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Glossary

60 Decibels: 60 Decibels is a global, tech-enabled impact measurement company that brings speed and repeatability to social impact measurement and customer insights.

AE: “AE” means Accredited Entities. AEs are designated by GCF to submit proposals and implement projects using GCF funding. Accredited Entities carry out a range of activities that usually include the development of funding proposals and the management and monitoring of projects and programs.

Acumen: Acumen Fund, Inc. is a not-for-profit corporation formed under the laws of the State of New York and public charity under 501c3 of the Internal Revenue Code with, among other activities, 20 years’ experience investing in small and medium-sized enterprises (SMEs) that serve low-income communities in developing countries across the globe.

ACP: “ACP” means Acumen Capital Partners LLC. ACP is a subsidiary of Acumen that manages funds investing in social enterprises that can deliver social and financial returns to transform the lives of low-income people everywhere.

APR: “APR” means Annual Performance Reviews. APRs are mandated by the Green Climate Fund (GCF) for GCF-funded projects. APRs include reporting on the activities of the GCF-funded project and KPIs.

ARAF: “ARAF” means the Acumen Resilient Agriculture Fund LP. ARAF is a \$58 million venture impact fund investing in companies operating in Ghana, Kenya, Nigeria, and Uganda, and the world’s first equity fund designed to build the climate resilience of smallholder farmers.

ALIVE: “ALIVE” means the Acumen LatAm Impact Ventures LLC. ALIVE is a fund manager of the \$28 million venture impact fund Acumen Latin America Early Growth Fund (ALEG) that invests in impact-driven early growth companies in Latin America.

Code of Ethics: Code of Ethics refers to the policy Acumen developed for Acumen and its affiliated group of entities’ staff as a mandate for how we work ethically and report concerns.

Borrower: Borrower refers to companies that receive lending from the Energy Access Relief Fund.

EARF: Energy Access Relief Fund B.V. is a debt fund designed to provide COVID-19 relief and recovery loans to energy access companies serving more than 20 million low-income households and micro-businesses in sub-Saharan Africa and Asia.

ESAP: “ESAP” means the Environmental and Social Action Plan. ESAPs are tools used to mitigate environmental and social risks of portfolio companies found in the due diligence stage.

ESG: “ESG” means environmental, social, and governance.

ESIA: “ESIA” means the Environmental and Social Impact Assessment. The ESIA is a process for identifying the environmental and social risks and impacts of the GCF-funded project.

ESMS: “ESMS” means the Environmental and Social Management System. The ESMS is a dynamic and continuous process initiated and supported by management, and involves engagement between the client, its workers, local communities directly affected by the project (the Affected Communities) and, where appropriate, other stakeholders.

E&S: “E&S” means Environmental and Social. E&S connects to policy, management, risks, impacts, mitigants, and reporting.

EE: “EE” means Executing Entity. EE is the entity that implements GCF-funded projects.

FMO: Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. is a Dutch

development bank structured as a bilateral private-sector international financial institution based in the Hague, the Netherlands.

FPIC: “FPIC” means Free, prior and informed consent. FPIC is aimed to establish bottom-up participation and consultation of an indigenous population prior to the beginning of development on ancestral land or using resources in an indigenous population's territory.

GAP: “GAP” means Gender action plans. For GCF-funded projects, GAPs contain metrics for collection and action plans to achieve the goals of this policy and GCF-funded project requirements.

Gender Sensitivity Policy for GCF-Funded Projects: Refers to Acumen’s Gender Policy for GCF-Funded Projects.

GCF: “GCF” means the Green Climate Fund. GCF is a fund established within the framework of the UNFCCC as an operating entity of the Financial Mechanism to assist developing countries in adaptation and mitigation practices to counter climate change.

GOGLA: “GOGLA” means the Global Off-Grid Lighting Association. GOGLA is the global association for the off-grid solar energy industry, and Acumen, SIMA, and KawiSafi are members.

Grievance Mechanism: The Grievance Mechanism is the Executing Entities’ policy for managing grievances.

GRM: “GRM” means the “Grievance Redress Mechanism.” GRM is Acumen’s grievance policy for GCF-funded projects.

IFC: “IFC” means the International Finance Corporation. IFC is an international financial institution that offers investment, advisory, and asset-management services to encourage private-sector development in less developed countries. The IFC is a member of the World Bank Group.

IFC PS: “IFC PS” means the IFC's Environmental and Social Performance Standards. The IFC PS define responsibilities for managing their environmental and social risks.

Investor: Investor refers to other investors in the GCF-funded projects.

KawiSafi: KawiSafi Ventures Limited is a venture impact fund investing in early-growth stage companies operating in the clean energy sector in East Africa.

