



# 2024 **Impact Principles** Disclosure Statement

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## Introduction

MedAccess Guarantee Ltd (the “Signatory”) hereby affirms its status as a Signatory to the Operating Principles for Impact Management (the “Impact Principles”).

This Disclosure Statement applies to the following assets or business lines (the “Covered Assets”): Loans and guarantees provided by MedAccess Guarantee Ltd.

The total Covered Assets in alignment with the Impact Principles is US\$65m as at 30 April 2024.

*“The information contained in this Disclosure Statement has not been verified or endorsed by the Global Impact Investing Network (“the GIIN”) or the Secretariat or Advisory Board. All statements and/or opinions expressed in these materials are solely the responsibility of the person or entity providing such materials and do not reflect the opinion of the GIIN. The GIIN shall not be responsible for any loss, claim or liability that the person or entity publishing this Disclosure Statement or its investors, Affiliates (as defined below), advisers, employees or agents, or any other third party, may suffer or incur in relation to this Disclosure Statement or the impact investing principles to which it relates. For purposes hereof, “Affiliate” shall mean any individual, entity or other enterprise or organization controlling, controlled by, or under common control with the Signatory”.*

Signed: 

**Name of Institution:** MedAccess Guarantee Ltd

**Authorized Representative:** Tristana Perez

**Title:** Head of Impact

**Date:** 25 July 2024



## Principle 1

### Define strategic impact objective(s), consistent with the investment strategy.

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

- ▶ MedAccess is a social enterprise committed to improving health in low- and middle-income countries. We use innovative finance products to accelerate access to medical innovations. MedAccess has capital of \$200 million, provided by British International Investment (BII), to make agreements that impact the lives of millions of people.
- ▶ Our innovative finance tools, such as volume guarantees, help to de-risk market entry and scale access to products at affordable prices. They support a healthy market in the long term, far beyond the contractual guarantee period, giving manufacturers the assurances they need to invest and generating security of supply for countries and governments.
- ▶ MedAccess recognises that complex global health challenges often require bespoke solutions. We tailor our agreements so that they meet the needs of all partners, while staying focused on our three impact indicators – changing lives, saving money and shaping markets.
- ▶ MedAccess’ mission is to cut disease and death by speeding up access to vaccines, medicines, diagnostics and technologies for millions of people. To do so, we analyse markets across a range of health areas, identifying opportunities to increase access to products in countries where such products are unavailable or unaffordable.
- ▶ To date, our agreements have focused on improving access to medical innovations to tackle infectious diseases. Low- and middle-income countries continue to face a disproportionate health burden from infectious diseases, despite decades of progress.
- ▶ MedAccess is also aiming to expand its work to tackle non-communicable diseases, such as cancer and diabetes. We believe we can make a significant impact on the growing burden of non-communicable diseases in low- and middle-income countries, helping millions more people to live longer, healthier lives.
- ▶ MedAccess partners with others to address some of the most prominent priorities in global health:
  - **Antimicrobial resistance** threatens our ability to combat infectious diseases, rendering many existing treatments ineffective;
  - Extreme weather events, new disease vectors and food insecurity caused by **climate change** can severely impact human health;
  - The COVID-19 pandemic exposed the critical need for enhanced **pandemic preparedness**, emphasising the importance of robust healthcare systems and global cooperation;
  - The push for **local and regional pharmaceutical manufacturing** can improve access to essential medicines, especially in low-resource settings; and
  - To address gender inequalities in health, everyone must have equal rights and access to quality healthcare – which means improving **women’s and girls’ health**.

