



2016 Impact Report



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Calvert Foundation enables people to invest for social good by connecting them with organizations that provide key services, develop communities, increase access to capital and invest in efforts to reduce the impacts of climate change.

In 2015 investments from our community of nearly 4,000 investors enabled us to make loans to organizations that are making significant and growing social and environmental impact.

More than 20 years ago our first loan helped finance the development of affordable housing. Since then, our portfolio has expanded to finance other sectors including education, health, fair trade, small business, microfinance and the environment. Through our investment initiatives we have also targeted our loans to key issues such as women's empowerment and aging populations, as well as select cities in the U.S. and growing economies in Latin America and India.

At year end 2015, our lending portfolio of \$225 million consisted of 112 loans to 91 borrowers whose impact reached all 50 states, 100 countries and more than 17 million people. It is through our long-standing history, consistent growth and committed investor community that we have been able to broaden our impact across so many sectors, communities and geographies. This report reflects the breadth of this impact in the 2015 fiscal year.

17.7 million
People reached

“Calvert Foundation has provided us with affordable and flexible capital that has enabled us to make a positive impact through the preservation of affordable nonprofit facilities, development of affordable housing and construction of new schools.”

Christi Smith, Operations and Communications Director,
Urban Land Conservancy

\$225 million
Size of lending portfolio

Methodology

Our goal is to accurately and effectively communicate the impact our loans create in communities worldwide. We use industry-aligned indicators and best practices to collect the most relevant performance data and ease the reporting burden on our borrowers.

Of our 91 active borrowers¹, 95% of those who complied with Calvert Foundation's impact reporting requirements provided us with their total output for the fiscal year 2015². The metrics in this report are these reported outputs categorized by the seven impact sectors that comprised Calvert Foundation's portfolio in 2015: affordable housing, education, environment, fair trade, health, microfinance and small business. Based on these sectors, we have determined key indicators that most accurately reflect the outcomes and impact of our capital.

The figures in this report reflect the total outcomes of our reporting borrowers combined for each sector. While our capital serves as an important portion of our borrowers' financing — in some cases unlocking additional capital flows — it is important to note that the total outcomes listed were not financed solely by our lending.

In addition to our sector work, we have developed investment initiatives to forge innovative partnerships and develop new ways for our capital to reach underserved communities. These include: Age Strong, Benefit Chicago, India Investment Initiative, Ours To Own, Raíces and the Women Investing in Women Initiative (WIN-WIN). These initiatives act as lenses across all seven of our impact sectors. Statistics for the initiatives listed in this report either reflect the data from the underlying sectors, as reported by the borrowers allocated to each initiative, or they reflect general data on the target communities themselves.

To learn more about our methodology for measuring impact, visit www.calvertfoundation.org/impact/measurement.



¹Our standard loan portfolio consists of 91 borrowers, which represent 80% of our total portfolio by dollar amount. The other 20% consists of Certificate of Deposits (CDs), marketable securities and equity investments which do not report impact based on our current metrics.

²To find out more about our standard impact reporting requirements please visit our website.

Investment Sectors



Affordable Housing

46,438

Affordable housing units created or preserved

117,953

Low-income individuals housed

Our lending in affordable housing is focused on providing flexible enterprise-level financing that enables affordable housing developers to most effectively create and preserve affordable housing across the U.S.

In 2015 our affordable housing borrowers constructed and/or preserved 46,438 affordable housing units, which in turn housed 117,953 low-income individuals, both children and adults. In addition, many of the affordable housing developers we work with are embracing best-in-class practices in consideration of environmental sustainability. Of these housing units created and/or preserved, our borrowers managed and owned more than 8,093 industry-certified green affordable housing units.



Education

1,437

Schools financed

33,402

Classroom seats financed

At Calvert Foundation we value education as one of the most important tools for personal development and economic growth. Through our lending we support financial intermediaries that share this value: making high-quality education affordable and accessible to all, here in the U.S. and abroad.