KPI: “KPI” means key performance indicators. Acumen uses KPIs to track impact, gender, climate, and E&S indicators that are most important to a GCF-funded project.

NDAs: “NDAs” mean National Designated Authorities. NDAs are government institutions that serve as the interface between each country and the Fund. They provide broad strategic oversight of the GCF’s activities in the country and communicate the country’s priorities for financing low-emission and climate-resilient development.

Portfolio Company: is a social enterprise who receives investment capital from projects for which Acumen is an Accredited Entity and which uses GCF funding.

SIMA: Social Investment Managers and Advisors LLC is a Delaware limited liability company and registered U.S. Securities and Exchange Commission Investment Adviser (registration # 801-119020) and manager of EARF.

SOCAP: “SOCAP” means Social Capital Markets. SOCAP is an annual conference focusing on social capital, social impact, and impact investing.

TAC: “TAC” means Technical Assistance Committees. TACs are committees that provide

oversight on the implementation of technical assistance facilities (TAF). TACs convene to review the activities and disbursements of the TAFs to ensure their alignment and compliance with investor expectations.

TAF: “TAF” means Technical assistance facilities. TAFs are grant funded pools of capital funded by GCF and others intended for support of initiatives, in this case, gender initiatives, of Portfolio Companies and the ecosystems in which they operate.

“It starts by standing with the poor, listening to voices unheard, and recognizing potential where others see despair.” – Acumen Manifesto

Background

Acumen’s work is about stimulating entrepreneurial solutions to poverty and reducing inequality and individual vulnerability through economic inclusion. This work requires us to listen to the voices unheard within the communities we serve.

In 2015, we piloted an initial exploration of the impact of our work for women. We wanted to understand how to listen better to the voices *of women* in the communities where we work, stimulate entrepreneurial *and gender-sensitive* solutions to poverty, and reduce individual vulnerability and inequality *based on gender* through economic inclusion.¹

Through the initial pilot phase, we learned how to:

- support investees on gender issues²
- track gender metrics across all of Acumen
- bring together stakeholders from across Acumen to develop a cohesive and coordinated approach to applying a gender lens to our work.

Our early explorations have been fruitful *and* there is still so much work to do.

Climate and Gender

After 20 years of listening to the poor, Acumen has an acute awareness of the impact of poverty and climate change on gender. Women are especially vulnerable to deforestation and changes in biodiversity as they often have more resource intensive jobs. Women also have fewer financial and material resources making them especially vulnerable to extreme weather events. Acumen commits to building climate resilience with a gender lens. We seek to support female entrepreneurs, empower portfolio companies with gender action plans, and invest in products that empower women vulnerable to climate change.

Our Ultimate Ambition

Ultimately, we support women’s abilities to command and direct talent and capital toward collective realization of their communities, their families, and themselves.

In the short term, however, Acumen has a good deal of foundational work to focus on that will make our ultimate ambition a possibility.

Iterative commitments: the next generation

¹ A few terms that we use in this policy:

Gender equality means that the rights and opportunities of all individuals are not limited by virtue of one’s gender.

Gender sensitivity considers contributions of and impacts to individuals across genders, and the strategies to promote gender equality.

There are various *strategies to promote gender equality*, which may range from tracking the gender of beneficiaries to assessing gender impact in decision-making to identifying gender bias to expanding opportunities.

² We directly supported 3 Acumen pioneer companies with technical assistance grants and added gender as a metric across the pioneer energy portfolio, which facilitated conversations with investee leadership.

In the second generation of Acumen’s intentional programmatic and operational approach to gender sensitivity, we continue our staged approach:

- measuring what matters and what is feasible in our programs and operations
- reviewing the data collected at meaningful intervals and deducing what we’ve learned
- determining any changes to our approach based on learnings

We expect a gender-sensitive lens will improve the effectiveness of our programs and operations. Specifically, we anticipate it will:

- Deepen senior management’s commitment to gender sensitivity
- Further develop and evolve norms within each office for implementing our programs and interacting with our team
- Further refine and expand metrics that we craft and collect from or on behalf of our programs regarding their gender impact
- Clarify communications around our gender sensitivity policy and impact
- Offer greater transparency and credibility when working with third parties who undertake gender assessments in their work
- Positively impact the experience of women in our community, and who supply or consume goods and services of our investees

We will continue to iterate and expect that our strategies will change as our thinking evolves.

