

## Tools for Investors Webinar Series

# Finding a Fund: Investment Fund Search Tools for PRI & MRI Investors

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Co-sponsored by



# Presenters



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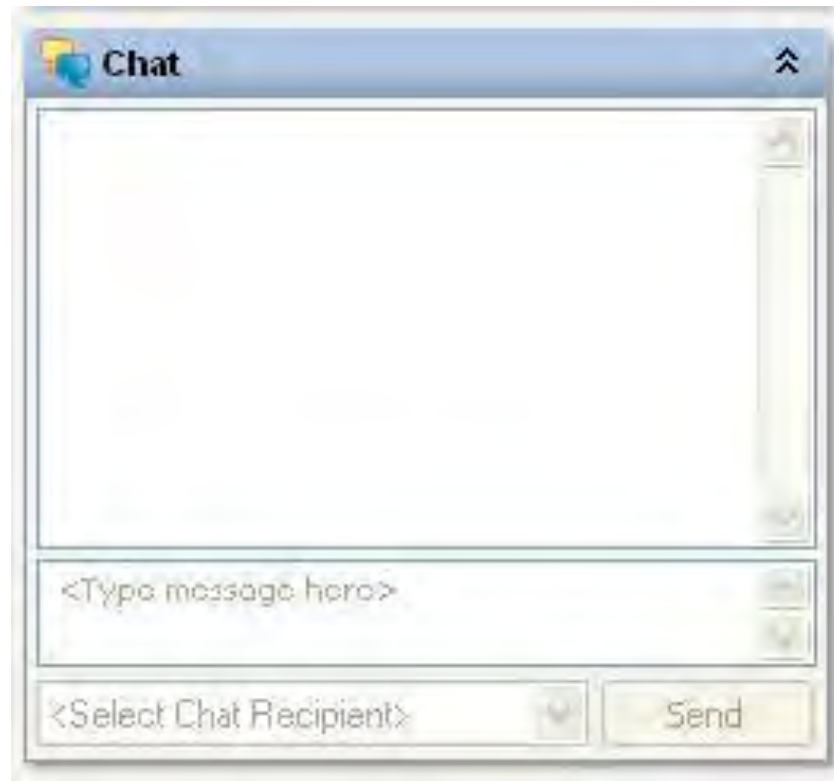


**Adam Gromis**  
Manager, ImpactBase  
Global Impact Investing Network

# Agenda

- What is the role of funds in the impact investing marketplace?
- What tools are available to help foundations that want to invest via funds make a good choice?
- What is ImpactBase and how are foundations using it?
- Questions & Discussion
- Resources

Do you have a specific question you would like us to answer?



# The Role of Funds in the Impact Investing Marketplace



**David Wood**  
Director  
More for Mission



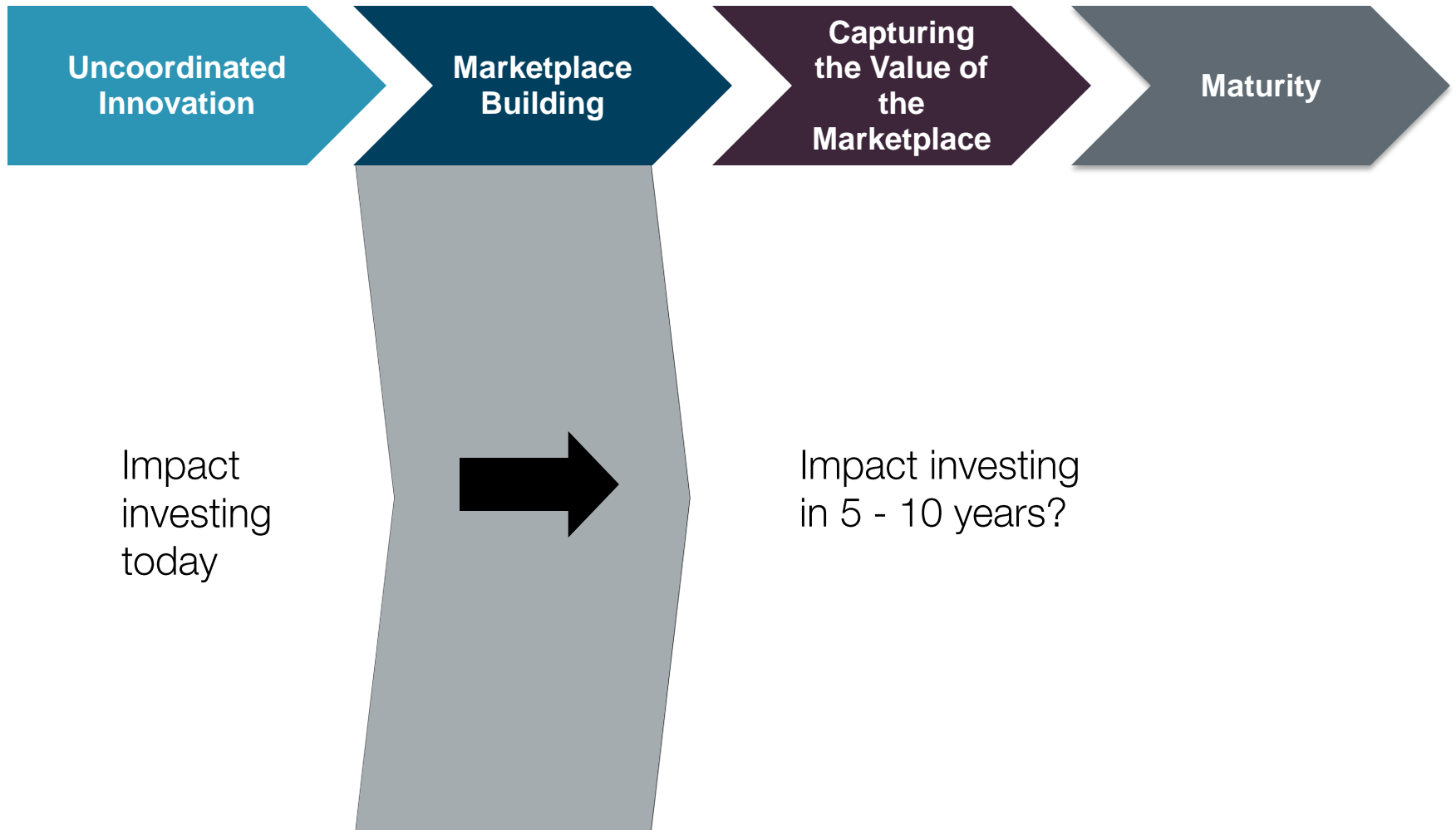
**Luther Ragin**  
CEO  
Global Impact Investing Network

