



IMPACT FIRST
INVESTMENTS

IMPACTECH
COMPASS
AUGUST 2019

Certified



A member of



DEAR FRIENDS,

At Impact First Investments, we believe that technology has the potential to create sustainable, scalable and cost-effective solutions to tackle the most pressing social and environmental challenges of our lives.

Over the past decade, we have been focused on our mission to invest in the most innovative hi-tech impact startups that Israel has to offer. Our passion for catalyzing global impact further propels us to contribute to and educate the impact investing industry.

Through our research and analysis, we determined that no one impact measurement framework fully met the needs of tech companies. Existing tools are better suited to only measuring sustainable operations or are not tailored enough to the specific characteristics of tech businesses.

Over the past few months, the Impact First team has developed an impact tech framework and methodology for quantifying and tracking the impact of tech companies: the **ImpacTech Compass**.

After testing the new methodology on our portfolio, we are excited to release the ImpacTech Compass to the global ecosystem with the hope that it will become the gold standard for the impact tech industry at the investment manager and company levels.

By spreading awareness about our findings through online and offline channels, our goal is to keep educating traditional investors and business leaders alike about the return and impact potential of tech companies. We deeply believe that embedding impact KPI's within a company or investment manager's mission can propel the business forward in more meaningful ways.

Impact First has taken a leap in impact measurement and reporting. Yet, we cannot take our mission of igniting global impact through tech far enough without your help. We hope this framework and methodology start a conversation about how you can embed impact in your company.

Impact is a mindset – join us in our quest to change the world!

Sincerely,
The Impact First Investment Team
August 2019

A photograph of a woman with curly, light-colored hair and glasses, wearing a white blazer over a blue patterned scarf and a white shirt. She is holding a black microphone and speaking. The background is a blurred indoor setting with blue and purple lighting.

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FOREWORD

Impact First Investments is the leading high-tech impact investing firm in Israel. We believe technology has the potential to create sustainable and cost-effective solutions to tackle the most pressing social and environmental challenges of our lives. By investing in high-tech companies that yield competitive financial returns alongside measurable social and environmental impact, our portfolio generates the greatest ROI of all: positive change for millions of lives today and infinite lives in the future.

Special thanks to Rashel Bajaj and Melina Sánchez Montañés for their contributions to this report.

Our impact measurement and management framework is inspired by different global models and institutions: Impact Management Project, Bridges Ventures, SDGs, IFC Operating Principles, and IRIS. Impact First Investments' framework is tailored to impact tech startups with a global scope. For more information about our methodology, please refer to our website

Impact First Investments started operating in 2011. This report is updated as of **August 2019**.



CECILE BLILIOUS
Founder &
Managing Partners

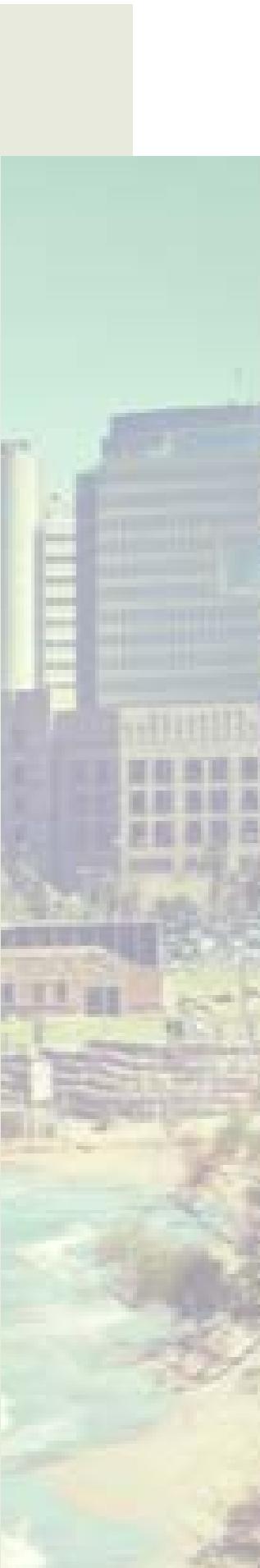


MELINA SANCHEZ
Associate



RASHEL BAJAJ
Analyst

FRAMEWORK CHALLENGES



Current impact framework are not suited for the intricacies of impact tech companies. There are five major challenges we have identified in different global frameworks:

- 1 Business Alignment:** Many frameworks do not link business growth to impact outcomes and success. Impact tech companies have an embedded financial/impact alignment.
- 2 Flexibility:** Current frameworks are not geography, industry or theme agnostic. Tech companies are global in scale and might operate in multiple sectors at once.
- 3 Agility:** Tech startups constantly change their business model in order to adapt to market needs. Current mainstream tools do not easily adapt to business model iterations.
- 4 ESG:** Tech companies face different ESG challenges that are not accounted for in impact models, making many of the existing ESG factor not applicable.
- 5 Size:** Tech companies, especially in early-stages, benefit from scalability and network effects. No model embeds a business methodology into projecting and measuring exponential impact. Existing frameworks are not be able to measure or project impact if a startup has not yet brought any revenues.
- 6 Tech Factors:** Most tech companies do not have large supply chains, fair trade needs, or outsourced operations.

Cognizant of these challenges and limitations, Impact First Investments has used global impact standards such as the Impact Management Project, the Bridges Radar, or IRIS as the basis for a new framework that tailors existing methodologies to impact tech companies with a global scope.

IMPACT PHILOSOPHY

The Global Impact Investing Network (GIIN) defines impact investments as investments made with the **intention** to generate positive, measurable **social and environmental** impact alongside competitive **financial returns**.

