

GLOBAL

IMPACT

INVESTING

RATING

SYSTEM



GIIRS | Capital to Impact

Social and environmental performance ratings

- Comparable and verified data
- Value to investors, advisors, funds, and companies

3 Products

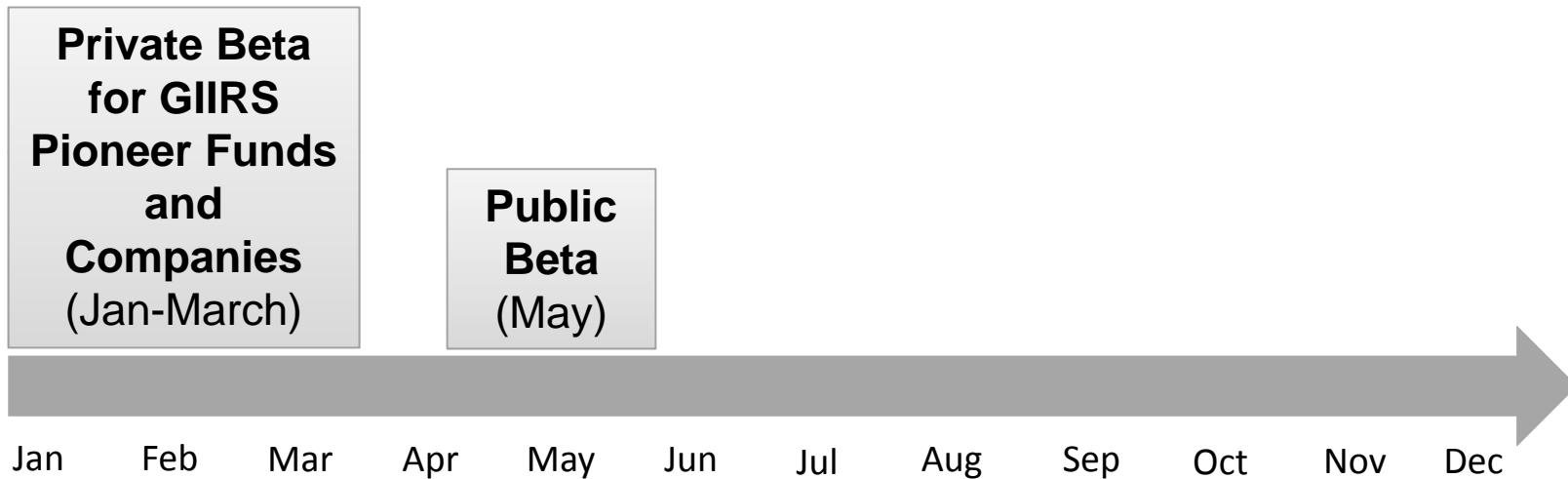
**Company
Ratings**

**Fund
Ratings**

**GIIRS
Analytics**



Company Rating Development Process





WORLD TOUR 2011

"We can't build an **asset class** called **impact investing** without **comparable metrics** on impact"

