



**INVESTING FOR
IMPACT FUND
POLICY**



OUR PURPOSE

To support our communities to build a thriving and equitable Taranaki.

KIA TOKA IA NEI TE ARA WHAKAKAHA I TE HĀPORI, KIA TOITŪ TE WHENUA, KIA TOITŪ TE TANGATA, KIA TOITŪ TE MAUNGA

Toi Foundation is committed to reducing economic and social disparities in Taranaki by funding where there is the greatest need.



ABOUT THE INVESTING FOR IMPACT FUND

The Investing for Impact Fund is designed to allow the Foundation to make investments with the intention of generating a measurable beneficial societal and/or environmental impact alongside a financial capital and social return. The Foundation has an annual budget dedicated to the Investing for Impact Fund. The Fund enables the Foundation to contribute to large-scale projects while reinvesting the return to continue benefiting the community.

WHO CAN APPLY

Not-for-profit organisations with an initiative based within the region can apply for funding. Not-for-profit organisations include Incorporated Societies, Charitable Trusts, schools and non-constituted groups with a formal structure.

The Foundation, at their full discretion, may accept inquiries from 'for profit social enterprise' organisations where their intended initiative could assist the Foundation in achieving its purpose.

It is recommended organisations contact the Foundation in the first instance before accessing the Investing for Impact Fund.

FUNDING CRITERIA

Initiatives must have strong alignment to the Foundation's purpose and strategy while also having strong alignment to the Levers of Change. The Foundation will invest in four key areas, identified as its Levers of Change:

- Housing
- Education
- Employment
- Environment

TERMS OF FUNDING

When accessing the Investing for Impact Fund:

- The initiative must primarily benefit the Taranaki region
- The initiative must demonstrate the potential to deliver, as a minimum, a return of the funds invested by the Foundation
- The initiative should support intergenerational change
- The Foundation may require agreement on outcomes or certain conditions, for example, the condition that the organisation is able to raise the remainder of the investment needed for the initiative to be established
- The Foundation may consider supporting aspects of an initiative by offering grants from the Foundation's other funds where this supports the social or environmental impact of the initiative
- The Foundation may require the ability to monitor, evaluate and learn from the initiative for the duration of the investment, to understand the impact of the initiative and to support shared learning and best practice
- The organisation may be required to complete an outcome/impact report for the initiative, to support the Foundation to gather data and insights for evaluation and learning
- The initiative focuses on dismantling systemic barriers for those most in need or target areas to affect the greatest change

WHEN CAN YOU APPLY

The Foundation has no specific timeframe for considering opportunities for the Investing for Impact Fund. If you have an eligible investment opportunity, in the first instance please contact the Foundation to discuss the initiative.

Each opportunity will be considered on a case-by-case basis and decision-making timeframes will vary depending on the complexities involved while completing due diligence.

HOW MUCH CAN YOU APPLY FOR

The Foundation has no specific limits on how much it will invest in a single initiative. It will consider the appropriate funding level based on the likely impact of the initiative and the competing opportunities the fund is presented with. See the Initial Screen Template for an indication of how your application will be assessed.



INVESTING FOR IMPACT FUND POLICY

THE APPLICATION PROCESS

Below is a summary of the Foundation's process to assess and approve any investments made from the Investing for Impact Fund.

| Investing for Impact Fund Process | | | |
|-----------------------------------|--------------------|--|--|
| Steps | Process | Description | Entity/Person Responsible |
| Step 1 | Initial Screen | <p>All proposals will be reviewed to ensure general alignment with the Foundation's Purpose and Investing for Impact Levers of Change, and that the initiatives forecasts demonstrate an ability to repay the investment.</p> <p>Proposals will be presented to the Foundation's Board for approval to:</p> <p>Progress to step two or</p> <p>Decline</p> | <p>Foundation staff.</p> <p>The Foundation to provide an overview assessment of the proposal and recommendation to the Foundation's Board.</p> |
| Step 2 | Detailed Appraisal | <p>Applicants are invited to complete an Investing for Impact Appraisal form to enable further due diligence and assessment.</p> <p>Completed Investing for Impact Appraisal form will be presented to the Foundation's Board for approval to:</p> <p>Progress to step three or</p> <p>Decline</p> | <p>Applicant to complete Investing for Impact Appraisal form.</p> <p>The Foundation to provide an assessment overview of completed Investing for Impact Appraisal form and recommendation to the Foundation's Board.</p> |
| Step 3 | Business Case | <p>Foundation staff will work with the applicant to provide guidance on the development of a business case to be presented to the Foundation's Board for final approval.</p> <p>Completed business case presented to the Foundation's Board for approval to:</p> <p>Approve the investment with terms and conditions to be agreed, including timing of payments</p> <p>or</p> <p>Decline</p> | <p>Applicant to complete a proposal with guidance from the Foundation.</p> <p>The Foundation to provide an assessment overview of completed Investing for Impact Business Case and recommendation to the Foundation's Board.</p> |

INITIAL SCREEN TEMPLATE

| | | |
|---|--------------|---|
| 1 | What? | <p>What outcome/s does the project or initiative have (positive or negative)?</p> <p>How important is the impact to the community?</p> <p>How strongly does the initiative align with the Foundation's:</p> <ul style="list-style-type: none"> • Levers of Change; and • Strategic outcomes |
| 2 | How Much? | <p>How much impact will the project have?</p> <p>Is the number of people impacted small or large?</p> <p>Is the impact on the initiative beneficiaries minor or substantial?</p> <p>Is the impact temporary or long-lasting?</p> <p>Does the impact take effect quickly or over a long period?</p> |
| 3 | Who? | <p>Who will benefit from the impact? Are the beneficiaries priority communities of the Foundation?</p> |
| 4 | Contribution | <p>What is the probability of the impact occurring without this investment?</p> <p>How important is the Foundation's contribution to the success of the project?</p> |
| 5 | Risk | <p>What is the probability the initiative will not deliver on the outcomes identified?</p> <p>What is the risk of unintended negative social, environmental, economic or cultural consequences of the initiative?</p> |

SUPPORTING THE REGION

Toi Foundation via its holding company owns 100% of TSB Bank Ltd (TSB) and a controlling share in Fisher Funds Management Ltd (Fisher Funds).

Each year, TSB and Fisher Funds pay dividends and these dividends enable the Foundation to complete its philanthropic work.

Therefore, if people bank with TSB and have their KiwiSaver or investments with Fisher Funds they contribute to the community and enable the Foundation's granting activity.

It is the Foundations preference that grants are paid into a TSB account.

The Foundation, at their full discretion may in certain circumstances fund outside of the Investing for Impact Fund Policy.