# The Global Impact Investing Network (GIIN)

*The GIIN is a not-for-profit organization dedicated to accelerating the development of an effective impact investing industry.*

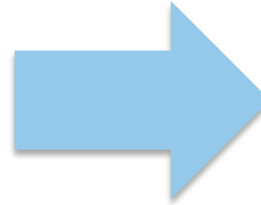
*The GIIN builds critical infrastructure and develops activities, education and research that can increase the scale and effectiveness of impact investing around the world.*

# Will the promise of this moment be realized?



# Addressing Industry Challenges

**Search costs are high due to diversity and fragmentation of market**



**Impact  
Investment  
Funds Database**

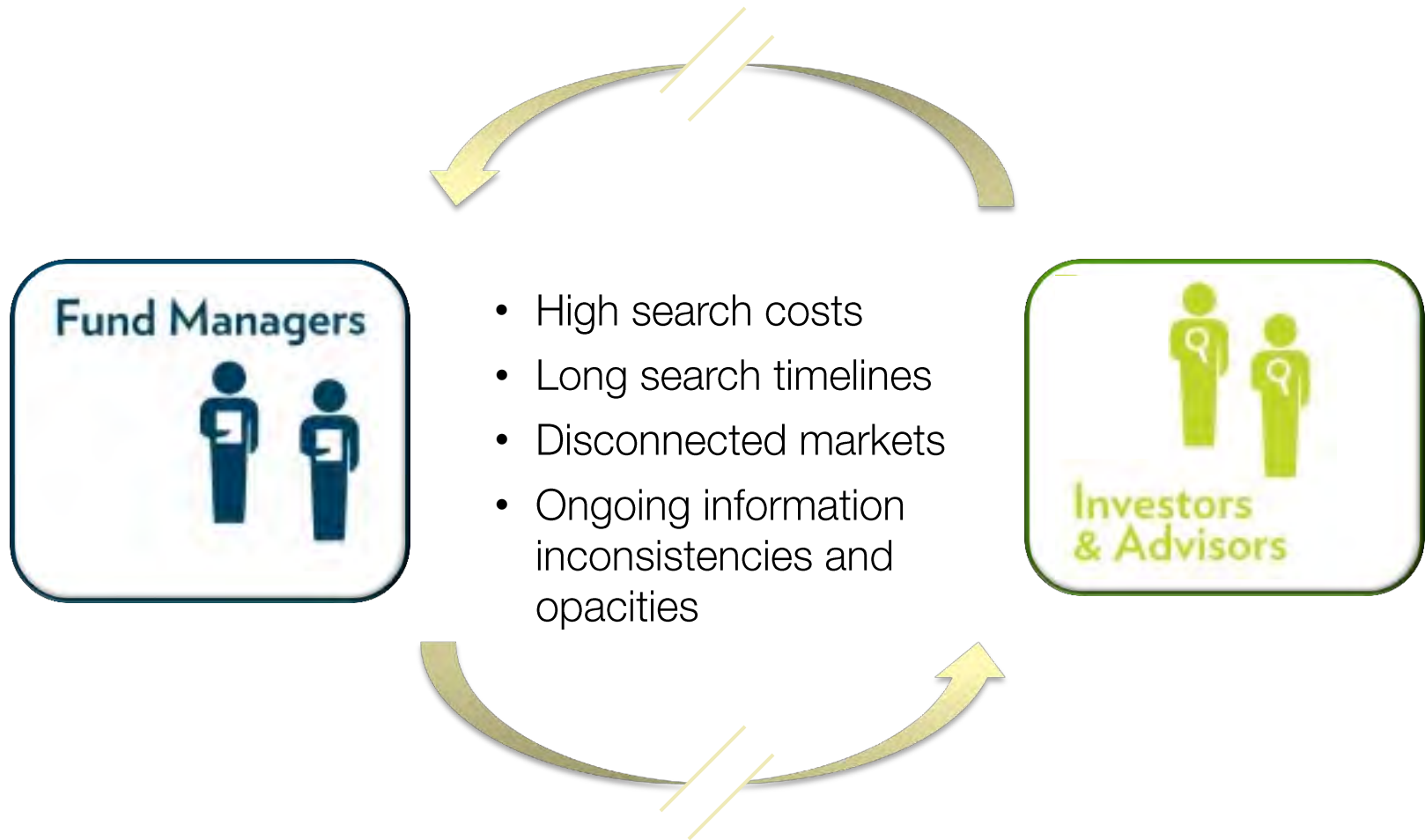




**Adam Gromis**  
Manager, ImpactBase  