Jay Coen Gilbert
Co-founder of B Lab

GIIRS

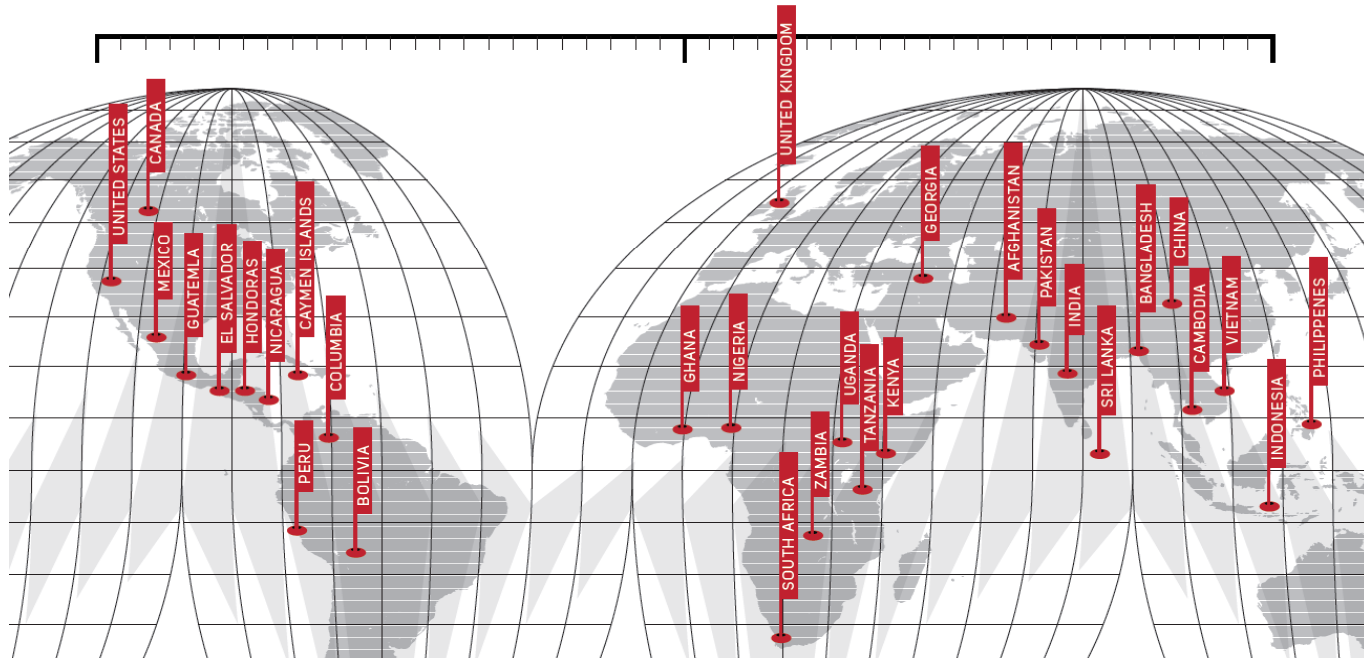
GLOBAL
IMPACT
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200 COMPANIES

