

2021: Moving Forward with Urgency & Optimism

Impact Investing Report

About GEM

Global Endowment Management (GEM) is a leading outsourced Chief Investment Office (OCIO) providing institutional investment capabilities for endowments, foundations, and other long-term investors. For over fifteen years GEM has stewarded the financial assets of our clients to enable them to fulfill their missions. GEM's history is deeply rooted in endowment-style investing, with today's approach modernized to offer custom solutions tailored to each client's unique investment needs. For more information visit www.globalendowment.com.



GLOBAL
ENDOWMENT
MANAGEMENT

CONTENTS

Key Takeaways	3
Measuring Impact at GEM	4
Foundational Impact	5
Investment Case Studies	6
Equitable Capital & Technology	7
Future of Learning & Work	8
Sustainable Production & Consumption Patterns	9
Energy Efficiency & Environmental Solutions	10
Outcomes-Based Healthcare	11
Thriving Communities	12
Innovation Driving Impact	13
Living Out Our Values	14
Endnotes	15
Important Notes	17

Key Takeaways

We noted last year that the events of 2020 “highlighted failures in systems across our country [and]... underscored the depth and reach of racial injustice across American society.” While those events laid bare some of our deepest wounds and greatest challenges, they also helped shine a light on the path forward. The events of 2020 forced us to ask where we can allocate our time and resources in 2021 and beyond to begin to heal deep divisions and solve urgent and intensifying challenges. In 2021, we deployed more capital towards impact investments than ever before, moving forward with a sense of optimism for what can be achieved, and a sense of urgency to build a more just and sustainable future.

Investing at the Intersection of Impact and Alpha

GEM's integrated impact investment team—with dedicated professionals who are accountable for impact outcomes and investment returns—supports our commitment to investing at the intersection of high impact and alpha generation. As described in our case studies, this approach enables us to invest for impact outcomes without sacrificing returns.

Going beyond ESG

Amid growing backlash to "ESG" investing, our conviction is stronger than ever that we must invest for impact outcomes that go beyond ESG, focusing on outcomes experienced by stakeholders. We leverage our GEM IMP Framework to quantify impact experienced by five key stakeholders and provide our clients with robust, transparent reporting to support decision-making.

Seeking Diversity, Equity and Climate Change Solutions


In 2021, we observed three issues that play a role in every investment we make: diversity, equity, and climate change. In our effort to build a portfolio that will help deliver a more just, sustainable world, we incorporate these themes into our underwriting of every investment. These “foundational impact” areas are discussed on page 5.



Meredith Heimburger
Principal, Head of Impact



Brandon Zeigler
Director



**Pedro Henriques
Da Silva**
Associate



Pu-Ning Chiang
Analyst

GEM Impact Team

Measuring Impact

at GEM A STAKEHOLDER-CENTERED APPROACH TO IMPACT INVESTING

We apply the GEM Impact Management Project (IMP) framework to every investment in our portfolio to examine outcomes for **five stakeholders**:



We invest primarily with third-party, active investment managers; therefore, we measure impact in terms of (1) the **portfolio score** to quantify the impact of portfolio companies on the five stakeholders, and (2) the **manager score** to quantify the investment manager's actions that contribute to positive outcomes and/or avoid negative outcomes for stakeholders.

Portfolio Score

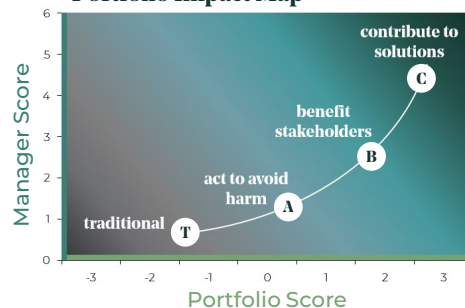
net impact of portfolio of companies on stakeholders

Manager Score

manager's attributes & actions that contribute to outcomes

Our clients have complex, multi-asset class portfolios designed to achieve their risk, return, and impact objectives. We map investments according to the portfolio score and manager score to support our team in classifying investments along a spectrum: (T) Traditional, (A) Act to Avoid Harm, (B) Benefit Stakeholders, and (C) Contribute to Solutions.

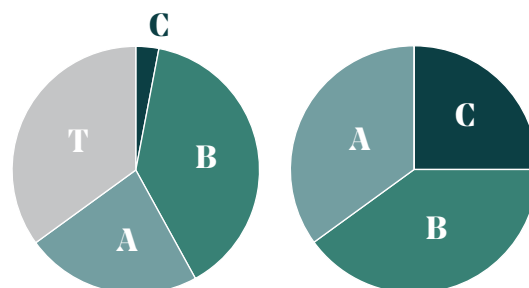
Portfolio Impact Map



We provide transparency to GEM clients regarding the impact classification of investments in their portfolios, and partner with them to develop allocation models that meet their unique objectives. You can learn more about our approach to impact measurement and read detailed case studies in our primer,

[Impact Measurement for Complex Portfolios](#).

