

INCOME + IMPACT: INVESTING IN VOLATILE TIMES

CNOTE, SOLUTIONS WITH SONYA, HIP INVESTOR

FEBRUARY 27, 2019



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Sonya Dreizler, the founder of Solutions With Sonya, helps financial services firms to drive successful rollout and adoption of Impact Investing, SRI, & ESG solutions. Sonya is a former financial services CEO with 15 years of industry experience and a subject matter expert in the rapidly growing field of Impact Investing. She speaks frequently on the topic and authors Connected Investing, a popular weekly educational newsletter covering the latest developments in Impact and ESG investing, as well as terminology, interviews, and business tips.

Sonya is a CERTIFIED FINANCIAL PLANNER™ and previously held the Series 7, 66, 24, and 28 securities licenses. She is a recipient of the Investment News 40 Under 40 award, is a 2018 LinkedIn Top Voices Recipient, and has published articles and been quoted in numerous trade publications. She serves on the advisory board for the Investment News Women Adviser Summit, and informally advises a number of other financial services conferences and communities.



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@SolutionsWithSonya

Solutions with Sonya

Facilitating successful
rollout and adoption of
Impact Investing & ESG
Solutions for financial
services firms.



Stay in the know.



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Terminology decoded.



Industry leader interviews.



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CATHERINE BERMAN

CEO & Co-Founder of CNote

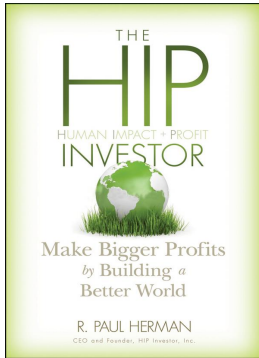
Former Managing Director at Charles Schwab, SVP Venture Capital, and over a decade in impact investments.

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HIP Investor Ratings + Portfolios



HIP Investor: since December 6, 2006; now 13th year
124,000+ HIP Ratings (7000+ corporates; 114,000 munis)
5 HIP Strategies with track records of 5 to 9 years
5 HIP Fossil-Fuel-Free Portfolios, including 401(k)s

Clients: 401 (k)s, families, foundations, advisors, fund managers, hedge funds, college endowments

The HIP Investor textbook/ebook/audiobook in 27 universities, MBA, and MPA programs

Newsweek Green Rankings, 2015, 2016, 2017
The Peter Drucker Index (2017, 2018, *Wall Street Journal*)

HIP Investor covered in **NYTimes** (2018, 2017, 2014, 2011), **Fast Company** magazine (2006-2019), and more



R. Paul Herman
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Ratings + Portfolios
-and-
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Professor, Presidio
Graduate School

Tweet: @HIPinvestor
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IMPACT ESG INVESTING GROWING FAST

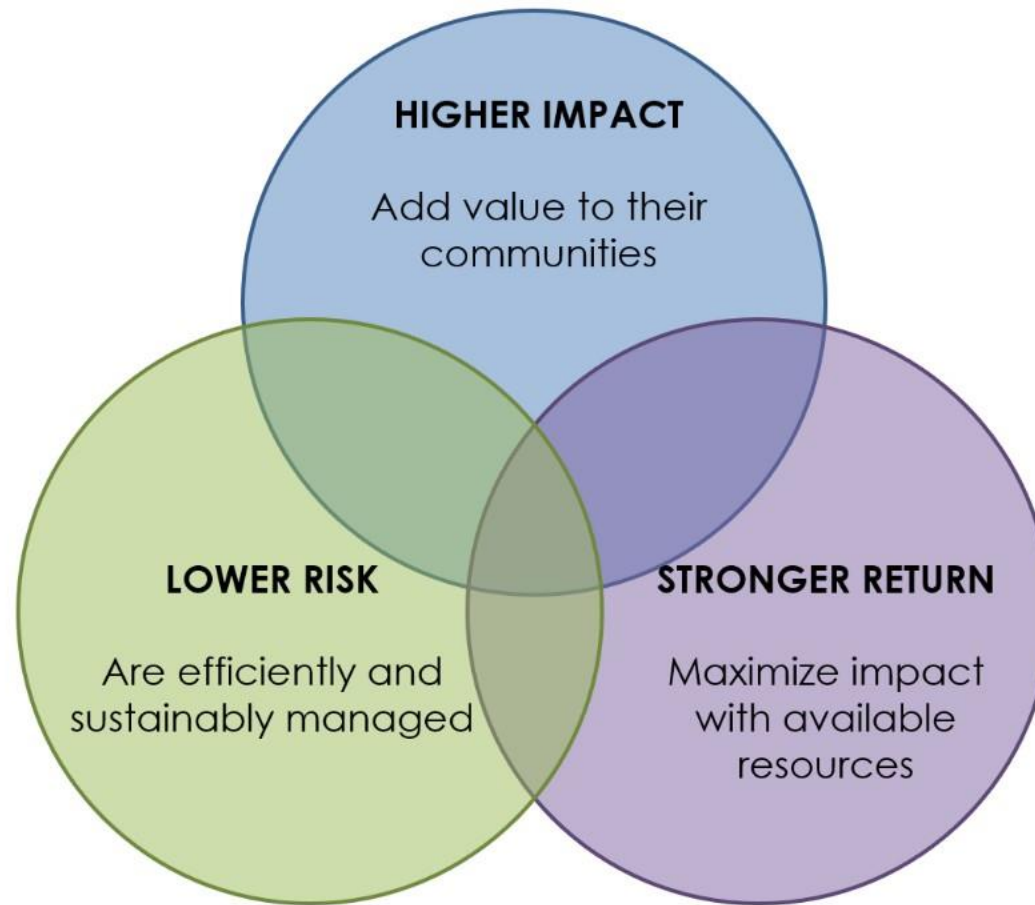
\$12 Trillion In Total Assets

**Sustainable and Responsible Investing in the United States
1995-2018**



SOURCE: US SIF Foundation.

IMPACTFUL INVESTING



SRI, ESG and Impact Apply Across All Asset Classes

Higher Impact Choices for Your Portfolio

Cash	Fixed income	Income Generating Appreciation	Equities	Global, Int'l, Emerging	Venture Capital, Private Equity	Alternatives
Eco-focused banks Economic empowerment credit unions	Social Impact Bonds Muni Bonds Microfinance Mezzanine Debt Funds	REITs Preferred equities (dividends)	Impact-weighted strategies	Global portfolios	Sustainability funds Education and Human Capital funds	Sustainable Forestry Organic Agriculture Renewable Fuels

17 UN SDGs Map to All Asset Classes



SRI, ESG and Impact Apply Across All Asset Classes

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CNOTE

Unlocking a proven asset class with robust returns and social impact.

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CNote is not a bank. Investments in CNote are not bank deposits and are not insured by the FDIC or by any other government agency.

For more information on risks related to investments in CNote Notes, please see our [Offering Circular](#) filed with the Securities and Exchange Commission

This is not an offer of securities or financial advice. All investing has risks.

Past results are not indicative of future performance.

WHO ARE WE?

- **IMPACT INVESTING PLATFORM**
- **FOCUSED ON FIXED INCOME INNOVATION**
- **FLAGSHIP PRODUCT LEVERAGES COMMUNITY INVESTING FOR ECONOMIC INCLUSION AND JOB CREATION**
- **FOUNDED BY TWO WOMEN WITH OVER 30 YEARS COMBINED FINANCIAL INDUSTRY EXPERIENCE**

WHAT IS CNOTE?

A technology-enabled impact investing platform.



**CASH
ALTERNATIVE &
FIXED-INCOME
SOLUTIONS**



**THAT DELIVER
MEASURABLE
SOCIAL IMPACT**



**WHILE
LEVERAGING
TECHNOLOGY
TO IMPROVE
ACCESS AND
PERFORMANCE**

HOW? BY UNLOCKING CDFIS

- **COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFIS)**
- **ASSET CLASS WITH PROVEN FINANCIAL HISTORY**
- **PREVIOUSLY, IT WAS DIFFICULT EVEN FOR WEALTHY INVESTORS TO DEPLOY CAPITAL WITH CDFIS**
- **FIRST PLATFORM TO MAKE DIVERSIFIED NETWORK OF CDFIS ACCESSIBLE TO ALL**

CDFI INDUSTRY RESILIENCE

“OUR REPAYMENT RATE FROM CDFIS IS OUTSTANDING AND RIVALS ANY ASSET CLASS WE WORK WITH. INVESTING IN CDFIS IS GOOD BUSINESS.”

-DAN LETENDRE, SENIOR VICE PRESIDENT BANK OF AMERICA

CNOTE ADVISORY TEAM

Current or Former Executives From



Deloitte.



