New York Life - Impact Investing

Overview of the Initiative

- In April 2021, New York Life announced a $1 billion impact investment initiative that aims to address the racial wealth gap by investing in underserved and undercapitalized communities. As of July 2022, New York Life has committed over $800 million to various impact investments.

- Our long-term impact investment strategy is to develop large-scale solutions and investment structures that deliver broad and inclusive economic outcomes linked to job growth, health and wellness, and personal and household advancement.

Median family wealth of Black households is 10% of White households

People of color, particularly Black and Latinx, constitute approximately 80% of the people facing eviction

Source: LISC, "Project 10X Opportunity Presentation", 11/2020; Forbes, "5 Things To Know About The Affordable Housing Crisis", 2/14/2020
Impact Investment Program Details

$1 billion initial capital deployment target

- Address the racial wealth gap by driving positive economic outcomes
- Direct capital to underserved and undercapitalized communities
- Generate market returns to ensure scalability and sustainability

Program Objectives

- Create and preserve **affordable housing**
- Capitalize **small businesses**
- Expand the number of **community facilities** in low-income areas

Impact Areas

- Execute on New York Life’s strategy, with mission aligned partners
- Partner with asset managers, CDFIs, and others that have a local market presence and community insight
- Leverage collective investment expertise across New York Life to source, screen and diligence investment opportunities

Execution
Impact Focus Areas

Funding the underserved and undercapitalized

- Affordable Housing
  - In the US, over 7 million new affordable housing units are needed
  - Affordable housing represents the greatest opportunity to deploy capital at a large scale and directly improves financial well-being

- Small Business
  - Minority entrepreneurs are often held back by limited access to “friends and family” assistance and relationship-driven venture and private equity networks
  - NYL will partner with diverse emerging asset managers who tend to support a higher proportion of companies with diverse ownership and leadership teams

- Community Development
  - Support for community services that enhance health and wellness, childcare, education, financial literacy, and credit building will help accelerate economic empowerment