Acumen relationship with GCF

Acumen applied for and received accreditation for blended finance, grants, lending, and equity investments in 2015. Since then, Acumen has served as the Accredited Entity for three GCF-funded projects. Our three GCF projects include FPO05, KawiSafi Ventures Fund, FPO78, Acumen Resilient Agriculture Fund (ARAF), and FP 148, Energy Access Relief Fund (EARF). Acumen, as the Accredited Entity, has supported the fundraising, development, implementation, and monitoring and reporting for these funds. KawiSafi Ventures (KSV) and ARAF are managed by Acumen Capital Partners, a wholly owned subsidiary of Acumen. EARF is managed by Social Investment Managers and Advisors.

Commitment for GCF-funded projects

- Principle 1: which covers gender equality, equal rights, human rights, labor conventions, intergenerational equity, and the Sustainable Development Goals for gender;
- Principle 2: which covers country ownership and the equal opportunity of all stakeholders during project consultations and decision-making;
- Principle 3: which covers the free, prior, and informed consent in projects involving indigenous peoples, as well as gender-sensitive stakeholder engagement; and
- Principle 4: which covers disclosure of information, which should be transparent and provide non-discriminatory access to information and gender-relevant information.

Acumen Policies

Acumen commits to strong personnel policies to protect and empower all staff, which extend to KawiSafi and ARAF. Our policies include a Code of Ethics, region-based personnel policies and benefits packages, and an US-specific anti sexual harassment policy. Acumen’s regional offices all provide family leave benefits in compliance with local laws and competitive benefits packages. Acumen’s commitment to an equitable and safe workplace extends to supporting a diverse staff. Our approach to diversity is annexed in this document after our Action Plans.

This Gender Sensitivity Policy also reflects our internal and external commitments and Action Plans regarding gender. Since adopting a Gender Sensitivity Policy in 2015, our organization continues to annually review our gender-based performance. Our policies and statements reflect a broader commitment to gender equity and empowerment within our organization.

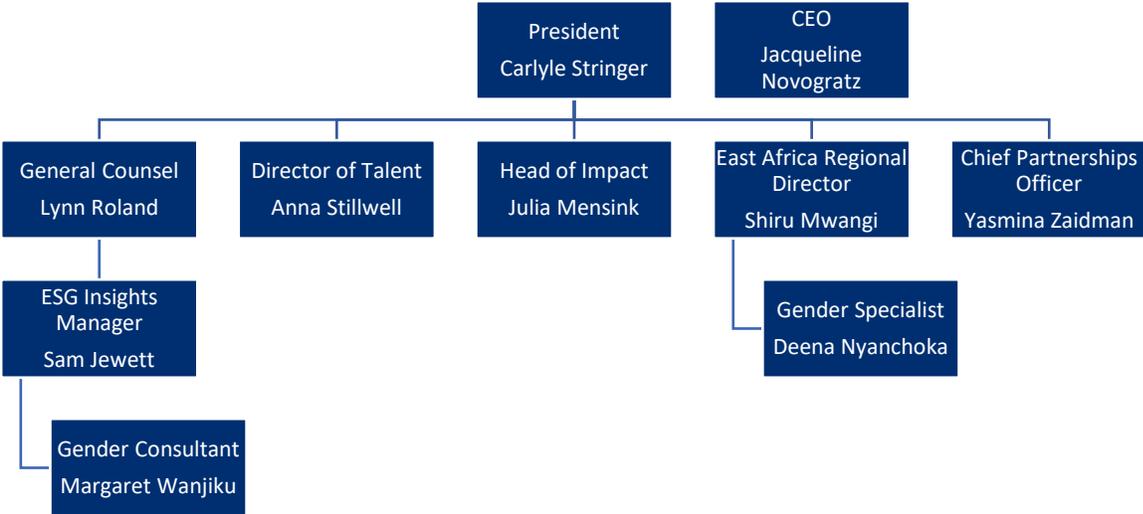
Organizational Capacity and Implementation

Accredited Entity Capacity

This Gender Sensitivity Policy for GCF-Funded Projects applies to Acumen, its affiliated subsidiaries, and its GCF-funded projects for which Acumen Capital Partners is the Executing Entity. Preliminary action plans for our programs, governance, and human resources are attached as *Annex 1*. Additional operational guidance and monitoring will be provided periodically by the President, General Counsel, Director of Talent, Gender Working Group, Head of Impact, and ESG Manager.

Additionally, we encourage our staff to think about and suggest strategies to reduce inequality (e.g., via gender working group), which may include strategies that promote gender equality, as they have insights through our work generally and via implementation of this policy. Acumen is committed to enough staffing resources to implement entity level gender and human resources policies and our gender-based commitments to GCF invested funds and projects. Responsibilities for implementing our gender work are shared below.

