

GIIRS

GLOBAL
IMPACT
INVESTING
RATING
SYSTEM

SAMPLE FUND & COMPANY RATING



DRIVING CAPITAL BEYOND SRI TO IMPACT

The impact investing industry is driving capital to investments that actively create positive social and environmental impact.

The Global Impact Investing Rating System (“GIIRS”) will provide the impact standards and rating system to facilitate a scaled-up marketplace for institutional investors, financial services intermediaries, and companies seeking mission-aligned growth capital and liquidity.

GIIRS, a project of the non-profit B Lab, will assess the social and environmental impact (but not the financial performance) of companies and funds using a ratings methodology analogous to Morningstar investment ratings or S&P credit risk ratings. GIIRS’ focus will be to rate the impact of sustainability and mission-focused private equity and debt investments; it will not compete with existing systems that rate large public corporations on their corporate social responsibility.

WHAT IS A GIIRS RATING?

GIIRS will provide both company and fund impact ratings, each with current and historical analyses of impact performance for comparative use. GIIRS Ratings are:

- Driven by IRIS, an industry-recognized taxonomy and reporting standard;
- Ratings methodology developed and overseen by an independent Standards Advisory Council;
- Ratings subject to a rigorous assurance and audit process.

GIIRS Ratings will:

- be transparent and broadly available to investors for free. Underlying data and analytics tools are available via subscription;
- be used by both institutional investors and investment intermediaries to evaluate, screen, manage, and communicate the social impact of their sustainable private equity and debt investments, as well as other financial instruments;
- allow for comparable measurement of impact across businesses and investment products in the developing and advanced economies, in different industries, of different sizes, and with different areas of impact focus;
- reduce due diligence costs for impact investors and the communication burden for companies by creating a universal social and environmental performance standard.

GIIRS provides value to numerous stakeholders:

- Fund managers and companies can raise capital from mission-aligned investors based on the social and

environmental impact of their underlying businesses or portfolio companies;

- Institutional and high net worth investors can conduct better due diligence, make better investment decisions, track and improve social and environmental performance throughout the investment lifecycle, and report absolute and relative impact; and
- Consultants, investment bankers, and other intermediaries can use data and analytical tools to improve their own proprietary products or value-added services.

EXAMPLES OF USE

- A company raising growth-stage capital might print the cover of its offering memorandum with a GIIRS 4-Star Company Impact Rating;
- a fund manager might provide investor reporting showing that its recent Developing World Impact Fund I, LP achieved a GIIRS 3-Star Fund Impact Rating, including transparent pre-investment and annual Company Impact Ratings for each of the companies in its portfolio;
- a fund manager might say that it is currently raising capital for its Green Community Impact Fund II, LP which has a Target GIIRS 4-Star Fund Impact Rating;
- an investment advisor might create GIIRS licensed products and subscribe to the GIIRS data platform to provide investors with due diligence and reporting;
- an institutional investor might purchase detailed KPI data for each of its direct and fund investments;
- a trading platform might license the GIIRS as a listing requirement for all companies and funds listed on its system.

STATUS OF GIIRS

B Lab created a business plan for GIIRS in partnership with a steering committee of the Global Impact Investing Network (the GIIN) in 2009;

To date, GIIRS has:

- Created Emerging Markets and Developed Markets Standards Advisory Councils to build underlying standards, and weightings, as well as industry and regional specific standards;
- Created GIIRS Advisory Committee of leading investors and thought leaders from JPMorgan, Moody’s, Goldman Sachs, Prudential, Rockefeller Foundation, Cambridge, Alliance Bernstein, and Annie E Casey Foundation;
- Developed exclusive partnerships for use of rating system with investor networks like Investors Circle, trading systems, banks, and private equity funds;
- During the remainder of 2010, GIIRS will:

- Invite GIIRS Pioneer Fund Managers to pilot rating system and receive GIIRS ratings;
- Develop and pilot rating system, investment products, and analytical and reporting tools;
- Develop partnerships with impact investing organizations like the GIIN, More for Mission Campaign, and Singapore Stock Exchange (IX);
- Create partnerships with institutional investors to subscribe to GIIRS and to use GIIRS to allocate capital;
- Develop partnership with public markets rating agency to use GIIRS methodology for public mutual fund and company ratings.