Global Impact Investing Network

*ImpactBase* is the online,  
global database of impact  
investment funds

# Addressing Market Fragmentation

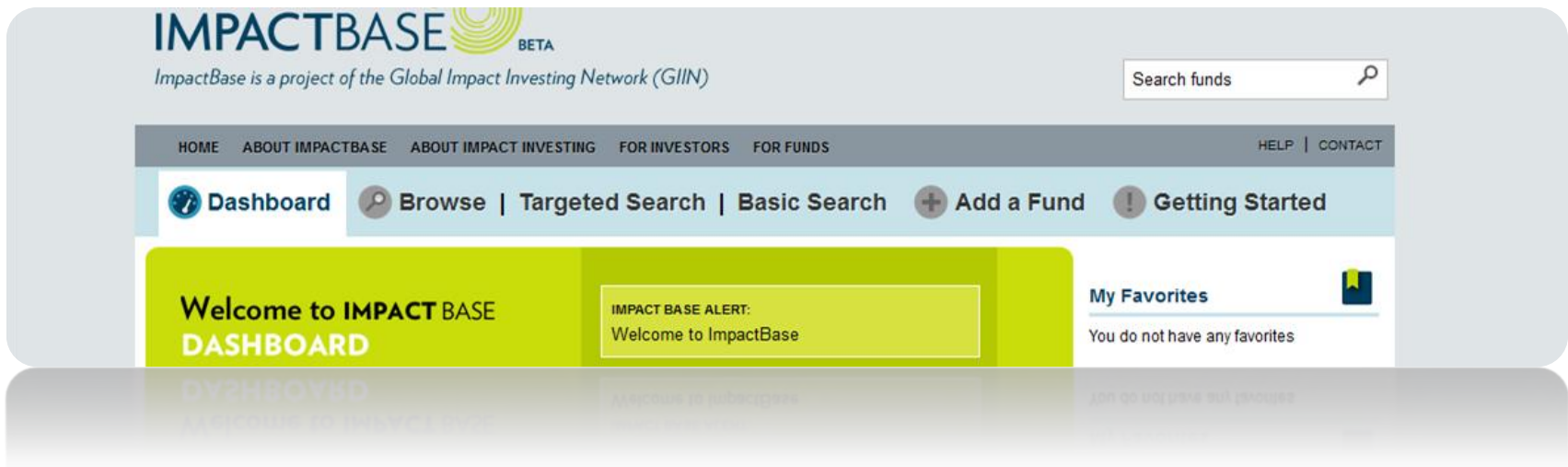


# Reducing Search Costs



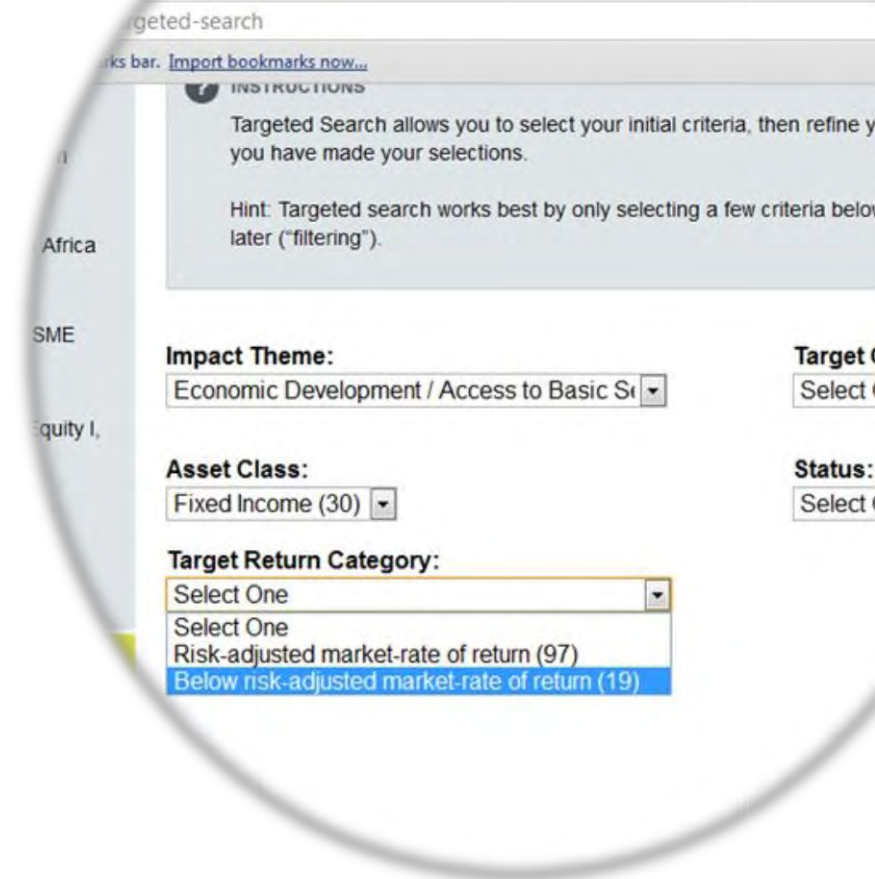
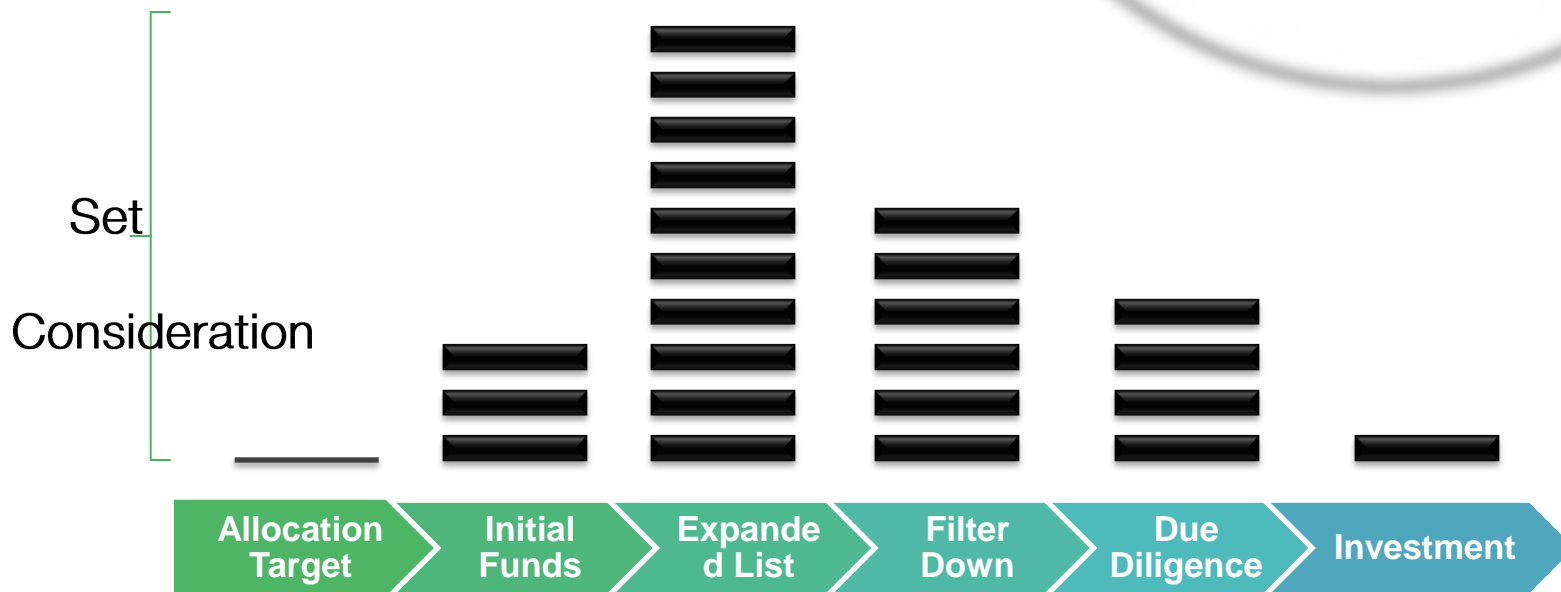
# One, Online Source for Impact Investors to Find Funds

- Comprehensive single source of impact investment funds:
  - Multi- asset class
  - Multi- geography
  - Multi- impact theme
- Above, at and below market rates of return represented (MRI - PRI)
- Consistent fund profiling format
- Access restricted to accredited investors



# Early Search Tool

*ImpactBase can accelerate the process of moving from an initial investment strategy to a short list of funds for due diligence*



## How it Works

- 1) Managing firm drafts
- 2) Firm submits completed drafts
- 3) GIIN reviews
- 4) Approved funds published
- 5) Subscribers view
- 6) Firms responsible for updates

### Results for ImpactBase

Search by text or browse by category below.

**Text Search**

 With all of the words ▾

**Search**

**Browse Funds by Category**

**INSTRUCTIONS**

Click a category to initiate a search. You will see all funds in that category and you will be able to using other criteria on the search results page.

