

Practice Verification Benchmark Report

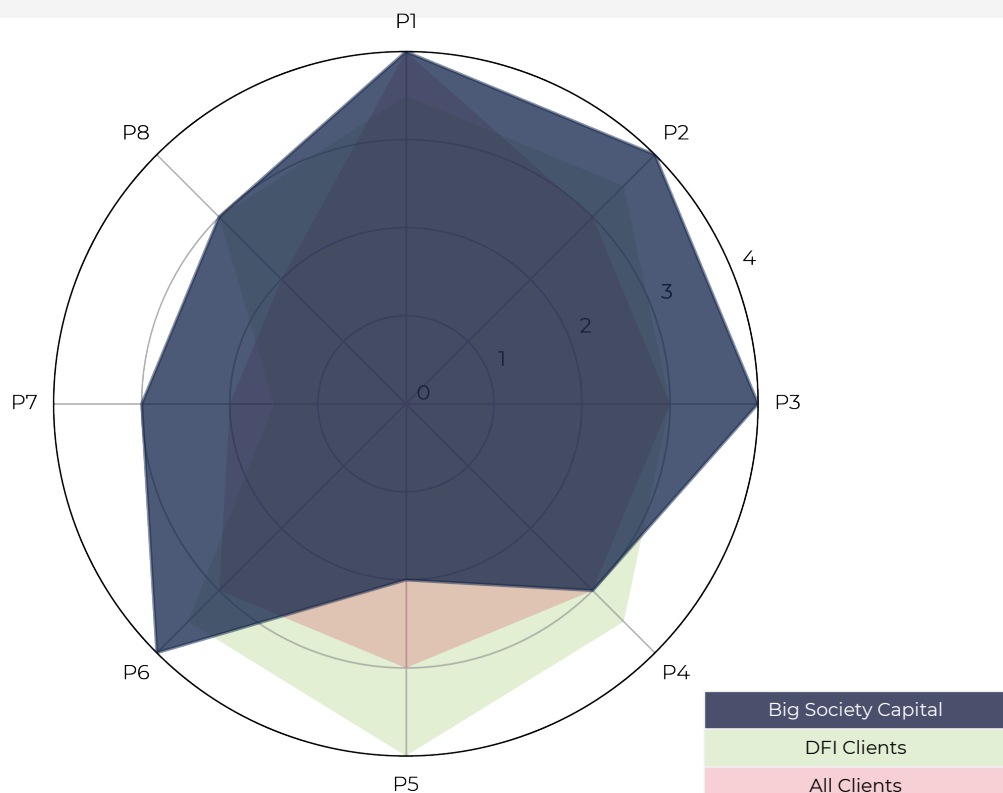
PREPARED FOR



The following report has been prepared by BlueMark for Big Society Capital using the results of Big Society Capital's most recent practice verification and BlueMark's proprietary anonymized dataset of verified practices across more than 30 verifications. While the practice verification is done by closely adhering to the practical OPIM guidance provided by the IFC, BlueMark strives to continuously lift the bar for what constitutes best practice as it pertains to Impact Management. That is why some of the datapoints revealed in this report touch on practice that goes beyond the letter of the Operating Principles. The following report is organized according to 9 Operating Principles.

ALIGNMENT SCORE

Big Society Capital	Client Peer Group	All Verifications
27	24	21



PRINCIPLE 4: EX-ANTE ASSESSMENT OF IMPACT

Definition: Assess the expected impact of each investment based on a systematic approach.

The OPIM Guidance for Principle 4 stipulates that investors should:

1. Assess, in advance and, where possible, quantify concrete, positive impact potential of each investment.
2. Assess likelihood of achieving investment's expected impact and identify significant risk factors to delivering expected impact.

