

About IESE For Impact Community Fund

Founded in 2017, IESE For Impact Community Fund (IFIC) is a legacy impact investment vehicle managed by IESE MBA students.

The IFIC Mission

IFIC was established for three primary reasons:



One is impact, supporting businesses driven by an aim to positively impact society.



The second is learning, providing hands-on and valuable experience for IESE MBA students.



A third is to put the IESE mission into practice, in line with our school's objective to educate leaders with the highest ethical standards.

Scope of Work

100% student managed, the IFIC Board of Directors will be elected each year by the winning internal team of the Impact Investment Competition, hosted annually at IESE.

**Investment into
impact startups**



**Consulting services
for investees**



The IFIC Founders (MBA 2017)

Vanessa Macdougall

Daniel Orlando Bueno Serra

Ana Isabel de la Guardia Garde

Michael Mascarenhas

Fabian Rudolf Jeroen Roobeck

Alberto Sanchez-Ostiz de Ramalho Fontes

The Class of 2017 Founders spearheaded the initiative, established IFIC legally, and set the bylaws and governance structure (See Appendix).

Setting the Foundation

A key objective for the current Student Board of Directors is to establish the necessary frameworks and scalable processes that will set future IFIC Directors up for success.

Legal & Administrative

- The IFIC Bank Account is now set up with Banco Sabadell.
- In Process: The sourcing of a new legal representative that is willing to provide pro bono services for IFIC. In exchange for these services, IFIC is exploring potential sponsorship agreements.

Investment

Philosophy & Criteria: The IFIC Investment Thesis was developed and includes our criteria on the investment stage focus, target geography, target sectors, our definition of positive impact and our interpretation of “impact ventures.” The detailed Investment Thesis can be found in the Appendix.

Sourcing Strategy: We have developed a database of potential investment sources including startup hubs, accelerators, incubators, startup events, impact organizations and investors.

Pipeline Management: We have developed a process for documenting investment targets and their status throughout the pipeline.

Investment Screening & Decision Process: We have developed a thorough 3-Stage investment screening and decision process, as documented in brief in the diagram below.



Investment Sourcing Progress

Attendance of startup meet-ups, investor forums: IESE Business Angels Network Meetings, Cirial 180, Ship2B Investor Forum, IESE 40Under40 Entrepreneurs Event

Contacted 22 Spanish accelerators, incubators and shared workspaces through a “call for social entrepreneurs” initiative

16 impact ventures evaluated

Shortlisted 1 venture for due diligence

IFIC has officially joined leading Spanish impact investor, Ship2B’s investor network, and we will be included in Ship2B’s future calls for co-investment.

Sourcing Strategy Development: In addition to traditional sourcing efforts, the Board of Directors is focusing our investment sourcing strategy around the development of alliances with impact investors in order to participate in co-investment opportunities. The Board of Directors is committed to a careful selection of IFIC investments and believes this strategy will enable us to participate in the most promising opportunities as the fund size and resources are still in early stages. This strategy will also mitigate risk by enabling us to target later-stage ventures and build on the due diligence performed by investment firm partners.

Sourcing Highlights

Below are a couple examples of impact ventures we have evaluated or are currently evaluating:



ECrowd! is a debt crowdfunding platform that finances high impact community projects in sectors such as energy, water, health and waste management.



iWOPI is a digital platform that enables users to turn exercise miles into positive impact through donations to different causes that are supported by corporate partners.

Consulting Services

In order to involve the broader IESE community and students beyond the Board of Directors, we are in discussion with Ship2B for the development of an impact venture consulting program, which would strengthen our partnership, provide valuable experience for students and contribute toward the growth of impact startups.

As soon as IFIC's first investments are made, the Student Board of Directors will work with the investee companies to provide post-investment support through consulting services that can fill gaps in resources or capabilities.

Fundraising Progress

- Since the launch of IFIC, €18.000 has been raised and ongoing fundraising initiatives continue.
- Thanksgiving Announcement: The Student Board of Directors presented the IFIC initiative in front of 300+ attendees of the IESE Thanksgiving Dinner. To kick off fundraising for the 2017-18 academic year, we auctioned an organic wine tasting and tapas experience with IFIC's Advisor, Professor Miguel Anton, which raised €430 for the fund.
- What's Next: The fundraising strategy for the remainder of the academic year has been mapped out including initiatives during the Doing Good Doing Well 2018 Conference.