Our impact methodology is inspired by global standards in impact measurement and management, and we keep ourselves accountable to such standards. To ensure the financial and impact **lock-step** nature of our philosophy, our impact tech strategy is based on three non-negotiable criteria:

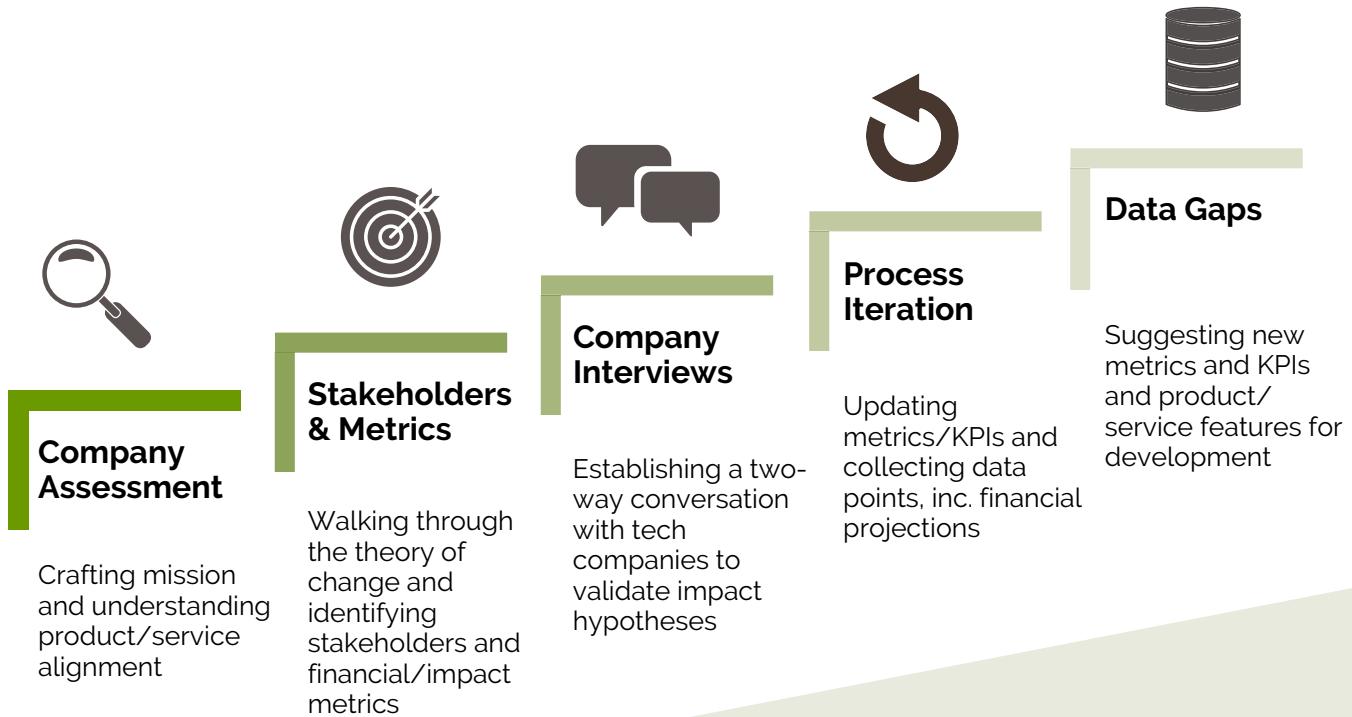
-  **Intentionality:** The first step of an impact investors or company is to define a social/environmental thesis and embed it into the business model.
-  **Impact Measurement:** Quantitative measurement (through social/environmental KPIs and other metrics) does not stop once an investment is made, but must be continuously tracked throughout the investment lifecycle.
-  **Impact Management:** Along with quantifying, investors and portfolio companies should be transparent about their impact through reporting and risk mitigation.

These criteria apply both to the investor and to the portfolio companies.



IMPACT ANALYSIS PROCESS

Our impact assessment process is agile in nature. We have identified five steps in our impact measurement process:



CASE STUDY



- Company Assessment: Improving the quality of life for "locked-in" patients, reducing death rates in ICUs, and advancing the method of communication within medical centers.
- Stakeholders & Metrics: Stakeholders – "Locked-in" and ICU patients, caregivers, hospitals, nurses, government. Metrics – e.g. SDG 3.4.1. (world target 33%)
- Company Interviews: Performing a joint business and impact deep dive. Understanding needs and deliverables (e.g. SROI for certain stakeholders, impact report, contribution to SDGs).
- Process Iteration: Data collection (e.g. number of patients served, reduction in caregiving time, lives saved).
- Data gaps: Asking company to track % reduction in hospital delirium for patients using the device.

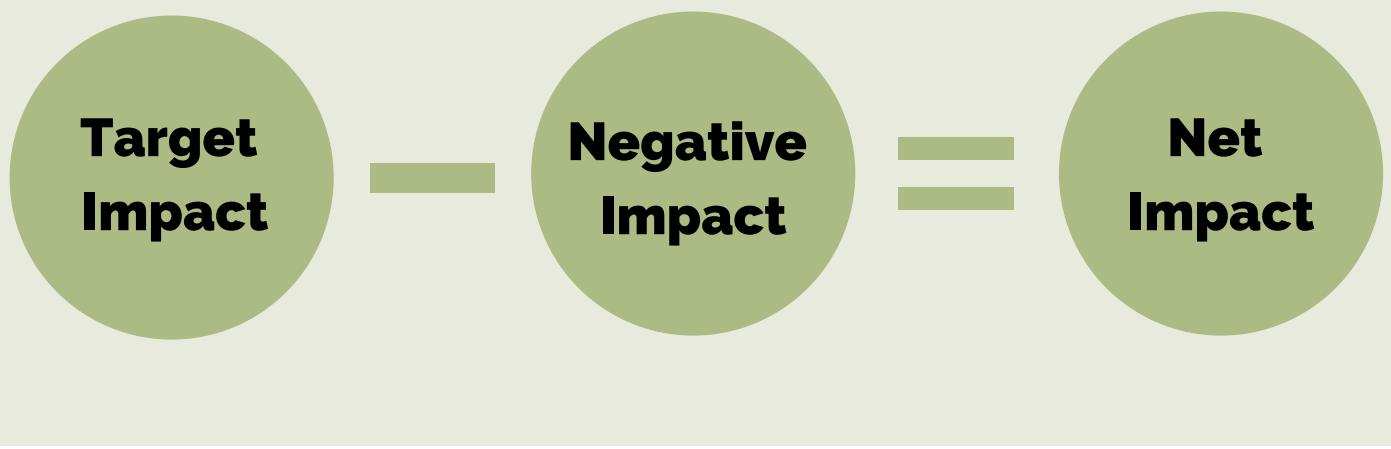
NET IMPACT

Our model aims to measure the net impact a tech company has on society and the environment. Net impact, or Realized impact is defined as the "footprint" the business has created at a specific point in time.

Net impact is a combination of the impact target the company aspires to achieve and its negative impact.

A word on Negative Impact

It is important to recognize that alongside positive impact, a company might also create both intended and unintended, negative impact. For example, a tech company who does not have the right security protocols in place might expose the users' personal data, putting its business and stakeholders at risk.



