



**Benefit Corporation
Annual Benefit Report
March 31, 2017**

Certified



Corporation™

Mission

At Kimpacto, our mission is to promote financial education and to scale social entrepreneurs & impact investors while helping them ‘Maximize Financial + Social Impact.’ We are legally bound to this mission, as set forth in Kimpacto’s articles of incorporation and registered with the State of California. Our global focus is to connect the U.S., Europe and Latin America, as we support greater collaboration and financial growth, along with long-term social change.

Offering Unique Services

We are a niche impact investing consulting and advisory firm, operating internationally as both a Certified B Corporation and a registered Benefit Corporation, and offering a full range of multilingual financial advisory and educational services, and utilizing an extensive global network. In addition to meeting the rigorous standards necessary to become a Certified B Corporation, we made a firm decision in 2013 to incorporate as a California Benefit Corporation which means that we are legally bound to our mission. A unique aspect of the Benefit Corporation is the legal requirement to prepare this ‘Annual Benefit Report’ and to make it publicly available, which is a positive global trend towards greater transparency.

Our services are unique as a global consulting and impact investing advisory practice to support social firms and impact investors by offering both Financial services *and* Social Impact assessment (e.g. IRIS metrics). In 2015, we expanded our global reach by adding an office in Bogotá, Colombia (in addition to our HQ in San Francisco, CA) along with the goal to better connect social firms and impact funds with raising capital, and to better support Impact Investors across the U.S. and Latin America. In 2016, we also expanded our outreach to better include Europe, given our deep experience in that region and the growing network in Impact Investing. Collectively, our investor database and expansive network provides an added value resource for those seeking global investment connections and opportunities.

With Years of Experience

Building on many years of experience in financial services, consulting and education, we can provide a variety of financial training courses and impact investing advisory services. Support can be tailored to your business needs, social impact reporting requirements, global communications, accelerator and entrepreneur programs, or to offer advisory for impact investor relations or capital raising.

Across a Global Network

We collaborate with global industry leaders, practitioners, academics, consultants and across many stakeholder groups - lawyers, lenders, investors, and social entrepreneurs. Our services always consider the latest trends and global business practices in the United States, Europe, and Latin America.

Benefit Corporation - Third-Party Standards

Per California Corporation Code 14630, a Benefit Corporation must utilize a third-party to assess its public benefit. Kimpacto is a Certified B Corporation and has elected to utilize these third-party standards, administered by the B Lab - a United States-based non-profit organization. The B Lab Impact Assessment provides comparability across sectors and industries, and transparency among those certified. Mission-alignment was another consideration, as the B Lab has developed a quantitative and qualitative approach for companies who are pursuing a triple bottom line - people, planet, profit.

The role of B Lab is to provide this annual assessment (and potential audit) and to promote local and national events, in which Kimpacto is often a participant. It is important to note that we are not affiliated nor compensated by B Lab, which remains purely an independent and unbiased 3rd party. The below B Lab Assessment is therefore objective in nature and utilizes global standards, processes and metrics, which provide consistent and comparable results.

More than 1,700 companies globally have utilized B Lab's Impact Assessment, creating a deep network that spans across industries and geography, connecting businesses that have a greater understanding of public benefit. The assessment measures all operations of a business including five impact categories; environment, workers, customers, community, and governance. Businesses must earn a minimum score of 80 out of a possible 200 points in order for a company to be eligible for B Lab certification.

