

PHENIX IMPACT FUND ASSESSMENT REPORT

SAMPLE FUND X

FUND MANAGER Y

Asset class: Public equity

Sector/theme: Diversified

Investment Region: Global

Status: Open, EUR 500M AUM

Date of the assessment: September 2023



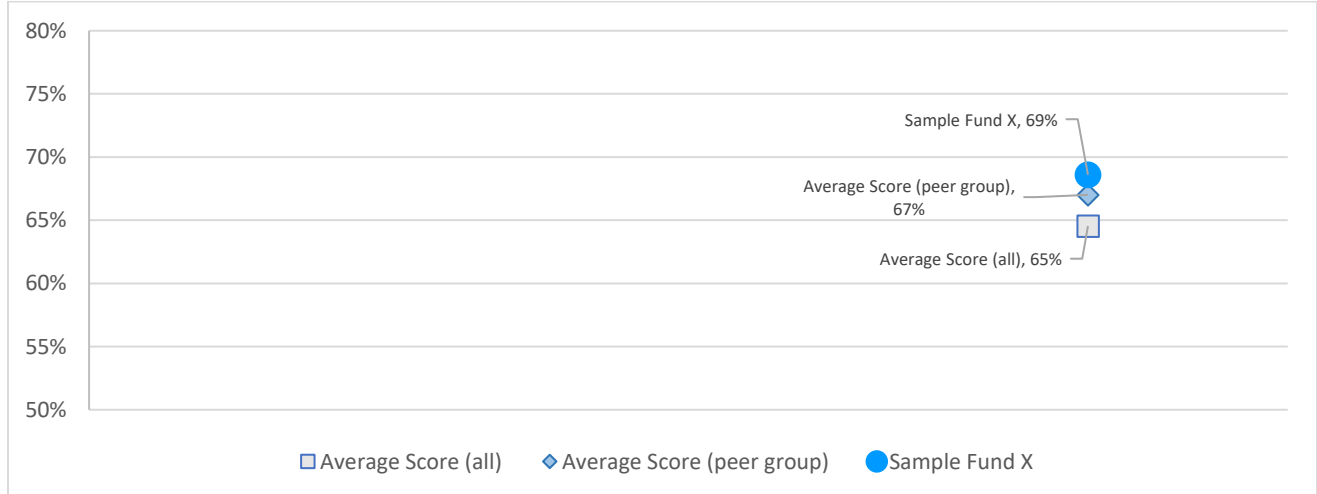
PHENIX IMPACT
FUND ASSESSMENT
September 2023



SAMPLE FUND X

FUND MANAGER	FUND MANAGER Y
ASSET CLASS	Public equity (Large and Mid-Cap)
SECTOR/THEME	Diversified
INVESTMENT REGION	Global
DOMICILE	Luxemburg
STATUS	Open, EUR 500M AUM
DATE OF ASSESSMENT	September 2023

