



THE BUILDERS FUND

2021 Impact Report



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Executive Summary

Our vision is to improve the world through the profitable deployment of capital into more conscious businesses.

We focus on investing in and building companies whose products, services and supply chains intrinsically deliver positive social and environmental benefit and seek to build total systems responsibility across their corporate ecosystems.

Letter from the Partners

When The Builders Fund launched, our vision was to make meaningful investments into responsibly-run businesses which improved the world; and via our success and strong returns, help to shift the landscape of the investment industry toward one which is more sustainable, systems-aware, and responsible to the full spectrum of related stakeholders. Six years into our journey, and as we set out to raise Fund II, that vision continues to guide us.

This report will provide an overview of the work we do and insight into the environmental and social impact of our portfolio companies. While an impact report provides an opportunity to reflect upon the incredible work we were a part of in 2020, we must also reflect on the state of the world we work to protect and the systems we work to improve.


As we write this report we find ourselves torn between the hopeful imagery of springtime - restaurants reopening and in person meetings (with real humans!) returning to our calendars – countered with grim imagery of funeral pyres in the news from India, and ominous warnings in California of drought and a looming fire season. Similarly, we are seeing data on an emerging bifurcated economic recovery, set to further exacerbate already troubling income and racial inequalities in the US, and feel driven more than ever toward the work of redirecting capitalism toward systemic responsibility.

We are also struck again by the pandemic’s reminder that we are all so closely connected and interdependent, and making space for that in our daily reflections and work may be the ultimate keystone to turning our human ship on climate change to avoid the worst of its cascading effects. We are particularly inspired in that context by the work our first Fund II investment is doing to democratize access to clean energy, reduce energy use, and build clean, distributed energy networks; while also creating jobs and saving real money for low-to-moderate income Americans.

We remain as committed as ever to our focus on the intersection of purpose-driven companies and the disruption, and opportunity, created by the need to solve large social and environmental challenges. If anything, the significant challenges we are addressing with our investments have been amplified by the events of the past year, and we believe consumers will increasingly be drawn to businesses that consider their impacts on all stakeholders.


We remain convinced by our original theses – that purpose can be harnessed to competitive advantage through the alignment of values with employees and customers through an authentic culture and an activist brand; that “systems responsibility” will increasingly be a source of competitive advantage for companies in the context of rising awareness of climate change, finite global resources, the global pandemic and movements for racial justice; and that being operationally-oriented and concentrated in our approach leads to investment outperformance. We see evidence of that in the very interconnectedness of the challenges we face; and in the available research, the marketplace, the deal pipeline, and our portfolio.

Impact Across Our Portfolio: Year in Review




542

Net Jobs Created




13M

Lbs Organic, Fair Trade, & Ethical Herbs/Produce Bought




3.6M

Kwh Renewable Energy Produced




79.4K

Tons Co2 Inset or Averted




2K

Tons of Material Diversion from Landfill




1.9M

Social Impact Dollars Invested & Charitable Donations



215.6K

Lives Affected



6.3M

Organic & Healthy Meals Served

Tons CO2 inset or averted: Nearly 1.8 million tons of CO2 have been averted or inset through the operations of our portfolio companies. MPOWERD helps reduce the pollutants being released from technology and fuel and is paving the way for wider use of solar. Traditional Medicinals purchases carbon offsets for gas emissions, making their energy footprint 100% renewable. These offsets come from California and Western Canada, supporting sustainable forest management projects. In Zimbabwe and Indonesia, near some of their top herb producers, they purchase offsets supporting conservation of forest and peatlands with socio-economic components to increase overall project sustainability. By delivering lower cost utility bills along with the environmental benefits of clean energy through rooftop solar and energy efficiency upgrades, PosiGen is offsetting carbon and closing the clean energy affordability gap for LMI homeowners.

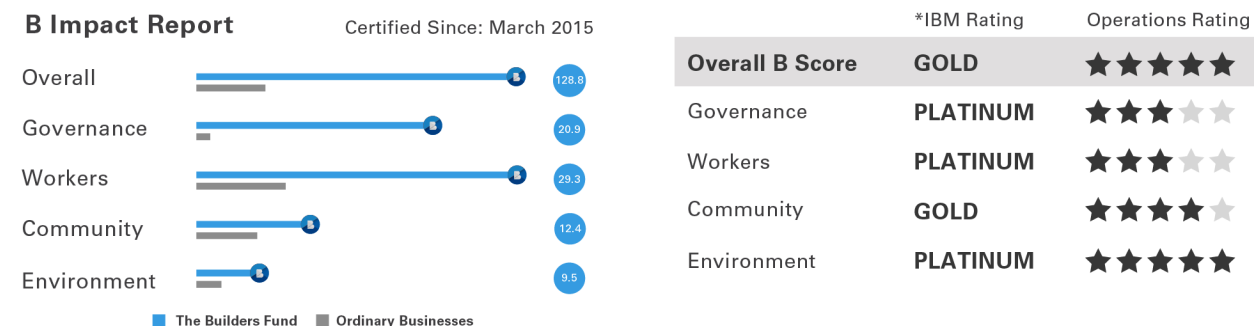
Jobs created: Our portfolio companies have created 542 new jobs, contributing to a growing sustainable economy workforce that provides living wages for people. These jobs not only provide a liveable wage, but also a professional environment that workers can feel good about, safe working conditions, and a connection to a deeper purpose through the social business models of each company.

Our fund is deeply engaged with B Corp certification and tracking processes as a means to amplify Environmental, Social, and Corporate Governance (ESG) impact.

Portfolio Companies Overall Fund Rating

Portfolio Company	*IBM Rating	B Impact Score	B Corp Status	Year of Certification
Traditional Medicinals	PLATINUM	125.7	Certified	2010
MPOWERD Inc.	PLATINUM	104	Certified	2014
Urban Remedy	SILVER	84.4	Certified	2018
MIXT Greens	BRONZE	88.2	Certified	2018
PosiGen	-	109	In Process	2021

Builders Fund Overall Fund Rating



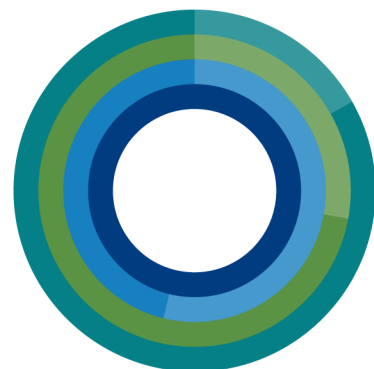
-80 out of 200 eligible for certification
 -Ordinary businesses that have completed the B Impact Assessment
 -Median scores do not add up to overall

*The Overall Impact Business Model and Overall Operations Ratings are derived from a weighted average of each portfolio companies' scores on the B Impact Assessment (BIA), based on the amount invested.



Investment Portfolio Impact by SDGs	
Benefit Stakeholders	Contribute to Solutions
1 NO POVERTY	
	3 GOOD HEALTH AND WELL-BEING
	4 QUALITY EDUCATION
	5 GENDER EQUALITY
	7 AFFORDABLE AND CLEAN ENERGY
	8 DECENT WORK AND ECONOMIC GROWTH
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES	
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	13 CLIMATE ACTION
15 LIFE ON LAND	
17 PARTNERSHIPS FOR THE GOALS	

IMP+ACT Alliance Classification



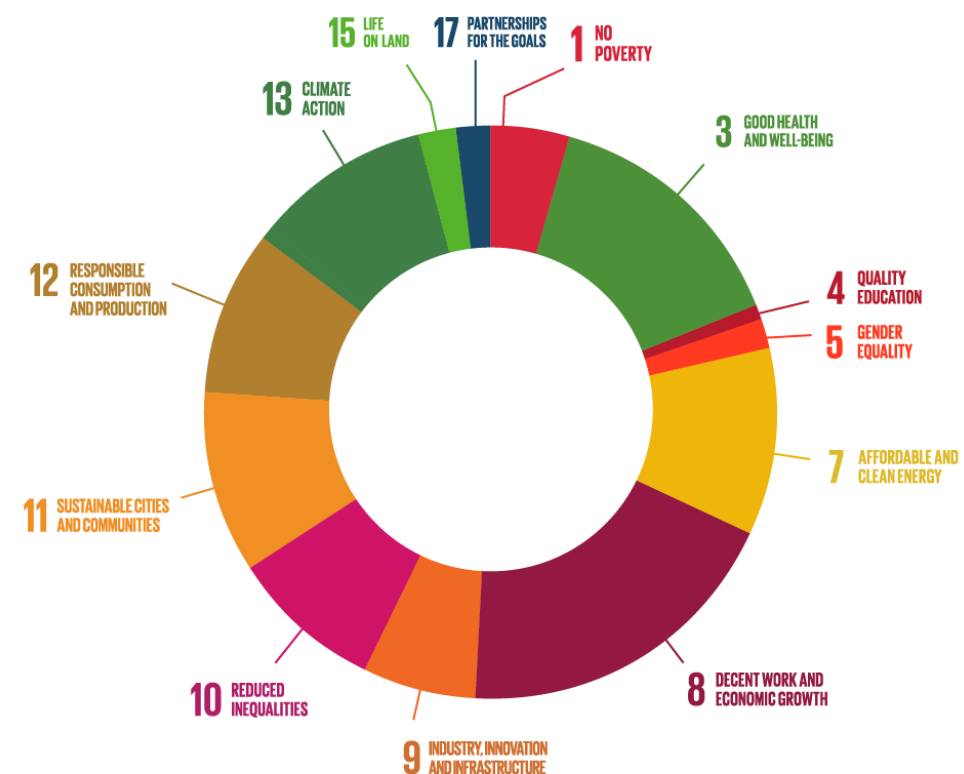
- 100% act to avoid harm
- 77% act to avoid harm and benefit stakeholders
- 70% act to avoid harm, benefit stakeholders and contribute to solutions
- 47% act to avoid harm, benefit stakeholders, and contribute to solutions in undersupplied markets

The IMP+ACT Classification System allows asset managers to classify the impact of their investment products against the United Nations SDGs and also considers the strategies that investors take to contribute to the impacts of the investment, such as engaging actively with its investments, signaling that impact matters, and growing new or undersupplied capital markets.