CURRENT OFFERINGS



FLAGSHIP FUND

2.75%

Quarterly Access

Diversified Fund Targeting
Underserved Communities



WISDOM FUND

4.0%

60-Month Term

All Funds Deployed to
Women-Owned Businesses
Targeting Gender Equality



RACIAL EQUITY FUND

2.75%

30-Month Term

All Funds Deployed to
Minority-Owned Businesses
Targeting Racial Equality



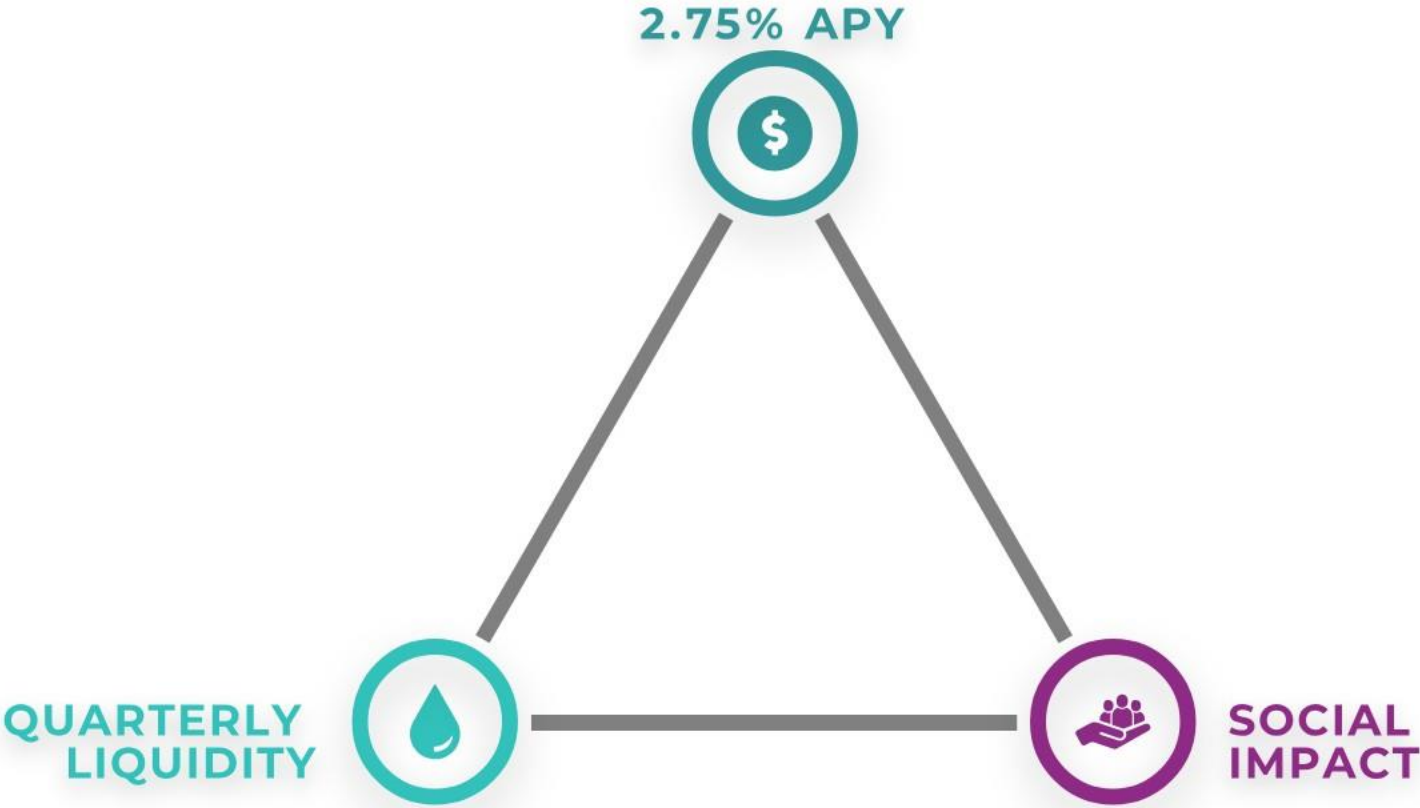
PROMISE FUND

2.00%

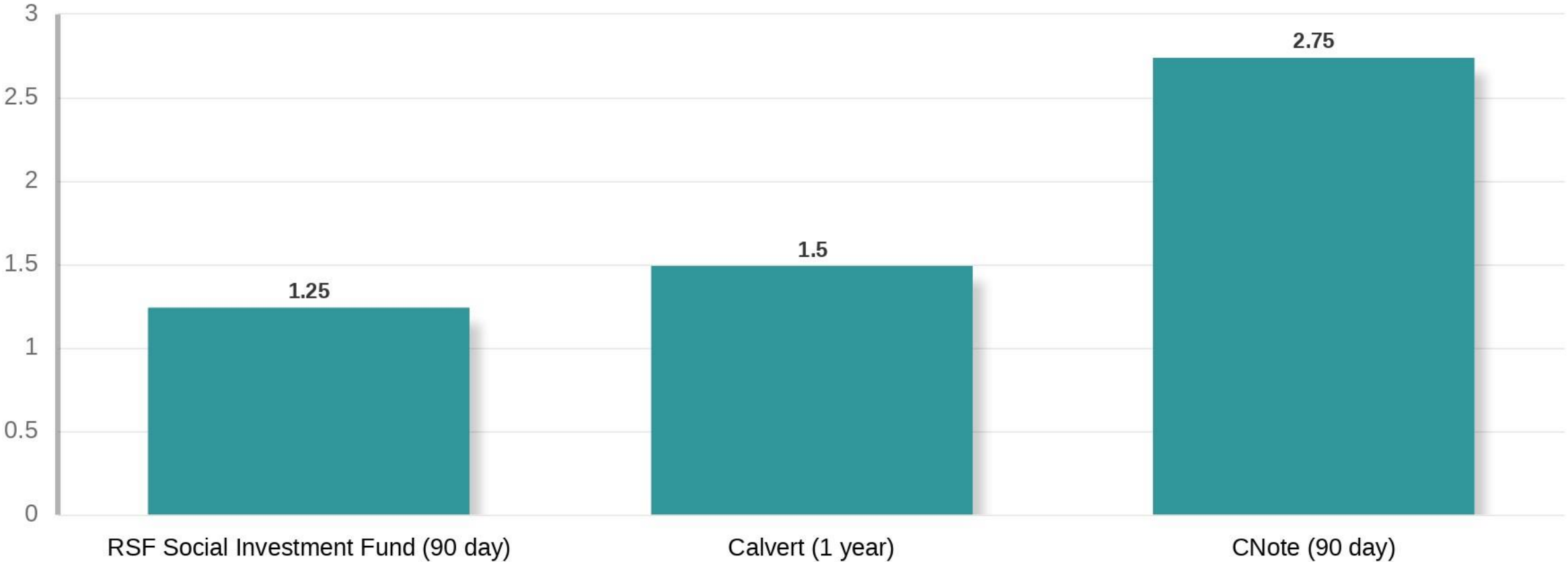
Fully Insured

Flexible Access
Diversified Fund Targeting
Underserved Communities

CORE PRODUCT - FLAGSHIP FUND



FLAGSHIP VS. IMPACT OPTIONS



Rates shown as of 2/27/2019

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CNOTE VS. TRADITIONAL OPTIONS



Rates shown as of 2/27/2019

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FIXED INCOME: SAMPLE OPTIONS

FIRM	Return	Liquidity	Impact Theme	Target Geography
	1.00-1.25%	Quarterly - Five Year	Sustainable Agriculture and Development; Education a; Natural Resources and Conservation; Nonprofit Social Enterprise; Poverty Alleviation; Community Development	US & Canada
	Varies	Varies	Microfinance/Low-Income Financial Services	Global (top 5 countries: Mexico, Georgia, Ecuador, India, and Azerbaijan)
	Varies	Varies	Deposits support loans to sustainable businesses, including environmental projects	US (Western)

Rates of return shown as of 2/27/2019

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FIXED INCOME: SAMPLE OPTIONS

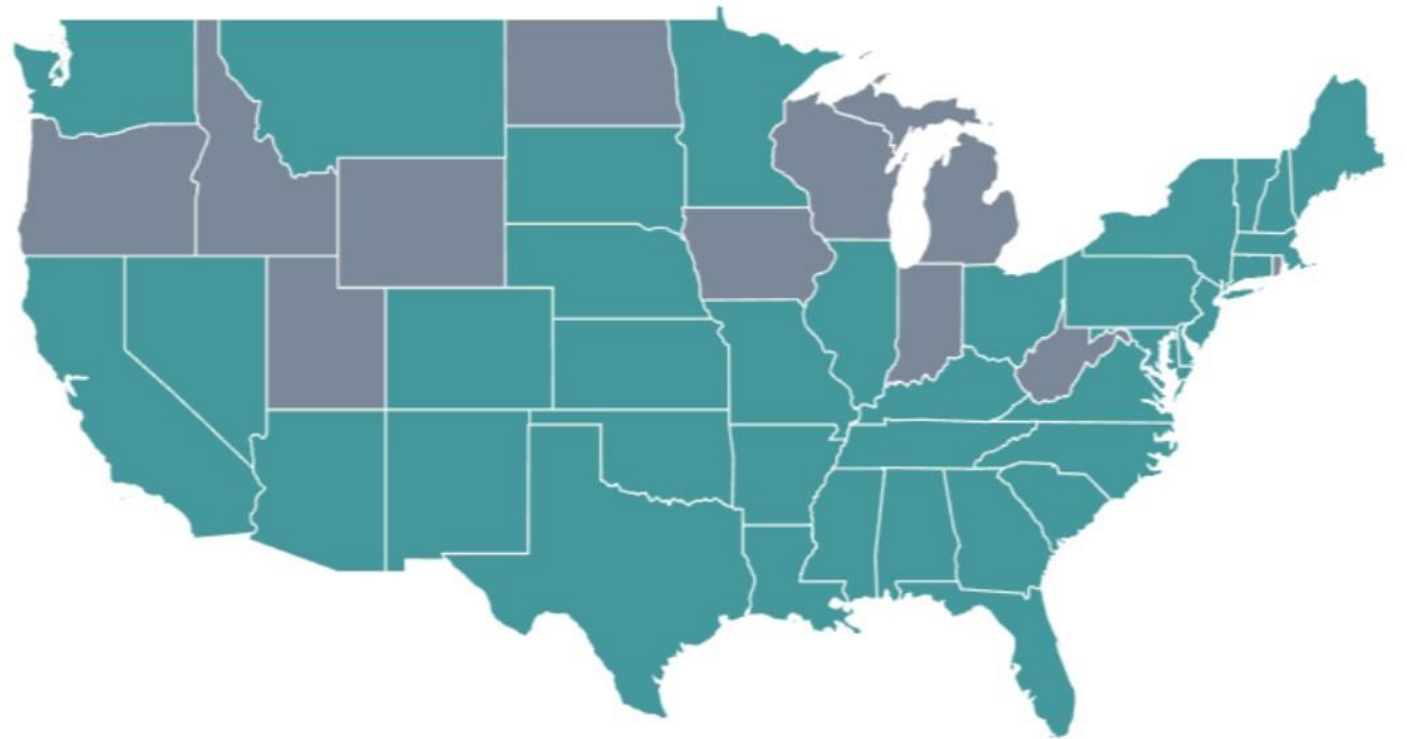
FIRM	Return	Liquidity	Impact Theme	Target Geography
 CNote	2.75-4%	Quarterly and Up	Community Investment, Financial Inclusion	U.S. Diversified + Customized Targeting
 LendingClub	4.5% Median	Varies	Reducing cost of capital for overburdened borrowers; partner with community banks	U.S.
 The Nature Conservancy	Fund Dependent	Fund Dependent	Protecting Wildlife, Environment, Resources and People	Worldwide
 COMMUNITY CAPITAL MANAGEMENT <i>Revitalizing America</i>	CRATX 2.96% Since Inception	Mutual Fund	Broad Community Development	U.S.

Rates of return shown as of 2/27/2019;
CRATX inception (3/2/2007) to date as of 2/27/2019

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PLACE-BASED INVESTING

CNOTE'S GROWING CDFI NETWORK COVERS 37 STATES.



CNOTE INVESTORS



**SIERRA CLUB
FOUNDATION**



TIDES FOUNDATION



**WEALTH
ENTERPRISE
FAMILY OFFICES**



**NIA IMPACT
CAPITAL**

SUSTAINABLE DEVELOPMENT GOALS



MAPPING COMMUNITY INVESTMENT TO SUSTAINABLE CHANGE (1 OF 2)

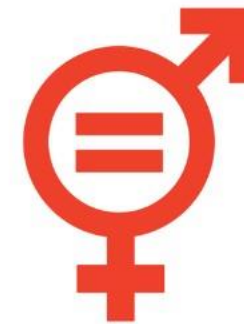
1 NO POVERTY



END POVERTY IN ALL ITS FORMS EVERYWHERE

CNote increases investment into low and moderate income communities across America.

5 GENDER EQUALITY



ACHIEVE GENDER EQUALITY

CNote capital is invested in female-owned businesses at a rate 7-10x greater than the national average.

MAPPING COMMUNITY INVESTMENT TO SUSTAINABLE CHANGE (2 OF 2)

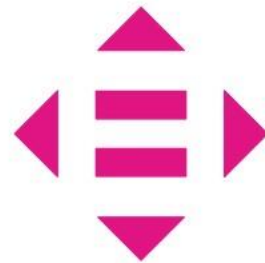
8 DECENT WORK AND ECONOMIC GROWTH



SUSTAINABLE ECONOMIC GROWTH AND DECENT WORK FOR ALL

CNote invests locally to create jobs, spur entrepreneurship and build a more sustainable economy.

10 REDUCED INEQUALITIES



REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

CNote's core mission is to close the wealth gap in America. We do this by deploying capital to financially-undeserved communities.

11 SUSTAINABLE CITIES AND COMMUNITIES



MAKE CITIES INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

CNote investments support community development including affordable housing, and education.

WHY INVEST WITH CNOTE?

- **BETTER RETURNS ON CASH**

Core product: 2.75% APY, Quarterly Liquidity.

- **EASY ACCESS TO DIVERSIFIED POOL OF TOP-PERFORMING CDFIS**

Streamlined Due Diligence for a Fragmented Industry.

- **OPERATIONAL EASE**

Direct On-Platform Access along with Robust API and Integrations for Streamlined Reporting.

- **PRODUCT CUSTOMIZATION**

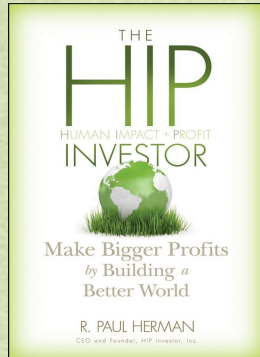
Thematic and Place-based Targeting Options.

SRI, ESG and Impact Apply Across All Asset Classes

Higher Impact Choices for Your Portfolio

Cash	Fixed income	Income Generating Appreciation	Equities	Global, Int'l, Emerging	Venture Capital, Private Equity	Alternatives
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HIP Investor Ratings + Portfolios



- **HIP Investor**: since December 6, 2006; now 13th year
- **124,000+ HIP Ratings (7000+ corporates 114,000 munis)**
- **5 HIP Strategies with track records of 5 to 9 years**
- **5 HIP Fossil-Fuel-Free Portfolios, including 401(k)s**
- Clients: 401 (k)s, families, foundations, advisors, fund managers, hedge funds, college endowments
- **The HIP Investor** textbook/ebook/audiobook in 27 universities, MBA, and MPA programs
- *Newsweek Green Rankings, 2015, 2016, 2017*
- **The Peter Drucker Index (2017, 2018, Wall Street Journal)**
- HIP Investor covered in **NYTimes** (2018, 2017, 2014, 2011), **Fast Company** magazine (2006-2019), and more



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Disclosure and Disclaimers

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R. Paul Herman is a registered representative of HIP Investor Inc., an investment adviser registered in the States of California, Washington, and Illinois, with clients across the USA.

