

Rating Status: Preliminary Rating



Rating Date: 10/17/2012

Fund Name:

Global Impact Investing Fund I

**2013 FUND RATING REPORT**

GIIRS ratings provide investors with rigorous, reviewed transparent, comprehensive, and comparable ratings of Fund impact. GIIRS helps investors make money while solving the world's most challenging problems. GIIRS Driving Capital to Impact.



**FUND RATING**

The <b>Fund Rating</b> is comprised of a weighted average of the fund's investment roll-up score and its fund manager assessment score.	Weighting within Rating	Total Pts (200 Pts Avail.)
<b>FUND RATING</b>		<b>81.3</b>
Investment Roll-Up	90%	75.7
Fund Manager Assessment	10%	131.6

**INVESTMENT ROLL-UP**

The <b>Investment Roll-Up</b> is determined by a weighted avg. of the scores of the investments in the fund's portfolio and the total amount invested in each investment	Total Pts (200 Pts Avail.)	Developed Market Company Index*
<b>INVESTMENT ROLL-UP</b>	<b>75.7</b>	<b>87.8</b>
<b>Governance</b> Related to the mission, stakeholder engagement, governance structure & controls, & overall transparency of underlying investments	5.6	10.6
<b>Workers</b> Focuses on how the fund's underlying investments treat their workers in terms of comp., benefits, training, ownership, & work environment	21.7	23.3
<b>Community</b> Covers the impact of the fund's underlying investments on external community stakeholders	29.8	38.5
<b>Environment</b> Focuses on the direct and indirect environmental impact of the fund's underlying investments	18.7	19.6

**FUND MANAGER ASSESSMENT**

The <b>Fund Manager Assessment</b> covers topics regarding a fund's policies and practices in deploying and managing its capital	Total Pts (200 Pts Avail.)	Avg Score (by Investing Status)*
<b>FUND MANAGER ASSESSMENT</b>	<b>131.6</b>	<b>132.6</b>
<b>Targeted for Investment</b> Information about the historical performance of the fund manager and the intent of the current fund	41.8	43.9
<b>Investment Criteria</b> Covers information about the fund's investment policies in regards to impact	50.9	46.7
<b>Portfolio Management</b> Focuses on the way the fund manages its portfolio after an investment has been made	34.7	37.7

**FUND DESCRIPTION**

We invest in high-impact companies across a range of sectors and geographies.

**Asset Class:** Private Equity/Venture Capital  
**Security Type(s):** Equity  
**Stage:** Seed Stage; Early Stage  
**Investing Status:** Actively Investing  
**Vintage Year:** 2012  
**Funding Status:** Closed  
**Primary Target Market:** Developed

**FINANCIAL INFORMATION**

**Total Committed Capital-Fund:** \$25,000,000.00  
**Total Amount Deployed:** \$15,500,000.00  
**Target Committed Capital-Fund:** \$25,000,000.00  
**Number of Investments:** 8  
**Target Net IRR:** 18.0%

**INVESTMENT MANAGER PROFILE**

**Fund Manager:** Global Impact Investing Fund  
**Certified B Corporation:** No  
**Total Assets Under Management:** \$25,000,000.00

\*As of December 31st, 2012

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### FUND INCENTIVE STRUCTURE

<b>Management Fee:</b> 2.5%	<b>Hurdle Rate:</b> 8.0%
<b>Investment Term (Years):</b> 5	<b>Target Close:</b> N/A
<b>Target Limited Partners:</b> N/A - Fund Closed	<b>Current Limited Partners:</b> Development Finance Institution (DFI); Family Office/HNWI
<b>Minimum LP Commitment (Institution):</b> \$5,000,000.00	<b>Minimum LP Commitment (Individual):</b> N/A

### INVESTMENT SIZE

<b>Target Investment Size Minimum:</b> \$500,000.00	<b>Avg. Target Investment Size</b> \$1,000,000 - \$5,000,000
<b>Target Investment Size Maximum:</b> \$5,000,000.00	

### INVESTMENT STRATEGY

The Global Impact Investing fund targets high-impact investments across the globe. We take a strategic approach to investment, and add value to our portfolio companies by providing mission-driven services.

### INVESTMENT TARGETS

<b>Primary Investment Region(s):</b> Africa; Latin America; Middle East and North Africa; North America	<b>Primary Countries of Investment:</b> Algeria; India; Kenya; Peru; United States
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### INDUSTRY

<b>Industry Categories</b> Education; Human health & social work; Water, sewerage & waste management	<b>Target Industries Description:</b> Consumer goods, solar power, education technology
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### IMPACT

<b>Fund Mission:</b> To invest for social and environmental impact in previously under-served sectors	
<b>Impact Targets</b> Socially beneficial prod/serv; Environmentally beneficial prod/serv; Environmentally beneficial practices	<b>Impact Targets Description:</b> Human health, education, renewable energy
<b>Socially Beneficial Products &amp; Services:</b> Access to basic services; Health; Education	<b>Environmentally Beneficial Products &amp; Services:</b> Renewable energy/Cleantech; Waste reduction