Overall Alignment with SDGs

The United Nations Sustainable Development Goals (SDGs) offer a roadmap to a sustainable future for people and the planet. The goals were developed and adopted by all United Nations member states the year Builders was established, in 2015, to address the most pressing global environmental and social issues. These 17 goals represent urgent calls to action that are steeped in the principles of global partnership and equity. The SDGs serve as guiding principles for The Builders Fund as we seek to make an impact through our investments and to develop indicators to monitor and evaluate our portfolio companies. Through our four investment focus areas, our portfolio is currently supporting the achievement of 13 SDGs. SDG alignment was determined through an exercise examining portfolio company business models, products and services, and community engagement.

In 2020, The Builders Fund worked with its Limited Partners and the Impact Management Project to support the prototype development of their IMP+ACT Classification System (ICS), which enables asset managers to categorize the social and environmental impacts of their investment products. This classification process builds upon the logic and norms of its sister initiative the Impact Management Project, a forum for building global consensus on how to manage and measure impact. The Builders Fund participated in this process in order to support the movement towards transparent and accessible impact assessment for funds and companies. Through this process, we were able to map our Fund I portfolio according to the ICS. We will also continue to map our Fund II portfolio in 2021 and beyond.



Stories from the Field



Stories from the Field

PosiGen

Solar Energy and Energy Efficiency

We are excited to introduce the newest company in our portfolio: PosiGen, Inc. Headquartered in New Orleans, PosiGen is the nation’s leading residential solar, energy efficiency and energy education provider for low-to-moderate income (LMI) families. PosiGen’s unique services and products make solar energy affordable to homeowners of all income levels, and offer individuals, families and businesses the opportunity to achieve greater fiscal autonomy and energy independence while lowering their utility bills.

PosiGen’s mission is to close the clean energy affordability gap for LMI homeowners by delivering lower cost utility bills and the environmental benefits of clean energy through rooftop solar and energy efficiency upgrades. PosiGen’s business model of low-cost rooftop solar panel leases combined with energy efficiency upgrades makes clean energy available to LMI households who can see dramatic savings well in excess of 20% of their annual energy spend. PosiGen has more than 17,000 residential customers, over 270 direct employees and supports more than 120 employees through its contractors in Louisiana, Connecticut, New Jersey, New York and Florida. The company saves its customers over \$6 million a year as of this writing.

URBAN REMEDY

Urban Remedy was at the forefront of supporting schools and local healthcare workers in the midst of the COVID-19 pandemic via donations of over 23,000 meals to non-profit community partners. The company also integrated their giving with the launch of a new delivery app and “share the love” campaign designed to benefit frontline workers.





In Egypt, where Traditional Medicinals sources Fair Trade chamomile, they created a social impact project with the farming community. Over 100 women joined a series of economic empowerment workshops. From that workshop, 15 women have now started new businesses and have another source of income to support their earnings from seasonal farming. Doctors and specialists also completed 952 checkups, and nearly 300 community members regularly attended family health awareness workshops. Over 70 youth participated in Youth Community Initiatives as a result of the initiative.

MPOWERD™

MPOWERD works closely with nonprofit partners to have a positive impact on over 3.7 million lives around the world to date. These partners have made it possible for children to study at night, for entrepreneurs to keep their businesses open longer, and for communities to be resilient after disaster strikes. In November, Central America was hit by two of the strongest hurricanes ever recorded - Hurricanes Eta and Iota - decimating entire communities, and leaving thousands of families without food, water or shelter. The Colombian island of Providencia, off the coast of Nicaragua, was devastated by the slow moving second hurricane, leaving 98% of its infrastructure destroyed and 6,000+ families in need of relief. In response to the disaster, LifeStraw mobilized companies in the outdoor space, including MPOWERD, to donate critical relief supplies to the affected communities. Aside from their innovative products, LifeStraw operates a 501c3 nonprofit safe water fund that responds to emergencies and disasters that require safe drinking water. Largely ignored by relief efforts, this group of forward-thinking outdoor-focused organizations provided items such as tents, solar lights, sunscreen and bug spray to those affected by the disaster. This collaboration with LifeStraw and others showed that even during an unprecedented year amidst a global pandemic, these companies remain focused on providing resources to communities in need, together.



MIXT's mission is to bring better eating to everyone, which is even more crucial in this moment of crisis. In 2020 they provided over 5,000 free meals to people who needed them in San Francisco, Oakland, Los Angeles, and Phoenix. The company has also launched partnerships with eight local healthcare facilities including UCSF, SF General, and Children's Hospital of LA, where they have delivered more than 1,500 free meals to hospital workers on the front line of the pandemic. They also fed firefighters during the CA wildfires and supported the BLM movement through community engagement and conversation.



Who We Are

Our vision is to improve the world through the profitable deployment of capital into more conscious businesses.

The Builders Fund is a growth equity and small cap buyout private equity fund seeking to help catalyze a shift in capitalism toward social and environmental systems responsibility. The fund launched in 2015 and has subsequently raised ~\$100 million of capital from a group of founders, operators, foundations, endowments, families, and fund of funds with a vision of leveraging our collective expertise to generate financial returns exclusively through investments into purpose-driven businesses that improve the world. We focus on investing in and building companies whose products, services and supply chains intrinsically deliver positive social and environmental benefit and seek to build total systems responsibility across their corporate ecosystems. These companies win in the marketplace by leveraging their strong values to attract and retain talent, increase employee and consumer engagement, earn media, drive customer loyalty, and lower the cost of customer acquisition.

We believe that capitalism must be part of the solution if we are to fix the significant and intractable social and environmental challenges we face today. For that to occur, we must get back to investing in and building scalable and purpose-driven businesses which improve the world instead of simply extracting wealth over the short-term for shareholders. We believe that long-term shareholder value is optimized when companies take a holistic, systems-based approach, seeking to create shared value across their corporate "ecosystems" with all stakeholders. The Builders Fund was formed to celebrate and support the entrepreneurs, leaders, and builders that are crafting a better future.

How We Invest

Thematically, we seek to invest in entrepreneurial companies led by values-driven management teams that work to improve the world by building activist brands and authentic cultures around purpose greater than the profit motive alone. The fund typically makes \$5-\$25m structured equity investments into established, high-growth North American businesses which are consumption-driven and have revenues between \$15-100m and positive cash flow. Our investments fall into four themes that are based on the combination of our expertise, the macro environment, and the opportunity for disruptive, purpose-driven businesses to win at the growth stages of their life cycle. Specifically, these are also arenas where big social and environmental problems are creating disruption to the status quo.



Resource Efficiency

More efficient use of limited resources on a finite planet and climate change mitigation via:

- Clean energy products
- Recycling / circular economy
- Sustainable consumer products
- Green building materials
- Renewables / Solar



Sustainable Food & Ag

Fixing a broken industrialized food system via:

- Organic / healthy food & beverages
- Natural grocery
- Organic / healthy restaurants & cafes
- Regenerative agriculture
- Sustainable fishing & aquaculture
- Greenhouse / vertical farming



Human Elevation

Social justice, job creation, equality, human rights via:

- Fair trade
- Conscious supply chains
- Regional job creation (LMI communities)
- Job training & education



