



## The Community Investment Note® Portfolio Management Overview

The Community Investment Note® (the “Note”) is designed to provide investors with a convenient way to invest for social and environmental impact in addition to financial returns. Since 1995, more than 20,000 investors have cumulatively invested over \$3 billion in the Note while receiving 100% repayment of all principal and interest\*.

### GEOGRAPHIC DIVERSIFICATION



The Note supports a diverse portfolio of community-based organizations and funds that work throughout the US and ~100 countries around the world.

<b>60%</b>	US and Canada	<b>2.4%</b>	Middle East & North Africa
<b>4.6%</b>	Central America (incl Mexico)	<b>3.8%</b>	South America
<b>1.9%</b>	Central & Western Asia	<b>9.7%</b>	South Asia
<b>4.7%</b>	East Asia & Pacific	<b>10.8%</b>	Sub-Saharan Africa
<b>0.7%</b>	Eastern Europe	<b>1.4%</b>	Western Europe

### SECTOR DIVERSIFICATION



Portfolio partners work across nine impact sectors that strengthen communities, increase access to financial services, and benefit the environment. Investors can target their investment to one or more of the sectors, while still benefiting from the risk profile of the full, diversified portfolio\*\*.

<b>16.5%</b>	Affordable Housing	<b>13.2%</b>	Microfinance
<b>7.5%</b>	Community Development	<b>27.3%</b>	Renewable Energy
<b>0.1%</b>	Health	<b>27.4%</b>	Small Business
<b>0.1%</b>	Education	<b>5.2%</b>	Sustainable Agriculture
<b>2.7%</b>	Environmental Sustainability		

### INVESTMENT STATS

**7,200+**

Current number of investors

**\$594 mil**

Current Note balance

**20,000+**

Lifetime number of investors

**over \$3 bil**

Total amount invested

**100%\***

Investor repayment rate

# DUE DILIGENCE AND PORTFOLIO MANAGEMENT PROCESS



## Due Diligence and Approval Process

Staff perform rigorous credit analysis and risk management that has led to a **less than 1% loss rate**\*\*\* in the underlying portfolio since 1995.

### Pre-clearance

An initial review of the strategic, impact, and financial rationale for all investments, as well as alignment with policies, is presented to Staff Credit Committee for input on the financing terms, operational considerations, and key credit and impact risks to be explored through due diligence. The Chief Investment Officer, Chief Risk Officer, General Counsel, and Director of Asset Management (or their designee(s)) must all sign off to advance to full underwriting.

### Underwriting

Comprehensive analysis of the proposed transaction’s credit risk and impact potential, include factors such as management strength, operational capacity, financial condition and portfolio quality, market environment, strategic direction, and any competitive advantages within the industry. A full Due Diligence Memo is prepared and outlines the known risks to repayment, as well as their mitigants, and includes both risk and impact ratings.

### Structuring

While most transactions are unsecured without pledged collateral, a variety of structuring and credit enhancement strategies are employed to mitigate risk, which may include amortization, granting of security interests in collateral, funded and unfunded shared-risk or top-loss guarantees, and subordinated debt.

### Credit Approval

Proposed transactions are presented for approval to the Staff Credit Committee or Board Credit Committee, as outlined in the prospectus.



## WIDE NETWORKS & DEEP RELATIONSHIPS

“We believe in the power of relationships – we know exactly who we are investing in. We don’t just crunch numbers; we get to know our partners beyond their financials, which allows us to tailor our capital to their needs while minimizing risk and maximizing impact in the process.”



—Catherine Godschalk,  
Chief Investment Officer

## Portfolio Management Process

Our process is designed to identify and resolve potential issues early so our portfolio partners can remain in service to their communities and investors.

### MONITORING

Investment officers closely manage their portfolio relationships throughout the life of the transactions, and are regularly in touch to discuss performance and industry trends, and to identify additional areas where support may be needed. Portfolio partners report at least quarterly on financial and operational performance, and risk ratings are updated at least annually, with more active monitoring as needed.

### INVESTMENT MANAGEMENT PROCESS

#### Loan Loss Reserve

An allowance for credit losses is maintained on each loan, established during underwriting and adjusted as needed. Additionally, a macro-level reserve is added to the allowance based on broader economic conditions and reviewed annually. The loan loss reserve reflects our estimate of the current net portfolio value and is shared in quarterly reports and annual audited financials.

#### Impact Measurement & Management

Impact is measured and managed at both the transaction and portfolio level, and is reported to investors annually. Independent, third-party verification of the Note’s impact practices has been conducted by BlueMark, a leading provider of impact intelligence. The Community Investment Note® is one of only a few products globally that has achieved Advanced ratings across all nine Impact Principles, a set of industry best practices.

