

Portfolio Impact Report

FEBRUARY 2023

Introduction

East Bay Community Foundation partners with donors, social movements, and the community to eliminate structural barriers, advance racial equity, and transform political, social, and economic outcomes for all who call the East Bay home.

EBCF is a grantmaking public charity and donor-advised fund (DAF) sponsoring organization. In the fiscal year ending June 30, 2022, EBCF and its DAF advisors directed \$182 million to qualified 501(c)(3) charities. As of December 31, 2022, EBCF managed investments worth approximately \$600 million, nearly 90% of which was invested in mission-aligned funds as part of our portfolio impact investing strategy.

We can advance the work of people in our community by investing capital in founders and opportunities that are often overlooked by traditional investment models. Our investment strategy aims to facilitate an ecosystem of collective progress and collaboration in an effort to revolutionize philanthropy and co-create a truly inclusive economy.

We are committed to racial equity and justice as a way to improve economic mobility and accelerate the development of all wealth,

generational or otherwise in Black, Indigenous, and people of color BIPOC communities. We believe that shifting of capital and resources can lead to asset building, ownership, and wealth creation for those that have historically experienced barriers to these concepts.

We practice our commitment to racial justice in three ways:

- First, we prioritize investments that have a regenerative impact on BIPOC communities while leveraging the expertise and amplifying the voices of both BIPOC founders and BIPOC fund managers.
- Second, we redefine traditional risk criteria to make funds more accessible to BIPOC founders and ensure their businesses and funds are valued appropriately by prioritizing community-based returns.
- Finally, we work closely with advocacy groups to support the development of policies that support a more inclusive economy and generate positive and lasting impacts for BIPOC communities.

EBCF Opportunity Pool

When a donor opens a donor-advised fund at EBCF, they choose between six investment pools: ESG Cash Pool, Short-Term Pool, Intermediate-Term Pool, Long-Term ESG-Impact Pool, Long-Term Diversified Pool, and the Opportunity Pool. While we are committed to working towards 100% mission-alignment for our investments across all pools as mandated in our Investment Policy Statement, the Opportunity Pool has a specific focus on racial equity. This unique pool aims to achieve a **quadruple bottom line** by giving priority to these four criteria in fund manager selection:

- Financial returns that are competitive with the market (required)
- Minority and Women-owned Business Enterprises (MWBES), defined as owned and managed by racial/ethnic minorities, women, or founders with disabilities (required)
- Alignment in investment strategy including racial equity, environmental, social, governance (ESG) impact, and shareholder activism (highly recommended)
- Bay Area or California place-based or community focus within investment strategy (highly recommended)

This report notes portfolio funds that meet one or more criteria of our quadruple bottom line.

About This Report

The commitment to align 100% of EBCF's investments with our mission and the vision of A Just East Bay was just the beginning of a collective learning journey for EBCF, our investment partners, and our fund advisors. To foster information sharing and deeper connection, EBCF will produce quarterly impact reports highlighting news of one or more of our impact fund managers and their work. Additionally, we will highlight one fund, sharing its investment focus, aggregate impact, and examples of companies in the fund's investment portfolio.

Pages 5 through 9 provide a view into Raven Indigenous Capital Partners, one of the portfolio fund managers in our Opportunity Pool. The report also offers snapshots of three of Raven's portfolio company investments. Each company snapshot identifies which of the 17 United Nations Sustainable Development Goals (UN SDGs) is the focus of the investment. These profiles are also available on our portfolio impact dashboard.

Additionally we have created a portfolio impact dashboard with selected news and info about some of our portfolio fund managers. [The dashboard can be accessed here.](#)

EBCF Portfolio

EBCF works with a broad network of advisors and partners who oversee assets under management across all six investment pools. The funds below are those we currently invest in that have a BIPOC or woman manager and/or an environmental, social, or governance (ESG) impact strategy.