**Impact Theme**

[Access to Basic Services \(51\)](#)

[Sustainable Consumer Products \(28\)](#)

[Rural \(68\)](#)

[Bottom/Base of the Pyramid \(18\)](#)

[Fair Trade](#)

Overview	Impact
<p><b>FUND MANAGER/FIRM NAME</b> AA Invest</p> <p><b>FUND/PRODUCT NAME</b> AA Invest IV - Agribusiness Accelerator</p> <p><b>FUND/FUND MANAGER TRACK RECORD</b> Fund has +3 years of track record</p> <p><b>FUND DESCRIPTION</b> AA Invest IV is the fourth fund for AA Invest III. With this new fund, AA Invest III seeks to provide investment opportunities in Tanzania. The fund will keep its traditional core focus on opportunities that are inclusive of a view to realize its investment in rural while promoting rural economic growth.</p> <p><b>COUNTRY WHERE FUND IS DOMICILED</b> Tanzania</p> <p><b>INCUBATION YEAR</b> 2006</p> <p><b>VINTAGE YEAR</b> 2007</p> <p><b>TARGET CLOSE DATE</b> 04/2011</p> <p><b>FUND STATUS</b> Open - post first close</p> <p><b>TARGET GEOGRAPHIES</b> Africa &gt; East Africa &gt; Kenya, Tanzania</p> <p><b>INVESTMENT TERM</b> 10 years</p> <p><b>NUMBER OF FUND INVESTMENTS (EQUITY OR DEBT)</b> 5</p> <p><b>NUMBER OF FUND INVESTMENTS (EQUITY OR DEBT) EXITED OR REINVESTED</b> 1</p> <p><b>LIMITED PARTNER/INVESTORS</b> European Emerging Market Bank, South African Pension Fund</p> <p><b>LIMITED PARTNER/INVESTOR TYPE</b> DFIs, Family Offices/HNWIs, Foundations, Pension Funds</p>	<p><b>IMPACT</b></p> <p>Investment into the agribusiness sector has clear potential to contribute to poverty reduction and overall economic growth in Kenya and Tanzania. AA Invest IV targets innovative market-based solutions, offering high-impact opportunities that employ smallholder farmers to sub-Saharan Africa while responsibly cultivating land according to biodiversity principles.</p> <p>Performance improvements in primary production to value-added components of the agriculture value chain (e.g., processing, distribution) improve the food quality, and hence the levels of health and well-being of the poor.</p> <p>AA Invest IV will only make investments meeting the following criteria: (i) a demonstrably positive impact on rural socio-economic development, with a particular emphasis on smallholder farmers (ii) utilization of local resources, and (iii) environmentally responsible with strong environmental resource management systems. AA Invest IV tracks more than 15 non-financial ESG indicators and has committed to being a Pioneer GIRS-rated fund.</p>

**Financial**

**DESCRIPTION** With few specialist risk capital providers in the agriculture sector in sub-Saharan Africa, AA Invest IV is well positioned to access deal flow opportunities and to co-invest with the limited number of other investors in the sector. The fund targets a return of 17% per annum.

AA Invest IV targets businesses with (i) strong cash flows and attractive growth prospects, (ii) potential for vertical integration, and (iii) attractive entry valuations and exit opportunities for the fund. The fund's core investment focus will be on later stage investments and expansion of existing ventures. The fund will have limited exposure to primary production, focusing instead on value-added components of the agriculture value chain.

**NON-FINANCIAL FUND TRACKED** 4

**ENVIRONMENTAL RATING** GIRS Pioneer Fund

**SOCIAL & ENVIRONMENTAL RATING** None

**FOR FUND FIGURES** USD

**ALUM (OTHER FUNDS)** \$20,000,000

**NO AUM** \$80,000,000

**CAPITAL FOR FUND** \$40,000,000

**INVESTMENT REQUIRED** \$2,000,000

**FUND CATEGORY** Risk adjusted market rate of return

**LEVERAGE** 17%

**OF FUND INVESTMENTS** KES

**SIZE** Min. KES 40,000,000, Max. KES 400,000,000, Average. KES 100,000,000

**INVESTMENT POLICY** With LPs and non-LPs, LPs have priority

**MANAGEMENT FEE** 2.5%

**CARRIED INTEREST** 30%

**HURDLE RATE** 8%

RELATED CATEGORIES

**Impact Theme**

- Employment Generation
- Environmental Markets and Sustainable Real Assets
- Green
- Technology/Cleantech
- Sustainable Consumer Products

**Asset Class**

- Private Equity/Venture Capital
- Private Equity/Venture Capital » Venture

**Geographic Target**

- North America » United States of America » California
- North America
- North America » United States of America » Oregon
- North America » United States of America » Texas
- North America » United States of America
- North America » United States of America » Washington

