

Impact Report



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Introduction

We are pleased to share our 2021 impact report, now in its ninth edition. Our strategies look to have a dual benefit — positive societal impact and competitive financial returns — and show that investing in solutions to environmental and social problems can be profitable and mutually reinforcing. We are increasing the velocity of capital to the underserved and providing an avenue for economic justice and sustainability.

Similar to the beginning of 2020, the first few months of 2021 seemed defined by COVID-19, but instead of lockdowns and the exponential spread of the virus, it was focused on vaccine rollouts, another infusion of relief stimulus, and a new president's agenda. Economic recovery looked to be taking place in the second quarter as many states lifted COVID-19 restrictions and life as we knew it pre-pandemic seemed to slowly get back to a new normal. The economy continued to grow in the third quarter, albeit at a slower pace than the previous six months of the year due to increasing cases of the COVID-19 delta variant and supply shortages across most industries. December saw the emergence of the omicron variant casting a shadow over the economy's pandemic recovery. Prices soared at the end of the year as wages rose too amongst the backdrop of the great resignation. In the Federal Reserve's final meeting of 2021, it was announced they will look to eliminate the emergency quantitative easing (QE) program a few month's ahead of schedule.

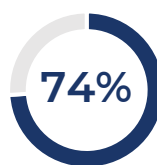
Throughout the pandemic, impact and environmental, social, and governance (ESG) investing thrived. Despite, and possibly because of, COVID-19, 72% of investors reported that they planned to either maintain or increase the volume of capital dedicated to impact investing, according to a survey from the Global Impact Investing Network.¹ And roughly three-quarters of those in the Millennial and Z generations say the crisis has made them more sympathetic to the plight of those around the world, with a strong desire to have a positive impact on their community, according to The Deloitte 2021 Millennial and Gen Z Survey.² The pandemic has acted as a "powerful ESG catalyst," according to a survey from EY

of 320 global investors. The research found that 74% of investors surveyed said they are more likely now to divest based on poor ESG performance than prior to the COVID-19 pandemic, and 86% of investors surveyed said they are more likely now to hold an investment based on its strong ESG performance than prior to the COVID-19 pandemic.³

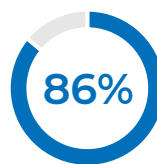
The effects of the pandemic have changed behaviors and outlooks with investors looking at ways to rebuild underserved communities, promote racial equality, evaluate companies' ESG performance, divest from investments based on poor ESG performance, address climate change, and help those most in need. In this report, we share details on how we continue to leverage our 22-year history of pioneering and inventive investment solutions to meet the aforementioned needs, and how as an investor of our clients' capital, we are committed to verifying and reporting on the intended environmental and societal benefits of every security.

ESG Risk is at the Heart of Investment Decision-Making and Portfolio Construction

EY Sixth Global Institutional Investor Survey Results



of investors surveyed said that, since the COVID-19 pandemic, they attach greater importance to corporates' ESG performance when it comes to their investment strategy and decision-making.



of investors surveyed said that a corporate having a strong ESG program and performance would have a significant and direct impact on analyst recommendations today.

Source: EY Institutional Investor Survey

Letter from the CEO and President/COO

In 2021, we were thrilled to reach a new milestone of \$4 billion in assets under management (AUM). We grew the fastest we have ever grown in our 22-year history, surpassing \$4 billion approximately one year after reaching \$3 billion. We were equally excited to see our flagship mutual fund grow to \$3 billion in assets and believe the industry growth combined with the Fund's ability to align with clients' impact objectives and its historical competitive performance drove its progress. Through this growth, we remain committed to exceeding client expectations by providing the highest quality investment management, comprehensive impact reporting, and timely investor services. To assist with these efforts, we added four new team members in 2021.

This past year, we dove deeper into an important topic — affordable homeownership to combat the racial wealth gap in the U.S. For millions, owning a home remains at the heart of the American dream, yet many still are unable to purchase one. The economic fallout of the pandemic stands to exacerbate the nation's sizable affordable housing shortage and crisis.⁴ To introduce the series, in February, we wrote a new report, [Addressing the Black Homeownership Gap in America](#), and shared several new perspectives on the topic including how the Community Reinvestment Act (CRA) is essential for promoting affordable homeownership.

The CRA is a U.S. federal law designed to encourage commercial banks and savings associations to help meet the credit needs of borrowers in all segments of their communities, including low- and moderate-income (LMI) neighborhoods, and is how CCM got its start. Banks were our first investors that used our customized approach to fixed income impact investing by targeting geographic regions where they operate. The CRA continues to evolve, and in September, we were pleased to see the Office of the Comptroller of the Currency (OCC) make good on a promise to rescind the agency's unilateral reforms of the CRA with its issuance of a Notice of Proposed Rulemaking (NPR). In addition, the agency is committed to working with the Federal Reserve and FDIC on a future joint rulemaking to develop a consistent framework across all banks. Our [6th Annual CRA Investing Survey](#), shared in October, included several questions on CRA changes and modernization. We also shared our [3rd Annual Impact and ESG Investing Survey](#) at the same time with educational data points on impact investing across asset classes, most popular impact areas, and what are the most important factors when looking for impact and ESG investing managers. We invite you to read both surveys as they reflect the most up-to-date opinions of investors in the evolving impact investing industry.



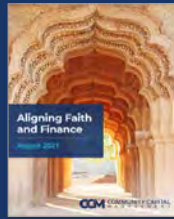
Affordable Homeownership Thought Leadership 2021

- **Report:** Addressing the Black Homeownership Gap in America
- **Perspectives:** The Correlation of Affordable Housing and Health; The Ongoing Challenges of Affordable Housing for Black and Minority Families; CRA: Essential Legislation for Promoting Affordable Homeownership to Underserved Communities
- **Webinar:** Investing in the Dignity of Homeownership
- **5in5 video:** Affordable Homeownership

The CRA is critically important for promoting home mortgage lending to traditionally underserved populations, including narrowing the growing inequalities in wealth and income.

The mission of CCM's Impact Institute is to propel collaboration and explore advancement in the space by providing a forum for impact investment insights, thought leadership, and education.

Impact Institute



All of our content, including surveys, are now part of our newly launched Impact Institute, an innovative hub for in-house research and knowledge sharing on impact investing. Other new 2021 reports in the Institute include [Aligning Faith and Finance](#), [Place-Based Impact Investing](#), and several other research pieces and perspectives on a variety of topics from [Diversity, Equity, and Inclusion \(DEI\)](#) to the [Great Wealth Transfer](#). We also launched our new 5in5 video series, which features five questions in five minutes on relevant and timely topics in impact and ESG investing.

Our 2020 initiatives — Minority Community Advancement Racial Empowerment Strategy (CARES) and COVID-19 Relief — continued to grow in 2021. As of the end of the year, we have invested on behalf of clients \$1.1 billion and \$120 million, respectively, in these programs since their inceptions.⁵

In an effort to further support these two issues as well as those in other impact areas, we signed on to several investor statements and commitments in 2021. Highlights include:

- Green America urging the Securities and Exchange Commission (SEC) to uphold the current shareholder resolution process that allows investors — even small investors — to raise crucial social, environmental, and corporate governance issues with Corporate America
- Domini Impact Investments, the Interfaith Center on Corporate Responsibility (ICCR), and the New York City Comptroller's Office Statement to the business community in response to the Coronavirus crisis
- ICCR's Investor Statement of Solidarity and Call to Action to Address Systemic Racism
- The Net Zero Asset Managers Commitment is an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius, and to supporting investing aligned with net zero emissions by 2050 or sooner⁶
- ICCR's Investor Letter on Permanent Federal Paid Family and Medical Leave, representing \$1.6 trillion in assets under management, calling on the U.S. Congress to pass a comprehensive and permanent federal paid family and medical leave program by the end of 2021

Climate change is at the heart of investment decision-making according to EY's sixth global institutional investor survey. A United Nations scientific report issued in August by the Intergovernmental Panel on Climate Change noted that even if nations started sharply cutting emissions today, total global warming is likely to rise around 1.5 degrees Celsius within the next two decades, a hotter future that is now essentially locked in. Climate change is real and intensifying, and its impacts will be catastrophic if we do not act now.

Over the summer, we introduced the Impact Shares Affordable Housing MBS ETF (Ticker: OWNS), for which we serve as sub-adviser. OWNS aligns with our mission and many of our impact themes and initiatives as it is designed to support the preservation and growth of affordable homeownership by creating financing for LMI borrowers. OWNS offers investors a capital markets solution for bridging the racial wealth gap to help address the affordable housing crisis in the U.S. and seeks to make a positive impact on the well-being of individuals, families, and communities.

To close out the year, we hosted our fifth annual impact awards competition with Baker School Apartments in Denver, CO winning this year's prize based on votes from all of you. As we have done in prior years, the winner was awarded a \$10,000 donation.



WINNER

Baker School Apartments
Denver, CO

Baker School Apartments is a Low-Income Housing Tax Credit (LIHTC) property where all 142 units are reserved for low-income residents whose income does not exceed 60% of the area median income. The property is in a moderate-income, majority-minority, and high-poverty census tract where 68% of the population are minorities and 31% live below the poverty line. Constructed in 2018, the property was fitted with solar panels to help decrease traditional energy use. Baker School Apartments feature Energy-star appliances, an in-unit washer and dryer, and a private patio or balcony. The Apartments offers its residents amenities including a community kitchen, classroom, business center, fitness center, dog park, playground, and counseling rooms. All utilities are included in the rent.

