



CONFERENCE CALL

Wednesday, May 20th, 2009

Dial-In: 1- 866-223-7781 (toll-free)

Funding Change

Renewal is a collection of organizations using the powerful tools of business and philanthropy in support of long-term societal solutions. Renewal funds change through investments, grants and collaborations.

INVESTMENTS

Renewal places early stage capital in some of the best entrepreneurs in North America.

[Renewal Partners](#)

[Renewal2 Investment Fund](#)

[Social Purpose Real Estate](#)

GRANTS

Endswell Foundation is a private foundation, funding environmental and sustainability projects in BC.

[Endswell Foundation](#)

[Tides Canada Foundation](#)

COLLABORATIONS

Renewal works to build, activate and leverage progressive networks.

[Play BIG](#)

[Social Venture Institute](#)

[Innovative Initiatives](#)

[Tides Renewal Centre](#)

Renewal2 Sectors

Organic & Natural Food

Green Consumer Products

Green Building

Environmental Innovation

Social Media

Social Finance

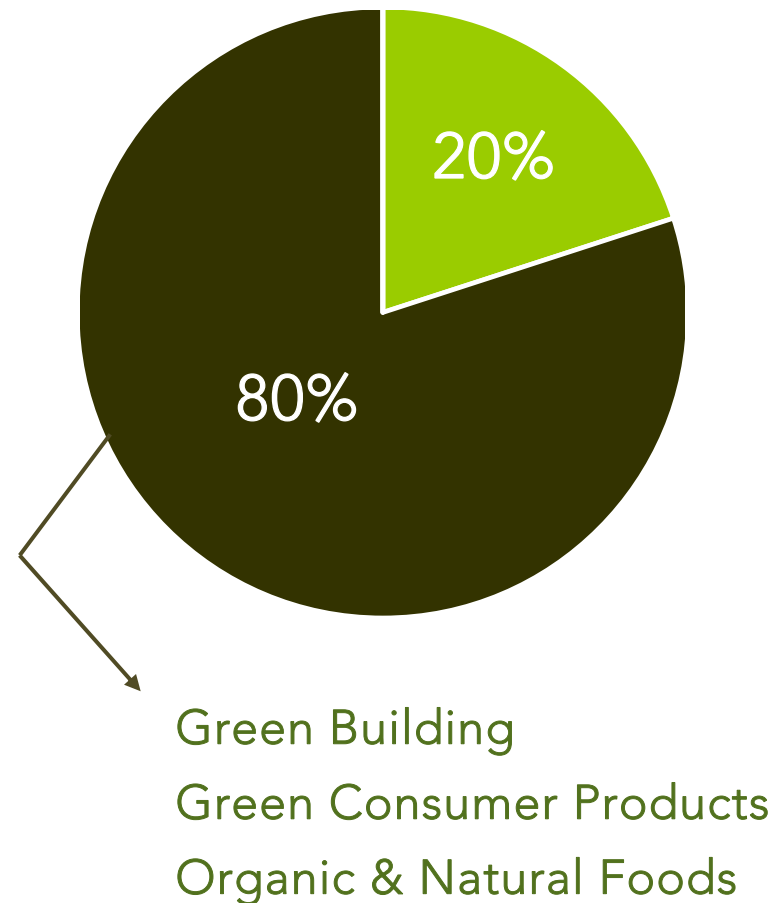
These sectors are:

- critical to a sustainable future
- underserved by the traditional venture community
- have a track record of sustainable growth in a down economy
- projected to grow much faster than the rest of the economy

Renewal2 Deal Flow

Our deal flow:

- is over 80% concentrated in our first three investment sectors
- comes from sources across North America
- is unique from 15 years of investing and networking in these sectors



An Update on Some of Our Sectors



Organic & Natural Food

- US organic food market worth \$24.6 billion in 2008
- Organic food sales grew 15.8% to \$22.9 billion in 2008, non-food sales grew 39.4% to \$1.65 billion
- US market projected to reach \$38.2 billion by 2013

Source: Datamonitor United States Organic Food report-Dec 2008, OTA 2009 Survey

Green Building

- Green building market worth \$149 billion in 2008 and expected to double by 2013
- Green commercial / institutional market to grow from \$20 billion in 2007 to \$70 billion by 2013
- Residential green building less affected by down market versus non-green buildings



An Update on Some of Our Sectors



Green Consumer Products

- Sustainable-product launches increases from 500 in 2008 to +1,500 projected for 2009
- Green consumer product sales in natural-food store were up 10.9% to \$4.2 billion in 2008

Source: Datamonitor Product Launch Analytics, AdAge.com April 20, 2009

Social Finance

- SRI investments in Canada grew to \$609.23 billion in 2007, a 21% increase from 2006
- Global social screening and shareholder advocacy market reaches \$6.99 trillion in 2007

Source: Canadian Socially Responsible Investment Review 2008, Monitor Institute: Investing for Social and Environmental Impact 2009



Continuing Need for Our Investments

- Many promising social ventures fail to reach their potential due to limited access to resources
- Social venture marketplace is emerging - traditional investment vehicles struggle to accommodate these investment opportunities

Source: MaRS: Social Venture Finance Report, 2009

- Social venture capital is <1% of the total venture capital marketplace



“More capital is needed to build social ventures that offer good financial returns and social impact.”