30 COUNTRIES

45 DAYS

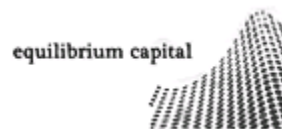
1 ASSET CLASS



GIIRS

25 Pioneer Funds

North American Pioneers



Emerging Markets Pioneers

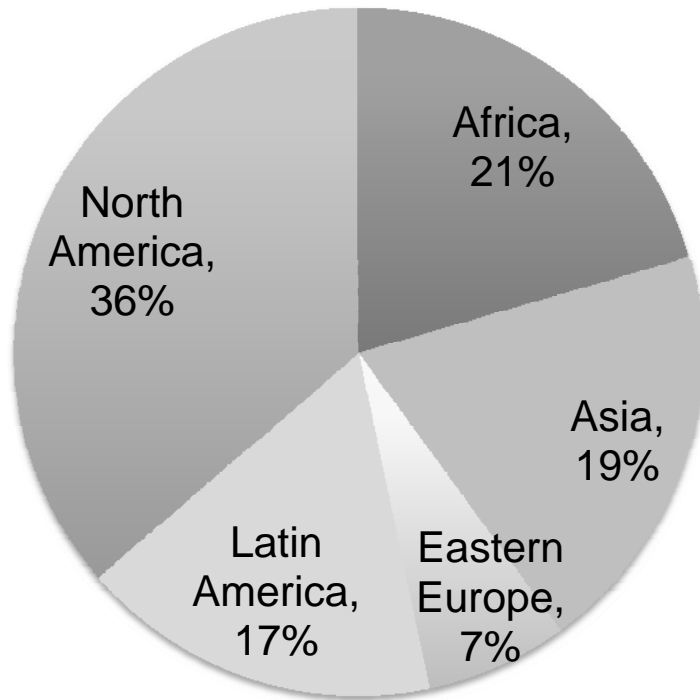




195 Pioneer Companies

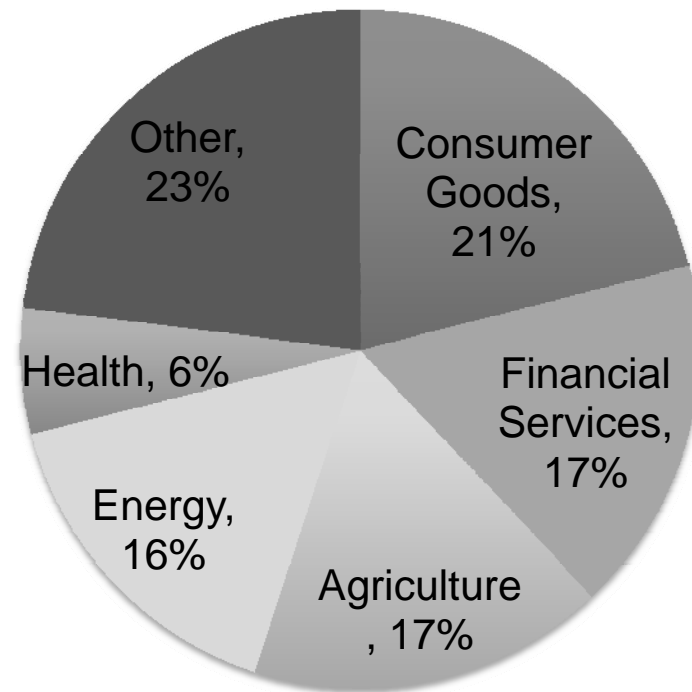
Pioneer Companies by Region

% Companies



Pioneer Companies by Industry

% Companies





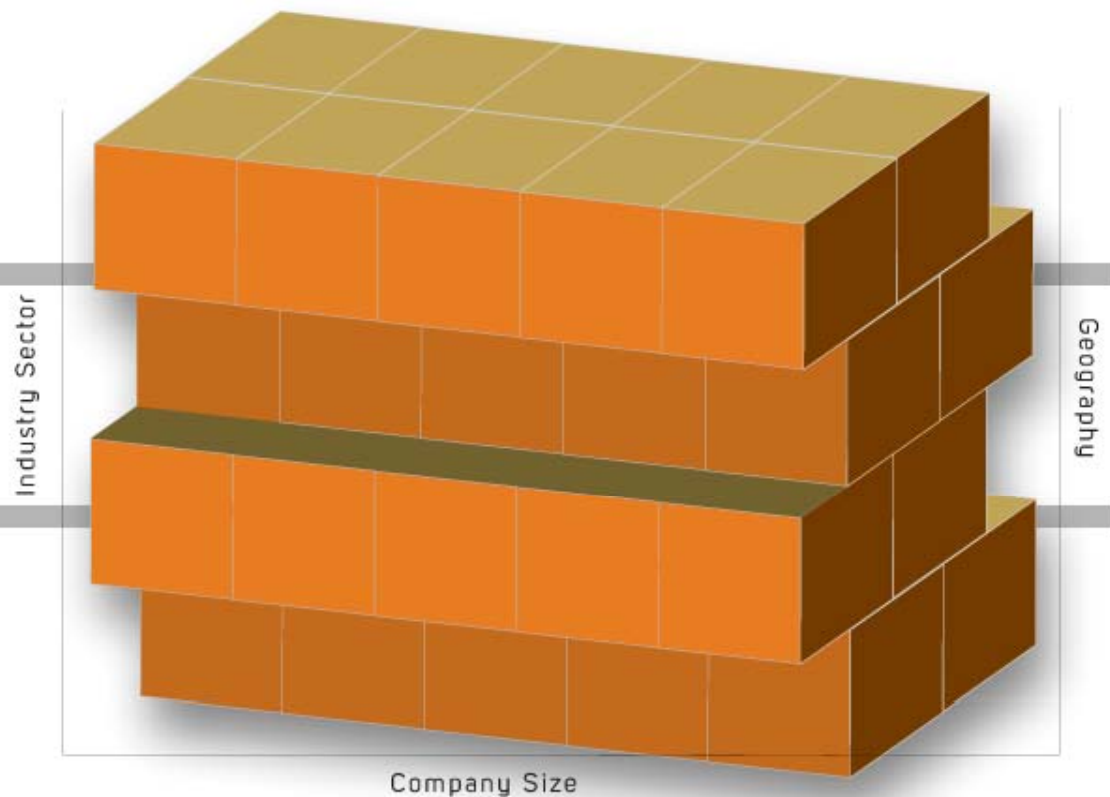
Assessment Structure

40 Versions
of Assessments

Comprehensive

- Product / Service
- Beneficiary

- Governance
- Workers
- Community
- Environment
- Social Enterprise Models



Coming Soon: Industry Addenda



Company Assessment

GIIRS is designed to be

- Comprehensive
- Transparent in Weightings
- Independently Governed
- Positive Impact Focused

