



Impact Principles Webinar Series

EPISODE 1: GETTING TO KNOW
THE PRINCIPLES

100 Signatories & Beyond

- 100+ Signatories
- 30+ Countries



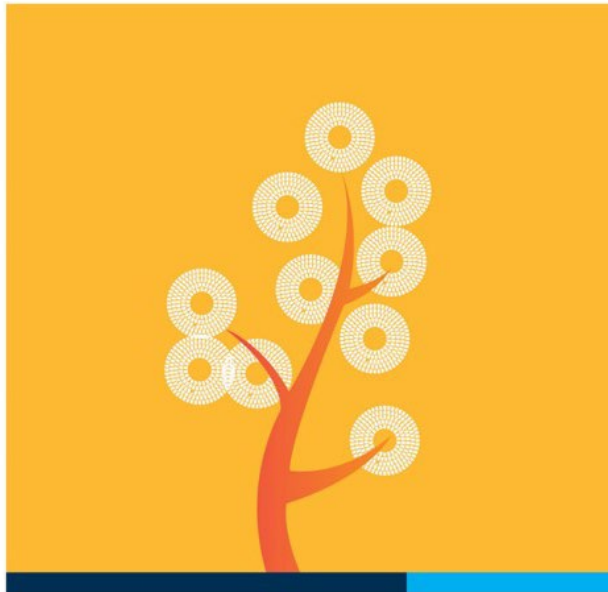
MDB/DFI 25

Asset Managers 70

Asset Owners 7

* Breakdown as of July 15th

Growing Impact: Key Takeaways from Year One

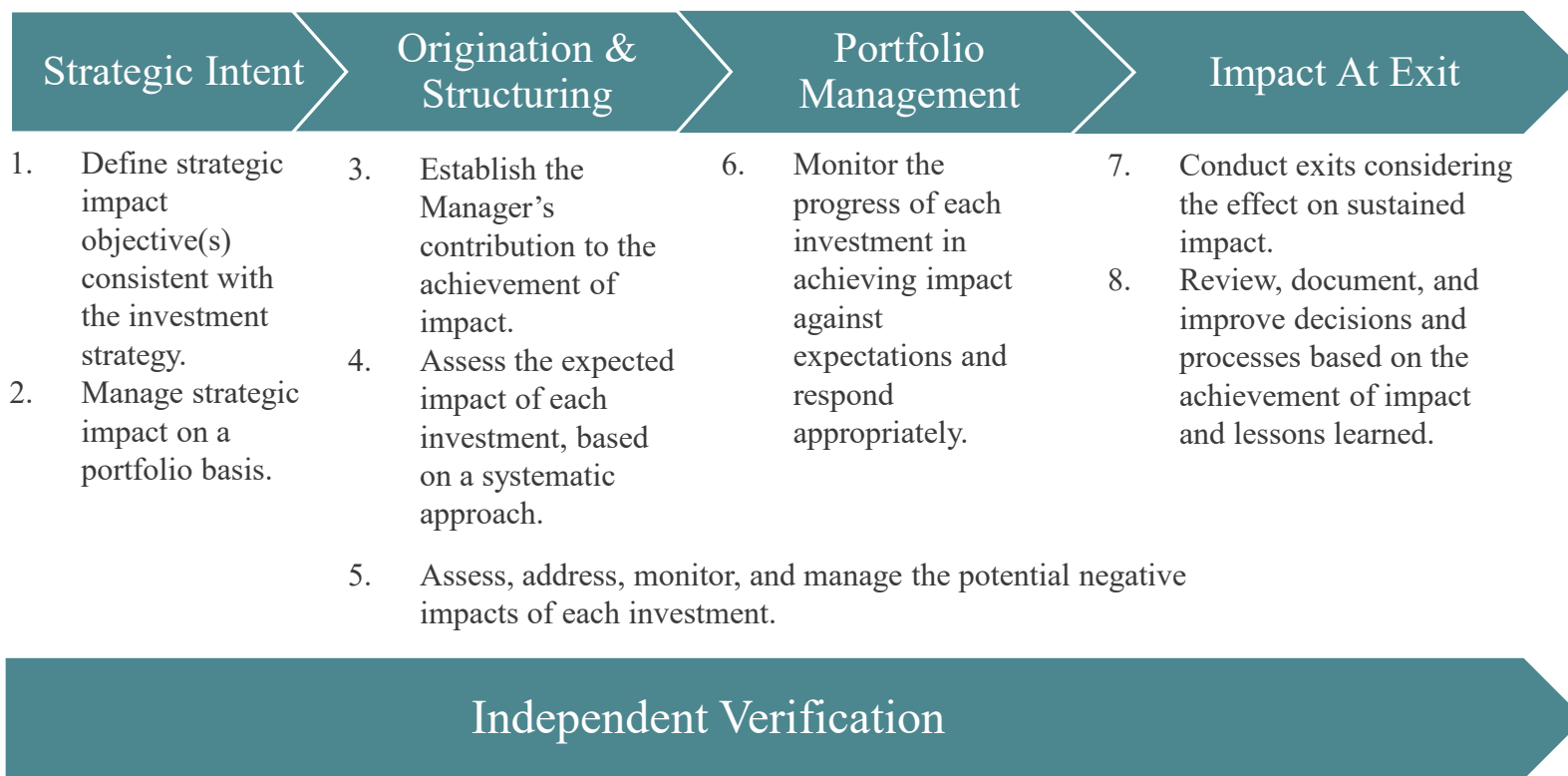


GROWING IMPACT
New Insights into the Practice of
Impact Investing

1. The Impact Principles provide clarity on what is required to be an impact investor. Impact investors can move beyond the ‘what’ to the ‘how.’
2. The Signatories are developing into a practitioner knowledge community that actively collaborates on key areas of impact investing.
3. The Impact Principles can be implemented across all types of institutions, asset classes and investment strategies.

The Principles

“Impact Investments - Investments made in companies or organizations with the intent to contribute measurable positive social or environmental impact, alongside a financial return”



9. Publicly disclose alignment with the Principles and provide regular independent verification of the extent of alignment.



Impact Investing Reporting Landscape



Leadership of the GIIN and IMP are Board Observers to the Impact Principles, thereby fostering close collaboration and exchange of best practices.

IFC, other DFIs and Signatories are actively partnering with the GIIN and IMP to align indicators of HIPS0 and IRIS+ for key themes such as climate, gender, and jobs.



HIPS0

Harmonized Indicators for Private Sector Operations

FAQs

1. How is IFC connected to the development of the Impact Principles and what is its continued role?

- *IFC led the development of the Impact Principles and launched them in April 2019. Following the launch, an independent Secretariat was established to manage the outreach and administration of the Impact Principles. The Secretariat is currently hosted by IFC.*
- *IFC has a history of developing standards—IFC’s Performance Standards were the basis for the Equator Principles and ESG standards widely used today. In the same way, the Impact Principles were designed to be a market standard and they belong to the Signatories rather than any one institution.*

2. What types of organizations can be Signatories to the Impact Principles?

- *The Impact Principles have been designed for all types and sizes of impact investors: asset managers, asset owners including wealth managers, and family offices. The Impact Principles can be implemented across all asset classes. While they may be easier to implement in private equity and debt markets, investors in publicly traded securities may also implement them through impact management systems appropriate for these markets.*

FAQs

3. What are the benefits of being a Signatory?

