



2019 - 2020

Impact Report



Values. Wealth. Sustainability.

CEO Foreword

At this moment, our world is facing a complex set of crises. COVID-19 has re-exposed our social and environmental vulnerabilities and failures and many of us are understandably feeling a sense of despair. But today's pervasive narrative of fear is not the full story. The pandemic is also shining a light on new opportunities for creating systemic change. At Veris we are seeing many reasons for hope and pathways to progress. Every day we work with people who are doing amazing things and showing unwavering dedication to solving the challenges before us.

INTERNAL IMPACT - THE BUSINESS DECISIONS VERIS MADE

All of our clients want their wealth to be aligned with their values, and we've recognized that some want to be a more active part of solving specific challenges. Over the last several years we have started to work more closely with clients in action-oriented ways. These action items run the gamut from taking clients to meet with the SEC to working with clients that are seeking to build their own regenerative farm. There are many ways to participate in this movement, and we aim to serve the full spectrum of values-aligned investors.

Within our firm, Veris continues to see the impact of our thematic investing approach, offering funds that are moving the needle on specific issues our clients care deeply about. Continued intersectionality between our themes and the pandemic has made those connections even more clear. Ultimately, we are all part of one global system and we know how closely linked our challenges are, for example, how directly climate change is linked to community well-being. The plethora of challenges we face can seem overwhelming. Our thematic approach focuses our efforts, enabling us to seek out and support solutions for specific ills we can affect, as part of our broader effort to make the entire system healthy.

In response to the widening wealth gap and shocking disparities, we have intensified our focus on diversity, equity and inclusion. We are working to address biases in our own decision making and taking action steps

to drive more venture capital and private equity to business leaders from historically marginalized groups, including women, people of color and indigenous communities. Currently, only 1% of venture capital goes to companies led by Black founders.¹ Women-led companies received only 2.6% of the total amount of venture capital invested in the United States in 2019.² We're addressing these disparities by investing in funds that are supporting underrepresented entrepreneurs and diversifying the managers we're placing our clients' assets with. We will continue to work on diversifying our pool of managers and expanding our offering of funds that are led by women and people of color. This is the right thing to do and, I believe, a wise long-term business plan to ensure that the demographics of the people who control funding decisions in the United States are reflective of the demographics of this country.

At Veris, we are considering the most equitable channels for moving capital—often looking past the mainstream to the less explored tributaries that flow to underserved communities. For example, when it became clear that small businesses, which employ over 47% of workers in the United States,³ were often locked out of the financial aid they needed to weather the pandemic, we turned to Community Development Financial Institutions (CDFIs). CDFIs lend directly to small businesses and nonprofits, many of which are led by women and founders of color. For many years we have been working to drive money to CDFIs as a way of getting capital into communities unable to access traditional sources of capital.

Despite all of the signs of progress, we are also seeing opposing forces push back against the impact movement. The government is currently attempting to reduce the capabilities of certain investors to participate in shareholder activism. We are also seeing resistance to progress from an old guard that still firmly believes a company's only duty is to its shareholders without consideration of other stakeholders. The bright side to this pushback is that this opposition is generating healthy dialogue and innovations that are likely to drive even greater positive change in the future. For example, our industry has developed impact measurement tools and frameworks and processes that allow us to be more precise in our strategic efforts and rebut criticisms with hard data.

We are encouraged to see increasing numbers of traditional banks and brokerage firms incorporating ESG criteria into their investment analysis and decision-making. Companies seeking to respond positively to meet analysts' ESG questions will need to reduce their unsustainable practices and focus on solutions to become more responsible and sustainable, and, with hope, restorative. For this to be effective both analysts and companies will need to adhere to a material ESG factor analysis.

We are also heartened to see that shareholder engagement continues to play a significant and growing role as a driver of change. Shareholder

engagement work is often wrongly thought to be limited to resolutions, but the vast majority of shareholder engagement requests are resolved during dialogue. Shareholders utilizing ESG data and research to educate companies regarding the social, environmental and financial benefits to stakeholders to start productive dialogues with company leaders— often pushing them towards meaningful actions that will lead to positive outcomes for people and the planet.

In this pivotal moment, we have the opportunity to transform and rebuild our systems on a solid new foundation. We must continue to call for accountability and restorative actions from companies and industries that cause harm. We must amplify the voices of women, and people of color, and indigenous populations and other historically marginalized people. We must listen to those voices and engage in real conversations that will shift the narrative and grow the movement until we are all part of an equitable, inclusive, just, society that values all lives and offers equal opportunity for prosperity.

Patricia Farrar-Rivas



Veris Impact Across Asset Classes

Veris works with managers across all asset classes to create performance-driven investment strategies that align our clients' wealth and financial goals

with their values. The chart below shows the impact areas our investments targeted in 2020.

		Community Investments / CDFIs	Private Debt / Equity	Real Assets	Public Fixed Income	Public Equity
Climate Solutions & Environment	Renewable & Clean Energy	✓	✓	✓	✓	✓
	Water Infrastructure / Water Management	✓	✓	✓	✓	✓
	Energy Efficiency / Green Buildings / Resource Optimization	✓	✓	✓	✓	✓
	Green Business / Ecotourism	✓		✓		✓
	Environmental Technology Solutions / Infrastructure	✓	✓	✓	✓	✓
	Green Chemistry / Products		✓		✓	✓
	Waste Management / Recycling / Circular Economy	✓	✓	✓	✓	✓
	Fossil Fuel Free / Low-Carbon Economy / Carbon Sequestration	✓	✓	✓	✓	✓
Gender Lens Investing	Women in Leadership / Management Diversity	✓	✓		✓	✓
	Women and People of Color Entrepreneurs	✓	✓		✓	✓
	Women & Girls Empowerment / Economic & Educational Opps	✓	✓		✓	
	Products & Services for Women	✓	✓		✓	✓
	LGBTQ Equality	✓	✓			✓
Community Wealth Building & Social Justice	Affordable Housing / Homeownership Assistance	✓	✓	✓	✓	
	Education / Early Childhood Development	✓	✓	✓	✓	
	Small Business Finance / SME	✓	✓	✓	✓	✓
	Financial Inclusion / Microfinance / Access to Credit	✓	✓			
	Health & Wellness / Nutrition	✓	✓	✓	✓	✓
	Quality Jobs / Workforce	✓	✓	✓		✓
	Arts & Creativity	✓				
	Indigenous Rights / Refugees / Immigrants	✓		✓		✓
Sustainable Agriculture & Food Systems	Inclusive / Community Economic Development	✓	✓	✓	✓	
	Sustainable Timber & Forestry			✓		✓
	Sustainable / Organic / Regenerative Farming	✓	✓	✓		✓
	Habitat Conservation	✓	✓	✓	✓	
	Sustainable Fisheries / Aquaculture	✓	✓	✓		
Shareholder Engagement Campaigns & ESG	Sustainable Food System Support	✓	✓	✓		✓
	Human Rights / Supply Chain / Conflict Minerals / Child Labor					✓
	Drug Pricing Transparency					✓
	Political Spending / Lobbying Disclosure					✓
	Sustainability / Carbon Emissions Disclosure / GHG Goals					✓
	Workforce Policies / Wage Gap / Executive Compensation					✓
	Responsible Marketing					✓
	Broad Environmental, Social, & Governance					✓

