

Impact investing

On 24 December 2021, the General Assembly of the United Nations adopted resolution A/RES/76/246, requesting that the UN Joint Staff Pension Fund explore impact investing across all of its asset classes.

The Fund's Office of Investment Management (OIM) has since refined its approach to impact investing, which aims to achieve positive, measurable social and environmental outcomes alongside competitive financial returns, as defined by Global Impact Investing Network (GIIN).

For a detailed outline of our impact investing goals and approach, please see our Impact Investing Policy.

The Fund's Impact approach is consistent with our fiduciary duty

Investments must meet the criteria of safety, profitability, liquidity and convertibility

The Fund's Impact approach is outcome-focused

Impact investments are rooted in the underlying priorities of the United Nations, member organisations and participants

Impact framework

Our impact investment framework assesses investments based on three criteria: intentionality, measurability and accountability.



ACCOUNTABLE

Actively safeguarding against unintended negative environmental and social externalities

INTENTIONAL

Keeping track of key impact metrics to capture the double bottom line

MEASURABLE

Having a clearly defined environmental or social impact strategy

Impact themes

Examples of impact investments to date




FIXED INCOME



- **Green bond**

clean transportation infrastructure and renewable energy

OIM has invested in the green bond of a biotechnology company. With the capital raised from this bond, the company invests in climate-mitigation and water-preservation projects to minimise the environmental impact of their infrastructure and operations.

Examples of eligible projects	Example project initiatives	SDG(s) targeted
Green Buildings	Expenditures that achieve LEED gold or platinum certification	
Eco-Efficient Operations & Processes	Energy efficiency, sustainable water and waste, wastewater management, pollution prevention and waste management	
Eco-Efficient Products	Environmentally friendly and circular economy-adapted products and product packaging to reduce waste, energy usage and hazardous refuse; research and development for more sustainable packaging design; and procurement of certified sustainable paperboard	

Renewable Energy

On-site and off-site wind and solar power generation and storage infrastructure, including long-term power purchase agreements



Clean Transportation

Investments in electric vehicles for the company's field fleet and charging stations



Examples of intended impact outcomes from this green bond include:

Reducing annual water usage by over 25,000 cubic meters


Reducing energy usage by at least 20 per cent as compared to a similar conventional manufacturing facility

Developing energy-efficient infrastructure and building 100% renewable energy-powered facilities



- **Social bond**
socioeconomic progress via financial empowerment

OIM has invested in a financial services company that intends to support socioeconomic progress and financial empowerment by serving borrowers in underserved areas who face credit-restrictive lending options, many of whom are lower-income individuals.

Examples of eligible projects	Example project initiatives	SDG(s) targeted
Financial Inclusion	Loans for historically underserved demographics; financial services for credit-insecure countries	  

Examples of intended impact outcomes from this social bond include:




A pledge of US\$25 million to support Minority Depository Institutions (MDIs) to enhance financial security and economic growth in underserved communities

At least 75% of the loans funded by the bond made to women or minority borrowers

Reforestation-linked bond

Financing reforestation initiatives in the Amazon Forest.

Reforestation-linked bonds are a relatively nascent financial product that ties returns to a verifiable KPI of the financed project. In 2024, OIM invested \$30 million into a bond that contributes to reforestation efforts of the Amazon in Brazil, with a focus on degraded farmland. The bond coupons are financed through proceeds from selling carbon-removal credits the project generates.

Examples of eligible projects	Examples of products or services provided	SDG(s) targeted
Reforestation	Reforest degraded farmland; generate carbon removal credits	  

Impact KPIs

- Tonnes of CO2 removed from the atmosphere: measured and verified by an independent body before the carbon removal credits can be sold.
- Number of jobs created: local farmers will be employed to protect the forest, reducing the risk of future deforestation and providing sustainable livelihoods.

Intentionality

- The project's stated main goal is to reforest degraded land in the Amazon in a sustainable manner that ensures the permanence of the removed carbon, while benefiting local communities.
- Reforesting the Amazon has many additional benefits on top of combating climate change, including habitat reconstruction to support biodiversity and combat desertification and drought.

REAL ESTATE

In 2024, OIM invested in an innovative real estate impact fund focused on climate mitigation via:

Creating net-zero real estate assets by redesigning buildings to reduce operational carbon emissions

Reusing and recycling building materials to reduce waste

Designing operationally efficient buildings via technologies and measures such as retrofits and renewable energy generation

Impact Focus: Sustainable Buildings

This fund's investment strategy is aligned with the Paris Agreement and creates tangible impact through redesigning buildings into highly carbon-efficient real estate assets, creating future-proof infrastructure.

Through its impact focus, this strategy aligns with OIM's commitment to investing in climate change mitigation and adaptation solutions.



PRIVATE EQUITY

In 2024, OIM invested in a private equity fund focused on:

Scaling up greenhouse gas-reducing technologies and other climate mitigation solutions

Targeting sectors that can transition from brown to green

Supporting the green transition through power generation, carbon management and transportation, among other themes

Impact Focus: Decarbonisation Technologies

This private equity fund aligns with OIM's commitment to positively screen for investment opportunities in climate solutions. Specifically, this investment supports the transition towards a low-carbon economy by scaling climate solutions that drive decarbonisation in sectors with green-transition potential. In doing so, this fund aims to decarbonise 1% of Europe's CO2 emissions through its investments.

OIM continually explores impact investing opportunities across its assets classes, including [Infrastructure](#), [Public Equities](#) and [Private Debt](#).

These investments help scale up climate solutions and decarbonise high-emitting sectors. Our focus on advancing impactful initiatives across asset classes reflects a multiple-pronged approach to achieve sustainable environmental and social goals. Looking forward, OIM will continue to target opportunities for our impact investing portfolio, in an effort to generate impact alongside financial returns.