**Fund Status**

- Closed – still investing

**Flags**

- Community Investing/Local Rural

## Sample Fund Profile

### Overview

FUND MANAGER/FIRM NAME	AA Invest
FUND/PRODUCT NAME	AA Invest IV - Agribusiness Accelerator
FUND/FUND MANAGER TRACK RECORD	Fund has < 3 years of track record
FUND DESCRIPTION	AA Invest IV is the fourth fund for AA Invest, a follow-up to the successful \$100M AA Invest III. With this new fund, AA Invest has expanded beyond Kenya to include opportunities in Tanzania. The fund will keep its traditional core agribusiness investment target, with a focus on opportunities that are inclusive of smallholder farmers. AA Invest IV invests with a view to realize its investment in 7-10 years. The fund will seek risk-adjusted returns while promoting rural economic growth in key Sub-Saharan African countries.
COUNTRY WHERE FUND IS DOMICILED	Tanzania
INCEPTION YEAR	2006
VINTAGE YEAR	2007
FUND STATUS	Open – post first close
TARGET GEOGRAPHIES	Africa > East Africa > Kenya, Tanzania
INVESTMENT TERM	10 years
FUND INVESTMENTS TO DATE	5
FUND EXITS TO DATE	1
LIMITED PARTNERS	European Emerging Market Bank, South African Pension Fund
LIMITED PARTNER TYPES	DFIs, Family Office/HNWIs, Foundations, Pension Funds

### Financial

FINANCIAL DESCRIPTION	With few specialist risk capital providers in the agriculture sector in sub-Saharan Africa, AA Invest IV is well positioned to access deal flow opportunities and to co-invest with the limited number of other investors in the sector. The fund targets a return of 17% per annum. AA Invest IV targets businesses with (i) strong cash flows and attractive growth prospects, (ii) potential for vertical integration, and (iii)
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+ Add to my favorites

*(Edit favorites)*



### Contact

■ Main contact info:

■ Contact 1:

■ Contact 2:

*For example:*

- Access to Finance + Fixed Income + North America
- Search all profiles self-identified as “below risk adjusted market rate” for PRI opportunities
- All intermediaries focusing on benefits for **Women**
- All funds containing the phrase “triple bottom line” in their profile

**Asset Class**

<Any> Fixed Income (30) Hedge Fund (2) <b>Private Equity/Venture Capital (84)</b> Real Assets (20) Fund of Funds (4)	all Venture (31) Mezzanine Finance (21) Other Private Equity (28)	<b>Add</b>
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All selections

Fixed Income > <b>Private</b> <span style="float: right; color: orange;">Remove</span>
Real Assets > <b>Infrastructure</b> <span style="float: right; color: orange;">Remove</span>

**YOUR STATUS:**

- [View My Profile](#)
- [Edit your Funds](#)
- [View your Favorites](#)

**+ Add to my favorites**

(Edit favorites)

**PRINT**

**PDF**

# Benefits

## Fund Managers

118

*fund profiles*



## Reduced resource, cost, and time requirements to search for investors

- Free, comprehensive, searchable repository
- GIIN-curated directory of funds and products
- Consistent and common profiling structure
- Diverse set of impact investment funds across asset classes, impact themes, geographies, etc.

## Exposure to a global audience of subscribers with diverse impact investing interests

- Free, convenient and consistent platform for profiling a variety of fund types
- Access to aggregate info on investor type and interests
- Authorship and updating control of information

360+

*subscribers*

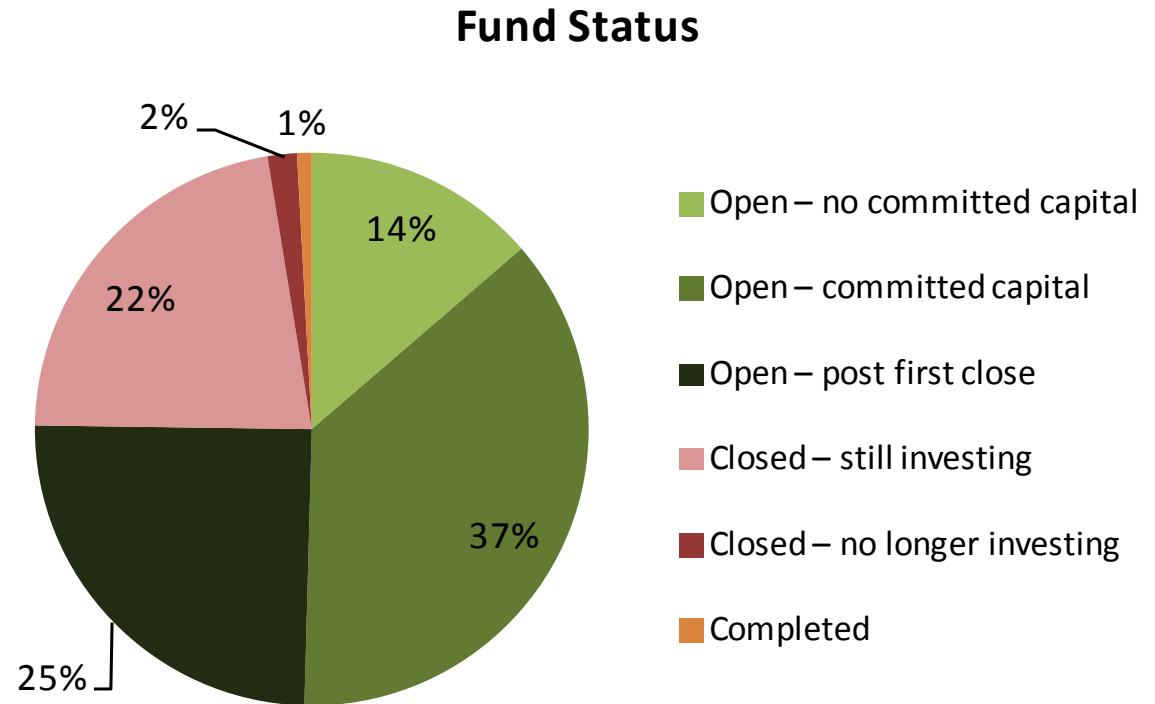


Investors  
& Advisors

# ImpactBase Data

All percentages based on number of funds

- More than 3/4 of the profiles represent open funds
- Managers may also create profiles for closed funds to demonstrate track record and experience