Creating Impact

THE EVOLUTION OF ESG INVESTING

Sustainable and impact investing have grown and evolved at an accelerated rate as more and more investment managers are taking an ESG integrated approach.

Though the investment management industry continues to debate and refine the exact definition of ESG integration, it is indisputable that a growing number of managers are including environmental, social and governance (ESG) factors in investment analysis and decision-making. The US SIF Foundation's *2018 Biennial Report on US Sustainable, Responsible and Impact Investing Trends* showed that investors are considering ESG factors across \$12 trillion of managed assets in the United States, or one in four dollars of total assets under professional management.⁴ Morningstar Research reported inflows of \$20.9 billion into sustainable funds during the first half of 2020, which is just short of the \$21.4 billion in net inflows tracked for all of 2019.⁵ Morningstar categorizes sustainable investment funds into ESG funds, Impact funds and Environmental sectors funds, which use a combination of positive and negative screen, ESG integration and engagement and thematic investing.

Integration of environmental, social and governance factors within financial analysis (as an alternative to ESG screening) has been at the forefront of ESG asset growth for public equity and fixed income fund managers. Researchers have linked consideration of material ESG factors in investment decisions to improved risk management and financial performance. A recent study led by Calvert Investments found that ESG performance correlates with better business management and that sustainability initiatives can increase corporate cash flow and/or shareholder value.⁶ The same report also showed that leading ESG companies enjoy a valuation premium in both equity and fixed income markets as investors expect higher growth and require lower cost of capital.

ADDRESSING IMPACT WASHING

Despite growing adoption of the ESG integrated approach, some industry professionals and investors are expressing concerns related to "impact washing." These concerns include questions about the completeness of ESG data and worries about lack of disclosure by companies and use of ESG ratings that are neither transparent nor audited. At Veris, we hire best-in-class investment managers who seek opportunities to create authentic impact that will further the financial goals of our clients and our firm. Within our own firm, we proactively evaluate each manager through our strenuous due diligence process - even if a manager claims that they offer an "ESG" strategy.

Industrywide, there are signs of some progress. While publicly listed companies in developed markets (Europe, for example) have historically had better disclosures, companies in emerging markets have started to show leadership in



this area. The mushrooming of ESG risk rating providers and frameworks has highlighted the need for transparency and standardization. There has also been significant push to audit ESG and sustainability disclosures. Use of alternative data and advanced data analytics including machine learning will also help integrate ESG metrics in investment decision making. This significant push toward transparency, standardization and audits of ESG data and disclosures provides us hope that the industry is generally moving in the right direction.

BENEFITS

The inclusion of material ESG factors not only in investment management, but also in corporate business strategy has resulted in significant tangible benefits and long-term value creation for companies through lower cost of capital, higher revenue through innovative products, customer loyalty, better employee engagement, lower expenses and reduced reputational risks. Investors in public equities are also using tools like engagement, proxy voting and shareholder proposals to drive transparency, disclosure and changes in business practices that have positive environmental, social and governance impact. Engagements are also increasingly being used by corporate bond investors and to a certain degree by municipal bond investors.

ESG INTEGRATION IN INVESTMENT DECISION MAKING

As ESG risks vary greatly by sector, the most common use of ESG integration is material ESG factor analysis. Material ESG factors for technology companies, for example, may include corporate governance, data privacy and security, supply chain management, environmental management, and regulatory components like tax strategy. Increasingly, ESG integrated investment strategies are also employing some level of exclusionary screens, which have mostly been associated with socially responsible investing (SRI) in the past. Exclusion of industries and companies that are creating negative environmental and social impacts sends a clear message to companies that they need to take into account externalities of their business models and

make changes if they want the social license to operate. Even companies in polluting sectors like fossil fuel energy are beginning to pivot their business models by incorporating renewable energy in their portfolios.

THEMATIC INVESTING

ESG integration allows for identification of risks and growth opportunities in portfolio holdings. Analysis of ESG factors can also be a valuable tool in identifying macro trends that lead to thematic investing opportunities. These themes can cover a wide range of territory including Climate/ Environment; Justice, Equality, Diversity & Inclusion; Investing in Women and Girls; Regenerative Agriculture, Forestry & Food; Green Urban Development; Health & Wellness; and International Development (specific geographies). In addition to following specific client mandates, thematic portfolios are increasingly ESG integrated.

OUR PERSPECTIVE ON ESG INTEGRATION

Veris believes in impact across all asset classes. While ESG integration is most often associated with active and passive public equities and fixed income investing, we are seeing increased ESG integration in private markets and thematic strategies and within corporates. While not all private placement and thematic strategies explicitly integrate ESG, we see an opportunity for value creation in identifying best-in-class companies and improving ESG performance of portfolio companies. UN PRI's 2014 report on Integrating ESG in Private Equity and many other research studies since then have highlighted the benefits of ESG integration in private markets.⁷ While material ESG factors and ESG integration are not yet fully utilized in private markets and thematic investments, we believe that this will be the new frontier for the rapid growth and success of impact approaches across all asset classes. Veris views material ESG factors as critical to investment decision making. We believe that using a combination of exclusionary screens, ESG overlay, ESG integration and thematic investing will be crucial to achieving our shared vision of a just and sustainable world.