Organization Chart



- President: The President is responsible for overseeing the implementation of the Gender Sensitivity Policy for GCF-Funded Projects. The President reviews the work of the Gender Working Group and the implementation of the Gender Sensitivity Policy for GCF-Funded Projects.
- Director of Talent: The Director of Talent is responsible for developing and implementing entity level human resources and gender-based policies and directives for Acumen staff. Additionally, this position is responsible for hiring policies and

practices. The Director of Talent works with the General Counsel when a staff member shares a complaint.

- **Head of Impact:** Acumen's Head of Impact will help assess potential impact of GCF-funded projects and will utilize a gender lens when appropriate. The Head of Impact also co-leads the Gender Working Group, which is responsible for reviewing and monitoring the Gender Sensitivity Policy for GCF-Funded Projects. The Head of Impact is also responsible for overseeing the Gender Specialist.
- **Chief Partnerships Officer:** The Chief Partnerships Officer is responsible for co-leading the Gender Working Group, which will supervise and advise on the Gender Sensitivity Policy and gender assessments.
- **General Counsel:** This position also develops and reviews entity level policies for our staff. Additionally, the General Counsel is responsible for investigating staff-level and GCF-project level complaints.
- **ESG Manager:** The ESG Manager position works with GCF-funded projects teams on developing, implementing, and reviewing gender assessments, policies, and Gender Action Plans. The ESG Manager is also responsible for overseeing the Gender Consultant for the Energy Access Relief Fund.
- **Gender Consultant:** The Gender Consultant will work with Energy Access Relief Fund borrowers in developing Gender Action Plans. The ESG Manager will oversee the consultant's work.
- **East Africa Regional Director:** The East Africa Regional Director is responsible for implementing a gender lens investing strategy for our direct investing work. They are also responsible for overseeing the Gender Specialist's work alongside the Head of Impact.
- **Gender Specialist:** The Gender Specialist is working with the East Africa investment team to develop a gender lens investing strategy and to train the East Africa team on gender lens investing. The Head of Impact and the East Africa Regional Director is responsible for overseeing the Gender Specialist's work.

Acumen will continue to develop gender development and impact measurement capacity as an organization through ongoing trainings, collaborating with gender experts, and sharing our insights across the industry.

Gender Working Group Capacity

Acumen's Gender Working Group is led by Acumen's Chief Partnership Officer and Head of Impact and has existed for the last five years. Staff across functions and departments are members of the Gender Working Group. Acumen's Gender Working Group is currently reorganizing their structure, roles, and responsibilities. The Gender Working Group will review Acumen's Gender Sensitivity Policy for GCF-Funded Projects on a regular basis. The Gender Working Group will also be available to advise on gender assessments and gender action plans for GCF-funded projects.

Executing Entity Capacity

Each EE for GCF-funded projects developed robust organizational capacity to develop, implement, and review gender policies and GAPs. Each GCF-funded project developed robust gender capacities developed at an organization level. Executing Entities for ARAF, EARF, and KSV all commit to organization staff implementing gender policies and GAPs.

EARF hired a gender consultant to support EARF Borrowers with the development of GAPs. KSV and ARAF each have positions responsible for their gender work including their Technical Assistance Facilities.

GCF-funded Projects

GCF-funded projects committed to, developed, and are currently implementing gender policies and Gender Action Plans in line with GCF expectations. Acumen supports the development, implementation, and review of gender policies and GAPs for our Executing Entities.

EEs each have responsibilities to and are capable of the following GCF expectations:

- Conduct gender assessment and collect sex-disaggregated data to assess gender risks and impacts;
- Formulate a gender action plan, including appropriate mitigation measures;
- Allocate a gender budget at the entity-, fund- and project/program-levels to integrate and implement gender activities;
- Conduct gender-sensitive and gender-responsive stakeholder consultation, grievance redress, information disclosure and knowledge management;
- Prepare and appraise projects/programs that integrate gender-relevant activities and gender-sensitive-and-gender-responsive indicators at activity-, output-, outcome- and impact-level and gender-dedicated budget

Project Development with a Gender Lens

Acumen collaborates with Executing Entities to develop GCF-mandated gender assessments for each GCF-funded project. Acumen utilizes several resources and stakeholder engagement strategies to understand the gender realities of the project area. Acumen engages with National Designated Authorities, government agencies, international organizations, local companies, and local men and women to understand the gender realities of the project areas. Additionally, Acumen utilizes publicly available gender data to provide more context for our gender assessments of the project. Assessments include gender-based risks to the projects and developing mitigating strategies. Acumen may contract with gender experts and consultants to develop the gender assessment and/or the Gender Action Plan.

