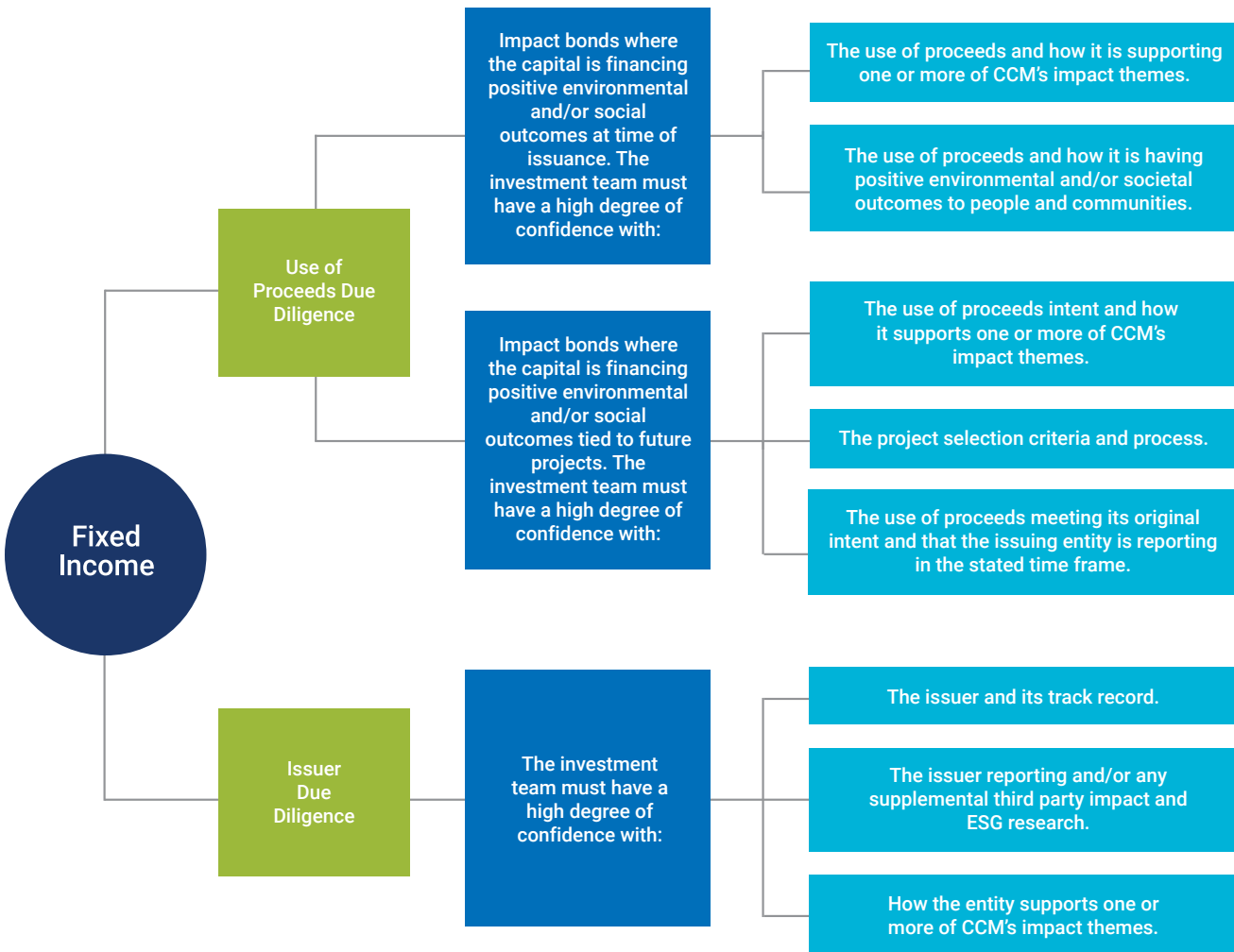


# Fixed Income Impact Investing Framework

For 25 years, CCM has been measuring, monitoring, tracking, and reporting on the expected positive impacts of its fixed income investments. Our fixed income impact framework is built on transparency, detailed reporting, and ongoing monitoring. We require a high level of confidence that the use or intent of proceeds will generate positive environmental and/or social outcomes aligned with one or more of our impact themes, or that the issuing entity supports at least one of these themes.



**Fossil Fuel Free Framework**

CCM invests in securities that we consider to be fossil fuel free. We may invest in a bond whose proceeds will be used to finance activities or projects in clean and renewable energy or other activities that may contribute to the transition to a more sustainable economy, even if the issuer's revenue or profits are partially derived from the fossil fuel sector.

## Thematic Framework

When CCM launched its flagship core fixed income impact investing strategy in 1999, we developed a macro framework to measure impact using six broad categories where each bond fell into one category. In 2015, we took a closer look at the positive impacts of each investment and restructured our impact metrics to include impact themes where each investment could align with more than one theme.

Our impact themes have grown over time, and while the current themes are distinct and diverse, they share certain common characteristics:

- Each theme aims to generate positive environmental and/or social outcomes, which we believe are societal benefits made possible by our investors' capital.
- We seek liquid investment opportunities that align with each impact theme and contribute to the portfolio's overall risk/return profile.
- We prioritize the ability to measure, monitor, and track the expected positive outcomes, with the goal of ensuring transparency in our client reporting.
- We believe that market-rate opportunities will continue to exist, allowing client commitments to individual themes to be fulfilled over time.

We actively advocate for the development of more investment products that support both our existing and future impact themes. By conveying this need to the broader capital markets, we aim to play an ongoing, catalytic role in the creation of new impact investment opportunities.

### Impact Themes

- |  |   |
|--|---|
|  Affordable Health and Rehabilitative Care      |  Gender Lens                                     |
|  Affordable Housing                             |  Human Empowerment                               |
|  Arts, Culture, and the Creative Economy        |  Minority Advancement                            |
|  Disaster Recovery, Resilience, and Remediation |  Poverty Alleviation                             |
|  Education and Childcare                        |  Rural Community Development                     |
|  Enterprise Development and Jobs                |  Seniors, Veterans, and People with Disabilities |
|  Environmental Sustainability                   |  Sustainable Communities                         |

For additional information on CCM's Impact Themes, please click [here](#).

## Place-Based Framework

CCM has been managing place-based impact investments since its inception in 1999. The firm originally focused on place-based impact investments for banks to meet investment test requirements of the Community Reinvestment Act (CRA) – a law intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income (LMI) neighborhoods, consistent with safe and sound banking operation. Today, we partner with a diverse group of place-based impact investors, including foundations, nonprofits, religious organizations, healthcare organizations, and high-net-worth investors.

In the public fixed income space, impact investments can be directly linked to local projects or initiatives that deliver environmental and/or social benefits to specific regions or communities. Our place-based impact framework involves thorough research, analysis, tracking, and reporting on where capital is geographically directed and how it benefits a state, county, or neighborhood—often focusing on underserved, distressed, and low-income areas.

## Impact Reporting

We conduct research, document, and report the expected positive impacts of securities purchased and/or earmarked on behalf of our clients. Our goal is to give clients confidence that their capital is creating meaningful positive environmental and/or social impacts in communities across the nationwide.

For questions on CCM's **fixed income impact investing framework**, please email [info@ccminvests.com](mailto:info@ccminvests.com).

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