Baker School Apartments is owned and managed by Delwest Management, which has partnered with local Denver organizations to provide supportive services to residents. These organizations include Maiker Housing Partners



Image Source: Baker School Apartments

(formerly Unison Housing Partners), a socially conscious housing authority that seeks to create attainable and sustainable housing and communities for vulnerable families and individuals, and Growing Home, a non-profit serving children and families in north metro Denver. Growing Home provides high-need services at Baker School Apartments including after-school programs, cooking classes, and financial planning assistance for all residents and for the surrounding community.

During the early stages of the COVID-19 vaccination rollout in the spring of 2021, Delwest partnered with the Colorado Department of Health to host a two-part, free vaccination clinic. Approximately 100 residents from Delwest affordable housing developments as well as community members who might have otherwise had a hard time accessing the vaccine received the Pfizer two-part dose.

Impact Themes This Investment Helped Support:

- Affordable Health and Rehabilitation Care
- Affordable Housing
- Disaster Recovery, Resilience, and Remediation
- Economic Inclusion
- Education and Childcare
- Healthy Communities
- Human Empowerment
- Minority Advancement
- Poverty Alleviation

While much of the year remained virtual — for employees and for conferences and events — we were still able to celebrate some milestones via Zoom and even start a new CCM book club. We were excited to come together as a firm for the first time in two years at an offsite retreat in November. Employees enjoyed in-person team building activities and spending some time away from the “office.” We hope you enjoy reading our 2021 annual impact report and thank our clients, colleagues, and friends for their ongoing support.

Sincerely,



Todd Cohen
Founder and CEO



Alyssa Greenspan, CFA
President and Chief Operating Officer



CCM team members re-unite for the first time in nearly two years at the firm's first offsite retreat where they collaborated and participated in team-building activities.



About CCM



About CCM

CCM is an independently owned investment adviser with \$4.2 billion in AUM and a 22-year history of client customization and management of impact and ESG investment strategies. To date, we have invested approximately \$12.6 billion in impact and ESG investments across the U.S. on behalf of investors. Working through a network of investment consultants and advisors, we serve a wide variety of clients including faith-based investors, endowments, foundations, healthcare organizations, non-profits, public funds, and high net worth individuals.



Our mission seeks to deliver superior risk-adjusted returns through investment strategies that contribute to positive environmental and social outcomes.



In August, we released a new perspective, **"Diversity, Equity, and Inclusion in the Workplace,"** which shares details on CCM's DEI commitment.

DEI

CCM is committed to the principles of DEI. The firm believes that diversity in the decision-making process enhances results, and as such, we facilitate diversity in employee hiring, training, and promotion and consider diversity factors in our investment processes. In an effort to cultivate an inclusive work environment in which all employees are meaningfully engaged and can develop and succeed, CCM developed a DEI Strategic Plan for fiscal years 2021–2024 to provide a blueprint to build upon. This plan includes measurable actions that are designed to help fully integrate diversity, inclusion, and opportunity in the strategic decision-making of the firm, enhance organizational effectiveness, and meet future challenges. It envisions that CCM leadership and managers in all departments will assume direct responsibility for its implementation, recognizing that promoting diversity and inclusion and ensuring equal opportunity are both an individual and a collective responsibility and should be a prominent part of the fabric and culture of the firm.

Members of CCM's DEI Committee



James Malone, CFA

Chief Financial & Diversity Officer



Alyssa Greenspan, CFA

President & Chief Operating Officer



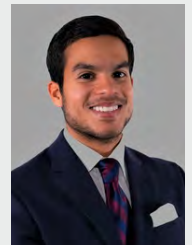
Andy Kaufman

Chief Investment Officer



Priscilla Lozevski

Head of Operations



Daniel Caballero

Investment Analyst



DEI has been part of our culture since its founding 22 years ago. In 2020, we thought it was prudent to formalize these time-tested practices and created a new DEI committee shaped by our values and our work with team members across the firm and with different backgrounds and life experiences.

— James Malone, Chief Financial and Diversity Officer

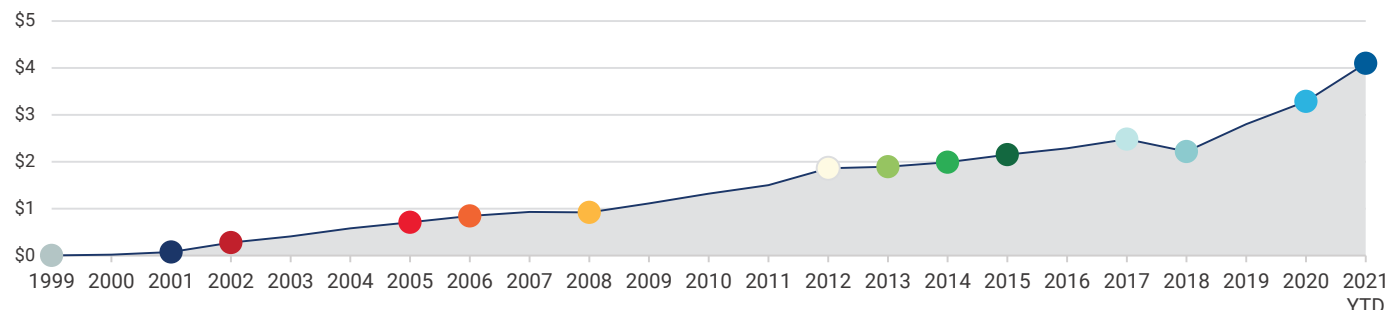
Evolution of Impact Investing

Background

- CCM was founded in 1998, and our flagship core bond fund was launched in August 1999. The earliest investors were predominantly banks looking to meet community development investing under the requirements of the Community Reinvestment Act (CRA).
- Given the subsequent growth in demand for impact and ESG investments from institutions and individual investors, the firm began managing separate accounts in 2001 and launched an institutional and retail share class of its flagship fund in 2007.
- In keeping with the firm's impact and ESG investing focus, in 2013, the firm responded to investor demand for an income-driven, market neutral, impact and ESG fund and thus launched its liquid alternative mutual fund.
- In late 2017, we were appointed advisor to two impact equity mutual funds.
- In 2021, we became the sub-advisor to the Impact Share Affordable Housing MBS ETF, managed by Impact Shares Corp.

Firm and Impact Highlights Over the Years

CCM Asset Growth | In \$Billions

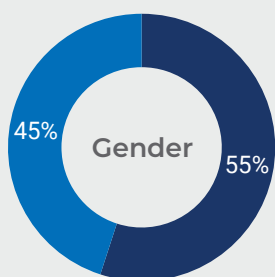


<p>1999 • Launched the CCM Community Impact Bond Fund (f/k/a CRA Qualified Investment Fund)</p>	<p>2013 • Created the first liquid alternative income fund to incorporate impact and ESG metrics</p>
<p>2001 • Introduced concept of “direct impact investing” • Large foundation approached us to manage a mission-related investment portfolio</p>	<p>2014 • Began our first sustainable agriculture initiative with \$50 million devoted to agriculturally-sustainable businesses • Distributed CCM's first impact report</p>
<p>2002 • Commenced our first impact initiative: \$5 million to CDFIs • Made our first “gender lens” investment financing a business incubator for women-owned businesses</p>	<p>2015 • Formalized 14 impact themes • Completed our 1000th bank CRA exam</p>
<p>2005 • Launched \$100 million initiative for disaster recovery relief in the Gulf Coast (Hurricane Rita & Katrina)</p>	<p>2017 • Added 3 new impact themes </p>
<p>2006 • Started our first small business initiative with \$50 million committed to enterprise development/jobs • Launched \$250 million impact initiative in California</p>	<p>2018 • Began managing two equity mutual funds • Added “Economic Inclusion” as our 18th impact theme </p>
<p>2008 • Opened our first separate account dedicated to environmental initiatives and green programs</p>	<p>2020 • Launched Covid-19 Relief and Minority CARES Initiatives</p>
<p>2012 • Launched \$100 million initiative for disaster recovery relief for Superstorm Sandy</p>	<p>2021 • Changed name of flagship fund to CCM Community Impact Bond Fund • Launched Impact Shares Affordable Housing MBS ETF (Ticker: OWNS) • Surpassed \$4 billion in AUM</p>

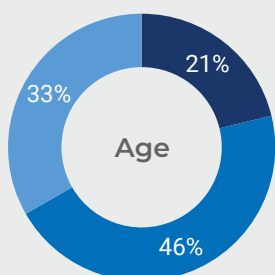
Team

We are extremely proud of our team members and their dedication to making CCM a leading impact and ESG investing manager. They all play a pivotal role at the firm, and it is important to recognize their talent, commitment, and diversity.