Acumen utilizes the gender assessment to develop capacities, goals, GAPs, and subprojects like Technical Assistance Facilities to be implemented when the project is realized. Acumen works with GCF, executing entities, and other investors to further develop gender work during the gender assessment. Acumen utilizes a dashboard to ensure gender assessments are aligned with Acumen and GCF expectations. After the gender assessment is completed, GCF-funded projects commit to developing and implementing GAPs that apply to their fund, portfolio companies, and their TAFs.

Project Execution with a Gender Lens

Gender Action Plans

GCF-funded project teams and Acumen collaborate to develop Gender Action Plans to be approved by GCF. Gender Action Plans apply to the fund, the Portfolio Companies, and the TAF (for KSV and ARAF). Gender Action Plans are developed with input from GCF, investors, and Acumen.

GCF-funded projects are expected to include a budget towards gender work including the implementation of a GAP and a TAF if the project has a TAF with a gender component. Current and future GCF-funded projects are expected to keep an updated budget which tracks spending on gender related activities.

Gender Action Plans are expected to track gender information of the project, mitigate harms,

and support the gender-based development of the sector.

Gender Investment Strategy

Current and future GCF-funded projects include gender-based due diligence and monitoring and reporting strategies for their funds. All projects seek policies and indicators from potential Portfolio Companies, borrowers, and/or grant recipients to measure potential gender-based impacts and risks. Indicators tracked may include share of female employees, share of women in Senior Management, policies related to sexual harassment, equal opportunities at the workplace, and family planning, and gender-specific customer data. GCF-funded project teams utilize gender-based data and policies to assess the degree of gender-based risks a potential portfolio company, borrower, or grantee may have. Term sheets or side letters for Portfolio Companies, borrowers, or grantees may include sharing gender-specific KPIs and the development and implementation of a company-specific Gender Action Plan. Acumen supports gender investment strategies during the project development, implementation, and monitoring stages. Acumen will help develop gender investment strategies and monitor strategies on an annual basis using an E&S institution-level and project-level dashboard.

Portfolio Company Expectations

Prior to investment, portfolio companies are expected to respond to due diligence requests from GCF-funded project teams. Potential portfolio companies, borrowers, and grantees are expected to share gender-based KPIs and gender-related policies.

After the due diligence stage, portfolio companies are expected to conform to GCF-funded project expectations as stipulated in term sheets. For several GCF-funded projects, portfolio companies are expected to develop and execute Gender Action Plans that will develop organizational capacity and accountability as well as improve gender-related policies. Portfolio companies and borrowers for GCF-funded projects are expected to periodically update executing entities on GAPs and annually share gender based KPIs.

Technical Assistance Facilities

Current and future Technical Assistance Facilities (TAF) for GCF-funded projects are developed in conjunction with GCF, Acumen, and the executing entity and utilize grant capital to support Portfolio Companies, the broader ecosystems in which Portfolio Companies operate, and impact measurement. Both KSV Fund and ARAF have TAFs that were developed with a gender lens. Both TAFs were developed with manuals and in conjunction with GCF. Acumen deploys TAFs with a gender lens to support both portfolio companies and the sector ecosystems that the TAFs focus on. TAFs are intended to improve gender equity and capacity with these portfolio companies. Across the sector ecosystem, TAFs are utilized to train women to enter the sector and support female leadership in the sector. Additionally, TAFs support impact measurement for the fund and the TAF.

The TAFs are overseen by Technical Assistance Committees (TAC) that are approved by the managing directors of the GCF-funded projects in which Acumen Capital Partners is the Executing Entity. Such managing directors manage the project in coordination with the TAC. TAF activity is monitored by the TAC on an annual basis and reported to GCF as part of the Annual Performance Review (APR).

Acumen commits to continuing to support TAFs and to consider using TAFs as a gender lens tool to support portfolio companies, the sector ecosystem, and impact measurement for future GCF-funded projects. Acumen collaborates with GCF-funded project teams to develop TAFs to empower entrepreneurs, improve gender equity across sectors and geographies, and increase

female participation in the workforce.

Monitoring and Reporting

Acumen, through our ESG Manager, continually monitors the gender activity of the GCF-funded projects. Acumen receives annual ESG and impact reports from GCF-funded projects and reviews the reports to measure compliance with GCF, other investor, and project expectations. Additionally, GCF-funded projects are required to report to GCF on gender activities and data on an annual basis as part of their Annual Performance Review.

Acumen prepares and appraises projects/programs that integrate gender-relevant activities and gender-sensitive-and-gender-responsive indicators at activity-, output-, outcome- and impact-level and gender-dedicated budget. We continue to monitor GCF-funded projects to ensure that this data is tracked and aligned with our commitments.