## Principle 1 continued

- ▶ MedAccess plays a role in global efforts to achieve the United Nations Sustainable Development Goals (SDGs). We specifically contribute to:



**Goal 3** – Ensure healthy lives and promote well-being for all ages;



**Goal 5** – Achieve gender equality and empower all women and girls;



**Goal 10** – Reduce inequality within and among countries; and



**Goal 17** – Strengthen the means of implementation and revitalise the global partnership for sustainable development.

### Our Impact Framework

To assess our impact, MedAccess has developed a bespoke impact framework and associated screening tools which provide a consistent approach to assessing and measuring the impact across disease areas and product types and enables us to monitor the impact of current and past agreements. We measure impact against three categories:

- ▶ lives changed,
- ▶ money saved, and
- ▶ markets shaped.

We scope a wide range of opportunities for our financial products to increase access to medical innovations. Our impact framework helps us to decide which potential partnerships to pursue by indicating where we can have the greatest impact.

We ask key questions to determine whether we should pursue a partnership and to develop appropriate metrics to project a potential agreement's impact and monitor its performance against our projections.

### Our development impact indicators



#### Lives changed

How many people will gain access to the product?

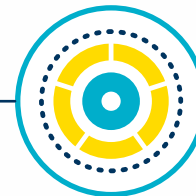
How will their health improve and how many premature deaths will be averted?



#### Money saved

How much has our guarantee reduced the price of the product?

What does this mean in direct cost savings for procurers?



#### Markets shaped

Will the guarantee sustainably improve affordability and procurement practices?

Will increased demand visibility improve long-term supply security?

## Principle 2

### Manage strategic impact on a portfolio basis.

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

- ▶ Impact is projected and tracked on a portfolio-level basis using our four aggregate impact metrics corresponding to the three indicators of our impact framework:



total people reached with products supported by our guarantees;



total savings to procurers and total sales supported; and



countries reached.

- ▶ Our aggregate metrics are calculated using data which is gathered for the purposes of agreement-level assessment. The aggregate impact is tracked cumulatively over time as we continue to enter into new partnerships and agreements and increase our reach.
- ▶ Given MedAccess works across a variety of health areas and product types, our agreement-level analysis generates bespoke metrics linked to each health product. Our screening tools are used to generate an impact score for each opportunity that is comparable across the portfolio, different health areas, and product types.
- ▶ All potential agreements must meet a minimum impact threshold to be considered. We use the screening tools aligned to our impact framework to identify and prioritise high impact opportunities within our partnership pipeline, to ensure that capital is deployed for maximum health impact.
- ▶ Following agreement execution, impact projections are published on our website and in our annual report. We report on impact generated by our agreements on an annual basis.
- ▶ Staff remuneration is partially determined by our successful achievement of forecasted impact across our agreements.

## Principle 3

### Establish the Manager's contribution to the achievement of impact.

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

- ▶ MedAccess is the world's first independent organisation that can provide the financial guarantees and market shaping loans needed to improve health markets in more countries. These agreements with manufacturers and procurers serve to get more products into the hands of more people more quickly.
- ▶ Each of MedAccess' agreements is based on strong partnerships. We work directly with manufacturers and implementing partners to ensure products reach the people who need them at affordable prices.
- ▶ MedAccess also works closely with a broader range of partners, including procurers, regulators, national governments and civil society to ensure our agreements achieve their projected impact.
- ▶ The first step in our impact assessment is to map out what we think will happen in the market without our intervention (i.e. the counterfactual scenario). We forecast future supply and demand, drawing from discussions with stakeholders and available market data, including historical trends, expected product development and innovation, and expected other market-shaping interventions.
- ▶ Our impact projections are compared against this counterfactual scenario to estimate the impact generated by our involvement. All potential agreements must meet a minimum impact threshold to be considered.