GIIRS FOR FUND MANAGERS

What ratings products are available for fund managers? GIIRS Fund Rating (Initial, Annual Updates and Track Record Ratings):

A GIIRS Fund Rating is comprised of an aggregate numerical score and rating for a fund based on a roll-up of the GIIRS Company Impact Ratings for its portfolio investments. In order to receive an **initial fund rating**, the underlying companies in the portfolio must obtain a Company Impact Rating.

If a fund is still in formation it can obtain a **fund target rating** as its **initial fund rating** to assist in the fundraising process. In order to receive a target rating a fund must state a minimum rating it is trying to achieve commit to annual rating throughout the life of its fund.

Each year a fund receives an **updated rating** with current information about the investments in its portfolio. At the close of a fund, funds receive a **track record rating**, a report summarizing its impact performance over the life of the fund. The fund track record rating is designed to be used by funds when raising a follow-on fund.

What value does a GIIRS rating create for a fund manager?

GIIRS ratings create value for fund managers in four main ways:

- Fundraising and Reporting - Fund managers can use GIIRS ratings as a tool to raise follow-on funds, to assist portfolio companies with additional capital raising, and to provide industry-standard reporting to investors.
- Savings on Due Diligence Costs - GIIRS ratings can provide your fund with access to data (primarily non-financial) for a target company that has been collected according to a rigorous and transparent set of independent standards. This reduces a fund manager's due diligence costs by:
 - Cutting down on the staff time and money required to collect and standardize data;
 - Freeing-up the investment team to focus on critical investment judgments and determine where further due diligence may be required; and
 - Reducing the burden on entrepreneurs to provide the same data to multiple investors in different forms.
- Performance Tracking & Benchmarking - Fund managers can use the ratings and additional key performance indicators to benchmark the social and environmental impact of a prospective investment relative to the

comparable and independent ratings and indicators for similar investment opportunities by industry, geography, fund type, etc. Fund managers can also track the social and environmental performance of their investments on a comparable basis over the investment lifecycle. This provides fund managers with the ability to assess ongoing performance, help portfolio businesses improve performance, and an easy method of reporting on the actual influence they have had in creating impact through their investment and portfolio management process.

- Risk Management - Financial services firms are coming under heightened public scrutiny for their actions, especially in light of the current financial crisis. GIIRS ratings reduce a fund manager's risk of investing in a company that has significant social and environmental performance risks, prior to investment.

How does GIIRS rate companies?

GIIRS is powered by the B Impact Ratings System. The B Impact Ratings System, the central governance tool of B Lab, is an assessment tool that measures companies' and funds' social and environmental performance in the impact areas of accountability, employees, community, environment, and consumers. The B Impact Ratings System is designed to be easy to complete for the entrepreneur, while still being rigorous in its approach. To date over 4,000 companies have used the B Impact Ratings System to assess, benchmark, and improve their social and environmental performance. GIIRS has an exclusive license for use of the B Impact Ratings System with investors.

Who governs the B Impact Ratings System?

B Lab has engaged two advisory councils to oversee the continued development of the B Impact Ratings System and GIIRS Ratings:

- Standards Advisory Council (SAC): Oversees the development of B Impact Ratings System. The SAC is an independent committee of 14-18 members, each respected in their fields for their wisdom and each with deep industry or stakeholder expertise. The SAC is comprised of two committees – one to oversee the developed markets version of the ratings system and one to oversee the emerging markets version.
- GIIRS Advisory Council: Advises the B Lab Board of Directors and staff on issues of relevance to the investment community including the design and distribution of GIIRS ratings. Comprised of leaders from the impact investing community including investors, investment advisors, ratings agencies, and associations of investors.

