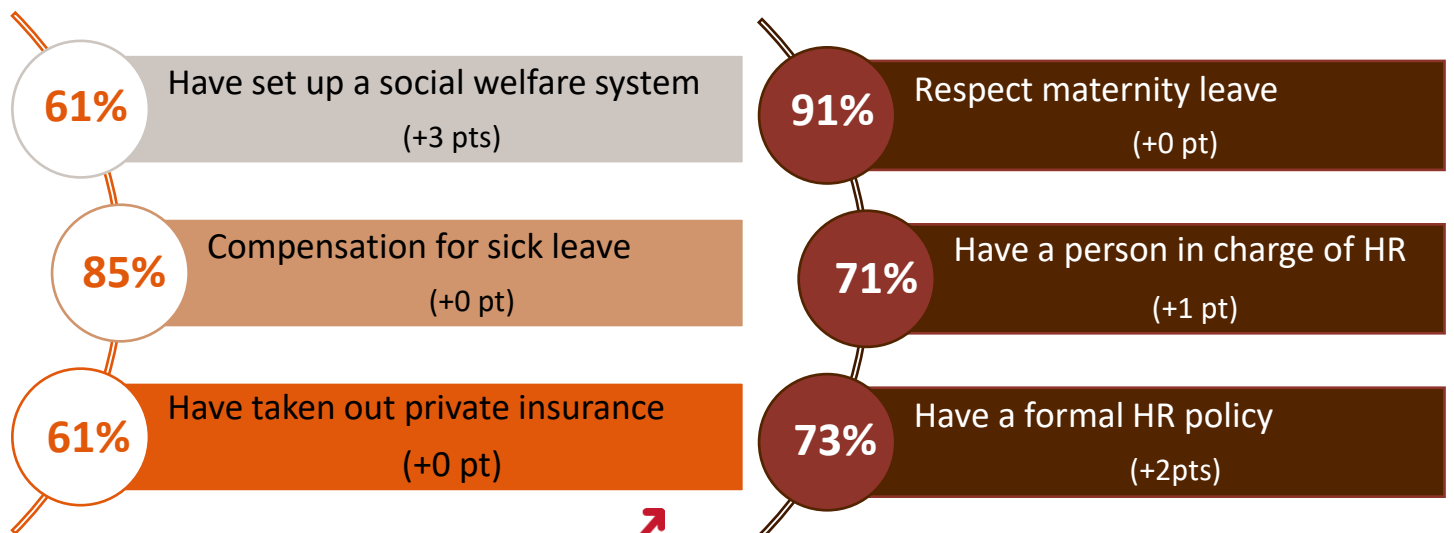
Although job creation is at the heart of IPAE1's strategy, the private sector in Africa also demands quality jobs. Indeed, quality employment through intermediaries enables populations to cope with crises and shocks.

IPAE1 has rethought **social protection in Africa** by implementing the following measures:

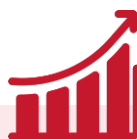
- » Setting up a social welfare scheme;
- » Health insurance for all employees, especially private health insurance;
- » Encouraging compensation for sick leave;
- » Respect for maternity leave according to the law in force in the country, and compensation for maternity leave.

On the other hand, **IPAE1 also promotes the implementation of a human resources system** to guarantee the management and skills development of each company's employees.

- » Setting up a human resources system in each company;
- » Encouraging the setting up of a training and staff representation system.



SDG 4.4
Promote lifelong learning opportunities



IPAE current performance

63%
of companies have a training policy in 2024

+€659,000
training budget in 2024

3,197
employees trained in 2024



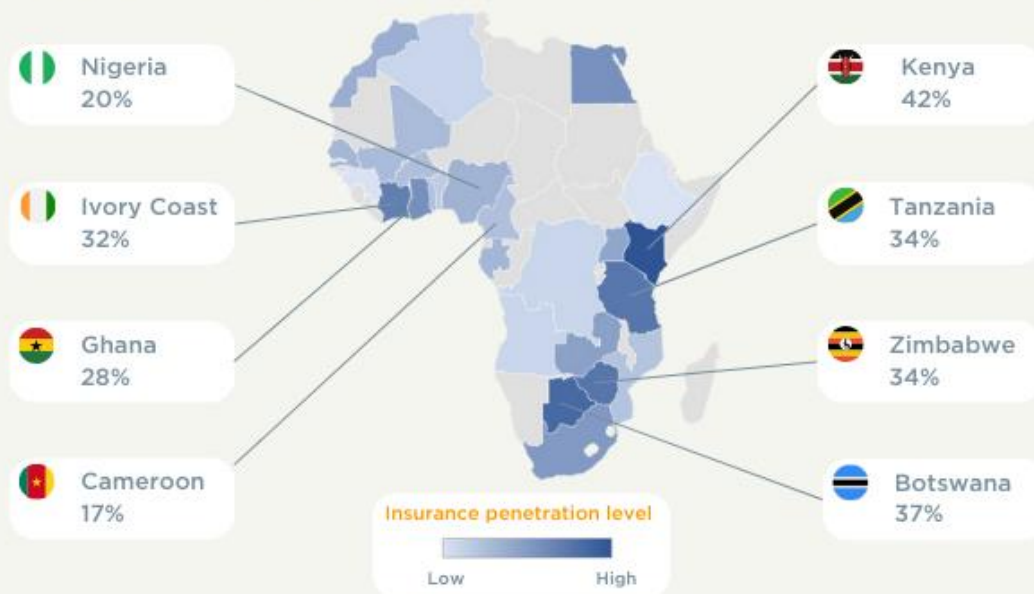
Health and safety at work (1)