Impact Through Active Ownership

Active ownership enables shareholders to influence, encourage, and sometimes demand that public companies improve their environmental footprint, community relations, worker conditions, or board governance. Shareholder advocacy can take the form of direct engagement with management or the board, proxy voting or filing shareholder proposals. When the practices of engagement, proxy voting and/or shareholder proposals are driven by analysis of material ESG factors and relevant issues, they can be powerful drivers of change that lead to meaningful impact.



Shareholder Advocacy approaches can help drive companies to improve disclosures, enabling effective ESG integration which can lead to improved corporate performance. Successful investor engagement on environmental and social issues has been shown to improve company accounting performance and corporate governance.⁸ Thus, active ownership can be the foundation of value creation and alpha generation in public equities. From proxy voting to direct dialogue with companies, all of these approaches are not “add-ons” to ESG Integration but rather fundamental components of bringing together all impact investing tools to create success.

SHAREHOLDER ADVOCACY EXAMPLE

Trillium Asset Management has a track record of 38 years in shareholder advocacy. Trillium uses tools like direct engagement with companies, shareholder resolutions, proxy voting and signing-on to letters and coalition efforts on various environmental and social issues. Trillium’s Advocacy and Investment teams are

jointly involved in these shareholder proposals and engagements. The value-add of the Shareholder Advocacy team is that they can provide valuable insight about various aspects of ESG mandates supporting the investment process.

In 2019, Trillium filed 34 shareholder proposals on topics ranging from executive leadership, board and workforce diversity to CEO compensation and sustainability disclosures. Eighteen of those shareholder proposals were eventually withdrawn as a result of productive dialogue and commitment from companies. Shareholder proposals that were not withdrawn (related to political contributions, workforce diversity, independent board chair, GHG emissions, use of pesticides and plastic recycling) received double digit votes with some receiving over 50% votes. This shows the effectiveness of shareholder proposals as a tool to drive change.

Trillium also publicly discloses all its proxy votes.⁹ In order to tackle economic inequality, Trillium has decided to vote against all pay packages when the ratio of CEO pay to median work pay is above 50:1.¹⁰ When they discovered that the CEO pay to median worker pay is 1,596:1 at The TJX Companies, Trillium filed a shareholder proposal requesting the Executive Compensation Committee to take into consideration salary ranges of its employees when setting target amounts for CEO compensation.¹¹



- Climate & Environment
- Board & Workplace Diversity
- Political Spending & Lobbying
- Executive Compensation
- Human Rights & Worker Conditions
- Sustainability Reporting & Disclosure
- Product Safety & Drug Price Transparency
- Sustainable Supply Chain
- Data Privacy & Cybersecurity
- Other

** graph and statistics are based on shareholder resolutions filed by 5 managers*

Community Impact Notes, Private Equity & Private Debt

Veris is dedicated to helping our clients make high-impact investments in funds that finance private companies. Since our last Impact Report, our society and our economy have been severely impacted by the Covid-19 pandemic. The impact our clients help create with their capital, was particularly needed during this challenging time. The managers that we work with are on the ground, serving the communities and looking for opportunities to strengthen economic recovery and build community wealth where it is most needed. In 2019, our managers reported the following aggregated results:



714,540 Jobs Created or Preserved¹²

Recent job growth reports show that the U.S. economy is continuing to expand, but without middle- and working-class families seeing much of the benefit.



306,454 Affordable Housing Units Created or Preserved¹³

Millions of low-income Americans are paying 70% or more of their incomes for shelter, while rents continue to rise and the construction of affordable housing lags far behind the need.



798,274 Small Businesses, Social Enterprises or Non-Profits Financed¹⁴

Small businesses are essential to the country's ability to grow economic output, entrepreneurship, and private sector employment.



83,103,797 Underserved Borrowers Financed¹⁵

There are 1.7 billion people who lack access to basic financial services globally, and a \$5.2 trillion funding gap to micro, small, and medium-sized enterprises.



8,379,279 Educational Opportunities Financed/Access to Education¹⁶

Around the world, more than 72 million children lack access to basic education because of poverty and inequalities that originate in gender, health and cultural identity.



3,410,989 Patients Reached by Health Facilities/Health Programs¹⁷

About one in four Americans is without a health center to receive regular medical services, and almost one in five Americans under age 65 years does not have medical insurance coverage.



9,243,467 Acres of Sustainably Managed Land¹⁸

Selecting the right land use, and implementing sustainable and regenerative land management, is critical for minimizing land degradation, rehabilitating degraded land, ensuring the sustainable use of land resources and maximizing resilience.



16,130,023 Metric Tons of CO2 Offset or Avoided¹⁹

Carbon dioxide emissions in the U.S. increased by about 2.9% between 1990 and 2017.



