



PIONEER ENERGY INVESTMENT INITIATIVE

ACUMEN: WHO WE ARE

1

Acumen invests philanthropically-backed patient capital in seed and early stage—pioneer—companies.*

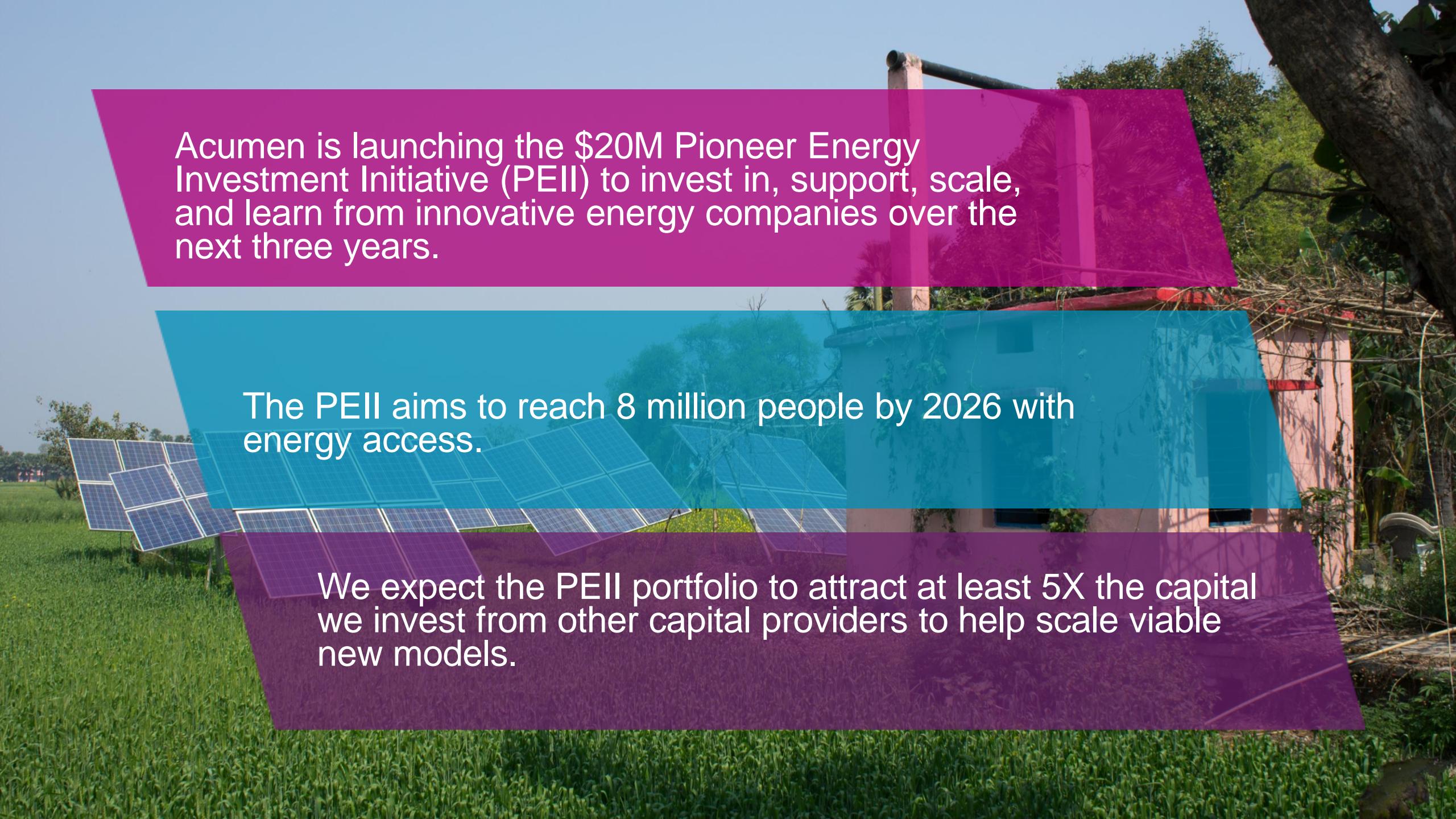
2

Unproven business models but significant potential for growth and commercial viability.

3

Providing low-income consumers with access to critical goods and services at an affordable price.





