

Disclosure Statement Operating Principles for Impact Management

Flat World Partners Advisors

As of June 30, 2024

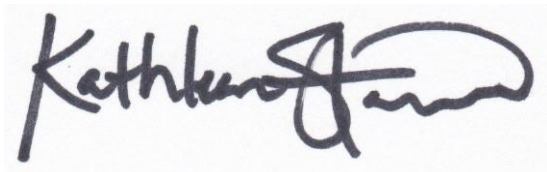
“Flat World Partners (FWP) Advisors LLC (“Flat World Partners”, “FWP”, “FWP Advisors LLC”, “our” “we” or “the Firm”) hereby affirms its status as a Signatory to the Operating Principles for Impact Management (the “Impact Principles”).

This Disclosure Statement applies to the FWP advisory business and processes and serves to fulfill Flat World Partners’ obligations pursuant to Principle 9 in publicly disclosing alignment with the Operating Principles for Impact Management. As an investment advisor to foundations, family offices, and institutional investment groups, rather than an investment manager, Flat World Partners has disclosed alignment to the Impact Principles below in accordance with our investment research and advisory work. We continue to rely on the Impact Principles as part of our investment screening process including selecting and collaborating with investment managers, whom we believe are aligned with the Impact Principles in their own investment processes.

As per the Disclosure requirement, FWP is including its Covered Assets, which we define as investments made by our clients following our recommendation. FWP estimates it has driven \$107.91 million into sustainability and impact aligned to the Operating Principles for Impact Management.

This amount has been invested across multiple asset classes and impact themes. Client fund investments include, for example, a real assets strategy focused on sustainable water and farmland, a private equity strategy focused on agtech for sustainable agriculture, a venture capital strategy supporting education, an emerging markets healthcare private equity strategy, and a democratic community investment fund supporting diverse entrepreneurs, within the past year. This Covered Assets number should not be confused with assets under management as we do not have discretion over client allocations.

Our work is dynamic, and we would love to hear from you. Please reach out with any questions and to learn about our latest insights.

A handwritten signature in black ink, appearing to read "Kathleen Starr". The signature is fluid and cursive, with a large loop at the end.

Kathleen Starr
Chief Investment Officer
FWP Advisors LLC

Principle 1: *Define strategic impact objective(s), consistent with the investment strategy.*

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

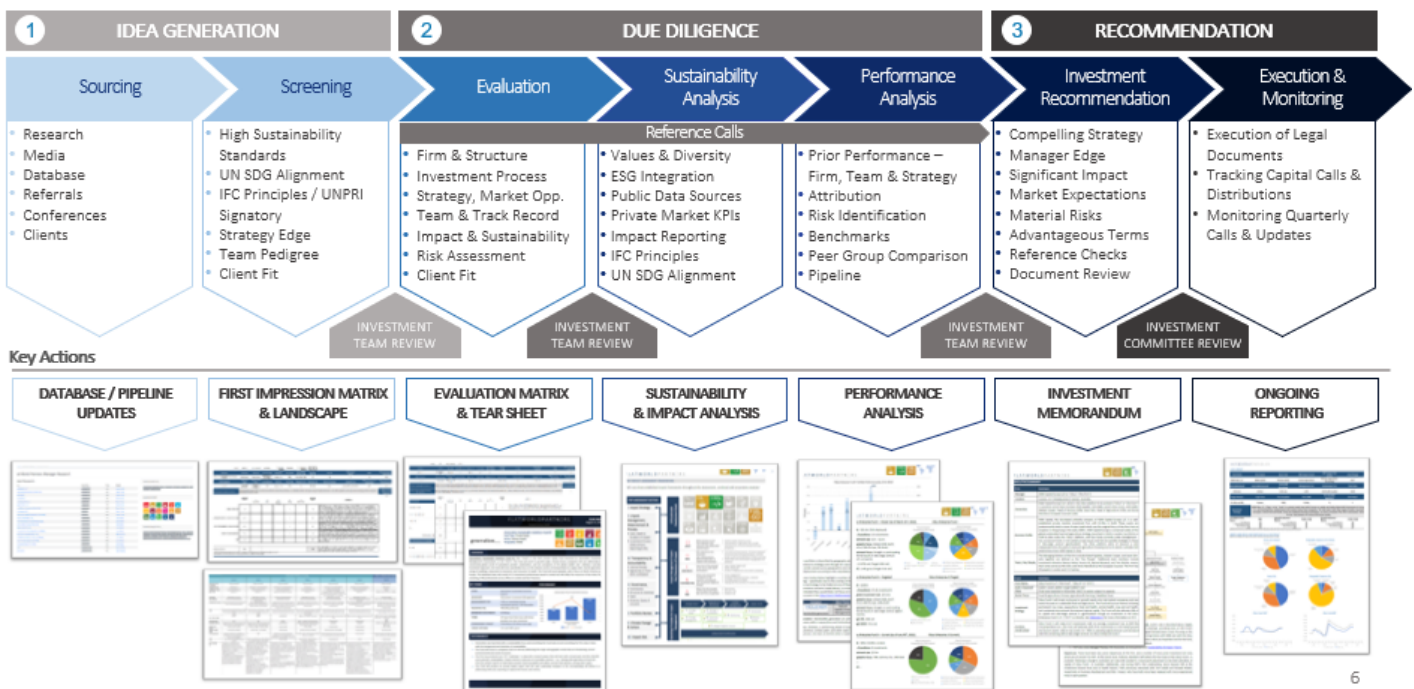
- Flat World Partners (FWP) was founded and continues to operate as an investment advisory firm focused solely on sustainable and impact investments. FWP provides strategic advice without taking full trading discretion and therefore does not “manage assets” per se, and thus seeks to ensure that the managers we work with and recommend adhere to the Impact Principles and incorporate genuine impact into their processes.
- FWP’s research covers a range of impact themes through its investment research which includes, for example, education, healthcare, sustainable agriculture and food, diversity and inclusion, economic upliftment and community development, and climate change. FWP’s research focuses on both developed and emerging markets investment opportunities across asset classes, seeking to maximize the flow of capital to these impact and sustainability strategies. FWP have advised clients across asset classes in both public and private markets, and have made recommendations in real assets, real estate, venture capital (funds and directs), private equity, project finance, fixed income, and public equities, all with deep impact and sustainability analysis of both processes and outcomes.
- FWP’s objectives are to facilitate our clients’ portfolio transitions to sustainable, responsible and impactful investments through increasing clients’ knowledge of and access to high quality investment opportunities with genuine and meaningful impact outcomes. Portfolio objectives are developed on a client-by-client basis, according to their risk / return expectations as well as their impact goals.
- FWP aligns its investment research and recommendations to the UN Sustainable Development Goals and the underlying targets to ensure broad but specific coverage of the outcomes associated to each SDG.