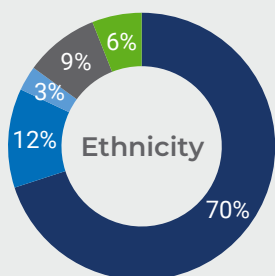
Diversity Breakdown of CCM Employees



■ Men
■ Women



■ Under 30
■ 30-50
■ Over 50



■ White ■ Asian
■ Hispanic/Latino
■ Black/African American
■ Two or More Races

Leadership



Todd Cohen

Founder, CEO



Alyssa Greenspan, CFA

President and Chief Operating Officer

Investment Team



Andy Kaufman

Chief Investment Officer



Kristin Fafard, CFA

Chief Investment Strategist



David Sand

Chief Impact Strategist



Jessica Botelho

Director of Impact and CRA Research



Elliot Gilfarb, CFA

Head of Fixed Income



Julie Egan

Director of Research/PM



Thomas Lott

Portfolio Manager



Alex Alario

Jr. Portfolio Manager



Cayce Shawn

Trader



Allison Glansberg

Investment Analyst



Daniel Caballero

Investment Analyst



Shonali Pal

Investment Analyst



Max Esperance

Performance and Reporting Analyst



Amina Rubin

Impact Research and Reporting Associate



Christian Calnan

Impact Research and Reporting Associate

Business Management



**James
Malone, CFA**

Chief Financial
and Diversity
Officer



**Stefanie J.
Little**

Chief
Compliance
Officer*



**Melodie
Dinkins**

Administrative
Manager

Marketing



**Jamie
Horwitz**

Chief Marketing
Officer



**Barbara
Seaman**

Sales and
Marketing
Specialist

Operations and Technology



**Priscilla
Lozevski**

Head of
Operations



**Wei Wei,
CFA**

Senior Systems
Architect



**Aaron
Strassman**

Operations
Specialist



**Alex
Trifan**

Operations
Analyst



**Frank
Valles**

Operations and
Compliance
Analyst

Sales and Client Services



**Andy
Shafter**

Sr. Client
Portfolio
Manager



**Martha
Schuman**

Sr. Client
Portfolio
Manager



**Joffrey
Pearlman**

Sr. Client
Portfolio
Manager



**Michelle
DeLaCruz**

Client Portfolio
Manager



**Maria
Leon**

Client Service
Manager



**Jackson
Silverstein**

Business
Development
Associate

**Outsourced position*



There was a lot of media attention on ‘greenwashing’ throughout the year. As a pioneer in impact and ESG investing, CCM seeks to invest in high-quality, well-researched bonds that have positive societal impacts, requiring transparency into the use of proceeds and measurement of their anticipated corresponding impact.

— Jessica Botelho,
Director of Impact
and CRA Research

Investment Strategies

Our strategies utilize an innovative approach to fixed income and equity investing combining measurable environmental and social positive impacts with rigorous financial analysis, an inherent focus on risk management, and transparent research. We have seen significant growth in the demand for our pioneering impact and ESG investment strategies over the last decade from a variety of investors, including endowments, foundations, faith-based organizations, high net worth investors, non-profits, and healthcare organizations. Strategies are available in separate accounts, mutual funds, and exchange-traded funds, and we develop custom solutions for clients based on their missions and values. Examples include place-based impact investing portfolios, faith-based alignment, and sustainably focused initiatives.

FIXED INCOME

Mutual Fund

CCM Community Impact Bond Fund

- For Banks: CRAIX
- For Institutions: CRANX
- For Individuals: CRATX

ETF (Sub-Adviser)

Impact Shares Affordable Housing
MBS ETF

Separate Accounts

Core Fixed Income
Mortgage-Backed Securities
Securitized
Tax-Exempt Municipals

EQUITIES

Mutual Fund

CCM Core Impact Equity Fund:
QUAGX/QAGIX

CCM Small/Mid-Cap Impact Value
Fund: QUSVX/QSVIX

ALTERNATIVES

Mutual Fund

CCM Alternative Income Fund: CCMNX

The firm has expanded from managing U.S. high credit quality taxable fixed income impact strategies to impact and ESG investing strategies across asset classes. While the impact metrics and outcomes captured vary, we execute on our philosophy similarly:

- CCM manages assets that align with one or more of 18 impact themes. Initially developed for the firm’s work in fixed income, we have expanded the use of these impact themes across all asset classes.
- We look for affirmative, bottom-up expressions of impact and ESG qualifications.
- Our two-fold approach seeks positive impact and ESG attributes that align with our impact themes while also avoiding investments which we believe are inconsistent with these themes.

Impact Customization

We have provided client customization for over two decades within our fixed income portfolios. Customization allows investors to direct their capital to support specific geographies (also known as place-based impact investing), impact themes, or impact initiatives. It can take place in a separate account or in our flagship mutual fund.

Investment Vehicles

Mutual Fund (CCM Community Impact Bond Fund): Clients invested in the Fund complete an impact customization form specifying their impact theme(s), initiative(s), or geographic region(s).

Separate Account: Clients invested in a separate account complete an investment management agreement, which includes specifying their impact theme(s), initiative(s), or geographic region(s).



Visit www.ccminvests.com to watch our video on customization in our mutual fund.

Impact by Geography

Investments can target geographic regions down to the county level. Investors can choose multiple geographies within different counties, states, and/or regions with the investments supporting a variety of CCM's 18 impact themes.



Investments by geography will support a variety of our 18 impact themes.

or

Impact by Theme

Investments can target one or more of 18 impact themes. When a client selects this option, each investment will align with at least one of those specified impact themes. These investments can be anywhere in the U.S.



Target One Impact Theme

or Multiple Impact Themes



For full descriptions of all 18 impact themes, click [here](#).

or

Impact by Initiative

Investments can target one or both of our impact initiatives: COVID-19 Relief or Minority CARES. These investments can be anywhere in the U.S.



For more information on our initiatives, visit www.ccminvests.com.

CCM's proprietary impact tracking and reporting system measures, monitors, and tracks the positive impact attributes of every investment.



Fixed Income Customization



Impact Themes

As part of our impact customization, clients receive tailored impact reporting detailing the positive impact outcomes of their investments and their multiple environmental and social benefits to society and their communities. CCM's technology tracks and quantifies each client's specific impact — allowing the portfolio to fully align with the client's impact objectives. Clients meeting minimum asset requirements receive quarterly impact reports that include comprehensive impact metrics such as geographic mapping and impact theme alignment. Our impact reports additionally include a mix of quantitative data and qualitative details, also known as impact stories. These reports aggregate the value of the individual earmarked investments to illustrate the cumulative impact that each client's investments have over time.

In 2021, we created, [Fixed Income Customization](#), a piece illustrating how bespoke impact investing works at CCM. In addition, we updated our [Impact Themes](#) which includes descriptions of our 18 impact themes. At the beginning of each calendar year, our Impact and CRA Committee has a meeting to review our impact themes and make suggestions for modifications. Many of the changes are a result of discussions with clients, the ongoing and evolving needs of communities, the types of impact investments that come to market, and additional or new impact data points that align with our themes. Following our January 2021 gathering, we made slight updates to some of our impact theme definitions in addition to the adjustments below.

2021 Impact Theme Updates

- **Arts and Culture** impact theme now includes the creative economy. This includes investments supporting ethical fashion, sustainable food, social impact media, creative places, and other elements of the creative economy.
- Government Supported Communities impact theme is consolidated into a new impact theme, **Poverty Alleviation**, with additional statistical measures added for tracking. Poverty is one of the most persistent of economic problems in the U.S. with many census tracts and counties scoring below national averages in income, wealth, education, employment, health outcomes, economic mobility, and generational advancement. Poverty alleviation better encompasses the impact of the theme with additional statistical measures used for tracking and alignment.
- **Rural Community Development** impact theme includes additional metrics for tracking. Rural community development includes counties that are not part of a Metropolitan Statistical Area (MSA) or a census tract in an MSA that is outside of the MSA's Urbanized Areas, as designated by the U.S. Department of Agriculture's (USDA) Rural-Urban Commuting Area (RUCA) Code #1, and outside of tracts with a housing density of over 64 housing units per square mile for USDA's RUCA Code #2.
- **Transit-Oriented Development** includes High Transit® Scores. Transit Score® is a patented measure of how well a location is served by public transit on a scale from 0 to 100. The Transit Score® algorithm calculates a score for a specific point by summing the relative "usefulness" of nearby routes. Transit Score® defines usefulness as the distance to the nearest stop on the route, the frequency of the route, and type of route.



The United Nations Sustainable Development Goals (SDGs), released in September 2015, aim to end all forms of poverty, fight inequalities, and tackle climate change while ensuring that no one is left behind.⁷ They are the blueprint to achieve a better and more sustainable future for all. While CCM's impact themes pre-date the SDGs, we believe they seek to unite like-minded investment managers and have the greatest usage and traction across the industry.

CCM's Impact Themes and the SDGs

Many of CCM's 18 impact themes overlap with the SDGs from human empowerment to environmental sustainability to education and childcare. We have identified below which of our impact themes have the greatest alignment to the SDGs according to the SDG framework.

