The Rise Funds Disclosure Statement: Operating Principles for Impact Management

DISCLOSURE STATEMENT

1. The Rise Funds (the "Signatory") hereby affirms its status as a Signatory to the Operating Principles for Impact Management (the "Impact Principles"). We are proud to be a signatory to the Impact Principles, which represent a critical step forward for the impact investing community as we collectively deepen our commitment to rigorous management, evaluation and reporting of impact.
2. This Disclosure Statement applies to the following Covered Assets that align with the Impact Principles: Rise I, Rise II, and Evercare ("The Rise Funds" or the "Funds").
3. The total value of the Covered Assets in alignment with the Impact Principles is US$ 5.5 billion as of December 31, 2020.

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Co-Managing Partner
The Rise Funds

Management of The Rise Funds (the "Funds") has performed the activities detailed below for the year ended December 31, 2020.

IMPACT MANAGEMENT ACTIVITIES PERFORMED BY THE RISE FUND

Detailed below are the nine Impact Principles for Impact Management (the "Impact Principles"). Management has detailed the impact management operating activities performed for the year ended December 31, 2020 describing the alignment of the impact management systems and processes with the Impact Principles.

Principle 1: Define strategic impact objective(s), consistent with 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.

- The Rise Funds invest in companies, globally, whose core products or services deliver meaningful social or environmental impact in a manner that is "collinear" with the commercial success of the companies. The Funds invested in companies that are underwritten with a goal to generate a measurable and demonstrated impact outcome aligned with the United Nations Sustainable Development Goals. The Rise Funds 2020 Impact Report contains a mapping of the portfolio companies impact pathways to the applicable SDGs. Core sectors of focus include education (SDG 4), healthcare (SDG 3), financial inclusion (SDGs 1 and 10), and climate and conservation (SDGs 7 and 13).

- A measurement framework entitled the Impact Multiple of Money (IMM) was deployed by the Funds to assess the social and environmental benefit ("impact") of each portfolio company held by the Funds. The IMM quantifies impact for a given portfolio company to assess ability to achieve impact scale proportionate to the size of the investment portfolio. A detailed overview of the IMM framework can be found in Harvard Business Reviews' Calculating the Value of Impact Investing and Y Analytics' Evidence-based Impact white paper.

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.

- Human resources such as internal investment teams, business building teams, and leadership of The Rise Funds, were deployed to support financial and impact performance of the portfolio companies held by the Funds. This deployment includes participation in the Board of Directors of various portfolio companies by the Funds' investment and management teams and has included, from time to time, oversight of operations and business activities by select partners of the Funds at the physical location of the portfolio companies.

- Staff incentives are aligned with the achievement of impact through the annual evaluation of performance against internal impact-related competency requirements. Specifically, the individual performance evaluation process takes into consideration ownership of the impact underwriting process during investment evaluation and command over impact pathways and relevant research and analyses, tracking targets and delivering on impact returns and objectives for portfolio companies, and maintaining intellectual leadership of impact topics.

- On a quarterly basis, management of the Funds tracked and measured the performance of the portfolio companies of the Funds during the year ended December 31, 2020 from both a financial and impact perspective by updating the financial valuation and estimated actual impact with current source data from the portfolio companies. Management of the Funds also performed a review process that involved analytics for decision making as well as the Funds' impact and financial performance to be communicated to investors.

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.

- Human resources such as internal investment teams, business building teams and leadership of The Rise Funds, were deployed to support financial and impact performance of the portfolio companies held by the Funds. This deployment includes participation in the Board of Directors of various portfolio companies by the Funds' investment and management teams and has included, from time to time, oversight of operations and business activities by select partners of the Funds at the physical location of the portfolio companies.

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

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact4 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.

- The Rise Funds worked with affiliated third-party advisor Y Analytics to assess the underwritten impact of each investment using the IMM framework prior to an investment in a portfolio company. Each underwritten impact analysis is presented to management of the Funds alongside underwritten investment performance.

Principle 5: Assess, address, monitor and manage potential negative pathways 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.

- The IMM framework incorporates the consideration of both rationales for social and environmental benefits ("positive impact pathway") and social and environmental costs ("negative impact pathway"). The IMM framework was deployed to measure impact for select portfolio companies held by the Funds during the year ended December 31, 2020.

- An estimated actual impact, including negative impact, was determined for each portfolio company held by the Funds by applying the IMM framework and compared to the underwritten impact for each investment over the comparable investment horizon. Discrepancies between the underwritten and estimated actual impact were discussed in quarterly meetings, along with potential causes and remediations.

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.

- Management of the Funds tracked estimated actual impact for select portfolio companies as part of the impact reporting process.

- On an ongoing basis, management of the Funds and Y Analytics reviewed third party research relevant to the respective IMM calculation for select portfolio companies held by the Funds.

- An estimated actual impact, including negative impact, was determined for each portfolio company held by the Funds by applying the IMM framework and compared to the underwritten impact for each investment over the comparable investment horizon. Discrepancies between the underwritten and estimated actual impact were discussed in quarterly meetings, along with potential causes and remediations.

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.

- Management of the Funds identified collinearity between the business and impact outcomes of portfolio companies held by the Funds, noting that collinearity improves the sustainability of the impact thesis subsequent to the Funds' exit.

- The IMM framework applied to measure estimated actual impact considered the post-ownership probability of impact continuation and output delivery.

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.

- An estimated actual impact, including negative impact, was determined for each portfolio company held by the Funds by applying the IMM framework and compared to underwritten impact for each investment over the comparable investment horizon. Discrepancies between the underwritten and estimated actual impact were discussed in quarterly meetings, along with potential causes and remediations. This review process allowed management of the Funds to identify which pathways can lead to sustainable impact and improve future underwriting.

Principle 9: Publicly disclose alignment with the Impact 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 Statement affirms the alignment of the impact management systems for the Covered Assets with the Operating Principles for Impact Management and will be updated annually.

- In the prior year, KPMG reviewed our public assertion that the Impact Management systems and processes stated by The Rise Fund in response to the Impact Principles were performed by The Rise Fund for the year ended December 31, 2019.

- We will provide regular independent verification on our alignment with the Impact Principles on a biennial basis.