



**Terms:**  
 "total return" "blended return"  
 "triple bottom line"  
 "double bottom line"  
 "environmental, social and governance"

**Social Impact Bonds**

Social Impact Bonds are structured to deliver long-term social benefits, while generating a return for investors. They are a form of public-private partnership that allows governments to fund social programs more efficiently. Source: Social Finance, 2015.



**Products**

Product	Issuer	Investor	Service Provider
...	...	...	...

**Social Investment Market**

Product	Issuer	Investor	Service Provider
...	...	...	...

**Structure**



**Peterborough Social Impact Bond**



**Benefits and Challenges**

Benefits	Challenges
...	...

Product	Issuer	Investor	Service Provider
...	...	...	...

Expected Return = (Outcome or Benefit X Probability of Success) / Cost

**Significant Hurdles to Social Finance Market**

Hurdle	Impact
...	...

**Framework and stages in return creation**

Projection → Valuation → Pricing

Social + Environmental + Financial

Socio-Economic Value

Externalized Value

Impact reporting is a mechanism that allows organizations to communicate their social and environmental performance. It is a key component of a company's ESG strategy. Source: Social Finance, 2015.

**SROI**



**How do we value?**  
 Social, Environmental, Financial (SEF) value is the value created by an organization's social and environmental performance. It is a key component of a company's ESG strategy. Source: Social Finance, 2015.

# Impact Investing

# Definition

Impact investments are investments intended to create positive impact beyond financial return. As such they require the management of social and environmental performance...in addition to financial risk and return - JP Morgan/Rockefeller (2010)

Equity



Debt



Grants



Consulting  
Advisory  
Technical Assistance

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