Acumen reports on GCF-funded projects on occasion through our annual reports and periodic insight reporting. Acumen monitors our annual Gender Sensitivity Policy for GCF-funded Projects for implementation and effectiveness using our annual E&S dashboard. We also monitor project-level GAPs on an annual basis using project level E&S dashboards.

Stakeholder Engagement

GCF-funded projects developed strong stakeholder engagement as part of their GCF funding application. GCF-funded projects are required to receive no objection letters from NDAs in countries where they make investments, and we liaise on a regular basis to report out and consult such NDAs. GCF-funded projects reach out to a variety of stakeholders and gain their input on the project. All GCF-funded projects where Acumen Capital Partners is the Executing Entity currently use 60 decibels to understand their investment impact. We use the information collected from stakeholders to inform our development of a gender assessment for each GCF-funded project. Each GCF-funded project has an advisory committee whereby deeper dives/Q&A is given to certain investors on a regular basis regarding Portfolio Company performance and impact.

Acumen's GCF-funded projects have made the following commitments:

- Provide stakeholders with information at appropriate times and in accessible forms.
- Communicate project activities in a timely manner (including for new activities).
- Ensure stakeholders are involved in decision making processes where relevant and can effectively communicate any impacts they experience; and
- Ensure that stakeholders are aware of how to submit grievances and/or complaints.

Acumen supports GCF-funded projects by connecting funds to Acumen's networks. Additionally, Acumen's GCF-funded project teams network and knowledge share, creating more opportunities for stakeholder engagement. Acumen also assists GCF-funded projects with fundraising and project development with various investors, development finance institutions and other government agencies.

Grievance Mechanism

Acumen, as the Accredited Entity for GCF-funded project, commits to a Grievance Redress Mechanism for GCF-funded projects. Acumen also will publicly share on our website how and for what a project-affected person can file a grievance using the Grievance Redress Mechanism. Gender-based grievances may include harassment and gender-based discrimination experienced either from the fund, a Portfolio Company, grantee, or borrower. Complainants

will be notified that their complaints are being investigated and may learn the outcome of the investigation if Acumen determines it appropriate to share. Generally, the GCF-funded projects' teams coordinate with the General Counsel of Acumen in any investigations for which Acumen Capital Partners is the Executing Entity. GRM procedures are shared in the Appendix.

All GCF-funded projects commit to publicly accessible grievance mechanisms for a broad group of stakeholders. Stakeholders should be able to file grievances relating to fund and Portfolio Company activity. Additionally, people can choose to file their complaint anonymously. Each fund has a process to handle the grievance or complaint and has delegated the grievance investigation to a person within the organization. If the complaint is about a member of the fund staff, the Fund ensures that the investigation will not include that Fund staff member.

Acumen supports the GCF-funded projects' grievance mechanisms by assisting with policy development and implementation.

Information Disclosure

Acumen intends to make available relevant environmental and social reports related to the GCF-funded projects, programs, and investments in fair, adequate and transparent communication channels to the extent agreed with stakeholders, subject to prudent confidentiality constraints. Acumen shall consider various channels that may enable fair, appropriate, and correct information disclosure; equal access and treatment of all participants /stakeholders, where appropriate; appropriate management of confidential information; and compliance with law and regulations. The applicable communication channels may include stakeholder mailing, website disclosures, etc. Acumen will share GCF-funded projects' Gender Assessments and Gender Action Plans on the GCF project website, subject to redaction as appropriate for confidentiality protections.

Review

The President will oversee implementation of this policy. The heads of each GCF-funded project, the General Counsel (with respect to governance) and the Director of Talent in coordination with Country Directors (with respect to human resources) will report annually to the President regarding their respective action plans. We encourage the President to revisit this policy in five years, to reflect on lessons learned during implementation and operationalization.

Annex 1: Action Plan

Governance

We will implement the following strategies by end of 2021:

Obtain board approval for the updated Gender Sensitivity Policy.

1. Post the policy publicly (such as a link from our website).

We will also continue to:

1. Monitor development of action plans underlying the Gender Sensitivity Policy

Human Resources

We will continue the following activities in 2021-2023:

1. Annually monitor gender data across functions/geographies/levels.
2. If any gender disparities which compromise gender equality are identified, develop an approach to address.

Gender Working Group

During 2021-2023, the Gender Working Group aims to:

1. Explore how incorporating other dimensions of diversity could further strengthen our work and help us achieve our mission.
2. Explore how to incorporate a gender lens that includes non-binary and trans individuals across a variety of cultural contexts.