Acumen is launching the \$20M Pioneer Energy Investment Initiative (PEII) to invest in, support, scale, and learn from innovative energy companies over the next three years.

The PEII aims to reach 8 million people by 2026 with energy access.

We expect the PEII portfolio to attract at least 5X the capital we invest from other capital providers to help scale viable new models.

NEED FOR CAPITAL

1

Capital is insufficient, later stage and concentrated. Companies in Africa say that they are able to raise only 20% of the funding they need per year.

2

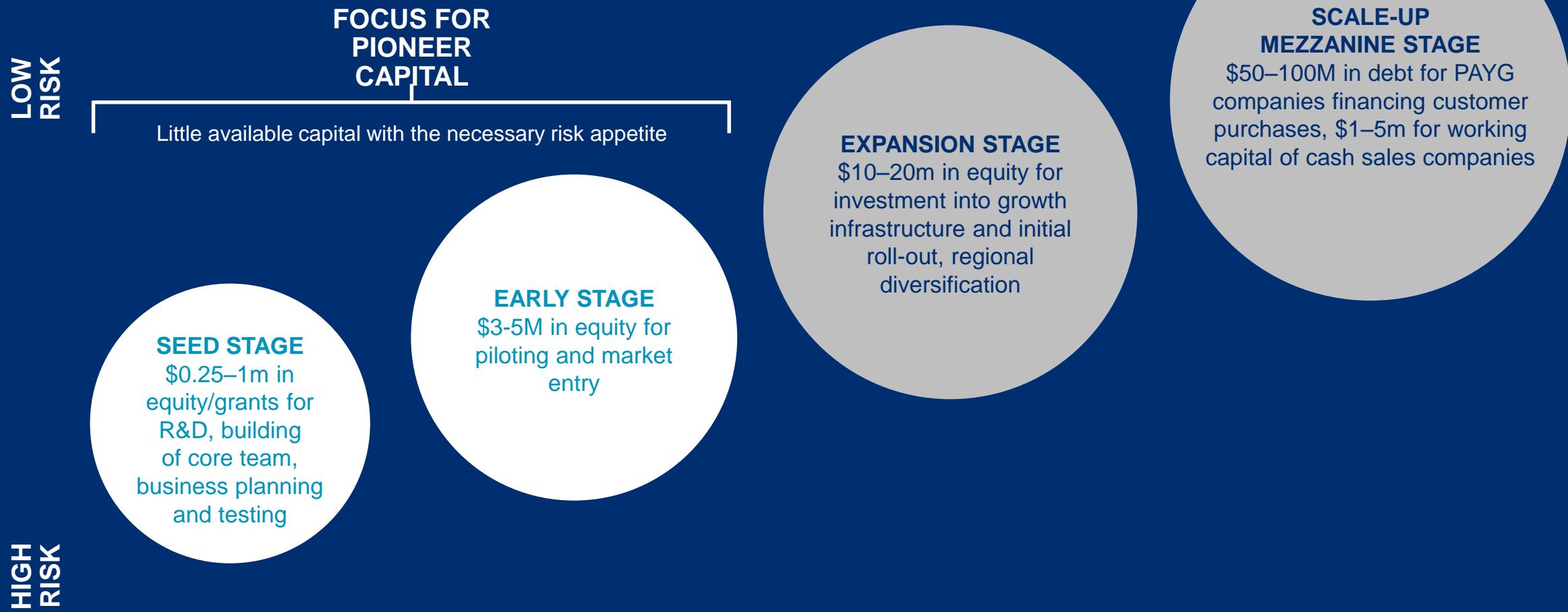
85% of global off-grid solar investments have gone to the top ten firms.

3

Current state of the off-grid energy market is ripe for an injection of patient, early stage risk capital that can accelerate business growth and lead to commercial investment opportunities.