This is not an offer of securities. All investing has risks.

Past results are not indicative of future performance.

9 Sectors

EDUCATION

ENERGY

GOVERNMENT

HEALTHCARE

HOUSING

TRANSPORTATION

WATER

SOVEREIGNS

AGENCIES

K-12 DISTRICTS

COMMUNITY COLLEGES

UNIVERSITIES

UTILITIES

CITIES

COUNTIES

STATES

HOSPITALS

HOUSING AGENCIES

AIRPORTS

SEAPORTS

ROADS

WATER

WASTEWATER

COMBINED

COUNTRIES

ENTERPRISES

HIP Ratings = 100 Point Rating
Indicator of Impact, Future Risk, and Future Return



Worst: 0	HIP Rating	Best: 100
Net Negative	IMPACT Health, Wealth, Earth, Equality, Trust	Net Positive
More Volatile	Future RISK	More Resilient
Lesser Potential	Future RETURNS	Stronger Potential

HIP Rates 114,000 Issuers on Impact/ESG

		ISSUERS	CUSIPS
EDUCATION	K-12 DISTRICTS	16,622	5,348
	COMMUNITY COLLEGES	52	1,314
	UNIVERSITIES	2,839	3,591
ENERGY	UTILITIES	2,296	2,115
GOVERNMENT	CITIES	29,326	4,128
	COUNTIES	3,148	1,794
	STATES	62	6,892
HEALTHCARE	HOSPITALS	6,221	1,221
HOUSING	HOUSING AGENCIES	54	407
TRANSPORTATION	AIRPORTS	13	35
	SEAPORTS	7	265
	ROADS	438	4,595
WATER	WATER	53,107	2,968
	WASTEWATER	25	221
	COMBINED	2	2
AGENCIES	MDBs AND GSEs	6	60
SOVEREIGNS	COUNTRIES	214	119
		114,434	35,075

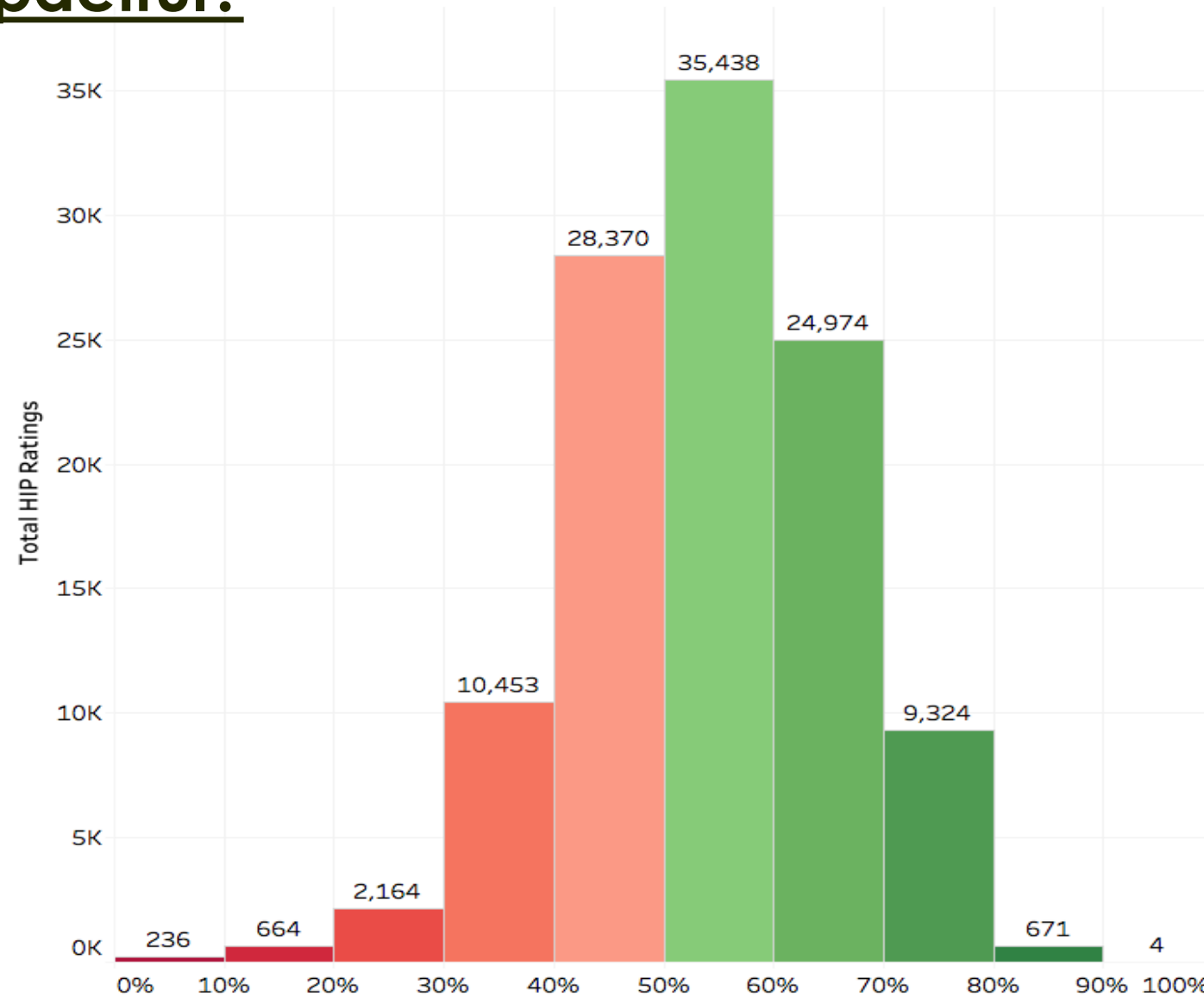
* As of Jan. 18, 2019; Issuers of green bonds may have an additional 2nd rating;

CUSIPs rated are reviewed by HIP for use of funds.

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Are All MUNIs Impactful?

HIP Ratings
All = 112,298

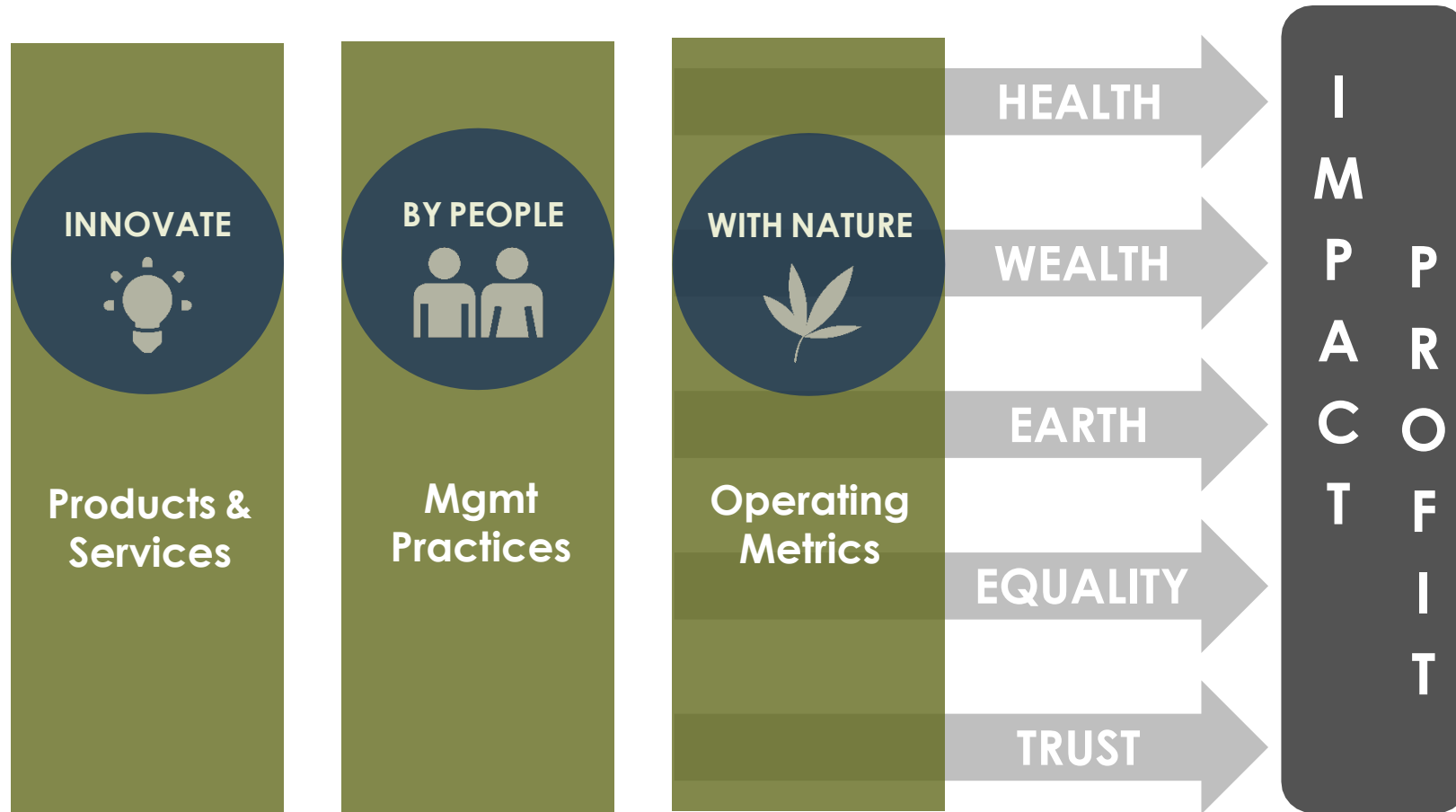


The trend of count of HIP Total for HIP Total (bin). Color shows details about HIP Total (bin). The data is filtered on Subsector, which keeps 16 of 16 members. The view is filtered on HIP Total (bin), which keeps non-Null values only.

Source: HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

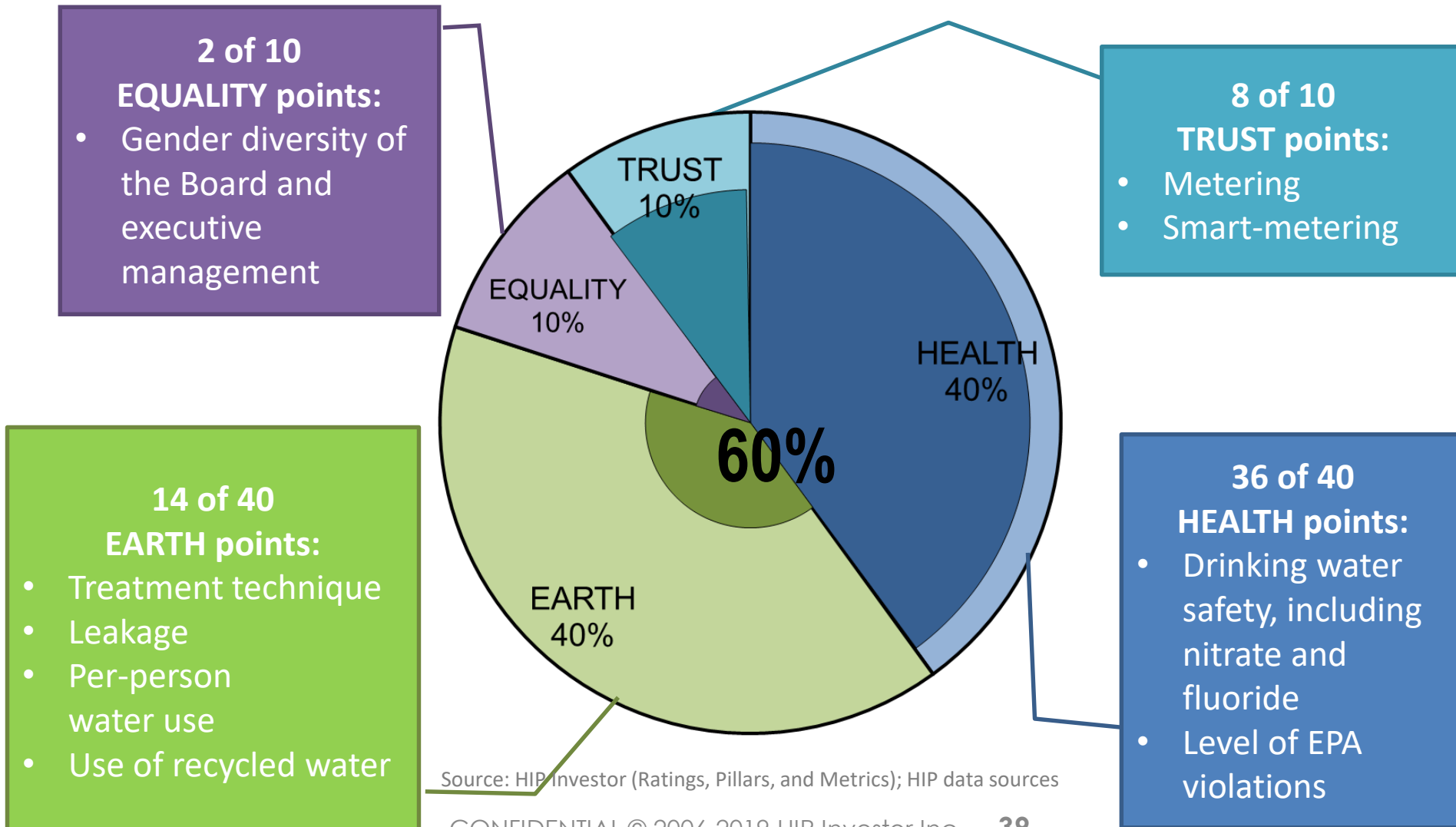
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HIP Ratings = Comprehensive, Quantitative Evaluates Products, Management & Operations



