Accelerating Impact
Acting with urgency to address global challenges

2019 IMPACT REPORT
The Local Initiatives Support Corporation (LISC) is one of the largest domestic organizations supporting projects to revitalize communities and bring greater economic opportunity to residents. This includes support for Consuelo Poland, founder of the Latinas Welding Guild and director of RUCKUS, a flourishing makerspace in Indianapolis. LISC is listed on the 2018-2019 ImpactAssets 50. LISC’s NYC Inclusive Creative Economy Fund is a donor sourced and recommended Custom Investment through the Giving Fund.

Our committed donor community is accelerating transformative change. In 2018 donors granted **$145M to philanthropic causes** and **$115M was mobilized in impact investments.**
Accelerating Impact
Leading the field by mobilizing capital to impact.

In June 2019, ImpactAssets passed a significant milestone - $1 billion in assets under management. Deploying these assets requires countless hours of research and diligence work by our experienced investment team, led by our new President and Chief Investment Officer, Margret Trilli. It also leverages innovative fund managers and entrepreneurs in our global network pushing the envelope for impact. Most importantly, it represents the commitment of 1200 donors who share the view that philanthropic investment capital is critical to addressing the world’s most pressing problems.

$1 billion is just the beginning. We must mobilize billions more of urgently needed capital to impact. The United Nations has identified an annual $2.5 trillion investment gap critical to realizing the Sustainable Development Goals by 2030. To address this gap, we are accelerating flows of capital by investing in and granting to innovators primed to make a meaningful difference.

We are challenging ourselves, as well as all donor advised funds, to act with increased urgency in responding to the climate crisis, societal injustice and inequity around the world. Charitable assets under management in all donor advised funds are trending towards $200 billion. These assets can and should be a catalytic resource that enables donors to move fast and fearlessly to create impact. By activating the vast pool of philanthropic capital already set aside to do good, we have the power to accelerate transformative change.

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We are building a robust set of practices that fully leverage all the capabilities and assets of donor advised funds to support communities and our planet by:

• enabling all philanthropic endowment capital to have impact
• granting without harm or discrimination
• organizing for inclusion and diversity
• helping to lead the field toward best practice, and
• acting with urgency

We don’t claim to have figured it all out yet, but we will push to help lead the field in these areas. Thank you for joining us on this journey as we mobilize much needed capital to impact.

With gratitude,

Timothy Freundlich
CEO, ImpactAssets
WHAT IMPACT DO YOU WANT TO MAKE?
In a world that is organized around an extractive and exploitative economy, we are facing climate and humanitarian crises. We hope to transform our systems of governance and economy to the benefit of people and planet.

WHAT HAS YOUR IMPACT JOURNEY INCLUDED?
The Giving Fund allows for innovation and helps increase our appetite for the right kind of risk. The fund enables us to easily deploy integrated capital, allowing us to move resources through grants and loans to support the folks on the ground who are making change possible.

WHAT’S IN YOUR GIVING FUND PORTFOLIO?
We’ve recommended several Custom Investments. One example is the New Hampshire Community Loan Fund that provides financing for affordable housing. We made a non-extractive loan and a grant to set the project up for success.

WORDS OF ADVICE?
Philanthropy should be in the business of investing in new models that democratize decision-making and ownership and should shift power to those who are most impacted by social, economic and environmental harms.


### 2018 Impact Numbers

**Giving Fund, Donor Advised Fund**

**Growth of Impact Investments ($)**

- **45%**

**Impact Investments by Top Geographies**

- **U.S. & Canada**: $122.3M
- **Global**: $3.9M
- **Africa**: $1.2M

**Impact Investment Activity Breakdown by Type ($)**

- **33%** Impact Cash or Equivalent
- **49%** Private Impact Funds
- **11%** Socially Screened Mutual Funds and Exchange Traded Funds
- **7%** Private Companies