Health & Wellness

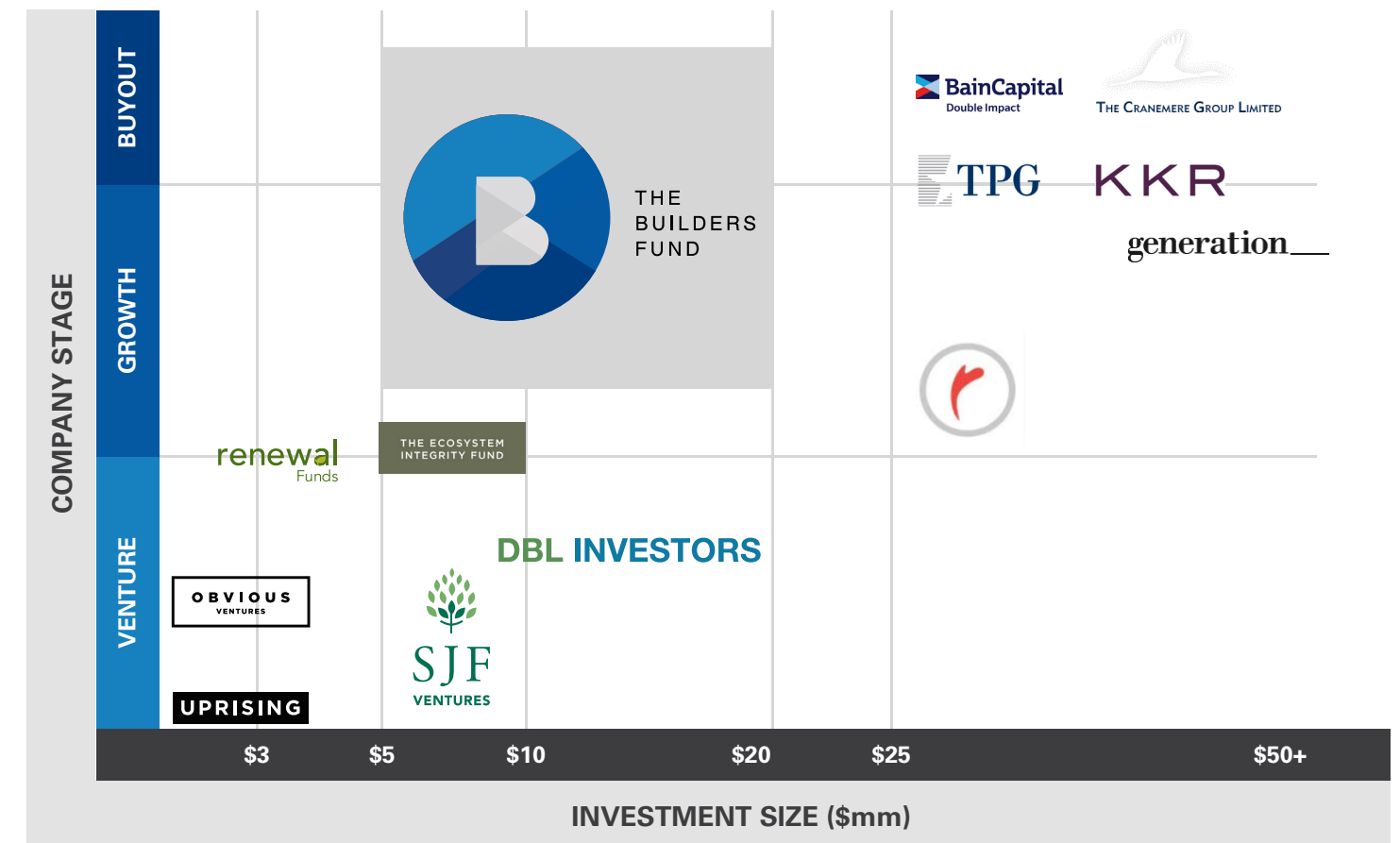
Addressing the obesity and chronic disease crisis via:

- Preventative health & human services
- Fitness clubs
- Outdoor & active lifestyle products/services
- Mind / body health
- Events

Our Home in the Investment Landscape

The Builders Fund launched to fill an underrepresented niche in the investment landscape. While early impact capital flowed to emerging markets, real assets and venture capital, few if any targeted small cap buyout and growth stage companies with a private equity portfolio approach exist in North America. With the belief that all industries must be reinvented to create a sustainable form of capitalism on a finite planet, we continue to see meaningful opportunity for real impact in that domain.

We have an ability to customize investment structures to best fit the circumstances and needs of values-driven companies seeking capital which are generally outside the arena of typical venture capital or mainstream private equity funds. These infusions of financial capital, supported by meaningful intellectual capital from our team and our unique group of "operator-investors", enable our portfolio companies to scale sustainably and create shared value across their corporate ecosystem, all while protecting their mission and purpose.



Note: Logo/funds shown are for illustrative purposes and are not intending to be an exhaustive review of the marketplace.

How We Build

We partner with accomplished, entrepreneurial management teams to build companies with authentic, mission-driven cultures where people want to work and values-driven brands that consumers want to associate with.

The Builders Fund employs a hands-on approach with each company in our portfolio. We partner closely with our management teams, who we ultimately hope can join our group of builders in order to help scale our impact more broadly. We also believe that by investing and helping to scale purpose-driven and systems-responsible businesses we can also scale their broader social and environmental impact, and that by building exceptional businesses with a long-term perspective, financial returns ultimately take care of themselves.

Diversity and inclusion are core values that guide our approach, from the selection of new partners to the customized support we provide the leadership at each portfolio company. We know that equitable and inclusive practices are not only better for businesses and people alike, but also demonstrably improve performance. Studies show that companies with gender diversity are 15% more likely to outperform

their peers, while more racially and ethnically diverse teams are 35% more likely to have financial returns above the industry mean.¹ Companies with more women in the C-Suite are more profitable in general, primarily due to the increased range of skillsets and reduced gender discrimination within those companies.² Other reports indicate that diverse companies are not only able to outperform their peers, but they are also better equipped to innovate and problem solve.³ Armed with this knowledge - and driven by both a recognition of the entrenched systemic prejudice underlying United States history and a belief that we must contribute to a future that lives up to the ideal that all human beings are created equal and have equal rights to a just, equitable society - we have sought out businesses that are owned and managed by women and that are committed to building diverse teams. Following our investment, we seek to improve diversity across our boards, management teams, and employee bases.



When we succeed, we create extraordinary financial, social and environmental value for our companies, their employees, investors, and the communities and customers they touch.

The Builders Fund seeks to catalyze change within capitalism and financial services broadly speaking, and within private equity more specifically, by demonstrating a systems-responsible approach to company building through our investments in high-growth “companies that matter”. We take a holistic view of our impact, acknowledging that there is not a universally agreed upon definition of impact and that the objective of this report is to reflect on the work and progress that has been accomplished at a micro and macro level. This report will not address debates surrounding academic definitions or methodologies for impact assessment and will not attempt to rank or pit the impact of one company against any others. Our goal is to transparently examine and share the work we have been doing using the tools that are available to us with the belief that intent matters greatly, and that we are on a journey from what has been (unsustainable, extractive, short-term) to what we must become (regenerative, responsible, shared value-generating, long-term).

¹ <https://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>

² <https://hbr.org/2016/02/study-firms-with-more-women-in-the-c-suite-are-more-profitable>

³ <https://www.scientificamerican.com/article/how-diversity-makes-us-smarter/>



Why Measure Impact?

- To take stock of where we are and what we have accomplished.
- To learn and improve upon our practices over time.
- To engage our portfolio companies in similar improvement.
- To motivate ourselves and others in the field to continue pushing this agenda forward.

Investment Strategy

We seek aligned management teams, activist cultures and scalable, profitable business models.

Theme based Investments

We make investments around well-researched market themes where platform companies can be built and we can add value.

Conscious Companies

Key criteria for selecting targets are evaluated systematically including a driven management team committed to building a transformational business, aspirational culture, and an inherently profitable model with the potential to scale as a platform in a key thematic area.

Partnership Philosophy

We believe that great investments are built on great partnerships and value is created by investing in, and working hand-in-hand with, great management teams.

Fundamental Value Creation

We believe that success in private equity is driven by creating value at companies versus capital markets transactions. In each investment, we allocate capital to execute approximately 3-4 key alpha generating strategies and take a hands-on approach.

Respect for the Business

We maintain a strong preference for returns driven through earnings improvement versus financial leverage and a focus on long term value creation.

How do we do it?

The impact measurement in this report is based on inputs from third party verifications such as B Lab, an internal process that gathers and tracks information from our portfolio companies, the IMP+ACT Classification System, and the widely supported framework of the United Nations SDGs. B Lab helps set baselines to measure against for additionality and they allow us to track progress towards goals and aggregate our impact across all of our investments. The IMP+ACT Classification System integrates an analysis of alignment to the SDGs and allows us to classify assets in terms of their contribution to solutions.

Our close collaboration and partnership with our portfolio companies has also provided us with rich quantitative and qualitative information. We believe that human experiences are as compelling as numbers when telling a story. In preparing this report, we used inputs from these qualitative and quantitative sources to illustrate the impact we see from each of our portfolio companies and from the fund itself.



B-lieving in B Corporations

The future of capitalism includes an integrated, systemically-aware approach to investing and company building. We envision a sustainable financial system which values financial, human, and natural capital in balance. To support this vision, The Builders Fund became a Certified B Corporation ourselves in 2015, our first year of operations and has since been honored as Best for the World in each of the subsequent years for ranking in the top 20% of global B Corps.