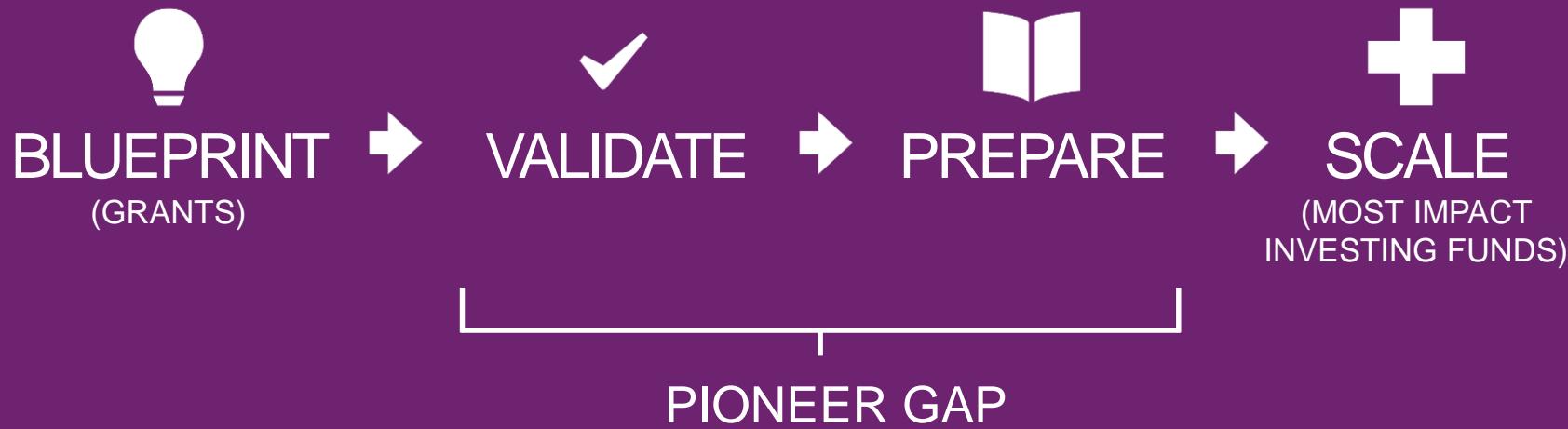


FINANCING NEEDS ACROSS AN OFF-GRID SOLAR START-UP DEVELOPMENT CYCLE



PLEASE NOTE THAT INVESTMENT RANGE INDICATES ROUND SIZE.
SOURCE: BLOOMBERG NEW ENERGY FINANCE

ACUMEN'S PIONEER INVESTING FRAMEWORK



Goal: Enabling unproven business models to answer unknowns, iterate and develop models that will attract further capital to scale and drive social impact.

OUR TRACK RECORD

Since our first energy investment in 2007, we have built the largest portfolio of pioneer energy companies serving the poor:

- + \$19.3M invested
- + 18 companies that have gone one to raise \$100M in follow-on capital
- + 65M+ lives impacted across 60+ countries in sub-Saharan Africa and South Asia



CONSUMER DEVICES

D.LIGHT



COOKSTOVES

BIOLITE,
BURN MANUFACTURING,
GREENWAY GRAMEEN,
GREEN ENERGY
BIOFUELS



HOME SYSTEMS

NIZAM, ORB ENERGY
SOLAR NOW



COMMUNITY-LEVEL, OFF-GRID GENERATION & DISTRIBUTION

AKRSP, AVANI , KMRI
HUSK POWER SYSTEMS,
SRE SOLUTIONS,
DEVERGY,
SHREY*



FINANCING & DISTRIBUTION

FRONTIER MARKETS,
M-KOPA*

PIONEER ENERGY DEAL CHARACTERISTICS

ACUMEN	+\$0.25 M - \$1M
INVESTMENT SIZE (PER ROUND)	
TOTAL INITIAL CAPITAL RAISE	+Maximum of \$1.5 M - \$2M +Ideally includes at least one co-investor, in order to ensure sufficient short-term access to follow-on capital
INVESTMENT INSTRUMENT	+Common Equity, Preferred Equity, or Convertible Debt
RETURN EXPECTATIONS	+1.0X portfolio return with a long-term investment horizon of 7-10 years, consistent with broader pioneer portfolio. Individual investments need to show potential for profitability within a 7-10 year period, but we do not have a hurdle rate

PIONEER ENERGY DEAL CHARACTERISTICS (CON'T)

COMPANY PROFILE	+Seed or early-venture stage providing innovative solution within one of the PEII's three investment pillars, and fitting with Acumen's geographic sub-sector theses +Early revenue generation from operations and/or pilots
ENTREPRENEUR	+Promoters identified as potential leaders in their sub-sectors, who have a strong commitment to the impact mission of their enterprise +Teams that we believe have the ability to execute business plan, and to pivot as needed, with unwavering commitment to ethical business practices
COMPETITION	+Does not directly compete with current Acumen investees +First mover and innovator within one of the PEII's sub-sector investment pillars