FUNDS OWNED/LED BY DIVERSE MANAGERS ALSO UTILIZING IMPACT STRATEGIES:

- Fred Cummings, Elizabeth Park
- Paul Lacerte Raven Indigenous
- Gilbert Garcia, Garcia Hamilton
- Lindsay Lee, Authentic Ventures, Authentic Ventures Fund II*
- Paul Campbell, Brown Venture Group, Brown Venture Fund I
- Avani Patel, Ember Fund, Ember Fund II
- Daryn Dodson, Illumen Capital, Illumen Fund II*
- Uriridiakoghene "Ulili" Onovakpuri, Kapor Capital, Kapor Fund III*
- Joshua Pollard, Omicelo Real Estate, Omicelo RE II
- Natasha Lamb, New Summit Investments, New Summit Income & Impact
- Kristin Hull, Nia Impact Capital, Nia Global Equities*
- Kneeland Youngblood, Pharos Fund, Pharos Fund IV
- Charles Hudson, Precursor Ventures, Precursor Fund IV*
- Edward Dugger, Reinventure Capital, Reinventure Fund I
- Paul E. Viera, Earnest Small Cap Core
- Robert K. Jenkins, Renaissance Fund Management, Renaissance HBCUs Opportunity Fund
- Sergio Monsalve, Roble Ventures, Roble Ventures Fund I*
- Jason Torres, Sana Capital, Sana Fund I
- Noramay Cardena, Supply Change Capital, Supply Change Capital Fund I
- Jodi Neuman, Trillium Asset Management, Trillium Sustainable Opportunities
- Gayle Jennings O'Byrne, WOCstar, WOCstar Fund

**Located in the Bay Area*

FUNDS UTILIZING ESG AND IMPACT STRATEGIES:

- Aperio - ESG Impact Index (curated from EBCF guidelines)
- Community Capital - Fixed Income
- Martin Currie - Emerging Markets Climate
- Clearbridge - ESG Equity

Our Partner In the News

NIA IMPACT CAPITAL

Public equities are often a large percentage of a portfolio's holdings. EBCF uses public managers that review and measure impact including racial equity in the public companies within their funds on an ongoing basis. Some review standards include transparency, board diversity, workforce diversity (especially C-suite), and wage equity. Using dimensions like these to screen companies in a portfolio can influence how shareholders engage with public companies, especially companies seeking investment.

One of the global equities fund managers in the Opportunity Pool is Nia Impact Capital.

Nia Impact Capital has led multiple shareholder initiatives that have successfully changed practices of the public companies in their portfolio. In 2022, this manager was successful in actively engaging with companies, holding them accountable to more inclusive, sustainable, and ethical business practices. They recently won a notable and visible measure in changing transparency standards with Apple. The use of "gag clauses" in employment contracts creates an uneven distribution of information that has disproportionately affected women and people of color in the workforce. The change that Nia Impact Capital helped create is a significant step forward towards fairness.

EXPLORE FURTHER

- [Apple will let its employees talk about discrimination and abuse](#)
- [Apple removes gag clauses related to workplace harassment after independent counsel review](#)
- [Apple commits to "not enforce" concealment clauses related to harassment and discrimination in employment contracts; action taken after investor request](#)

Apple's public release of employees and independent contractors from previously signed NDAs provides investors with reassurance that Apple is not using concealment clauses to mask poor workplace practices."

– DR. KRISTIN HULL
NIA IMPACT CAPITAL FOUNDER

Portfolio Highlight



Raven Indigenous CAPITAL PARTNERS

We are excited to highlight one of the portfolio fund managers in our Opportunity Pool, Raven Indigenous Capital Partners, and their amazing work advancing racial equity and creating stakeholder value.

Raven Indigenous Capital Partners is Canada's first Indigenous-led and owned social finance intermediary. They do multi-stage investments in innovative, scalable Indigenous enterprises in Canada and the United States. As an Indigenous-founded investment firm, Raven provides convertible debt, equity, and equity-like capital to innovative, scalable Indigenous enterprises with transformational community benefit streams in Canada and the United States. The fund's strategy is to deliver non-correlated (and superior) financial returns alongside a transformative impact narrative over the next decade to help build meaningful relationships, to practice radical transparency, and to help build a reconciliation-economy that advances the well-being of Indigenous Peoples. Cultural preservation is a priority in their investment strategy. By working together, Raven Indigenous Capital Partners, their investors, and their invested companies are implementing Article 3 of the UN Declaration on the Rights of Indigenous Peoples.