In several countries where the fund operates, **public health insurance schemes remain largely ineffective** in ensuring real access to quality care. In Senegal, for example, community-based health insurance, which forms the backbone of the national Universal Health Coverage (UHC) strategy, struggles to deliver effective coverage: a study found that only 16% of beneficiaries reported being able to access care without difficulties¹. In Madagascar, public health insurance schemes (such as CNAPS or mutual health organizations) are rarely used and typically limited to under-resourced facilities with low perceived quality². These shortcomings often drive populations toward out-of-pocket payments or private providers, thereby undermining the intended protective role of public health insurance.

Today, **61% of portfolio companies have set up a private health insurance**. At regional level, only 21% of individuals in the highest socioeconomic classes (SEC AB) across Africa are reported having private medical insurance (Sagaci Research Survey, 2023).

61% of the companies have a **private health insurance**

Private health insurance penetration in Africa Among Social Economic Classes AB



Methodology

SagaCube, the 360 segmentation and Usage & Attitude tracker in Africa

Question: Which of the following insurance products do you currently have? Private medical / health insurance selected.

Base: Adult population above 18 from SEC AB. Minimum representative sample in each country. Period: November 2023

¹ Sylla, T. (2021). Les défis de la CMU au Sénégal : une analyse des obstacles à l'accès aux soins. *Revue Tiers Monde*, 246(2), 93–112.

² World Bank. (2021). *Madagascar - Health Sector Diagnostic*. Washington, DC.



SOCIAL



Health and safety at work (2)

Over 1.1 million individuals worldwide are thought to pass away from work-related illnesses and injuries each year. The hazards that lead to illness are thought to be 10–20 times higher in developing nations than in wealthy nations (WHO, 2004). Indeed, the informal sector and non-decent employment have become mainstream in Africa. The private sector must therefore step up accident and incident prevention and control.

Among other things, the IPAE1 portfolio is exposed to a certain risk in terms of health and safety at work, and has set up a system for monitoring and reporting accidents, as well as for prevention in the event of increased risks. Today, **61%** of portfolio companies have set up a **private health insurance**. At regional level, only 21% of individuals in the highest socioeconomic classes (SEC AB) across Africa are reported having private medical insurance (Sagaci Research Survey, 2023).

Monitoring safety at work

- During the due diligence phase, impact assessments or technical audits are conducted for all projects involving significant risks.
- Any serious incident is directly reported to our investors. The company completes and submits an accident report (I&P Canvas) to IPAE1 which in turn transmits it to investors.

58% of at risk companies have an occupational health and safety policy (+8 pts)

4,357 people covered by private health insurance

21% Companies recorded at least one accident in 2024 (+3 pts)

27% Have completed rescue training (+0 pts)

61% Have set up a fire management system (+4%)





Fostering good governance

Decentralized Governance and Strategic Board Involvement

I&P's governance approach is based on the close **involvement of country-based investment teams** with each SME, ensuring effective strategic and operational support. These decentralized teams comprising 2 Regional Investment Directors, 4 Investment Managers, and 4 Investment Officers are responsible for **implementing the fund's investment thesis**, monitoring financial and operational performance, and actively contributing to company governance through board participation. This proximity allows for tailored support to entrepreneurs and facilitates agile decision-making.

They work in close coordination with **I&P's dedicated ESG & Impact team**, which oversees the application of ESG and impact standards throughout the investment cycle: from pre-investment due diligence and action plan design, to regular monitoring, capacity building, and exit evaluations.

Entrepreneur(s) usually hold a majority stake and remain in charge of day-to-day operations. They are provided with strategic guidance, as well as additional skills and networks in a context of difficult access to talent and financing. This also improves the credibility of the business vis-à-vis external partners.

One or two independent directors are included when appropriate and possible, to bring additional expertise with an independent view. In situations of conflict, they can play a useful mediatory role.