IMPACT AND LEAN DATA

- + Lean Data helps build more impactful businesses by providing them and Acumen with data on their social performance, customer feedback and behavior.
- + Investment companies in the energy portfolio will have an annual Core Insights Lean Data project which focuses on understanding customer value proposition, fundamental customer insights, and poverty profile of customers. Every other year, companies will have an Energy Essentials Lean Data project which tracks impact aligned with the sector harmonized impact metrics (GOGLA).
- + This standardized way of collecting data allows us to aggregate and understand the impact of the energy portfolio, but also compare and learn across business models, geographies, and stages of business.



CORE INSIGHTS



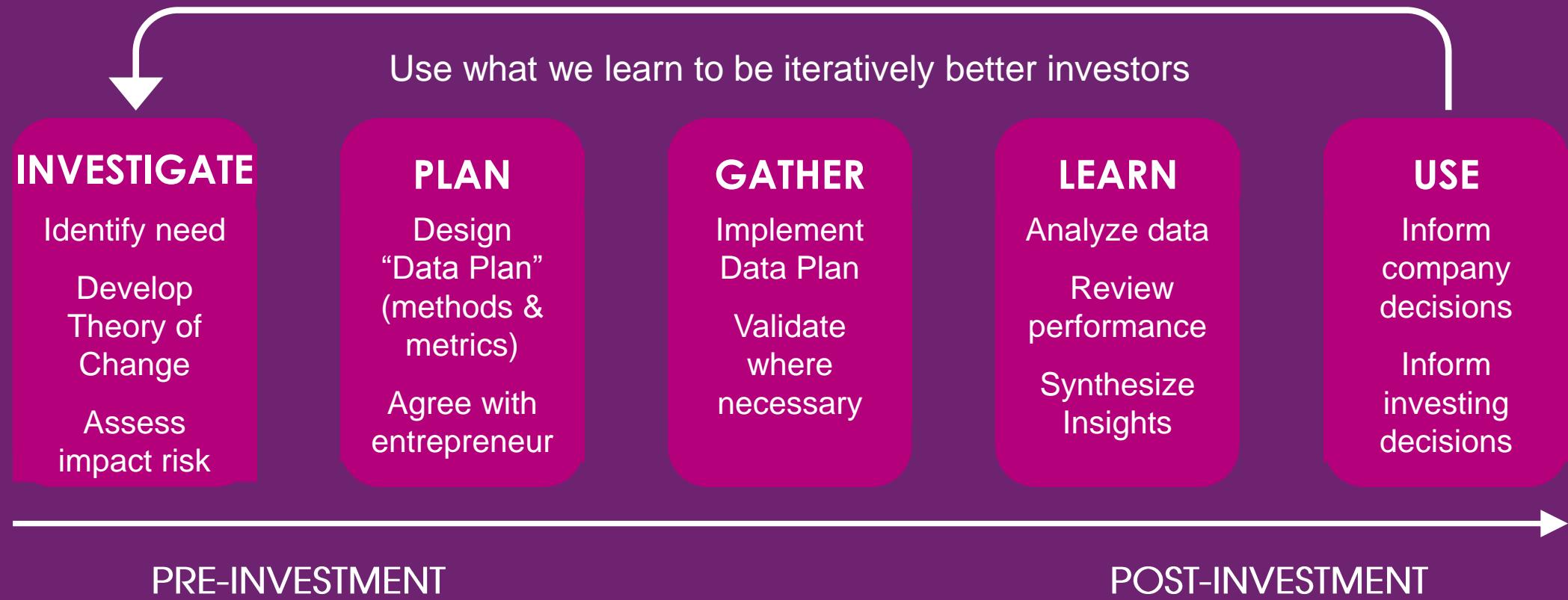
POVERTY PROFILE



ENERGY ESSENTIALS
GOGLA
Global Off-Grid Lighting Association

OUR IMPACT PROCESS

Acumen's impact process enables companies to better understand their consumers, which helps the company to refine and improve its products and services and ultimately to scale more rapidly.





We look forward to further
discussing this possibility with
you.

