

Glossary & Methodology - Impact and Investment Results 2024-25

This glossary and methodology document provides definitions and details of the metrics in LeapFrog's Impact and Investment Results.

- The definitions are informed by **IRIS+**. Managed by the Global Impact Investing Network (GIIN), IRIS+ is a system for impact investors to measure and manage impact.
- For new investments during the year, data is only included from the date of LeapFrog's investment.
- If we are missing data for a quarter, we take the last twelve months (LTM).
- The data included in the report include companies across the portfolio and since the portfolio changes year-on-year, with exits and new investments, the results are not directly comparable to last year.

In order of the report:

	Metric	Unit	Definition	IRIS+	# companies	Companies included
Customers and Reach	1. Total reach	#	An estimate of the total number of people reached with healthcare, financial services and climate solutions provided by LeapFrog portfolio companies. This is a scaled-up number and is calculated as the total number of customers multiplied by a product-based, household multiplier.		42 unique companies	For active portfolio companies, the quarter ending 31 December 2024 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	2. Total emerging consumer reach	#	An estimate of the total number of emerging consumers reached with healthcare, financial services and climate solutions provided by LeapFrog portfolio companies. This is a scaled-up number and is calculated as the total number of emerging consumers multiplied by a product-based, household multiplier. See definition of emerging consumers below.			
	3. Household multiplier	#	For products that benefit the entire household, a multiplier of the household size is used to calculate the total people reached and emerging consumers reached. <ul style="list-style-type: none"> Customer and emerging consumer customer data is collected at the product level and a household multiplier is assigned per product. The household multiplier is determined based on reviewing third-party research on product benefits to households and is based upon the sector, type of product or service and location. Products that have a multiplier of one are only intended to provide for one beneficiary (e.g. a healthcare company providing a product/service that is for individual use). Products that have a household multiplier consider the impact shared among household members (e.g. a housing loan). For Fund IV, we use UN DESA as the source for household population sizes unless more specific estimates are provided by the company. For further detail on how the household multiplier is applied to calculate reach, please see diagram in Appendix A. 		42 unique companies	Multipliers of 1-5 are applied across all companies, both active, exited or blackout companies.
	4. Customers	#	The total number of individual customers to which LeapFrog portfolio companies provide a financial, healthcare or climate solution. <ul style="list-style-type: none"> LeapFrog works with companies to support them to provide 'active, unique customer' data. For example, for a healthcare company in the portfolio that offers an app, only users that have used the app 5+ times in the past year are considered customers. - In cases where companies are unable to provide direct customer data, we make estimates based on the number of products/services/transactions per person to identify unique customers, informed by estimates from the company. 	PI4060 / PI7985	42 unique companies	For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.

	Metric	Unit	Definition	IRIS+	# companies	Companies included
Customers and Reach	4. Customers (Continued)	#	<ul style="list-style-type: none"> Data on total customers attempts to eliminate duplication resulting from one customer purchasing multiple products from LeapFrog portfolio companies in the same market. Across the aggregate LeapFrog portfolio, duplication of discreet individuals may exist if LeapFrog is invested in two companies in the same market. Best efforts are made to eliminate overlaps in aggregate data. 			For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	5. Emerging Consumer Customers	USD	<p>The total number of emerging consumers to which LeapFrog portfolio companies provide a financial or healthcare product or service.</p> <ul style="list-style-type: none"> Emerging consumers are defined as individuals excluded or underserved by businesses due to being a low-income consumer or due to other factors including health, caste, religion, ethnicity and gender. This includes micro, small and medium enterprises that are proven to be historically excluded from or underserved by the formal financial sector. We define low-income consumers as those earning less than \$10 a day (2011 PPP\$) for investments made before February 2022. Due to inflation, companies invested in since February 2022 define emerging consumers as those earning less than \$11.20 a day (2017 PPP\$). Data on emerging consumers takes the same approach as Customers in attempting to eliminate duplication resulting from one emerging consumer purchasing multiple products from LeapFrog portfolio companies in the same market. 	PI7098	42 unique companies	For active portfolio companies, the quarter ending 31 December 2024 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
Performance	6. Total revenue	USD	Revenue is reported in USD. For exited companies, an end-of-period FX rate was used at the time of exit, sourced from Oanda. For active companies, an average FX rate over the year is applied and sourced from Intercontinental Exchange (ICE).	FP6510	42 unique companies	For active portfolio companies, data is taken from 1 January 2024 to December 2024. For exited or blackout companies, the last reported LTM figures are used