**Impact Investment Positions by Primary UN Sustainable Development Goals**

1. **12 NO POVERTY**
2. **2 ZERO HUNGER**
3. **3 CLEAN WATER & SANITATION**
4. **4 AFFORDABLE & CLEAN ENERGY**
5. **4 REDUCED INEQUALITIES**
6. **6 CLIMATE ACTION**
7. **7 INDUSTRY, INNOVATION & INFRASTRUCTURE**
8. **8 PEACE, JUSTICE & STRONG INSTITUTIONS**
9. **9 REASONABLE CONSUMPTION & PRODUCTION**
10. **10 SUSTAINABLE CITY & COMMUNITIES**
11. **11 QUALITY EDUCATION**
12. **12 DECENT WORK & ECONOMIC GROWTH**

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1. All investment dollar figures reflect a net change in assets as of year-end 2018. All investment position figures reflect gross position activity over fiscal year 2018. Reporting methodology also reflects the inclusion of Professionally Managed Accounts (PMAs) with "impact-screened" assets and the exclusion of non-impact PMAs.
2. Includes a $91M grant to seed a new nonprofit.
3. Does not include socially screened mutual funds, exchange traded funds or PMAs.
4. Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the United Nations. The broad goals are interrelated though each has its own targets. The SDGs cover a broad range of social and economic development issues.
2011-2018 Cumulative Impact

TOTAL ASSETS AT WORK

$481M ↑12%
TOTAL PORTFOLIO ASSETS

In 2019 we surpassed $1B

$370M ↑45%
IMPACT INVESTMENTS

660 IMPACT INVESTMENT POSITIONS

GRANTS

7,838 ↑17%
UNIQUE GRANT RECIPIENTS

37,035 ↑21%
GRANTS AWARDED

$324M ↑80%
GRANTS AWARDED

TOTAL PORTFOLIO BY PRIMARY UN SUSTAINABLE DEVELOPMENT GOALS (# OF IMPACT INVESTMENT POSITIONS)

1. Education
2. Food Security
3. Economic Resilience
4. Health
5. Gender Equality
6. Climate Action
7. Energy
8. Water
9. Waste
10. Sustainable Urban Development
11. Sustainable Communities
12. Clean Energy
13. Natural Resource Management
14. Innovation and Infrastructure
15. Smallholder Farmers
16. Renewable Energy
17. Water, Sanitation and Hygiene

IMPACT INVESTMENTS BY GEOGRAPHY

U.S. & CANADA

LATIN AMERICA

AFRICA

ASIA & OCEANA

GLOBAL

IMPACTASSETS GLOBAL SUSTAINABLE AGRICULTURE NOTE

43,020 Smallholder Farmers Served

IMPACTASSETS MICROFINANCE PLUS NOTE

756,210 Microfinance Borrowers Served

FIELD BUILDING

15 Published Issue Briefs

1 All Investment dollar figures reflect a net change in assets as of year-end 2018. All investment position figures reflect gross position activity over fiscal year 2018. Reporting methodology also reflects the inclusion of Professionally Managed Accounts (PMAs) with “impact-screened” assets and the exclusion of non-impact PMAs.

2 Includes the Giving Fund, the Edge Fund and ImpactAssets Impact Investment Notes.

3 Does not include socially screened mutual funds, exchange traded funds or PMAs.
### Model Impact Portfolios

- **ImpactAssets Liquid Impact Portfolio**: A money market impact alternative investing in local communities.
- **ImpactAssets Conservative Impact Portfolio**: A blend of U.S. short-term bonds and higher yielding private debt.
- **ImpactAssets Moderate Impact Portfolio**: A blend of global stocks, bonds and private debt deep-impact funds.
- **ImpactAssets Aggressive Impact Portfolio**: A blend of global stocks, bonds and private debt and equity deep-impact funds.

### Community Investing

- **ImpactAssets Community Investment Strategy**: Affordable lending to low-income communities.
- **Calvert Impact Capital’s Women Investing in Women Initiative**: Empowering women through clean energy investments.