Our education-focused borrowers in 2015 helped finance 1,437 schools from primary to graduate levels. This includes the construction of new schools and the expansion of existing educational facilities. In addition, our loans supported the creation of 33,402 new classroom seats, either by expanding school capacity or making education more accessible to lower-income communities.



201

Tons of GHG emissions reduced

1,637,920

Individuals with improved clean energy access

There is a growing number of market opportunities that address climate change adaptation and mitigation. Through our lending, we aim to build systems that prevent or reduce emissions of harmful greenhouse gases and promote ecosystems that enhance natural resiliency in order to minimize the effects of climate change.

In 2015 we focused our efforts on channeling capital to intermediaries that finance projects and organizations providing access to renewable energy in developing countries, mostly in Sub-Saharan Africa. Our loans helped connect 1,637,920 individuals to clean energy products or services, and contributed to the reduction of 201 tons of GHG emissions.



300,059

Farmers supported

430,045

Certified hectares under cultivation

The majority of the world's poor live in rural communities and are heavily dependent on agricultural production for income. Through our lending we aim to connect farmers with more robust economic opportunities.

Our capital supports farms and fair trade cooperatives and the intermediaries that serve them. In the last year our borrowers served more than 300,059 farmers, 57% of whom are women. In addition, our loans provided financing to 94 agricultural groups and contributed to the cultivation of 430,045 hectares of land certified as Organic, Fair Trade, Rainforest Alliance, and/or Fair, Local, Organic (FLO).



Health

4,782,432

Individuals with expanded access to healthcare

197

Healthcare facilities financed

Across the U.S. and internationally, access to quality, affordable healthcare remains a challenge for many low-income individuals and families. Our health sector strategy is focused on providing flexible capital to financial intermediaries and directly to clinics for facilities expansion. This strategy of facility expansion aims to ensure that clinics and care providers have the space, tools and resources they need to serve populations who otherwise lack access to health services.

In 2015, our loans helped to increase access to affordable and high-quality healthcare for 4,782,432 individuals around the world. This same capital supported 197 healthcare facilities which served 1,911,013 patients.



Microfinance

9,816,812

Clients served

4,359,105

Microloans disbursed

Through microfinance, lower-income individuals and communities who don't have access to traditional financial services are able to access loans and other financial products. These loans can range from \$5 to \$5,000 and are used to finance microenterprises and basic human needs.

We provide financing to microfinance institutions (MFIs) around the world who in turn deploy that capital in smaller amounts to individuals or businesses. In the past year these MFIs served 9,816,812 clients and lent more than \$3 billion across 4.36 million loans — representing an average microloan size of \$694.



80,657
Businesses Financed

91,541
Jobs created and/or preserved

We support the growth of small businesses by lending to intermediaries with demonstrated expertise in successfully and responsibly lending in low-income communities. These intermediaries provide business loans in the U.S. to underserved entrepreneurs who have limited financing options. This capital creates new jobs, secures incomes and strengthens locally-owned businesses and economies.

Last year our loans helped finance 80,657 businesses in all 50 states. These businesses created and/or preserved 91,541 jobs — 45% of which were held by women.



Photo credit: Opportunity Fund

Investment Initiatives



³ National Council on Aging. <https://www.ncoa.org/news/resources-for-reporters/get-the-facts/economic-security-facts>

28,800

Older individuals served

25 million

Seniors who live below the poverty line³

Through Age Strong we aim to invest \$70 million to transform the long term care system and support age-friendly communities. In 2015 our deployment partner Capital Impact Partners lent more than \$6 million to organizations that provide homelike care and access to healthy foods for the elderly, many of whom are low-income. These projects have served 28,800 older individuals across the U.S.



⁴ MacArthur Foundation, Chicago Community Trust (2016). Bridging the Gap.