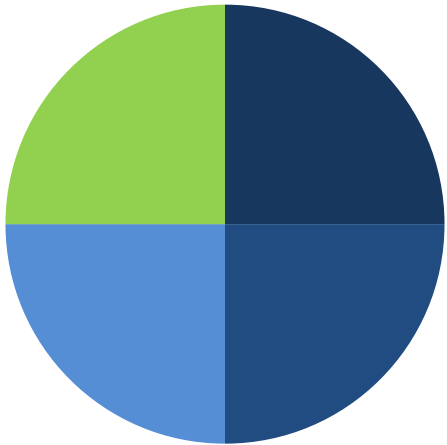
HIP Impact ESG Rating of Water Utilities

City of San Diego Water = 60%

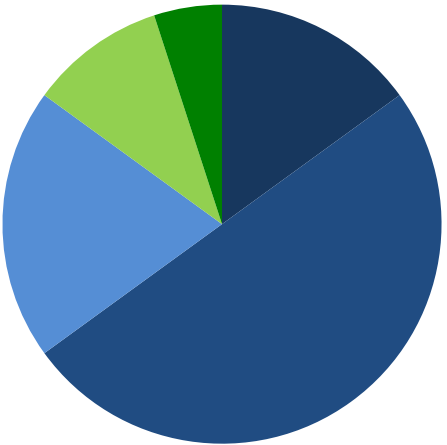


HIP Impact ESG Ratings – Pillar Weights Vary by Sector

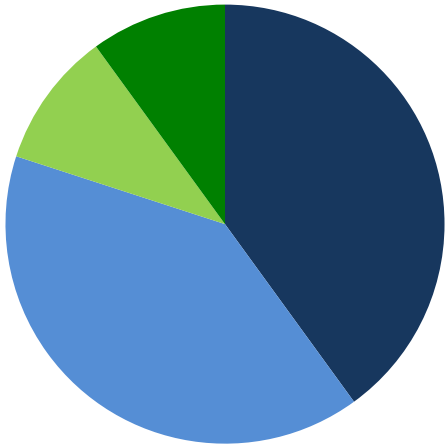
General Government



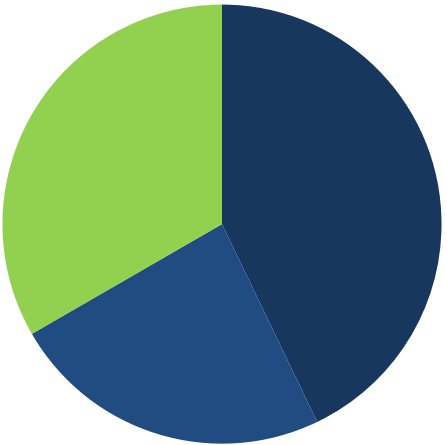
Housing



Water



K-12 School Districts



- Health
- Wealth
- Earth
- Equality
- Trust

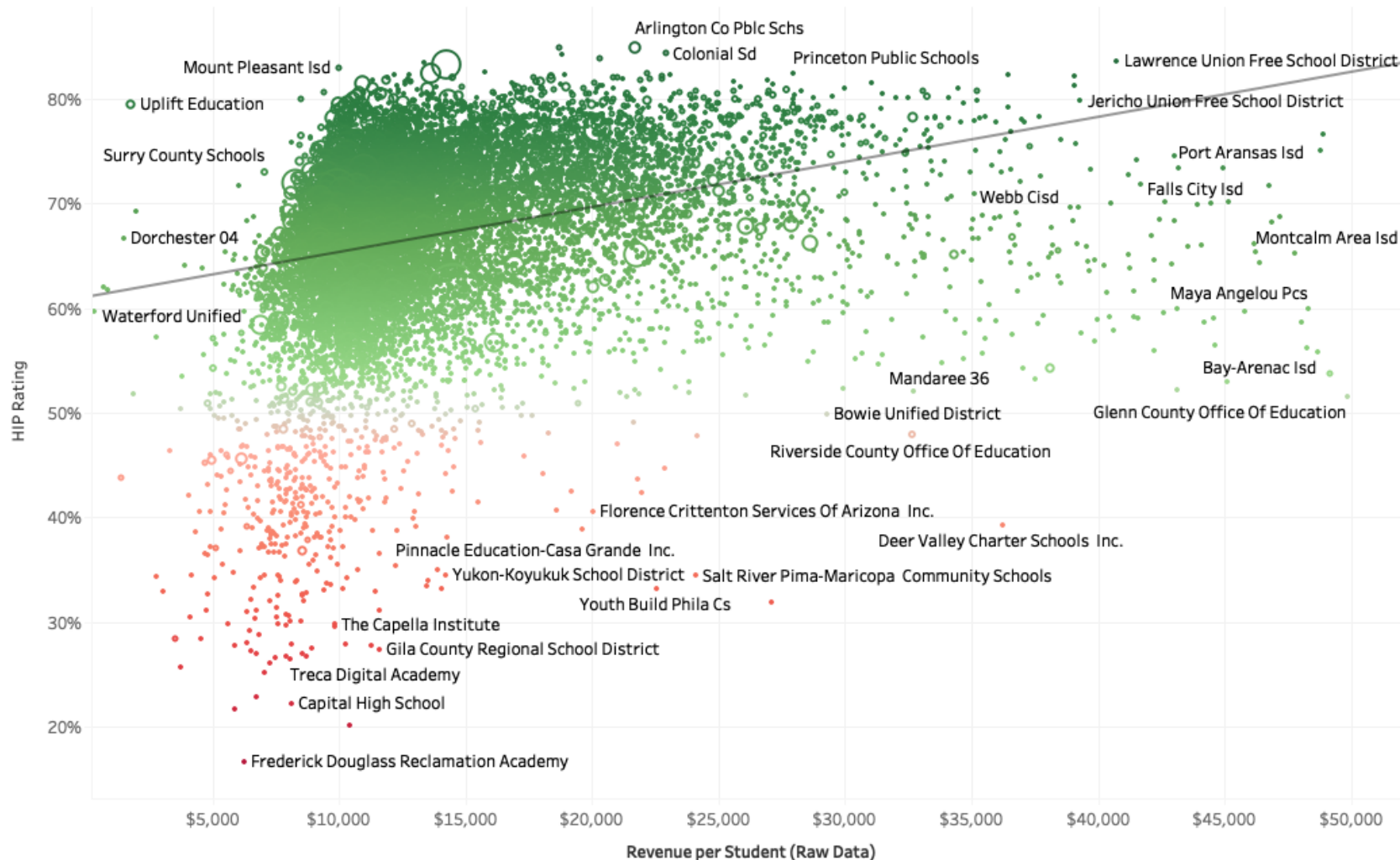
HIP Impact Ratings Spectrum by Muni/Agency/Sovereign Sector

HIP Ratings by Sector



K-12 HIP Impact Ratings Are Generally Higher with More District Revenue \$ Per Student

HIP Rating v. Revenue per Student



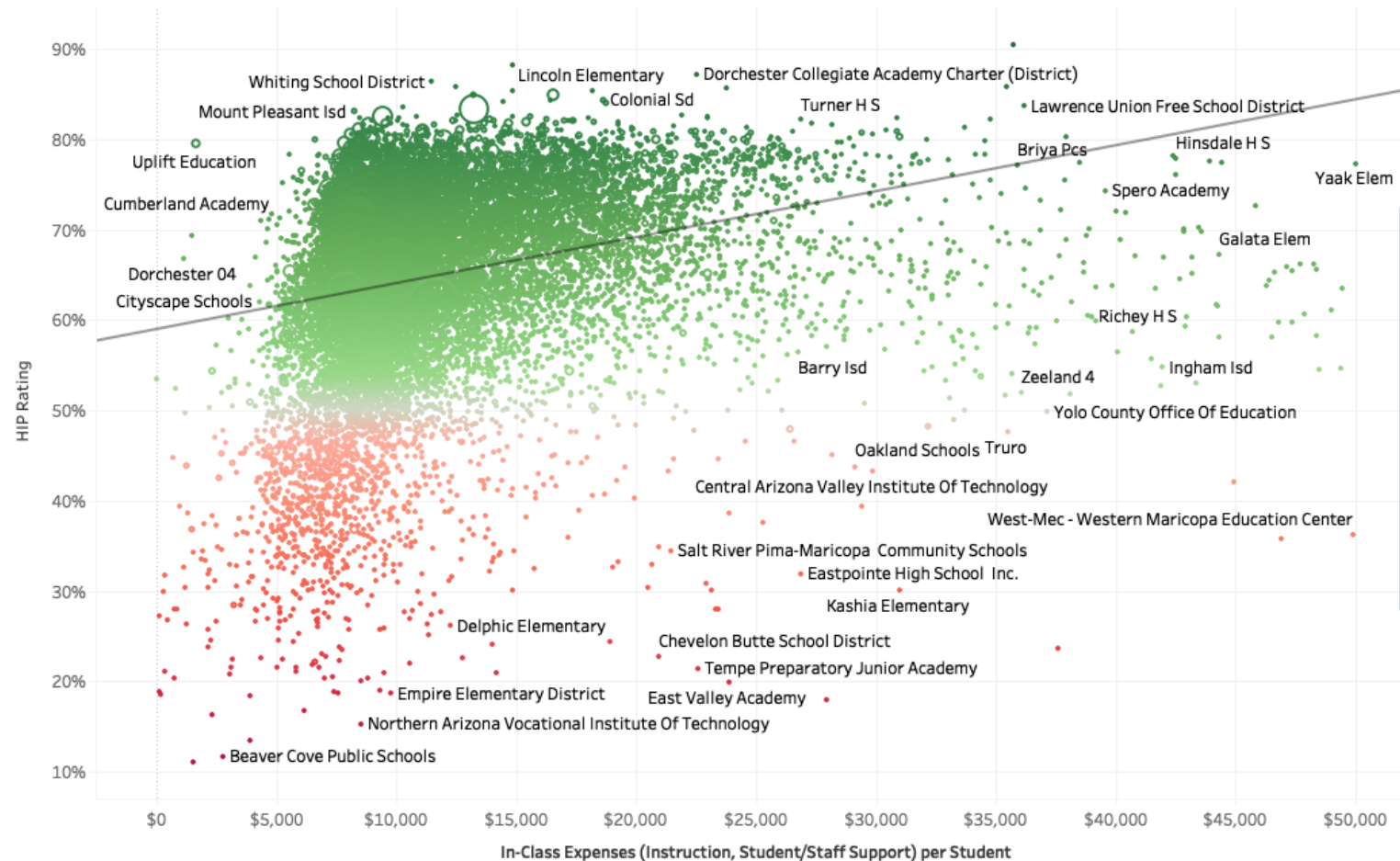
Higher District Revenue Per Student
 ...
 Higher HIP Rating
 BUT
 Wide Dispersion