UN SDG	CCM Impact Themes	UN SDG	CCM Impact Themes
1 NO POVERTY No Poverty	Affordable Health and Rehabilitation Care Affordable Housing Disaster Recovery, Resilience, and Remediation Economic Inclusion Environmental Sustainability Gender Lens Human Empowerment Poverty Alleviation	8 DECENT WORK AND ECONOMIC GROWTH Decent Work and Economic Growth	Economic Inclusion Enterprise Development and Jobs Gender Lens Human Empowerment Minority Advancement Seniors and the Disabled
2 ZERO HUNGER Zero Hunger	Disaster Recovery, Resilience, and Remediation Economic Inclusion Gender Lens Rural Community Development Sustainable Agriculture	9 INDUSTRY, INNOVATION, AND INFRASTRUCTURE Industry, Innovation, and Infrastructure	Disaster Recovery, Resilience, and Remediation Economic Inclusion Environmental Sustainability Neighborhood Revitalization Transit-Oriented Development
3 GOOD HEALTH AND WELL-BEING Good Health and Well-Being	Affordable Health and Rehabilitation Care Disaster Recovery, Resilience, and Remediation Healthy Communities Poverty Alleviation	10 REDUCED INEQUALITIES Reduced Inequalities	Economic Inclusion Human Empowerment Minority Advancement Poverty Alleviation
4 QUALITY EDUCATION Quality Education	Education and Childcare Gender Lens	11 SUSTAINABLE CITIES AND COMMUNITIES Sustainable Cities and Communities	Affordable Housing Disaster Recovery, Resilience, and Remediation Economic Inclusion Environmental Sustainability Gender Lens Minority Advancement Poverty Alleviation Seniors and the Disabled Transit-Oriented Development
5 GENDER EQUALITY Gender Equality	Gender Lens	12 RESPONSIBLE CONSUMPTION AND PRODUCTION Responsible Consumption and Production	Arts, Culture, and the Creative Economy Environmental Sustainability
6 CLEAN WATER AND SANITATION Clean Water and Sanitation	Disaster Recovery, Resilience, and Remediation Environmental Sustainability Gender Lens	13 CLIMATE ACTION Climate Action	Disaster Recovery, Resilience, and Remediation Environmental Sustainability
7 AFFORDABLE AND CLEAN ENERGY Affordable and Clean Energy	Environmental Sustainability		

**Impact Themes
This Investment
Helped Support:**



Affordable
Housing



Environmental
Sustainability



Healthy
Communities



Minority
Advancement



Poverty
Alleviation



Transit-Oriented
Development

Case Study: Geography

Client: **Foundation**

Target: **New York City (all 5 boroughs)**

Sector: **Taxable Municipals**



The New York City Housing Development Corporation (NYCHDC)⁸ will use bond proceeds to finance two senior mortgage loans and one subordinate mortgage loan for two multifamily affordable housing properties. The projects financed provide 599 total units of affordable housing for low- and moderate-income residents in Manhattan and the Bronx. The NYCHDC mission is to provide financing to increase the city's supply of multifamily housing, stimulate economic growth, and revitalize neighborhoods through the creation and preservation of affordable housing for low-, moderate-, and middle-income city residents. To further this purpose, NYCHDC seeks to foster thriving, diverse, and sustainable neighborhoods; finance new construction for residents of a mix of incomes; preserve affordability within existing housing stock; and protect the city's most vulnerable residents through supportive housing developments. NYCHDC staff have evaluated the developments to be funded and selected them in part based on the developments' alignment with the NYCHDC mission.

The 2021 bonds, which allow investors to invest directly in bonds that finance socially beneficial projects, are designated as Sustainable Development Bonds. The corporation's Sustainable Development Bonds designation reflects the use of bond proceeds in a manner that is consistent with the Social Bond Principals and the Sustainability Bond Guidelines as promulgated by the International Capital Markets Association.⁹ NYCHDC has determined that the Bond proceeds are consistent with the following United Nation's Sustainable Development Goals: Goal 1: No Poverty and Goal 11: Sustainable Cities and Communities.



Case Study: Impact Theme(s)

Client: **Non-Profit**

Target: **Economic Inclusion, Poverty Alleviation, Rural Community Development, and Sustainable Agriculture**

Sector: **Corporate Bonds**

Local Initiatives Support Corporation (LISC)¹⁰ is a national non-profit Community Development Financial Institution (CDFI) certified by the U.S. Department of the Treasury to provide financial products and services for under-resourced communities and populations. In October 2021, LISC issued \$200 million of LISC Impact Notes to finance community and economic development across the U.S. and to help revitalize underserved communities, build economic opportunity, and bridge the racial wealth gap. It will use proceeds of the Impact Notes to refinance existing debt and to further its mission to support neighborhood and community development organizations and businesses that foster improvement of economic conditions; develop affordable housing and other physical facilities; provide amenities and services; and other activities that help revitalize disinvested communities and benefit low-wealth individuals and families.

Impact Themes This Investment Helped Support:



Arts, Culture, and the Creative Economy



Affordable Health and Rehabilitation Care



Affordable Housing



Disaster Recovery, Resilience, and Remediation



Economic Inclusion



Education and Childcare



Enterprise Development and Jobs



Human Empowerment



Healthy Communities



Minority Advancement



Poverty Alleviation



Neighborhood Revitalization



Rural Community Development

Case Study: Impact Initiative

Client: **Religious**

Target: **Minority CARES**

Sector: **Agency CMBS**

The Congress Building Apartments¹¹ is a Low-Income Housing Tax Credit (LIHTC) property in Miami, Florida, with 128 units. To qualify for the LIHTC allocation, the property owner agreed to reserve 117 units (91%) for very-low-income residents for a period of 50 years. Under an agreement with the Florida Housing Finance Corporation, these units will continue to be reserved for low-income residents for an additional 35 years after the first agreement ends. The property is in a majority-minority census tract where 62% of the population are minorities.

Originally built as an office building in 1925, the Congress Building Apartments is listed in the National Register of Historic Places. With a full renovation in 1999, the high-rise building in downtown Miami was converted to residential apartments along with 6,000 square feet of commercial space on the ground floor. A community room, fitness center, and laundry facility were added on the second floor. It provides on-site tenant activities, including financial counseling, education courses, job training, and health-care services on at least a quarterly basis. For tenants in affordable units who wish to become homeowners, the developer agreed to contribute 5% of the tenant's monthly rent for up to three years toward the tenant's purchase of a home within 60 days of moving out of the Congress Building. The developer is committed to actively helping tenants participate in work-ready and/or self-sufficiency programs.

Impact Themes This Investment Helped Support:



Affordable Health and Rehabilitation Care



Affordable Housing



Economic Inclusion



Enterprise Development and Jobs



Human Empowerment



Environmental Sustainability



Healthy Communities



Minority Advancement



Seniors and the Disabled



Transit-Oriented Development

CCM team members Elliot Gilfarb and Danny Caballero visit an affordable rental housing property in Hollywood, Florida that one of our investments helped finance.



2021 Investment Impact

2021 Investment Impact

This section details our 2021 impact metrics in both fixed income and equities and explains in more detail our innovative approach to impact measurement including ongoing monitoring, tracking, and reporting.

Impact Metrics

Fixed Income¹²

CCM's fixed income strategies invest in high-quality, well-researched bonds where we have confidence that the use of the proceeds will have positive societal impacts. We must be able to quantify and report on the expected impact outcomes and/or detail the qualitative benefits of each investment. This involves monitoring bonds on an ongoing basis and monitoring bonds with eligible social project selection and reporting criteria. Each of the bonds that we select for a portfolio must meet our stringent impact and financial criteria. Our impact criteria includes:



Use of Proceeds

The use of proceeds must positively impact a community in one or more ways.



Transparency

Our proprietary approach, whereby we have visibility into the use of bond proceeds, allows us to better understand the financed programs and have confidence in their expected positive environmental and social outcomes.



Reporting

We must be able to quantify and report on the expected impact and/or detail the qualitative benefits of the investment. Quantitative data can include the number of jobs created or the number of affordable housing units as well as dollar amounts invested in impact themes. Qualitative research is the “story,” so to speak, which includes detailed explanations of what the security is financing. We report to clients on the positive impact outcomes of their investments and offer institutional clients the opportunity to customize their fixed income portfolios by geographies or impact themes.

2021 Comprehensive Impact: \$1.9 billion

The firm has invested approximately \$12.6 billion in impact and ESG initiatives nationwide on behalf of clients, from inception through December 31, 2021. This includes approximately \$1.9 billion invested in 2021 among the following broad categories:



Affordable Healthcare and Rehabilitation Facilities

\$1M

In affordable healthcare, rehabilitation care, and opportunities that promote wellness



Economic and Environmental Initiatives

\$804M

In green projects, neighborhood revitalization, healthy communities, and general community development



Affordable Mortgages

\$386M

financing approximately 2,500 affordable mortgages



Enterprise Development and Job Creation

\$0M

In job creation opportunities, access to capital, and small business development



Affordable Rental Housing

\$654M

financing approximately 97,000 affordable rental housing units



Statewide Homeownership

\$55M

Financing for affordable homeownership, assistance with down payments, and first-time homebuyer programs

Comprehensive impact allows for each investment to fall within only one of the categories above. For example, some of our investments have a job creation component in addition to other social and economic initiatives, where it then falls in the one category of "Economic and Environmental Initiatives." In our impact by theme calculation, each investment aligns with one or more impact themes to be able to see all impact outcomes from each investment. Most of our investments have multiple impact theme alignment.