### Approved Funds Platform

#### Private Impact Funds

- **Aqua-Spark**: Investing across the aquaculture value chain.
- **CIM Enterprise Loan Fund**: U.S. small business loans building healthy and sustainable local economies.
- **Ecotrust Forests III**: U.S. commercial forestland investments generating value for investors and society.
- **Global SME Growth Fund**: Supports gender equality and economic growth through SME financing.
- **Iroquois Valley Farmland Notes**: U.S. organic farmland investments protecting farmers, food supply and planet.
- **Microvest Short Duration Fund**: Financing for underserved entrepreneurs.
- **Sarona Global Growth Markets PE Fund 2**: Small and medium enterprises in emerging markets.

### Mutual Funds + ETF Offering

- Socially Responsible Mutual Funds and Exchange Traded Funds: A wide selection of asset classes and themes.

### Custom Investments

Donors source and recommend impact investments that matter most to them.

Through a rigorous evaluation process, the Investments Team conducts comprehensive due diligence on every investment offered on the ImpactAssets platform. The Investment Committee, bolstered by 124+ years of experience in the impact investing space, reviews and approves each of these investment options.

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**Margret Trilli**

**ImpactAssets President & Chief Investment Officer**

**Investment Committee Chair**

- **Liesbet Peeters**
  - Volta Capital
- **Kate Starr**
  - Flat World Partners
- **Liesel Pritzker Simmons**
  - Blue Haven Initiative
- **Wayne Silby**
  - Calvert Investments
Custom Investments

Through this unique Giving Fund offering, donors source and recommend impact investments that matter most to them.

The IPO of Beyond Meat, a Custom Investment recommended by two Giving Fund donors, transformed investments of $1.1 million into $15+ million in philanthropic capital on just the first trading day.

I’ll deploy the returns into other early stage, mission-driven entrepreneurs that I believe in.

MARK VAN NESS
GIVING FUND DONOR SINCE 2010

2018 CUSTOM INVESTMENTS

108 CUSTOM INVESTMENT RECOMMENDATIONS
$17M DOLLARS COMMITTED
54% INVESTED IN COMPANIES WITH FEMALE CEO/FOUNDERS ($)

TOP 3 IMPACT AREAS

1. BEYOND MEAT
   The Plant-Based Meat Alternative
   INVESTOR Seth Goldman & Julie Parker
   Real Leaders Fund

2. EVRNU
   Innovative fiber technology transforming old clothing into new, high quality materials
   INVESTOR Softmatter Ventures

3. FRONTIER NUTRITION, INC.
   “Turbo Tax For Student Loans”
   INVESTOR The Giving Fund of Blue Haven Initiative

Images show examples of recent Custom Investment recommendations by Giving Fund donors.

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2019 IA 50 Impact Fund Manager Showcase
The IA 50 is a trusted database for 273,000+ impact investors. Explore at impactassets.org.

NO POVERTY
- Alterfin
- Developing World Markets
- Global Partnerships
- Grassroots Capital Management Corp, PBC
- LeapFrog Investments
- Local Initiatives Support Corporation
- MicroVest Capital Management
- Root Capital

GOOD HEALTH
- Impact Engine
- Medical Credit Fund
- UNICEF USA Bridge Fund

QUALITY EDUCATION
- Capital Impact Partners
- RSF Social Finance

CLEAN WATER & SANITATION
- WaterEquity, Inc.

AFFORDABLE & CLEAN ENERGY
- DBL Partners
- Ecosystem Integrity Fund
- SunFunder

DECENT WORK & ECONOMIC GROWTH
- Adobe Capital
- Advance Global Capital
- Community Investment Management
- Creation Investments Capital Management, LLC
- Elevar Equity
- HCAP Partners
- Patamar Capital
- Sarona Asset Management
- SEAF (Small Enterprise Assistance Funds)
- Strategic Development Solutions
- Vital Capital
- XSML Capital

INDUSTRY, INNOVATION & INFRASTRUCTURE
- Better Ventures
- Capria Ventures LLC

REduced inequalities
- Accion
- Bamboo Capital Partners
- Calvert Impact Capital
- Goodwell Investments
- Living Cities, Inc.
- Low Income Investment Fund
- Turner Impact Capital

Sustainable cities & communities
- Craft3
- Enterprise Community Partners
- Kairos Investment Management Company
- SJF Ventures

Reasonable consumption & production
- Arborview Capital
- Iroquois Valley Farmland REIT

Climate action
- EFM
- Mirova Natural Capital Ltd
- North Sky Capital

Life below water
- Aqua-Spark

Life on land
- EcoEnterprises Fund
- The Lyme Timber Company LP

Peace, justice & strong institutions
- Vox Capital

“
A listing on the IA 50 provides Iroquois Valley with a continuous source of prospective investors ranging from institutions and family offices to investment advisors and individuals. When we ask how an investor has heard about our organic farmland REIT, we aren’t surprised to hear ‘the IA 50’ as the answer.