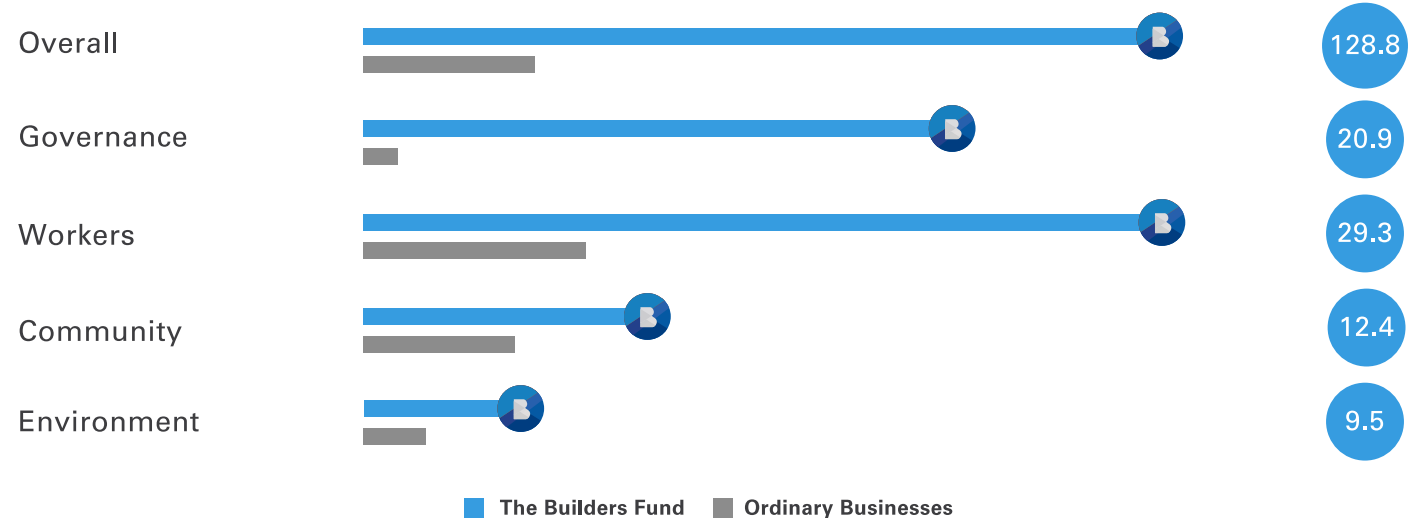


2019 B Corp Award Winners of:
 Best for the World: Overall Award
 Best for the World: Customers Award
 Best for the World: Changemakers Award

Builders Fund Overall Fund Rating

B Impact Report

Certified Since: March 2015



Our portfolio companies are deeply engaged in the B Corp certification and tracking process, often outperforming their peers.

The Builders Fund is proud to be a Certified B Corporation and a part of a community of people using business as a force for good.⁴ Because we believe strongly in this process, we aid each of our investment companies in achieving the same standard.

Our partnership with B Corporation is an integral part of our approach to investing: for engaging with management teams on Environmental, Social, and Corporate Governance (ESG) topics as we build the partnership, and for setting baseline standards, visibility and accountability around key metrics related to our investments' impact. Certified B Corporations meet the highest standards of verified social and environmental performance, public transparency, and legal accountability, and aspire to use the power of markets to solve social and environmental problems. We believe in B Corporation certification because it supports companies that seek to balance purpose and profit and make decisions for the benefit of all stakeholders. The certification and auditing process is overseen by B Corp's nonprofit partner, B Lab, and allows companies to establish and maintain socially and environmentally sustainable practices over time.⁵

⁴ <https://bcorporation.net>

⁵ <https://bcorporation.net/about-b-lab>



IBM Rating: PLATINUM
 Overall B Score: 125.7
 B Corp Status: Certified
 Year of Certification: 2010



IBM Rating: PLATINUM
 Overall B Score: 104
 B Corp Status: Certified
 Year of Certification: 2014



IBM Rating: SILVER
 Overall B Score: 84.4
 B Corp Status: Certified
 Year of Certification: 2018



IBM Rating: BRONZE
 Overall B Score: 88.2
 B Corp Status: Certified
 Year of Certification: 2018



IBM Rating: -
 Overall B Score: 109
 B Corp Status: Pending

GIIRS Rating

After nearly a decade of providing impact ratings, B Lab phased out the GIIRS program. Moving forward, B Lab will continue to focus its efforts on the B Impact Assessment and The Builders Fund will continue to engage itself and all portfolio companies in the BIA process.

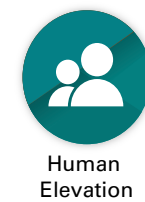
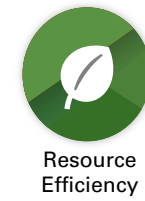
In its final year, our Fund I outperformed other impact funds who also undergo the GIIRS impact rating process in the categories of community and environment and outperformed typical developed market private equity funds in all categories: Governance, Workers, Community, and Environment.

The Builders Fund I		
	IBM Rating	Operations Rating
Overall B Score	GOLD	★★★★★
Governance	PLATINUM	★★★★★
Workers	PLATINUM	★★★★★
Community	GOLD	★★★★★
Environment	PLATINUM	★★★★★

*The Overall Impact Business Model and Overall Operations Ratings are derived from a weighted average of each portfolio companies' scores on the B Impact Assessment (BIA), based on the amount invested.

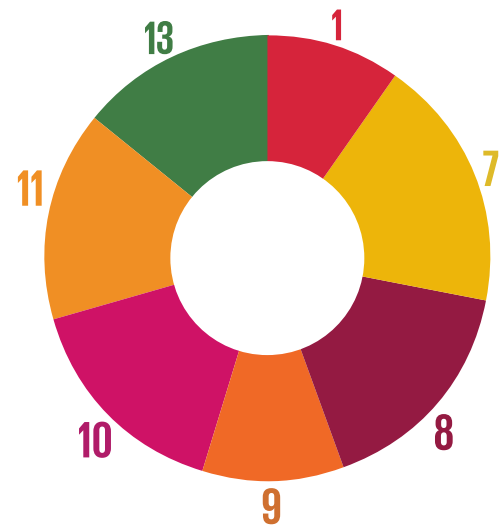
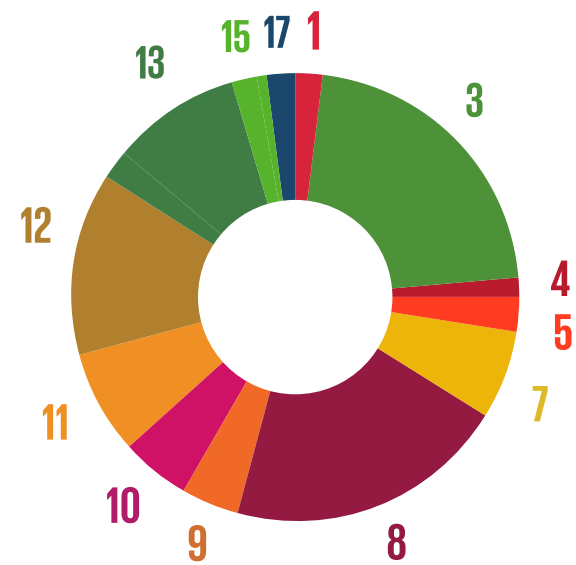
Alignment with the United Nations SDGs

The United Nations Sustainable Development Goals (SDGs) offer a roadmap to a sustainable future for people and the planet. The goals were developed and adopted by all United Nations member states the year Builders was established, in 2015, to address the most pressing global environmental and social issues. These 17 goals represent urgent calls to action that are steeped in the principles of global partnership and equity. They have since become increasingly accepted as a universal measure of impact alignment for nations, companies, and organizations. The SDGs serve as guiding principles for The Builders Fund as we seek to make an impact through our investments and to develop indicators to monitor and evaluate our portfolio companies. Through our four investment focus areas, our portfolio is currently supporting the achievement of 13 SDGs. SDG alignment was determined through an exercise examining portfolio company business models, products and services, and community engagement.



These illustrations are intended to provide a visual representation of the overall alignment of Fund I and II to the SDGs through the work of portfolio companies. They are not intended to demonstrate a direct relationship between dollars spent on specific activities related to the goals. The percentages have been weighted based on invested capital and an equal distribution of goals associated with each portfolio company's activities.

The Builders Fund I The Builders Fund II



- 1** NO POVERTY
- 3** GOOD HEALTH AND WELL-BEING
- 4** QUALITY EDUCATION
- 5** GENDER EQUALITY
- 7** AFFORDABLE AND CLEAN ENERGY
- 8** DECENT WORK AND ECONOMIC GROWTH
- 9** INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 10** REDUCED INEQUALITIES
- 11** SUSTAINABLE CITIES AND COMMUNITIES
- 12** RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13** CLIMATE ACTION
- 15** LIFE ON LAND
- 17** PARTNERSHIPS FOR THE GOALS

⁶ <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

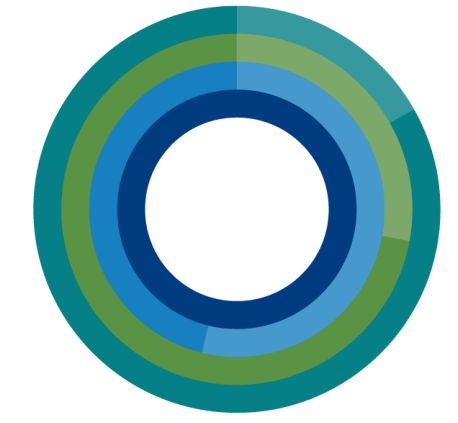
Impact Management Project

In 2020, The Builders Fund worked with its Limited Partners and the Impact Management Project to support the prototype development of their IMP+ACT Classification System (ICS), which enables asset managers to categorize the social and environmental impacts of their investment products. This classification process builds upon the logic and norms of its sister initiative the Impact Management Project, a forum for building global consensus on how to manage and measure impact. The impact investing universe contains a wide range of investment approaches and the ICS provides a common language for fund managers to use to summarize their impact goals and performance.