Illustrative Portfolios



Foundational Impact

We believe there are **three issues** that cut across impact investment themes. We seek to identify and bolster these foundational impact issues in all our investments.

Diversity | We know that diverse teams make better decisions and that investment strategies led by women and people of color perform as well as or better than those led by their all-white, male counterparts. And yet, we also know that just over 1% of the investment industry's \$72 trillion in assets are managed by women and people of color.ⁱ To increase diversity in our industry and in our portfolio, we focus on access to capital for women and people of color, and representation of women and people of color at all levels of ownership and decision-making.

Equity | While diversity is important, it doesn't always capture how systems have marginalized, excluded, or harmed specific groups of people. To go beyond diversity metrics, in 2019-2020, we developed racial and social equity lens frameworks that examine how capital is allocated, and who reaps the rewards of its allocation.

Our racial equity lens examines how investors engage with the ways that racial identities affect opportunities and outcomes for Black, African-American, Afro-Latino, Native American and Indigenous people. Our social equity lens examines how investors engage with the ways that social identities affect opportunities and outcomes for individuals; particularly those who are women, Hispanic or Latino, LGBTQIA+, and/or non-European immigrants. In these two areas, we focus on access to capital for racial and social equity groups; community investment in historically marginalized and excluded communities; and representation at all levels of ownership and decision-making among racial and social equity groups.

In 2021, we added the consideration of economic equity—that is, how members of both racial and social equity communities can access our economic systems. For economic equity, we focus on access to capital and opportunities for wealth creation among racial and social equity groups.

Climate Change | As the 2022 IPCC report made clear,ⁱⁱ our patterns of consumption and production are irreversibly harming our planet, our health, and our lives. Addressing climate change and its causes is not a singular investment theme, but must be assessed in every investment that we make. To address climate change and preserve ecosystems, we focus on preserving natural resources; developing systems and infrastructure for a sustainable future; and mitigating and reversing harm related to our existing systems, particularly in the hardest-to-mitigate industries.

We also incorporate climate justice as part of climate change considerations. As outlined in our [Leading with Justice](#) paper, centering on justice and equity when addressing the environment is not only a moral cause, but a highly efficient tool for combatting climate change and its effects on human health and global ecosystems. Therefore, we have begun to explore how we can better focus our climate investments on strategies led by Black and Indigenous decision-makers, and approaches that benefit the communities most affected by climate change. These efforts can accelerate climate resilience and environmental conservation efforts.

Investment Case Studies

For every investment we make, we define **key attributes of the impact of the investment.**

Impact Theme

We identify an impact theme for every impact investment. We do not invest in impact themes top-down; rather, we source, analyze, and select investments that positively impact stakeholders and have the greatest likelihood of meeting our clients' impact and investment objectives. Despite the bottom-up approach, we have found strong opportunities for impact and investment returns across a broad range of impact themes.

Foundational Impact

As shown on Page 5, we've developed frameworks for considering how diversity, equity, and climate change intersect with every investment we make, and we highlight in our case studies which of these issues is most relevant to each investment. By focusing on these areas of impact, we can identify opportunities to drive even greater impact within and across our impact themes.

IMP Rating & Primary Stakeholders

We apply the IMP framework to rate impact as (A) Acts to Avoid Harm; (B) Benefits Stakeholders; or (C) Contributes to Solutions. The framework considers outcomes experienced by all stakeholders, while—at the same time—helping us understand which stakeholders are most impacted and/or have the least agency (i.e., ability to determine how much impact is experienced). Primary stakeholders experience the greatest impact with the least agency and have a higher relative weight in the overall impact score, as we believe their experiences are most important to understanding the impact of the investment.

Diversity & Equity

We determine if the investment strategy is managed by an individual from an underrepresented background or a diverse team and if the strategy is invested with a racial equity or social equity lens.

Alignment to UN Sustainable Development Goals

We align the expected impact for each investment to the United Nations Sustainable Development Goals, a list of goals adopted by the United Nations Member States in 2015, which serve as a blueprint for peace and prosperity for people and planet, now and into the future.ⁱⁱ

Equitable Capital & Technology

Base10 is an early-stage venture capital firm investing in automation for the real economy, and founders who solve problems for the 99%.