DAVID MILLER
CEO, IROQUOIS VALLEY FARMLAND REIT

“
Notes From the Field
We catalyzed industry growth by connecting investors to impact opportunities.

HOSTED DIRECT IMPACT FUND MANAGER EVENT SERIES
Activated capital into top-tier impact fund managers by connecting investors and fund managers in an intimate setting

CONVENED 2ND ANGEL TANK AT SEED CONFERENCE
Showcased early stage social entrepreneurs in a “Shark Tank” format

EVENT LOCATIONS
- REDWOOD CITY
- PORTLAND
- BOSTON
- SAN FRANCISCO
- WASHINGTON D.C.
- SEATTLE
- BOULDER

6 ENTREPRENEURS PRESENTING

200+ IMPACT INVESTORS INTERESTED IN SEED STAGE FUNDING AND ACCELERATION

$37,500 SEED STAGE INVESTMENTS AWARDED THROUGH THE GIVING FUND

EVENT LOCATIONS IN 2018
- REDWOOD CITY
- PORTLAND
- BOSTON
- SAN FRANCISCO
- REDWOOD CITY
- WASHINGTON D.C.

EVENT LOCATIONS IN 2019
- BOULDER
- SEATTLE
- BOSTON

8 FUND MANAGER EVENTS

13 PARTICIPATING FUND MANAGERS

248 ATTENDEES

This fund manager series affirmed the deep interest from investors seeking diversified opportunities and innovative ways to invest their philanthropic capital.

SANDRA OSBORNE KARTT, CFA
DIRECTOR OF INVESTMENTS
EpiBone is a biomedical engineering company that is developing technology to create bone tissue from a patient’s mesenchymal stem cells in vitro for use in bone grafts. EpiBone is a donor sourced and recommended Custom Investment through the Giving Fund.

### Historical Impact

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Assets at Work</th>
<th>Private Debt and Equity Impact Investments at Work</th>
<th>Impact Investments at Work (# of Positions)</th>
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<td>2014</td>
<td>$187M</td>
<td>$49M</td>
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<td>2015</td>
<td>$276M</td>
<td>$81M</td>
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<td>2016</td>
<td>$328M</td>
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<td>2017</td>
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<td>2018</td>
<td>$481M</td>
<td>$137M</td>
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In 2019, we surpassed $1B.
Historical Impact

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<tr>
<th>GRANTS AWARDED ($), GIVING FUND</th>
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<th>$25M</th>
<th>2014</th>
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<td>2018</td>
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<td>2018</td>
<td>1,193</td>
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<table>
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<th># OF DONORS</th>
<th>2014</th>
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<td>2015</td>
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<tr>
<td>2017</td>
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<tr>
<td>2018</td>
<td>1,193</td>
<td></td>
</tr>
</tbody>
</table>

* Includes a $91M grant to seed a new nonprofit

Indigenous Designs is an ethical, transparent and sustainable fashion company. They were founded to give modern expression to the ancient traditions of Peruvian textile design, and a path out of poverty to the dynamic people who live there. Indigenous Designs is a donor sourced and recommended Custom Investment through the Giving Fund.
ImpactAssets is the leading impact investing partner for individuals, families and philanthropists seeking to effect real change for people and planet. Our creativity and investment expertise enables a deeply personal impact investing journey for clients.

Founded in 2010, ImpactAssets’ mission is to increase flows of capital to impact investing. Together, with our clients, we are catalyzing investment capital into mission driven business models solving the world’s biggest challenges. ImpactAssets is an independent 501(c)(3) nonprofit.