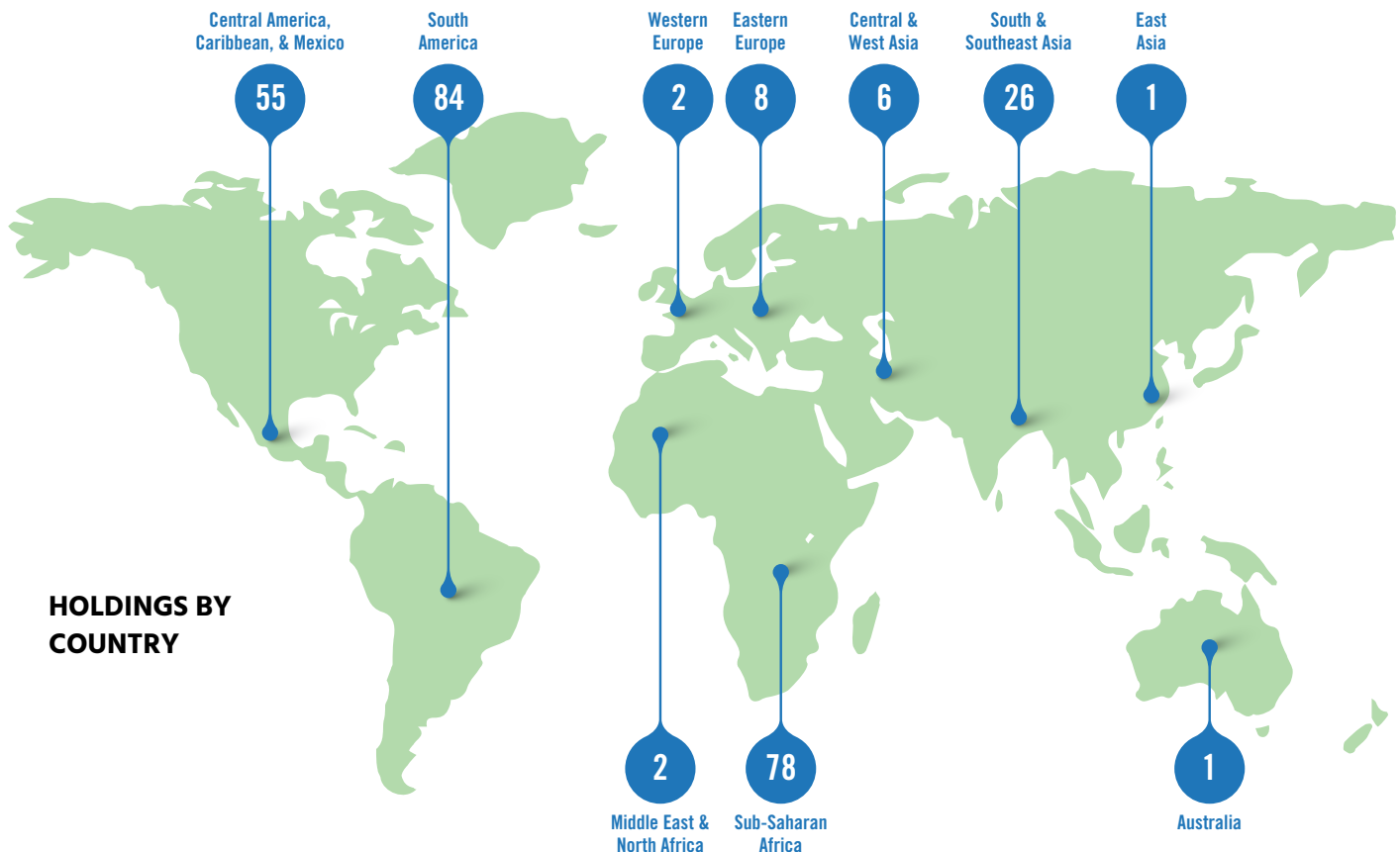
6,637,260 Megawatt-Hours of Renewable Energy Produced²⁰

Technologies that can help America move away from fossil fuels, such as solar panels, wind turbines and electric cars, have gone from novelties to core features of the nation's energy landscape.

Global Reach

In addition to generating positive local and domestic impact across the United States, Veris identifies sustainable and responsible investment opportunities globally. The map below outlines the number of small and medium-sized enterprises (SMEs), cooperatives,

microfinance institutions (MFIs) and other organizations that are supported in part by Veris clients that target social and environmental impact in the following regions outside the U.S.





SUSTAINABLE DEVELOPMENT GOALS



The UN's Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect our environment, and ensure peace and prosperity for all people across the world by 2030. The impact investing industry has borrowed thematic impact classification from the SDGs to serve as a universal framework for impact measurement. Veris clients invest in solutions that align with these 17 Global Goals, including efforts to end hunger, stop climate change, and build gender equality. Each of our thematic focus areas supports the SDGs, with significant overlap and mutual reinforcement. In solidarity with our colleagues in the public, nonprofit, and private sectors, Veris will continue to support the global effort to accomplish the U.N. Sustainable Development Goals.

2020 Impact by Theme

Veris seeks to express the mission and values of our clients by constructing unique thematic portfolios. To further our client's goals, we have specialized in the following themes:

1. Climate Solutions & the Environment
2. Gender Lens Investing
3. Community Wealth Building & Social Justice
4. Sustainable Agriculture & Food Systems

These themes represent the firm's long-term strategic priorities. We have developed significant investment and sector expertise in each of these areas and in some cases created new investment frameworks when they did not previously exist. Veris pioneered Gender Lens Investing, for example, and we have shared our research widely.

To illustrate the types of investments found in thematic portfolios, we will highlight one publicly traded corporation (Public Market Solution) and one privately-held company (Private Market Solution) for each theme. We will share a brief description of each company along with their solution's relevant SDGs. Since Veris is a manager of managers, we do not directly select these companies in our portfolio, instead, we hire best-in-class investment managers who further the financial goals and mission-alignment of our clients and our firm.

1. CLIMATE SOLUTIONS & THE ENVIRONMENT

Veris Investment Managers mitigate climate change with investments in the conservation of natural resources, renewable energy like solar and wind, energy circularity, energy-efficiency, green consumer products and sustainable waste management. Veris seeks investment managers who aim to create a more sustainable planet through innovation and regenerative approaches.

PRIVATE MARKET SOLUTION



Company: [BLUON](#)

Veris Investment Manager: [Ecosystem Integrity Fund](#)



Veris invests in Bluon, a privately-held company that aims to disrupt the refrigerant sector. Right now, approximately 40% of the planet's electricity is being consumed by Heating, Ventilation, and Air Conditioning (HVAC-R) systems. Electricity generation is the single largest source of GHG emissions—more than the entire transportation sector combined. Climate change is linked to the presence of greenhouse gases (GHGs)

in our atmosphere. There are four major GHGs, of which carbon dioxide (CO₂) is by far the most abundant, accounting for 82%. Power plants burning coal and fossil fuels are the largest CO₂ producers. Considering that 30% of GHGs are produced by electricity generation, and 40% of that electricity is used by HVAC-R, then it is directly responsible for 12% of total GHG emissions. To put that in perspective, HVAC-R is responsible for as much CO₂ as 50% of all the cars and trucks on the road.²¹ Innovation to improve the efficiency of HVAC equipment is critical. Environmental activist and actor Leonardo di Caprio, who is an investor and Advisory Board member of Bluon, has said "If Americans made their HVAC-R equipment 10% more efficient, it would do more to fight climate change than taking 20 million cars off the road."

To reduce high electricity consumption from HVAC-R energy use, Bluon has developed a new refrigerant called TdX 20 which reduces greenhouse gas emissions by 5% to 25% and replaces ozone-depleting R-22 refrigerant.²² Other R-22 replacements are less energy efficient, resulting in more emissions. TdX 20 is considered to be an extremely cost-effective climate change solution. Innovation to improve the energy efficiency of HVAC technology and refrigerants will be a critical part of the solution to climate change. Ecosystem Integrity Fund, a long term and close partner to Veris, and our investment team believe Bluon is a company that is leading the way.