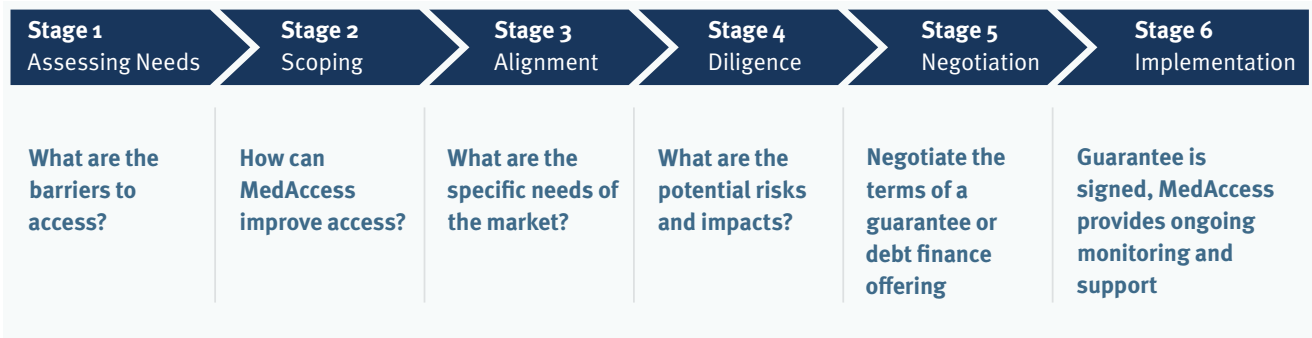


## Principle 4

### Assess the expected impact of each investment, based on a systematic approach.

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.




- ▶ MedAccess applies a consistent approach to assessing, quantifying and tracking impact of potential agreements. We have a six-stage process, where impact is estimated with increasing granularity as an opportunity progresses through the stages.





## Principle 4 continued

- ▶ We have developed screening tools aligned to our impact framework for each of our financial products which support the assessment and quantification of our impact, including answering the fundamental questions regarding what the intended impact is, who experiences the impact and how significant that impact is expected to be.

Goals	Factors	
 <p><b>Lives changed</b></p>	<p><b>Additional people reached</b> based on additional units sold under the guarantee</p>	<p>Estimated <b>depth of impact</b> of the product compared to standard of care</p>
 <p><b>Money saved</b></p>	<p>Average <b>product price reduction</b></p>	<p>Projected <b>direct and indirect savings</b> and the likelihood of <b>mark-up</b> on exit price</p>
 <p><b>Markets shaped</b></p>	<p>Type and scale of <b>market shifts</b></p>	<p><b>Long-term sustainability</b> of expected market shifts</p>

- ▶ Before agreeing to provide a financial product, we develop impact projections against all three impact indicators and compare them against a scenario where MedAccess does not intervene. Bespoke metrics for each agreement are generated based on the health area and nature of the product we are supporting.
- ▶ To answer these questions and develop projections, we draw on available evidence from sources including laboratory research, clinical trials, market surveys and in-country experiences with a particular health problem and/or product. Often there is limited published evidence available, so we verify assumptions through discussions with experts and other stakeholders. In some instances, we work with academic partners to produce bespoke modelling of downstream health and economic impacts.
- ▶ While the MedAccess impact framework and associated screening tools are bespoke, we have assessed them for alignment with existing industry standards across both the investment and global health spaces, including [IRIS+](#) and [HIPSO](#) metrics, and made revisions where alignment could be strengthened.
- ▶ We actively participate across platforms and forums, such as the Impact Investment Initiative for Global Health, to advance impact measurement and harmonisation.