GLOBAL
IMPACT
INVESTING
RATING
SYSTEM

Continued on next page



GLOBAL
IMPACT
INVESTING
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SYSTEM

GOVERNANCE OF GIIRS

Developed Markets Standards Advisory Council

- Bart Houlahan, Cofounder, B Lab
- Hewson Baltzell, Head of the Sustainability Solutions Team, Risk Metrics
- Doug Claffey, Workplace Dynamics, Founding Partner & CEO
- Cathy Clark, Duke University, CASE, Adjunct Asst. Professor
- Debra Dunn, Director, Skoll Foundation, former SVP Corporate Affairs and Global Citizenship Hewlett Packard
- Rhonda Evans, Science Advisor, GoodGuide
- Bonny Moellenbrock, Executive Director, SJF Advisory Services
- Beth Sirull, Executive Director, PCV
- Don Schaffer, President & CEO, RSF Social Finance

Emerging Markets Standards Advisory Council

- Flory Wilson, Director of International Standards, B Lab
- Lindsay Alexander, Metrics Manager, ANDE
- Veronica Chau, Project Manager, Dalberg Global Advisors
- Kelly McCarthy, Global Impact Analyst, World Resources Institute
- Rafi Menachem, Metrics Managers, Grassroots Business Fund
- Fred Ogana, Director, Technoserve, Kenya
- Brian Trelstad, Metrics Manager, Acumen Fund
- Rob Schneider, Senior Alliance Advisor, USAID

GIIRS Advisory Council

- Amit Bouri, Director of Strategy and Development, GIIN
- Margot Brandenburg, Associate Director, Rockefeller Foundation
- Matt Christensen, Executive Director, EUROSIF
- Stuart Davidson, Managing Partner, Labrador Ventures
- Sarah Forrest, Head of GS Sustain, Goldman Sachs
- Lisa Hagerman, Director, More for Mission
- Steve Lydenberg, Chief Investment Officer, Domini Social Investments
- Preston Pinkett, Vice President, Prudential
- Tom Mitchell & Jessica Matthews, MRI Group, Cambridge Associates
- Ed Powers, Managing Director, Banc of America Capital Access Funds
- Christina Leijonhufvud, Director Social Sector Finance, JP Morgan Chase
- Jody Rasch, Vice President, Moody's Corporations
- Max Rutten, Vice President, Berstein Global Advisors
- Christa Velasquez, Director, Annie E Casey Foundation

GIIRS
IMPACT RATING



Fund name:

**Health First
Investors**

Current Rating: **61%**

Fund rating represents a weighted roll-up of the GIIRS ratings of the company's in a fund's portfolio.

Social and environmental performance ratings comparable across geography, industry and company size.

FUND PROFILE

Fund Type:	Venture Capital
Investment Type:	Equity
Target Financial Return:	15%
Fund Size:	\$5,000,000
Fund Stage:	Growth
Vintage Year:	2008

INVESTMENT TARGETS

Sector Focus:	SGB
Industry:	Healthcare Services
Investment Region:	East Africa
Target Investment Size:	\$200,000 – \$999,000
Other Investment Screens:	Negative screens for Alcohol and Tobacco companies

INVESTMENT MANAGER PROFILE

Investment Manager:	Health First Investors, LLC
GIIRS Rating For Investment Manager:	★★★★★

FUND RATING DETAILS

	% Points Available
Accountability ★★★★★	81%
Governance/Accountability	88%
Transparency/Reporting	60%
Employees ★★★★★	69%
Compensation & Benefits	81%
Employee Ownership	78%
Work Environment	53%
Consumers ★★★★★	96%
Beneficial Products/Services	95%
Beneficial Method of Production/Impact	95%
Serving Those in Need	100%
Community	28%
Local	45%
Diversity	27%
Charity/Direct Service	19%
Environment	34%
Corporate Offices	34%
Transportation/Distribution	n/a
Manufacturing Facilities	n/a
Overall Rating	61%

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GIIRS
IMPACT RATING



Fund name:

**Health First
Investors**

Current Rating: **61%**

This page will feature individual key performance metrics that investors tell us are their top priority in reviewing a fund's social and environmental performance.

