

MISSION INVESTORS EXCHANGE
Sharing ideas. Driving philanthropic impact.

Impact Investing Basics

“Investments made into companies, organizations and funds with the intention to generate measurable social and environmental impact alongside financial return”

Defining Characteristics	Players	
❖ An investment approach , not an asset class	Individuals	Pension Funds
❖ Where intentionality matters	Government Entities	Financial Institutions
❖ And returns & impact are measured	Endowments	Foundations

Investment Spectrum

Traditional Non-profit	Non-profit (income generating)	Social Enterprise (profits reinvested)	Socially Responsible Business (B Corps – L3C)	Corporation (practicing CSR)	Traditional For-profit
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Mission-driven
Stakeholder accountability
Income reinvested in programs

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Profit-driven
Shareholder accountability
Profit redistributed to shareholders

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Terminology

Term	Definition
Impact Investing	Umbrella term includes all types of investors
Mission Investments	Foundation impact investments
Program-Related Investments	IRS regs for private foundations, concessionary financial returns
Double/triple bottom line	Financial, social, environmental returns
Socially responsible/ Environmental Social and Governance (ESG)	Screened public equities