PUBLIC COMPANY SOLUTION



Company: [Schneider Electric](#)
Veris Investment Manager: [Impax](#)



Schneider Electric is a European multinational company that provides energy management and digital automation solutions designed for sustainability. Founded in 1836, Schneider Electric has evolved to become a leading global supplier of energy efficiency solutions and renewable energy. This company is helping to solve climate change through lower carbon emissions and they have pledged to provide 100% renewable electricity by 2030.

This company also helps people in underserved areas gain access to reliable electricity through their Access to Energy program. In India, Schneider Electric's partnership with the HCL Foundation has led to the development of the largest network of rural microgrids in Asia Pacific. These microgrids — connected by the EcoStruxure™ for Energy Access platform²³ — are now delivering electricity to more than 6,000 families as well as businesses, clinics, and schools.²⁴

Schneider Electric has a plan for a "Tailored, Sustainable, Connected Supply Chain 4.0." and embeds circular principles into their supply chain to work towards that vision. From reusable transport packaging to end-of-lifecycle take-back programs, Schneider has a goal of completely eliminating SF6 gas (a potent greenhouse gas) from all of their products by 2030. By 2020, it has avoided 120,000 metric tons of primary resource consumption. To reward its work on circularity, Schneider received the Award for the Circular Economy – Multinational at 2019's World Economic Forum in Davos.²⁵

Decarbonizing its operations and reducing its resource consumption by phasing out SF6 in products, working toward 100% renewable electricity, doubling energy productivity, reducing emissions from its freight and logistics activities, and is transitioning to an all-electric company vehicle fleet are other ways that Schneider Electric is working to solve climate change. Additionally, the corporation is taking concrete action to reduce purchasing-related CO2 emissions, specifically by limiting and substituting materials embedded in products. Together, these strategies have allowed 13 of their sites to achieve carbon neutrality, and they have reduced operational emissions by 37% in just two years. The company's EcoStruxure platform has reduced their customers' CO2 emissions by a total of 120M metric tons.²⁶



2. GENDER LENS INVESTING

Gender Lens Investing (GLI) is a strategy in which investors focus intentionally on mobilizing capital to improve the condition of women and girls worldwide. When women are fully engaged and empowered, social change and economic performance accelerate. Veris is one of the creators of the GLI approach to investing and seeks to support strategies that empower women and girls. Veris continues to monitor the diversity among our managers and the industry at large.

PRIVATE MARKET SOLUTION



Company: [Mayvenn](#)

Veris Investment Manager: [Impact America Fund](#)



Impact America Fund (IAF) is a fund that makes early-stage investments in tech-driven businesses founded by women and people of color to build wealth in historically marginalized communities. Experienced impact investor Kesha Cash is IAF's Founder and General Partner. One of IAF's prized portfolio companies is Mayvenn, a marketplace that increases the income of independent hair stylists by providing them with their own websites and connecting them to new clients that purchase their human hair wigs and extensions. Mayvenn has paid out \$20M in commissions and service fees to 7,500 active stylists.²⁷

Mayvenn allows African-American independent stylists a means of selling inventory and sourcing new clients, without the usual associated time and financial costs. Without the platform, the inventory sales and marketing costs necessary to build a sustainable independent stylist business would be out of reach for many. Diishan Imira, Mayvenn's founder and CEO, said that he started his company "with the idea that if people of color are spending billions of dollars on beauty products, we should also have ownership in the businesses that sell those products."²⁸ Mayvenn empowers stylists, who earn a national average of \$16,000 annually, to rise above the poverty line—often doubling their incomes. Over the past five years, Mayvenn's stylists have earned over \$25M in commissions and new client income. Those dollars are being invested back into communities of color.

Mayvenn's new "Free Product Install" business model aims to increase economic sustainability for hairstylists. They have built a network of Mayvenn Certified Stylists across the United States that are matched with new customers who have purchased Mayvenn hair bundles. This model helps stylists grow their



businesses while customers receive more affordable products and services. Mayvenn also created its own payment app, InstaPay, that allows stylists (many of whom are unbanked) to receive direct deposits on any card, including prepaid debit cards.

With the unfolding of COVID-19 In May 2020, Mayvenn launched its #SavetheSalon campaign with the goal of raising \$2M with the intention of providing \$1,000 in cash relief to 2,000 of the stylists in its network. The fund attracted donations from Twitter CEO Jack Dorsey’s #startsmall initiative, Ben and Felicia Horowitz, Libra/the Pritzker Family, and The Charles and Lynn Schusterman Family Foundation. Each pledged to donate \$10 for every \$1 raised by the community up to \$1 million. Mayvenn committed to donating \$100,000. By using Mayvenn’s InstaPay direct pay platform, stylists were able to receive their relief money within 24 hours.

PUBLIC COMPANY SOLUTION



Company: Autodesk
Veris Investment Manager: ImPax (Fund: Pax Ellevate Global Women’s Leadership Fund)

AUTODESK Through innovative 2D and 3D design, modeling and rendering products, such as AutoCAD, Maya, and Inventor, Autodesk has grown into a global software industry leader serving industries from construction to manufacturing to media and entertainment. In a sector that has historically been male-dominated, Autodesk has also become a leader in efforts to achieve gender parity.

Between 2017 and 2020, the percentage of all employees at Autodesk who are women grew by 4.4 percentage points to 33.4%.²⁹ The percentage of women in senior management and middle management positions increased by 11 and 18.6 percentage points to 32% and 41.6%, respectively, during the same period. Board gender diversity also increased by 20 percentage points to 50%. These numbers demonstrate the company’s commitment to hire, train, retain and promote women at all levels.

