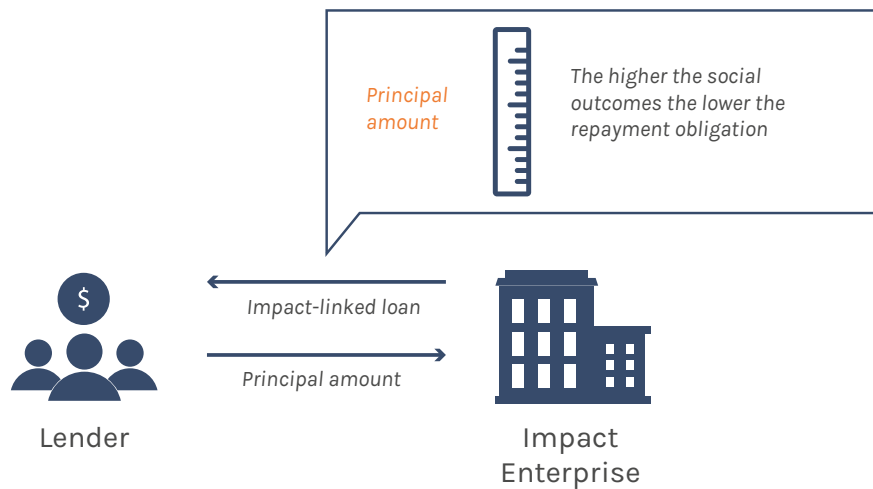
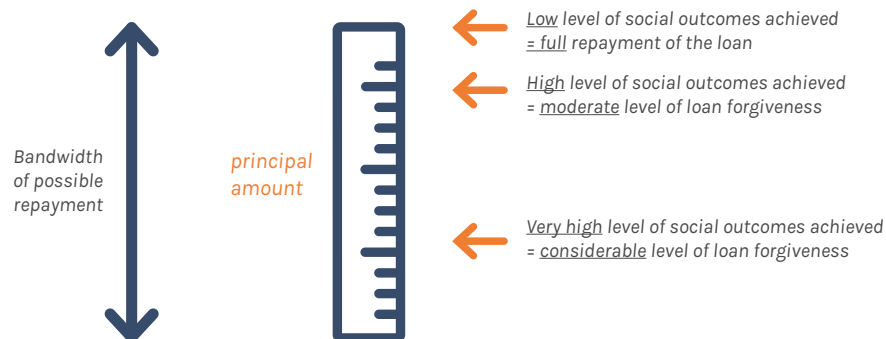


IMPACT-LINKED (EMERGENCY) LOAN BETTER TERMS FOR BETTER IMPACT

An Impact-Linked Loan is similar to a traditional loan, with the main exception that the terms of the loan are tied to borrowers' achievement of pre-defined and independently verified social outcomes. The enterprise receives "better terms for better impact". In this emergency loan program it means: The higher the impact achieved by the impact enterprise, the lower the loan obligation to be paid back.



In the PES LATAM COVID-19 emergency support program Impact-Linked Emergency Loans will be provided to address the challenges that impact enterprises are currently facing as a result of the pandemic. An Impact-Linked Emergency Loan can help them stay focused on customers and communities that need their solutions most without unintended shifts in their business model.



The Swiss Agency for Development & Cooperation (SDC) is compensating the lender for lower repayment. The impact incentive scheme will be structured by Roots of Impact in close collaboration with the entrepreneur, the lender and Kaya Impacto.