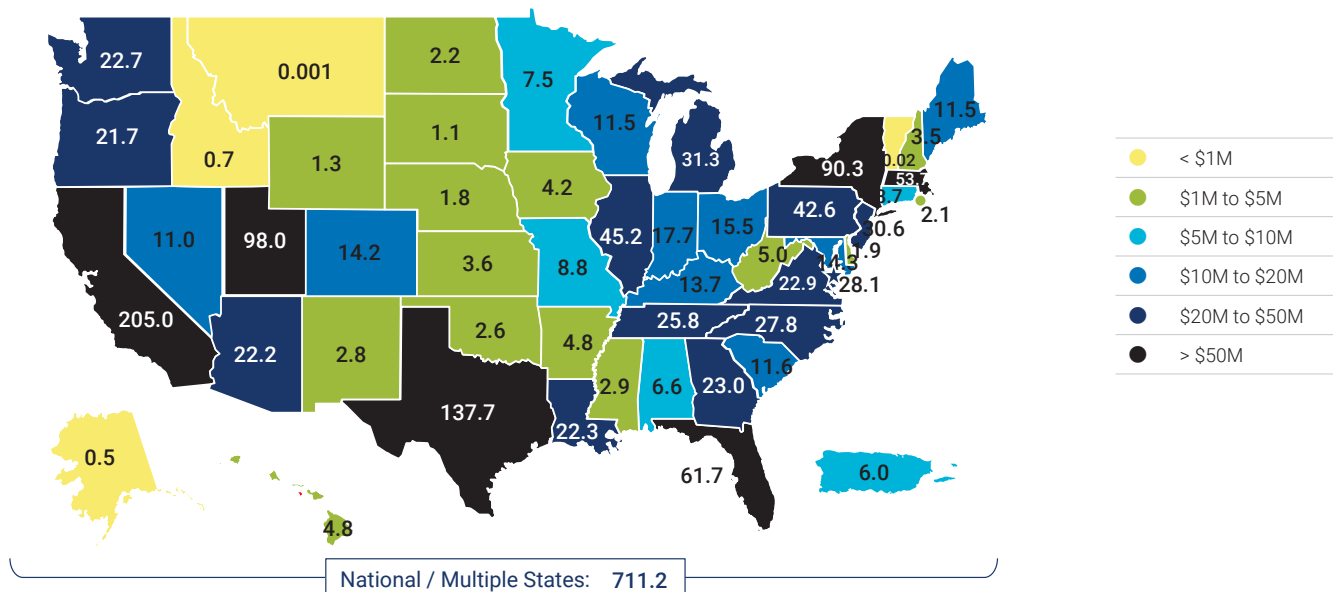
2021 Impact by Theme

One investment can deliver multiple positive societal outcomes. The chart below shows impact metrics across all fixed income investments as of December 31, 2021, and how they align with one or more of 18 impact themes.



2021 Impact by Geography (In \$Millions)

The map below shows investment impact by state for all fixed income investments purchased in 2021 on behalf of clients.



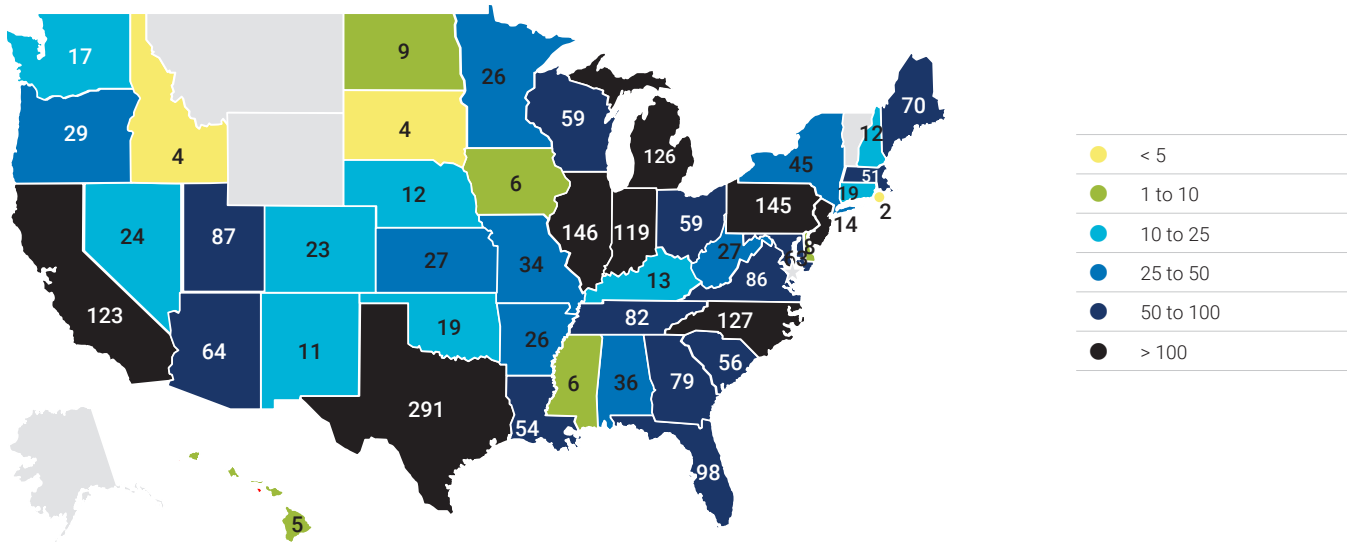
2021 Hybrid Impact: Themes and Geographies

Some of our themes allow us to calculate and report on additional impact metrics and outcomes in specific geographies.

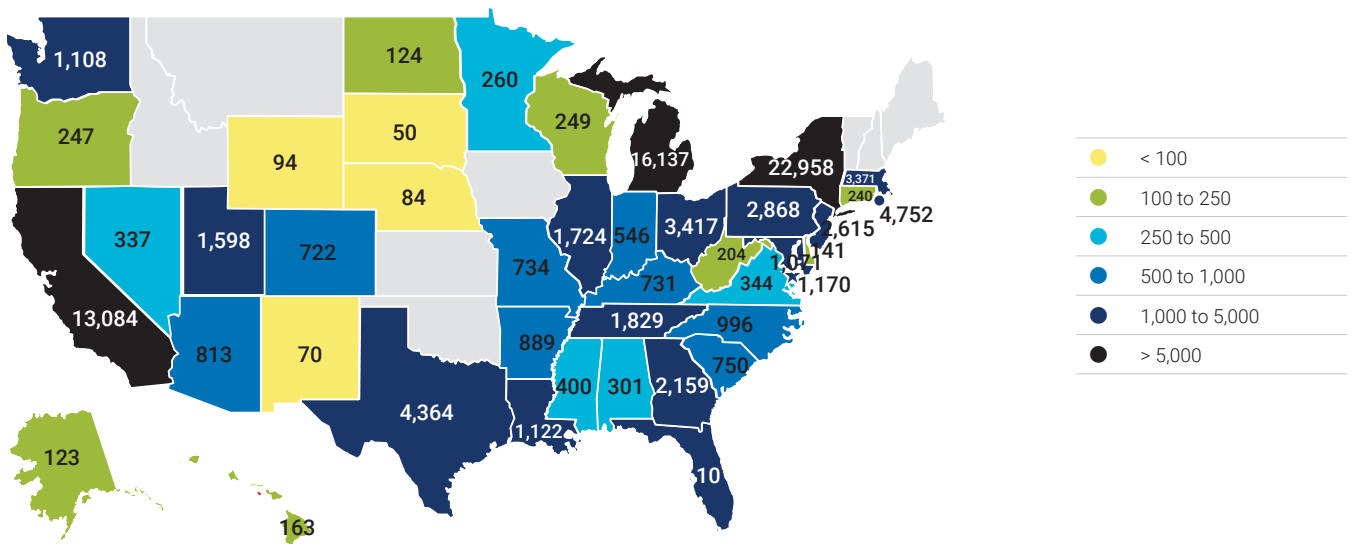
Affordable Housing

This impact theme provides details on the number of affordable loans by state and the number of affordable rental housing units by state. We have included metrics in 2021 for these impact outcomes at the state level below.

Affordable Mortgages by State



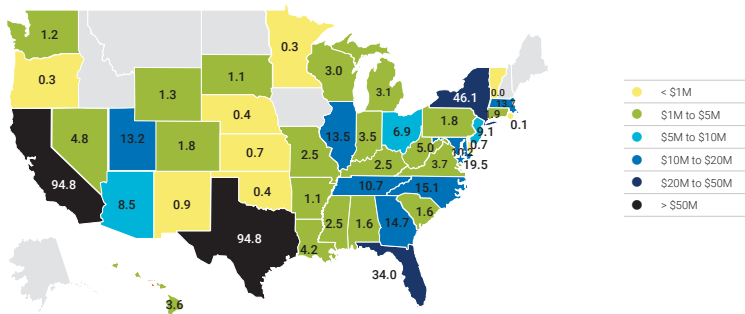
Affordable Rental Housing Units by State



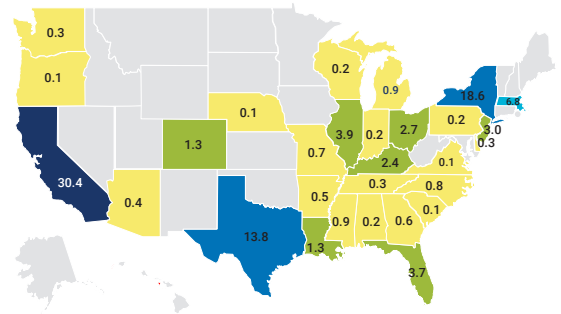
Minority Advancement

This impact theme uses statistical measures, including majority-minority census tracts and racially or ethnically concentrated areas of poverty (R/ECAP), to track investments benefiting people and communities of color. We have included some of these metrics for 2021 at the state level below.¹³

Investments (in \$Millions) in Majority-Minority Census Tracts by State



Investments (in \$Millions) in R/ECAPs by State



Environmental Sustainability, Healthy Communities, Transit-Oriented Development

These impact themes use Walk Scores®, Bike Scores®, and/or Transit Scores® in their criteria. CCM includes investments in these respective impact themes when they have a Walk, Bike, and/or Transit Scores® above 70.