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**INVESTMENT ROLL-UP DETAILS**

	Total Points	
	Points Earned	Developed Market Company Index <small>As of December 31, 2012</small>
<b>OVERALL RATING</b>	<b>75.7</b>	<b>87.8</b>
<b>Governance</b>	5.6	10.6
Corporate Accountability	3.2	6.9
Transparency	2.3	3.4
<b>Workers</b>	21.7	23.3
Compensation & Benefits	16.2	14.9
Worker Ownership	1.1	3.4
Worker Environment	3.3	4.2
<b>Community</b>	29.8	38.5
Community Products & Services	14.3	17.7
• Products & Services	8.7	11.3
• Serve those in need	5.6	5.8
Community Practices	15.2	20.3
• Suppliers & Distributors	2.7	5.9
• Local Involvement	3.4	5.2
• Diversity	1.3	3.4
• Job Creation	4.8	1.7
• Civic Engagement & Giving	3.0	3.1
<b>Environment</b>	18.7	19.6
Environmental Products & Services	6.5	9.5
Environmental Practices	12.2	9.6
• Land, Office, Plant	2.9	4.4
• Inputs	3.2	2.9
• Outputs	2.7	1.2
• Suppliers & Transportation	0.4	2.5

The investment roll-up details are comprised of a weighted average of the company's ratings from within the fund's portfolio. The company's ratings are weighted by the amount invested in each company by the fund.

In some cases the subcategory scores (corporate accountability, transparency, etc.) may not add up to the impact areas scores (governance, workers, community, and environment) exactly. The difference in scores is not a scoring error, but rather a result of how the GIIRS assessment handles N/A questions in scoring.

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**CURRENT INVESTMENTS**

**FUND PROFILE**

**INVESTMENT INFORMATION**

Company Name	Country of Principle Operations	Principle Sector	Principle Industry	Revenue Range	# of Emps.	Stars	Initial Investment Date	Investment - \$	Security Type	Verification
						Not Rated	3/2/2012	\$4,000,000	Equity	Not Rated
						Not Rated	1/2/2012	\$2,500,000	Equity	Not Rated
Education Tools R Us		Service	Other education (ISIC 854)	\$0 - \$1,999,999	10-49	Not Rated	1/1/2012	\$2,000,000	Equity	Not Rated
Healthcare 2 Go		Service	Medical & dental practice (ISIC 862)	\$2,000,000 - \$4,999,999	1-9	Not Rated		\$2,000,000	Equity	Not Rated
Solar 4 U		Service	Solar panel installation (ISIC 4329)	\$0 - \$1,999,999	1-9	Not Rated		\$3,000,000	Equity	Not Rated
Waste A Go Go		Manufacturing	Beverages (ISIC 11)	\$20,000,000 - \$99,999,999	50-249	Not Rated		\$1,500,000	Equity	Not Rated
Clean 2 B Green		Manufacturing	Apparel (ISIC 14)	\$2,000,000 - \$4,999,999	1-9	Not Rated		\$500,000	Equity	Not Rated
<b>Total Number of Current Investments:</b>		7						<b>Total Amount Invested:</b>	\$15,500,000	

The material on this report is for informational purposes only, and is not an offer or recommendation to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. GIIRS's opinions and analyses do not address the suitability of any security. GIIRS does not act as a fiduciary or an investment advisor. While GIIRS has obtained information from sources it believes to be reliable, GIIRS does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction.

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**EXITED INVESTMENTS**

**FUND PROFILE**

**INVESTMENT INFORMATION**

Company Name	Country of Principle Operations	Principle Sector	Principle Industry	Revenue Range	# of Emps.	Stars
<b>Total Number of Exited Investments:</b>		0				

Initial Investment Date	Investment - \$	Security Type	Verification
	<b>Total Amount Invested:</b>	0	

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**FUND MANAGEMENT ASSESSMENT DETAILS**

	Points Earned (200 Pts Avail.)	Avg Score (by Investing Status)*
<b>OVERALL RATING</b>	<b>131.6</b>	<b>132.6</b>
<b>Targeted for Investment</b>	<b>41.8</b>	<b>43.9</b>
Fund Manager	13.3	16.8
Current Fund	28.5	27.1
<b>Investment Criteria</b>	<b>50.9</b>	<b>46.7</b>
Positive Impact	50.9	46.7
<b>Portfolio Management</b>	<b>34.7</b>	<b>37.7</b>
Mission Lock	3.3	4.8
Mission-Aligned Exit	0.0	1.3
Capacity Building	13.3	15.8
Portfolio Reporting	18.0	15.8

**TARGETED FOR INVESTMENT**

Fund Manager - % of assets under management impact investments	75%+
Current Fund - % of total fund targeting impact investments	