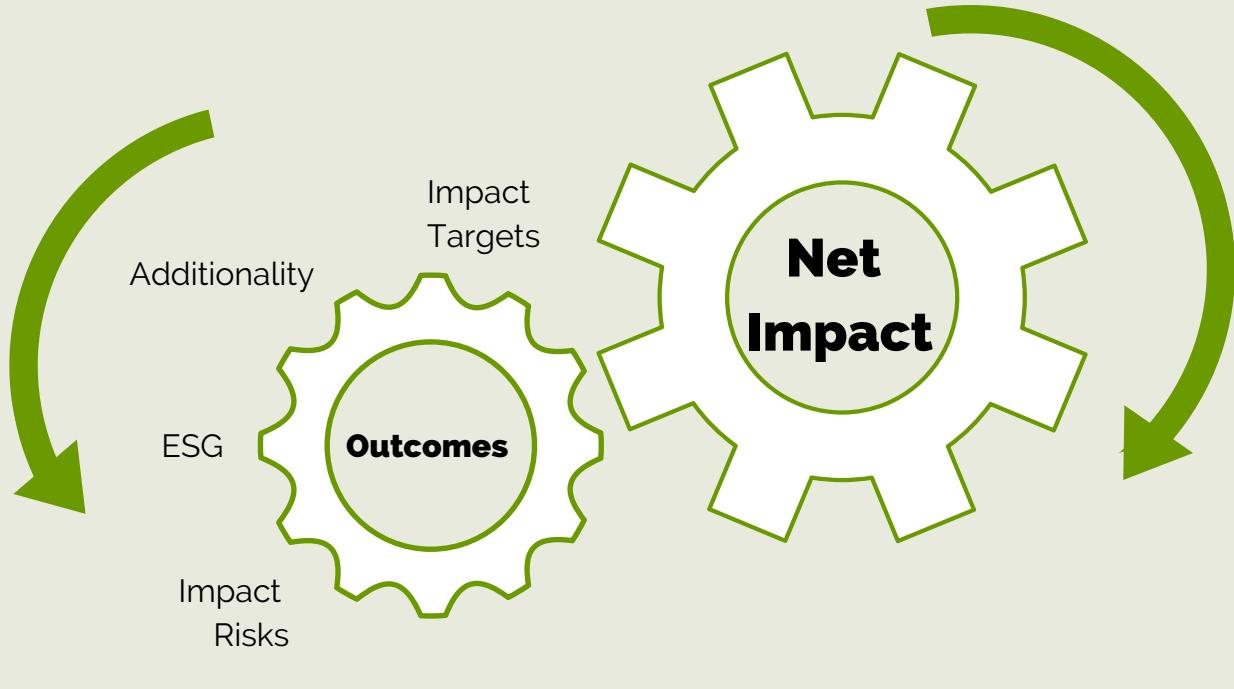
The "Target Impact" component leverages a VC valuation methodology to project impact over time.

Impact targets are set with the tech company and are based on unit economics and financial KPIs (e.g. number of patients served, campaign effectiveness rate) as well as world targets for SDG indicators (e.g. 33% reduction in pre-mature deaths from non-communicable diseases).

We have embedded negative impact into our model and final impact score calculation to urge the design and implementation of mitigation strategies as the company scales.

Negative impact can also occur when the business or impact targets are not met. No business, no impact!

IMPACTECH COMPASS



Impact First has identified four dimensions of impact that directly affect a tech company's outcomes in a gear-like motion, which in turn determines the size of net impact. Each dimension has a specific weight for the final impact score, which reflects the materiality of the dimension to the mission of addressing the Sustainable Development Goals.

1 Impact Targets: (what, who, how much) includes the company's mission, stakeholders, and business & impact KPIs. It tracks the contribution to specific SDG indicators (weight: 60%).

3 ESG (how) indicates how sustainable the operations of the company are. It looks at the most material factors for tech companies (e.g. data privacy) as well as the mitigation strategies (weight: 10%)

2 Additionality (where): Measure of the multiplier effect of impact investors on the startup and of the startup on the impact ecosystem (weight: 10%).

4 Impact Risks (contributions & risks) include the deadweight of other stakeholders to the impact goal as well as the risks that could reduce impact scale and depth and result in negative impact (weight: 20%)

Impact Targets

WHAT, WHO, HOW MUCH

The **Impact Targets dimension** is the backbone of the Impact Tech Compass. We believe that tech companies have the potential to create sustainable, scalable, and cost-effective solutions for addressing global social and environmental challenges. This exponential opportunity must be reflected in the unit economics of the company

The Impact Targets score includes **three factors**.

1.1 Outcomes Evaluation: List of financial and impact output metrics, mapped to stakeholders, IRIS metrics, and SDG indicators. E.g. number of patients served



1.2 SDG Contribution: List of outcome metrics by stakeholder. These metrics are, to the extent possible, linked to an SDG indicator to calculate contribution to global targets. If no SDG target is available, we help the company identify internal targets. E.g. Reduction in premature mortality rate from non-communicable diseases



Measurement:
weighted average % contribution, scaled to 10

1.3 SROI*: Value-add to specific stakeholders of using the company's product or service. It can be calculated as cost savings or additional benefits. E.g. For each dollar paid to Company, Stakeholder received \$2.3 in cost savings



*SROI: We did not include the SROI results in the calculation of the Impact Targets score. This is mentioned separately in our final report..

The **Additionality dimension** reflects the contribution of the investment manager to the company and of the company to the impact industry. These ecosystem multipliers measure the leverage and influence of both the investor and tech company.

The Additionality score includes **three factors**:

2.1 Aligned Capital: How much capital has the startup raised from impact-aligned investors as reflected by the ownership stake.

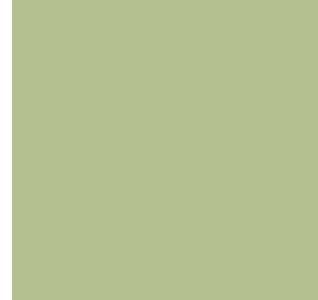
Measurement: % ownership, scaled to 10

2.2 Investor Multiplier: How is the investor adding value to the tech company through business and impact strategy (e.g. introductions to potential clients)

Measurement: Binary average rank of several criteria, scaled to 10*

2.3 Company Ecosystem Multiplier: How is the tech company adding value to the impact ecosystem at large (e.g. through speaking engagements or policy advocacy)

Measurement: Binary average rank of several criteria, scaled to 10*



Additionality

WHERE



*For criteria, see Appendix



The **ESG dimension** examines whether a company is operating its business in a sustainable manner.

