

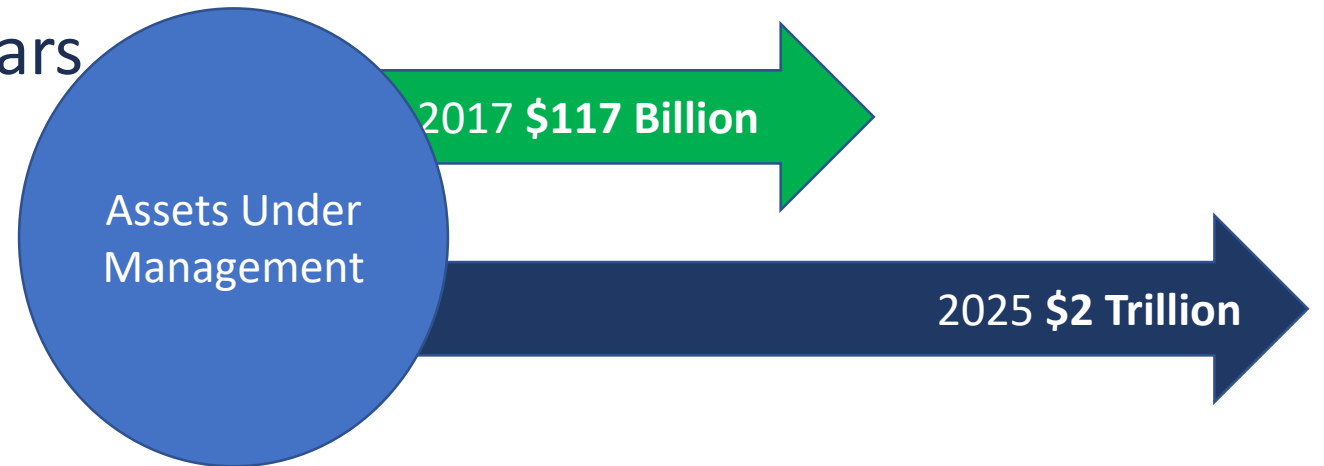
Strong Roots, New Branches: Transition in Action

Impact Appalachia, A Regional Impact Investing Initiative



State of Impact Investing

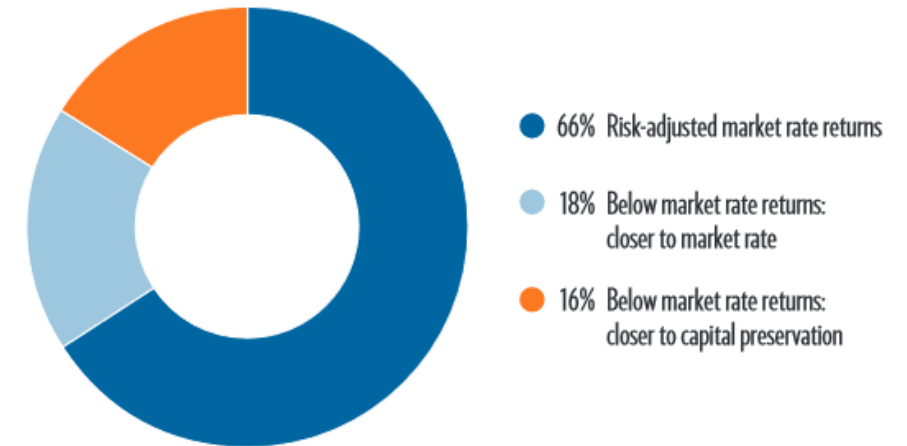
- Impact Investments: investments made into companies, organizations and funds with the intention to generate positive social and environmental impacts alongside the financial returns.
- \$117 billion in impact investing assets currently under management.
- 40% of all impact investing dollars are in North America.



