IMPACTASSETS
INVEST WITH MEANING

MARIN COMMUNITY FOUNDATION

VISION RIDGE PARTNERS SUSTAINABLE ASSET FUND IV

A Private Equity Fund Investment Option Available through the Venture Impact Program

Transforming sustainable real assets in energy, transportation, and agriculture.

Although global investment in energy transition technologies reached a record $1.3T in 2022[1], annual investments must quadruple to over $5T to mitigate the risk of severe and irreversible climate impacts. The transition from fossil fuel-based energy systems to renewable and sustainable energy systems offers a wide range of benefits for society, including enhanced energy security, economic growth through job creation and innovation, and improved public health by reducing pollution. Investors can drive this shift by prioritizing renewables, energy efficiency and clean energy technologies.

Photos courtesy of Vision Ridge Partners

As a climate-focused private equity investor, Vision Ridge Partners prioritizes investments that combine strong financial returns with positive environmental outcomes. Vision Ridge's fourth fund, named "Sustainable Asset Fund IV" (the "Fund") will invest in 10 to 14 companies spanning the energy, transportation, and agriculture sectors. Previous investments in these sectors have included renewable energy generation, energy storage, electric vehicle charging infrastructure, agriculture companies, and wetland mitigation banks. Vision Ridge will deploy its private equity strategy to invest in companies developing, deploying and/or operating sustainable or transitioning assets. The investments will typically include direct ownership in the underlying assets such that Vision Ridge can manage, transform and eventually sell the assets to larger buyers, primarily infrastructure funds.

For most investments, Vision Ridge tracks avoided Greenhouse Gas (GHG) emissions. Vision Ridge estimates its current portfolio of 23 companies have avoided 812,000 tons of CO2e emissions in 2023 (cumulative avoided emissions from 2016 to 2023 of 1.94MM tons, equivalent to taking 460K+ gas powered cars off the road for one year[2]). Vision Ridge works with each portfolio company to identify other metrics relevant to their work. Examples include water withdrawn and conserved, energy conserved, Renewable Natural Gas (RNG) produced, battery capacity installed, farmed fish, particulate matter 2.5 emissions[3] avoided, number of workers in co-ops and percentage of product certified organic.

The Fund is best suited for an investor comfortable with a long-term time horizon and the medium-to-high financial risk inherent in private equity who is looking to minimize additional risks by working with a well-established firm with a strong track record.

[1] World Energy Transitions Outlook 2023: 1.5°C Pathway, International Renewable Energy Agency
[2] Based on GHG equivalencies calculator developed by the US Environmental Protection Agency
[3] PM2.5 describes fine inhalable particles, with diameters that are generally 2.5 micrometers and smaller

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About Vision Ridge Partners, LLC

Since its inception in 2014, Vision Ridge has raised $4.4B of capital, deployed $2.65B, and realized almost $2B across 23 investments. Through its investments in agriculture, energy and transportation — sectors that account for over 80 percent of global emissions — Vision Ridge seeks to reduce emissions and/or improve climate change adaptation. Vision Ridge also focuses on social positive change, like reducing health impact on communities from pollutants and improving labor conditions.

About the Venture Impact Program (VIP)

VIP is an innovative way for MCF donors to engage in impact investing through philanthropy. Via a partnership with ImpactAssets — a market leader in impact investing — VIP enables philanthropic dollars to be directed towards both non-profit and for-profit companies that are seeking to make positive social or environmental impact. For further information, contact Safia Kryger-Nelson at MCF, 415.464.2515 or skryger-nelson@marincf.org.

INVESTMENT EXAMPLE: HIGHLAND ELECTRIC FLEETS

More than 20 million children in the United States are transported to school by an aging diesel fleet of 500K+ buses nationwide. Each bus emits 25+ tons of greenhouse gas emissions and 18 pounds of particulates per year.

Highland Electric Fleets is a turnkey vehicle electrification platform that seeks to accelerate the adoption of electric school buses, which also contributes to better air quality due to significantly less nitrogen oxides and air pollutants that have harmful respiratory effects for the general population.

In addition to providing investment capital, Vision Ridge supported Highland's scale-up by collaborating on organizational structure, shaping go-to-market strategy and iterating on product refinement.

IMPACT METRICS ACHIEVED SINCE 2019:

Greenhouse Gas Emissions avoided: 1,300 tons
Particulate Matter 2.5 emissions[3] avoided: 1,380 tons
Nitrous oxide emissions avoided: 658 tons

Risk Return Matrix

The Risk Return Matrix is a risk calculator determined solely by ImpactAssets.