Gender Diversity (%)	FY 2017	FY 2018	FY 2019	FY 2020
Board of Directors	30.0%	50.0%	44.0%	50.0%
Executives and Senior Management	21.0%	21.0%	25.8%	32.0%
Managers	23.0%	24.0%	39.8%	41.6%
All employees	29.0%	31.0%	32.2%	33.4%

Source: Autodesk FY2019 and FY2020 Sustainability Report



Autodesk has also shown their commitment to gender equality through their Women in Leadership and Women's Network mentorship programs. The Autodesk Women's Network is the company's largest employee resource group with presence in 45 offices across 27 countries. These programs were designed to build a culture of belonging within the company and empower Autodesk's women employees to reach their full potential. Autodesk organized its first two-day Women's Summit to celebrate and engage with women employees in 2019. The event provided an opportunity to network and gain career growth insights and shows the company's commitment to women employees.

3. COMMUNITY WEALTH BUILDING & SOCIAL JUSTICE

With close to zero growth in wages for the bottom half of the population over the past three decades— social mobility, employment, and educational opportunities have slipped out of reach for millions of Americans. Income disparities are part of a broader societal challenge. Community wealth building and social justice solutions seek to eliminate discrimination, promote human rights, and spread prosperity while ensuring sustainable economic growth. Veris seeks to support companies and funds that support marginalized communities that have been systematically excluded from mainstream economic success.

PRIVATE MARKET SOLUTION



Company: [Scottdale Early Learning](#)

Veris Investment Manager: [The Reinvestment Fund](#)



The mission of Scottdale Early Learning (SEL) is to provide early education that fosters the intellectual, creative, social, emotional, and physical development of children under the age of five, primarily from families that are low-income and from communities of color. With a mandate to ensure that all

students they serve are ready for kindergarten, SEL reduces the impact of socio-economic disadvantages on young children in the Greater Atlanta area through high-quality education, family involvement, and community engagement.³⁰

Scottdale hosts several programs including The Scottdale School, which provides center-based education; The Clarkson READY school, which provides programming to children for whom English is a second language; and the Parent as Teachers program, which gives parents home-based enrichment tools



and educational resources so they can help prepare their children for a structured pre-school setting; and the Parents as Volunteers program, which keeps parents engaged in their children's education.

With financing from The Reinvestment Fund, Scottdale was able to add a second core flagship to the organization's portfolio. On March 6th, 2020 Scottdale Early Learning Center had its ribbon cutting for Midway Woods, a new school in Decatur, GA providing center-based educational programs to young children. Midway Woods allows Scottdale to expand their impact by welcoming more families to the school. Scottdale considers the safety of their community a highest priority and is continuing to temporarily close its sites to prevent the spread of the Coronavirus. While students and teachers cannot meet in-person, Scottdale Early Learning is determined to continue carrying out the primary mission they have been working towards since 1977. SEL's team of educators, leaders, and administration are working tirelessly to bring programming into every student's homes. SEL shares comprehensive lesson plans with parents so they can be better prepared to lead them through their studies and students meet once a week on Zoom to engage with their peers and teachers. The school is also working with a local book company to deliver age appropriate books straight to the children's homes. In addition to the at-home programming, Scottdale is connecting parents to resources for meal-sites, rent and utility assistance, and free WiFi access. All this programming is free to the families of the Scottdale community.

Scottdale Learning Center was awarded a Paycheck Protection Program loan, allowing the center to continue no-cost, at-home programming for parents and children, while paying all of administration and educators. The Reinvestment Fund processed and administered these funds to the center, strengthening the relationship between the two organizations. Scottdale looks forward to the day it can reopen its doors to the families they serve but will continuously work hard creating more safe and mobile resources for their families.

PUBLIC COMPANY SOLUTION



Company: [Amalgamated Bank](#)

Veris Investment Manager: [Trillium Global Equity](#)



Amalgamated Bank, a certified B Corporation, is the largest union-owned bank and one of the only unionized banks in the United

States. Amalgamated Bank (AB) is currently majority-owned by Workers United, an SEIU Affiliate.³¹



The labor union roots of the bank are still felt today in its mission: “To create a more just, compassionate, and sustainable planet, for workers, for families, for communities... for all of us.”³²

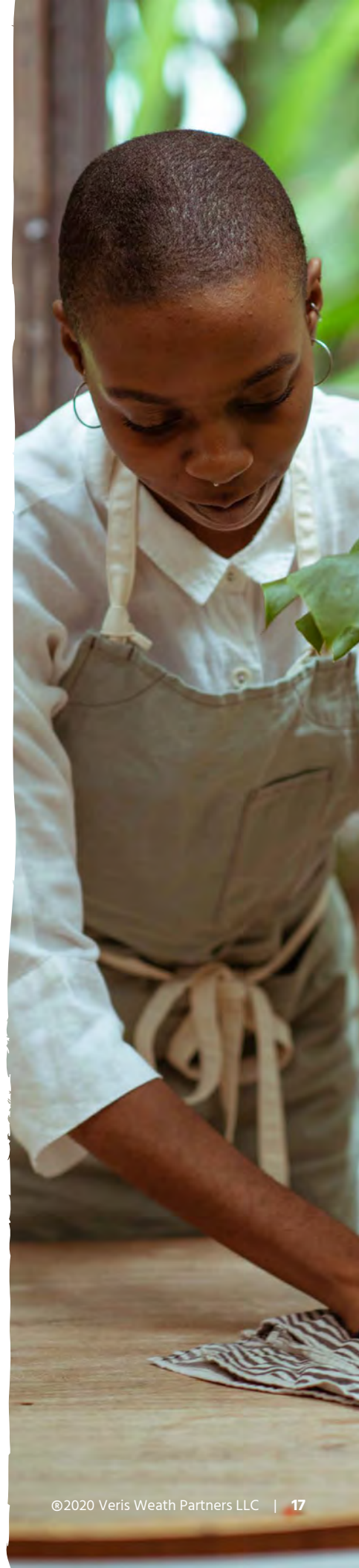
The bank itself has nearly \$4B in assets and oversees over \$45B in investment advisory and custodial services. Amalgamated Bank provides affordable and accessible banking to its customers, advocates for workers’ rights and promotes high standards of environmental, social and corporate governance practices. Amalgamated Bank’s clients include progressive individuals, labor unions and non-profits including AVAC: Global Advocacy for HIV Prevention, American Federation of State, County, Municipal Employees (AFSCME), and Service Employees International Union (SEIU).