Principle 2: *Manage strategic impact on a portfolio basis.*

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

- As an advisor and intermediary, the Firm’s researched and recommended investments must pass through a proprietary impact screening process summarized below, which includes a review of impact and sustainability at each progressive stage of due diligence. This ensures that across the Firm’s client base, only recommended opportunities which qualify as high quality impact investments would constitute the portion of the clients portfolio under advisement of Flat World Partners.¹

The FWP Investment Process



- Flat World Partners’ investment team tracks regular updates from fund managers with which the Firm’s client base has invested, both in terms of fund-level and firm-level wide tracking, which helps ensure that invested funds remain in line with sustainability criteria. Managers we work with must commit to impact goals and FWP monitors developments at the firm-level to help ensure dedication to the stated strategic impact direction (particularly for those managers not traditionally classified as ‘impact managers’ who have recently added an impact-focused strategy to their platform).
- Flat World Partners does not currently align staff financial incentives with the achievement of impact, although this is discussed in individual team member reviews. The alignment of incentives to impact is also reviewed as part of the due diligence process when assessing managers.

¹ Funds are approved for investment according to client requirements, but the rigor in validation of impact process and outcomes of the recommended fund managers is consistent across the client base.

Principle 3: *Establish the manager's contribution to the achievement of impact.*

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and / or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

- Flat World Partners' additionality in impact is channeling Limited Partner (LP) capital to what we believe are the best commercial impact opportunities, in many cases at lower minimums than would normally be available to those LPs, through SPV aggregation or because of strong relationships and negotiation with fund managers.
- The investment team expects managers to be able to present their thesis around impact and sustainability - appropriate to both the investment strategy and asset class. Their track record and portfolio should be representative of their stated strategy. Where the impact lens is new to the manager, they should articulate how strategy or measurement will change going forward and the process by which this will occur.
- Flat World Partners' documents the research process in the form of scoring matrices, fund investment memorandums, and due diligence tracking documents. These are made available to clients through the Flat World Partners' Manager Database which provides transparency and allows research conclusions to be drawn through comparative fund screening which feed into Flat World Partners' thought leadership and external communications.
- Flat World Partners' investment research team is encouraged and supported, where possible, to align their individual research focus areas to impact issues, sectors and geographies in which they have a strong interest or concern. This allows for additional depth of background and added incentive to the achievement of impact and in finding solutions to pressing global problems.
- In some cases, Flat World Partners' have influenced or assisted managers in adopting better impact practices and measurement tools. The investment team will suggest well-known or well-regarded impact measurement frameworks and provide examples of best practice according to what the investment team ranks highly in due diligence. For example, it has been suggested to certain fund managers to start tracking and prioritizing diversity among its portfolio entrepreneurs. Flat World Partners will, where appropriate, also suggest the Impact Principles to managers as a framework on which to base the establishment of an impact process, and to become a Signatory if possible.