	Metric	Unit	Definition	IRIS+	# companies	Companies included
Performance	7. Revenue growth on average for portfolio companies over the life of LeapFrog	%	Average compound annual growth rate (CAGR) of revenue since investment, in local currency units.		38 investments, 36 unique companies	Only companies held for more than two years are included. For all companies, LTM figures are used for the basis of the CAGR. Active portfolio companies as of 31 December 2024. Exited companies as of time of exit. Blackout companies as of the last reported value.
	8. Backing growth, building profitability, growing momentum		1. Funds II-IV average (comparing LTM 2023 and 2024, in local currency). Excludes Fincare/AU Bank due to merger which means revenue is no longer comparable. 2. Funds II-IV profit margin growth includes both companies that are profitable and those that are on their journey to profitability. It excludes companies acquired since 2023. 3. Funds III-IV companies only. Follow on funding and capital mobilised includes primary and secondary issuances in equity and debt.			
Healthcare	9. Quality pharmaceuticals supplied	#	The number of over the counter (OTC), prescription drugs and pharmaceutical products sold by portfolio companies.			Active companies only. Data is taken from 1 January 2024 to 31 December 2024. There are no relevant exited or blackout companies.
	10. Diagnostic tests and laboratory supplies provided	#	The number of medical equipment, machines, labs reagents and diagnostic tests supplied by portfolio companies.			
	11. Active users of digital wellness tools	#	The number of active users of digital wellness tools, including apps supporting improved fitness and health.		42 unique companies	Active companies only. The quarter ending 31 December 2024 is used as the reporting number. There are no relevant exited or blackout companies.

	Metric	Unit	Definition	IRIS+	# companies	Companies included
Financial Services	12. \$ loans disbursed	USD	Value of loans disbursed by all companies with credit products. Average FX rates are applied and sourced from ICE.	PI5476		For active portfolio companies, data is taken from 1 January to 31 December 2024. For blackout companies, the last reported last twelve months (LTM) figures are used.
	13. \$ Insurance claims paid	USD	Value of claims paid by all companies with insurance products. Average FX rates are applied and sourced from ICE.	FP2460		
	14. # payments enabled	#	Number of payments enabled through companies offering transaction services.	PI5184		
Jobs and Livelihoods	15. Direct jobs supported	#	The total number of direct employees, including full and part time employees and agents, contracted by LeapFrog portfolio companies. Some companies also include contract employees, where relevant.		42 unique companies	For active portfolio companies, the quarter ending 31 December 2024 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	16. \$ Salaries paid	USD	Value of salaries/wages paid to permanent employees during the reporting period. Average FX rates are applied and sourced from ICE.	OI9677	29 unique companies	For active portfolio companies, the quarter ending 31 December 2024 is used as the reporting number.
	17. Emerging enterprises supported	#	Total number of micro, small and medium enterprises (MSME) served through loans or savings products during 2024. The International Finance Corporation (IFC) qualifies an enterprise as a MSME if “it meets two out of three criteria of the IFC MSME definition (employees, assets, and sales), or if the loan to it falls within the relevant MSME loan size proxy”. See IFC definition in Appendix B.	IFC. PI9713 , PI4940	9 unique companies	For exited or blackout companies, the quarter of the last report is used.
	18. Jobs indirectly supported through lending to MSMEs	%	Number of jobs enabled by MSME customers receiving loans or savings products from LeapFrog portfolio companies during 2024. To calculate this, we work with portfolio companies to understand the number of employees of the MSMEs they serve.		9 unique companies	For active portfolio companies, the quarter ending 31 December 2024 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.