Base10

Foundational Impact

RACIAL EQUITY

DIVERSITY

IMP Rating

(C) Contributes to Solutions

Key Stakeholders

Communities, Employees, Customers

Diversity

Black-Owned; 50% of key decision makers

Lens

Racial Equity Lens

UN SDG Alignment



Black and brown people remain heavily underrepresented in tech and leadership roles at high-growth startups. African-Americans make up less than 5% of the headcount at more than two-thirds of tech companies.ⁱⁱⁱ Far fewer are technical workers or have positions of senior leadership.^{iv} And while African-Americans, and African-American women, in particular, are disproportionately represented among new business founders, Black-owned businesses are three times less likely than white-owned businesses to attain funding.^v Some of this gap is attributable to the fact that less than 1% of venture capital professionals are Black.^{vi} This capital allocation gap perpetuates lower incomes and reduced wealth creation for Black Americans.^{vii}

Meanwhile, high-quality higher education improves some social outcomes, but it remains inequitable.^{viii} This is especially pronounced at America's historically black colleges and universities (HBCUs), which produce a quarter of all Black graduates, 40% of African-American STEM degrees, and 60% of African-American engineering degrees.^{ix} HBCUs spend half as much as non-HBCUs, while providing their students double the aid, and better post-college outcomes.^x Despite their demonstrated positive results, HBCUs face significant financial hurdles: in 2018, HBCUs raised 1% as much funding as all other US Colleges and Universities.^{xi} These financial hurdles are compounded by lack of access to investment opportunities afforded to their historically white peer universities, which often have larger endowments. Top-ranked HBCUs have endowments 100 times smaller than their predominantly white counterparts.^{xii} Base10 directly addresses these challenges.

Impact Highlights

- Promote diversity throughout the tech ecosystem by helping portfolio companies recruit and retain diverse candidates for senior management and technology-related positions
- Donate 50% of carried interest from \$250M Fund to create \$100,000 scholarships for students of color across the US, with additional focus on HBCUs
- Waive fees for HBCU investors in the fund
- Approximately 60% of the manager's investments are in teams led by women and people of color

Future of Learning & Work

Moxxie Ventures is a venture capital firm that invests in founders who make life and work better.



Foundational Impact

SOCIAL EQUITY

ECONOMIC EQUITY

IMP Rating

(B) Benefits Stakeholders

Key Stakeholders

Communities, Customers

Diversity

Woman-owned; 50% of Key Decision-Makers

Lens

Social Equity Lens

UN SDG Alignment



The global adoption of technology across every sector and aspect of life presents both possibilities and challenges. For some, education and work are no longer limited to physical locations, which helps to increase access to learning and job opportunities.^{xiii} For others, especially low-skilled workers, technology and automation threaten to displace occupations and disrupt livelihoods.^{xiv} It is estimated that up to 56 million Americans, and up to 375 million people globally, may need to switch occupational categories by 2030.^{xv} Now more than ever, we must ensure that workers have the education, skills and support needed to transition to new jobs for the future.

Committed to improving the way we learn and work, Moxxie Ventures backs innovative businesses in continuous education, job training, and enterprise software.

Portfolio Company Examples

- Tuition-free certified nursing assistant career training and job placement platform that creates upward mobility for American job seekers and simplifies hiring for employers
- Near real-time background checks informed by data from over 200 countries and 200,000 sources, which reduces time to hire by 80%
- Enterprise software that builds a cooperative learning community within an organization through blended learning and onboarding tools, helping businesses equip their people with expert knowledge they need to excel
- Sexual and reproductive health education platform empowering women with on-demand knowledge and a virtual community that helps navigate the pregnancy and postpartum journey
- Streamlined video application program that enables web developers to add live video to any website or app and has reduced error rates by as much as 89%

Sustainable Production & Consumption

Summa Equity is a private equity firm focused on resource efficiency, changing demographics, and tech-enabled businesses.



Foundational Impact

CLIMATE CHANGE

ECONOMIC EQUITY

IMP Rating

(C) Contributes to Solutions

Key Stakeholders

Planet, Community, Employees

UN SDG Alignment



In 2021, the IPCC reported that “climate change is widespread, rapid, and intensifying,” and data demonstrates the causes: the way we power homes, develop land, and produce and consume resources. ^{xvi} Today, 36% of the EU’s carbon emissions, and nearly 40% of its energy consumption, is attributable to buildings. ^{xvii} Globally, one third of all food produced is later wasted, while only 19% of solid waste is effectively recycled. Meanwhile, total waste generation is expected to grow 70% by 2050. ^{xviii} If our current way of living persists, we are on track to experience widespread drought, unlivable summers, and a rise in asthma, cancer, and communicable disease. ^{xix}

Summa invests in companies that are addressing some of these global challenges. They specifically target themes associated with three megatrends: resource efficiency, changing demographics, and tech-enabled business. Summa is an active investor, partnering with portfolio companies to measure and drive positive social and environmental outcomes. Summa leverages the IMP framework to measure and report on impact outcomes. These efforts contribute to meaningful, measurable, positive outcomes for the planet, workers, and communities.