Principle 4: Assess the expected impact of each investment, based on a systemic approach.

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions:

- (1) What is the intended impact?
- (2) Who experiences the intended impact?
- (3) How significant is the intended impact?

The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations.

In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

- Flat World Partners utilizes multiple proprietary and third party frameworks to benchmark underlying managers' impact / sustainability processes and screening.
 - FWP utilizes **Impact Management Project** for private fund sustainability and impact screening in the investment research process. This framework evaluates an investment's intended impact according to the 'five dimensions' of impact qualitatively and, where possible, quantitatively.
 - FWP aligns each of its investments to the relevant **UN Sustainable Development Goals** by evaluating not only a manager's stated investment thesis and intended outcomes but also through evaluating a manager's specific investment history where applicable.
 - FWP aligns each manager's process to the **Operating Principles for Impact Management**. As a signatory, FWP utilizes this framework to map each manager's diligence and investment process to the stated nine steps.
- During due diligence, managers are also requested to provide supporting data on their underlying investments and their own impact screening and tracking processes, which allow the FWP team to evaluate the impact achieved or expected at the underlying investment level. The comparison between the managers' impact targets and process allows the Flat World team to assess the likelihood of achieving the intended impact based on research and comparable investments.
- FWP's diverse team consists of highly differentiated backgrounds which provide a broad, as well as unique, viewpoint on impact, with multi-sectoral and geographic specializations feeding into the research process to allow a nuanced understanding of the different fund and direct investment opportunities.

Principle 5: Assess, address, monitor, and manage potential negative impacts of each investment.

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

- Flat World Partners' proprietary investment strategy targets sustainable investments across Social and Environmental factors. The firm's investment process filters out organizations employing strategies that are associated with higher environmental, social and governance risks, any of which could weaken the financial performance of portfolio companies as well as damage impact performance. Nonetheless, Flat World does not only seek to exclude strategies that have high ESG risk, but also pursues strategies that improve ESG performance of high-risk industries. These values are guided by the Flat World Partners' Philosophy Statement – an internal document summarizing the Firm's thought process on impact, sustainability, ESG and related risks.
 - FWP's research process identifies ESG risks associated with sectors and impact themes. Investment team members focus on different impact themes, sectors, macro trends and industries across asset classes in order to form a cross-cutting analysis on potential risks associated with diverse fund strategies.
 - FWP assesses managers utilizing a risk assessment and sustainability framework that incorporates the Impact Management Project, the UN SDGs, and the Operating Principles for Impact Management as the industry benchmark.
 - In addition to the review of specific impact risks in the Impact Management Project section of the review, impact risks are highlighted in the detailed "Risks" section of the Investment Memorandum. ESG Risks are re-checked and corroborated each time an investment is reviewed or reporting from a manager is submitted, annually. Given Flat World Partner's role as an advisor, this monitoring is usually only possible in a passive capacity, but sector level risks are discussed regularly in line with thematic research.
 - Potential ESG risks of a manager's strategy are addressed up front in the investment memorandum, using frameworks as relevant to the investment stage and asset class. These may include the CDC Group's ESG Toolkit, the IFC's Performance Standards, SASB Standards and other frameworks that will be relevant to the particular investment case.
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Principle 6: Monitor the progress of each investment in achieving impact against expectations and respond appropriately.

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

- Flat World Partners monitors the impact progress of its recommended funds through regular calls with managers and a periodic review of a particular fund's impact and financial performance, relative to its stated goals. FWP will periodically review investments based on materiality, which includes annual reviews of the five largest fund positions for the firm within Covered Assets. FWP will follow a similar process for direct deals. Reviews will include an analysis summarizing adherence of the investment to the Principles, as well as Flat World Partners' updated view on the investment.
- Flat World Partners re-scores and re-evaluates managers for subsequent fundraises, meaning that a recommendation of new fund vintages is not guaranteed and depends on the outcomes of prior impact performance. This includes a re-evaluation of the manager's process against the Impact Principles.
- As part of the review process of prospective fund managers, Flat World Partners assesses the managers' reporting processes in comparison to best practices seen amongst funds researched, which vary based in industry, asset class and impact theme. Some indicators the Flat World Partners considers to be best-in-class include IRIS+ or metrics which align directly to the UN SDG underlying targets. Flat World Partners expects regular reporting to track and summarize impact progress and concerns.
- Flat World Partners also tracks the changes and improvements in the diversity of the team's whose funds have been underwritten and recommended.