AB is publicly active on issues of social justice – which is unusual for a financial institution of its size. They do not lend to weapons manufacturers or distributors and private prison operators. The bank pioneered Restart Checking — an account for those who have been turned away elsewhere because of credit problems. They have worked with the Grow America Fund to buy \$5 million worth of SBA Payment Protection Program loans that provide funding to Black-owned businesses that could not initially get funding from the government. Finally, Amalgamated Bank centers racial justice and equity as core tenants of their corporate vision and values. Amalgamated

Foundation has facilitated the work of the Emergent Fund, which supports BIPOC-led organizing groups as well as The Emergency Fund For Racial Justice in partnership with Color of Change, Truth Fund, the Native COVID-19 Action Fund and others.³³

On immigrant and immigration issues, Amalgamated Bank does not lend money to companies or organizations that promote hatred. They are one of the first banks to accept NYC’s Municipal ID card, which helps expand banking to underserved communities. They also launched Hate is Not Charitable campaign to stop the flow of philanthropic dollars to hate groups, including those discriminating against the immigrant community.³⁴



4. SUSTAINABLE AGRICULTURE & FOOD SYSTEMS

Agriculture as it is practiced today threatens wild plant and animal species, as well as the natural ecosystem upon which humans and wildlife depend. With the world population estimated to reach 9 billion by 2040, it is imperative that the management of agriculture systems be improved to increase productivity and preserve biodiversity. At Veris Wealth Partners, we seek to find sustainable solutions to this crisis through private and public investments.

PRIVATE MARKET SOLUTION (IPO AUGUST 2020)



Company: Vital Farms

Veris Investment Manager: SJF Ventures



Vital Farms, a Certified B Corp, offers a range of ethically produced pasture-raised food products nationwide. Vital Farms has grown to become the largest selling U.S. brand of pasture-raised eggs and butter. Vital Farms' ethics are exemplified by its humane treatment of farm animals and sustainable farming practices. "We wanted to produce food from small family farms at scale" said the company's founder, Matt O'Hayer. "We treat hens like the sentient being they are, not egg-laying machines."³⁵ Vital Farms is certified by Certified Humane for ethical, "pasture-raised" chicken standards: a minimum of 108 square feet of roaming room for each bird.

Vital Farms operates with a strong commitment to sustainable agriculture with all their farm-partners. In January 2020 Vital Farms launched a groundbreaking food traceability program. Consumers can visit vitalfarms.com/farm and enter the name of the farm listed on their egg carton to see 360° video footage of the pasture where their eggs were laid.

Vital Farms believes in empowering employees via Open-Book Management to connect employees to passion and purpose. Some crew members do not know how to read a financial statement. They want to equip all crew members with tools to understand Vital Farms performance, so they understand how the company works and makes money. Vital Farms subscribes to the notion that it is easier to teach a skill than a value or culture. They hire first for cultural fit and values, and second for experience and skills. On August 4th 2020 Vital Farms closed its IPO raising \$200 million to help grow its future.



PUBLIC COMPANY SOLUTION



Company: [Maple Leaf Foods Inc.](#)

Veris Impact Manager: [Pax Small Cap Fund](#)



Maple Leaf Foods has a mission to become the world's most sustainable protein company. Though their business has historically focused on high quality meats, this Canadian-based company has increasingly pivoted towards plant-based protein. Maple Leaf Foods has announced their intention to grow the plant-based protein sector to approximately \$3B by 2030. To demonstrate their commitment to plant-based

protein, Maple Leaf Foods made changes to their long-term incentive plan to reward executives for growth of their plant-based protein business.

The FAIRR Initiative, which assesses animal protein companies on environmental and social issues, ranks Maple Leaf Foods as the sector leader on its plans to diversify sources of protein. Maple Leaf follows the Five Freedoms, for animal welfare which are global standards designed to protect the mental and physical well-being of animals. The company uses no antibiotics.

Sustainability efforts have been incorporated into every aspect of Maple Leaf Foods' business. The company has set goals to reduce its GHG emissions, water consumption and waste by 50% by 2025.³⁶ Developing plant-based proteins will have a lower carbon footprint than pork and poultry, which together represent approximately 10% of total livestock GHG emissions globally. In 2019, the company announced it was carbon neutral through a combination of carbon offsets and GHG emissions reductions efforts. Water intensity reduced by 16.7%, total energy intensity reduced by 12.3%, and solid waste intensity reduced by 14.3%.³⁷

Maple Leaf Foods also has a Diversity & Inclusion Council, which set a goal to achieve 50% women in leadership roles by 2022 (manager level and above). In 2019 women represented 38% of the company's leadership team and they continue to make improvements towards their goal.³⁸ In 2018, promotion of women among employees increased 12% over the prior year and hiring of women increased 45%.³⁹ The company also has a Women's Impact Network and a WIN Mentoring Program for Women.



Veris Corporate Impact Report

JUSTICE, EQUITY, DIVERSITY AND INCLUSION

Veris is committed to creating an equal, just and inclusive environment for all employees, owners, clients, vendors, and stakeholders. In addition to having a DEI Investment sub-committee focused on investing in more diverse managers, Veris regularly provides DEI training to its staff and Partners to ensure the firm is trained to address issues of discrimination and proactively work on inherent and unconscious biases within our teams and how we operate. We consider this work ongoing, which we approach with humility and curiosity.

Veris has been a women-led company since inception and the firm's commitment to increasing diversity

within the firm can be seen in the growing percentage of women and people of color on our staff and leadership team. In 2020:

- 67% of Veris Wealth Partners is owned by women
- 33% of the firm's partners are people of color
- 60% of the firm's staff are women
- 24% of the firm's staff are people of color

The firm is aiming to increase its diversity, including in disability, race, religion, sexual orientation, gender expression, veteran-status, and more. To accomplish this we are implementing proactive hiring practices to access more diverse channels for recruiting at all levels, including hiring highly skilled staff and partners with visual or other impairments.

Carbon Footprint 2020

Veris is committed to reducing its carbon footprint and offsetting 100% of carbon used in our operations. On an annual basis, we calculate our carbon footprint to achieve three sustainability goals, which are part of our strategic initiative to be responsible stewards of the environment:

1. Quantify firm's operational impact on climate change, and seek improvement
2. Align our practices with our investment values
3. Offset 100% of emissions to neutralize the negative environmental effects of fossil fuel use (primarily a function of air travel).