To access the underlying performance data of a fund's portfolio companies an investor can subscribe to the GIIRS database.

On this page of the rating, the fund also has the opportunity to share their fund's stated mission and highlight metrics (both from within and outside the ratings system) that the fund wants to highlight showing how the fund's social and environmental performance reflects its stated mission.

KEY PERFORMANCE INDICATORS

Sector:	SGB
Jobs Growth (last year):	40%
Wage Growth:	5%
Revenue Growth:	15%
Net Income Growth	18%
Number of customers served:	22,000
Local Suppliers Supported:	115
% of Carbon Footprint Offset	32%
% of female patients served:	85%
Industry:	Health
% of health care facilities in low income communities	56%
# of patients served annually	2,500,000
# of caregivers employed	5500

FUND MISSION

Health First Investors, I LP seeks market rate investment opportunities with strong management teams that improve the private sector health care infrastructure in East Africa. We target companies that have proven revenue models and provide health care products and services to clientele in the first and second income quartile within their countries. By specifically targeting the health care sector, we believe that we can improve individuals' quality of life, longevity, and productivity.

FUND HIGHLIGHTED MISSION METRICS

% of rural clients:	60%
% of low income clients:	80%
% of first time patients:	20%

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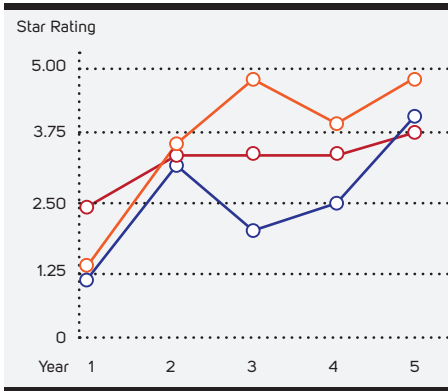
Fund name:
Health First Investors
Current Rating: **61%**

Investors can use the charts to compare a fund's performance on the GIIRS Assessment with its peers' performance. Investors also have the option to subscribe to the GIIRS database to be able to conduct customized benchmarking on funds and companies vs. their peers on their overall rating, subcategory ratings, and answers to individual questions.



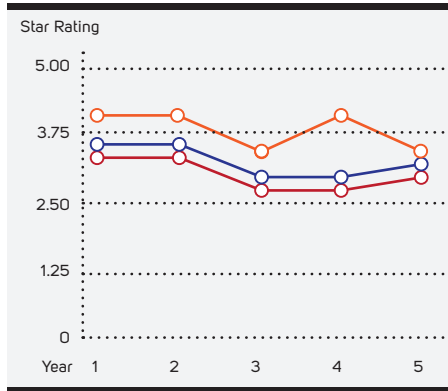
Health First GIIRS Ratings vs. Peer GIIRS Ratings

OVERALL RATING



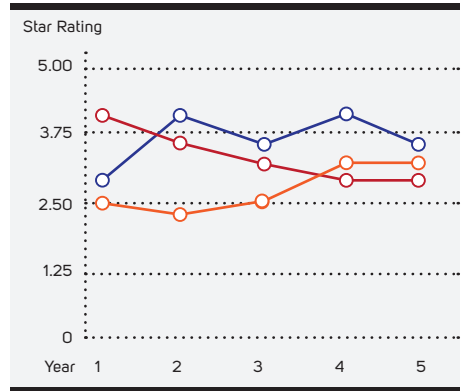
- Health First Investors I, LP Star Ratings
- Peer Star Ratings in Peer SGB
- Peer Star Ratings in the Health Sector