**INVESTMENT CRITERIA**

Positive Impact - Fund ensures investees have patient/flexible capital	No,
Positive Impact - Minimum bar for social/environmental performance	Yes
Positive Impact - Due diligence process reviews social/environmental criteria	Yes
Positive Impact - PPM/LP agreements allow/require consideration of social/environmental impacts	Explicitly allows fund manager to consider environmental practices when making investment decisions, Explicitly allows the fund manager to consider social practices when making investment decisions,

**PORTFOLIO MANAGEMENT**

Capacity building - types of social/environmental performance capacity building	Social and Environmental Reporting, Social and Environmental Performance,
Capacity building - types of financial capacity building	Capital Raising, Business Strategy/Execution, Financing Strategy,
Mission-lock - incentive structure/compensation based partially on social/environmental performance	No

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CONTACT DETAILS

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United States  
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FROM THE MANAGEMENT

Dear GIIRS,

The Global Impact Investing fund targets high-impact investments across the globe. We take a strategic approach to investment, and add value to our portfolio companies by providing mission-driven services.

Social responsibility has always been at the core of the Global Impact Investing Fund's philosophy. Investing in our communities by supporting poverty alleviation, employment generation, education and healthcare initiatives has been paramount from the beginning. GIIIF monitors and reports on its ESG performance, and we welcome the opportunity to have our fund evaluated externally. Tracking our social and environmental impact is an important way we can understand and communicate our impact to all our stakeholders.

As we look to expand our fund offerings in the coming years, we look forward to using GIIRS as a tool for measuring the impact of our portfolio. We plan to use the information we gained from the rating process as we perform due diligence on future investments.

Sincerely,  
Global Impact Investing Fund

MANAGEMENT

Name:	Title:	Year Joined Firm	Years of Experience
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## Understanding the Global Impact Investing Rating System (GIIRS)

GIIRS provides an independent judgment of social and environmental impact for both companies and investment funds using a ratings scale of 1 to 5 stars. Through a broad spectrum of questions regarding impact models, practices, policies and achievements, the system is designed to be applicable to a wide range of industries and business models. Also, like impact investing, GIIRS sets itself apart from socially responsible investment ratings, which typically focus on negative screens, as GIIRS ratings recognize only positive impact generated by a Fund or fund.

### Ratings System Overview

The GIIRS assessment and ratings are:

#### Transparent:

Criteria and weightings for each impact area, subcategory and individual question within the assessment are fully transparent.

#### Independently Governed:

Overseen by independent Standards Advisory Council of experts, practitioners, investors and thought leaders.

#### Dynamic:

A new version of the survey is developed every two years.

Unique characteristics:

#### Comprehensive:

Recognizing multiple social impact models as well as >100 multi-stakeholder practices and policies of a sustainable enterprise.

#### Comparable:

Allow investors to compare and aggregate ratings of various Fund geographies, sectors, and sizes in the same portfolio. Specifically tailored questions and weightings applied in a consistent framework ensure both relevancy and comparability. There are twelve Fund tracks in domestic markets and sixteen tracks in emerging markets.

#### Adaptable:

Incorporate industry addenda focused on products and services of companies within specific industries. Based on market demand, currently offer financial services addenda for both developed and emerging markets and a building addendum for developed markets. Additional addenda for other industries will be added over time.

#### Positive Impact Focus:

GIIRS ratings focus on the performance generated by a Fund or fund, rather than on negative screens

#### Appropriate for Private Companies:

Questions tailored for small and medium sized enterprises

#### For Assessment & Improvement:

Companies can use the GIIRS Assessment to both get a GIIRS rating and as a tool to manage their performance overtime

## GIIRS

### ASSESSMENT STRUCTURE

#### I. Social Enterprise Models

Specific models designed to create social and/ or environmental impact through Fund products or services, target customers, value chain, ownership or operations.

#### II. Practices

Impactful practices, policies and achievements.

- a. Governance
- b. Workers
- c. Community Products
- d. Community Practices
- e. Environment Products
- f. Environment Practices

#### III. Disclosure Questionnaire

Unweighted disclosures to investors of potentially sensitive issues.

### The Verification Process

GIIRS utilizes a three level verification process to ensure accuracy and validity of ratings information. All ratings and reports will be classified according to the level of review undertaken.

#### Step 1: Assessment Review

Companies engage in a 1-2 hour call with GIIRS staff to review answers, clarify questions and definitions, and ensure proper inputs for calculations.

Ratings Classification: **Preliminary**

#### Step 2: Documentation Review

Companies are required to provide randomly selected documents for third-party review in order to validate Fund responses to material and highly material questions.

Ratings Classification: **Reviewed**

#### Step 3: On-Site Review

Each year, 10% of the prior year's GIIRS-rated companies will be randomly selected for on site review where a third party will verify the Fund's practices, tour facilities, and conduct employee interviews.

Ratings Classification: **On-Site Reviewed**