Seventh Generation



Leading consumer brand of recycled, non-toxic and eco-friendly household goods and cleaning supplies

- 1996 Renewal Partners became an early stage investor
- Revenues last year of over \$100 million
- Year over year revenue growth to Q3 2008 of 57%
- *The Better World Shopping Guide* named Seventh Generation the #1 best company on the planet.
- 2008 Renewal Partners sold a portion of its holdings at 30x initial purchase price



Horizon Distributors



Western Canada's largest distributor of natural and organic groceries.

- Renewal Partners provided a loan in 1995 to Horizon's predecessor, at the time the largest worker-owned co-op in Canada.
- Became an equity investor in 1998 when it restructured from a co-op.
- Significant owner in Planet Organics, a leading retailer of organic foods across North America.
- In 2007, Renewal Partners sold a portion of its holding at a price over 15X its average cost.
- Horizon doubled its warehouse facilities in British Columbia in 2008 to accommodate its 20% annual growth rate.
- Horizon team has grown its sales to over \$90 million.



Salt Spring Coffee Company



One of Canada's largest micro-roasters of certified organic, fair-trade, shade-grown and carbon-neutral coffees.

- Renewal Partners provided early stage investment in 2005 and has remained the only outside investor.
- Salt Spring Coffee Co. has seen both revenues and profits grow at an annual rate of over 25% since Renewal Partners' investment.
- They became one of the world's first carbon neutral coffee companies in 2007.
- In 2009, Salt Spring implemented a 5-cent green fee on disposable coffee cups with proceeds going directly to local sustainability initiatives.
- Challenged themselves to zero waste by the end of 2010.



Renewal Partners Portfolio



Renewal Partners Track Record

Capital Invested:	<u>\$7,062,475</u>
Exits:	\$5,045,741
Valuation of Active Portfolio Companies:	\$11,800,191

IRR: 12.2%[†]

Relevant Companies: 40

Full Exits: 6

Partial Exits: 2

Write-Offs: 8

Active Portfolio Companies: 24

Data as of July 2008

[†] Not including dividends, interest or associated costs

Renewal Partners Portfolio Criteria

- Equity and convertible debt investments of at least CDN \$50,000
- Renewal2 sectors
- 1993 first investment
- 5.5 years average investment period

Broader Mission Implementation

Renewal Partners has invested over \$20 million in:

- Land use and protection models
- Social purpose real estate
- Limited partnerships in colleague social venture funds
- Leadership and capacity building
- Foundation based program related investments
- Social enterprise loans

Renewal2 Team



Paul Richardson



Joel Solomon



Pamela Chalout



Nicole Bradbury



Mike Cormack



Martha A. Burton

Senior Advisors, Business Development



Maria Antonakos



Marian Moore

Our Advisors

David Berge: President & Founder Underdog Ventures – Island Pond, VT

David Boyd: Environmental lawyer, professor and writer – Victoria, BC

Melissa Bradley-Burns: Entrepreneur & social venture capitalist – Washington, DC

Anthony Griffiths: Business consultant & corporate director – Toronto, ON

Gary Hirshberg: Co-founder & President of Stonyfield Farm – Londonderry, NH

Lisa Lorimer: Former President of Vermont Bread Company - Brattleboro, VT

Jim Morrisey: Treasurer of Tides Canada Foundation – Ottawa, ON

Gordon Russell: General Partner of Sequoia Capital (retired) – San Francisco, CA

Marjorie Torres: Social Venture Real Estate Entrepreneur – New York, NY

Tamara Vrooman: CEO of Vancity – Vancouver, BC

Bill Young: President & Founder of Social Capital Partners – Toronto, ON

Brad Zumwalt: President of Zinc Ventures – Calgary, AB

Fund Metrics

Fund Focus	Early stage
Target Size	\$30 million
Term	10 years
Portfolio Investments	\$250,000 to \$1.5 million (initial) with potential for follow on
Target Return	Minimum 3X
LP Investment	Minimum \$250,000
Renewal Investment	\$3,000,000
Management Fees	2% per annum
Priority Return	8% before fees

Fund Update – Where We Stand

Fund Status

- Raised over \$16M in committed capital
- Five foundations have invested
- First close scheduled for the end of May 2009
- One of a very select group of funds to close in the first half of 2009

The opportunity: Renewal2 Investment Fund

- Our capital is needed more now than ever
- Entrepreneurs are realistic about their valuations and our 10 year time horizon should allow for healthy exits for LPs and our portfolio companies
- Raising money may prove challenging but we have a wonderful and growing group of committed LPs