\$100 million

Being mobilized for social good in Chicago

\$400 million

Potential need for capital in Chicago's social sector⁴

Together with MacArthur Foundation and Chicago Community Trust, we recently launched Benefit Chicago, a collaboration that aims to mobilize \$100 million in impact investments for nonprofits and social enterprises in Chicago. MacArthur Foundation is investing \$50 million of its own assets and the Trust has committed to supporting this initiative by investing in a 15-year, \$15 million Community Investment Note. This initiative aligns with our strategy to engage investors based on where they live and connect them to development in their own communities.



⁵Intellicap (2014). Providing Venture Debt to the MSME Sector in India.

\$16 million

Committed in investments to help with basic needs

\$71 billion

Gap in small and medium size enterprise (SME) financing⁵

India has one of the world's fastest growing economies, but much of this growth doesn't reach the 680 million Indians who still struggle to meet essential needs of food, housing, clean water, education and more.

Small and medium enterprises in India are poised to deliver these essential services – along with jobs and increased productivity – to empower underserved populations in India. However, many SMEs lack the access to capital needed to grow and scale.

Through the India Investment Initiative, in 2015 we committed \$16 million in loans to financial intermediaries that invest in SMEs with a social purpose. These businesses operate in sectors such as healthcare, education, clean energy and financial inclusion.



990

Classroom seats financed

Baltimore

In Baltimore our lending supports education, affordable housing and community development.

192

Nonprofits and small businesses supported

Denver

In Denver our capital helps preserve affordable office space for the area's nonprofits and social enterprises, and supports the growth of local small businesses.

821

Affordable housing units created and/or preserved

Twin Cities

In the Twin Cities we are focusing our lending on supporting the growth of small businesses in the area and increase the number of affordable homes.



Raíces

⁶ U.S. Census Bureau (2015).

\$25 million

Committed in investments that impact Latino communities

55.6 million

Latino population in the U.S.⁶

Raíces (“roots” in Spanish) is focused on engaging U.S. Latinos in the practice of impact investing by highlighting borrowers in our portfolio focused on small business, access to finance, education and housing throughout Latin America and Latino communities in the U.S. This includes a \$20 million co-investment facility structured with the Inter-American Development Bank (IDB) called the Inter-American Opportunity Facility.

Our work through Raíces is demonstrative of our broader mission to make impact investing accessible to and inclusive of everyone. Through Raíces we seek not only to increase investment in Latino communities, but to raise capital from Latinos as well. Latinos make up nearly a fifth of the U.S. population and their potential to make a difference by investing for social impact is significant.



WIN-WIN

14,146,411

Women served

239,799

Women with improved energy access

When we first launched the Women Investing in Women Initiative (WIN-WIN) in 2012, our strategy centered around loans for organizations that empower women across our key sectors. Through this work, we found that many women struggle with their health, education and economic status as a result of limited access to clean energy. In 2014 we decided to focus our WIN-WIN work on increasing clean energy access for women internationally.

In the past year our WIN-WIN borrowers served 14,146,411 women around the world. WIN-WIN loans targeted at clean energy projects have reached 239,799 women, mostly in Sub-Saharan Africa.



Photo credit: Capital Impact Partners

Thank You

None of this impact would have happened without the investments of nearly 4,000 individuals and institutions — our investors. This community of committed and caring investors varies by location, age and interest in sectors and initiatives. Together they drive our lending and ultimately our ability to create impact.



“I believe very strongly that it is important to invest in the world and in the people who are working hard everyday to create a better life for themselves and for their communities. It makes me happy and satisfied that my investments go to support this cause.”

Cecilia Blair

Investor since 2015

“I invest with Calvert because I want my investment to have the maximum social return possible. I want my money to be used to build a better world for all of us.”

Frederick Burks

Investor since 1995



Photo credit: Vested.org

Invest in the causes you care about, earn returns
and create social and environmental good.

Vested.org →



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