Annex 2: Grievance Mechanism

Acumen is editing the language to be included on our website to best describe the grievances we will investigate as the Accredited Entity for GCF-funded projects. Gender-related grievances include harassment and discrimination on a fund-, Portfolio Company-, borrower-, or grantee-level. Additionally, Acumen will investigate internal and external cases of harassment and discrimination both related to GCF-funded projects and its other activities.

Acumen's independent investigator, our General Counsel, will investigate all complaints for GCF-funded projects in which Acumen Capital Partners is the Executing Entity.

1. A complaint is received (via website, email, or mail).
2. The complaint is recorded in Acumen's Grievance Redress Mechanism Tracker and the complainant is notified of receipt and informed of next steps.
3. Involved parties are informed (an initial assessment may be required to understand who the involved parties are). On occasion, an involved party, particularly the complainant, may be informed later in the assessment phase, to preserve information and review baseline facts before notice.
4. The complaint is assessed by Acumen's General Counsel as it is made. This may involve interviewing additional parties to collect more information or bringing in third parties to support the investigation and assessment. The investigation is conducted by someone independent of the program execution (i.e., not the ESG Manager, since responsible for E&S program management). The complainant is notified when the investigation ends.
5. A response/resolution is decided on by the policy administrator, generally, Acumen's President, where a formal complaint is made under the Code of Ethics, or where not, by Acumen's General Counsel, or other decision bodies named under specific policies. The decision is made by someone independent of the program execution (i.e., not the ESG Manager, since responsible for E&S program management).
6. Response is communicated to the complaining party (where possible) and to any involved parties.
7. Resolution is recorded in our Grievance tracking mechanism.
8. Any lessons are applied internally as appropriate (e.g., updating policies or processes)

Annex 3 Stakeholder Engagement Table

Category and key issue	Key Stakeholders	Level of Interest and Influence	Stakeholder Engagement Strategy
1. End users with a gender focus	Portfolio company customers who are in poverty.	Acumen seeks to understand how GCF-funded projects' investments will impact end users with a gender lens. We want to track customer information using company data and 60 decibels reporting to better understand how female customers use or benefit from products.	Acumen provides GCF-funded projects' portfolio companies with extensive outreach strategies to better understand their customers using 60 decibels, a non-profit dedicated to impact measurement utilizing customer surveys.
2. Entrepreneurial ecosystem – access to capital; driving innovation and promoting diversity.	Early and mid-stage social enterprises in Acumen's markets and sectors;	<p>The management teams in these companies are aligned to Acumen's goals of providing products and services that transform the lives of the poor.</p> <p>Early-stage social enterprises are deeply interested in Acumen for our patient capital, strong track record of supporting social enterprises, and technical expertise.</p> <p>Acumen seeks to understand these companies gender data across management and staff. Additionally, GCF-funded projects seek to know the appropriate gender-related policies of their borrowers, Portfolio Companies, and grantees.</p>	<p>Pro-active engagement with management teams to understand their strategies, business models, and alignment to Acumen's investment and impact strategy.</p> <p>Post investment, GCF-funded projects closely monitor through governance roles (Board representation) and ongoing stipulated reporting on gender performance and KPIs.</p> <p>Acumen also supports early-stage social entrepreneurs with assistance on gender work from consultants and TAFs.</p>
3. Regulatory organizations;	Government Agencies; Relevant Ministries; etc	National governments and their agencies are aligned to Acumen's mandate of achieving universal electrification and climate mitigation. They are critical to	Engagement of general regulators (Ministries and Agencies) on industry wide matters will occur primarily through the industry associations (GOGLA) which Acumen is a

		<p>development of an enabling environment for sustainability and growth of the sector.</p> <p>Through GCF funding, National Designated Authorities (NDAs) retain a high level of influence in Acumen Capital Partner’s activities.</p> <p>Other regulators have a high level of influence as relates to approvals but have low interest levels.</p>	<p>participating member. Acumen will also work to ensure compliance with requirements from other relevant agencies such as the Competition Commission. GCF NDAs for the countries in which GCF-funded ACP Funds and Affiliated Funds operate will be engaged proactively. The individuals will also receive periodic reporting highlighting a fund’s insights and performance. Acumen also ensures that our work complies with local gender-related laws and regulations.</p>
4. Investors	DFI’s, Private Equity and Debt Investors, Venture Capital Funds and Family Offices	<p>These stakeholders hold mandates to support gender equity work as a part of improving gender equity and access for women in poverty. Impact investors, DFIs, and other stakeholders mandate that Acumen and other impact investors improve gender equity in our work.</p>	<p>Acumen and GCF-funded projects manage these stakeholders closely through calls and meetings.</p> <p>The Fund also holds frequent meetings with co-investors to discuss company specific activities and engagement.</p> <p>Investors who are also LP’s into GCF-funded projects may receive annual updates on gender work.</p>
5. Broader Industry – advances in technology; other industry risks	Industry Associations: Global Off Grid Lighting Association (GOGLA), Social Capital Markets (SOCAP), World Economic Forum (WEF)	<p>These institutions are deeply supportive of Acumen’s leadership within the field of impact investing. They are expected to have low levels of influence over Acumen’s work, but we hope to learn best practices from these networks. Additionally, Acumen seeks to share our insights and knowledge across the industry and hopes to utilize these networks to do so.</p>	<p>Acumen is a member of many networks and partners with many organizations within the impact investing community. We seek to influence this group through collaboration and sharing of our insights. Acumen collaborated with WEF on a report recently. Acumen will be sharing our insights at the SOCAP conference. Acumen seeks to share broad gender-based insights on GCF-funded</p>