As opposed to other ESG tools, we only utilize **eight criteria** that are applicable to tech companies: (1) material production, (2) energy consumption, (3) economic and labor disruption, (4) employment, (5) diversity and inclusion, (6) stakeholder management, (7) company governance, (8) security and safety.

The ESG score includes three factors:

3.1 ESG Opportunities

- What are the most material ESG factors that could positively contribute to the core business?
- How are those factors affecting revenues, costs, talent acquisition, brand or the license to operate?

3.2 ESG Risks:

- What are the most material ESG risk factors?
- How are those factors negatively impacting the core business?
- What mitigation strategies does the company have in place?

3.3 B-Corp:

- Does the company have a B-corp certificate/score?

If the company does not have a score, this factor is not applied.

Measurement:
Absolute B-Corp score, scaled to 10

Measurement:
Weighted average of High (3), Medium (2), Low (1) opportunities & risks, scaled to 10

This score serves as a discounting factor to ESG opportunities score.

Impact Risks

CONTRIBUTIONS & RISKS

The **Impact Risks dimension** accounts for the attribution factor of other players in solving the specific social or environmental problem the tech company is addressing as well as the impact risk criteria that could lead into negative impact.

The Impact Risks dimension includes two factors:

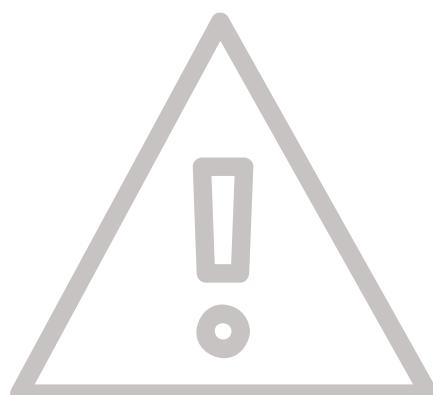
4.1 Other Attribution: How much are the government, competitors or other industry trends contributing to solving the social or environmental problem.

Measurement: Weighted average, scaled to 10

4.2 Impact Risks refer to factors that could yield unexpected positive or negative outcomes material to the tech company and its stakeholders:

(1) evidence risk, (2) external risk, (3) stakeholder participation risk, (4) drop-off risk, (5) efficiency risk, (6) execution risk, (7) alignment risk, (8) endurance risk, and (9) unexpected risk.

Measurement: Weighted average, scaled to 10





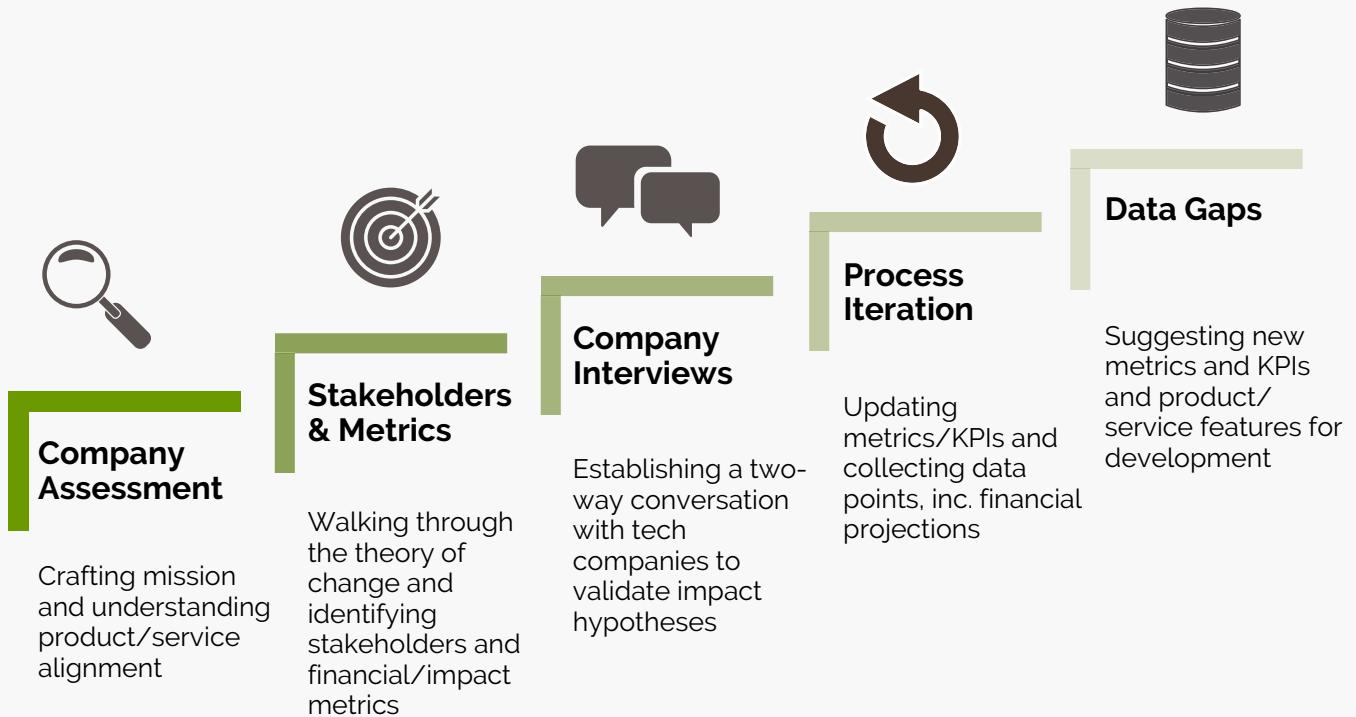
**COMPANY CASE
STUDY**



EYE CONTROL

IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



STEP 1: Company Assessment

Mission: Improving the quality of life for “locked-in” patients, reducing death rates in ICUs, and advancing the method of communication within medical centers.