Marketplace Building is Appalachia's Opportunity

- One-third of impact investors targeted below market rate returns
- Impact-motivated investors recognize the important role below-market capital can play.
- GIIN's highlighted the need to:
 - expand products for investors and products that better meet the needs of investees.
 - advance blended-finance vehicles to fill gaps in capital supply and support the emerging ecosystem

TARGET FINANCIAL RETURNS



n = 209

Community Participatory Process

Appalachian Regional Commission - Avivar Capital - Benedum Foundation - blue moon fund/Cassiopeia - BB&T WV Foundation - Calvert Foundation - Center for Rural Health Development - The Clark Foundation - Coalfield Development - Fahe - Federal Reserve Bank of Richmond - Foundation for Appalachian Kentucky - The Greater Kanawha Valley Foundation - Heron Foundation - Just Transition Fund - LOCUS - MACED - Mary Reynolds Babcock Foundation - Natural Capital Investment Fund - Next Street - One Foundation - PhilCap - Rural Action - Rural Support Partners - SOAR - USDA Rural Development - Virginia Community Capital Corporation - West Virginia University - WV Community Development Hub



Impact Appalachia

Our Goal: To move a region of persistent poverty and historic underinvestment forward, we seek to create a new vehicle for investment that simultaneously addresses deep capacity challenges, emerging sectors and support investment ready businesses.

This “Market-Making Fund” will address multiple levels of the impact investing ecosystem to strengthen the region’s sustainable economic growth through increased alignment, leveraging new investment and expanding public private partnerships opportunities.

Our Values: This process and its outcomes should be:

- **participatory, embedded** in existing community infrastructure
- **transparent & democratic** in process and structure
- **accessible & geographically representative**
- with a focus on **equity & local ownership**
- to build **self-sufficient enterprises** and **wealth building jobs.**