Press & Other News

IESE's impact investing initiatives including the Impact Investment Competition and IFIC were recently featured in the [UN PRiMETIME Blog](#)

Legacy

Internal IESE registration for the 7th Annual Impact Investment Competition has just closed with 17 teams in total. The winning IESE team will be representing the school during the final international round taking place during the Doing Good Doing Well Conference on February 24, 2018. These students will also be the next IFIC Student Board of Directors, taking the reigns for the academic year 2018-19.

Acknowledgements

The IFIC Student Directors would like to thank the Responsible Business Club and our Board Advisors and Faculty mentor for their continued support:

Miguel Anton | Fabrizio Ferraro | Juan Roure | Paula Sancho

What's Next?

Look out for the 2nd Edition of the IFIC Bi-Annual Report in the Spring of 2018. We will have updates on investment progress, the fundraising status and will introduce the next Board of Directors.

Board of Directors MBA Class of 2018

**Michael
Davis**
USA

**Yashar
Faranjani**
UK

**Rachel
Messina**
USA

**Ayotunde
Obashoro**
Nigeria

**Javier
Pedrals**
Chile

**Tomoya
Shishido**
Japan



Would you like to donate to IFIC? Do you have investment opportunity leads? Do you know legal firms willing to sponsor IFIC? Would you like to collaborate?

Contact IFIC@iese.net

Appendix: Investment Thesis

IESE For Impact Community
Investment Thesis for the academic year of 2017-18

Fund Size: IFIC capital is raised through donations, so fund size will vary year-to-year. The target investment funding round for 2017 is 15,000-20,000 EUR.

Stage Focus: Early-stage with business models that prioritize both profitability and positive impact. Later-stage businesses may be considered for follow-on or co-investment opportunities.

Geographic Focus: Spain

Sectors: For the 2017-2018 investments, IFIC does not have a specific sector focus but will concentrate investment sourcing efforts on enterprises that contribute positively to the following areas:

- Education
- Healthcare
- Financial Inclusion
- Sustainable Consumption
- Economic Development
- Sustainable Agriculture
- Sustainable Energy
- Affordable Housing
- Water & Sanitation

The UN Sustainable Development Goals will also be referenced as a framework for investment evaluation and decisions. If more than one investment is made, the Board of Directors will aim to diversify the portfolio, which could lead to a specific sector targeting strategy.

Appendix: Investment Thesis Continued

Definition of Positive Impact

Through analysis of research reports and publications by industry leaders such as The Global Impact Investment Network, IFIC defines positive impact according to the following considerations:

Impact Through Business Model Product/Service: Does the business model enable more access--either physically or economically--to important products and services for individuals or organizations, thus improving quality of life or generating other positive outcomes otherwise not possible? Examples include lower-cost healthcare services and increased access to education.

Impact Through Business Model Process: Do the operations and business activities of the enterprise generate positive impact for employees, communities or the environment? Examples include sustainable sourcing and employing disadvantaged individuals.

Alignment with Business Model: IFIC aims to invest in for-profit enterprises that generate positive social and/or environmental impact as well as financial return. The impact initiatives should be aligned with the business model and should drive innovation and competitive advantage.

Beneficiaries: Who benefits from the positive impact and what are their alternatives?

Scale and Scope of Impact: How significant is the positive impact and can it scale? Is the business model pioneering a new market or improving the infrastructure of an industry as a whole, thus generating greater impact?

Definition and Evaluation Criteria for Impact Ventures

IFIC will conduct thorough evaluation and due diligence for each investment opportunity. To be considered an "impact venture," the enterprise must demonstrate that the generation of positive social and/or environmental impact is both an intentional and integral part of the business model. There must be strong alignment between the impact initiatives and the financial returns. Business innovation should be driven by the impact goals, and potential impact should be scalable alongside business growth. The venture should have identified impact KPIs and should demonstrate commitment to an impact measurement and reporting process.

Appendix: Investment Thesis Continued

Investment Process Overview

The first IFIC fundraising round will close November 30, 2017. The current IFIC Board of Directors will source the first investment opportunities beginning June 2017 and will aim to identify at least one investment by December 1, 2017. The IFIC Board of Directors will conduct thorough screening and due diligence for each investment opportunity to ensure that it is aligned with the IFIC Mission.