The Builders Fund participated in this process in order to support the movement towards transparent and accessible impact assessment for funds and companies. Through this process, we were able to map our Fund I portfolio according to the ICS. We will also continue to map our Fund II portfolio in 2021 and beyond.

Under the framework, assets are classified in one of four ways:

- May/Does cause harm
- A: Act to Avoid Harm, or actively mitigate or reduce important negative outcomes
- B: Benefit stakeholders, or generate some positive outcomes in relation to a particular UN Sustainable Development Goal
- C: Contribute to solutions, or generate positive returns for people, the planet or an economy otherwise underserved in relation to a particular UN Sustainable Development Goal



- 100% act to avoid harm
- 77% act to avoid harm and benefit stakeholders
- 70% act to avoid harm, benefit stakeholders and contribute to solutions
- 47% act to avoid harm, benefit stakeholders, and contribute to solutions in undersupplied markets

The IMP+ACT Classification System allows asset managers to classify the impact of their investment products against the United Nations SDGs and also considers the strategies that investors take to contribute to the impacts of the investment, such as engaging actively with its investments, signaling that impact matters, and growing new or undersupplied capital markets.

Investment Portfolio Impact by SDGs

Act to Avoid Harm	Benefit Stakeholders	Contribute to Solutions
	 MPOWERD [®] PosiGen	
		 URBAN REMEDY MPOWERD [®] MIXT
		 MPOWERD [®]
		 MPOWERD [®]
		 MPOWERD [®] PosiGen
		 URBAN REMEDY MPOWERD [®] PosiGen MIXT
	 MPOWERD [®] PosiGen	
	 MPOWERD [®] PosiGen	
	 MIXT PosiGen	
		 URBAN REMEDY MIXT
		 URBAN REMEDY MPOWERD [®] PosiGen
	 MIXT	
	 MPOWERD [®]	

Building an Internal Process

In addition to third party verification and classification through B Lab and the IMP+ACT Classification System, The Builders Fund uses rigorous internal processes to track social and environmental impact.



Limitations

Broadly speaking, The Builders Fund has chosen to build companies that can scale their positive impact naturally through sustainable growth. In some instances, we choose to prioritize driving overall growth and improvement of portfolio companies instead of focusing on individual benchmarks, so this report may not contain a complete list of all factors that could be measured to demonstrate impact. Data collection methodologies and infrastructure generally varies among portfolio companies, and we have attempted to account for this throughout the report. This report is the second in a series of impact reports. As such, it will further refine the development of a standard reporting process for The Builders Fund, provide context and learning for forthcoming iterations, and serve as an opportunity for further growth and alignment around portfolio company data collection in the future.



Our Impact









Across the Portfolio

The work in which The Builders Fund portfolio companies are engaged supports the scaling of impact across our investment themes: sustainable food & agriculture; health & wellness; resource efficiency; and human elevation. We believe that by engaging each portfolio company in the development and tracking of key impact performance indicators as well as the annual review process associated with B Corp certification, we are able to engage our management teams in an iterative dialogue around the holistic social and environmental impacts each company creates.

4 B Corp Certified Companies in Portfolio

79 Total Key Performance Indicators

While 2020 was an immensely challenging year across our portfolio and throughout the economy and we did not see an increase in jobs created as a result, we anticipate return to job growth in our portfolio in 2021 and beyond.

- 
542 Net Jobs Created
- 
13M Lbs of Organic, Fair Trade, & Ethical Herbs & Produce Purchased
56M Since Investment
- 
3.6M Kwh Renewable Energy Produced
4.2M Since Investment
- 
79.4K Tons Co2 Inset or Averted
1.7M Since Investment
- 
2.5K Tons of Material Diversion from Landfill
8K Since Investment
- 
\$1.9M Social Impact Dollars Invested and Charitable Donations
\$7.9M Since Investment
- 
6.3M Organic & Healthy Meals Served
21M Since Investment
- 
215.6K Lives Impacted
2.7M Since Investment

ESG in Practice

Impact is most commonly measured through business models, products, and services, while the impacts of a company’s operating practices are frequently overlooked. To that end, The Builders Fund believes in creating structural alignment to generate positive impact through our own operations.

Fund Terms | Taking a long-term view

We have a 14-year time horizon from inception, which supports more exit flexibility than is typical in private equity. We believe that our fund horizon is approximately 40% longer than a typical private equity fund. As such, while most of our peers seek 3-5-year hold times focused on quick value creation and exit, we can make ongoing determinations of what is best for both value creation and the long-term health of the company.

40%
longer fund horizon than a typical private equity fund

Market Dynamics | Focusing on an underserved market for values-driven companies

By providing targeted investments of \$5-\$20m paired with meaningful intellectual capital and operating expertise, we are able to meet growth stage companies where they are and enable them to scale sustainably and protect their culture, purpose and mission.

\$5-20M
targeted investments provided and paired with meaningful intellectual capital



Diversity and Inclusion | Equitable practices come first

The Builders Fund acknowledges that racism is by nature structural and institutional and that it is embedded into our culture, economy, and society. We stand in opposition to the injustice and inequalities perpetuated by racism and we are committed to doing our part, now and into the future, to dismantle systems of oppression and support anti-racist action via our core focus on reforming capitalism and finance.

Recognizing that social and environmental justice are fundamentally connected and mutually dependent, we are committed to expanding and strengthening our Justice, Equity, Diversity & Inclusion (JEDI) processes, both internally and amongst our portfolio companies as a driver of performance.



Through this work, we are committed to examining our own biases and privileges and to practice centering BIPOC voices and businesses.

It is a simple fact that businesses and boards alike outperform when they are more diverse and inclusive. More diverse teams have been shown repeatedly to be more likely to make better decisions⁷ and increase profitability⁸. And companies with more diverse leadership teams are shown to experience above-average profitability over companies with little to no leadership diversity.⁹ Firms with more women in the C-Suite are more profitable in general, primarily due to increased range of skillsets and reduced gender discrimination within companies.¹⁰

Employees who care about their work¹¹ and feel they are contributing to a higher purpose stay around longer, are more engaged, and are more productive.¹² They give higher quality service experiences, which in turn drives customer satisfaction and loyalty.¹³ Values alignment with customers increases the probability of repeat purchases, increasing net promoter scores, which in turn lowers the cost of customer acquisition and improves margins.¹⁴

Our commitment to racial and social justice starts with our internal policies and practices. The Builders Fund provides a living wage for all employees, pay equity, paid parental and sick leave, and full healthcare coverage for all employees. Our hiring process ensures that a representative cross section of the population is interviewed for any open position. In the past year, we established anti-racist personnel policies and recurring JEDI learning and discussion sessions for our entire team.

In addition to establishing and maintaining these practices internally, we are also committed to working with our entire portfolio as they build upon their existing commitments to social and racial justice. With our Fund I, Builders has been successful in finding and supporting businesses that are owned and managed by women. Each company in our portfolio currently has someone who identifies as female as its founder, CEO, or in other C-Suite level positions.

We are also working to improve diversity at all levels of our companies. At Traditional Medicinals there are female executives in many leadership positions, including Marketing, Supply Chain, Technical Services, and Sustainability. In 2020, more than 50% of all managers at the company were female. This year Traditional Medicinals has made new commitments to strengthen their culture of inclusion, empowerment, and respect, including increasing the awareness of the importance of diversity across the organization. They now have a DEI Council comprised of various employees throughout the organization who are committed to building a DEI framework that will provide values-based principles and practices.

We study and share such practices with all portfolio companies in order to advocate for diverse and inclusive hiring processes that are competitive and selective, and in 2020 have initiated a project to create more legal frameworks to drive these changes going forward through commitments at the point of investment. Within our portfolio, all companies are actively monitoring and supporting the diversity of their employees. For example, in 2019 Urban Remedy reported that 97% of its staff feel that the company supports diversity in the workplace. While some companies track this data specifically, others conduct regular reviews of salary and promotion information to ensure equitable practices.



⁷ <https://thenextweb.com/entrepreneur/2019/04/10/why-diverse-teams-make-better-business-decisions/>

⁸ <https://www.forbes.com/sites/samanthatodd/2019/05/05/the-business-case-for-diversity-a-competitive-advantage>

⁹ <https://www.mckinsey.com/business-functions/organization/our-insights/delivering-through-diversity>

¹⁰ <https://hbr.org/2016/02/study-firms-with-more-women-in-the-c-suite-are-more-profitable>

¹¹ <https://bthechange.com/find-your-dream-job-at-a-b-corp-db7ab4257222>

¹² <https://www.nytimes.com/2014/06/01/opinion/sunday/why-you-hate-work.html>

¹³ <https://www.hbs.edu/faculty/Pages/item.aspx?num=284>

¹⁴ <https://www.forbes.com/sites/jefffromm/2019/07/26/gen-z-and-the-three-elements-of-purpose-brands>

JEDI is a framework that supports organizations of all sizes in the process of engaging in this work. For us, JEDI means:

- Doing our part to dismantle systems of oppression through the deployment of capital into companies with a holistic, regenerative approach to business
- Thinking critically about the impact of our work and that of our portfolio companies and sharing successes and challenges publicly
- Making internal changes based on what we learn from listening to voices that are historically marginalized and oppressed, specifically those of Black, Indigenous and People of Color (BIPOC)

12%

of each company granted to employees across the portfolio



Equity Incentives | Shared economic value creation

In each of our investments, we work to create options or long term incentive programs to share equity value creation with our management teams and employees. These profit pools create and maintain economic value for those who are most integral to the success of the company and add value on top of portfolio-wide living wages, health care coverage, paid parental leave and other bonuses and benefits. On average, we grant about 12% of each company to employees across the portfolio.