- *The Impact Principles add transparency and discipline to an organization's impact investing practices. Asset managers distinguish themselves as Signatories and can develop a track record of managing and reporting their investment processes. Asset owners use the Principles to identify opportunities and institutionalize their impact investing allocations. Signatories also gain access to an active and collaborative community of knowledge.*

4. What is the process to become a Signatory?

- *Email impactprinciples@ifc.org to schedule a meeting and request the required documentation.*
- *A Signatory must commit to align with the Principles for investments they identify as impact. To become a Signatory, an organization must sign a Signatory letter accepting the requirements and limitations contained in the Governing Provisions. Signatories must pay a one-time Registration Fee, comply with the annual reporting and disclosure requirements, and conduct independent verification on a regular basis.*

FAQs

5. Does a Signatory have to sign for the entire organization?

- *Organizations may sign at the corporate, line of business, fund, or investment strategy level. If signed at the corporate level, additional line of business or strategy may be added under the same Signatory letter.*
- *Investors that have a range of investment strategies may adopt the Principles for assets which they choose to identify as impact investments.*

6. Do Signatories have to align with all of the Impact Principles?

- *Yes. Signatories must align with all of the Principles.*
- *An organization should have an impact management system in place prior to signing.*

FAQs

7. What is the annual disclosure requirement?

- *Signatories are required to publicly disclose, on an annual basis, the alignment of their impact management systems with the Principles. The disclosure statement describes how the Signatory's impact management systems and processes align with each of the nine Principles.*
- *While an annual requirement the disclosure statement will generally not vary greatly from year to year, it will reflect changes to systems, processes, and additional information that the Signatory would like to include.*

8. What is the Independent Verification requirement?

- *Principle 9 requires that there be a regular independent verification that the impact management system and processes as described in the disclosure statement align with the Impact Principles.*
- *The independent verification of the alignment to the Principles can be performed by an external firm or committee or an independent internal department or committee.*



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Advisory Board Members

AXA Investment Managers

BlueOrchard Finance Ltd.

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FMO, Dutch Development Bank

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LeapFrog Investments

Nuveen

Partners Group AG

UBS Group AG

Zurich Insurance Group Ltd.

Observers:

GIIN

IMP