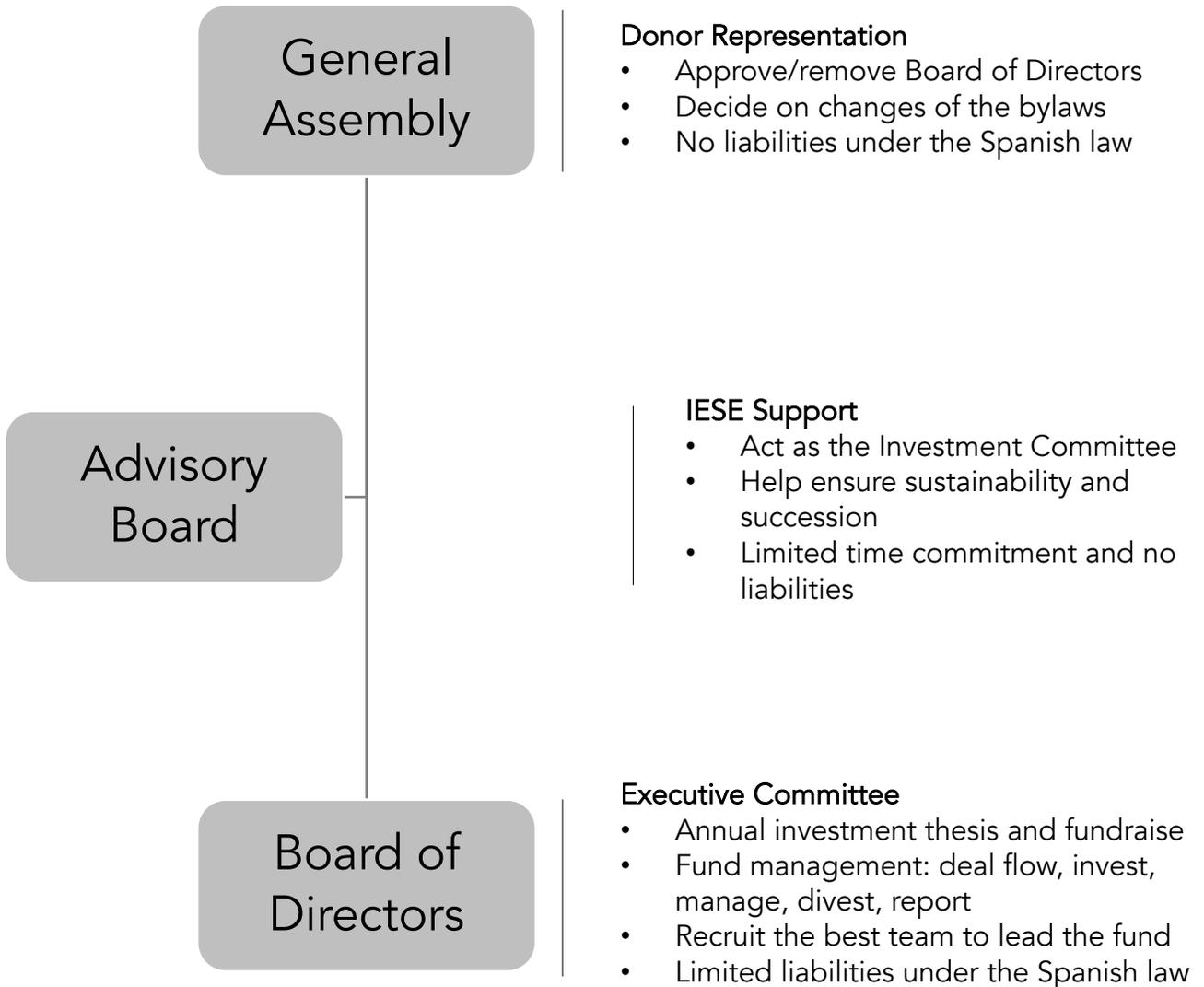


Eventual exit paths (e.g. management buy back, sale to strategic partner, sale to other fund) should follow responsible exit criteria that prioritize the impact focus and ensure its legacy.

Post Investment & Governance

The IFIC Board of Directors will seek Board observation rights and engagement opportunities with organizations in the portfolio. Bi-annual IFIC reports will be developed to update donors and the broader IFIC community on the investment process as well as ongoing portfolio financial and impact metrics.

Appendix: Governance



Appendix: Legal Structure

Asociación sin animo de lucro

Incorporated as an association, IFIC is a social enterprise

- Every donor is a member of the General Assembly
- Tax benefits
- Small annual administrative requirements
- **Money are never to be taken out of IFIC. The returns are to grow the fund, be more relevant and support the IESE MBA community**
- New Board of Directors every year
- Advisory Board members change stepwise