

Threshold Group, a Registered Investment Advisor has designed and is looking to implement an investment platform focused on social, environmental, and regional economic development outcomes in the Northwest called Invest NW. Applying a geographic lens to the investment platform allows regional investors to become more intentional about the alignment between their investable assets and their community development and/or philanthropic goals. These goals may be achieved through thematic impact investing, such as investments that promote affordable health care, access to education, workforce housing, basic financial services, and/or mitigating the impacts of climate change. Our Invest NW platform aims to drive investment into the Northwest through a broad set of impact investment themes.

The resulting solution will entail a series of investment funds or strategies at prescribed weights intended to align with the Invest NW goals. The Invest NW selection will be available to clients either as a stand-alone, regionally-focused "carve out" portfolio, or as a complement to our globally diversified goals-based allocation strategy.

Regional Investment Expertise

Threshold's Investment Management & Research (IMR) team has incorporated mission-related criteria into our broad investment philosophy for both foundations and high-net-worth individuals since 2007. Threshold currently manages approximately \$1B, and growing, on behalf of clients who are aligned with mission-related "impact" investing, spanning a broad range of asset classes, geographies, and social issues. Through our Impact Investment Research Services and proprietary analysis process, which integrates social/environmental and financial return criteria, we have investigated solutions as broad as global public equities and as narrow as a regional ecosystem services fund.

Developing a bespoke place-based investment platform is a natural evolution for Threshold Group.

- First, we're building on our founders' legacy of investment and philanthropic innovation.
- Second, our Community Square program provides inspiration for us to create deeper connections between our investments and communities.
- Third, both through our expertise supporting several large regionally focused foundations and through our partnership with Canopy (a regionally centric investment collaborative facilitated by several strategic partnerships) we are provided with deep insights into the regional economic landscape and deal flow.
- And lastly, our experience in evaluating private investments helps facilitate an alignment of interests between those investing capital and those deploying it, from both financial and impact perspectives.

Investment Goals and Thematic and Place-Based Impact Investing

Threshold Group will look to source ideas from the region, perform due diligence on the strategies uncovered, and offer our recommendations on the implementation and sizing of each investment as part of the broader "Invest NW" solution and/or a client's comprehensive portfolio. Threshold has identified a pipeline of investment opportunities following three broad thematic impact areas. We evaluate strategies utilizing our proprietary "Impact Scoring" analytic standards that target one or more specific outcomes; in many cases, ideal impact investment opportunities achieve multiple social and environmental benefits.

Equitable Communities

Including managers who promote affordable housing, access to capital, low-impact development, food security, and job creation in the Northwest.

Responsible Economies

Including managers who promote new economic development, entrepreneurship, minority/ women/ native-owned enterprises, and innovative partnerships in the Northwest.

Sustainable Environments

Including managers who promote sustainable land management, local agriculture and farming, climate change mitigation and adaptation, and water quality improvements in the Northwest.

For More Information

To receive a complete Invest NW Strategy Introduction, please contact:

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Impact Client Experience

Our Impact Investment Research Services

Create an Impact Investor Profile

Utilizing our proprietary Impact Scoring framework, we'll design a socially responsible investment profile based on your mission/values and long-term investment objectives.

Audit Your Carbon Exposure

Through a strategic partnership with Trucost, we will soon have the ability to run a high-level carbon audit of your portfolio to identify your portfolio's carbon intensity.

Goals Based Investing Philosophy

We create an asset allocation strategy focused on your unique goals, and fulfill those allocations through a broad range of impact investment strategies.

Innovative Impact Solutions

Threshold designs and implements impact strategies focused on a specific value proposition, like regional place-based investing or sustainable real asset solutions.

Join a Community of Peers

Our clients are like-minded in their pursuit of community building and impact investing, facilitated through strategic partnerships with Community Square and Canopy¹.

Social and Environmental Impact Reporting

Threshold is developing a solution to report on the non-financial outcomes of our impact investments – tracking metrics such as the units of affordable housing constructed, gigatons of carbon sequestered, and micro loans facilitated.



Disclosures

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This report reflects the opinion of Threshold Group on the date written and is subject to change at any time without notice. Due to various factors, including changing market conditions, the content may no longer reflect our current opinions or positions.

Please remember that past performance is not an indicator of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product referenced directly or indirectly in this report, will be profitable, equal any corresponding indicated historical performance level(s), or be suitable for your portfolio.

Impact investments are investments made into companies, organizations, and funds with the intention to generate measurable social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending upon the circumstances. Impact investors actively seek to place capital in businesses and funds that can harness the positive power of enterprise. Impact investing occurs across asset classes, for example private equity / venture capital, debt, and fixed income.

Impact investors are primarily distinguished by their intention to address social and environmental challenges through their deployment of capital. For example, criteria to evaluate the positive social and/or environmental outcomes of investments are an integrated component of the investment process. In contrast, practitioners of socially responsible investing also include negative (avoidance) criteria as part of their investment decisions. Threshold Group makes no representations or guarantees that Invest NW investments meet such goals of impact investors or impact investments.

Threshold Group prepares reports utilizing information from a variety of sources, including custodians, mutual fund companies, investment managers, Morningstar, Bloomberg, and other third-party providers we have deemed to be reliable. We believe, but do not guarantee, that these sources are accurate or complete.

The information provided herein does not constitute tax, accounting or legal advice. Investment advice can only be rendered after receipt of Threshold Group's disclosure statement (Form ADV Part 2) and after entering into an investment advisory agreement with Threshold Group. A copy of our current written disclosure statement discussing our advisory services and fees is available for review upon request.

Prior to entering into an agreement with an investment manager which Threshold Group has recommended, we advise clients to have their legal counsel review the agreement. During the investment due-diligence process, Threshold Group evaluates the risks, costs and expected benefits of each investment and makes investment recommendations in the specific context of each client's overall asset allocation, objectives, and risk tolerance. Threshold Group typically conducts a legal review of manager agreements as part of our investment due-diligence process to ensure contract terms are in line with industry norms and would not be objectionable to most of our clients, but this is not a substitute for each client doing their own independent review. We recognize that Threshold Group may not be privy to all of a client's legal and tax circumstances that may affect the appropriateness of an investment, and for this reason it is only prudent for clients to conduct their own review.

Prior to making an investment into Invest NW, all clients are requested to sign a disclosure acknowledging the potential for below market returns relative to the manager's "non-impact" peer universe along with the expectation for measurable environmental and social returns.

¹ <http://investcanopy.com/>