Source: HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

WEALTH: More School Spending per Student In Classroom Trends with Higher HIP Ratings

HIP Rating v. In-Class Expenses per Student



Higher Classroom Spending Per Student
...
Higher HIP Rating

Categorizing the 17 Sustainable Development Goals

Environmental



Crossover

(Human, Social and Environmental Impact)

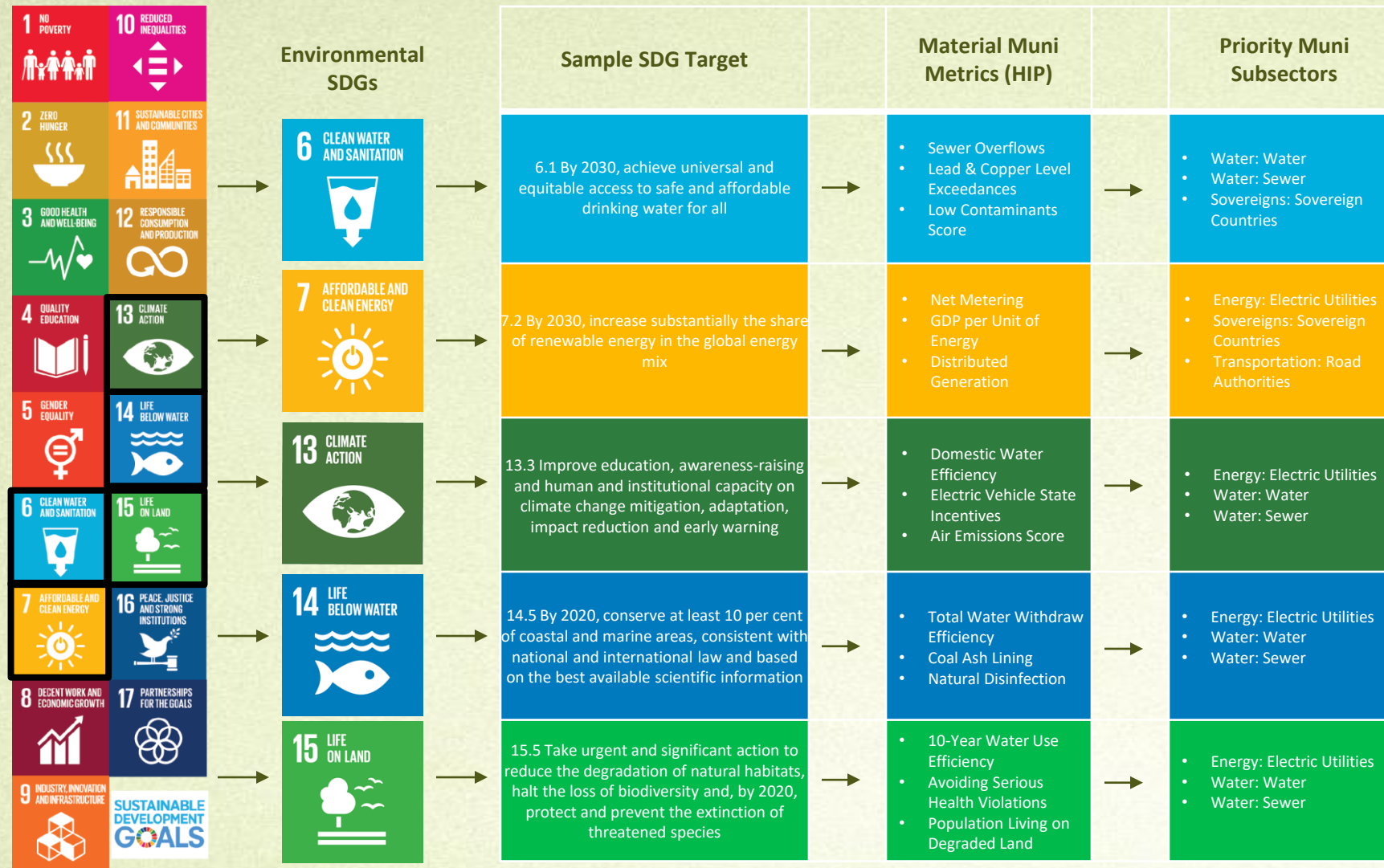


Human + Social



Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

5 Environmental SDGs and Map of HIP Investor Muni Metrics



Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

5 Environmental SDG Materiality to HIP Muni Metrics

	6. Clean Water and Sanitation	7. Affordable and Clean Energy	13. Climate Action	14. Life Below Water	15. Life on Land
Water: Water	80%	10%	60%	55%	55%
Water: Sewer	50%	14%	50%	57%	57%
Utilities: Electric Utilities	NA	86%	71%	61%	61%
Transportation: Seaports	NA	10%	14%	12%	12%
Transportation: Road Authorities	NA	15%	32%	29%	29%
Sovereigns: Sovereign Countries	6%	15%	27%	23%	23%
Housing: Housing Agencies	NA	6%	15%	12%	12%
Healthcare: Hospitals	NA	25%	25%	25%	25%
Government: States	NA	10%	14%	12%	12%
Government: Counties	NA	12%	14%	12%	12%
Government: Cities	NA	10%	14%	12%	12%
Education: Universities	NA	NA	NA	NA	NA
Education: K-12 School Districts	NA	NA	NA	NA	NA
Education: Community Colleges	NA	NA	NA	NA	NA

Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

Environmental Impacts Emphasize Water, Power, & Roads

<i>Environmental Sustainable Development Goals</i>	Most Material Subsector	2nd Most Material Subsector	3rd Most Material Subsector
6. Clean Water and Sanitation	Water	Sewer	Sovereign Countries
7. Affordable and Clean Energy	Electric Utilities	Sovereign Countries	Road Authorities
9. Industry, Innovation, and Infrastructure	Road Authorities	Electric Utilities	Sovereign Countries
11. Sustainable Cities and Communities	Water	Road Authorities	Electric Utilities
12. Responsible Consumption and Production	Electric Utilities	Water	Sewer
13. Climate Action	Electric Utilities	Water	Sewer
14. Life Below Water	Electric Utilities	Water	Sewer
15. Life on Land	Electric Utilities	Water	Sewer
17. Partnerships for the Goals	Sovereign Countries	Cities	Counties

Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

Categorizing the 17 Sustainable Development Goals

Human/ Social



Crossover

(Human, Social and Environmental Impact)

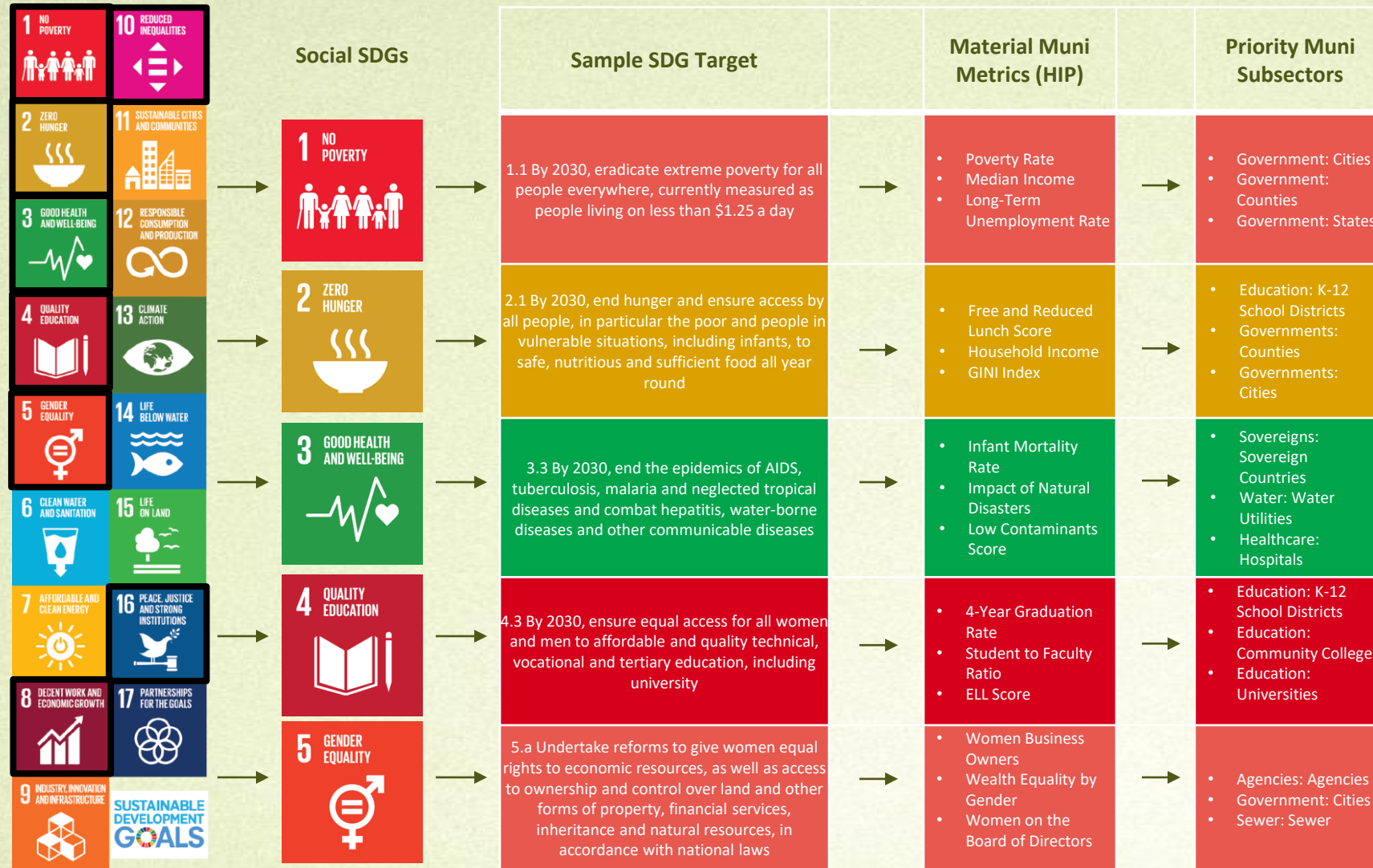


Environmental



Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

8 Human + Social SDGs Map to HIP Impact Ratings & Muni Metrics



Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

8 Human + Social SDGs Emphasize Education (K12, Colleges) And Governments (Cities, Counties, States)

	1. No Poverty	2. Zero Hunger	3. Good Health and Well Being	4. Quality Education	5. Gender Equality	8. Decent Work and Economic Growth	10. Reduced Inequalities	16. Peace, Justice, and Strong Institutions
Agencies: Agencies	8%	NA	8%	NA	25%	33%	42%	21%
Education: Community Colleges	4%	4%	NA	61%	7%	29%	32%	4%
Education: K-12 School Districts	13%	13%	6%	94%	NA	38%	81%	6%
Education: Universities	2%	2%	2%	60%	5%	31%	26%	2%
Government: Cities	38%	7%	19%	7%	14%	40%	55%	21%
Government: Counties	40%	10%	21%	7%	14%	40%	57%	21%
Government: States	38%	7%	19%	7%	14%	40%	55%	21%
Healthcare: Hospitals	5%	NA	35%	NA	NA	NA	20%	NA
Housing: Housing Agencies	21%	NA	3%	NA	NA	9%	35%	9%
Sovereigns: Sovereign Countries	17%	2%	40%	2%	10%	33%	35%	21%
Transportation: Road Authorities	6%	NA	24%	NA	NA	18%	6%	9%
Transportation: Seaports	38%	7%	19%	7%	14%	40%	55%	21%
Utilities: Electric Utilities	NA	NA	21%	NA	NA	21%	NA	4%
Water: Sewer	NA	NA	36%	NA	21%	7%	21%	7%
Water: Water	NA	NA	40%	NA	NA	NA	NA	15%

Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

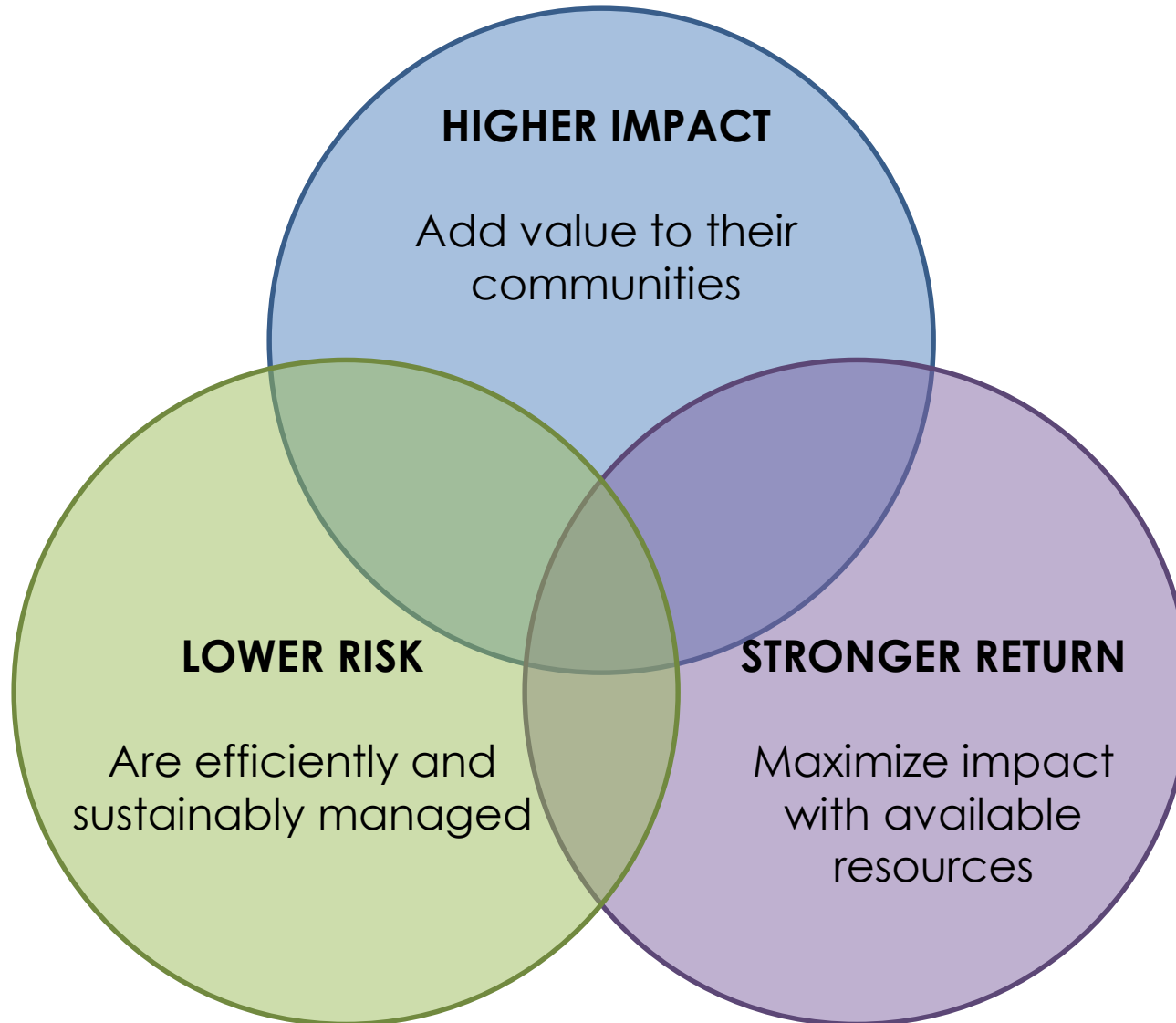
Human + Social Impacts Cover a Wide Variety of Government and Non-Profit Issuers

Social Sustainable Development Goals	Most Material Subsector	2nd Most Material Subsector	3rd Most Material Subsector
1. No Poverty	Cities	Counties	State
2. Zero Hunger	K-12 School Districts	Counties	Cities
3. Good Health and Well Being	Sovereign Countries	Water	Hospitals
4. Quality Education	K-12 School Districts	Community Colleges	Universities
5. Gender Equality	Agencies	Cities	Sewer
8. Decent Work and Economic Growth	Cities	Counties	States
9. Industry, Innovation, and Infrastructure	Road Authorities	Electric Utilities	Sovereign Countries
10. Reduced Inequalities	K-12 School Districts	Counties	Housing Agencies
11. Sustainable Cities and Communities	Water	Road Authorities	Electric Utilities
12. Responsible Consumption and Production	Electric Utilities	Water	Sewer
16. Peace, Justice, and Strong Institutions	Sovereign Countries	Cities	Counties
17. Partnerships for the Goals	Sovereign Countries	Cities	Counties

Source: UN SDGs; HIP Investor (Ratings, Pillars, and Metrics); HIP data sources

What to look for in a municipal bond?

HIP ratings helps find issuers that have...

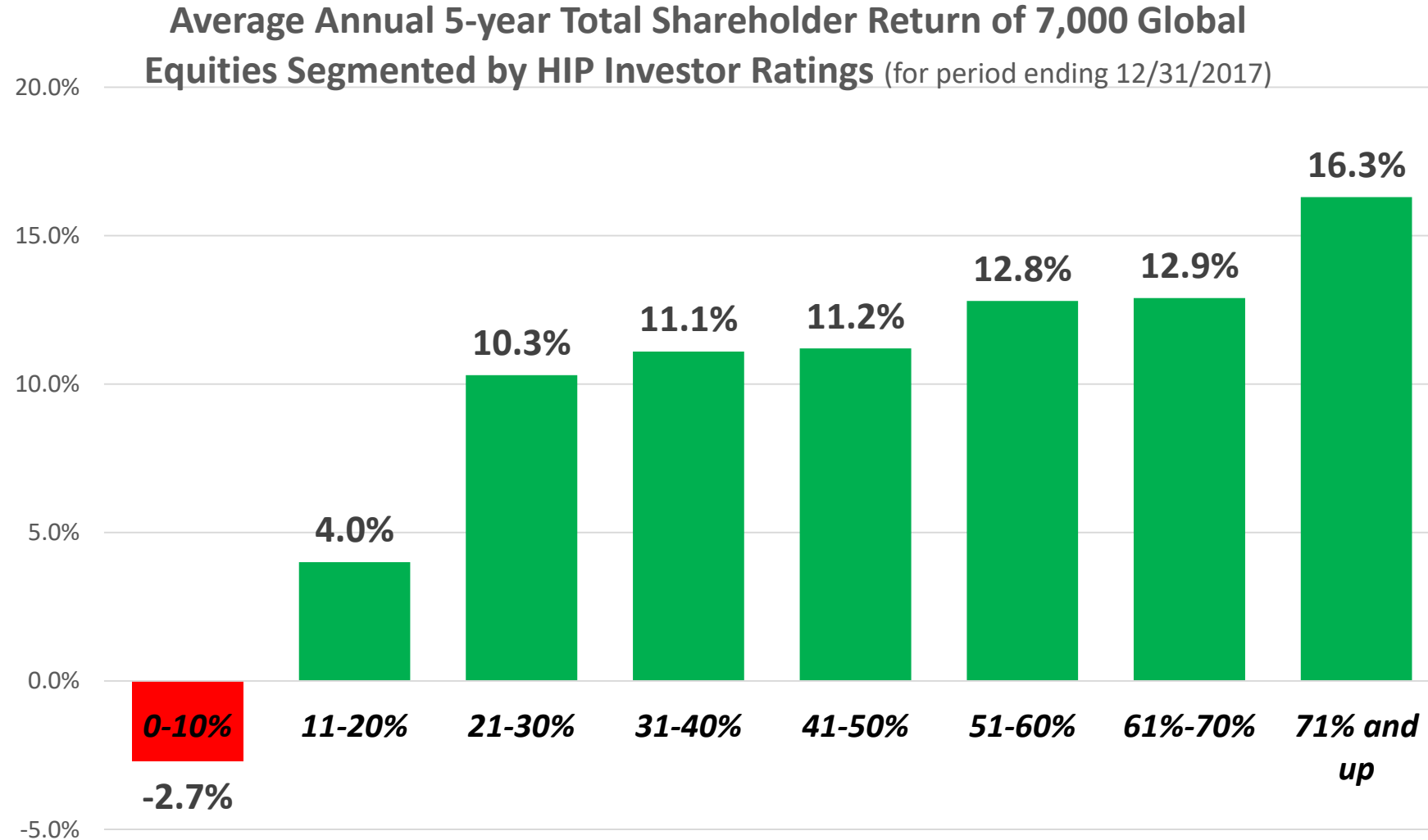


SRI, ESG and Impact Apply Across All Asset Classes

Higher Impact Choices for Your Portfolio

Cash	Fixed income	Income Generating Appreciation	Equities	Global, Int'l, Emerging	Venture Capital, Private Equity	Alternatives
Eco-focused banks Economic empowerment credit unions	Social Impact Bonds Muni Bonds Microfinance Mezzanine Debt Funds	REITs Preferred equities (dividends)	Impact-weighted strategies	Global portfolios	Sustainability funds Education and Human Capital funds	Sustainable Forestry Organic Agriculture Renewable Fuels

Higher Impact Portfolios Can Lead to Higher Returns



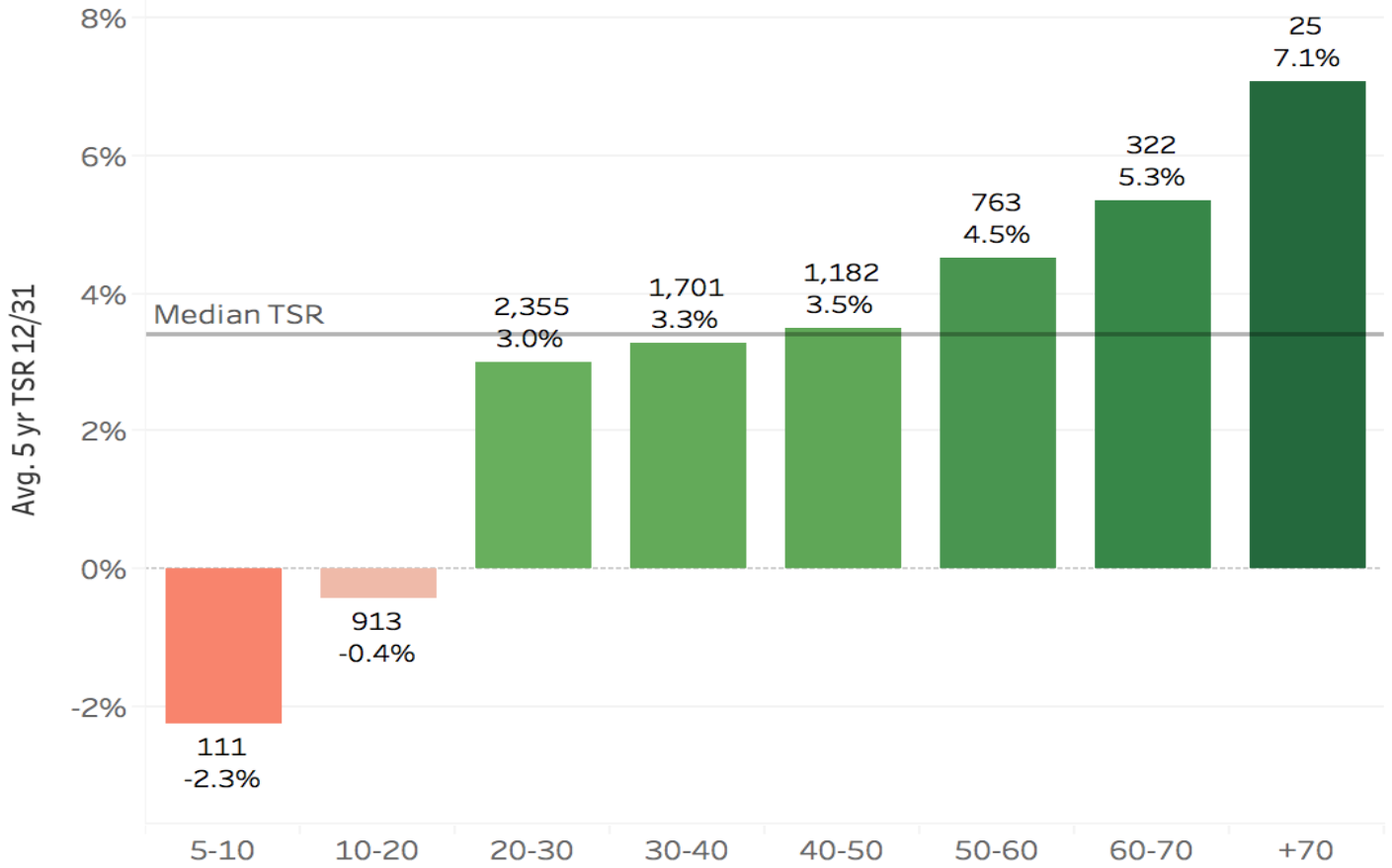
Total Shareholder Return (TSR) includes capital gains and reinvested dividends