ACCOUNTABILITY RATING



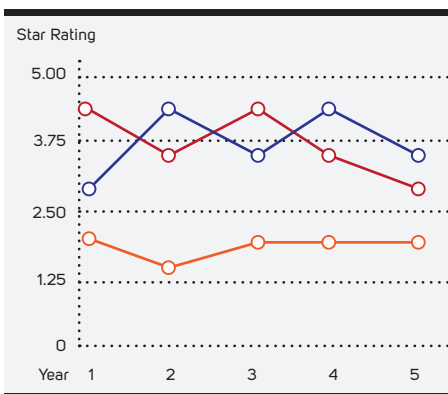
- Fund Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

EMPLOYEE RATING



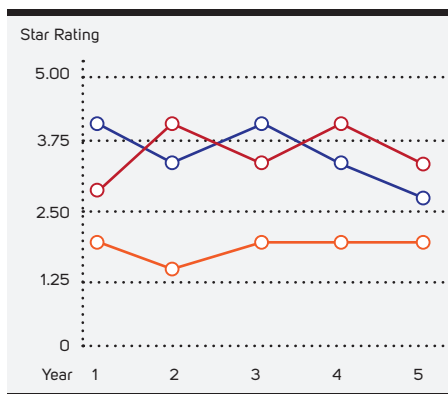
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CONSUMER RATING



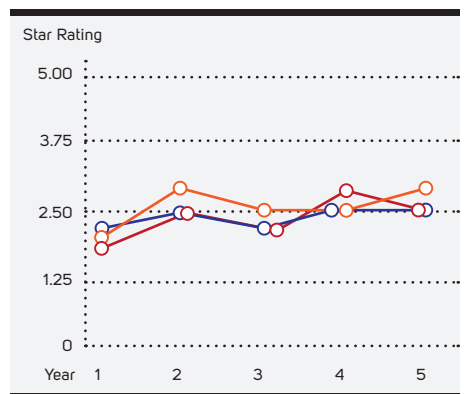
- Fund Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

COMMUNITY RATING



- Fund Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

ENVIRONMENT RATING



- Fund Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

EMERGING MARKETS
FUND IMPACT RATING REPORT

GIIRS
IMPACT RATING



Fund name:

**Health First
Investors**

Current Rating: **61%**

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Fund rating represents a weighted roll-up of the GIIRS ratings of the company's in a fund's portfolio.

COMPANY PROFILE & RATINGS DETAILS

CURRENT INVESTMENTS

Company Profile

Company Name	Location	Industry	Sector	Revenue	Employees	Investment Date	Investment (\$)	% of Fund Portfolio	Investment Type	% of Ownership	GIIRS Score	ScoreΔ Since Investment	Leadership Rating	Employee Rating	Consumer Rating	Community Rating	Environment Rating
Primary Solutions	Tanzania	Health	SGB	\$250,000	750	1/8/08	\$500,000	20%	Equity	20%	70	2	80%	67%	50%	55%	60%
Generics of Tomorrow	Tanzania	Health	SGB	\$2,000,000	100	5/8/05	\$750,000	29%	Equity	50%	61	5	72%	46%	32%	85%	80%
Health Food, Healthy Kids	Uganda	Health	SGB	\$450,000	20	7/8/04	\$350,000	14%	Equity	15%	56	3	40%	50%	44%	63%	63%
Average				\$900,000	290		\$533,333	21%		28%	62	3	64%	54%	42%	68%	68%
Total				\$2,700,000	870		\$1,600,000										

Current GIIRS Ratings

REALIZED INVESTMENTS

Company Profile

Company Name	Location	Industry	Sector	Revenue	Employees	Investment Date	Investment (\$)	% of Fund Portfolio	Investment Type	Exit Date	Exit Type	GIIRS Score	ScoreΔ Since Investment	Leadership Rating	Employee Rating	Consumer Rating	Community Rating	Environment Rating
Soap	Uganda	Health	SGB	\$250,000	300	2/13/04	\$250,000	10%	Debt	1/15/09	Acquisition	68	8	60%	72%	65%	60%	80%
Keep Mothers Safe	Tanzania	Health	SGB	\$750,000	50	3/27/03	\$700,000	27%	Equity	11/14/0	Acquisition	49	5	50%	35%	40%	60%	30%
Average				\$475,000	290		\$475,000	19%				49	7	55%	54%	53%	60%	55
Total				\$950,000	350		\$950,000											