Impact Highlights

- Collectively, portfolio companies avoided 701,000 tons of CO₂, equivalent to removing more than 150,000 vehicles from roads
- 0% of the manager’s portfolio operates near biodiversity sensitive areas, and not a single company affects IUCN red list species
- 100% of the manager’s companies comply with its robust ecological guidelines and workplace requirements

Portfolio Company Examples

- Energy management company working in 300,000 buildings across 11 countries to save 10 -15% of their energy consumption, significantly reducing CO₂-equivalent emissions year over year
- Recycling company with a recycling and recovery rate of 5x the global average, the majority of which is recovered as new raw materials
- Environmental services company with effective recycling and reuse rate of 98%, avoiding 66,600 tons of CO₂ per year, equivalent to not using 154,000 barrels of oil

Energy Efficiency & Environmental Solutions

Green Trading Capital (GTC) is an environmental commodity asset manager that is building markets for carbon trading.



Foundational Impact

CLIMATE CHANGE

IMP Rating

(C) Contributes to Solutions

Key Stakeholders

Planet, Community, Supply Chain

UN SDG Alignment



It is now well-documented that carbon emissions pose an existential threat to the planet. However, air pollution is already impacting human health. Pollution has been shown to cause and worsen respiratory illness, cardiovascular illness, heat-related illness, waterborne disease, poor mental health outcomes, headaches, and lethargy.^{xx} Recent studies directly link emissions and mortality rates.^{xxi} These negative outcomes are more pronounced among certain populations which suffer the brunt of emissions-related harm, including communities in the global south, communities of color, and low-income communities.^{xxii}

GTC invests in environmental commodities, and specifically in emissions trading systems (ETSs). Emissions trading systems are a market-based approach to controlling pollution by providing economic incentives for achieving reduction in emissions. In an ETS, entities which fail to reduce emissions are at an economic disadvantage, since they are forced to internalize the cost of their pollution. However, ETSs are an emerging market, with limited infrastructure to support adoption and participation. Today, GTC enables participation in ETSs, like California's Cap-and-Trade program. The California Cap-and-Trade program's goal is to reduce emissions to 40% below 1990 emissions levels by 2030.

Research suggests that \$40 per carbon equivalent unit is the minimum price needed globally to mitigate 2-degree global temperature rise by 2050.^{xxiii} Currently, only 4% of carbon trading programs meet this minimum, and California's Cap-and-Trade model is not on pace to meet this minimum by 2030. Nevertheless, investing in carbon pricing systems is a meaningful step towards reducing emissions: for every \$12 per ton increase in the cost of a carbon unit, emissions reduce by 7%.^{xxiv}

As a vehicle for investment into the growing carbon market, GTC contributes to the movement of capital towards this important emissions reduction tool. And in doing so, our investment into GTC helps to mitigate the catastrophic impacts of pollution—on our planet and our health.

Outcomes-Based Healthcare

Aditum Bio is a private equity investor whose mission is to give large patient populations access to medicines which otherwise may not be developed.



Cross-Cutting Impact

SOCIAL EQUITY

ECONOMIC EQUITY

IMP Rating

(C) Contributes to Solutions

Key Stakeholders

Customers, Communities

Diversity

33% of key decision-makers; Woman-Led

Lens

Social Equity Lens

UN SDG Alignment



The ongoing pandemic has demonstrated not only the formidability of viral diseases but also the influence of pre-existing medical conditions on health outcomes. 78% of US patients hospitalized with COVID-19 are overweight or struggle with obesity,^{xxv} and patients with certain conditions are more likely to get severely ill from the virus, leaving them more susceptible to cerebrovascular diseases, chronic kidney disease, and mental health disorders.^{xxvi} The importance of biotechnology and medicine to our society have perhaps never been more pronounced.

Aditum is a mission-driven firm that seeks to expand access to medicines that may not otherwise be developed. Aditum leverages scientific discoveries to develop treatments faster and more cost-effectively than the industry standard and brings novel therapies to market that would be strategically or financially unattractive for traditional drug-makers to develop.