Risk Management | Safety is key

The health and well-being of employees at our portfolio companies is of the utmost importance, which is why we support our brands in strengthening their risk management and health and safety practices. In 2021, CompWest Insurance Company selected Urban Remedy to receive the award for Northern California for outstanding workplace safety efforts and results.

Protecting Mission | Maintaining the ethos of our companies

We work to strengthen and sustain the social missions across our portfolio through B Corp certification and maintenance, allowing companies to better measure their social and environmental impacts and providing a framework for The Builders Fund to provide oversight, support, and feedback. Thereafter, it becomes an important driver of mission-protection at exit. 100% of our companies are certified or pending certification.

100%

of our companies are certified or pending certification

Partnership | Building lasting relationships

Our model is set up to add real value after investment. Approximately 50% of our investors are former C-Suite executives and founders who are committed to investing both financial and intellectual capital. This bench of builders is a uniquely well-resourced group of operating partners for us and our portfolio companies that serve as executive chairs, as board members, and as advisors.

Across the portfolio companies in Fund I, we have held eleven board seats. We work beyond that level of engagement, in partnership with each portfolio company, to meet their specific needs, from advisory support on projects such as a strategic rebrand (Urban Remedy, Traditional Medicinals) to leading day long sessions at companies to align their cultures, brands and operating behaviors around clarified missions, vision, and values (MIXT).

50%

of our investors are former C-Suite executives and founders

In 2020, The Builders Fund supported the installation of a new CFO at MPOWERD. At Traditional Medicinals we worked to provide financing alternatives to support investments into innovation. At MIXT we helped drive a brand strategy project and to find and hire a new head of operations and navigate pandemic. With Urban Remedy, we helped coordinate the Series C funding round, navigate the pandemic impacts to overall strategy, and explore copacked production. PosiGen received hands-on strategic engagement, corporate development and growth strategy, support in recruiting a new CFO and head of operations, and support in rounding out an oversubscribed Series D with values aligned investors.

More recently, and consistent with our approach across the portfolio, we partnered closely with MIXT management after COVID-19 necessitated the temporary closure of 11 of their 19 restaurant locations. In order to respond to the crisis in a manner that would help preserve the company's strong business model that includes superior products, alignment with consumer tastes and a fantastic leadership team, The Builders Fund provided consistent support to meet the immediate needs of the company during the global pandemic ranging from weekly calls with management to discuss strategies for navigating the crisis, engaging with the team to review weekly cash flows and scenario planning, presenting and connecting a variety of financing alternatives, helping to shape emergency relief and donation platforms, and connecting the team to other job opportunities to support furloughed employees.

Pictured Left: Michael Bush (MPOWERD Board) Mats Lederhausen (MIXT Advisor) Matt Eggers (PosiGen Board), Mark Retzlaff (Traditional Medicinals Board)

11

 portfolio company board seats held

Building Activist Brands | Walking the Walk

To truly engage a company’s stakeholders, from employees to consumers to the communities in which a business exists, in an authentic way and align with a company’s “reason for being”, we work closely with portfolio companies to clearly articulate their purpose, vision and values, and to fully align their brand and culture.

For example, Urban Remedy is a vocal thought leader in the food industry for sustainable food production and healthier diets. Traditional Medicinals is an industry pioneer educating the public not only on the power of plants to heal, but also to change lives via their work in production communities and sustainable agriculture. MPOWERD exists to provide clean energy products to millions of people globally who lack consistent access to a grid. MIXT exists to reimagine the fast casual restaurant industry as one responsible to not only their customers and the environment, but also their front line employees. Our brands speak authentically to these issues and their cultures attract team members who believe in the importance of that work.

The Builders Fund and each of our portfolio companies prioritize partnering with community-based organizations and nonprofits that share aligned values. These contributions not only support the work of community-run organizations, they also help build the strength and character of companies as active, engaged members of their communities. While COVID-19 restricted some efforts to be out in the community working with partners, each company still found meaningful ways to stay engaged and support local organizations.

Over the last six years, Traditional Medicinals has invested over \$8.5 million in their social business model. This includes community led projects in herb source communities, support for nonprofits at home and around the world, including the Traditional Medicinals Foundation, WomenServe, Whole Foods’ Whole Planet Foundation and other local and global

Traditional Medicinals has invested over **\$8.5 million** in their social business model

NGOs. It also includes the costs for certification, inspection, and fair premium costs for USDA Organic, Fairtrade International (FLO), Fair Trade USA, and FairWild.

In 2020, the Traditional Medicinals Foundation expanded programs in Sonoma County, creating strong nonprofit partnerships and volunteer opportunities for their employees. To begin, they invited employees to cast their vote for local nonprofits with a focus on Plant Power, Housing & Homelessness, Health & Wellbeing, Food Security, and Environmental Sustainability. Based on this employee feedback, the Traditional Medicinals Foundation selected 5 nonprofit partners for a \$10,000 annual grant.

3.7 million lives positively impacted by MPOWERD

MPOWERD works closely with nonprofit partners to have a positive impact on over 3.7 million lives around the world to date. These partners have made it possible for children to study at night, for entrepreneurs to keep their businesses open longer, and for communities to be resilient after disaster strikes. In November, Central America was hit by two of the strongest hurricanes ever recorded - Hurricanes Eta and Iota - decimating entire communities, and leaving thousands of families without food, water or shelter. The Colombian island of Providencia, off the coast of Nicaragua, was devastated by the slow moving second hurricane, leaving 98% of its infrastructure destroyed and 6,000+ families in need of relief. In response to the disaster, LifeStraw mobilized companies in the outdoor space, including MPOWERD, to donate critical relief supplies to the affected communities. Aside from their innovative products, LifeStraw operates a 501c3 non-profit safe water fund that responds to emergencies and disasters that require safe drinking water. Largely ignored by relief efforts, this group of forward-thinking outdoor-focused organizations provided items such as tents, solar lights, sunscreen and bug spray to those affected by the disaster. This collaboration with LifeStraw and others showed that even during an unprecedented year amidst a global pandemic, these companies remain focused on providing resources to communities in need, together.

Urban Remedy and Conscious Kitchen teamed up with the Contra Costa Unified School District to pass out weekly Food Boxes to families at Richmond High School. This partnership began in November 2020 with the goal of transitioning Food Box contents to 100% organic. Urban Remedy team members supported the weekly events.

In August 2020, Urban Remedy began donating excess food and beverage production to Tha Hood Squad, who then transport it to people who don’t have the ability to travel to food banks or distribution facilities.

PosiGen partnered with **Forward Together New Orleans (FTNO)** to launch the Solar for All NOLA 2021 initiative. FTNO is a local organization working to make New Orleans a fairer, more inclusive place by forging partnerships between community organizations and the business and philanthropic sectors. Through the Solar for All NOLA 2021 initiative, which provides solar to homeowners and small business, PosiGen offers free solar assessments and education about the potential cost savings of solar installation. 450 New Orleans homeowners and businesses have saved more than \$2.4 million annually through the program.



Participation in Field Building | Thought leadership in action.

We are active members of Impact Capital Managers, a network of private capital fund managers in the US and Canada investing for financial returns and impact. The Builders Fund works closely with our sister organization, Gratitude Railroad, which works to foster a strong community of impact investors, through supporting the annual conference and dinner series. We regularly attend industry conferences to share and learn from our partners and peers in the impact investment community, including:



Appendix





Traditional Medicinals

Type of Business | CPG / Food & Beverages / Manufacturing

Year of Investment | 2017

Impact Lenses | Health & Wellness, Human Elevation

SDGs | 3, 7, 8, 9, 10, 12, 13, 15

B Score | 125.7

Traditional Medicinals, Inc., a Certified B Corporation and California Certified Green Business, is a pioneer of the wellness tea category in the U.S. and Canada. It was started in 1974 with a dual purpose: to educate consumers about the benefits of traditional herbal medicine and to re-invent the industry of plant-based medicine. The company has a long-standing commitment to positive social and environmental impact through sustainable production practices, and engagement with the often impoverished and indigenous herb sourcing communities in its supply chain.

Traditional Medicinals is a leading seller of both organic teas and Fair Trade Certified™ herbal teas in the U.S. and Canada. The company is passionate about connecting people to plants and sharing centuries-old wisdom of how to use them. Their more than 50 high quality wellness teas are formulated by herbalists using pharmacopoeial grade herbs.



