

# Wire Private Markets Fund

## Working with fund managers on impact measurement

### WHY MEASURE THE 'IMPACT MULTIPLE ON MONEY'?

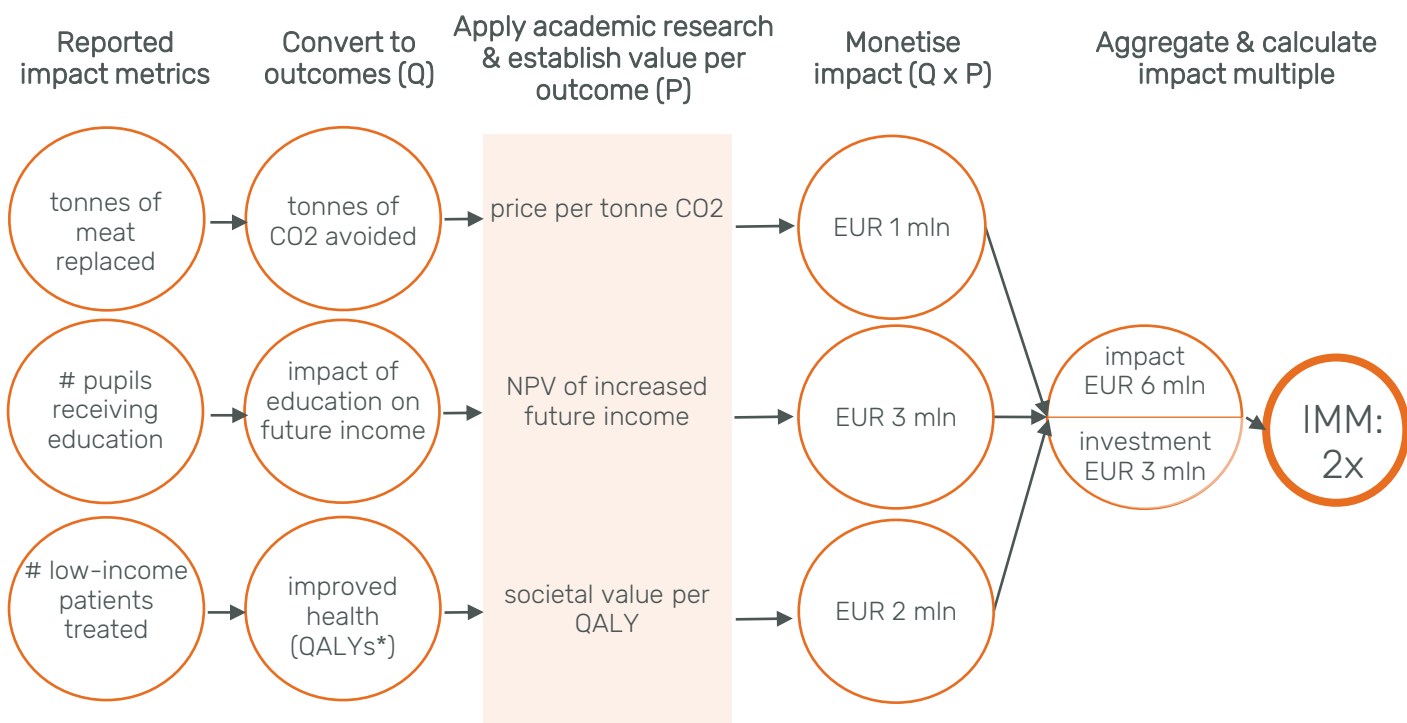
The field of impact measurement is rapidly evolving. Important frameworks such as IRIS+ and IMP have emerged. WPMF builds on these and will calculate the social and environmental value created by fund managers' portfolio companies ('societal value') and express this value in monetary (€) terms. We do this because we firmly believe that societal value creation should count as much in investment decisions as financial value creation. We want to move towards a regenerative and conscious economy in which investors are explicit about the societal value that is created or broken down by their investments.

Moreover, by calculating societal value we can create insights into how much impact is created by one company compared to another, as well as compared to the amount of financial capital invested (this is the 'impact multiple on money', or 'IMM').

### WHAT'S IN IT FOR FUND MANAGERS?

- Receive intellectual and moral support on your impact measurement efforts
- Enrich the impact measurement you are doing anyway
- Compatible with current standards such as IRIS+ and IMP, but these are not required
- Report the 'societal value' created by your portfolio companies based on a framework developed by Wire Group and Impact Institute (TruePrice spin-off)
- Further enhance your 'impact story' to investors

### WHAT DOES THE IMM CALCULATION LOOK LIKE?



\* Quality Adjusted Life-Years



**Disclaimer:** Calculating monetized impact is not a silver bullet or a recipe in and of itself for a better world. Human and animal happiness, spirituality, or truly healthy and harmonious ecosystems cannot be easily captured in a simple monetary number. Yet, these are essential for the Conscious Economy that Wire Group works towards. We encourage fund managers to pursue these goals above all else.

## WHAT DO WE NEED FROM FUND MANAGERS?



### Vision

- FM should have vision / approach to impact measurement
- In early stages of thinking, WPMF / Impact Institute can provide support
- WPMF may provide FMs with opportunity to take part in workshop to further develop impact measurement skills



### 'Outcome thinking'

- Think about the 'impact pathways' of portfolio companies
- Assess how 'outputs' (e.g. # hospital beds or # people reached) translate to 'outcomes' (e.g. improved health or CO2 avoided)



### Work as a team

- Stay connected
- You can consult us when doing new portfolio company investments: which are the most relevant impact pathways and KPIs?



### Report data

- Report data to support our 'societal value' calculations (see table below)
- Be open about data sources and data challenges
- Strong preference for reporting in digital format (e.g. Excel, B Analytics, Toniic Tracer, etc)

## Data needed to support 'societal value' and 'IMM' calculations

Impact data	Notes	Priority
Basic deal data for all portfolio companies: investment date, amount invested, % shareholding	We need this to calculate IMM, including correcting total portfolio company impact for shareholding	✓✓✓
Per portfolio company a schematic description of most material 'impact pathways' linking the company's activities to outputs and outcomes *	This could / should include the most material negative impact pathway, e.g. waste generated or natural resource use	✓✓✓
Per portfolio company a schematic description of the reference scenario against which impact is measured *	This is equivalent to the IMP Impact Dimension 'Contribution'	✓✓
Reporting on key 'output' KPIs	IRIS+ provides a large database of output KPIs, including sector-specific output KPIs	✓✓✓
Reporting on key 'outcome' KPIs	This is equivalent to the IMP Impact Dimension 'How Much' / 'Depth of outcome'	✓✓
Academic research / articles to support the translation from outputs → outcomes	E.g. peer-reviewed research to show how access to healthcare results in improved health outcomes	✓
Direct data on outcomes for beneficiaries	E.g. results of beneficiary surveys (see also 'lean data' / 60 Decibels)	✓
Reporting in digital format, e.g. Excel, B Analytics, Toniic Tracer, etc		✓✓

✓✓✓ Minimum requirement    ✓✓ Key element of IMM calculation    ✓ 'Nice to have'

\* Template to be provided by WPMF



Wire Group and Wire Private Markets Fund are proud to collaborate on impact measurement with Impact Institute  
[www.impactinstitute.com](http://www.impactinstitute.com)

