Gold Standard Equity Fund Documentation

The following documents are used in the pilot Portfolio Certification process for equity funds:

**GS Fund Design Document (Fund-DD)**
Mandatory template defining Fund Impact Strategy, Systems and Processes in line with GS Fund Requirements:
- **Requirement 1:** Fund Governance
- **Requirement 2:** Strategy (Goals, inc. 3 SDGs)
- **Requirement 3:** Management Systems and Resource allocation
- **Requirement 4:** Monitoring, reporting and data management systems
- **Requirement 5:** Screening, due diligence, impact assessment process and exit strategies
- **Requirement 6:** Transparency (disclosure and performance reporting)

**GS Investment Checklist**
Designed to work with existing, or preferred Fund investment documentation
Guides a cross check against key GS rules and processes
Incorporates the GS Safeguards assessment and a Guideline to GS Ineligible projects
Provides links to relevant GS rules, templates and tools:
- GS Stakeholder Consultation
- GS SDG Tool
- GS Approved Methodologies

1. **Complete Fund-DD**
   - Agree to GS Terms and Conditions and pay fees
   - Demonstrate how Fund operating principles (Requirements 1 - 5) comply with GS Fund Requirements and other GS Rules
   - Follow systems and processes in Fund-DD, documenting evidence these are in place (particularly Requirements 1 and 2)
   - Submit Fund-DD for GS completion check
   - Fund listed on GS Fund registry when complete

2. **Validate Fund-DD**
   - Contract auditor and pay fees
   - Submit Fund-d and any supporting evidence to auditor
   - Auditor assessment to confirm if Fund DD and its systems and processes comply with Fund Requirements
   - Successful validation opinion may still mandate or recommend improvements
   - Successful validation opinion allows Fund to enter pilot Design Review

3. **Design Review of Fund-DD**
   - Submit Fund-DD for GS pilot Design Review
   - Assessment and Due Diligence approval
   - Quality check by GS to confirm material requirements have been met and capture learnings
   - Successful review means Fund is pilot GS Design Certified and published on GS Registry
   - Certified Fund-DD must be followed after certification

4. **Appraise Investments**
   - [Due Diligence Process]
     - Apply Exclusion List
     - Conduct GS Eligibility Check
     - Conduct Initial GS Safeguards Assessment & Investment Checklist
     - Supply Technical Assistance as needed
     - Conduct baseline assessment and project impact using GS Design Certified and published on GS Registry
     - Certified Fund-DD must be followed after certification

5. **Complete Investment Checklist**
   - Complete Investment Checklist to show how investment complies with Fund Requirements and complies with Fund Requirements
   - Investee instructed to begin operations
   - Investee instructed to report all Monitoring Data collected from:
     - GS SDG Tool and GS Methodologies
     - Any monitoring procedures defined following GS Stakeholder Consultation
   - Any monitoring procedures defined in GS Safeguards Assessment
   - All Monitoring Data aggregated and checked by Fund
   - Supporting evidence compiled and checked by Fund
   - Complete Fund Impact Report

6. **Fund Impact Assessment & Reporting**
   - [Impact Assessment Process]
     - Impact reporting to occur at same frequency as Fund
     - Investee instructed to report all Monitoring Data collected from:
       - GS SDG Tool and GS Methodologies
       - Any monitoring procedures defined following GS Stakeholder Consultation
     - Any monitoring procedures defined in GS Safeguards Assessment
     - All Monitoring Data aggregated and checked by Fund
     - Supporting evidence compiled and checked by Fund
     - Complete Fund Impact Report

7. **Verify Fund Impacts***
   - Contract auditor and pay fees
   - Submit Fund Impact Report and any supporting evidence for Auditor Assessment
   - Auditor’s opinion allows Fund to confirm if Fund Impact Report is materially correct and complies with Fund Requirements
   - Successful Verification means Fund Impacts are pilot GS Certified and published on GS Registry

8. **Performance Review of Fund Impacts**
   - Submit Fund Monitoring Report for GS pilot Design Review following auditor approval
   - Quality check by GS to confirm material requirements have been met and capture learnings
   - Successful review means Fund Impacts are pilot GS Certified and published on GS Registry

*Implementation Verification may optionally be undertaken separately prior to Verifying Fund Impacts to give assurance the Fund is operating in line with the Fund-DD (and Portfolio Fund Requirements for Equity Funds)

Responsibility for Process
- Fund Manager
- Gold Standard
- Third-party auditor

Minimum once every 5 years

Making good better.