Impact at a Glance



209
Total employees



3M
Lbs Organic Herbs Purchased



1.1M
Kwh Renewable Energy Produced



1.9M
Social Impact Dollars Invested & Charitable Donations

Key Performance Indicators

Total Employees FY 2020 209	
Job Created FY 2020 1 Since Investment 49	
% FTE Worker Living Wage FY 2020 100%	
% Female Leaders FY 2020 54%	
% Female Employees FY 2020 59%	
% Female Board FY 2020 17%	
Lbs of Organic Herbs Purchased FY 2020 2,981,914 Since Investment 9,848,751	
% Organic Herbs Purchased FY 2020 99.6%	
Lbs Fair Trade Herbs Purchased FY 2020 782,291 Since Investment 2,698,303	
Lbs Organic & Fair Trade Herbs Purchased FY 2020 790,724 Since Investment 2,926,745	
Purchases from Improved Trade Practices FY 2020 \$8,228,341 Since Investment \$34,316,662	
Fair/Ethical Premium Dollars FY 2020 \$152,206 Since Investment \$688,081	

Metric Tons CO2 Inset FY 2020 1,250 Since Investment 2,549	
Kwh Renewable Energy FY 2020 1,173,337 Since Investment 4,534,044	
Tons of Landfill Material Diversion FY 2020 620 Since Investment 1,913	
% of Waste Diverted from Landfill FY 2020 90.1%	
Tons of Mixed Recycling FY 2020 221 Since Investment 807	
% of Local Renewable Electricity Used at Office FY 2020 100%	
Material Pounds Used Per Case FY 2020 0.72	
Social Impact Dollars Invested FY 2020 \$1,945,810 Since Investment \$5,993,402	
Non Profit Contributions FY 2020 \$261,480 Since Investment \$1,885,016	
Lives Impacted in Underserved Communities FY 2020 7,272 Since Investment 12,175	
Bags of Medicinal Tea Served FY 2020 685,713,888 Since Investment >1.5B	

Certifications & Awards



- 2010** B Corp Certified Since | One of first natural products companies to receive this award
- 2017** Best for Changemakers Award Won
- 2019** “Best Place to Work” | North Bay Business Journal.
- 2019** “Best For The World” Honoree | Recognition of positive impact on the environment, its workforce, local communities, suppliers, customers, and for corporate governance.
- 2019** World Wildlife Fund Honoree | Establishing the world’s first panda-friendly certification. This is the first certification to advocate for and protect the long-term survival of the giant panda bear of southern China, where they source wild southern Schisandra berry.
- 2020** “Best Place to Work” | North Bay Business Journal.

Case Study

Sourcing Community Projects

Georgia | All interested collectors received a dairy cow and workshops in animal husbandry, livestock health and hygiene, and traditional Georgian cheese making. Additionally, the local school did not have a safe outdoor play space for their children. To support these families, TM sponsored a playground installation, providing children with a safe place to play while their families are at work.

Egypt | Doctors and specialists completed 952 checkups, and nearly 300 community members regularly attended family health awareness workshops. Over 70 youth participated in Youth Community Initiatives, and more than 100 women completed the economic empowerment training which led to the creation of 15 new women-led small businesses.

Paraguay | In 2018 and 2019 TM worked with farmers and collectors in Paraguay to create an income generating bee keeping project. In 2020 they went back to Paraguay to support another community with materials and instructions to build 31 bathrooms and sanitation facilities. The new facilities have dramatically improved the hygiene, health and sanitary conditions for the farmers and their families and reduced the risk of water contamination and disease spread.

Zero Waste

In 2016 TM set a goal to achieve Zero Waste at its factory. In 2020 they surpassed the 90% threshold and are now applying for TRUE Zero Waste Certification in 2021. This year they expanded their employee onboarding to incorporate zero waste training and upgraded company waste stations, and environmentally preferred purchasing policies. They completed an annual waste audit and started working on the credit documentation for TRUE zero waste.





MPOWERD

Type of Business | CPG / Clean Energy Products

Year of Investment | 2017

Impact Lenses | Resource Efficiency, Human Elevation

SDGs | 3, 4, 5, 7, 8, 9, 10, 13, 17

B Score | 104



MPOWERD® is a Certified B Corporation committed to creating simple, innovative, clean energy products that help to provide easily accessible light to the nearly 3 billion people still living with intermittent or no access to the electricity grid. An award-winning category creator via their Luci® line of solar lanterns and leader in the personal clean energy product space, MPOWERD has expanded their global presence to over 90 countries in the outdoor, lifestyle, impact and education verticals.

The company developed a scaled model that employs a hyper-local pricing structure to make their product accessible to as many communities as possible. Through this model, profit margins in the developed market allow for more lights to be sold at affordable prices in developing markets. Since our investment, MPOWERD has deployed hundreds of thousands of Luci lights around the world.

Impact at a Glance



100%
Worker Living Wage



71K
Metric Tons CO2 Averted



66%
Female Leaders



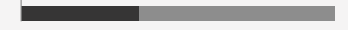
109K
Lives Affected

Key Performance Indicators

Total Employees
FY 2020 | 14



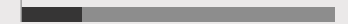
% Female Employees
FY 2020 | 41%



Job Created
FY 2020 | 2
Since Investment | 5



% Female Board
FY 2020 | 20%



% FTE Worker Living Wage
FY 2020 | 100%



Lives Affected*

FY 2020 | 193,615
Since Investment | 2,737,825



% Female Leaders
FY 2020 | 66%



Metric Tons CO2 Averted*
FY 2020 | 61,255
Since Investment | 1,727,196



*NGOs + Emerging Market Distribution Only

Awards



2017 Best for Changemakers Award Won

2019 Best for Changemakers Award Won

Case Study

In February, MPOWERD partnered with BACKPACKER and All Hands and Hearts to support their project of rebuilding schools affected by the 2015 earthquake. Nepal has long been a dream destination for outdoor enthusiasts. But away from the popular trails, communities are still dealing with the aftermath of the devastating earthquakes from five years ago. In the spring of 2015, a series of earthquakes struck the country, killing nearly 9,000 people and destroying or damaging more than 5,000 schools. This has impacted the education of a whole generation of children, and long after the news cycle—and the world’s attention— has moved on, the rebuilding continues.

In the spring, BACKPACKER went on a mission to bring volunteers to work on a school building project with All Hands and Hearts - Smart Response. The team worked on rebuilding two schools serving a total of 340 elementary and middle school children, all of whom need reliable lighting to support their education. That’s where MPOWERD came in, arming the volunteers with enough Luci lights to supply the communities with solar lanterns that will provide long term support to the children’s education and allow them to study after the sun sets, as well as act as a useful tool for the families who have unreliable access to electricity.





Urban Remedy

Type of Business | Food & Beverage Wholesale/Retail/Production

Year of Investment | 2015

Impact Lenses | Health & Wellness, Human Elevation, Sustainable Food & Agriculture

SDGs | 3, 8, 12, 13

B Score | 84.4

Urban Remedy embodies the belief that “Food is Healing” for people and the planet. Their founder, Licensed Acupuncturist & Herbalist Neka Pasquale, utilizes the wisdom of Chinese medicine to craft healing plant-based meals, juices and snacks that nourish the body to naturally lower inflammation. Urban Remedy is a pioneer in the food industry in the US, which is dominated by an industrialized system that CEO Paul Colletta refers to as “Big Food.”

The centralization and efficiency prized for so long by the western industrialized food system is proving rapidly antiquated and is visibly killing people and the planet. Soil degradation, obesity, inflammatory diseases, food deserts, and water shortages are just some of the spreading symptoms. “Big Food” is largely focused on lengthening shelf life, but when shelf life increases, it often comes at the detriment of nutritional value and the environment. Urban Remedy is fighting back against these norms with vertical integration, organic sourcing, and an omni-channel presence. They have created their own food production hub that allows their customers to access fresh products from local farms without sacrificing quality, food safety, or profit.

URBAN REMEDY

Urban Remedy is based in Richmond, California, which was designated as an Opportunity Zone via the Tax Cuts and Jobs Act of 2017, and employs individuals from the local community as a part of its socially sustainable model, creating retail and production jobs for lower and middle income (LMI) individuals. In addition to supplying their customers with healthy food, Urban Remedy is committed to nourishing their local community. They have forged partnerships with a number of hyper local schools and organizations, all within a couple miles of their headquarters with the goal of educating young people in the community about healthy food and nutrition.

Impact at a Glance



285
Total employees



4.8M
Lbs Organic Herbs Purchased



66%
Female Leaders



4.1M
Organic & Healthy Meals Served

Key Performance Indicators

Total Employees FY 2020 285	
% FTE Worker Living Wage FY 2020 61.4%	
Total LMI Jobs FY 2020 110	
Net LMI Jobs Since Investment Since Investment 85	
% Female Leaders FY 2020 66%	
% Female Employees FY 2020 60%	
% Female Board FY 2020 14%	

Lbs of Organic Produce Purchased FY 2020 4,800,000 Since Investment 38,605,000	
Lbs of Waste Diverted FY 2020 4,800,000 Since Investment 14,770,000	
Tons of Material Diversion from Landfill FY 2020 1,500 Since Investment 6,135	
Organic & Healthy Meals Served FY 2020 4,125,000 Since Investment 16,012,865	



Case Study

Despite the challenges of gathering during a global pandemic, Urban Remedy continued to find new and creative ways to strengthen its commitment to community. The company committed to offering paid volunteer hours to all full and part-time employees to work in their respective communities, with the goal of reaching 650 volunteer hours a year as a company. In 2020, employees taught online nutrition classes to students at the East Bay Center for the Performing Arts.

To address the ongoing needs of their community that is negatively impacted by both the pandemic and the California wildfires, they launched a donation program for retail and online customers that supports families experiencing food insecurity in the wake of recent wildfires. In 2020, Urban Remedy sponsored five families, giving each a \$200 gift card to a local supermarket and \$100 in Urban Remedy products. Urban Remedy also donated over 48,000 items to community organizations that focus on food insecurity and to team members who were affected during the pandemic.