Final GIIRS Ratings

EMERGING MARKETS
FUND IMPACT RATING REPORT

GIIRS
IMPACT RATING



Fund name:

**Health First
Investors**

Current Rating: **61%**

KEY PERFORMANCE INDICATORS

CURRENT INVESTMENTS

Sector Metrics (Last Year)

Company Name	Jobs Growth	Wage Growth	Revenue Growth	Net Income Growth	# of Customers Served	Local Suppliers	% of Carbon Footprint Offset
Primary Solutions	33%	10%	11%	25%	10,000	15	50%
Generics of Tomorrow	20%	12%	15%	20%	20,000	30	40%
Health Food, Healthy Kids	10%	15%	18%	15%	3,200	17	50%
Average	21%	12%	15%	20%	11,067	21	47%
Total					33,200	62	

Industry Metrics (Last Year)

% of Facilities in Low Income Communities	# of Patients Served Annually	# of Patients Served Annually
19%	10,000	750
77%	20,000	100
71%	3,200	20
56%	11,067	290
	32,200	870

REALIZED INVESTMENTS

Sector Metrics (Last Year)

Company Name	Jobs Growth	Wage Growth	Revenue Growth	Net Income Growth	# of Customers Served	Local Suppliers	% of Carbon Footprint Offset
Soap	15%	15%	10%	5%	30,000	12	20%
Keep Mother Safe	20%	-4%	3%	6%	5,000	8	80%
Average	18%	6%	7%	6%	175,000	10	50%
Total					30,500	20	

Industry Metrics (Last Year)

% of Facilities in Low Income Communities	# of Patients Served Annually	# of Patients Served Annually
32%	30,000	300
45%	5,000	50
39%	175,000	175
	35,000	870

This page will feature individual key performance metrics that investors tell us are their top priority in reviewing a fund's social and environmental performance.

To access the underlying performance data of a fund's portfolio companies an investor can subscribe to the GIIRS database.

On this page of the rating, the fund also has the opportunity to share their fund's stated mission and highlight metrics (both from within and outside the ratings system) that the fund wants to highlight showing how the fund's social and environmental performance reflects its stated mission.

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Company name:
Primary Solutions

Current Rating: **61%**

Generated from weighted answers to 170 question on-line GIIRS Survey. The GIIRS survey assesses a company's impact on each of its stakeholders over time.

Social and environmental performance ratings comparable across geography, industry and company size.

COMPANY PROFILE

Date Founded:	01/01/06
Location:	Tanzania
Sector:	SGB
Industry:	Health
Products/Services:	Primary Healthcare Services
Website:	www.primarysolutions.com

COMPANY RATING DETAILS

	% Points Available
Accountability ★★★★★	65%
Governance/Accountability	88%
Transparency/Reporting	80%
Employees ★★★★★	80%
Compensation & Benefits	90%
Employee Ownership	55%
Work Environment	81%
Consumers ★★★★★	60%
Beneficial Products/Services	50%
Serving Those in Need	71%
Community	27%
Local	36%
Diversity	24%
Charity/Direct Service	26%
Environment ★★★★★	72%
Corporate Offices	61%
Transportation/Distribution	75%
Manufacturing Facilities	80%
Overall Rating	61%

Powered by





Company name:

Primary Solutions

Current Rating: **61%**

This page will feature individual key performance metrics that investors tell us are their top priority in reviewing a company's social and environmental performance.

To access a company's answer to all of the questions in the B Impact Rating System an investor can subscribe the GIIRS database.

The company also has the opportunity to share their company's stated mission and highlight metrics (both from within and outside the ratings system) that show how the company's social and environmental performance reflects its stated mission.