STEP 2: Stakeholders & Metrics

Identifying stakeholders & logic model (next 2 pages)

IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



	Problem	Opportunity	Statistics
"Locked-in" patients	<ul style="list-style-type: none">Inability to communicate verbally 24/7No assistive technology device in the market that doesn't require a screen	<ul style="list-style-type: none">Providing a cost-effective communication tool that can be used outdoors and screen-less	<ul style="list-style-type: none">1 million locked-in patients worldwide20,000 new locked-in patients annually in the home care market5K long-term in-patient beds in care facilities in the U.S. and Europe
ICU patients	<ul style="list-style-type: none">Temporarily unable to communicate verballyNo cost-effective communication tool in the marketAt risk of developing delirium	<ul style="list-style-type: none">Providing a communication tool that can be used for ICU patientsMonitoring the patient's progress and needs instantly	<ul style="list-style-type: none">80% of patients in intensive care units are at risk of delirium10 more days in length of hospital stays caused by delirium10% higher risk of death for patients with delirium
Caregivers	<ul style="list-style-type: none">Inability to communicate with locked-in patients without a screenConstant stress	<ul style="list-style-type: none">Reducing stress levelsEnabling communication with locked-in patientsAbility to administer better care	<ul style="list-style-type: none">15% of the adult workforce spends anywhere between 25-40 hours a week providing care to a loved one in their home after work
Hospitals (and other healthcare facilities)	<ul style="list-style-type: none">High occurrence of delirium among temporarily locked-in patients in hospitals	<ul style="list-style-type: none">Reducing occurrence of delirium and its associated costs due to higher lengths of stay and mortality ratesAssisting patients instantly	<ul style="list-style-type: none">20% higher risk of hospitalization for people suffering from delirium10K ICU hospital beds in the U.S. and Europe
Nurses (and other medical staff)	<ul style="list-style-type: none">Inability to effectively assist locked-in patientsCommunication only through regular check-ins	<ul style="list-style-type: none">Enabling instant communication and notifications	<ul style="list-style-type: none">\$12.4 billion is lost annually due to poor communication among health care providers, including nurses and other hospital staff
Government	<ul style="list-style-type: none">High healthcare costs of delirium (ICU)Burden of care for permanently locked-in patients due to rapid health deterioration	<ul style="list-style-type: none">Facilitating the development of tools for the disability market	<ul style="list-style-type: none">The burden of delirium on the U.S. healthcare system ranges from \$8B to \$152B annually

IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



ACTIVITIES

- Providing an assistive technology tool for "locked-in" patients
- Facilitating the integration of the device to digital health platforms in order to connect with nurse stations and medical staff instantly

OUTPUTS

(examples)

- # clients served
- # clinical trials in the pipeline
- % reduction in delirium cases

OUTCOMES

(examples)

- \$ in healthcare cost savings from using EyeControl (reimbursements, lother)
- \$ cost savings in the healthcare system from lower delirium cases
- # lives saves

IMPACT

- (1) Improving the quality of life for "locked-in" patients
- (2) Advancing the method of communication within medical centers
- (3) Decreasing healthcare costs of delirium and the cost burden for "locked-in" patients
- (4) Saving lives in ICUs by reducing delirium cases

IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



STEP 3: Company Interviews

Validate impact hypothesis. Collect 'additionality', 'ESG' and 'Impact Risk' data (next 3 pages)

Additionality

(average of 2.1, 2.2. and 2.3)

2.1 Impact-aligned capital ownership (scale to 10)

- Source: cap table

2.2 Investor Ecosystem Multiplier (average of below factors, scaled to 10)

Has the investors helped the company in any of the following ways? How?:

- Impact Strategy (binary: 1/0)
- Recruiting (binary: 1/0)
- Introductions to potential clients (binary: 1/0)
- Introductions to potential investors (binary: 1/0)
- Strategy, Business Planning (binary: 1/0)

2.3 Company Ecosystem Multiplier (average of below factors, scaled to 10)

- Knowledge: Strengthening the capacity of local partners, facilitating technology transfer, publicly sharing experiences and learnings (beyond project boundaries) (binary: 1/0)
- Demonstration: Supporting innovative pacesetter to de-risk new business models; attracting capital in lower income, fragile countries and frontier markets that are not (yet) able to attract significant level of commercial capital (binary: 1/0)
- Poverty: Influencing design to reach lower income market segments; reducing inequalities, improving local participation, general employment of BoP (binary: 1/0)
- Standards: Promoting high environmental, social and governance standards at industry level (binary: 1/0)
- Market building: Strengthening policy environment, building ecosystems and supporting market infrastructure, generating market data and supporting industry research (binary: 1/0)

IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



ESG – Environmental, Social & Governance

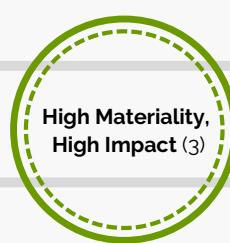
3.1 3.2 ESG Opportunities & Risk Scorecard

(average of ESG opportunities, scaled to 10; average of ESG risks, scaled to 10, 3.1 minus 3.2)

Business Factors

	Revenue Growth	Cost Saving & Productivity	License to Operate	Talent Attraction & Retention	Brand Value & Reputation
Material Production		Low Materiality, Medium Impact (2)			
Energy Consumption					
Economic & Labor Disruption					
Employment					
Diversity & Inclusion					
Stakeholder Management					
Company Governance					
Security & Safety					

EXAMPLE: Among the different ESG factors, diversity in the workforce stands out as the main achievement thus far. EyeControl's VP Algorithm leader, as well as other developers, are women. Currently, they have 10 female employees and 8 male employees.



Materiality: How relevant is the factor to the core business
Impact: How much is the factor affecting the core business

Key
Environmental
Social
Governance

IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



Impact Risks

(average 4.1 and 4.2)

4.1

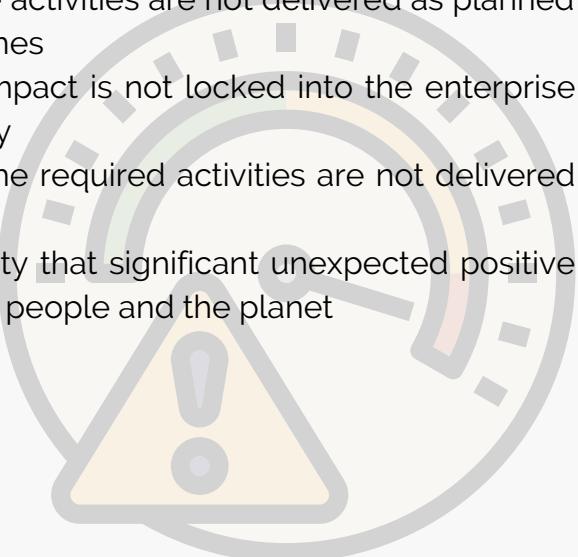
Other Attribution (sum of below factors in %, scaled to 10)

- Industry trends: what is the market growth trend of the assistive technologies space?
- Government: e.g. what is the percentage of government spending in assistive technology out of all R&D invested in locked-in conditions?
- Competitors: e.g. what is the market share of EyeControl's main competitors?
- Other