SCORE



69
100

Phenix Impact Fund Assessment Score

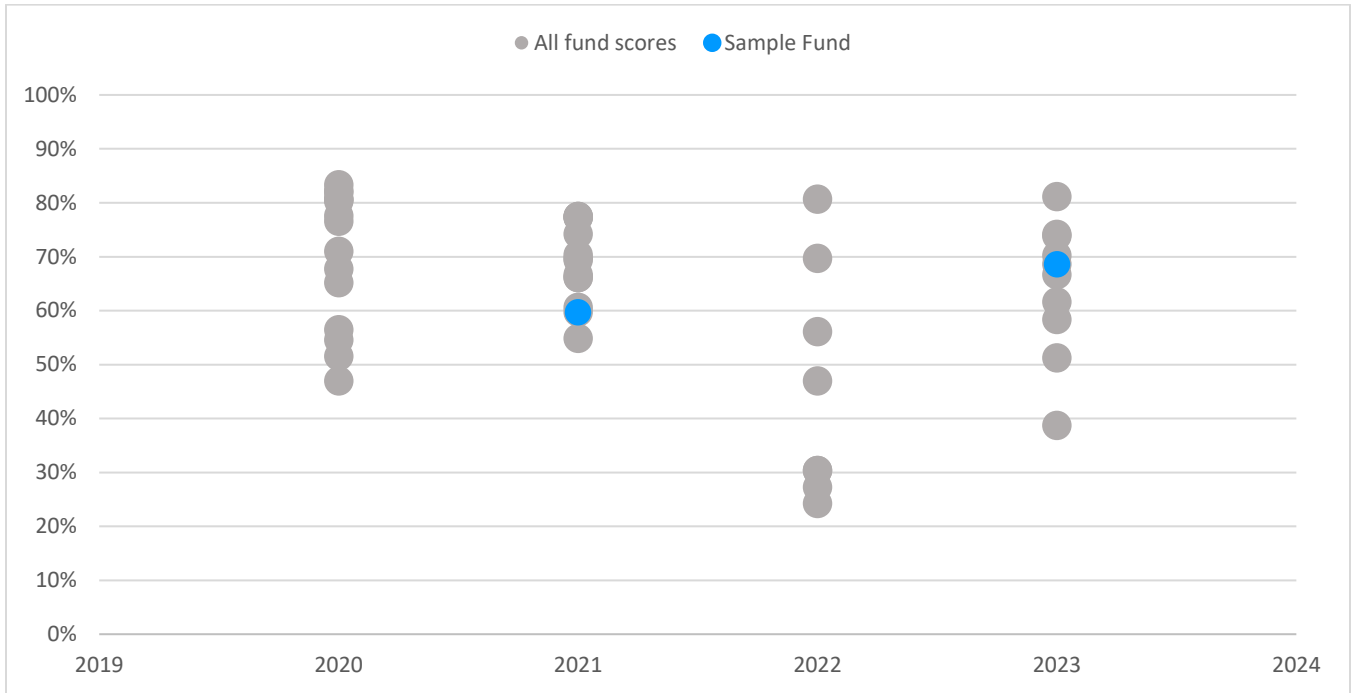
65/100
67/100

Phenix Impact Fund Assessment Average score (September 2023)

Phenix Impact Fund Assessment Average Peer group (public equity)

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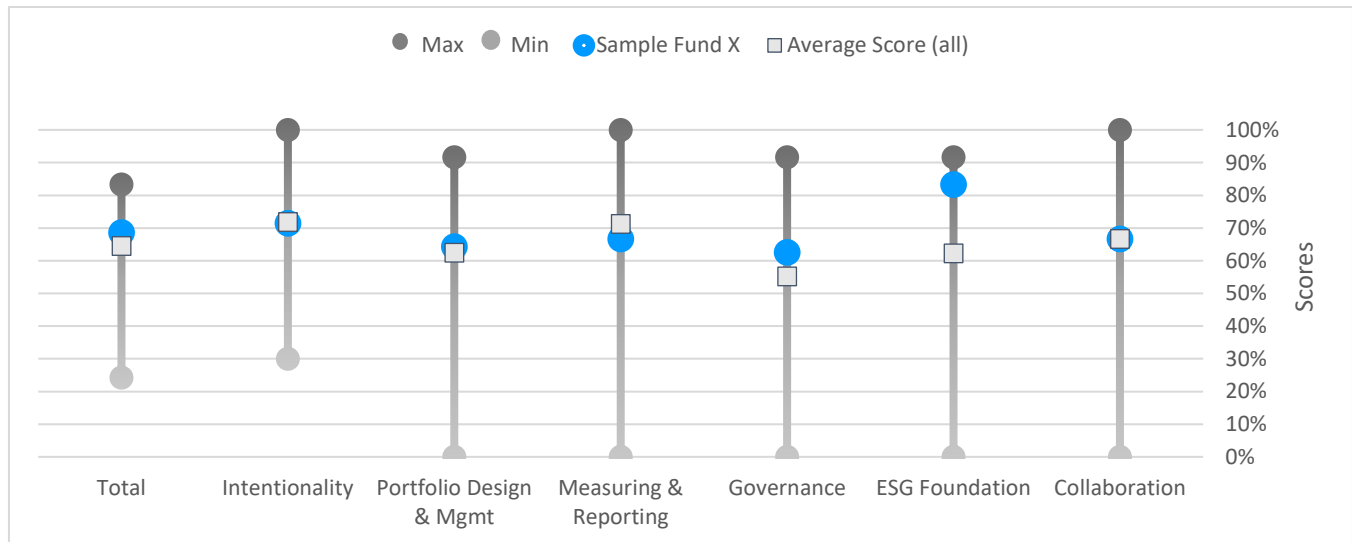
SCORE EVOLUTION



- 9% score improvement

In 2020, Fund Sample I scored 60/100 in the Impact fund Assessment. The score improved by 9 percentage points in 2023.

SCORE DIMENSIONS



The highest score component is attributable to the ESG Foundations of the fund. The largest room for improvement instead is in the Impact Measurement and Reporting dimension. In this report each score dimension and its components are reviewed in detail.