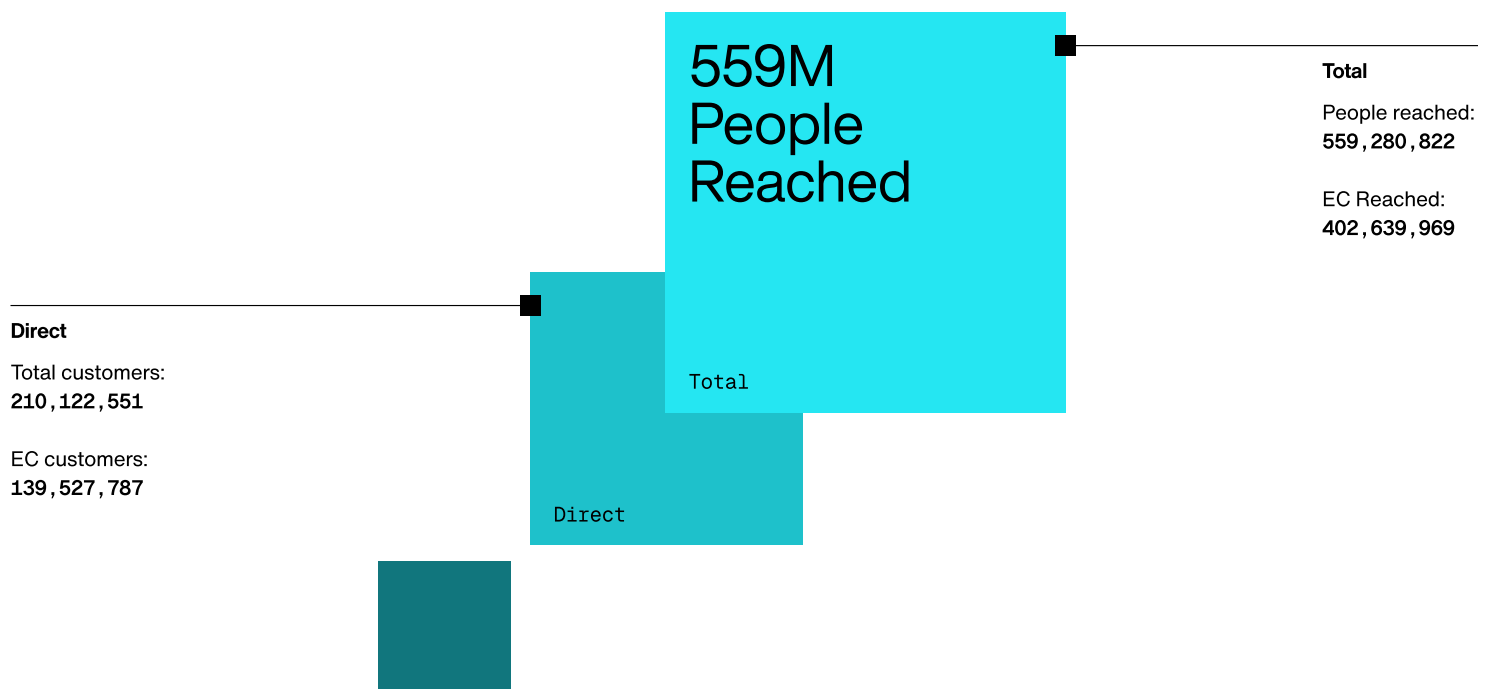
	Metric	Unit	Definition	IRIS+	# companies	Companies included
Gender-Smart Investing	19. Women and girls reached	#	An estimate of the total number of women and girls reached with financial, healthcare or climate solutions from LeapFrog portfolio companies. Following a review of our impact methodology in 2024, we have made a minor change to how we report Women and girls reached across all companies. We have refined the methodology to use country-level data on the female % of the population in each market rather than the global average. The country-level data source is the World Bank, which uses UN population data.		42 unique companies	For active portfolio companies, the quarter ending 31 December 2024 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	20. Women in Senior Management roles	%	Number of women in Senior Management roles/total Senior management roles. Calculated using the 2X initiative definition - Senior Management is defined as someone in a C-suite or equivalent position that is involved in determining the organization's overall structure and direction, managing a significant percentage of the workforce, and have equivalent authority or directly report to the CEO. It can include C-suite executives and the team immediately below the C-suite.		28 unique companies	

Appendix A – Applying household multipliers to calculate reach

The end consumers have always been at the core of our impact reporting. To quantify the level of impact of an investment, we calculate reach based on the benefit to a household. A multiplier of the household size is used to calculate the total people reached and emerging consumers reached. The multiple used is based upon the sector, type of product or service and location. For Fund IV, we use UN DESA as the source for household population sizes.

Applying household multipliers to calculate reach

Direct customers vs. scaled up reach



Appendix A – IFC MSME

IFC MSME Definition				Loan Size Proxy
Indicator	Employees	Total Assets US\$	Annual Sales US\$	Loan size at origination
Micro enterprise	< 10	<\$100,000	<\$100,000	<\$10,000
Small enterprise	10-49	\$100,000 - < \$3 million	\$100,000 - < \$3 million	<\$100,000
Medium enterprise	50-300	\$3 million - \$15 million	\$3 million - \$15 million	<\$1 or \$2 million

Source: International Finance Corporation