Portfolio Company Examples

- Antiviral discovery platform targeting infections such as influenza, adenoviruses as well as human polyomaviruses, which have important clinical consequences but have not been adequately addressed by the therapeutics community
- Biotech company tackling metabolic disease and obesity through a unique human antibody that builds muscle while reducing fat, providing a potential breakthrough treatment for the 100 million people in the US who are clinically obese^{xxvii}
- Therapeutics development startup focusing on spasticity associated with neurological conditions such as stroke and multiple sclerosis, an area of high unmet medical need
- Renal therapy company advancing a disease-modifying small molecule medication into the clinic, aiming to provide a safe treatment for the 300,000 Americans suffering from a form of chronic kidney disease^{xxviii}
- Drug developer working on a new therapy for depression that has been shown to impact a definable subset of patients who are treatment-resistant

Thriving Communities

BBG Ventures (BBGV) is a venture capital fund investing in women-led and women co-led businesses that address the lived experiences of the 99%. Both founders are women.



Cross-Cutting Impact

RACIAL EQUITY

CLIMATE CHANGE

SOCIAL EQUITY

IMP Rating

(C) Contributes to Solutions

Key Stakeholders

Communities, Employees, Customers

Diversity

Woman-Owned

Lens

Racial & Social Equity Lens

UN SDG Alignment



In 2021, only 2% of venture capital dollars went to female founders in the U.S. and a mere 0.34% went to Black female founders.^{xxx} Traditional venture capital has chronically underfunded companies built by women and people of color, despite research affirming that they often outperform companies led by all-male and all-white teams.^{xxx} BBG Ventures takes the view that where society goes—with more multicultural, intersectional, and multigenerational consumers than ever before—so too go returns.

BBGV invests in women-led businesses, with racially diverse teams and founders who look like and understand today's consumers. 70% of their most recent Fund III companies have a founder who identifies as a person of color, and 30% are led by an underrepresented person of color (Latinx or Black). Moreover, the companies that BBGV invests in tackle obstacles facing women and people of color today by focusing on four themes: health and wellbeing, future of work and education, climate-friendly products and platforms, and underserved and emerging consumers.

Portfolio Company Examples

- In-office primary care and wellness clinic transforming the healthcare experience for small & medium sized businesses
- Global care empowerment solution enabling leading employers to support employees caring for loved ones or themselves
- Social learning platform for students, building the "the hallways of the educational internet"
- B2B platform that enables brands and retailers to offer their own closed-loop product lines and branded recycling programs
- Customized mental healthcare platform boasting 2x faster recovery rates and allowing small businesses to access a diverse group of care providers, 45% of which are providers of color

And, of course: all the above—as well as the nearly 100 companies BBG Ventures has invested in—are women-led businesses.

Innovation Driving Impact

We believe one of the most effective ways we can work towards a more sustainable future is to leverage our position in the industry to drive innovation and better outcomes. Therefore, GEM partners with select organizations to advance the field of impact investing. In 2021, GEM's efforts focused on Net Zero commitments, climate justice, and enhanced carbon disclosure among private companies.

Strategizing for carbon neutrality.

GEM was selected to join the [Intentional Endowment Network's \(IEN's\)](#) Net Zero Steering Committee. The committee develops innovative strategies for college and university endowments to keep pace with and drive a just transition to a carbon-neutral economy by 2050.



Leading with justice.

Recognizing the importance of centering Net Zero conversations on justice and equity, our team established and led a sub-committee focused on the intersection of racial and social equity and climate investing. This subcommittee published a paper titled [Leading with Justice: Net Zero and Conversations on Climate Justice](#). It explores Climate Justice not only as a moral cause, but as a highly efficient tool for combatting pollution, climate change, and their effects on human health and global ecosystems.



A new standard for environmental disclosure.

Private Assets have historically lagged the reporting capabilities of their publicly-traded counterparts. In 2021, GEM partnered with the [Carbon Disclosure Project \(CDP\)](#) and 10 leading organizations to establish standards for carbon and other environmental metrics in private assets.



The initiative leverages twenty years of data on over 4,000 private companies to build a disclosure framework for private market investors.

Living Out Our Values

Diversity, Equity & Inclusion

GEM's approach to DE&I is bold, concerted, and woven into the fabric of our firm's culture. Today, GEM's DE&I efforts are implemented through the firm's DE&I strategic plan and are overseen by GEM's Director of Diversity & Inclusion Advocacy, Torrey Feimster. The strategic plan focuses on three key areas:

1. Enhancing diversity and inclusion at GEM through firm recruitment, hiring, training, and employee support practices focused on increasing diverse candidates and maintaining diverse employees over the long term. Since 2018, 73% of new hires at GEM have been women and people of color.