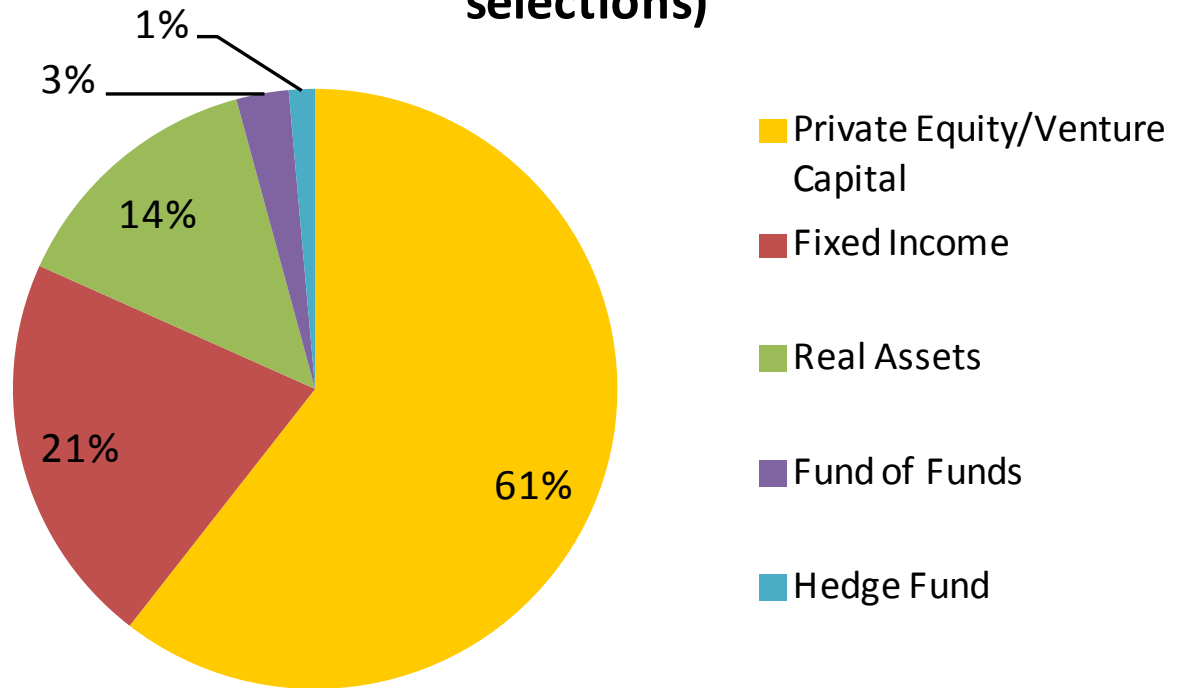


# ImpactBase Data

All percentages based on number of funds

Asset classes cover those employed by funds making direct investments (except for fund of funds)

