

Kellogg-Morgan Stanley Sustainable Investing Challenge

2020 Judges Scoring Rubric

Creativity & Financial Innovation (25%) 1 2 3 4 5 6 7 8 9 10

- Has the team proposed an innovative investment vehicle that is designed to drive both returns and impact? We are looking for either:
 - An innovative financial structure or
 - A known investment approach applied creatively to a problem previously outside the scope or reach of a social or environmental challenge
- What's interesting about this project? Is it just like a dozen others or truly innovative?
- Does the proposal have a unique capital structure? e.g., including different forms of capital, employing diverse types of institutional investors?
- Does the proposal uncover new ways to drive returns, a new asset class, or a new cash flow or value stream?

Notes: _____

Impact and scale (25%) 1 2 3 4 5 6 7 8 9 10

- Does this provide a scalable solution that can mobilize sufficient capital and forge significant environmental or human impact?
- Are there specific metrics for impact? Is the impact real and persistent?
- Does the impact stem from the financial levers rather than ancillary charitable remains?
- Has the team demonstrated diligence in defining and projecting impact to be derived?

Notes: _____

Feasibility (25%) 1 2 3 4 5 6 7 8 9 10

- Does the investment thesis seem plausible?
- Are there real sources of risk-adjusted market rate returns here? (even if considering a gestation period with concessionary returns).
- Could you see institutional investors responding to and funding this?
- Thesis thoroughly researched? Strong evidence of financial depth incorporating the overall economy?

Notes: _____

Quality of due diligence and financials (20%) 1 2 3 4 5 6 7 8 9 10

- How thorough and deep is the research on the thesis?
- Do the returns & cash flow projections hold water? Demonstrate strong financial logic & valid assumptions?
- Have the key investment questions relating to returns, asset quality, underwriting, and risk management (both market-based and non-market) been identified and addressed?
- Does the team have the skills needed to execute? Defined the skills needed on the investment team?
- Are the proposed fees and incentives reasonable?

Notes: _____

Presentation (5%) 1 2 3 4 5 6 7 8 9 10

- Has the team been clear, compelling, and concise with their proposal?
- For the final event: Have all team members participated in either the original presentation or Q&A?