New hires
since 2018

73% women & people of color

2. Engaging with the industry and our community to address equity issues that are proximate to our firm. In 2021, GEM sponsored ten First Generation Investors (FGI) chapters, through which college students teach high schoolers from historically underrepresented communities about the power of investing and compounding.



3. Increasing investment in diverse-led and equity-focused investment strategies. At the end of 2021, 39% of GEM's investment strategies were considered diverse,^{xxx1} and 29% invested with a racial or social equity lens.^{xxx2}

GEM
investment
strategies

39% diverse

29% racial / social equity lens

The GEM Foundation

Established in 2013, the GEM Foundation is an employee-led organization that makes philanthropic gifts to Charlotte-based nonprofits. After a [2014 report demonstrated the lack of upward mobility in Charlotte](#), the GEM Foundation decided to focus on addressing economic and social mobility in our local community. In 2021, the GEM Foundation donated \$100,000 to E2D (Eliminate the Digital Divide) towards providing 10,000 laptops to families in Charlotte, reducing the number of households without a computer in our county by an estimated 30%. Additionally, 70% of GEM employees requested matching gifts from the foundation, resulting in an additional \$22,000 in grants distributed across 44 local non-profit organizations.



Community Engagement Initiatives

GEM's employee engagement committee is an employee-led initiative to connect GEM employees with local organizations that are working in issue areas relevant to our DE&I and GEM Foundation objectives. In 2021, 80% of GEM employees participated in community engagement initiatives, giving more than 500 hours of their time to support seven local organizations.

Endnotes

- i. "New Report Reveals Low Levels of Diversity in Asset Management Industry, despite Similar Investment Performance at Women- and Minority-Owned Firms," Knight Foundation, accessed September 30, 2020, <https://knightfoundation.org/press/releases/new-report-reveals-low-levels-of-diversity-in-asset-management-industry-despite-similar-investment-performance-at-women-and-minority-owned-firms/>.
- ii. "Climate Change 2022: Impacts, Adaptation and Vulnerability." Accessed June 6, 2022. <https://www.ipcc.ch/report/ar6/wg2/>.
- iii. "THE 17 GOALS | Sustainable Development," accessed December 16, 2020, <https://sdgs.un.org/goals>.
- iv. Facebook et al., "Why Are Black and Latino People Still Kept out of the Tech Industry?," Los Angeles Times, June 24, 2020, <https://www.latimes.com/business/technology/story/2020-06-24/tech-started-publicly-taking-lack-of-diversity-seriously-in-2014-why-has-so-little-changed-for-black-workers>."
- v. "Racial Diversity In Tech By The Numbers," accessed April 16, 2021, <https://www.beamjobs.com/diversity/racial-diversity-in-tech>.
- vi. Ruth Umoh, "Black Women Were Among The Fastest-Growing Entrepreneurs—Then Covid Arrived," Forbes, accessed April 16, 2021, <https://www.forbes.com/sites/ruthumoh/2020/10/26/black-women-were-among-the-fastest-growing-entrepreneurs-then-covid-arrived/>.
- vii. "One Reason Black Founders Don't Get Enough Funding? Black VCs Don't, Either," accessed April 16, 2021, <https://www.fastcompany.com/40473294/one-reason-black-entrepreneurs-dont-get-enough-funding-black-vc-dont-either>; Facebook et al., "Why Are Black and Latino People Still Kept out of the Tech Industry?"
- viii. "Radical Collaboration for Black Wealth Creation," accessed July 20, 2020, <https://www.livingcities.org/resources/360-radical-collaboration-for-black-wealth-creation>.
- ix. Michael Greenstone Project Adam Looney, Jeremy Patashnik, and Muxin Yu, and The Hamilton, "Thirteen Economic Facts about Social Mobility and the Role of Education," Brookings (blog), June 26, 2013, <https://www.brookings.edu/research/thirteen-economic-facts-about-social-mobility-and-the-role-of-education/>.
- x. Marybeth Gasman, "The Changing Face of Historically Black Colleges and Universities," Penn Center for Minority Serving Institutions, May 1, 2013, https://repository.upenn.edu/gse_pubs/335.
- xi. Dick Startz, "When It Comes to Student Success, HBCUs Do More with Less," Brookings (blog), January 18, 2021, <https://www.brookings.edu/blog/brown-center-chalkboard/2021/01/18/when-it-comes-to-student-success-hbcus-do-more-with-less/>.
- xii. Gregory N. Price, "1 in 10 HBCUs Were Financially Fragile before COVID-19 Endangered All Colleges and Universities," The Conversation, accessed April 16, 2021, <http://theconversation.com/1-in-10-hbcus-were-financially-fragile-before-covid-19-endangered-all-colleges-and-universities-140528>.
- xiii. Candid, "HBCUs Struggle to Close the Endowment Gap," Philanthropy News Digest (PND), accessed April 16, 2021, <https://philanthropynewsdigest.org/news/hbcus-struggle-to-close-the-endowment-gap>.
- xiv. Saunders, Adam. "Technology's Impact on Growth and Employment." OpenMind, <https://www.bbvaopenmind.com/en/articles/technology-s-impact-on-growth-and-employment/>. Accessed 27 Jan. 2022.
- xv. "Study Finds Stronger Links between Automation and Inequality." MIT News | Massachusetts Institute of Technology, <https://news.mit.edu/2020/study-inks-automation-inequality-0506>. Accessed 27 Jan. 2022.
- xvi. What the Future of Work Will Mean for Jobs, Skills, and Wages: Jobs Lost, Jobs Gained | McKinsey. <https://www.mckinsey.com/featured-insights/future-of-work/jobs-lost-jobs-gained-what-the-future-of-work-will-mean-for-jobs-skills-and-wages>. Accessed 27 Jan. 2022.
- xvii. "Emissions by Sector," Our World in Data, accessed November 3, 2020, <https://ourworldindata.org/emissions-by-sector>.
- xviii. European Commission - European Commission. "News." Text. Accessed October 5, 2021. https://ec.europa.eu/info/news/focus-energy-efficiencybuildings-2020-feb-17en_en.
- xix. "Refresh – towards Less Food Waste in Europe." Text. Accessed October 5, 2021. <https://www.ivl.se/english/ivl/our-offer/research-projects/circular-flows/refresh--towards-less-food-waste-in-europe.html>.
- xx. <https://www.epa.gov/climatechange-science/impacts-climate-change>.