GIIRS Company Portal

GIIRS LOGGED IN

Home **Current Impact Assessment** Disclosure Questionnaire Company Profile Assessment Check Assessments Required Documentatic

Navigate To

- [View Assessment Weightings](#)
- [Print Assessment](#)

Contact GIIRS

Have Questions about GIIRS or the GIIRS Rating Process?

Phone: 610-296-8283
Email: info@giirs.org

Translate

B Impact Assessment (Version: Manufacturing, 50-249, Emerging)
EM Manufacturing 50+ Impact Assessment (In Progress) for EM Manufacturing 50+

99% Complete **Score & Exit Assessment**

Governance Workers Community Environment Social Enterprise Models

Governance Metrics | [Corporate Accountability](#) | [Transparency](#) |

Governance Metrics

GV1.1 ? Reporting Period: On what date did your last fiscal year end? [Not Weighted]



IRIS Metrics in GIIRS

GIIRS Company Portal


Phone: 610-296-8283
Email: info@giirs.org

[Translate](#)


Governance | [Workers](#) | [Community](#) | [Environment](#) | [Social Enterprise Models](#)

Governance Metrics | [Corporate Accountability](#) | [Transparency](#) |

Governance Metrics

GV1.1  Reporting Period: On what date did your last fiscal year end'
 [[6/17/2011](#)]

[Feedback](#)

GV1.2  Currency: What currency did you use for financial reporting currency-related metrics. [Not Weighted]

[Feedback](#)
[IRIS Definition](#)

GV1.3 **Earned Revenue: Report your company's total revenues fro**

IRIS definition:

The national currency used to report currency figures for this IRIS report. Indicate based on ISO Currency List.



What We Learned

Process Feedback

- Companies (and Funds too) view the assessment as an educational tool
 - Interest in implementing some of the practices and policies included in the assessment
 - Development of Best Practice/Getting Started Guides
 - Annual ratings process allows companies' ratings to improve as performance improves

GIIRS | Metrics Collection

Process Feedback

- Most of the metrics were easy for companies to report on
 - IRIS definitions and metrics assist in accuracy of data
 - Provide templates for companies to track these metrics internally
 - Some consumer based metrics difficult to state with accuracy, so accept estimates within a reasonable range





Ratings Findings

	Minimum	Maximum	Mean	Median
Governance Topic themes: Corporate Accountability and Transparency				
	25%	94%	70%	71%
Workers Topic themes: Compensation, Benefits & Training, Employee Ownership, Work Environment, and Human Rights & Labor Policies				
	34%	83%	60%	62%
Community Topic themes: Supplier & Distributor Chains, Local Involvement, Job Creation, Diversity, and Civic Engagement & Giving				
	27%	78%	61%	65%
Environment Topic themes: Environmental Management, Land Office & Plant, Supply Chain, Inputs and Outputs				
	13%	73%	44%	46%
Overall				
	22%	75%	53%	54%