KEY PERFORMANCE INDICATORS

Sector:	Services
Jobs Growth (last year):	33%
Wage Growth:	10%
Revenue Growth:	11%
Net Income Growth:	25%
Number of Customers:	10,000
Local Suppliers Support:	15
% Carbon Footprint Offset:	50%
Industry:	Healthcare
% of low income customers served:	19%
# of patients served annually:	10,000
# of caregivers employed:	750

COMPANY MISSION

Primary Solutions provides a sustainable livelihood for its employees (employing local doctors, nurses, and caretakers), while establishing primary health care services for people, who previously did not have access to healthcare.

COMPANY HIGHLIGHTED MISSION METRICS

% of facilities in low income communities:	85%
% of female customers served:	80%
% of products reclaimed or recycled:	50%
Ratio of highest to lowest paid employee	5 to 1
% of employees paid a living wage:	100%
Job Growth (year over year):	20%

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GIIRS
IMPACT RATING



Company name:

Primary Solutions

Current Rating: **61%**

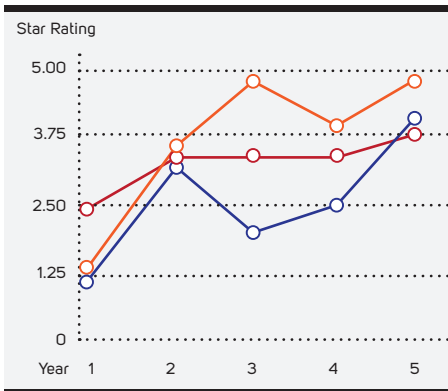
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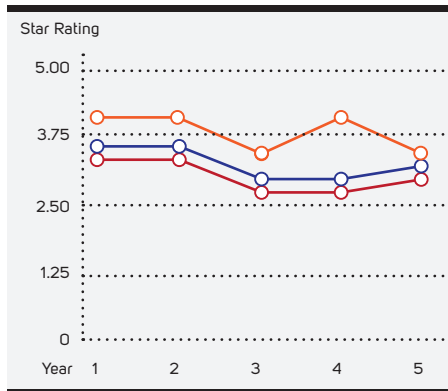
Health First GIIRS Ratings vs. Peer GIIRS Ratings

OVERALL RATING



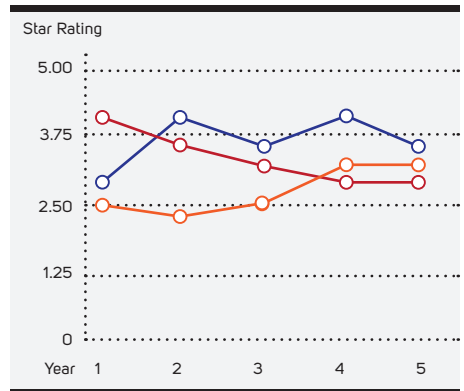
- Primary Solutions Star Ratings
- Peer Star Ratings in Peer SGB
- Peer Star Ratings in the Health Sector

ACCOUNTABILITY RATING



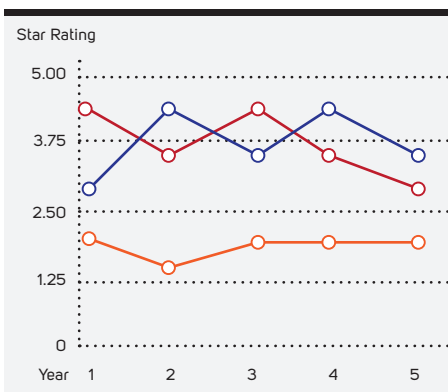
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EMPLOYEE RATING