One or two IPAE1 members on the investment or strategic advisors' teams, as part of I&P's commitment to providing close support to the entrepreneurs. With respect to ESG, they ensure that extra-financial considerations are regularly raised and discussed.

Other minority shareholders might be represented in some cases.

42% of Boards include at least one independent director

2.6 board meetings held in 2024 on average in each partner company

35% of companies addressed ESG and Impact during board meetings





Fund Governance structure

In addition to its decentralized investment model, I&P implements a collegial and transparent internal governance structure that ensures collective ownership of decisions and cross-functional coordination. This structure is articulated through a set of formal committees that bring together investment, ESG & Impact, and strategic teams at various stages of the fund management process:

- **Deal Sourcing Committee:** Brings together the Investment, Finance, and ESG & Impact teams to collectively review and prioritize opportunities during the deal screening phase. This early-stage forum ensures alignment across functions on pipeline companies and fosters internal knowledge-sharing to assess the strategic and impact potential of each deal.
- **Project Committee:** A cross-functional platform to discuss both prospective and ongoing investments. It covers deal structuring, exit preparation, refinancing, governance topics, and resolution of complex portfolio challenges. By broadening participation beyond the lead officer, it promotes shared responsibility and integrates financial, operational, and impact considerations.
- **Steering Committees:** Weekly meetings designed to coordinate internal planning and oversee portfolio-wide performance. They serve to review valuations, monitor value creation plans, update dashboards, and follow up on strategic priorities.
- **Investment Committee:** The final decision-making body for all investments and exits. Proposals are submitted after thorough due diligence, internal discussion, and ESG review, ensuring alignment with financial rigor, strategic relevance, and impact goals
- **Advisory Board:** Composed of selected Limited Partner representatives, this committee meets quarterly to advise the General Partner on key matters. It is consulted on investment policy changes, key person events, conflicts of interest, valuation methods, exit planning, and budget approvals. It may also recommend governance actions and approve the ESG & Impact Auditor.
- **Annual LP Assemblies:** Gather all Limited Partners to present updates on financial and impact performance and vote on matters requiring consent. Depending on the issue, decisions may require Ordinary, Special, or Extraordinary Consent—such as amendments to fund terms, extensions of duration, or changes to investment policy. These assemblies ensure transparency, accountability, and compliance with the fund's legal framework.

Upgrading of accounting and reporting practices

Our context: IPAE1 invests in fast growing companies, which have an urgent need to strengthen their internal capacities to achieve sustainable growth.

Our actions:

- ➔ **Audited accounts:** we require that annual accounts be audited by statutory auditors to ensure reliable accounting practices.
- ➔ **Training seminars:** in 2018, 2019 and 2023, entrepreneur training seminars focused on financial management and change management in SMEs.
- ➔ **Technical assistance:** customized assistance is provided to several partner companies.

Anti-bribery and anti-corruption policy

Good governance involves impeccable integrity at all levels of the company. I&P assists its portfolio companies to improve their KYC practices, to elaborate ethical codes and to fight against corruption.

Fiscal compliance

€14,190,00+

paid in taxes to the local authorities in 2024

Promoting traceability and best E&S standards/practices



Access to new certifications, skills and technologies

Industrial companies benefit from developing international safety and quality standards that are certified by recognized labels to ensure transparency and traceability on Environmental and Safety (E&S) and quality practices.

On average, SMEs in IPAE's portfolio have a larger share of certification than African SMEs surveyed in the World Bank Enterprise Survey (WBES).



FOOD SAFETY CERTIFICATION



SCRIMAD

- Implementation of HACCP processes (with regular audits) (ISO 22000)



BARAJII

- BRC Food Certificate: Barajii offers a supplier strong guarantees regarding food safety, traceability and quality



EDEN TREE

- Implementing rigorous HACCP (control system that identifies where hazards might occur in the food production process) processes in the fruits and vegetables processing unit



PÊCHERIES DU SUD

- Fishing activities are certified by the Marine Stewardship Council (MSC), the widely respected international label that testifies to the sustainability of a company's fishing activities



QUALITY & TRACEABILITY CERTIFICATION



SCRIMAD

- Engage producers in an organic and fair trade labelling process (20% of its producers are organic certified, plans to achieve 35% in 2019)



PHARMIVOIRE

- Gradually implementing Good Manufacturing Practices in their new production unit to increase sales



NEST FOR ALL

- ISO 9001 certification obtained in 2018 to manage quality healthcare facilities that meet international standards



ULTRAMAILLE

- Products certified by the Global Organic Textile Standard, an international inspection agency
- Plans to further develop its CSR strategy to turn it into a competitive strategic asset

46% Of IPAE1 companies developing environmental, social or quality certifications in 2022

10% Of African SMEs surveyed in the World Bank Enterprise Survey (WBES)

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