4.2

Impact Risks (1-10 points per factor, average of below factors)

- Evidence Risk: The probability that insufficient high-quality data exists to know what impact is occurring (or will occur) across the other dimensions of impact, for all stakeholders
- External Risk: The probability that external factors disrupt our ability to deliver the expected impact
- Stakeholder Participation Risk: The probability that the expectations and/or experience of stakeholders are misunderstood or not taken into account
- Drop-off Risk: The probability that the expected positive impact does not endure and/or that negative impact is no longer mitigated
- Efficiency Risk: The probability that the expected impact could have been achieved with fewer resources or at a lower cost
- Execution Risk: The probability that the activities are not delivered as planned and do not result in the desired outcomes
- Alignment Risk: The probability that impact is not locked into the enterprise model, making mission-drift more likely
- Endurance Risk: The probability that the required activities are not delivered for a long enough period
- Unexpected Impact risk: The probability that significant unexpected positive and negative impact is experienced by people and the planet



IMPACT ANALYSIS PROCESS

Company Case Study: Impact First Investments



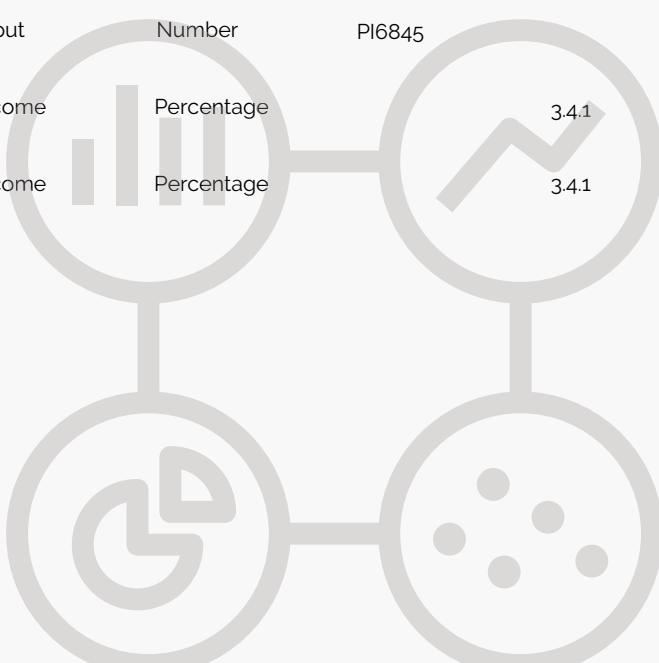
STEP 4/5: Process Iteration and Data Gaps

Collect output and outcome data, and calculate SDG contribution.

Ask for additional data if necessary. Suggest new data points or metrics to collect.

Metrics Database (Example)

	Impact/ Financial	Stakeholder	Type	Unit	IRIS metric	SDG
Total number of clients	Impact/ Financial	Patients	Output	Number	PI4060	
Number of devices sold per client	Financial	Patients	Output	Number		
Client Satisfaction Ratio	Impact	Patients	Output	Scale 1-5	PI7163	
Readmission rate to hospitals	Impact	Patients	Output	Percentage		
Incidents/Notifications received	Impact	Patients/ Caregivers	Output	Number	PI6845	
Reduction in % premature deaths (NCDs)	Impact	Patients	Outcome	Percentage		3.4.1
% reduction in hospital delirium cases	Impact	Patients/ Hospitals	Outcome	Percentage		3.4.1





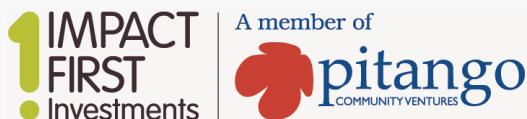
**INVESTOR CASE
STUDY**



**IMPACT FIRST
INVESTMENTS**

IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments



STEP 1: Investor Assessment

Mission: Positively impact millions of lives around the world through technological innovation.

STEP 2: Stakeholders & Metrics

Identifying stakeholders & logic model (next 2 pages)

IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments

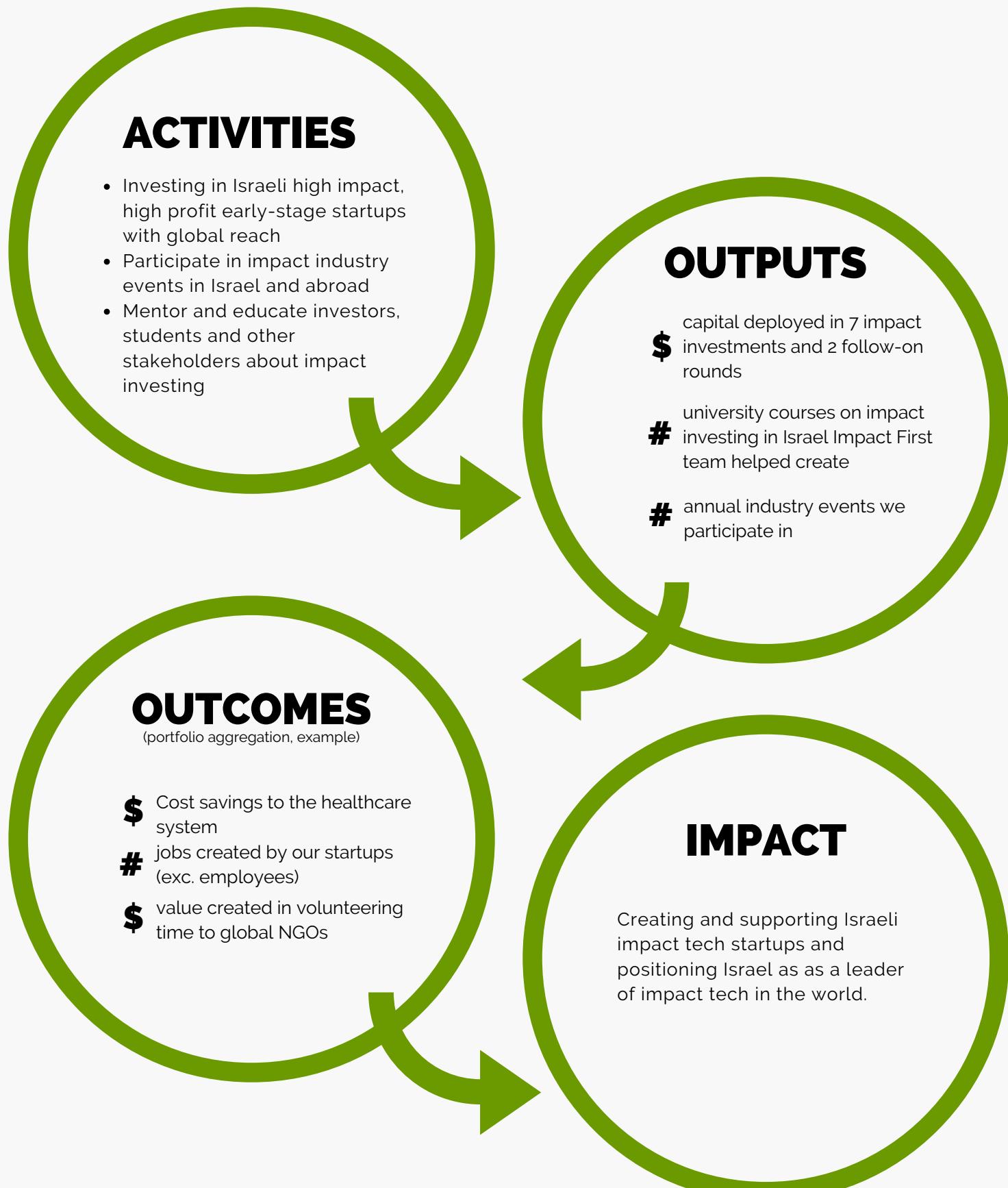


	Problem	Opportunity
Investors	<ul style="list-style-type: none">Scarcity of quality impact managers in IsraelCurating deals, and conducting financial and social due diligence are time consumingLack of knowledge on how to measure the effects of their impact capital	<ul style="list-style-type: none">Offering local impact startups with a global mindsetConducting social due diligenceTracking and managing the impact of their investments
Impact companies	<ul style="list-style-type: none">Difficult to attract valuable capitalNeed for mentorship around impact strategy	<ul style="list-style-type: none">Tapping into additional sources of capitalProving value to stakeholdersBeing guided through the impact methodologyCrafting a narrative that attracts more client segments
Government	<ul style="list-style-type: none">Lack sufficient resources to push forward innovation communitiesCannot solve all social and environmental problems alone; requires partnerships with the private sectorLack of impact expertise	<ul style="list-style-type: none">Partnering with impact investors to promote sustainable companiesTackling social and environmental issues with the help of the private sectorParticipating in the international impact ecosystem
General public	<ul style="list-style-type: none">Lack of knowledge about the potential of impact investing to tackle societal and environmental problemsMisconceptions about the financial return potential of impact investingGeneral desire to make the world a better place, especially among the younger generation	<ul style="list-style-type: none">Educating students, young professionals and other publics in the merits of impact investingBuilding capacity in the industry by including and training more stakeholders



IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments



IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments



STEP 3: Investor Interviews

Validate impact hypothesis. Collect 'additionality', 'ESG' and 'Impact Risk' data (next 3 pages)

Additionality

(average of 2.1, 2.2. and 2.3)

2.1 Impact-aligned capital ownership (aggregation)

(scale to 10)

- Source: cap table

2.2 Investor Ecosystem Multiplier (aggregation)

(average of below factors, scaled to 10)

Has the investor helped the portfolio companies in any of the following ways? How?:

- Impact Strategy (binary: 1/0)
- Recruiting (binary: 1/0)
- Introductions to potential clients (binary: 1/0)
- Introductions to potential investors (binary: 1/0)
- Strategy.Business Planning (binary: 1/0)

2.3 Company Ecosystem Multiplier (from the investor's lens)

(average of below factors, scaled to 10)

- Knowledge: Strengthening the capacity of local partners, facilitating technology transfer, publicly sharing experiences and learnings (beyond project boundaries) (binary: 1/0)
- Demonstration: Supporting innovative pacesetter to de-risk new business models; attracting capital in lower income, fragile countries and frontier markets that are not (yet) able to attract significant level of commercial capital (binary: 1/0)
- Poverty: Influencing design to reach lower income market segments; reducing inequalities, improving local participation, general employment of BoP (binary: 1/0)
- Standards: Promoting high environmental, social and governance standards at industry level (binary: 1/0)
- Market building: Strengthening policy environment, building ecosystems and supporting market infrastructure, generating market data and supporting industry research (binary: 1/0)

IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments



ESG – Environmental, Social & Governance

3.1 3.2 ESG Opportunities & Risk Scorecard

(average of ESG opportunities, scaled to 10; average of ESG risks, scaled to 10, 3.1 minus 3.2)

Business Factors

	Revenue Growth	Cost Saving & Productivity	License to Operate	Talent Attraction & Retention	Brand Value & Reputation
Material Production					
Energy Consumption					
Economic & Labor Disruption					
Employment					
Diversity & Inclusion					
Stakeholder Management					
Company Governance					
Security & Safety					

EXAMPLE: Impact First's managing partner prioritizes diversity within the team. She also supports and promotes women that want to go into the investing arena. One of the summer interns this year is from Palestine, which has had positive results in terms of inclusion, productivity and additionality.



Materiality: How relevant is the factor to the core business
Impact: How much is the factor affecting the core business

Key
Environmental
Social
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IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments



Impact Risks

(average 4.1 and 4.2)

4.1

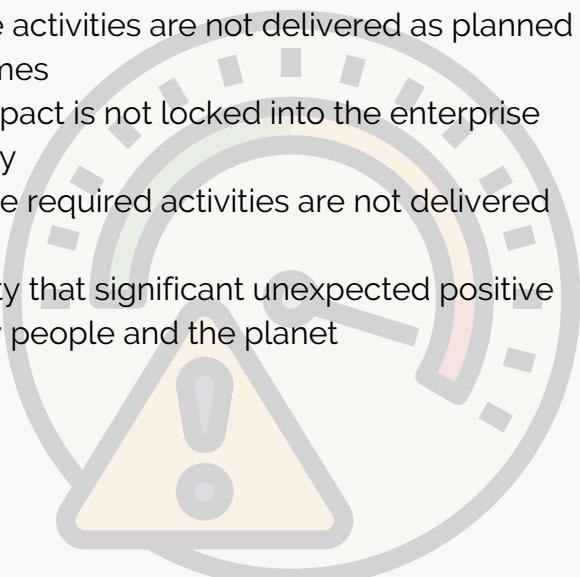
Other Attribution (sum of below factors in %, scaled to 10)