**Asset Class (inclusive of funds with multiple selections)**

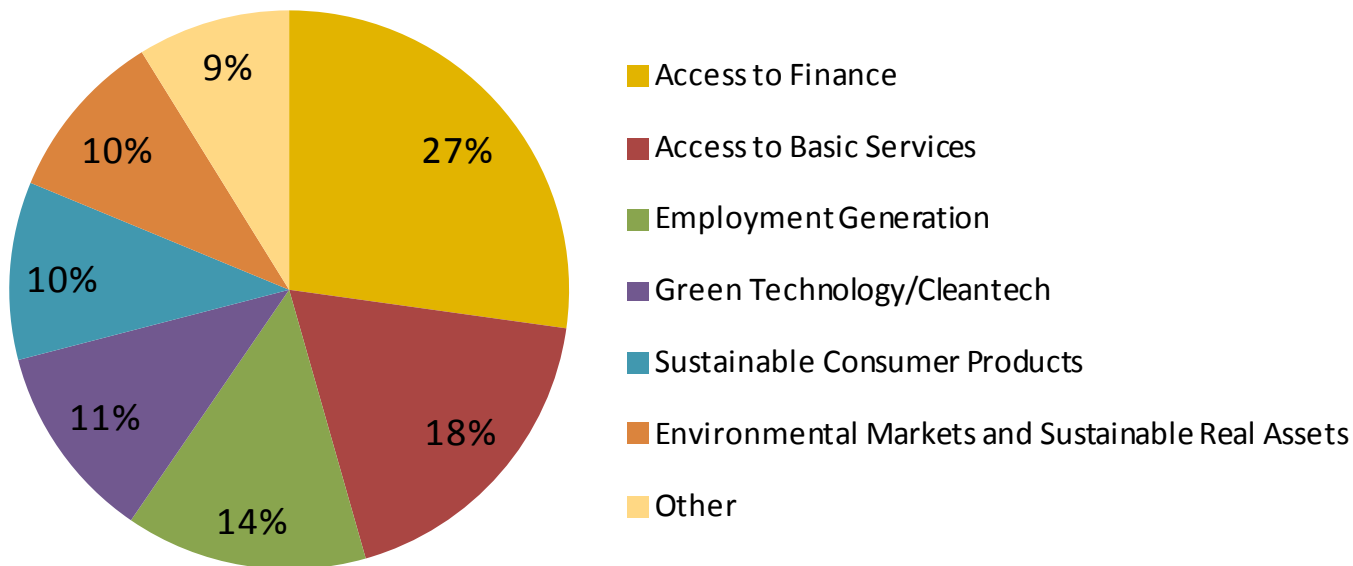


# ImpactBase Data

*All percentages based on number of funds*

Nearly half of ImpactBase fund profiles include pursuit of access to finance, and access to basic services as impact themes

## Impact Theme (inclusive of funds with multiple selections)

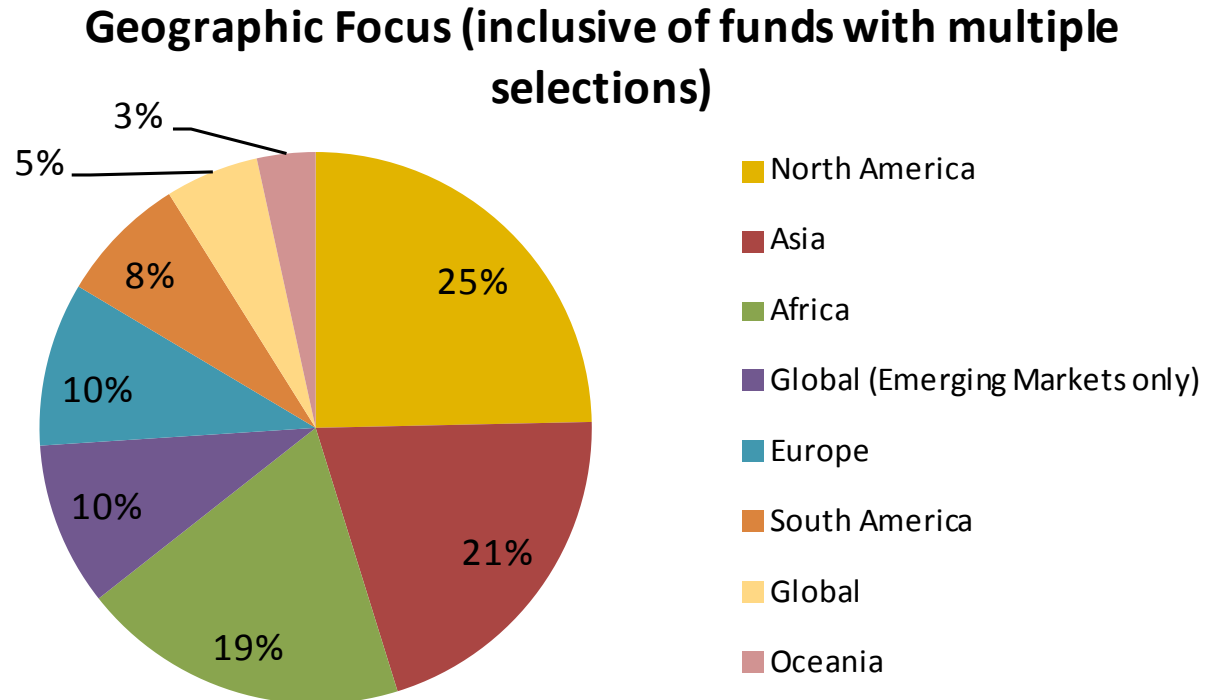


# ImpactBase Data

All percentages based on number of funds

Top 3 geographic focuses represent nearly 2/3rds of funds:

- 1) North America
- 2) Africa
- 3) Asia



# Next Steps

1



- [www.impactbase.org](http://www.impactbase.org)
- Register for a user account
- Become a Subscriber to gain access

2



- Add a fund you manage
- Refer fund managers to ImpactBase
- Contact us to recommend funds

3

Contact

You can leave a message using t

- Give us feedback

# Questions?



**David Wood**  
Director  
More for Mission



**Luther Ragin**  
CEO  
Global Impact Investing Network



**Adam Gromis**  
Manager, ImpactBase  
Global Impact Investing Network

# Resources

[www.thegiin.org](http://www.thegiin.org)



[www.impactbase.org](http://www.impactbase.org)



[www.moreformission.org](http://www.moreformission.org)



[www.primakers.net](http://www.primakers.net)



# Upcoming Events

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**Tools for Investors Webinar Series**  
**Future webinars about Mission Markets**  
**and other topics; dates TBD.**

**PRI Makers Network + More for Mission**  
**National Conference**  
May 8 – 10, 2012  
Seattle

**[www.primakers.net](http://www.primakers.net)**