Endnotes (continued)

- xix. National Institute of Environmental Health Sciences. "Human Development - Climate and Human Health." Accessed January 25, 2022. [https://www.niehs.nih.gov/research/programs/climatechange/health_impacts/human_developmental/index.cfm](https://www.niehs.nih.gov/research/programs/climatechange/health_impacts/human_developmental/index.cfm;); US EPA, OAR. "Impacts of Climate Change." Overviews and Factsheets, April 16, 2021.
- xx. Wisconsin Department of Health Services. "Carbon Dioxide," January 2, 2018. <https://www.dhs.wisconsin.gov/chemical/carbondioxide.htm>; Dong, Hanmin, Minggao Xue, Yujia Xiao, and Yishuang Liu. "Do Carbon Emissions Impact the Health of Residents? Considering China's Industrialization and Urbanization." *Science of The Total Environment* 758 (March 1, 2021): 143688. <https://doi.org/10.1016/j.scitotenv.2020.143688>; "Climate Change and Health." Accessed November 4, 2021. <https://www.who.int/news-room/fact-sheets/detail/climate-change-and-health>.
- xxi. "Climate Change and Health." Accessed November 4, 2021. <https://www.who.int/news-room/fact-sheets/detail/climate-change-and-health>.
- xxii. Bergeron, Louis. "Study Links Carbon Dioxide Emissions to Increased Deaths." Stanford University, January 3, 2008. <http://news.stanford.edu/news/2008/january9/co-010908.html>.
- xxiii. PSCI. "Racial Disparities and Climate Change." Accessed November 4, 2021. <https://psci.princeton.edu/tips/2020/8/15/racial-disparities-and-climate-change>; Welle (www.dw.com), Deutsche. "The Global Injustice of the Climate Crisis | DW | 28.08.2019." DW.COM. Accessed November 4, 2021. <https://www.dw.com/en/the-global-injustice-of-the-climate-crisis-food-insecurity-carbon-emissions-nutrients-a-49966854/a-49966854>; Perlin, Susan A., David Wong, and Ken Sexton. "Residential Proximity to Industrial Sources of Air Pollution: Interrelationships among Race, Poverty, and Age." *Journal of the Air & Waste Management Association* 51, no. 3 (March 1, 2001): 406–21. <https://doi.org/10.1080/10473289.2001.10464271>.
- xxiv. Effective Carbon Rates 2021: Pricing Carbon Emissions through Taxes and Emissions Trading | En | OECD."
- xxv. Effective Carbon Rates 2021: Pricing Carbon Emissions through Taxes and Emissions Trading | En | OECD."
- xxvi. Kompaniyets, Lyudmyla. "Body Mass Index and Risk for COVID-19–Related Hospitalization, Intensive Care Unit Admission, Invasive Mechanical Ventilation, and Death — United States, March–December 2020." *MMWR. Morbidity and Mortality Weekly Report*, vol. 70, 2021. www.cdc.gov, <https://doi.org/10.15585/mmwr.mm7010e4>
- xxvii. CDC. "Healthcare Workers." Centers for Disease Control and Prevention, 11 Feb. 2020, <https://www.cdc.gov/coronavirus/2019-ncov/hcp/clinical-care/underlyingconditions.html>.
- xxviii. Srivastava, Ajay, and Neel Patel. "Autosomal Dominant Polycystic Kidney Disease." *American Family Physician*, vol. 90, no. 5, Sept. 2014, pp. 303–07. www.aafp.org, <https://www.aafp.org/afp/2014/0901/p303.html>.
- xxix. Hines, Kathleen. Obesity Research | Division of General Internal Medicine. <https://www.hopkinsmedicine.org/gim/research/content/obesity.html>. Accessed 26 Jan. 2022.
- xxx. Chapman, "Female Founders Raised Just 2% of Venture Capital Money in 2021." *Bloomberg*; Kunthara, Sophia. "Black Women Still Receive Just A Tiny Fraction Of VC Funding Despite 5-Year High." *Crunchbase News*, July 16, 2021. <https://news.crunchbase.com/news/something-ventured-black-women-founders/>.
- xxxi. NAIC (National Association of Investment Companies). "Performance Study." Accessed June 2, 2022. <https://naicpe.com/intelligentnaic/performance-study/>.
- xxxii. Managers are considered diverse if (a) 25% or more of the firm founders/owners are non-white and/or non-male and/or (b) 25% or more of the key decision-makers for the strategy in which GEM invests are non-white and/or non-male.
- xxxiii. Managers are considered as having a racial or social equity lens if they score a 1 or 2 on GEM's proprietary equity scales, the details of which can be provided upon request.