To mitigate our footprint for 2020, Veris purchased \$1,288.52 in carbon offsets through Native Energy, a

B Corp, like Veris. Native Energy's offset projects are priced at \$15.50 per ton of CO2 and they invest in projects that will have a positive environmental and social impact. This year, Veris employees voted to support the Haiti Clean Water Project (detailed below).



HAITI CLEAN WATER PROJECT

In January of 2010, a 7.0 magnitude earthquake rocked the country of Haiti, resulting in an estimated 300,000 deaths and over \$8 billion dollars in damage. Millions of Haitians still lack clean water and sanitation. To address Haiti's need for clean water, NativeEnergy is using The Gold Standard's established carbon reduction protocol to implement, monitor and verify a 10-year project that will deliver clean water while reducing carbon dioxide emissions.



NativeEnergy, in partnership with Pure Water for the World,

is now providing clean drinking water to communities in need in Haiti. The Hydraid water filters provide a simple, safe and effective household water filter that will operate for 10 years or longer. It uses centuries-old slow sand technology to remove up to 99% of waterborne pathogens. With safe drinking water, communities reduce time absent from school or work due to illness and save money on medical expenses.

This project presents a new solution to a variety of challenges associated with extreme poverty. Having access to clean water means that families can stop burning wood and charcoal indoors to boil water,



resulting in less air pollution and improved health and well-being outcomes. This also helps prevent deforestation, which preserves habitats and biodiversity. Families are also able to save money they would have spent on fuel for their kitchen fires to purify water. Instead, they can use that money to purchase household resources, such as food and farm supplies, and to pay school fees. Expanding access to clean drinking water means that fewer families contract illnesses. Clean water and clean indoor air are particularly important for the health of children under the age of five.

The project is monitored annually and verified to the Gold Standard, a leading independent standard for voluntary carbon reduction projects. Among other parameters, the usage rate of the filters, the quality of the filtered water, and the amount of water consumed by the households are monitored, as well as the reduction in the burning of wood. The Haiti Clean Water Project is designed to follow the United Nations Framework Convention on Climate Change's (UNFCCC) protocol for low greenhouse gas emitting water purification systems. The project has been independently validated as a Gold Standard Microscale Project, and will be verified annually over the ten-year project life.



CIO Conclusion

The economic, social and environmental challenges that values-aligned investors aim to solve have been exacerbated. Because we have been actively working on these challenges since Veris was founded, we were well prepared to rise to this moment. We are paying close attention to the challenges and opportunities that are unique to this time and I would like to share some of the ways that Veris is responding.

Since our inception, Veris has supported community wealth building strategies targeting low income communities and communities of color in terms of business creation, home ownership, quality jobs and wages. Community Development Financial Institutions (CDFIs), which have been on the front lines supporting businesses and homeowners in these communities, are offered as an investment option of our Community Wealth Building Theme. During the pandemic several of these CDFIs have participated in the PPP program to move critically needed funds to nonprofits and businesses led by women and people of color.

The urgency of the climate crisis continues to become more pressing. For over a decade we have offered innovative strategies in renewable energy, distributive energy, sustainable and regenerative agriculture, and ecosystem conservation. We have sought out managers and funds addressing the climate crisis that are providing new and innovative strategies that have not received significant capital support. We are also seeking managers and funds that are addressing the needs of the people who are most impacted by the challenge. For example, we are looking for unique climate solutions that are aiming to really move the needle on lowering carbon output that are also aimed at helping low income communities and communities of color that are already being impacted by climate change.

LOOKING TO THE FUTURE

While we came into this year with thematic priorities aligned with the crises we are facing, we know that we will need to remain vigilant and proactive in the future.

With many new funds and managers entering our field, a key challenge will be to determine the authenticity of their approach. "Impact Washing" is a serious and growing concern. Some of the biggest financial industry names are now offering new impact managers and funds. In addition to authenticity, we are seeking funds that offer an integrated approach because we know our clients understand, and care deeply about, the intersectionality of the challenges we aim to solve. We don't want to offer an impact investment that exacerbates a social or environmental problem.

Our industry will need to address significant challenges around impact reporting. Currently there is a lack of uniformity in how fund managers and funds measure and present impact data. Managers and funds with similar impact focuses have different ways of reporting metrics and they use different reporting timeframes. This makes it difficult to compare managers within the same thematic areas. The IRIS+ system offered by the GIIN is one example of efforts that organizations are making to standardize metrics. We appreciate those efforts and recognize the field is in its early stages.

In addition to quantitative metrics, it is important to evaluate qualitative impacts as well. For example, it is great to see that jobs are being created but it is equally important to know the quality of those jobs. Are these employment opportunities offering a living wage and benefits that will help workers thrive? Will these new jobs create opportunities for real advancement for people of color and women? We would like to see more funds reporting in this area. We would also like to see more reporting that shows what percentage of the operations are producing impact and how much investment it will take to achieve certain impacts. On the positive side, more managers are reporting impact metrics and the reporting is getting more sophisticated.

Finally, we believe it is not only through individuals making investments, but through the strength of an active community and growing network of values-aligned investors that we will realize a more just and sustainable world. We are coming together as a community to catalyze positive change.

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DISCLOSURE

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The contents should not be construed as a recommendation of any investment manager, fund or security. Readers should consult their financial advisors to determine if the managers, companies, or funds referenced in the report are appropriate for their personal investment. The information provided illustrates efforts to influence social and environmental issues. The selection was unrelated to financial performance and collected from various sources all of which are believed to be reliable but have not been independently verified. Impact figures are generally approximate values. Past performance is not indicative of future results. The information contained in this report contains certain forward-looking statements, often characterized by words such as “believes,” “anticipates,” “plans,” “expects,” “projects,” and other similar words, that indicate future possibilities. Due to known and unknown risks, other uncertainties and factors, actual results may differ materially from the expectations portrayed in such forward-looking statements.

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Let's Work Together

Veris Wealth Partners is an impact wealth management firm serving individuals, families and private foundations across the U.S. The Veris team helps clients achieve their financial objectives by aligning their wealth with their values. Veris believes that superior investment performance and positive impact are complementary parts of a holistic investment strategy. Veris develops

customized strategies that manage and preserve wealth across generations by investing in companies focused on sustainability and Environmental, Social and Governance (ESG) principles. To learn more about our capabilities, contact Casey Verbeck, Partner, at cverbeck@veriswp.com or 303-532-4181.

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