RISK LEVEL	NON-MARKET RATE	NEAR-MARKET RATE	MARKET RATE
HIGH			✓
MODERATE			
LOW			

RELATIVE RETURN

SUSTAINABLE DEVELOPMENT GOALS

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND

Investment Summary

ASSET CLASS	Private Equity
FUND SIZE	$2.5B ($1.6B as of January 2025)
TERM	10 years, subject to extensions
TARGET RETURN	15-20% net IRR
LIQUIDITY	None
REGION	Global with a U.S. focus
IMPACT AREAS	Energy Transition, Sustainable Agriculture, and Land Use
INVESTMENT FEES	This investment recommendation will incur an additional fee of 0.40%.
INVESTMENT THESIS	Vision Ridge takes a diversified, multi-sector approach by investing in companies deploying, developing, and/or operating real assets. Vision Ridge owns and actively manages the underlying sustainable real assets, focused on climate change mitigation and adaptation, to deliver a 2.0x net multiple on invested capital. The Fund will make privately negotiated equity or equity-related investments.
IMPACT THESIS	Vision Ridge invests in the sustainable transformation of three real asset sectors that account for 80% of global GHG emissions: energy, transportation, and agriculture. Across the three sectors, Vision Ridge focuses on three types of impact: 1. Climate change mitigation and adaptation by investing in sectors with the potential to deliver avoided GHG emissions. 2. Impact beyond climate, which includes other social and environmental impacts, for example, improved health outcomes in communities where energy transformation is being accelerated. 3. Impact at scale by de-risking and building market momentum around emerging business models, technologies, and sectors, targeting impact post-exit as these companies attract larger capital pools.
STRENGTHS	• Strong track record of top-tier financial returns: Vision Ridge manages over $4B of capital across three funds; returns from the two most mature funds outperform median benchmarks and fund targets. • Protected investment strategy: Vision Ridge's multi-sector strategy reduces risks associated with any single sector's poor performance. • Vision Ridge reduces downside risk by owning real assets and creates upside through asset aggregation and sustainability transitions. • Strong management team: The three-person management team and investment committee bring over 80 years of real assets and investment experience. The team began collaborating in 2011 before forming Vision Ridge in 2014.
RISKS	• Developing situation with portfolio company poses litigation and reputation risk: Vision Ridge's Fund III invested in C-Quest, a vertically integrated global developer of projects generating carbon credits. Several controversies have since affected C-Quest, putting Vision Ridge at risk of significant financial losses for Fund III (it will not affect Fund IV), potential litigation, and reputational damage. The risk is mitigated by the strong performance of other investments in the Fund and Vision Ridge's control position in the investment. • Strategy and execution risk: The Fund will be Vision Ridge's largest to date and will invest in development-stage assets, which entail a greater degree of execution risk than operational assets. The Firm's strong downside protection, historical performance, and ability to recover losses mitigate the execution risk. • Sector-specific risk: The market for renewable energy is rapidly evolving, and investments in this sector tend to be volatile, highly competitive, and face regulatory risks. Sector-specific risks are mitigated against by Vision Ridge's depth of experience in each of the three sectors and track record across 23 investments in the sectors.

*There is no guarantee that any projection, forecast or opinion around any given investment will be realized with respect to impact, performance or liquidity. Past performance does not guarantee future results.

IMPACTASSETS LEGAL AND PROGRAM DISCLAIMER: This is not a solicitation to buy or sell securities, nor a private placement offering pursuant to any private placement memorandum that must be issued to qualified investors. It is an informational description of charitably oriented, social purpose investment options that have been approved by ImpactAssets only for use in its donor advised fund asset base. It is only for use by its donors. This does not constitute tax advice. Please note there are a number of factors to consider when assessing the tax implication of gifts to charity. Individuals should consult with a tax specialist before making any charitable donations.

Any allocation to private debt and equity investment options may result in losses and illiquidity that will be borne solely by each donor advised fund account with investment in these options, as will associated program fees. Investment minimums apply. Grant making from the principal value will not be possible until distributions are returned to the ImpactAssets Donor Advised Fund. There is no guarantee of any recovery of capital. No assurance can be given that investment objectives or targets/projected returns will be achieved. Actual target may vary and should not be considered or relied on as a performance guarantee. As applicable, Fund Managers have not approved the information contained in the respective Fund profiles, including the assignment of risk ratings contained therein. The Units may be offered solely to, and subscriptions will be accepted only from "Accredited Investors," as defined in Rule 501(a) of Regulation D promulgated under the authority of the Act, who are also "Qualified Clients," as defined in Rule 205-3 of the United States Investment Advisers Act of 1940, as amended.