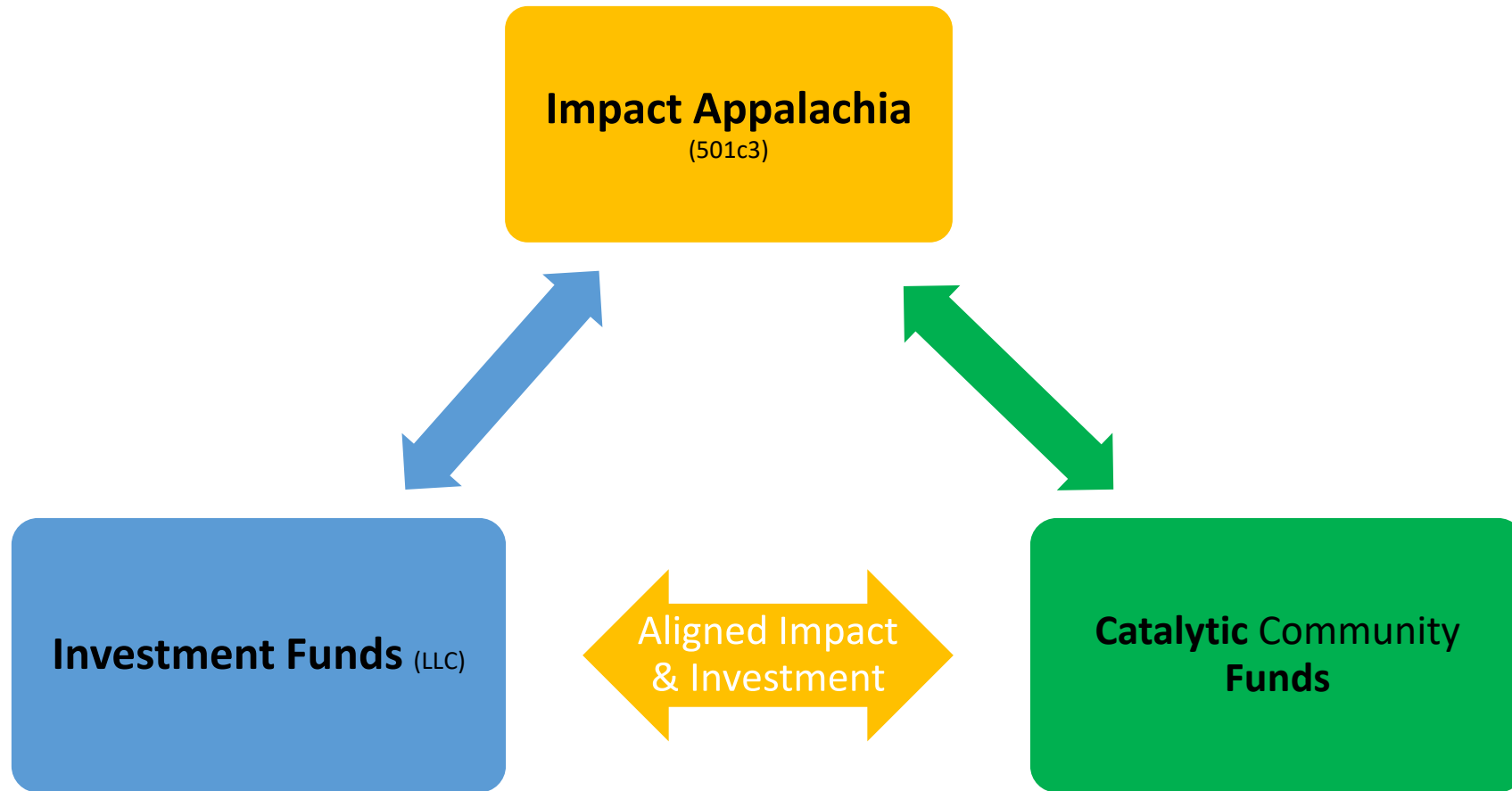


Impact Appalachia Platform Overview

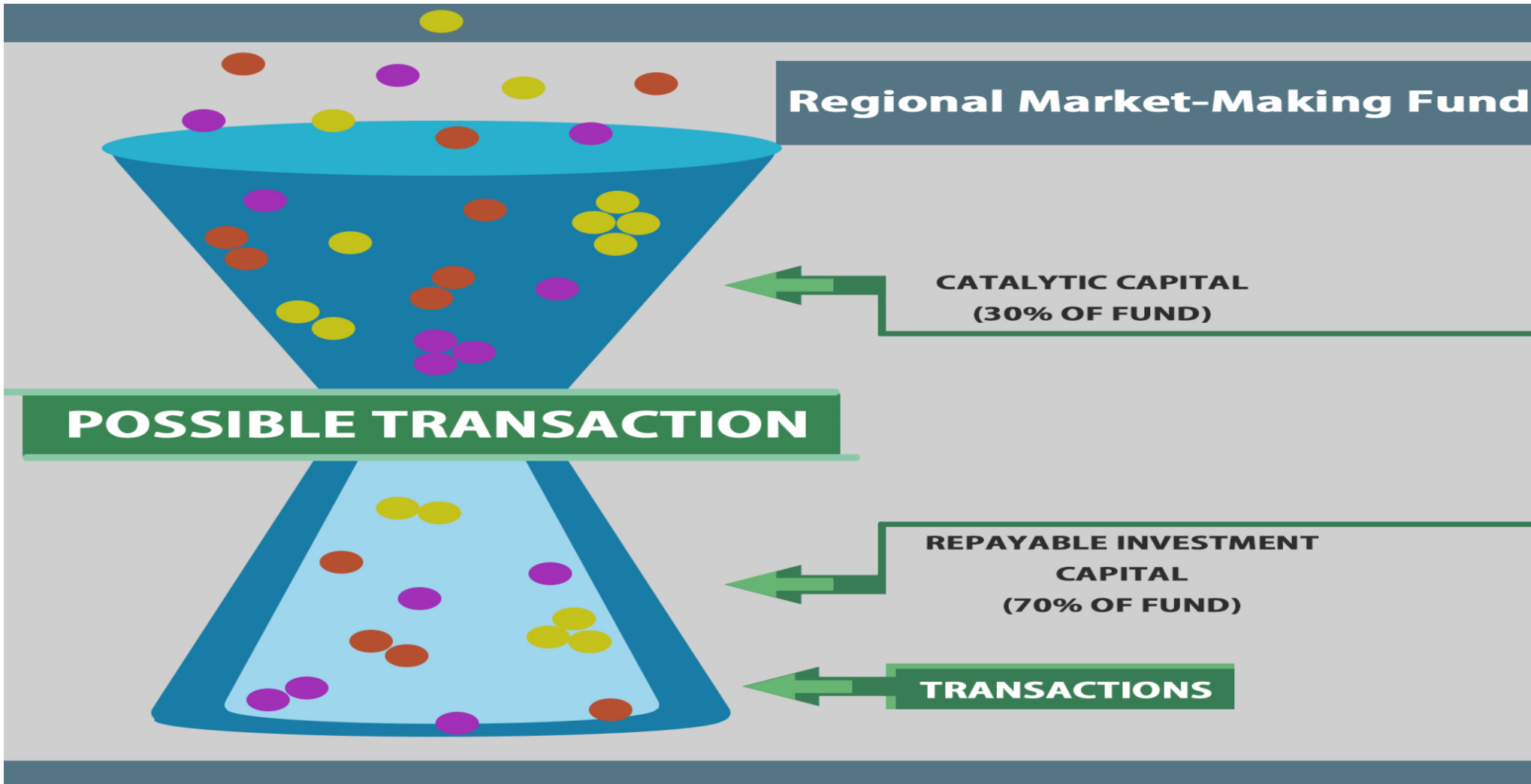
- Serve the geography of Central Appalachia, including WV, Southern OH, Western VA, Eastern KY, and Northwestern NC.
- Will to coordinate, execute, and report on a *\$100M* initiative to expand impact investing in Central Appalachia.
- Aggregate and align \$57 million, including a \$40 million investment fund targeting key economic sectors.
- Increase the region's capacity to absorb capital and our participation as impact investors.