## Principle 5

### Assess, address, monitor, and manage potential negative impacts of each investment.

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

- ▶ As a social finance institution, MedAccess has a responsibility to promote responsible and sustainable business practices. Assessing environmental and social (E&S) and business integrity (BI) considerations is an important component of the MedAccess investment decision-making process. Failures of counterparties to comply with E&S and BI standards can lead to adverse impacts for end-users, pose a risk to impact and increase the financial risk of transactions.
- ▶ As a wholly-owned subsidiary of British International Investment (BII), our E&S standards and BI policies have been developed with reference to BII's equivalent policies and standards and approved by the MedAccess Board. We have developed three tailored E&S and BI frameworks for our three key financial instruments: volume guarantees, procurement guarantees and debt finance instruments. For each transaction we follow a clear process of gathering information early to identify areas of risk, which informs our diligence and overall risk assessment.
- ▶ We also include E&S and BI requirements in our legal documentation. These requirements cover areas such as compliance with applicable E&S and BI laws, reporting obligations and agreement-specific provisions derived from our diligence.
- ▶ Responsibility for carrying out the E&S and BI assessments lies with the agreement team and is overseen by our Chief Investment Officer and General Counsel. The findings and assessments are presented to and discussed with our Investment Committee as part of the overall agreement proposition.



## Principle 6

### Monitor the progress of each investment in achieving impact against expectations and respond appropriately.

The Manager shall use the results framework (referenced in Impact Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

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- ▶ After entering into an agreement, we use our impact framework and corresponding analysis to generate projected impact estimates and to monitor its impact.
  - ▶ We use these impact estimates to support the implementation of existing agreements and to guide our future strategy by considering how we can identify further impactful opportunities.
  - ▶ Partner organisations report to us on a quarterly basis. Validated data derived from these reports forms the input into our downstream impact modelling of patient outcomes and financial savings.
  - ▶ To ensure our impact estimates are based on verifiable and validated data, impact is calculated based on the total reach of products supported by the investment, capturing change from baseline rather than change from the theoretical counterfactual volumes.
  - ▶ Impact estimates always take into account what product populations would have had access to in the counterfactual scenario and calculate the additional relative benefit of the product.
  - ▶ Monitoring activities also include working with implementation partners in key countries to support the uptake and deployment of the health products we support. Implementation partners also report against agreed impact metrics on an annual basis, drawing from in-country sources where possible. This data provides an additional source of information to support validation of our impact estimates and track progress.
  - ▶ For some agreements, we contract with academic experts to provide additional modelling of health impacts of products we support.
  - ▶ Management reviews agreement-level performance on a quarterly basis.
  - ▶ We work closely with our partners to identify potential off-track agreements as early as possible and develop bespoke action plans to address emerging challenges to increasing access to the health products we support and associated impact.



## Principle 7

### Conduct exits considering the effect on sustained impact.

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

- ▶ Our financial tools have pre-determined end dates, agreed in advance with the counterparties.
- ▶ We expect that impact generated by our guarantees is sustained beyond the end of an agreement, including improved access to health products and sustainable prices. Market shifts catalysed by our agreements are also expected to endure.
- ▶ When an agreement is near the end of its term, we assess what we believe is likely to occur once it ends. After it ends, we undertake a two-step process to assess our longer-term market impact:
  - End of agreement review – in the first year after the agreement ends, we review impact performance and lessons learned, implementing appropriate changes to our processes, and continue to track market-shaping impacts.
  - Sustained impact review – within 2-4 years after the end of the agreement, we conduct analysis to determine whether market-shaping impacts have endured beyond the term of the agreement.



## Principle 8

### Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

- ▶ We review and document the impact performance of our agreements throughout their lifetime. We also review sustained impact 2-4 years following the end of our agreements.
- ▶ Impact projections are published on our website and in our annual review report prior to guarantees becoming live. Once live, we report transaction-level impact on an annual basis, also on our website and annual review report. Our latest [annual review](#) includes impact as of the end of 2023.
- ▶ Following the end of agreements, we conduct internal after-action reviews to ensure lessons learned during the tenor period of the agreements can be incorporated into future agreements.



## ***Principle 9***

### **Publicly disclose alignment with the Impact Principles and provide regular independent verification of the alignment.**

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

- ▶ This disclosure statement is our annual confirmation of the alignment of our procedures with the Impact Principles.
- ▶ MedAccess plans to seek external verification of our alignment with the impact principles in 2026.
- ▶ In addition, we plan to commission additional evaluations of sustained market shaping impact beyond the end of some of our agreements.



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