In 2020, Urban Remedy's procurement team focused on finding small local organic farms that share their values by minimizing synthetic pesticides & fertilizers, prioritizing soil health, supporting water quality and biodiversity and creating jobs in their communities. These new partners include Coke Farms, that acts as a hub/distributor for small farms that do not have the capacity or infrastructure to reach the marketplace, and Lundberg Family Farms, that uses regenerative farming practices.





MIXT

Type of Business | Retail: Fast Casual Restaurants

Year of Investment | 2018

Impact Lenses | Health & Wellness, Sustainable Food & Agriculture

SDGs | 3, 8, 11, 12

B Score | 88.2



MIXT's mission is to bring better eating to everyone and has 16 locations throughout the San Francisco Bay Area, Los Angeles, Dallas, Texas, and Scottsdale, Arizona. MIXT's chef-created selection of salads, grain bowls, and sandwiches make plant-based cuisine as craveable as it is nutritious. The healthy, fast-casual restaurant distinguishes itself by sourcing the highest-quality, sustainable ingredients, and preparing everything from scratch at each restaurant. With its chef-driven menu, commitment to quality, and focus on a premium experience, MIXT is known for attracting legions of fans willing to wait in lines out the door. MIXT actively supports healthy lifestyles, environmental sustainability, and a people-first approach to company culture.

The food industry in the U.S. today is dominated by the production of cheap, fast, streamlined food products. Fast-casual dining is generally characterized as unsustainable, low nutrient, and cheap. Employees are paid minimally, treated poorly, and offered few opportunities for career advancement and growth. Since 2005, Mixt has been actively working to change this industry paradigm by offering fresh, locally sourced food and fostering a sense of community in their restaurants. MIXT also has a sister restaurant called Split, which is an American Kitchen that serves breakfast, lunch, and dinner with two locations in San Francisco.

Impact at a Glance



160

Total employees



552K

Lbs Organic Produce Purchased



99%

Waste Diverted



1.1M

Organic & Healthy Meals Served

Key Performance Indicators

Total Employees

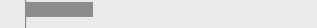
FY 2020 | 160



Internal Manager Positions

FY 2020 | 8

Since Investment | 38



% Leaders Promoted from within

Since Investment | 80%



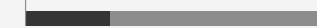
% Female Corporate

FY 2020 | 41%



% Female Board

FY 2020 | 33%



Lbs of Organic Produce Purchased

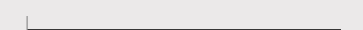
FY 2020 | 552,500

Since Investment | 2,150,580



Number of Local Ingredients Sourced

FY 2020 | 105



% of Waste Diverted

FY 2020 | 99%



Organic & Healthy Meals Served

FY 2020 | 1,125,000

Since Investment | 4,999,279





Case Study

Mixt has consistently prioritized the needs and well-being of employees throughout the COVID-19 pandemic. Free daily meals, full healthcare coverage with zero employee contribution, vision and dental insurance, and average daily wages over 35% higher than California's minimums all continue to set the company apart within the US restaurant space, especially in the pandemic environment. As the pandemic led to the temporary closure of many of the company's locations, they responded quickly and creatively to support community needs. Responses included free meals for employees, "pay what you can" programs for struggling people in the community, and options to buy a meal for someone in need or to donate meals to frontline workers. MIXT also launched an app that enables integrated seamless mobile ordering and a loyalty program and began offering curbside pick-up at every location. These responses exemplify a purpose-driven management team actively living their values.

MIXT's mission is to bring better eating to everyone, which is even more crucial in this moment of crisis. In 2020 they provided over 5,000 free meals to people who needed them in San Francisco, Oakland, Los Angeles, and Phoenix. The company has also launched partnerships with eight local healthcare facilities including UCSF, SF General, and Children's Hospital of LA, where they have delivered more than 1,500 free meals to hospital workers on the front line of the pandemic. They also fed firefighters during the California wildfires and supported the BLM movement through community engagement and conversation.





PosiGen

Type of Business | Solar Energy Products

Year of Investment | 2020

Impact Lenses | Resource Efficiency, Human Elevation

SDGs | 1, 7, 8, 9, 10, 11, 13

B Score | 109*

*Pending Verification

We are excited to introduce the newest company in our portfolio: PosiGen. Headquartered in New Orleans, PosiGen is the nation's leading residential solar and energy efficiency provider for low-to-moderate income (LMI) families. PosiGen's unique services and products make solar energy affordable to homeowners of all income levels, and offer individuals, families and the communities in which they live and work the opportunity to achieve greater fiscal autonomy and energy independence while lowering their utility bills.

PosiGen's mission is to close the clean energy affordability gap for LMI homeowners by delivering lower cost utility bills along with the environmental benefits of clean energy through rooftop solar and energy efficiency upgrades. PosiGen's unique business model of low-cost rooftop solar panel leases combined with energy efficiency upgrades makes clean energy available to LMI households who can see dramatic savings well in excess of 20% of their annual energy spend. PosiGen has more than 17,000 residential customers, over 270 direct employees and supports more than 120 employees through its contractors in Louisiana, Connecticut, New Jersey, New York and Florida.



As the newest member of the portfolio, PosiGen is on its way to becoming a certified B Corp. At the time of this publication, the company has completed the B Impact Assessment with a score of 109 that is pending verification. Due to the intrinsic social and environmental justice focus of their business model, the company is well-positioned to be certified and become an inspirational leader in the B Corp community.

Impact at a Glance



270

Total employees



86%

% of clients from underserved communities



87.1M

Kwh Renewable Energy Produced



\$10,800

Average Total Annual Utility Saved per Customer

Key Performance Indicators

Total Employees FY 2020 270		Tons of CO2 Emissions Offset FY 2020 89,906 Since Investment 15,284	
Total LMI Employees FY 2020 142		kWh Renewable Energy Savings FY 2020 \$4,771,773 Since Investment \$811,201	
Jobs Created FY 2020 6 Since Investment 1		Therm Savings FY 2020 \$1,865,999 Since Investment \$317,220	
Jobs Created: Women FY 2020 15 Since Investment 3		Net Savings Total FY 2020 \$8,735,798 Since Investment \$ 1,485,086	
Jobs Created: LMI FY 2020 76 Since Investment 13		# Solar Installs FY 2020 2,550 Since Investment 434	
# Solar Installs in LMI communities/homes FY 2020 943 Since Investment 160		# Energy Efficiency upgrades FY 2020 1,831 Since Investment 311	
# Energy Efficiency upgrades in LMI communities/homes FY 2020 665 Since Investment 113		Average Annual Utility Savings per Customer FY 2020 \$540	
\$ Social impact dollars invested & Charitable donations FY 2020 \$7,282		Average Total Annual Utility Saved per Customer FY 2020 \$10,800	
# Internal manager promotions FY 2020 2		Client Individuals: Total FY 2020 12,735 Since Investment 2,165	
% Female FY 2020 33%		Client Individuals: Low Income FY 2020 4,483 Since Investment 762	
% of Female Leadership FY 2020 27%		Number of Systems Installed FY 2020 2,543 Since Investment 432	
% of Female Board FY 2020 13%		% of clients from underserved communities FY 2020 86%	
% BIPOC Leadership FY 2020 27%		Number of Leases Operating FY 2020 14,769	
% BIPOC FY 2020 39%			
# kWh Renewable Energy FY 2020 87,178,075 Since Investment 14,820,273			



Case Study

Solar for All Bristol was a collaborative effort of the City of Bristol, PosiGen Solar, and the Connecticut Green Bank to bring solar and energy efficiency services to all Bristol residents. This community-focused energy campaign used a grassroots outreach model to reach homeowners who can most benefit from energy savings, particularly those who have historically been left out of existing clean energy programs. The campaign took place from June - October 2020. With the help of the program partners, Solar for All Bristol maintained a continuous community presence, including six homeowner webinars, tabling at the local Farmer's Market and other community events. Bristol's campaign earned credit for multiple actions in the Sustainable CT program, a voluntary certification program for municipalities, and led the city to achieve Silver level certification.

The campaign reached 87 families resulting in 64 signed solar lease contracts. Overall, the campaign was successful at educating homeowners and bringing them into the program, compared to similar efforts. 45% percent of the families that signed up are low-to-moderate income (LMI) homeowners and are now on the path to energy affordability. Solar for All is a nationally recognized program, financed through a public-private partnership between PosiGen and the Connecticut Green Bank. Solar for All offers a no money down, no income or credit requirement, solar lease combined with energy efficiency upgrades to lower the energy-cost burden for participating households. A low, fixed-price monthly lease allows homeowners to avoid all upfront costs and enjoy a predictable payment for 20 years. The Solar for All initiative relies on a community-driven campaign style of marketing to reach homeowners in underserved markets. Solar for All campaigns have been run in many parts of Connecticut. Since the Solar for All program first launched in 2015, the state has closed the gap to reach parity in solar deployment, meaning there are equal levels of solar deployment in LMI households as non-LMI households.

Overall, the Solar for All program has been an astounding success in Connecticut, closing the clean energy affordability gap and increasing solar adoption by more than 187% in LMI communities.





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