### CAPITALIZATION

The Community Investment Note® benefits from the Issuer’s net assets, subordinated debt, and portfolio credit enhancements. As the Note balance has grown, so has its financial revenue, which has enabled the growth of its net assets and corresponding increases to the capitalization cushion of the issuer. The Note has a track record of 100% repayment of principal and interest to all investors, while maintaining a cumulative portfolio loss rate of less than 1%\*\*\*.

	YE 2024	YE 2023	YE 2022	YE 2021	YE 2020	YE 2019
Community Investment Notes	\$618.5 MM	\$577.0 MM	\$556.5 MM	\$598.4 MM	\$532.3 MM	\$457.5 MM
Capitalization Cushion	\$180.2 MM	\$178.8 MM	\$159.3 MM	\$144.8 MM	\$129.9 MM	\$119.0 MM
Subordinated Debt	\$29.8 MM	\$27.2 MM	\$25.4 MM	\$20.4 MM	\$18.2 MM	\$13.3 MM
Credit Enhancements	\$82.0 MM	\$87.2 MM	\$69.5 MM	\$66.3 MM	\$55.3 MM	\$50.3 MM
Net Assets	\$68.4 MM	\$64.4 MM	\$60.4 MM	\$58.1 MM	\$56.4 MM	\$55.4 MM





## KEY STAKEHOLDERS

### Portfolio Partners

The Note®'s portfolio partners have strong internal capitalization and risk management processes. Their commitment to and deep understanding of their underlying borrowers, sectors and markets, along with their ability to be flexible, consistently enhances their impact and risk management.

### Staff and Board

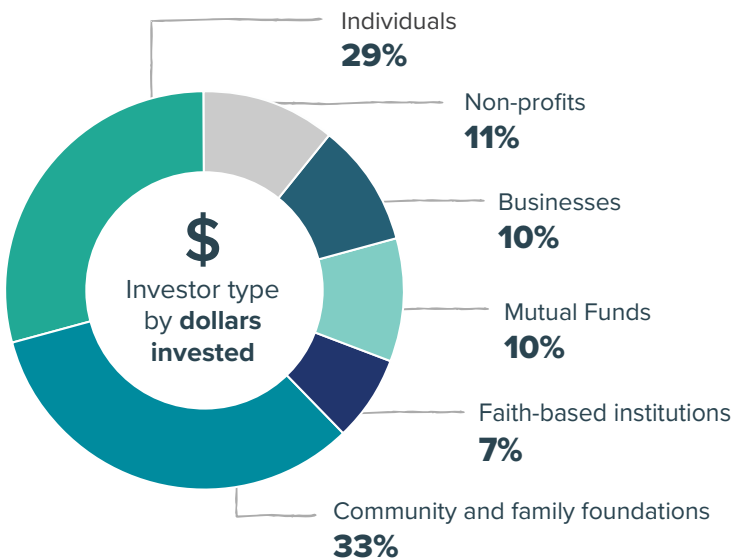
Cumulative Leadership Team of 10 Experience: **260 with an average 25+ years experience**

Cumulative Investment Team of 30 Experience: **500 with an average 15+ years experience**

Our team is united by a passion for creating a better world through investment. They bring a range of perspectives and industry-leading expertise to our work. Our Investments, Asset Management, Risk, Impact Management, Legal, Investor Relations, and Finance Teams work collaboratively and maintain an active presence in the field to meet with portfolio partners, shaping and responding to industry trends. Calvert Impact Capital's experienced board, especially its Credit, Risk, and Audit & Finance Committees, oversee the organization's policy and direction \*\*\*\*.

### Investors

We couldn't do this work without the trust and support of our committed investor base. The Note's success is not dependent on fluctuating private and government grants, rather it is supported by over 7,000 individual and institutional investors across every state and territory in the US. On average, our investors reinvest their Notes for 10 years.



The Community Investment Note helps finance schools like Flame Lily Montessori, which supports refugee & immigrant families with child-led, inclusive learning in Colorado.  
Photo credit Wildflower Schools.

For more information on the Community Investment Note, please visit [calvertimpact.org/cin](https://calvertimpact.org/cin)

\* Past performance is no guarantee of future results.

\*\* A targeted investment in the Note does not provide direct or sole exposure to the targeted sector. All investments in the Notes are subject to the same risk and supported by Calvert Impact Capital's overall portfolio and capitalization.

\*\*\* Our loans and investments may involve a higher risk of loss than our actual default rate suggests. Please see "Risk Factors" in our Prospectus for further detail.

\*\*\*\* There can be no assurance of continuity in key personnel



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