	_____		projects with the broader impact investing ecosystem.
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Annex 4: Representation Statement

Representation at Acumen

Across Corporate America, a good deal of attention in talent management has been paid to policy. When it comes to issues of diversity and representation, Acumen Talent instead focuses on practice. Here we share our practices relative to representation.

Advertising jobs: In 2018, Acumen began advertising jobs in new communities, expanding from an advertising budget of \$500/year in 2017 to \$4000/year in 2021. We have made many small bets and tracked the traffic from different postings.

Hiring: In 2019, Acumen revamped its hiring process: new JDs, new hiring software, new interview process (consistent across 8 geos, as consistency is one hedge against bias), and new screening process.³

Total Rewards up front: We now disclose Total Rewards in our first encounter in our interview process in many geographies (Nairobi, Lagos, London, New York, and San Francisco). We're slowly rolling out this practice in all geographies. We explain our compensation philosophy, base compensation, performance-based bonus, retirement, sick leave, vacation, parental leave, and medical insurance. We explain that we don't really negotiate salary because we're working to reward accountabilities more, and negotiation skills less. Plus, big data shows that those negotiations tend to prefer three characteristics: whiteness, maleness, and heteronormativity. If the package works for them, they carry forward in the process with rewards determined and agreed upon.

Criteria for pay, performance and promotion in onboarding: All onboarding employees receive a digital pamphlet, "What To Expect At Acumen." It answers three questions all employees have: How will I be paid? How will my performance be evaluated? How do promotions work? When criteria for pay, performance and promotion are not transparent, the consequences can be more detrimental for systematically marginalized groups, as unwritten rules tend to offer unseen advantages to white people, while documented, objective criteria are *good for everyone*.

Pay equity: Acumen has a compensation philosophy: *comparable pay in comparable markets for comparable accountabilities, experience, and education*. It's a philosophy grounded in equity. Pay equity is not an aspiration for the future. This is our current reality.

We are experimenting with equity in one additional way: the spread between the highest and least paid among us. We assessed the spread. Then the senior Management Committee agreed to hold the ceiling (the two senior-most salaries) across 2018, 2019 and 2020, halve the Cost of Living Adjustment (COLA) for all U.S. Chief Executives for two years, and redeploy savings to nudge up the floor (relatively more junior salaries) based on benchmark data. We chose this experiment because if all we do is benchmark our

³ In 2019 in the U.S., Acumen US saw a 700 percent increase in our black employee base. In 2019, black employees represented 19 percent of our US employee base.⁵ In 2020, we saw a 37.5 percent increase. We hired at nearly all levels of accountability—from senior to junior and levels in between. If we include people of other races, orientations, faiths and cultures, the shift is larger still. We will continue with our approach and refine or shift as we learn.

salaries to “the market,” we’re capitulating to the structural inequity baked into the market, which structurally skews toward the interests of the 1 percent (globally).

Transparent salary bands: We are rolling out salary bands across eight geographies over the next few years. Accompanying the bands is a course where employees learn about the levers of compensation and how Acumen thinks about it: from bonuses, cost of living adjustments, exceptional inflation, scope increases and promotions, and more.

Listening, org-wide practice: We’ve rolled out a listening practicum across the organization. We’re rolling out practicums on listening because we want to collectively train in the skills required for a diverse group of people to function creatively and productively together. We are choosing listening instead of identity as learning to listen may be more foundational for a culture to function well. Listening is interpersonal—between people—so it can help build a collective understanding. Exploring one’s identity is intrapersonal—within a person. Although identity is essential for leaders: who you are; where you come from; what you stand for, listening might build a stronger cultural fabric. Besides, if people understand their identity—or even their privilege—and still can’t listen, good luck working together across lines of difference to deliver on your mission.