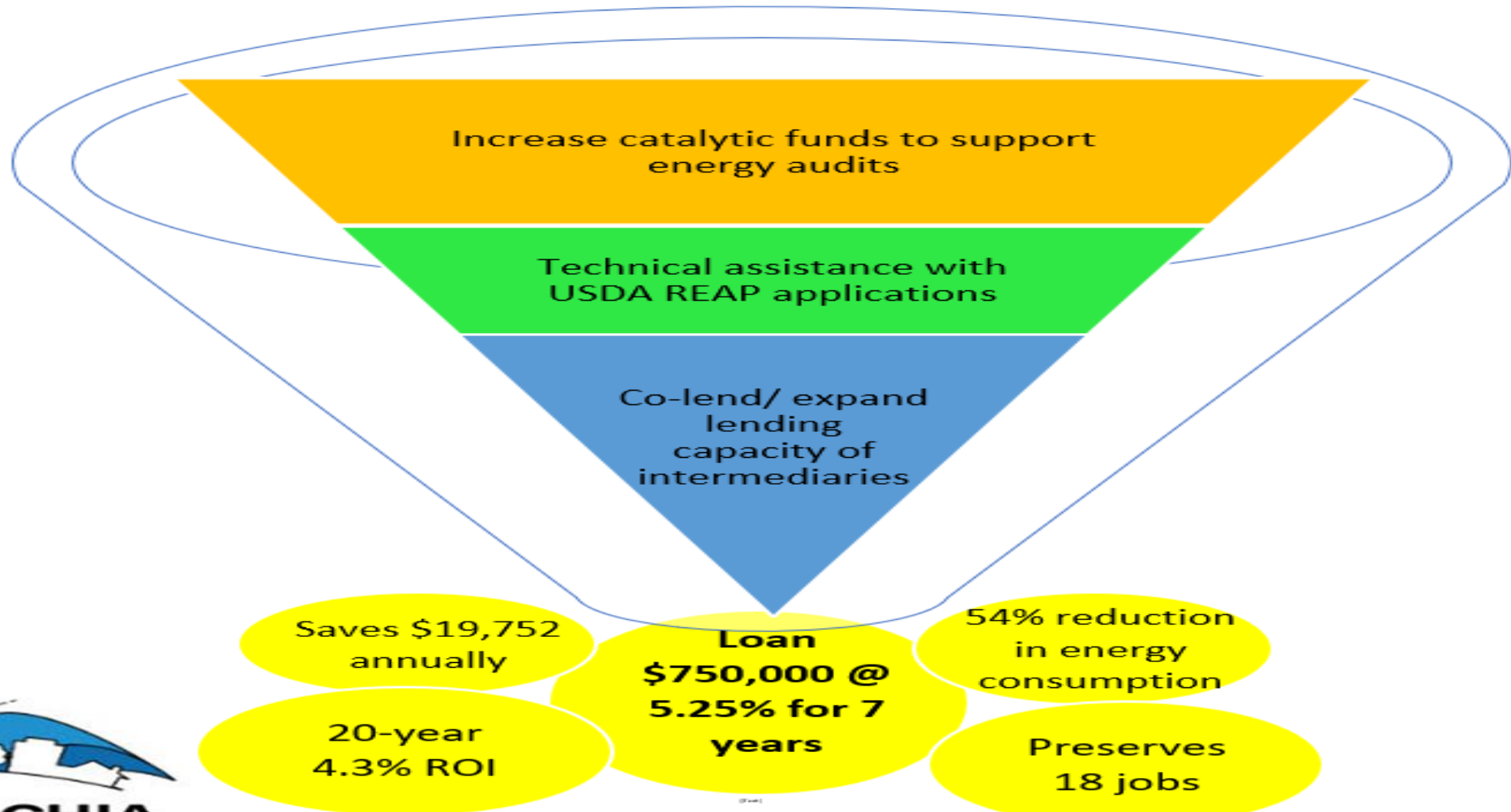
Legal Structure



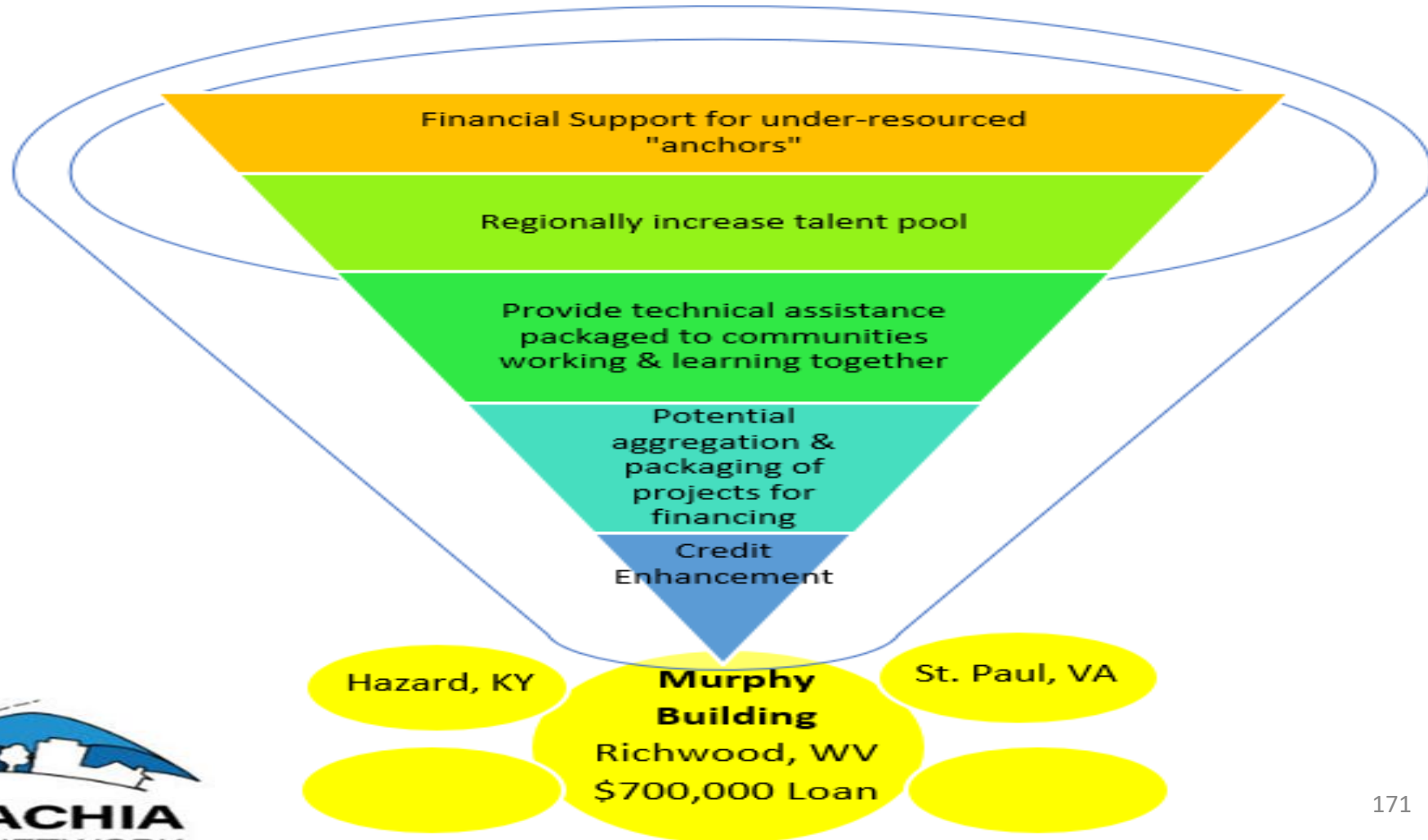
Investment Theory: Catalytic Capital Stimulates Opportunities and Unlocks Investment