What is a Walk Score®, Transit Score®, and Bike Score®?¹⁴

Walk Score	Transit Score	Bike Score
<p>Walk Score's mission is to promote walkable neighborhoods.</p> <p>Walkable neighborhoods are one of the simplest and best solutions for the environment, overall health, and the economy.</p> <p>Walk Score wants to make it easy for people to evaluate walkability and transportation when choosing where to live.</p>	<p>Transit Score is a patented measure of how well a location is served by public transit on a scale from 0 to 100.</p> <p>The Transit Score algorithm calculates a score for a specific point by summing the relative "usefulness" of nearby routes.</p> <p>Usefulness is defined as the distance to the nearest stop on the route, the frequency of the route, and the type of route.</p>	<p>Bike Score measures whether a location is good for biking on a scale from 0 to 100 based on four equally weighted components:</p> <ul style="list-style-type: none"> Bike lanes Destinations and road connectivity Hills Bike commuting mode share <p>The goal with Bike Score is to provide an easy way to evaluate bikeability at a specific location.</p> <p>Bike Score can be used by people looking for a bikeable place to live or by urban planners looking to do research on bikeability.</p>
90–100 Walker's Paradise Daily errands do not require a car	90–100 Rider's Paradise World-class public transportation	90–100 Biker's Paradise Daily errands can be accomplished on a bike
70–89 Very Walkable Most errands can be accomplished on foot	70–89 Excellent Transit Transit is convenient for most trips	70–89 Very Bikeable Biking is convenient for most trips
50–69 Somewhat Walkable Some errands can be accomplished on foot	50–69 Good Transit Many nearby public transportation options	50–69 Bikeable Some bike infrastructure
25–49 Car-Dependent Most errands require a car	25–49 Some Transit A few nearby public transportation options	0–49 Somewhat Bikeable Most errands require a car
0–24 Car-Dependent Almost all errands require a car	0–24 Minimal Transit It is possible to get on a bus	<p>MORE OF THIS</p> <p>LESS OF THIS</p>

Equities

Our impact and ESG criteria for equities includes four categories: Strong Positive Impact, Moderate Positive Impact, Neutral Impact, and Negative Impact.

Impact Themes

as of 12/31/2021

Securities designated Strong Positive Impact and Moderate Positive Impact align with one or more of our 18 impact themes:

Impact Classification as of 12/31/2021



Strong Positive Impact	26.1%
Moderate Positive Impact	17.0%
Neutral Impact	56.9%



Affordable Health and Rehabilitation	16.9%
Affordable Housing	1.4%
Arts, Culture, and the Creative Economy	0.0%
Disaster Recovery, Resilience, and Remediation	1.7%
Economic Inclusion	2.1%
Education and Childcare	10.1%
Enterprise Development and Jobs	2.6%
Environmental Sustainability	41.4%
Gender Lens	0.7%
Healthy Communities	3.6%
Human Empowerment	3.4%
Minority Advancement	0.7%
Neighborhood Revitalization	0.0%
Poverty Alleviation	0.4%
Rural Community Development	0.0%
Seniors and the Disabled	0.0%
Sustainable Agriculture	15.0%
Transit-Oriented Development	0.0%

2021 Impact by Initiative

Investments customized by initiative can target one or both of our 2020 programs: COVID-19 Relief or Minority CARES.



COVID-19 Relief: In May 2020, CCM launched a \$100 million initiative to invest in securities financing COVID-19 relief. Underserved communities and individuals were hard hit by the pandemic, and it spotlighted preexisting financial and economic disparities faced by low-income communities, particularly communities of color. The initiative provides capital to LMI communities and families in addition to economic recovery programs and small businesses. We have invested approximately \$120 million in cumulative investment impact from its inception through December 31, 2021, on behalf of clients, and this includes approximately \$47 million in impact in 2021 investments.



Minority CARES: In June 2020, in response to strong client interest in making investments that focus on solutions to racial inequality, CCM launched Minority CARES, a blend of eight of CCM's 18 existing impact themes. Minority CARES amplifies and expands upon our existing investing philosophies where investors can positively impact empowerment for minority individuals, businesses, and communities and help provide an avenue to economic justice. We have invested approximately \$1.1 billion in cumulative investment impact from its inception through December 31, 2021, on behalf of clients, and this includes approximately \$800 million in impact in 2021 investments.

Impact Stories

The best way to share the positive impacts from our investments is through impact stories. The stories provide details as to how each investment is having multiple societal benefits.

To obtain an impact investment example tailored to a particular geography, impact theme, or initiative, please email info@ccminvests.com.

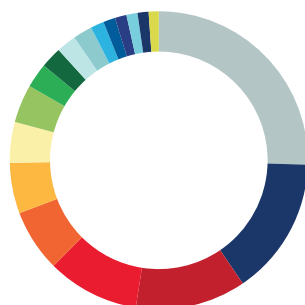
Fixed Income

ABS

GoodLeap Sustainable Home Solutions Trust

GoodLeap, LLC (f/k/a LoanPal) is a financial technology platform that originates loans to finance sustainable home improvements by residential consumers. GoodLeap is committed to delivering a simple, tech-enabled lending experience with instant approvals at the point of sale for people who want to install solar energy systems and other sustainable improvements for their homes.

The largest percentage of loans was made to borrowers in the following states:



Impact Themes This Investment Helped Support:



Environmental Sustainability

● Texas	23.47%	● Utah	2.11%
● Florida	13.82%	● Pennsylvania	1.98%
● Arizona	11.06%	● South Carolina	1.91%
● California	9.22%	● Georgia	1.34%
● Nevada	6.22%	● Michigan	1.20%
● Colorado	5.07%	● Oregon	1.16%
● Virginia	4.07%	● Ohio	1.11%
● North Carolina	3.82%	● Maryland	1.10%
● New Mexico	2.47%	● Idaho	1.01%

The notes are backed by a pool of 9,333 sustainable home improvement loans totaling approximately \$369 million. GoodLeap originated the loans. Borrowers used the loans to finance the purchase and installation of sustainable home improvements, including solar energy systems and energy efficiency improvements. Because the sustainable home improvement loans finance systems with clear environmental benefits, GoodLeap believes that the notes qualify as Green Bonds under the Green Bond Principles (GBP) issued by the International Capital Market Association (ICMA) in 2018. The GBP requires that projects funded by proceeds from Green Bonds must provide clear environmental benefits. The GBP recognizes five high level environmental objects for Green Projects: climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation, and pollution prevention and control and includes renewable energy (including production, transmission, appliances, and products) as an eligible Green Project category.

GoodLeap has 1,003 employees as of May 1, 2021. Its mission is to make a positive impact on the planet, build lasting relationships with its valued partners and customers, and deliver a tech-enabled lending experience that is simple, fast, and frictionless. It seeks to help people who dream of living a more sustainable lifestyle and want to save money using modern technology. The company's core product offering finances the installation of residential solar energy systems and was expanded in 2021 to finance other sustainable home improvements, including smart home devices, modern HVAC systems, battery storage, energy efficient windows, upgraded roofing, and synthetic grass turf.¹⁵



Agency CMBS

The Moore Building | Little Rock, AK

The Moore Building at Good Shepherd Ecumenical Retirement Center¹⁵ is an affordable housing property for seniors and people with disabilities in Little Rock, Arkansas. The 199 residential units receive Section 8 assistance, and the property is in a moderate-income, high-minority, and high-poverty census tract census tract where 83% of the population are minorities and 22% lives below the poverty line.

Since 1979, Good Shepherd Ecumenical Retirement Center has been providing a quality, affordable living experience to seniors in a faith-based community based on the mission of its founders, the bishops, and general presbyter of the Arkansas Catholic, Episcopal, United Methodists, and Presbyterian Churches. It is committed to supporting the independence, well-being, and dignity of its residents.

The Moore Building was the first housing property at Good Shepherd Community, which has since grown to encompass five facilities on 140 acres in a park-like setting in West Little Rock. The Moore Building is a seven-story complex offering affordable apartments for seniors and adults with disabilities. Other properties in the community offer market-rate apartments for seniors, an assisted living facility, a residential care building, and a development of affordable cottages for seniors. Amenities in the Moore Building include a beauty salon, gift shop, library, chapel, computer room, billiards room, and a gym with a trainer on staff. A nutritious noon meal is offered six days per week. Local transportation is provided, and residents can also choose to receive physical therapy on-site. Raised community garden beds are available for residents who wish to garden. All utilities are included in the rent. Fully accessible apartments are available for people with disabilities.



Impact Themes This Investment Helped Support:



Affordable Health and Rehabilitation



Affordable Housing



Human Empowerment



Seniors and the Disabled

Agency MBS

Customized Pool of Affordable Mortgages to Low- and Moderate-Income (LMI) Black Borrowers Nationwide

An affordable mortgage pool of LMI borrowers is comprised of 26 loans across 14 states. All the loans financed owner-occupied properties and were originated in 2020. Minorities face unique challenges to stable, safe, and affordable housing. These challenges are confounded by intersections between race, class, and familial status. Studies have shown that the stability of an affordable mortgage can have profound effects on health outcomes, childhood development, and overall well-being.