Raven Indigenous Capital Partners' investment strategy considers:

- Demographic dividend (young, rapidly growing, increasingly educated population)
- Increased sovereignty over land and resources
- Capitalization of Indigenous trusts and development corporations from legal settlements
- Increased focus on self-reliance and reduced dependency
- A fifth tailwind centered on rapidly increasing procurement / offset opportunities with government and corporations

EBCF's investments are invested in the Raven Indigenous Impact Fund II. This fund invests \$500,000 - \$5 million across five thematic areas: technology (SaaS, digital media, FinTech), food sovereignty/ag tech, health, clean energy, and natural products/botanicals (prioritizing cultural preservation and safety for indigenous entrepreneurs).

Aggregate Impact Overview



\$125M

Under Management
(\$CAD)



21

Investments in
11 Companies



30.0%

Gross
Annualized IRR



45%

Compound Annual
Growth Rate

Indigenous Ownership/Employment



55%

Indigenous
Board



63%

Indigenous
Ownership



43%

Indigenous
Management



53%

Indigenous
Employees

Women Ownership/Employment



50%

Women Ownership



39%

Women Management



41%

Women Employees

Portfolio Company Investment Snapshot



Virtual Gurus is a marketplace of talented Canadian and American virtual assistants, on a mission to create employment opportunities for underrepresented individuals.

The Virtual Gurus investment aligns to UN SDG #8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



43.6%

Indigenous Ownership



90%

Indigenous Virtual Assistants



228

Women Virtual Assistants

“If I’m a project owner and I want to choose between two vendors who have visibility in the community -- if I know that for every dollar we spend with them, 6% goes back to the Indigenous community compared to 16% with another one, there’s an incentive for me to choose the vendor that spends more with the community.”

**– BOBBIE RACETTE ,
FOUNDER AND CEO, VIRTUAL GURUS**

Portfolio Company Investment Snapshot



One Feather is a truth center for digital Indigenous sovereign identity and data, community engagement, and election and voting services. One Feather aims to cultivate change to enhance Indigenous resiliency by working to eliminate the pains of colonialism, systemic racism, and enable Indigenous sovereignty.

The One Feather investment aligns to UN SDG #16: Peace, justice, and strong institutions. Indigenous peoples have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their right to participate fully, if they so choose, in the political, economic, social and cultural life of the State.



80%

Indigenous Ownership

Platform Users



16,000

Status Card Renewals in process as of March 2022



249

Active First Nation Client Communities



2.5%

Revenues set aside for donation directly to Indigenous People in 2019-2021

335,000

Indigenous Users

43,000

Verified Indigenous Users

“We get many messages from folks we work with who are thankful for our work that makes things easier and removes barriers to participation. For example, we used to hear a lot about the challenges people have around electronic voting, and now people see it as an expected service.”

— LAWRENCE LEWIS,
FOUNDER AND CEO, ONE FEATHER

Portfolio Company Investment Snapshot



As an Indigenous-focused tech company, Animikii hopes to inspire the next generation of indigenous youth to choose technology and leadership.

The Animikii investment aligns to UN SDG #8 & UN SDG #10: (UN SDG #8) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. (UN SDG #10) Reduce inequality within and among countries.



100%

Indigenous
Ownership



46

Indigenous
Organizations



99

Indigenous-connected
Projects



99

Recorded Acts
of Love

“By shifting towards a more product or technology focus, we’re scaling our vision because we can only support a certain number of projects with our team as a services agency. For example, if we launched 20 websites last year, maybe we can launch 200 or 2,000 through our product and empower hundreds of agencies that looked like us three or four years ago with similar localized impact within many communities. Our products can save weeks and weeks of time off each project, enabling faster data management for our partners.”

—JEFF WARD,
FOUNDER AND CEO, ANIMIKII

Connect

Thank you for being part of the East Bay Community Foundation family.

If you have questions about donor-advised funds, please contact our Donor Services and Administrative Support team at dsas@eastbaycf.org.

If you have questions about our impact investing work, please contact Elizabeth Burger, Manager, Impact Investing at eburger@eastbaycf.org.

Special Thanks

This report would not be possible without the skills and expertise of [UpMetrics](#), a mission-driven software company developing analytics platforms for organizations seeking to impact, and [Keep the Change](#), a full-service branding, strategy and marketing firm.

VISIT [EBCF.ORG](https://www.ebcf.org) TO LEARN MORE »