Source: Thomson Reuters; HIP Investor Ratings scores and analysis



Higher Impact Portfolios Can Lead to Higher Returns

Average Annual 5-year Total Shareholder Return of 7,700 Global Equities Segmented by HIP Investor Ratings (for period ending 12/31/2018)



Total Shareholder Return (TSR) includes capital gains and reinvested dividends

Source: Thomson Reuters; HIP Investor Ratings scores and analysis



HIP Sustainable ESG Real Estate (REITs)

Universe: U.S.-listed real estate stocks, REITs and real asset companies

Benchmark for Comparison: iShares U.S. Real Estate ETF (IYR)

Method for Weighting: Weighted by HIP Rating, which quantifies results of sustainability factors that can drive profit and shareholder value; focuses on firms with above-median HIP Rating

Number of Holdings: 49

Rebalancing of the Index: At manager's discretion, up to 4x per year (quarter-end), with annual reconstitution

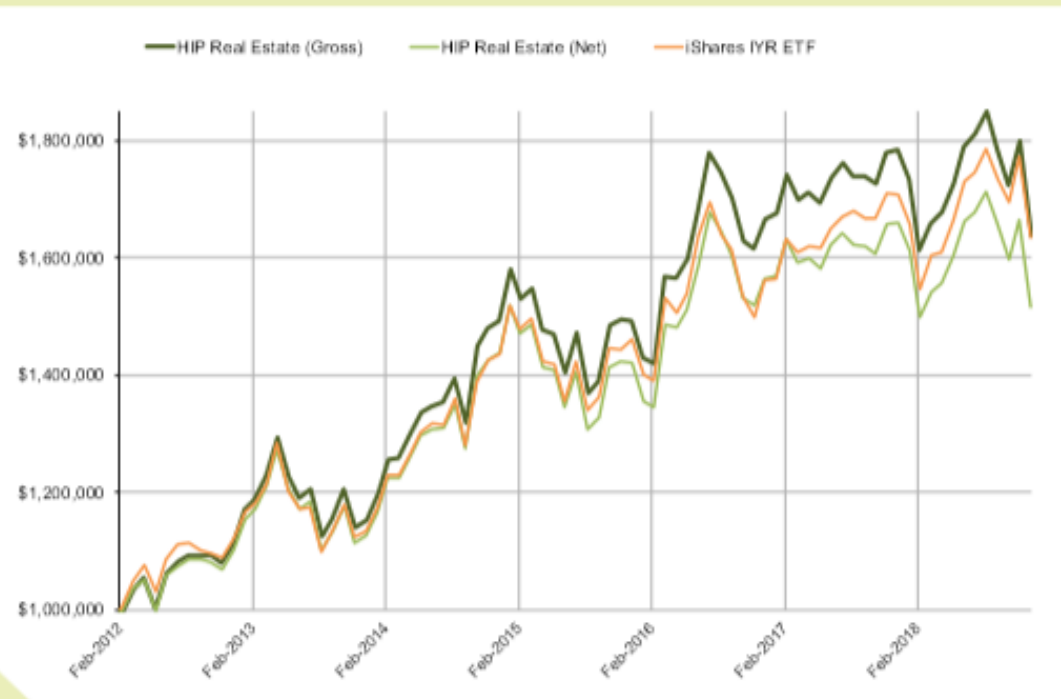
Inception Date: February 23, 2012

Investment Size: \$100,000 to \$250MM

Fees (billed quarterly, in advance): 1% annual fee to HIP Investor (direct); 0.50% annual fee to HIP (via advisors or consultants); on Folio, 0.25% brokerage fee (min. quarterly brokerage fee of \$75); accounts under \$120,000 can experience a higher expense ratio for minimum broker fee; on Schwab, transaction-based fees may average lower.

CUMULATIVE TOTAL RETURN* After Fees Includes Reinvested Dividends and Deducts Advisory Fees and Estimated Trading Costs

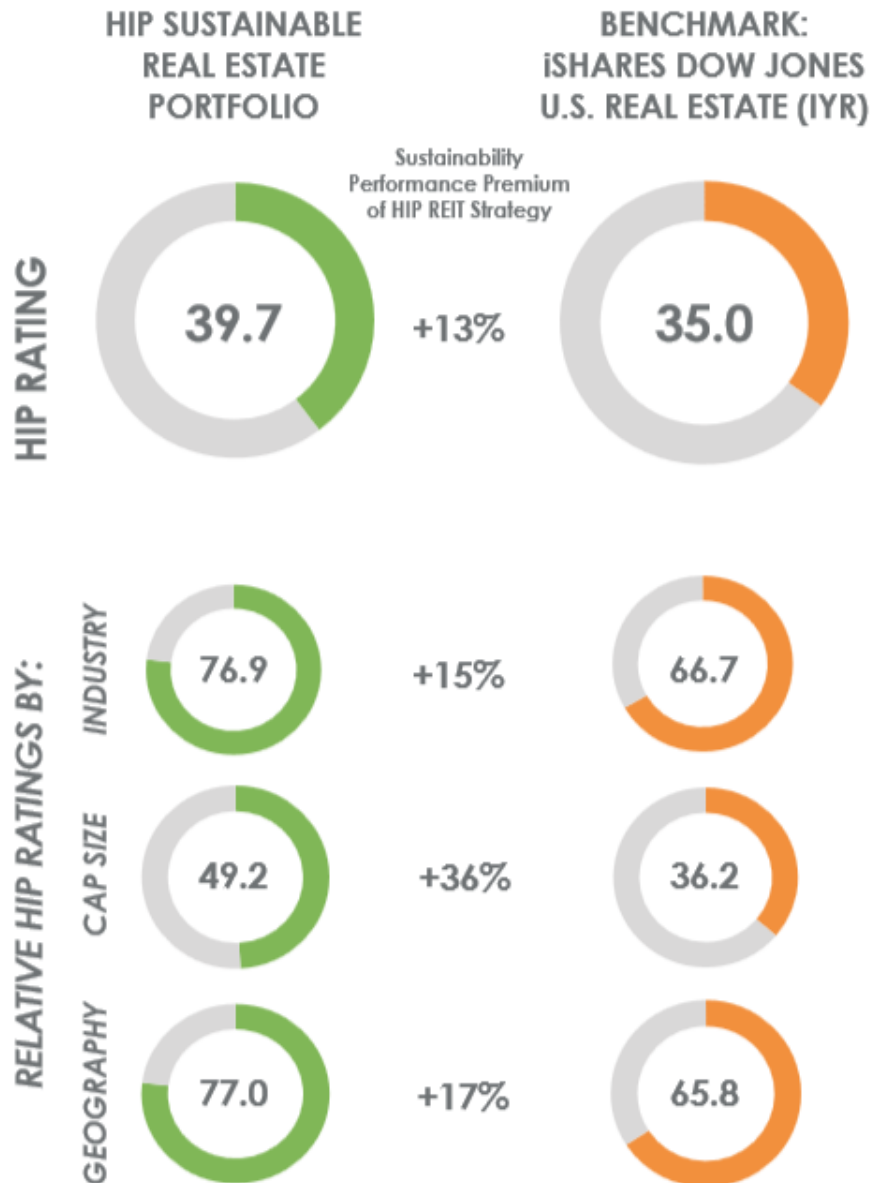
The HIP Sustainable ESG Real Estate Portfolio evaluates all U.S.-listed REITs, Real Estate and Real Asset Stocks, and then invests in the securities scoring above-median, weighted by the HIP Ratings. HIP Portfolios seek to outperform traditional investment benchmarks via this strategy, striving to achieve more positive human impact, lower risk, and increased financial returns.



Assumes a \$1,000,000 beginning portfolio



ESG PROFILE AND RESULTS



The HIP Sustainable REIT strategy exceeds the benchmark in all impact ratings. This out-performance indicates that the constituents of the HIP REIT are experiencing generally better ESG performance than those of the benchmark, which can result in reduced risk and improved financial performance.

The HIP Sustainable REIT strategy is composed of higher-impact REITs according to HIP Ratings, which is also reflected in the relative ratings. On average, the HIP REIT strategy rates in the top third compared to similar peers according to both Industry and Geography. The strategy also rates above the benchmark according to Cap Size.

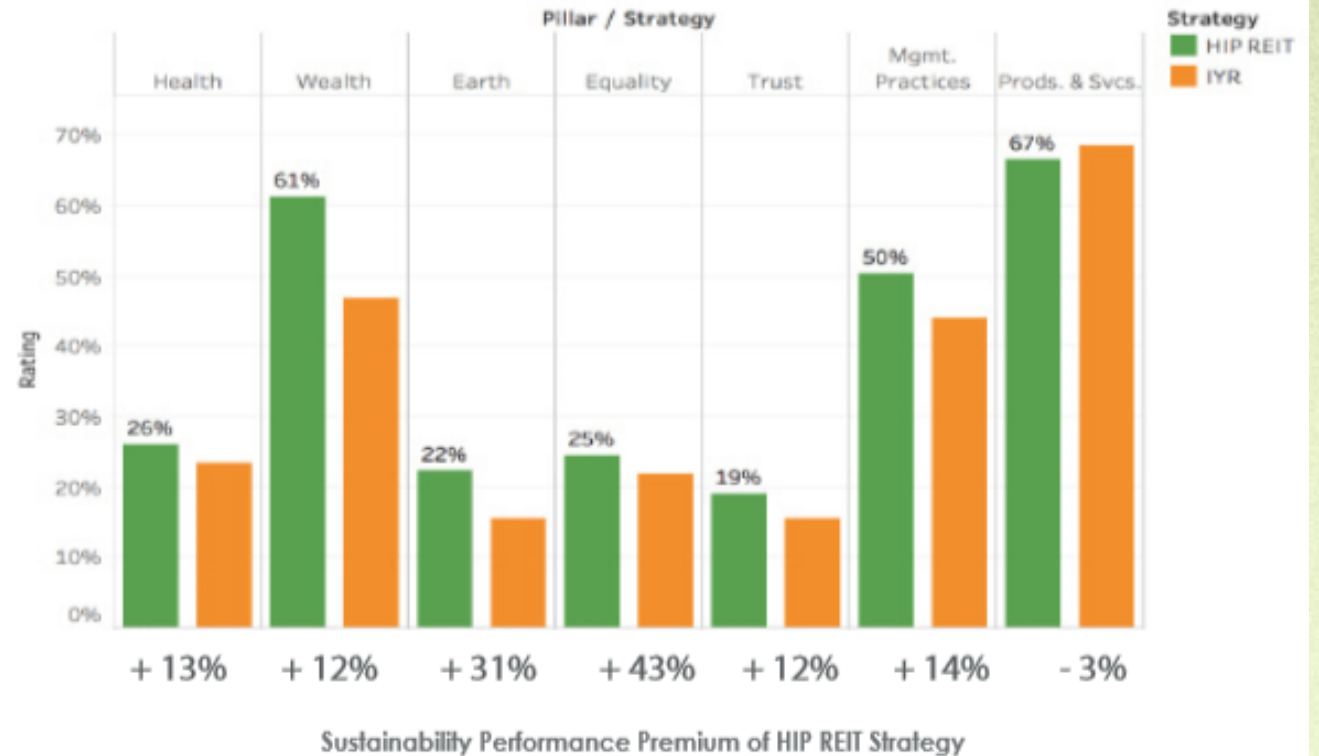
The constituents of the HIP REIT strategy are weighted according to HIP Ratings, whereas the benchmark is weighted according to the size of market cap. HIP Ratings prioritize managing future risk and monetizing future opportunities. By linking the allocation to fundamentals rather than to market cap valuation, which is susceptible to erratic market behavior, investors benefit from a more resilient portfolio.