B Lab Impact Assessment Results

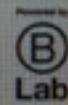
Below is a snapshot of Kimpacto's actual B Lab Impact Assessment from January 2016 with a high score of 140 points. It demonstrates how Kimpacto has pursued a public benefit, versus the median score (55 points) of applicants, across 5 Impact Assessment categories; Environment, Workers, Customers, Community and Governance:

Kimpecto, Inc. 2016 B Impact Report



	Company Score	Median Score*
Overall B Score	140	55
Environment	7	7
Environmental Products & Services (e.g. Renewable energy, recycling)	0	N/A
Environmental Practices	7	6
Land, Office, Plant	3	3
Energy, Water, Materials	1	1
Emissions, Water, Waste	3	1
Suppliers & Transportation	0	N/A
Workers	N/A	18
Compensation, Benefits & Training	0	12
Worker Ownership	0	1
Work Environment	0	3
Customers	72	N/A
Customer Products & Services	72	N/A
Products & Services	45	N/A
Serving Those in Need	27	N/A
Community	48	17
Community Practices	39	15
Suppliers & Distributors	6	2
Local	3	5
Diversity	13	2
Job Creation	0	2
Civic Engagement & Giving	14	3
Governance	20	6
Accountability	17	3
Transparency	3	3
Overall	140	55

86 out of 200 is eligible for certification.
 *Of all businesses that have completed the B Impact Assessment
 *Median scores will not add up to overall



B Impact Report Summary	Kimpacto, Inc. Score <i>Certified Since: July 2013</i> <i>* January 2016 (140 pts) *</i>	Median Score of Businesses completing the B Impact Assessment
Environment	7	7
Workers	N/A	18
Customers	72	N/A
Community	40	17
Governance	20	6
Overall B Score	140	55

In 2013, Kimpacto completed our first B Lab Impact Assessment. Since then, we have greatly improved upon our commitment to the Environment, Workers, Customers, Community and Governance to raise our score to 140 points, and here are just a few examples of our impact and focus:

Environment

Kimpacto aims to protect and conserve the environment in many ways, to include:

- 1) Recycling efforts of plastic and paper.
- 2) Reducing carbon emissions, transportation costs and energy by performing work and collaboration services remotely - using internet, phone, video.
- 3) Working remotely when possible or at the Impact HUB, provides work options that ultimately reduce overall consumption of energy, space, waste and travel time.
- 4) Conserving water waste, drinking tap water, and re-using water bottles.
- 5) Buying recycled paper products and other naturally-derived, bio-degradable soaps and cleaning supplies, such as the “Method” brand, and other certified B Corporation products and services.
- 6) Working with clients, colleagues and supporting environmental groups who are laser-focused on the environment - from healthy building environments to solar solutions.
- 7) Promoting energy conservation, as we utilize environmental-friendly modes of transportation: walking, biking, scooter/motorcycle and public transportation.

Workers

Kimpecto generally hires independent consultants and advisors for specific projects and client needs, and also provides hands-on experience to part-time interns seeking to learn more about impact investing, plus we formally collaborate with other industry colleagues. In all working relationships, we consider equal opportunity, appropriate wage compensation, and healthy working conditions. We maintain an environment that fosters open communication and transparency in order to maximize worker satisfaction.

Customers and Community

Kimpecto's customers and community spans the U.S., Europe and Latin America, to promote sharing and collective impact. We strive to buy local products and services, such as office supplies or produce, and to support local B Corporations. During 2016, Kimpecto offered significant training, research and support to a number of client organizations and communities from North to Latin America. In Colombia, we devoted this year to creating solutions to support women businesses, low-income and under-served communities, and to tackle issues related to financial inclusion by utilizing mobile technology and partnerships to lower their cost and access to capital, while providing capacity building and building networks. Kimpecto dedicates significant time, money and resources to local charities, startup customers, impact investor networks, women's empowerment groups, fundraising and crowdsourcing for mission-aligned social businesses, and promotes energy conservation and shared transportation options.

Governance

Kimpecto abides by the Certified B Corporation standards for accountability and transparency, and ethical business standards. Whenever possible, and considering private financial or confidential information, we promote the sharing of data, insights and other key learnings in order to foster the field of impact investing and help scale social entrepreneurs. We hold ourselves, our suppliers, customers, consultants, and other relationships accountable for our shared ethical and business values, and will terminate relationships that do not adhere to these values. Through our website, social media and global network, we provide transparency of our mission, values, product offerings and geographies served. In both our impact investment approach and our relationships, we apply negative/positive screening to proactively seek social change. This means selecting impact investments and collaborations with those who abide to similar standards in accountability, transparency, reliability and overall corporate governance.