Impact Themes This Investment Helped Support:



Affordable Housing



Healthy Communities



Environmental Sustainability



Minority Advancement



Gender Lens



Poverty Alleviation

Loan Pool Highlights

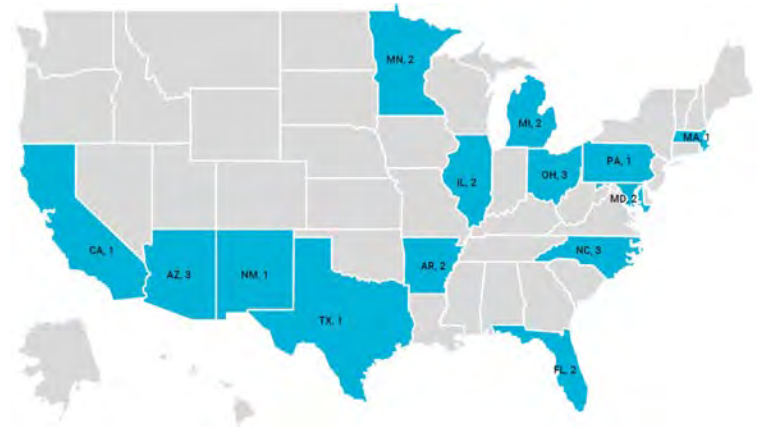
16 loans to LMI Black borrowers

10 loans in majority-minority census tracts

7 loans made to Black women borrowers

3 loan in high poverty census tracts

LMI Borrowers by State



This investment is part of our **Minority CARES Initiative.**





Corporate Bonds

The Massachusetts Higher Education Assistance Corporation (MHEAC), doing business as American Student Assistance (ASA)

The Massachusetts Higher Education Assistance Corporation (MHEAC) — doing business as American Student Assistance (ASA)¹⁷ — is a non-profit organization that seeks to help underserved middle and high school students understand their education and career options and help students and graduates manage their student loans and maintain financial wellness. In March 2021, ASA issued a social bond to expand its work to support and empower students starting in middle school to chart a course for their education and career that best aligns with each individual's interests, aptitudes, and career objectives. Proceeds will support eligible social projects in these program areas:

- Remove barriers to career exploration
- Remove barriers to work-based learning
- Support expansion of equitable acquisition of employability skills
- Prepare for postsecondary transitions including non-traditional pathways
- Support partner infrastructure to transform service delivery to meet post-COVID-19 educational needs

Over the last few years, ASA has mostly focused on providing services in New England. Proceeds will allow it to strategically expand its programming to other regions with large unmet need. ASA will focus on scaling partnerships and in-person and digitally enabled education solutions in new regions, with an emphasis on serving marginalized or economically disadvantaged communities and students who have faced barriers to education success. It aims to impact 15 million students (or 50% of the 6th to 12th grade U.S. population) by 2025.

ASA will additionally use proceeds to provide multiyear commitments to innovative organizations, programs, or partners looking to implement ambitious ideas and drive long-term student success outcomes with particular attention on:

- Innovations that will transform education with specific attention on digital solutions or solutions to increase student engagement
- Partners and programs to reach underserved learners
- Programs to build skills that foster employability and build social capital
- Programs that encourage postsecondary education success, including access to non-traditional paths
- Programs that provide professional development for educators to effectively leverage innovative solutions to prepare students for life after high school
- Partners to engage in collaborative research, dialogue, and collective action to solve nationwide education challenge

While ASA has previously provided grant sizes of \$100,000 to \$1 million annually for up to three years, the proceeds will allow it to distribute grants up to \$5 million to qualified organizations.

The COVID-19 pandemic and the resulting economic crisis have laid bare the massive education inequality in the U.S., shining a light on the challenges many students face to receive a quality education. Lack of access to technology or appropriate learning environments, the stress of the pandemic and economic instability, and the lack of personal connection to mentors like teachers and counselors have left many students foundering, mentally drained, and disengaged with no path forward.

Even prior to the COVID-19 pandemic, ASA saw a need for in-person and digital solutions that would provide both formal and informal chances to connect students across the U.S. with opportunities to know themselves, know their options, and make informed choices about education and career. The need for these services has been accelerated by the worldwide socioeconomic crisis brought on by COVID-19, and ASA seeks to strengthen the services available to students and ensure that the pandemic and its economic aftermath do not hamper the ability of any student to stay engaged with their education and plan for their future. The organization is issuing the bonds to increase assistance to a larger number of students and partner organizations, geographically expand the population it serves, and bolster digital offerings.



Impact Themes This Investment Helped Support:



Disaster Recovery, Resilience, and Remediation



Education and Childcare



Enterprise Development and Jobs



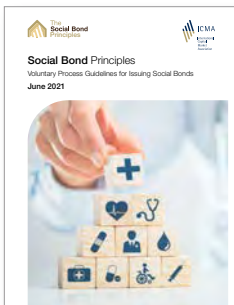
Minority Advancement



This investment is part of our
**COVID-19 Relief Initiative and
Minority CARES Initiative.**



More information on the **Social Bond Principles** is available [here](#).



 **Minority CARES**
This investment is part of our **Minority CARES Initiative**.

Taxable Municipals

City and County of San Francisco | San Francisco, CA

Bond proceeds will be used to finance construction, acquisition, rehabilitation, or preservation of affordable housing projects within the city. The investment was issued under Proposition A (2019), which was approved by more than two-thirds of San Francisco voters who voted on November 5, 2019. Proposition A (2019) authorized the city to issue up to \$600 million in bonds to finance the construction, development, acquisition, and preservation of housing that is affordable to extremely low-, low-, and middle-income households through programs that will prioritize vulnerable populations such as the city's working families, veterans, seniors, and people with disabilities. Bond proceeds may also be used to acquire, rehabilitate, and preserve existing affordable housing to prevent the displacement of residents and to repair and reconstruct distressed and dilapidated public housing developments and their underlying infrastructure.

The city is designating the bonds as Social Bonds, as the projects to be financed have the social benefits of addressing affordable housing within the city. This designation is intended to generally comport with the Social Bond Principles promulgated by the International Capital Market Association (ICMA). The city has determined that bonds will use proceeds in a manner that is consistent with several of the UN Sustainable Development Goals (SDGs), specifically Goal 1: No Poverty and Goal 11: Sustainable Cities and Communities.

The city has identified 33 projects with an estimated total of 1,600 affordable housing units as eligible for funding. Of the 33 eligible projects, the city expects to finance 16 projects. These projects are intended to benefit priority and at-risk populations consisting of seniors, people with disabilities, low-income and moderate-income households, and those at risk of eviction pursuant to the Ellis Act, a state law that allows property owners to evict residential tenants in order to leave the rental business.

Twelve of the projects are expected to receive assistance with LIHTC agreements, with 13 projects reserved for residents whose income is no more than 80% of the area median income (AMI). Seven of the projects are in census tracts where more than 50% of the population are minorities. Seven of the properties to be funded have Walk Scores® ranging between 90 and

100 and one property has a Walk Score® of 86. Five properties have Transit Scores® between 70 and 81. Six of the properties have Bike Scores® of 70 to 87 and two have Bike Scores® of 91 and 100.

Projects are selected under the Mayor's Office of Housing and Community Development (MOHCD) affordable housing program and address requirements under Proposition A (2019). The projects will be financed under the city's affordable housing loan program and will be evaluated, administered, and monitored by MOHCD. The housing division of MOHCD's mission is to provide financing for the development, rehabilitation, and purchase of affordable housing in San Francisco. MOHCD also guides and coordinates the city's housing policy.

Impact Themes This Investment Helped Support:



Affordable Health and Rehabilitation Care



Affordable Housing



Minority Advancement



Environmental Sustainability



Poverty Alleviation



Healthy Communities



Transit-Oriented Development

Equities

NextEra Energy Partners

Headquarters: Juno Beach, Florida

NextEra Energy Partners is a limited partnership that acquires, manages, and owns contracted clean energy projects. NextEra¹⁸ signs long-term contracts to deliver power generated from its solar and wind farms to utilities and other energy users. The partnership's portfolio consists of approximately 6,840 MW of renewable energy assets located throughout the U.S. The company estimates its portfolio's generation helped avoid nearly 10.8 million tons of CO₂ in 2019 compared to traditional energy sources.

NextEra plays a key role in the battle against climate change. The size of its portfolio makes it one of the largest owners of renewable energy assets in the U.S. The company's low cost of capital means that it can potentially continue to play a significant role in helping the U.S. decarbonize its power sector by investing in projects other companies may not be able to.

While most of the partnership's growth has come from acquired previously developed renewable energy assets, the company has recently started making more organic investments. In 2020, the company repowered a 175-MW Northern Colorado wind project, which increased the production of the wind farm while also increasing its life and lowering the costs to operate. Projects like this play a key role in reducing carbon emissions as lowering the cost of renewable power makes it a more compelling investment.

Since NextEra went public, it has added over 800 megawatts new capacity on average annually and it seems that capacity additions will continue to grow. Significant amount of investment in renewable capacity is required to meet the goals set out in the Paris climate agreement. In the U.S., renewable generation represented just 20% of total electricity generated in 2020. It is estimated that renewable capacity will need to increase 20x to decarbonize the power sector by 2050. The amount of investment needed to achieve a net zero economy is estimated in the trillions of dollars. NextEra has played a key role in contributing to a carbon-free economy and is expected to do so for years to come.



Impact Themes This Investment Helped Support:



Environmental
Sustainability



CCM team members volunteer at HandsOn Broward, a non-profit that empowers people to make a difference for causes they care about.