GIIRS | What We Learned

Social Enterprise Models

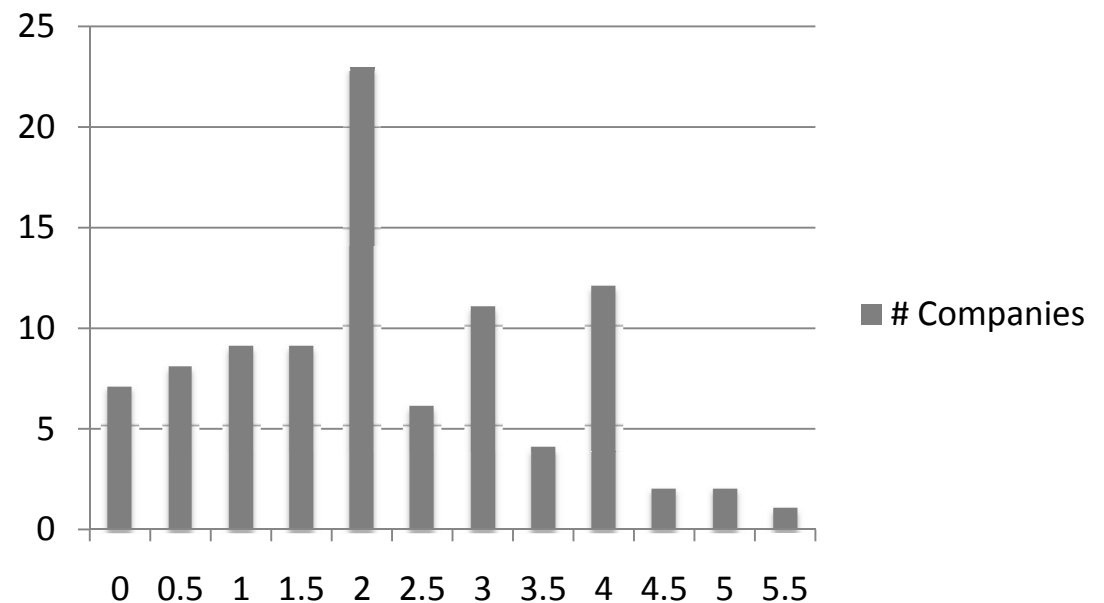
- Most frequent SEMs:
 - Products & Services (Social or Environment-focused – 50%)
 - Serving the Underserved (40%)
 - Job Creation/Workforce Development also common (20%)
- Missing a few models
 - Job Creation
 - National Economic Development
 - Supply chain
- Terminology is a challenge



Social Enterprise Models

- **Products & Services**
 - Socially beneficial Product & Services
 - Environment Product & Services
 - Serving the Under-served
- **Wealth Distribution Models**
 - Worker Ownership Model
 - Micro-Franchise/Micro-Distribution
 - Producer Cooperatives
- **Community Focused Models**
 - Job Creation/Workforce Development
 - Supply Chain
 - Charitable Giving
 - National Economic Development
- **Environmentally Focused Models**
 - Environment Practices

Social Enterprise Models Chosen



Average SEM per Company: 2.2

Content Feedback

- Some questions overly complex

Old Question (GV3.1): What type of governance structure does your company have? (check only one)

1. Board of Directors that meets at least twice annually and has at least 25% independent members
2. Other governing or advisory board with at least 25% independent members
3. Board of Directors that meets at least once per year (no independent members)
4. Owner / manager governance

Revised Question (GV3.1):
Which of the following governance structures does your company have? (select one)

Revised Question (GV3.2):
Which of the following characteristics does your board or governing body have? (check all that apply)

Content Feedback

- Written Policy-focused Questions – feels “Western” and irrelevant in some markets

Old Question (EN4.2a): Does your company have a written policy to recycle/reduce/compost/reuse materials and supplies at your company's facilities?

1. Yes
2. No



New Question (EN4.2a): Does your company have any of the following recycle/reduce/reuse programs? (Select only one)

1. A written recycle/reduce/reuse policy that is posted at plant facilities with clearly-marked bins
2. Company recycles and reuses materials on premises, with clearly-marked bins for use
3. Other (describe)
4. None



Setting a Standard

Finding a balance between common best practices, less common best practices, and aspirational questions.

Topic	# of companies responded to question	Responses	Responses (more detail)
Written mission statement	N = 91	65% of companies have a written mission	35% of companies have a mission that includes a social or environmental component
Accounting Standards	N = 90	55% comply with local accounting standards	45% comply with GAAP or IFRS consistent accounting standards
Maternity/paternity leave	N = 75	average number of paid days is 91	20-80 percentile is 70-120 days of paid leave



Setting a Standard

Finding a balance between common best practices, less common best practices, and aspirational questions.