SCORE DIMENSIONS SUMMARY

	DIMENSION	SCORE	SUMMARY FINDINGS
1	INTENTIONALITY	MEDIUM 71/100	The fund presents a clear impact objective and a more broadly defined investor contribution. At the fund manager level there clear alignment of the investment beliefs. Opportunities to strengthen the Fund's intentions in terms of depth and scale.
2	PORTFOLIO DESIGN & MANAGEMENT	MEDIUM 64/100	The fund has a theory of change and develops an impact thesis per investee. Further opportunities to identify and mitigate impact risks and more formalized responsible exit considerations.
3	MEASURING & REPORTING	MEDIUM 67/100	The fund measures impact and publicly reports annually on a set of 5 aggregated KPIs: The score reflects improvements opportunities in terms of impact measurement tools, use of standard metrics and frameworks, and reporting practices e.g., frequency and coverage.
4	IMPACT GOVERNANCE	HIGH 63/100	Strong integration of impact in the governance structure e.g. with a dedicated team and impact considerations across the investment cycle. Opportunities to improve impact data verification and alignment of interests.
5	ESG FOUNDATIONS	HIGH 83/100	The strongest performing dimension highlights robust legacy ESG practices at both the fund and fund manager level. Opportunities to enhance carbon management plan to extending it to investee companies.
6	INDUSTRY COLLABORATION	MEDIUM 67/100	The fund takes an active role in one or more networks and shares best practices. Can more granularly align to standard taxonomy and frameworks,

HIGH: SCORES ABOVE Q3; MEDIUM: WITHIN INTERQUARTILE RANGE(Q3-Q1) LOW: SCORES BELOW Q1

DETAILED SCORE COMPONENTS

The total score is based on performance on each criterion, grouped in six impact dimensions. The criteria assess impact at the fund, investee, and fund manager level, evaluating the consistency and alignment of the impact proposition throughout the chain. All criteria are scored from 0 to 2 are totalled to give a score for each dimension, and a raw score for the assessment. The raw score is then scaled out of 100 to allow for more standardization and comparison between results.

1. INTENTIONALITY

73/100

This theme assesses the 'what' by evaluating the impact intention of the fund, in particular the social and environmental benefits that the fund seeks to achieve. It also looks at how this intention is reflected in the investment activities and values of the Fund Manager's organization as a whole.

	CRITERIA	SCORE	FINDINGS AND OPPORTUNITIES
1.1	IMPACT OBJECTIVE	2/2	<ul style="list-style-type: none"> The fund has and documents a defined impact objective alongside a financial return objective. <i>“Fund objective would be inserted here”.</i>
1.3	INVESTOR CONTRIBUTION	1/2	<ul style="list-style-type: none"> The fund manager provides a narrative on its intentions to have investor contribution by ...” .<i>fund reported text would be inserted here. .”</i> The fund can more clearly elaborate on its own activities and how these are done systematically to contribute to the achievement of impact.
1.4	SCALE OF IMPACT	2/2	<ul style="list-style-type: none"> The fund quantifies the scale of the problem it addresses through referring to the number of people affected by curable diseases each year that lack access to treatment. The fund targets investments which provide medication for these identified people living with curable diseases..

N.B. The detail score components section displays only a selection of the criteria assessed.

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2. IMPACT PORTFOLIO DESIGN AND MANAGEMENT 56/100

The criteria within this theme assesses whether the fund has a clear pathway towards reaching the targeted impact and the likelihood this will be delivered. The assessment evaluates how the portfolio has been structured to ensure alignment with the strategy and the intention of the fund. It also looks how investees are managed to maximize positive impact generation.

	CRITERIA	SCORE	FINDINGS AND OPPORTUNITIES
2.1	IMPACT STRATEGY	2/2	<ul style="list-style-type: none"> ● The fund has a clear strategy of how to achieve the intended impact of providing medication to unserved populations. The fund uses a logic model framework that ensures alignment of investees with this intended impact.
2.7	IMPACT RISK MANAGEMENT	0/2	<ul style="list-style-type: none"> ● The fund uses a toolkit which guides the identification of ESG risks. There is no evidence of the identification of impact risks ● Opportunity to identify impact risks e.g. using Impact Management Project's framework, and mitigation of these.

3. MEASURING AND REPORTING 78/100

Measuring & reporting evaluates the extent to which the fund assesses and records the impact created. The criteria assesses the quality, transparency and coverage of impact measurement. It also looks at the extent to which impact reporting gives a complete and contextual view of the social and environmental performance of the fund.

	CRITERIA	SCORE	FINDINGS AND OPPORTUNITIES
3.2	STANDARDIZED IMPACT MEASUREMENT FRAMEWORK	1/2	<ul style="list-style-type: none"> ● The fund has built its own proprietary impact measurement framework. ● The fund has the opportunity to align the impact metrics to a standard industry framework such as IRIS+.
3.3	IMPACT MANAGEMENT TOOL	2/2	<ul style="list-style-type: none"> ● The fund applies an impact management tool to store and track impact performance data.

4. IMPACT GOVERNANCE

53/100

Impact governance assesses the integration of impact within the investment decision making process. It looks at how the fund allocates responsibility for impact measurement and management (IMM) and how impact is safeguarded in the organisational and incentive structures.