2021 Impact Initiatives

2021 Impact Initiatives

We engaged in many impact-related activities in 2021 in our efforts to support and promote impact and ESG investing.

Impact Institute

We look to provide relevant, thoughtful, and transparent communications to our clients and prospects. As a pioneer in impact investing, we continuously look to find new ways to display our efforts, initiatives, and strategies. Our industry perspectives are created internally through a team of portfolio managers, analysts, and marketing professionals.

Our new impact institute houses our written content, including surveys, reports, perspectives, newsletters, and more. The mission of CCM's impact institute is to propel collaboration and explore advancement in the space by providing a forum for impact investment insights, thought leadership, and education.

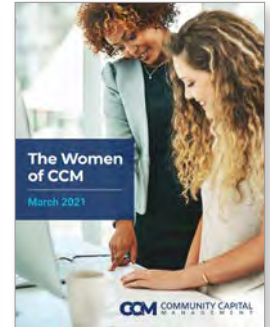
Thought Leadership



2020 Impact Report



Addressing the Black Homeownership Gap in America



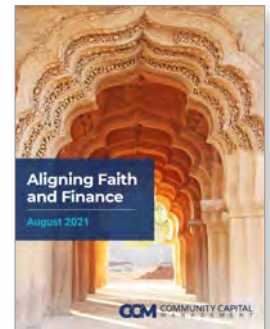
The Women of CCM



Impact Themes



Fixed Income Customization



Aligning Faith and Finance



Place-Based Impact Investing



6th Annual CRA Investing Survey



3rd Annual Impact and ESG Investing Survey

Perspectives



- CRA: Essential Legislation for Promoting Affordable Homeownership to Underserved Communities
- CCM's Unique Sector Opportunity Set within its Core Fixed Income Portfolio
- Growth of Impact and ESG Investing
- The Correlation of Affordable Housing and Health
- CCM and the Sustainable Development Goals
- A Reintroduction of the American Infrastructure Bonds Act
- The Ongoing Challenges of Affordable Housing for Black and Minority Families
- Diversity, Equity, and Inclusion in the Workplace
- Evolution of Impact and ESG Investing at CCM
- The Great Wealth Transfer
- Due Diligence is Key in Identifying Greenwashing

Newsletters



Community Investor



Impact Investor

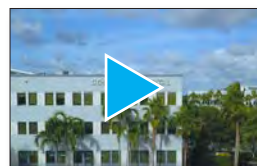
Impact Videos and Webinars

COVID-19 changed the way we communicated and interacted with clients, prospects, and colleagues. With most 2021 events and meetings cancelled or virtual, we had to adapt to find new ways to deliver content and share information. As traditional marketing channels became unfeasible, we thought of new ways to share industry-related hot topics and relevant firm information. This included our new 5in5 series, recent videos on customization and firm highlights, and webinars on timely topics, such as greenwashing and CRA reform. We also were pleased to participate in other firm's thought leadership and virtual conference series, including the Deep Impact Investing podcast, ICMA-RC webinar on COVID-19 impact and solutions, CEEP's virtual conference on investment committees and the COVID markets, and RCRI's panel session on racial empowerment strategies, to name a few.

Videos



5in5 Video Series



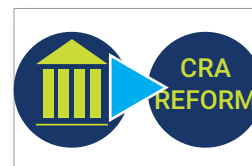
"About CCM" video



Greenwashing Webinar



CCM Community Impact Bond Fund Customizable Impact



CRA Reform Webinar

Impact in Action

CCM works with coalitions of investor organizations and advocacy groups to promote the incorporation of impact and ESG into investment decision-making. We look to add value in these organizations through leadership roles, engagement activities, and committee participation. Included below are some of these efforts.



U.S. SIF: The Forum for Sustainable and Responsible Investment



UN PRI: Principles for Responsible Investment



Confluence Philanthropy



Mission Investors Exchange



ICCR: Interfaith Center on Corporate Responsibility



TCFD: Task Force on Climate-Related Financial Disclosures



Croatan Institute



Women's Empowerment Principles



United States Conference of Catholic Bishops Socially Responsible Investment Guidelines



Impact Management Project



Net Zero Asset Managers Initiative



Kristin Fafard, CFA

Chief Investment Strategist

- Committee Member: Women for UMASS Amherst
- Voting Member: The investment committee for the United Nations Foundations



David Sand

Chief Impact Strategist

- Board Member: The Adirondack Foundation
- Board Member: Enterprise Community Partners
- Board Member: PIPs Education Fund
- Board Member: Croatan Institute
- Board Member: Aeris



Todd Cohen

Founder, Chief Executive Officer

- Board Member: Jason Taylor Foundation



James Malone, CFA

Chief Financial & Diversity Officer

- Board Member: Urban League of Broward County
- Committee Member: ICCR Development Committee



Andy Kaufman

Chief Investment Officer

- Board Member: Pennsylvania State University Sustainability Board
- Board Member: Entrepreneur Backed Assets (EBA)



Joffrey Pearlman

Senior Client Portfolio Manager

- Board Member: New York Cardiac Center
- Board Member: Allied Educational Foundation



Andy Shafter

Senior Client Portfolio Manager

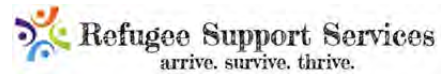
- Trustee Associate: Boston College Board of Trustees

CCM is enthusiastic about making a positive impact in our clients' communities and our philanthropic side is committed to giving back to our communities and those we serve. Each year, we donate to charitable causes and offer employees paid time off for volunteering and mentoring. Similar to 2020, in lieu of holiday gifts in 2021, CCM contributed to the Urban League of Broward County.

Highlights of some of the organizations that CCM supported in 2021 through donations:



new destiny
housing



Highlights of some of the volunteer activities CCM employees participated in throughout 2021:





At CCM's first offsite retreat, team members discussed new ideas and opportunities across departments.

Looking Forward

Looking Forward

In our 2019 Impact Report, we wrote about how impact and ESG investing was becoming more mainstream and its impending tipping point. Two years later, we are pleased to see that our prediction was on target. Client demand for such investing continues to grow along with the number of impact- and ESG-focused investment strategies. Even traditional investment managers are finding it difficult to ignore the importance of impact and ESG factors when analyzing a security and have started to adapt their investment processes.

In 2021, we saw the discussion of impact and ESG in the investment process more reality than prediction and need to look harder into the future. We expect that continued refinement in, and definition of, impact and ESG investing will occur, leading to the incorporation of even more social needs like racial justice, greater diversity, and broader economic inclusion into a larger part of the investment industry. Additionally, as a firm that understands the environmental damage caused by fossil fuels, we are surprised at just how many investors have not yet examined the carbon intensity of their portfolios. Despite this, we need to keep moving ahead to address and remedy this existential threat.

Looking ahead to 2022, other areas where we see growth in impact and ESG investing include:

- **Infrastructure:** In 2021, the U.S. enacted an infrastructure package that will bring billions of dollars into the rebuilding of America's assets, going beyond the traditional physical definition of infrastructure. As such, we expect that human, civic, and community infrastructure will also benefit from renewed attention to the importance of investing today for a better tomorrow. We continually seek to invest in securities that are providing new and innovative solutions that support bettering communities.
- **Ongoing Disparities:** COVID-19 exposed glaring disparities in health and economic security for a large part of society. While many have prospered, many continue to suffer. Investments in affordable housing and better healthcare could reduce some of the vulnerabilities faced by so many Americans and their families.
- **Net Zero:** Countries, companies, individuals, investment firms, and others are tackling climate change and making net zero a priority. Net-zero commitments must be backed by credible action, and we anticipate an ever-growing increase in financial commitments from institutional and retail investors to address climate change in their portfolios.

We are hopeful that the ongoing momentum of these initiatives will continue into 2022. As discussed throughout this report, CCM is proud to be at the forefront of these critical issues.

<https://thegiin.org/assets/GIIN%20Annual%20Impact%20Investor%20Survey%202020%20Executive%20Summary.pdf>
<https://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html>
https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/assurance/assurance-pdfs/ey-institutional-investor-survey.pdf
<https://www.habitat.org/costofhome/2020-state-nations-housing-report-lack-affordable-housing>
 COVID-19 Relief was launched in May 2020 and Minority CARES was launched in June 2020.
<https://www.un.org/en/climatechange/reports>
<https://www.un.org/sustainabledevelopment/development-agenda/>
<https://www.nychdc.com/>
www.icmagroup.org
<https://www.lisc.org/>
<https://the-congress-building-apartments-in-miami.business.site/>
 Data includes investments across all CCM fixed income strategies as of year-end 2021 with the exception of impact by geography which considers all fixed income investments purchased throughout the year and where their use of proceeds is geography targeted as well as impact by initiative which calculates impact the same way. Impact numbers are approximate figures.
<https://hudgis-hud.opendata.arcgis.com/datasets/HUD::racially-or-ethnically-concentrated-areas-of-poverty-r-ecaps/about>
<https://www.bankersonline.com/forum/ubbthreads.php/topics/2033665/majority-minority-tracts>
<https://www.walkscore.com/>
<https://goodleap.com/>
<https://www.goodshepherdcommunity.com/>
<https://www.asa.org/about-us/>
<https://www.nexteraenergy.com/>

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Carefully consider the Funds' investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in Impact Shares' full or summary prospectus, which may be obtained by calling 844-448-3383, or CCM Funds full or summary prospectuses, which may be obtained by calling 866-202-3573. Read the prospectus carefully before investing.

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