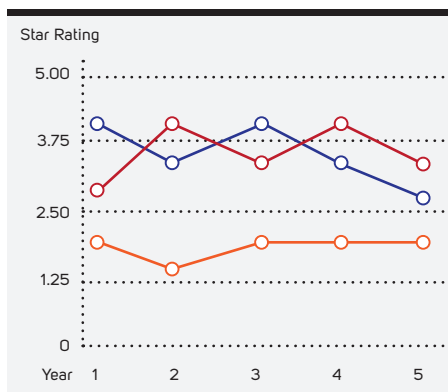
- Company Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

CONSUMER RATING



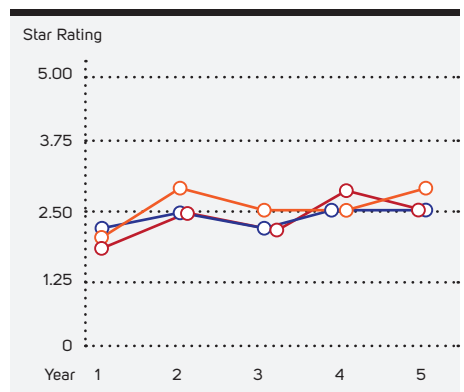
- Company Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

COMMUNITY RATING



- Company Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector

ENVIRONMENT RATING



- Company Ratings
- Peer SGB Star Ratings
- Peer Star Ratings in the Health Sector



Company name:

Primary Solutions

Current Rating: 61%

We provide every company with the opportunity to include a management letter with their rating that provides additional context for investors on the company's GIIRS rating.

Dear Socially Conscious Investor,

Thank you for your interest in Primary Solutions. Primary Solutions is committed to developing products that serve the healthcare industry in East Africa (Primary markets is Tanzania). In Tanzania there are 2 doctors for every 100,000 patients. South Africa by comparison has 77 doctors per 100,000 patients. Because of the low ratio of doctors to patients, many patients go without adequate medical care in Tanzania.

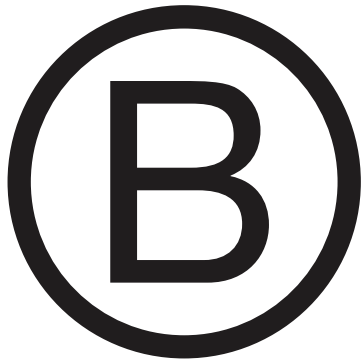
The Primary Solutions social and environmental responsibility program includes: maintaining an employee satisfaction program that ensures that doctors, nurses, and caregivers that we employ have a workplace they enjoy coming to and are loyal to and providing low cost health care services to people who would not have access to health care otherwise. We are proud that both our employee retention numbers and the number of low-income patients that we serve continue to increase year over year.

Primary Solutions earned 61% of the available points on its GIIRS rating. While we are proud of our employee rating (80%) and products and services rating (60%), we recognize that we can make further improvements in the future in our community engagement practices. In the next fiscal year, we intend to implement both a community service (providing free health education seminars) and a charitable giving program (donating to HIV education programs) to improve our company's community relations.

Sincerely,

Yvonne Eidler
President & CEO

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Lab®

B Lab is a nonprofit organization whose mission is to create a new sector of the economy that harnesses the power of business to solve social and environmental problems. This sector will be comprised of a new type of corporation - the B Corporation - which will be legally recognized by the states, tax preferred by the IRS, and valued by employees, investors, and consumers. As a result, individuals and communities will have greater economic opportunity, society will have moved closer to achieving a positive environmental footprint, more people will be employed in great places to work, and we will have built a global network of local living economies. B Corporations automatically receive a GIIRS rating for free as a part of their certification as a B Corporation. **To learn more about B Corporations, please visit www.bcorporation.net.**

GIIRS offers a company seeking investment capital a rating of its social and environmental impact. GIIRS Ratings are designed to be used with investors only and not with a company's other stakeholders (consumers, policymakers, suppliers, etc.) In order to receive a GIIRS rating, companies neither need to earn a minimum score on the B Impact Ratings System nor are they required to institutionalize stakeholder interests in their governing documents. **To learn more about The Global Impact Investing Rating System, please visit www.giirs.org**