	CRITERIA	SCORE	FINDINGS AND OPPORTUNITIES
4.4	IMPACT HURDLE	2/2	<ul style="list-style-type: none">● The fund has a performance fee in the form of carried interest linked to a minimum financial hurdle and a hurdle on impact targets
4.5	IMPACT DATA VERIFICATION	0/2	<ul style="list-style-type: none">● The fund's impact data is not currently validated or audited by an independent entity.● The fund has the opportunity to strengthen this practice by verifying (by an independent or external entity) the impact data it collects and utilizes for decision making

5. ESG FOUNDATIONS

74/100

While impact funds have a clear strategy to achieve positive impact, it is important that potential negative impacts are assessed and mitigated as well. The ESG foundation dimension assesses to which extent the fund identifies and mitigates risks arising from Environmental Social and Governance aspects related to the investments as well as the fund managers' own responsible investing practices.

	CRITERIA	SCORE	FINDINGS AND OPPORTUNITIES
5.1	SELECTION – ESG	1/2	<ul style="list-style-type: none">● The fund analyses ESG applying an ESG screen based on the UN Global Compact's 10 principles to each potential portfolio company during the idea generation stage and further takes into account their ESG profile in the portfolio construction phase.● The fund has the opportunity to standardize their practice by structurally integrating ESG risks and opportunity into the investment decision making process

5.3	CORPORATE SOCIAL RESPONSIBILITY	2/2	<ul style="list-style-type: none"> The fund manager publishes a yearly Sustainability Report which highlights social and environmental performance data including breakdown of men/women employees, training hours per employee, greenhouse gas emissions and energy consumption.
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6. INDUSTRY COLLABORATION

80/100

This theme assesses whether the fund manager, and the underlying fund, promote best practices and standardisation across the impact investing industry. The criteria incorporates whether the fund manager actively contributes to the impact investing industry, such as using standardised impact taxonomies and through the creation of tools and resources.

	CRITERIA	SCORE	FINDINGS AND OPPORTUNITIES
6.1	IMPACT TAXONOMY	2/2	<ul style="list-style-type: none"> The fund refers to the industry standardised frameworks of IMP, SDGs and EU Taxonomy and uses their taxonomies in fund documentation
6.6	IMPACT ECOSYSTEM CONTRIBUTION	2/2	<ul style="list-style-type: none"> The fund manager creates publicly available impact related research and are open about their own impact methodology and tools

Overview of the assessment methodology

This report is based on the assessment process started in August 2023 and completed in September 2023. The process involved the following key activities:

- i. Fund Manager Y completed a data request and due diligence questionnaire (August 2023)
- ii. Phenix team completed the desktop due diligence and shared the preliminary score
- iii. Phenix team runs an assessment call to interview the Fund Manager Y on their practices and policies, and to request further information.
- iv. Final assessment session with the team

Assessment participants (August-September 2023):

Sample Fund X	Rebecca Johnson , Portfolio Manager Mark Williams , ESG Manager
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INDEX OF SCORES

#	CRITERION	LEVEL	THEME	SCORE
1	INTENTIONALITY			
1.1	Impact objective	Fund	Intentionality	2/2
1.2	Investment beliefs	Manager	Intentionality	2/2
1.3	Investor contribution	Fund	Intentionality	2/2
1.4	...	Fund	Intentionality	2/2
2	PORTFOLIO DESIGN AND MANAGEMENT			
2.1	Impact fund strategy	Fund	Portfolio design	1/2
2.2	...	Investee	Portfolio design	2/2
2.3	Investee impact thesis	Investee	Portfolio design	2/2
2.7	Impact risk management	Investee	Portfolio design	2/2
2.8	Responsible exit	Fund	Portfolio design	2/2
3	MEASURING & REPORTING			
3.1	Impact measurement	Fund	Measuring & reporting	2/2
3.2	Standard impact measurement framework	Fund	Measuring & reporting	1/2
3.3	Impact management tool	Fund	Measuring & reporting	2/2
3.4	...			
4	IMPACT GOVERNANCE			
4.4	Impact performance fee/ hurdle	Fund	Impact governance	2/2
4.5	Impact data verification	Fund	Impact governance	1/2
4.6	..	Fund	Impact governance	1/2
5	ESG FOUNDATIONS			
5.1	Selection – ESG	Investee	ESG foundations	1/2
5.2	...	Investee	ESG foundations	1/2
5.3	Corporate Social Responsibility	Manager	ESG foundations	1/2
6	INDUSTRY COLLABORATION			
6.1	Impact taxonomy	Fund	Industry collaboration	2/2
6.2	Alignment to the SDGs	Fund	Industry collaboration	1/2
6.3	..	Manager	Industry collaboration	0/2
6.6	Impact ecosystem contribution	Manager	Industry collaboration	2/2

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CONTACT US LET'S CONNECT ON IMPACT INVESTING

E: info@phenixcapitalgroup.com

T: +31 20 240 27 31

www.phenixcapitalgroup.com