IMPACT PILLAR RATINGS








The HIP Sustainable REIT strategy exceeds the benchmark across all Impact Pillars, Management Practices, and Products & Services. The greatest relative out-performance is seen in the Wealth Pillar. This indicates that the HIP REIT strategy overweights REITs that practice inclusive profit sharing among their employees and other stakeholders. Inclusive profit sharing often leads to financial out-performance in the long term as employees who feel appreciated tend to produce higher-quality work over time. However, many REITs still have a way to go with regards to disclosure of other non-financial ESG data.

Comprehensive extra-financial disclosure is also reflected in the Management Practices scores. Organizations that score high on Management Practices often tend to be more diligent about disclosing ESG data as well.

HIP Ratings by Impact Pillar - HIP REIT vs Benchmark



HIGHLY RATED REITs BY HIP IMPACT PILLAR

HIP IMPACT PILLAR	Company	HIP Pillar Rating	Impact Details	Holding Weight in Fund
Health	 HCP	59	As a leading Health Care REIT, HCP seeks to support the wellbeing of all its stakeholders. The firm offers comprehensive benefits to all its employees and their families, and it continuously solicits feedback from its workforce. HCP's efforts are reflected in its employee satisfaction (82%) and tenant satisfaction (85%) rates.	2.44%
Wealth	 HOST HOTELS & RESORTS	91	Real Estate is a lucrative industry with some of the highest average salaries in the market. Host Hotels & Resorts offers competitive salaries and stock options to its employees in a democratic manner in which the CEO earns 8x the average employee, compared to the average ratio of the Fortune 500 which is close to 300x average worker salary.	2.86%
Earth	 REGENCY CENTERS	51	Regency Centers has set a goal to reduce its GHG emissions by 2% annually. Since 2011, this goal has been exceeded as the firm has averaged an annual reduction of 3.3%, which has thus far added up to a cumulative reduction of 9.8%. Similarly, Regency aims to reduce its water consumption by 1% annually, which has been vastly exceeded with an average annual reduction of 3%. These reductions have been realized through the installment of LED lighting, roof-top solar, and smart irrigation.	1.92%
Equality	 JONES LANG LASALLE	68	Jones Lang Lasalle sees diversity as a core component of its value system as well as a strategic imperative for its financial success. The firm therefore works hard to foster a workplace culture that encourages and empowers all employees to fulfill their potential. The results of these efforts can be seen in the composition of JLL's workforce as well as its governance. Female employees now make up more than one-third of its workforce and 4 out of 10 board members are women.	3.01%
Trust	 WEYERHAEUSER	61	With <i>integrity</i> being a core company value, Weyerhaeuser believes in transparency and accountability. The firm issued its first Code of Ethics in 1976, which is now available in multiple languages. Now it also requires its suppliers to adhere to its Supplier Code of Ethics. Moreover, Weyerhaeuser has an environmental management system in place that is 100% certified according to the ISO 14000 standard.	2.94%
Management Practices	 PROLOGIS	73	The Sustainability team in Prologis works extremely hard in collaboration with many departments around the world to collect and submit the most accurate, transparent ESG information possible. Employees interact with the sustainability team to propagate best practices and make environmental stewardship an everyday event. For the sixth year running, Prologis was named a component of the 2016 Dow Jones Sustainability Indices (DJSI).	2.61%
Products and Services	 HANNON ARMSTRONG	90	Hannon Armstrong is committed to sustainability through its investments in energy efficient and renewable infrastructure. By providing capital for public- and private- sector projects that need funding, HASI is helping create a sustainable future less dependent on fossil fuels.	1.77%

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Appendix

Impact-Rated Bonds Support 9 Missions

(Part 1 of 3)

Sector	Mission	Investees
Affordable Housing	Create & support low-income access with housing (single-family; multi-family)	49 State Housing Agencies (Kansas does not have a separate agency)
Education	Enhance learning environments & outcomes for students, teachers & schools	K-12 school districts, and charter schools (e.g. KIPP) Community Colleges Universities: Campus Universities: State-wide
Energy & Power	Produce and deliver cleaner, environmentally-efficient power, including renewables	Energy public utility districts, including citizen-owned co-operatives operated by governments

Impact-Rated Bonds Support 9 Missions

(Part 2 of 3)

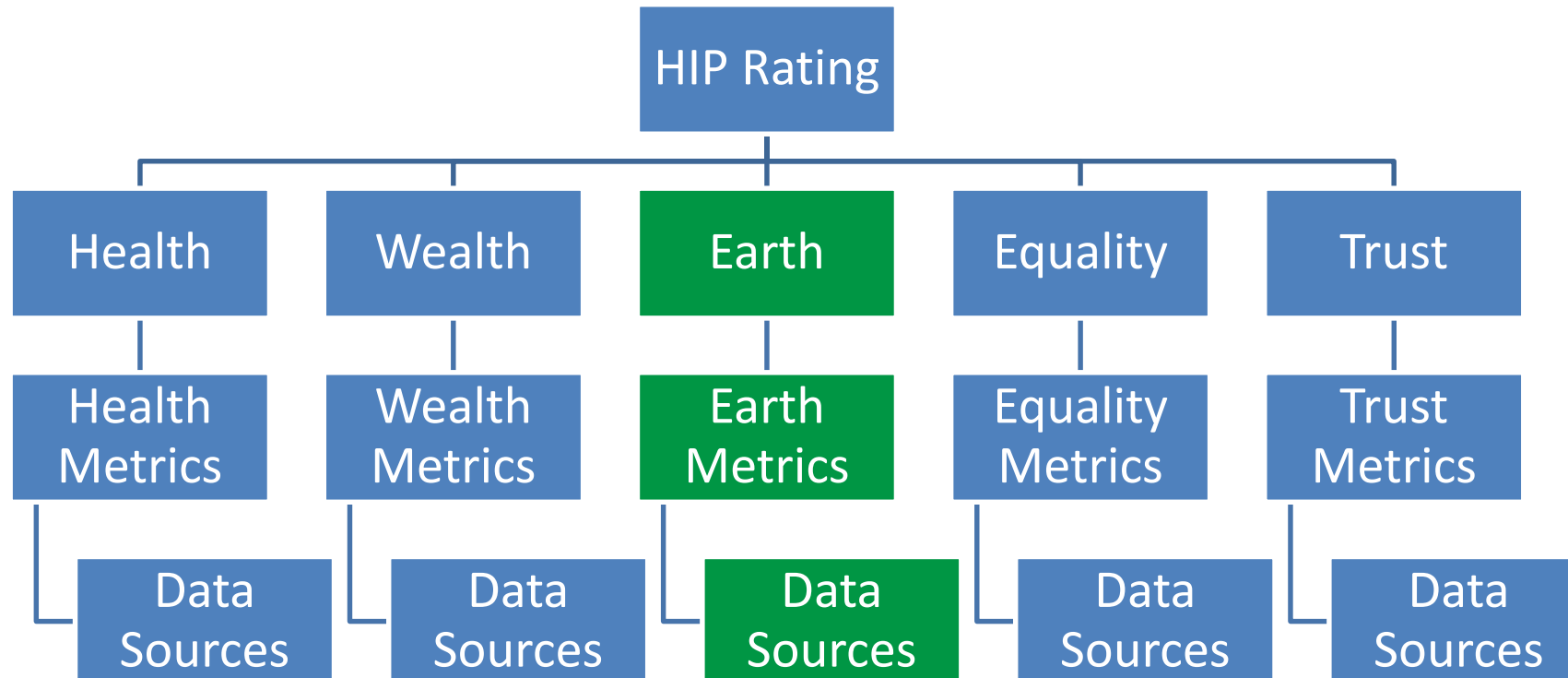
Sector	Mission	Investees
Health Care & Hospitals	Deliver proactive wellness, and respond to disease and illnesses	Single site hospitals Multi-site health systems Wellness centers
Human Development Financing	Fund loans to spur home ownership and educational degrees nationally; and human development worldwide	Mortgage loan agencies (FreddieMac; FannieMae) Student loan agency (Sallie Mae) World Bank & I.F.C.
Sustainable Local Governments	Enable more positive places to live and work, delivering services, infrastructure, and a just, civil society	City & town governments County governments State governments

Impact-Rated Bonds Support 9 Missions

(Part 3 of 3)

Sector	Mission	Investees
Sustainable Federal Governments	Enable more positive country to live and work, delivering services, infrastructure, and a just, civil society	US Treasuries Inflation Protected Bonds Sovereign bonds
Transportation	Support long-term infrastructure for safe, efficient transport of passengers & cargo	Airports Seaports Highway & road systems
Water & Wastewater	Deliver clean water, and treat used water, for citizens, commerce, and agriculture	Water utilities Wastewater utilities Conduit water providers

Anatomy of a HIP Rating: 5 Pillars of Metrics, Quantifying Hard Data



The HIP Investor : A How-To Guide for Seeking Impact + Profit

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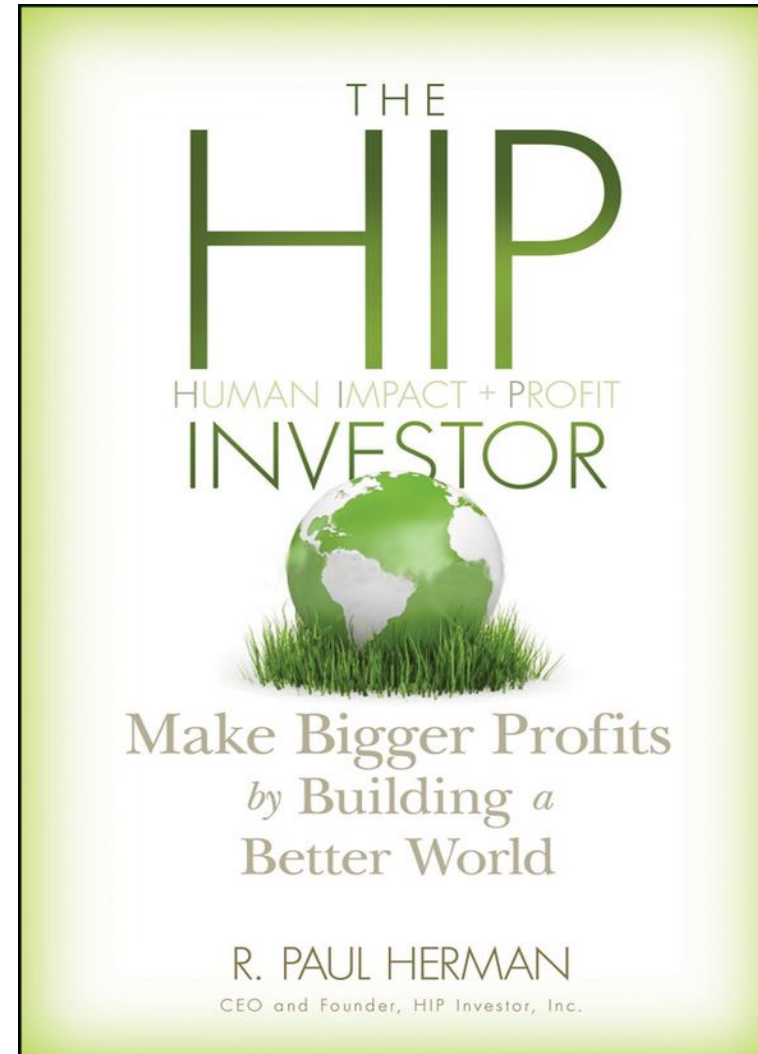
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