

PROJECT SISEKHAYA +IMPACT SDG PERFORMANCE GRADE

PREPARED BY:

Impact Capital Africa

PREPARED FOR:

Merchants



Project Sisekhaya

+Impact SDG Investment Grade

Project Sisekhaya is a Merchants initiative that has a vision to create quality work opportunities for people close to their homes in rural South Africa. This will be done through the creation of a series of decentralised contact centres, which offer IT help desks, sales teams, financial advisors and customer services. Project Sisekhaya is specifically aiming to build these centres in outlying peri-urban areas to mitigate the unsustainable migration of people to overpopulated cities and CBDs in search of work. The project so far has targeted seven rural or peri-urban areas, where such local economic opportunities are lacking and aim to create significant local employment, encourage local socio-economic development and uplift surrounding communities.

To aid in achieving this, Project Sisekhaya has multiple partnerships and an education / skills development focussed NGO will be a key partner. Through their collaboration, Project Sisekhaya can fully work towards a sustainable value chain of skills development and career opportunities in many areas of South Africa.

Project Sisekhaya has received an **"A" +Impact SDG Investment Grading for both the Core (66%) and Comprehensive (54%)** principles and goals (refer below table for summary on Core results). Therefore, Project Sisekhaya represents a very good positive impact where the majority of the investment delivers on the UNEP FI Positive Impact Principles, contributes a positive impact to two or all of the sustainable development pillars (economic, environmental and social) and works to achieving multiple SDGs. Project Sisekhaya is largely a socio-economic upliftment project of which those attributes received rankings of high relevance as well as received good performance scores. These positive impacts will also significantly align with and contribute to the South African Broad Based Black Economic Empowerment (BBBEE) strategic goals. The planetary / environmental related principles and goals are of low importance/ relevance and also received relatively low +impact scores. However, mitigation measures and/or management plans will be in place to improve low performance areas and/ or offset any potential negative impacts that could undermine the project.



A Core:
66%



This is the forecasted performance of the project against the SDGs that are core to Project Sisekhaya, which receives a 66% A rating.

This provides a quick reference to the potential contribution of the investment to solving the core SDGs and its performance against the *UNEP FI's positive impact principles*.

A Comprehensive:
54%



This represents the potential impact of the project towards all the SDGs, using a weighted average of the performance against the *UNEP FI's positive impact principles*. Project Sisekhaya receives a 54% overall performance and an A rating

ABOUT

ICA +Impact SDG Investment Grading[©]

ICA has innovated a SDG +Impact Investment grading tool that is a global first. It is built off globally accepted and accredited ESIA methodology and measures an investment, project or company using the UNEP FI Positive Impact Finance Principles and linked SDG targets and indicators, all underpinned by the International Finance Corporation's Operating Principles for Impact Management. This methodology allows for objective, robust and quantitative analysis of investments or companies, also enabling annual impact performance evaluations and the return on investment.



OUR PURPOSE:

To catalyze profitable impact investments that deliver measurable returns on socio-economic and natural capital.

OUR MISSION

Redefining sustainable impact investments and their returns through mitigating risk with robust impact analysis of underlying assets.

WHAT WE DO

- Impact finance brokering and advisory
- Impact due diligence and reporting
- Impact investment and private equity

B-BBEE - Level 2

Impact Capital Africa is 51% black female owned and Level 2 B-BBEE contributor.

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AA+

A highly significant and exceptionally positive impact that delivers on all Principles of the UNEP FI Positive impact finance framework, delivering a positive contribution to all of the sustainable development pillars (economic, environmental and social), whilst also mitigating any potential negative impacts that could undermine the investment. The impact may result in permanent positive change that will unlock value and contribute as a direct response to the challenge of financing the SDGs.

AA

A significant positive impact that delivers on the Principles of the UNEP FI Positive impact finance framework, delivering a positive contribution to most of the sustainable development pillars (economic, environmental and social), whilst also mitigating any potential negative impacts that could undermine the investment. The impact may result in long-term positive change that will unlock value and contribute as a direct response to the challenge of financing the SDGs.

A

A good positive impact that for the most part delivers on the UNEP FI Positive impact finance framework, and majority of the project delivering a positive contribution to one or more of the sustainable development pillars (economic, environmental and social), whilst also mitigating or having management plans in place to avoid any potential negative impacts that could undermine the investment.

BB

A moderate positive impact that only in a few cases (below 50%) delivers on the UNEP FI positive impact finance framework principles, partially delivering a positive contribution to one or more of the sustainable development pillars (economic, environmental and social), whilst mitigating or having management plans in place to avoid some of the potential negative impacts.

B

The project delivers a small positive contribution to one or more of the sustainable development pillars (economic, environmental and social) and does not clearly define how it will mitigate any potential negative impacts of the investment.

B-

A negligible or significantly low likelihood of a positive impact on any of the sustainable development pillars (economic, environmental and social). Therefore the project does not significantly deliver on the UNEP FI Positive impact finance framework and does not mitigate any potential or real negative impacts of the investment.