CHANGING LIVES AND COMMUNITIES WITH THE AMPLIFICATION POWER OF IMPACT INVESTING

The gap in business ownership between Black and Latino households, relative to White households, accounts for 25% of the overall wealth gap between these groups. In order to address this systemic inequity, BIPOC-owned businesses need increased access to financing. The ImpactAssets Racial Equity and Economic Opportunity Charitable Fund blends philanthropy and impact investing to provide access to financing and remove barriers for those who are systematically left out of financial opportunity.

The ImpactAssets investment team selects investments that support equal access to small business lending, workforce development, access to childcare, higher education and affordable housing. The fund is designed to:

• IMPROVE FINANCIAL ACCESS FOR BIPOC-OWNED BUSINESSES by providing loans to small business owners and entrepreneurs who are systematically excluded from traditional banking and lending services.
• BUILD WEALTH IN COMMUNITIES OF COLOR by providing training and advocacy to support financial independence through small business creation, homeownership and education.
• AMPLIFY YOUR DONATION as returns from investments are reinvested for additional impact. For example, your grant in the amount of $100,000 could be reinvested 2.5 times in a 5-year period, lending a total of $250,000 to more than 100 borrowers.

ILLUSTRATIVE INVESTMENT: HOPE ENTERPRISE CORPORATION

Hope Enterprise Corporation is a Black-led Community Development Financial Institution (CDFI) that helps people and small businesses, like Suga’s Diner, access non-predatory financial services and build wealth.

Suga’s Diner is a small-town restaurant located 45 minutes outside of Memphis, with high-quality food and service. Like many restaurants, the outbreak of COVID-19 threatened to close the business for good. Owner Lesa Tard turned to a local bank for assistance through the Small Business Administration Paycheck Protection Program (PPP). The bank, however, offered no help.

Tard was already using Hope Credit Union for her personal finance affairs, and she realized that she could reach out to Hope for her business needs as well. Through the credit union’s sister organization, Hope Enterprise Corporation, she was able to receive a loan.

“It was like serendipity, Hope popped up in my mind” Lesa recalls. Hope made Lesa the PPP loan that Suga’s Diner needed. She appreciated the efficiency of working with HOPE, commenting that “the loan process was very easy.”
FUND SUMMARY

<table>
<thead>
<tr>
<th>INVESTMENT TYPE</th>
<th>Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUND MANAGER</td>
<td>ImpactAssets</td>
</tr>
<tr>
<td>MINIMUM</td>
<td>None</td>
</tr>
<tr>
<td>INVESTMENT THESIS</td>
<td>The fund is committed to building wealth in communities of color by investing in Community Development Financial Institutions (CDFIs) that are led by, and or serve communities of color. Investments from the fund provide banking and credit services, invest in critical community services such as schools, hospitals, affordable housing, and provide small business loans to entrepreneurs and communities of color.</td>
</tr>
<tr>
<td>IMPACT AREAS</td>
<td>Racial equity, financial inclusion, small business lending, community development, affordable housing</td>
</tr>
<tr>
<td>REINVESTMENT OF CAPITAL</td>
<td>Proceeds returned to the Fund will be reinvested at the Fund Manager’s discretion.</td>
</tr>
<tr>
<td>INVESTMENT TEAM</td>
<td>ImpactAssets has a nine person investment team and five person external Investment Committee, with more than 200 years of collective impact investing experience, that will oversee the management of this Fund.</td>
</tr>
</tbody>
</table>

Ready to learn more? Contact the ImpactAssets Client Engagement Team: engagement@impactassets.org / 855.482.2946

ABOUT THE IMPACTASSETS CHARITABLE FUNDS
The ImpactAssets Charitable Funds harness the power of impact investing to flexibly deploy capital to support the evolving needs of worthy causes including wildfire relief, COVID solutions and racial equity.

The Funds leverage a robust investment pipeline from ImpactAssets’ network, guided by the ImpactAssets investment team and external investment committee. As grants are received, investments are nimbly directed to high-impact companies, funds and projects through forgivable and low-interest loans, project-based donations and other impact investing structures. Potential returns are reinvested again and again for additional impact. The ease of granting facilitates thematic impact investing with no minimums.

HOW IT WORKS
1. Make a grant into the charitable fund (recoverable grants are possible in some funds).
2. Your grant is put to work through impact investing to support urgent issues.
3. Over time, potential returns go back into the fund to be reinvested for greater impact.

ABOUT IMPACTASSETS
ImpactAssets is an impact investing trailblazer, dedicated to changing the trajectory of our planet and improving the lives of all people. We empower impact investors and philanthropists with access to investing opportunities and customized solutions that promote positive change. ImpactAssets has more than $1.6 billion in assets in 1,700 accounts, working with 350 wealth advisors across 60 financial services firms.