Topic	# of companies responded to question	Responses	Responses (more detail)
Community Engagement (seeking feedback from stakeholders)	N = 55	25% of companies do two or more of the following:	community meetings, random customer surveys, online feedback mechanisms
Environmental Review or audit	N = 60	40% of companies conducted a review or audit during the last 12 months	



Setting a Standard

Finding a balance between common best practices, less common best

Topic	# of companies responded to question	Responses	Responses (more detail)
Written policies to cover the core ILO Labor Principles	N = 79	63% had no written policies	37% had a written policy that covered child labor, right to association, right to collective bargaining
Code of Conduct for Supply Chain	N = 37	19% of respondents have a written Code of Conduct	
% of Energy consumed from Renewable Sources	N = 46	80% = 0% or unknown	50% or greater energy from renewable sources for 8% of companies



Setting a Standard

Continued research:

Minimum wage versus fair/living wage standards – building a good set of data

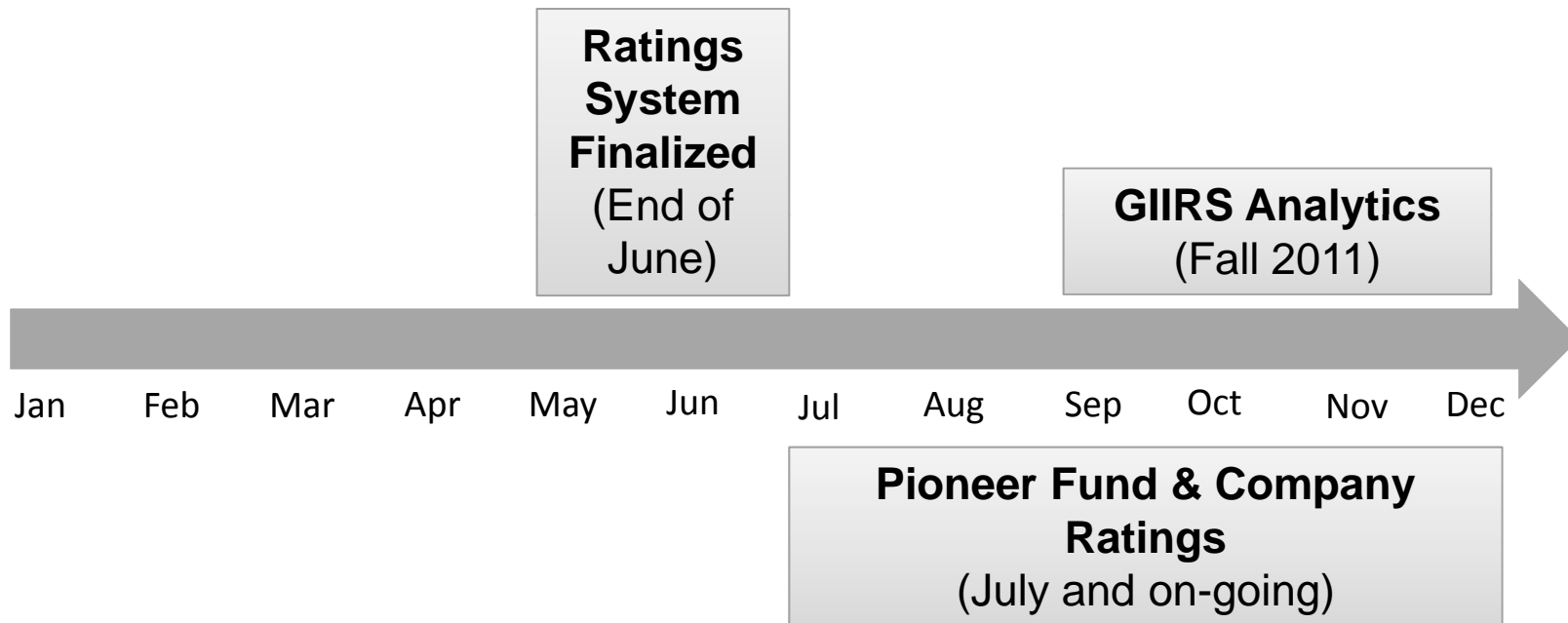
n = 64, 88% of companies pay above minimum wage to all workers

16% of companies pay their lowest paid worker >200% over minimum wage

45% of companies pay their lowest paid worker between 10-50% over minimum wage



Company Rating Development Process



Powered by





Company Rating Process

Assessment

- Register company
 - Complete the assessment (1.5 – 3.5 hours)
- Complete Disclosure Questionnaire
- Complete optional IRIS Metrics page