- Industry trends: what is the market growth trend of the global impact tech investing industry?
- Competitors: e.g. how much capital under management do other impact players have?
- Other

4.2

Impact Risks (1-10 points per factor, average of below factors)

- Evidence Risk: The probability that insufficient high-quality data exists to know what impact is occurring (or will occur) across the other dimensions of impact, for all stakeholders
- External Risk: The probability that external factors disrupt our ability to deliver the expected impact
- Stakeholder Participation Risk: The probability that the expectations and/or experience of stakeholders are misunderstood or not taken into account
- Drop-off Risk: The probability that the expected positive impact does not endure and/or that negative impact is no longer mitigated
- Efficiency Risk: The probability that the expected impact could have been achieved with fewer resources or at a lower cost
- Execution Risk: The probability that the activities are not delivered as planned and do not result in the desired outcomes
- Alignment Risk: The probability that impact is not locked into the enterprise model, making mission-drift more likely
- Endurance Risk: The probability that the required activities are not delivered for a long enough period
- Unexpected Impact risk: The probability that significant unexpected positive and negative impact is experienced by people and the planet



IMPACT ANALYSIS PROCESS

Investor Case Study: Impact First Investments



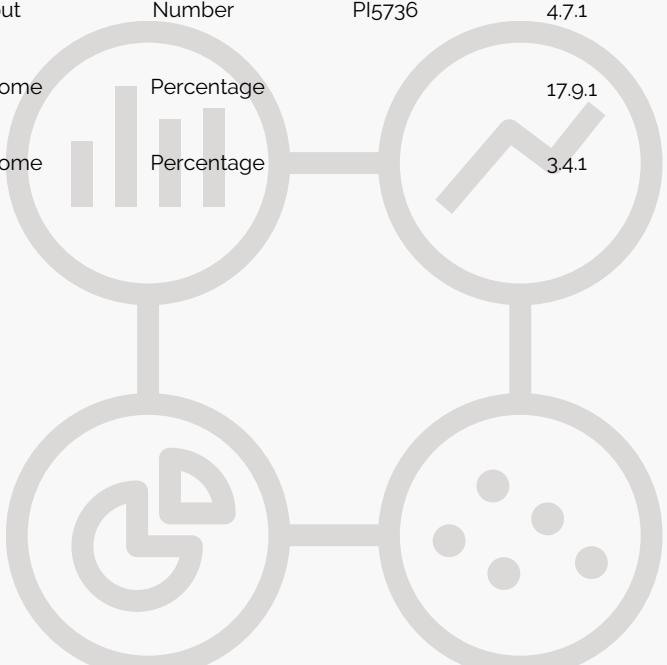
STEP 4/5: Process Iteration and Data Gaps

Collect output and outcome data, and calculate SDG contribution.

Ask for additional data (portfolio companies) if necessary. Suggest new data points or metrics to collect.

Metrics Database (Example)

	Impact/ Financial	Stakeholder	Type	Unit	IRIS metric	SDG
Impact accelerators created	Impact	Investor	Output	Number		17.17.1
Events participated in	Impact	Patients	Output	Number		
Amount invested in companies	Financial	Investor /Companies	Output	Currency	FP8293	
Impact career opportunities created	Impact	General Public	Output	Number		
Impact-related university courses developed	Impact	General Public	Output	Number	PI5736	4.7.1
Percentage increase in impact assets	Impact	Investor/ Companies	Outcome	Percentage		17.9.1
Percentage increase in impact companies	Impact	Investor/ Companies	Outcome	Percentage		3.4.1



IMPACT REPORTING

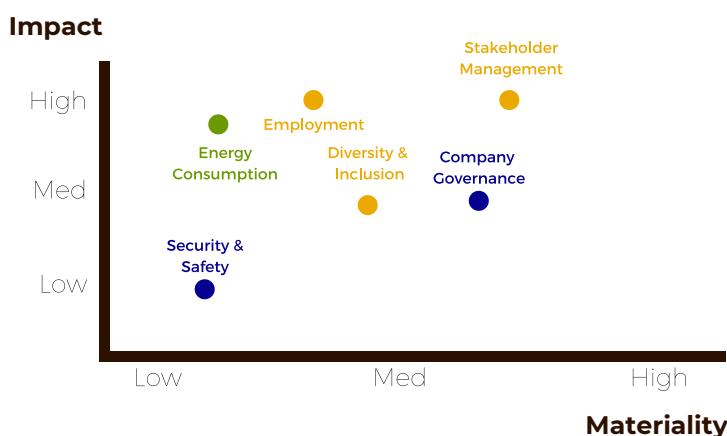
Investor Case Study: Example



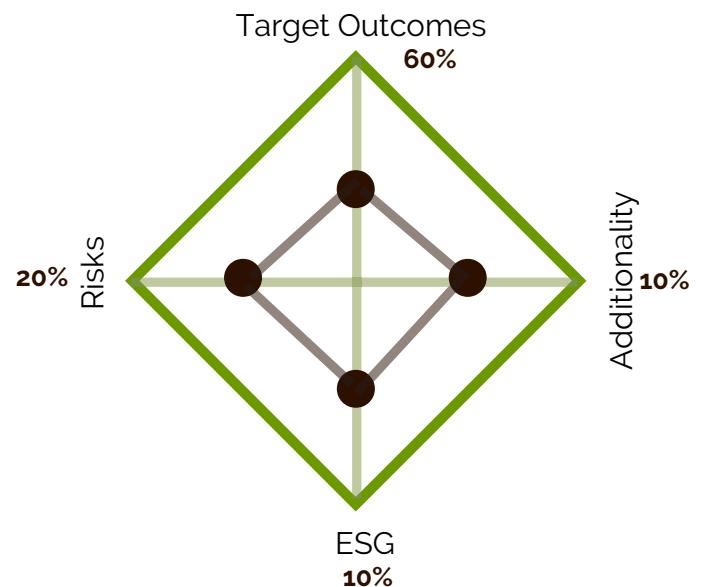
3.4.1- Reduce premature mortality of people with dementia and multiple chronic diseases, as well as those who have undergone hospital interventions.

AGGREGATE CONTRIBUTION
X%
TO REDUCTION OF PREMATURE DEATHS FROM NON-COMMUNICABLE DISEASES (SDG 3.4.1)

ESG OPPORTUNITIES



Impact Radar*



5.23 / 10
NET IMPACT SCORE





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Impact First Investments, July 2019