Important Notes

The enclosed materials are being provided by Global Endowment Management, LP (“GEM”) for informational and discussion purposes only and do not constitute investment advice, or a recommendation, or an offer or solicitation, and are not the basis for any contract to purchase or sell any security, or other instrument, or for GEM to enter into or arrange any type of transaction as a consequence of any information contained herein. Any such offer or solicitation shall be made only pursuant to a confidential private placement memorandum (“Memorandum”), which will describe the risks and potential conflicts of interest related to an investment therein. Information contained herein is presented in summary form and is subject in its entirety to the relevant Memorandum. No offer to purchase interests in a fund will be made or accepted prior to receipt by the offeree of the Memorandum, all of which must be read in its entirety. The funds described herein may not be a suitable investment for the recipient and could involve important legal, financial, fiscal and tax consequences and investment risks, which should be discussed with the recipient’s professional advisors.

GEM is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). Registration does not imply a certain level of skill or training. More information about GEM’s investment advisory services can be found in its Form ADV Part 2, which is available upon request.

For the information of investors in the United States of America: None of the interests in the funds have been or will be registered under the U.S. Securities Act of 1933, as amended (the “1933 Act”) or the securities laws of any U.S. state. Such interests may only be offered or sold directly or indirectly in the United States to any U.S. person in reliance on exemptions from the 1933 Act and such laws. In addition, the funds have not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended.

THESE MATERIALS ARE CONFIDENTIAL AND HAVE BEEN PREPARED SOLELY FOR THE INFORMATION OF THE INTENDED RECIPIENT, IN RECIPIENT’S CAPACITY AS EITHER AN EXISTING OR PROSPECTIVE INVESTOR IN A GEM FUND, AND MAY NOT BE REPRODUCED, DISTRIBUTED OR USED FOR ANY OTHER PURPOSE OR SHARED WITH ANYONE IN ANY FORM OR FORMAT. REPRODUCTION OR DISTRIBUTION OF THESE MATERIALS MAY CONSTITUTE A VIOLATION OF FEDERAL OR STATE SECURITIES LAWS AND CERTAIN CONFIDENTIALITY AGREEMENTS TO WHICH THE INTENDED RECIPIENT IS A PARTY.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. INDIVIDUAL INVESTOR PERFORMANCE MAY VARY. NO ASSURANCE CAN BE GIVEN THAT A GEM FUND WILL YIELD FAVORABLE INVESTMENT RESULTS OR THAT AN INVESTOR WILL RECEIVE A RETURN OF ALL OR PART OF ITS INVESTMENTS.

Unless otherwise noted, any opinions expressed herein are based on GEM analysis, assumptions and data interpretations. We cannot guarantee the accuracy of such information, and it should not be relied upon as fact. No representation or warranty, express or implied, is being given or made that the information presented herein is accurate, current or complete, and such information is at all times subject to change without notice.



GLOBAL
ENDOWMENT
MANAGEMENT