Review & Verification

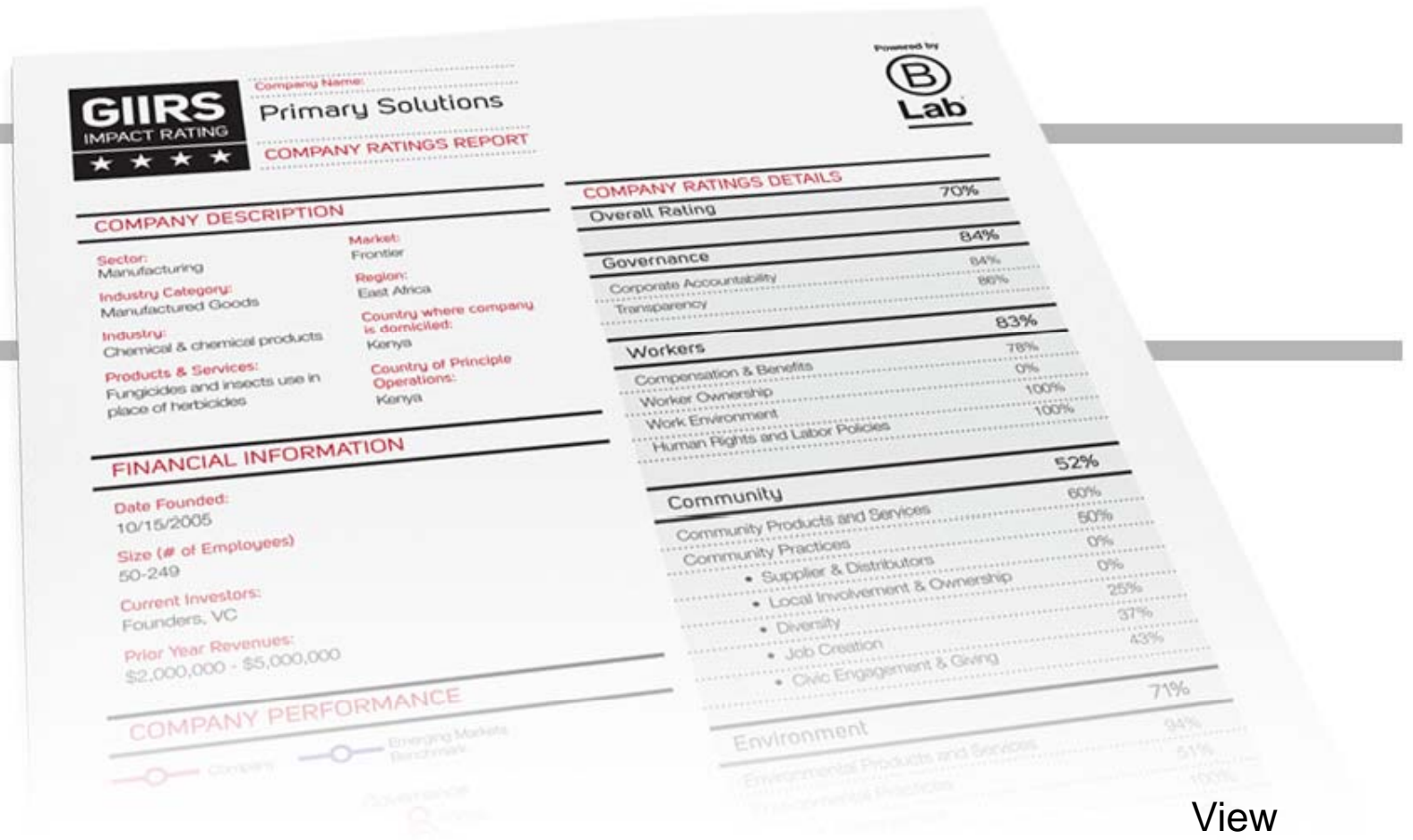
- Survey review with GIIRS Team Member (1-2 hours)
 - Document Verification (conducted by Deloitte)

Ratings Report

- Company receives Rating Report
- Company attaches Management Letter (optional)



Company Report



View Report

GIIRS |

THANK YOU

Contact Flory Wilson at fwilson@giirs.org with any questions or inquiries.