Reflections and a Look to the Future

Reflecting on 2016 and looking to the future, we see enormous potential for global expansion. Since we utilize the internet and other technology for much of our work, we are able to collaborate with others across the globe, albeit a specific focus on the U.S. Europe and Latin America. Currently, we are tapping into more opportunities to help build the entrepreneurial eco-system, improve financial education, and bring awareness and investment to women's groups and startup communities. Across the Americas and Europe, we are focused on education, financial inclusion and women's initiatives, plus helping to scale entrepreneurs and encourage investment across regions.

To further demonstrate this mission, we developed a new investment vehicle during 2015-2016, which is also a nonprofit called the Global Success Fund ("GSF") (www.globalsuccessfund.org). GSF is the first-ever Pay-for-Success-based investment model providing low-cost capital and training support for social businesses, plus offering attractive returns to investors, while utilizing the latest in mobile technology and exponentially increasing our global social impact. Our pilot "GSF-Latina" Fund focuses specifically on women entrepreneurs & social businesses by providing low-cost debt capital, plus financial training and a strong support network.

Together with Kimpacto, we continue to focus on market needs and tackling systemic, geographic, cultural, legal and language barriers, among other social issues such as financial inclusion and equality for women. This year, we have increased our focus on supporting women, along with other women's foundations and investor platforms. Plus, these social issues correspond to the UN Sustainable Development Goals ("SDGs") for which we offer our continued support. Additionally, we were invited to participate in the Global Steering Group ("GSG") annual event in Lisbon, Portugal in July 2016, under the leadership of Sir Ronald Cohen and many global leaders driving social impact solutions. We hope to see a growing number of countries participating in 2017.

Also in 2016, we expanded our board and advisory committees to include leaders from U.S. and Latin America markets and now paving the way for additional European members in 2017. This means, we now offer more global advisory services around investing capital and fundraising, along with greater network opportunities and social impact. By increasing our global relationships - we have significantly expanded our network, database and platforms to share information and promote impact investing and innovative solutions for our clients. Overall, we continue to collaborate and work with

hundreds of global and regional organizations and individuals to include: angel investors, entrepreneurs, small businesses, accelerators, government entities, foundations, NGOs / nonprofits, impact investing funds, and of course other B Corps.

Locally and abroad, we have learned that philanthropy is not alone a sustainable solution, and impact investing does not mean a sacrifice or a trade-off of returns. Today, we are seeing more examples of positive returns, and even market rate returns in impact investing along with the B Corporation movement that promotes standard metrics, objectives and rigorous assessment. Together, we have a recipe for both financial return and social impact, and an increase in accountability across social businesses and socially responsible investments. Already, new leaders are emerging and impact investing research and conferences are expanding rapidly, signifying greater demand for social funds and solutions, plus stronger ties and greater impact globally.

Still, we need more early innovators and leaders, to really entice impact investment dollars to flow towards social entrepreneurs and impact investing funds. This may require investors to take some risk for their return, or to use philanthropy, an investment pool or fund, or a guarantor to mitigate risks and encourage these early-stage or catalytic investments. We offer our support in helping you understand the challenges and opportunities that exist in the U.S., Latin America, Europe, and other global regions.

Although, the field of impact investing has many issues yet outstanding - including how to measure social impact, or how to maximize returns & impact - Kimpacto offers client solutions based on the latest industry trends. Within Kimpacto and around the world, there are many examples of how global networks and good business sense can improve education, women's empowerment and other social issues. We encourage your support in helping entrepreneurs and investors to take risks, create change, and maximize their financial return - in a socially responsible way. We hope you'll join us in our amazing journey - and towards another year full of meaning and impact!

To Grow your Business or Invest for **Financial + Social Impact**, Please contact us!

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