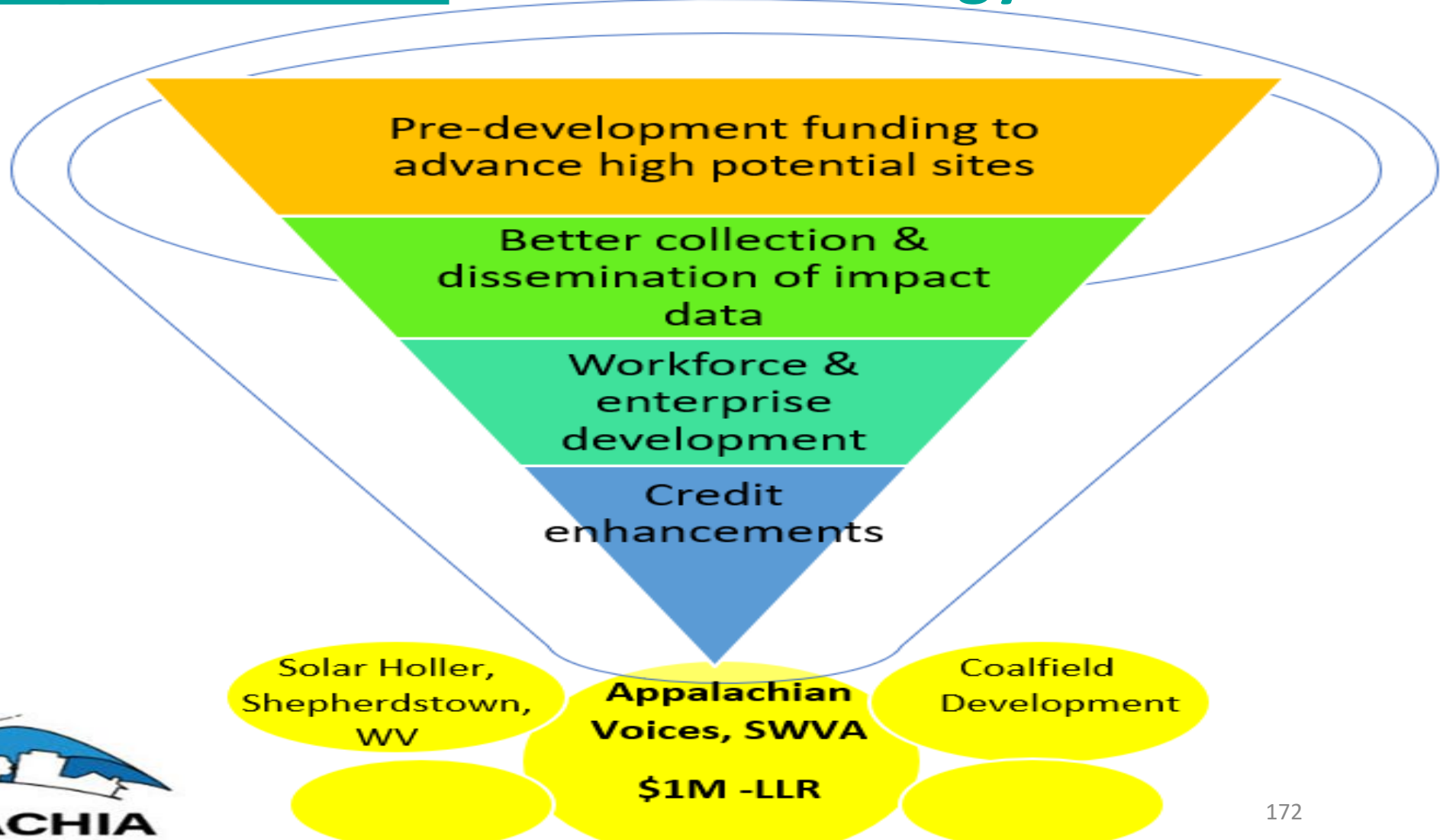
Pipeline Opportunities: Energy Efficiency & Food Security



Pipeline Opportunities: Downtown Revitalization



Pipeline Opportunities: Renewable Energy



Pipeline Opportunities: Restoration, Recreation & Tourism



Next Steps

- Continue to collect pipeline opportunities
- Feedback: *How will this further your work? How do you see yourself engaging? Who else should we engage?*
- Seek ongoing financial support advance the model
- Create a formal governance structure
- Initiate an expert vetting process
- Begin investor outreach
- Launch by end of 2018



Thank you to all who have supported this work especially:

The “working group”

- Gerry Roll
- Sandra Mikush
- Jane Henderson
- Lora Smith
- Sara Morgan
- Andrew Crosson