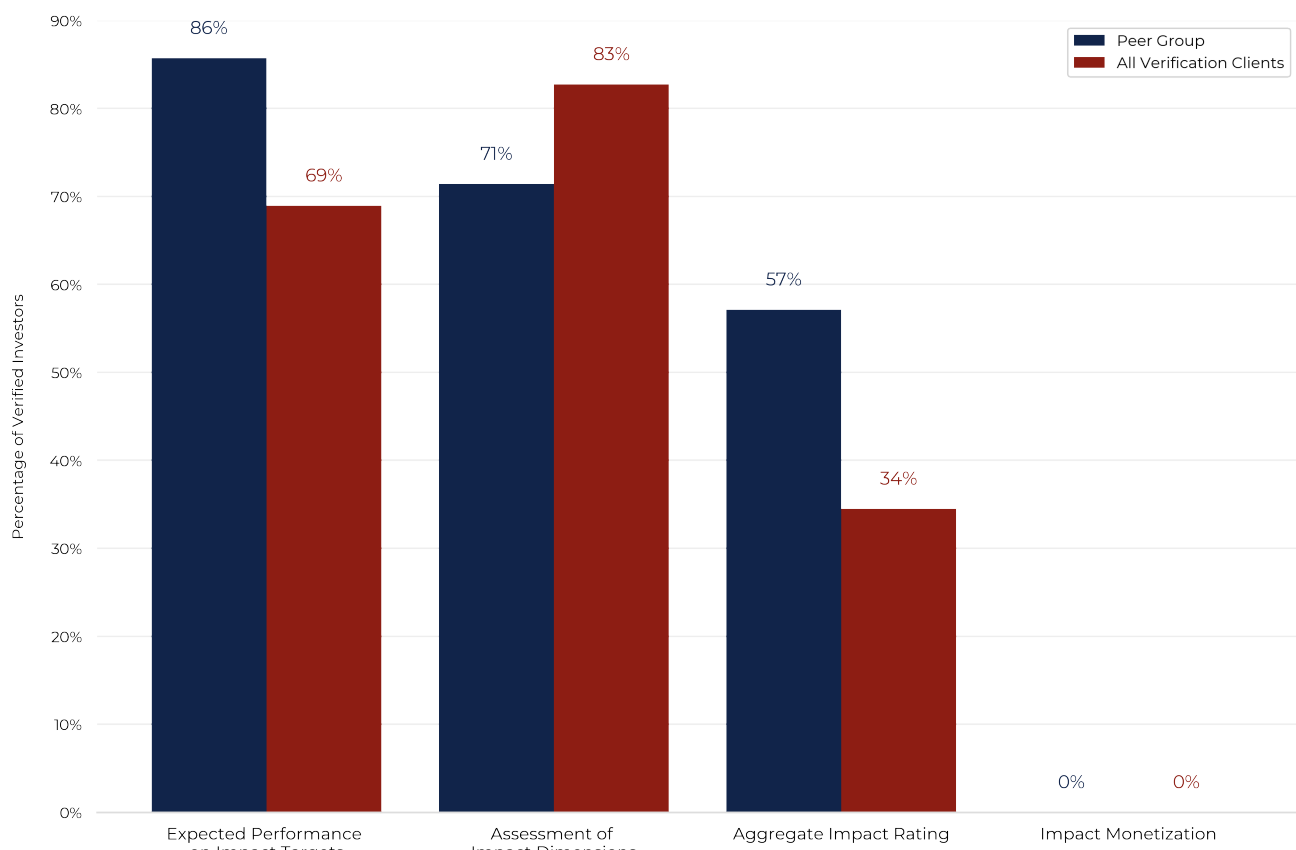
Approach to assessing expected impact

The vast majority of BlueMark clients use a standardized approach to estimating the expected impact performance of each investment during the due diligence stages. Some investor may use a purely unstructured qualitative approach to assessing impact while others may use a combination of determining expected performance on impact metrics in combination with an aggregate impact score. Our assessment has shown that Big Society Capital's impact assessment process has the following element(s):

- Element A
- Element B
- Etc.

In your peer group and across all of BlueMark's verification clients, the incidence of the various approaches (investor may use more than one dimensions) is as displayed below:

Approaches to Assess Expected Impact



DIMENSIONS OF IMPACT INVESTMENT

Which of these fundamental questions does the asset manager aim to answer as part of the impact assessment process? The following dimensions draw on the Impact Management Project's established frameworks.

Which of the following dimensions does the manager consider?

	Big Society Capital	Peer Group	All Verification Clients
What is the intended impact?	✓	100%	93%
Who experiences the intended impact?	✓	100%	86%
How significant is the intended impact?	✓	85%	65%
What is the likelihood of achieving expected impact?	✓	57%	44%
What are significant risk factors that could result in variance from expected impact?	✓	42%	51%

Does the Manager use all five IMP dimensions?

The Impact Management Project came to a consensus that impact can be measured across five fundamental dimensions after consulting over 2,000 organizations. These dimensions are, briefly, What, Who, How Much, (Enterprise) Contribution, and Risk. For more information, please see [here](#).

Using all 5 IMP dimensions



Big Society Capital



Peer Group



All Verification Clients

USE OF IMPACT INDICATORS

BlueMark recommends aligning commonly used impact indicators with industry standards. There is a wide variety of commonly used industry standards that managers may align with. Asset managers may align with one or multiple standards.

Using industry-aligned indicators



Big Society Capital



85%

Peer Group



79%

All Verification
Clients

Most commonly used indicator standards

BlueMark recommends aligning commonly used impact indicators with industry standards. Asset managers may align with one or multiple standards.

	Big Society Capital	Peer Group	All Verification Clients
HIPSO		71%	37%
IRIS	✓	71%	79%
GIIRS	✓	42%	34%
GRI		42%	34%
Other		42%	27%