Principle 7: Conduct exits considering the effect on sustained impact.

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

- As Flat World Partners focuses on investments in close-ended Funds, such investments have a defined term when capital is returned and do not require hands-on exit management.
- Flat World Partners' investment research process assesses managers for the whole life cycle of impact and evaluates their exit management. When possible, the firm prefers investments in business models that are aligned with impact objectives. Therefore, successful financial exits are more likely to continue portfolio companies' impact objectives, unless there is a fundamental change in the business model.
- Flat World Partners monitors managers and their underlying portfolio. The Firm will provide feedback should an exit not meet responsible fiduciary and impact criteria.
- Where Flat World Partners manages a co-investment SPV as a minority partner, the Firm will monitor exit scenarios and influence a responsible outcome to the best of its ability.

Principle 8: Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

- Flat World Partners continuously reviews its investment process and impact framework as needed, updating its procedures based on past experiences, new information, and collaborations with partner organizations. Specifically, the firm supplements its impact review process as more relevant industry standards and frameworks become available.
- For investments which reach the final stage of due diligence, FWP tracks and documents our own investment process against the Impact Principles using a dedicated Due Diligence Checklist. The outcome of this internal review determines if the recommendation by FWP and subsequent client investment may be deemed a “Covered Asset” by the Impact Principles, and similarly highlights potential improvements for FWP’s future investment processes.
- The firm has built its proprietary investment processes through iterations of reviewing hundreds of managers allowing it to identify the most valuable analyses that are material, salient, and manageable for private and public market fund information.
- As part of our system of continuous review, Flat World Partners utilizes a propriety scoring system in our investment process to evaluate managers on the various dimensions of fund management, specifically highlighting impact and sustainability frameworks. These scores are updated throughout the Firm’s interaction with a Manager and as new information comes to light (e.g. investments, exits, and staffing changes), or at least annually on the stipulated review date.
- Flat World Partners will periodically reevaluate existing managers based on the progress of the fund’s capital deployment, portfolio management, and exits. When a Manager comes to market to raise their next fund, the Firm evaluates the impact performance of previous vintages versus stated goals.

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

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

- This Disclosure re-affirms the alignment of Flat World Partners’ policies and processes with the Impact Principles and will be updated annually.
- Flat World Partners promotes its Signatory status in firm collateral. Employee email signatures display the Firm’s alignment with the Impact Principles.
- In accordance with the Impact Principles’ requirement that signatories submit to an independent verification, Flat World Partners will complete the verification process once a suitable partner has been chosen. The last verification was completed on 7th December 2023. That independent verification was performed by Beth Haddock, Managing Partner at Warburton Advisers LLC. Warburton Advisers LLC (“Warburton”) is a leading, global compliance consultancy working with corporations and NGOs to build,

maintain and audit internal controls that thoughtfully address applicable laws, rules, regulations, behavioral incentives and standards such as the Principles. Founded by Beth Haddock, Warburton's clients benefit from decades of experience and regulatory acumen to sustain strategic risk management and governance programs that deliver a return on investment ("ROI"). For more information about the firm and services, please visit www.warburtonadvisers.com or email team@warburtonadvisers.com. A link to this Verification Statement is provided here: https://www.flatworld-partners.com/files/ugd/093315_8950abb40bb94762806a8d7dfce429eb.pdf

- Flat World Partners will undertake this verification process every two years; a time-period deemed sufficient by the team giving the nature of the advisory / intermediary business. The next verification is expected to be provided in December 2025.

The information contained in this Disclosure Statement has not been verified or endorsed by the Global Impact Investing Network ("the GIIN") or the Secretariat or Advisory Board. All statements and/or opinions expressed in these materials are solely the responsibility of the person or entity providing such materials and do not reflect the opinion of the GIIN. The GIIN shall not be responsible for any loss, claim or liability that the person or entity publishing this Disclosure Statement or its investors, Affiliates (as defined below), advisers, employees or agents, or any other third party, may suffer or incur in relation to this Disclosure Statement or the impact investing principles to which it relates. For purposes hereof, "Affiliate" shall mean any individual, entity or other enterprise or organization controlling, controlled by, or under common control with the Signatory.