



New Resource Bank Impact Report 2018

Over a decade of financing change



global alliance
for banking
on values



SAN FRANCISCO
GREEN
BUSINESS

Member
FDIC



newresourcebank
A part of Amalgamated Bank

Why We Exist

New Resource Bank's mission is to promote well-being for people and the planet through banking.

We are a triple-bottom-line bank serving values-driven businesses and nonprofits that are building a more sustainable world. We see money as an agent of positive social, environmental and economic change and believe banking can transform the economy into one that serves people and the planet. We put deposits to work for good by lending to organizations that benefit our communities and protect our planet. In May 2018, we merged with Amalgamated Bank, headquartered in New York, to become the largest values-based bank in the U.S.



B Corp Best for the World



Bauer 5 star rated



GIIRS 5 star rated

Rocky Mountain Institute (RMI) is a global leader in the effort to shift away from fossil fuels to renewables. They work with businesses and governments around the world to accelerate the adoption of market-based solutions for renewables. “Rocky Mountain Institute is proud to work with New Resource Bank because we are like-minded organizations committed to making the world a better place. At RMI, we do that by transforming global energy use to create a clean, prosperous and secure low-carbon future. The impact of our work helps protect the environment, increase wealth and jobs, build a more peaceful world, improve people’s health and provide access to electricity to the over one billion people on the planet who currently lack it. It’s important to us to have a financial partner that not only provides great service, but also supports building a more sustainable world, and New Resource Bank does both,” says Jules Kortenhorst, CEO.

Photo Credit: Mizheng / Moment / Getty Images

Cover photo courtesy of **Amethod Public School**, a nonprofit public benefit corporation committed to providing a rigorous college preparatory education for underserved communities. They serve thousands of families each year through six public schools across the East Bay. New Resource Bank provides financing for a new playground and ball field at two of their Richmond schools. “Amethod Public Schools is a values-driven organization and therefore finding the right partner was important to us. New Resource Bank worked outside the box to provide us with a proposal that was competitive and fit our long-term needs of building a better world for future generations,” says Wil Mendoza, Director of Finance and Accounting.

Where You Bank Matters

Look how far we've come.

Deposits



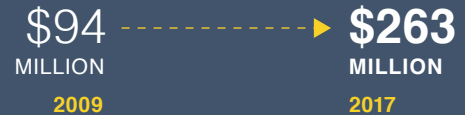
Total



Loans



Total Loans Outstanding



Deposits are used to fund loans to sustainable businesses and nonprofits that are benefiting our communities and protecting our planet. Through the types of organizations we fund, we fight climate change, support more sustainable food systems and better health, help schools expand, sustain the vital work of nonprofits and grow socially and environmentally responsible small businesses that are providing jobs with fair wages and benefits. We think carefully about every loan we make to ensure our lending decisions will have a positive impact for future generations.

Although founded in 2006, the first year we made a commitment to exclusively fund environmentally and socially responsible organizations was 2009. At that time, our loan portfolio was just 44% values-aligned. Fast forward eight years and our portfolio is 93% values-aligned.

To help ensure our loans are making a positive impact, every loan client is required to take the B Lab Quick Impact Assessment, which we use to track our portfolio's impact relative to over 42,000 benchmark companies. We lend to companies that are committed to improving their operational sustainability, regardless of whether they are leaders or learners. We believe that improving the triple bottom line is a journey of continuous improvement. We're pleased that our clients greatly outperform benchmark companies in their water conservation practices, recycling programs, commitment to green building standards, employee benefits and diversity.*

Total Loan Clients



Values-Aligned Loan Portfolio



*Based on B Lab quick impact assessments completed by 162 New Resource clients from 2013–2017 with 71% or higher response rate.

Our Loan Portfolio



Our Impact

We measure our impact in four key areas:



Environmental Protection

38%



Green Commuter

Zero emissions transport



Namaste Solar

Solar power



LA Cleantech Incubator

Clean energy acceleration

Health & Wellness

12%



Living Intentions

Healthy food



Equator Coffees & Teas

Sustainable supply chains



Community Medical Centers

Low-income healthcare

Education & Community Empowerment

29%



ICA Fund Good Jobs

Job creation



I-DEV International

Local business ecosystems



MCE Social Capital

Women's empowerment

Sustainable Commerce

14%



Indigenous

Ethically-made clothing



Heath Ceramics

Responsible business practices

These companies are a few examples of the many organizations we fund that are having a positive impact.

The percentages represent the total loans outstanding in each impact area as of year-end 2017. Our loan portfolio is 93% invested in values-aligned organizations; the remaining loans, 7%, are classic community bank loans made during our start-up phase.

Serving Our Community & Environment

Community

At New Resource, we think of ourselves as much more than just a bank—we are a community. Our community is not only a local one, but a community of shared values, where depositors can feel good about where their money spends the night. Providing banking services is just the start of a deeper, long-term relationship dedicated to building a better world together.

Giving back to our community is also central to our mission. This includes volunteering our time and supporting the important work of nonprofits through donations, event sponsorships and discounted banking services. Educational and community-building events we hosted in 2017 addressed topics such as women's leadership, linking money to mission, and low carbon food production.

In 2017 we launched a Diversity & Inclusion Committee at the bank, which dedicated itself to building an inclusive and equitable environment. The Committee organized a training on unconscious bias for all employees and initiated monthly conversations around diversity and creating an inclusive workplace.

Environment

We are committed to protecting the environment in all aspects of our operations. Our San Francisco headquarters are LEED-Gold Certified and feature all sustainable materials. We also strive to reduce our environmental footprint, averaging 88% waste diversion from landfill in 2017. We purchased 159 metric tons of carbon credits and 116 metric tons of water restoration credits to offset our energy and water usage.

Our Green Team engages our employees in sustainability efforts through the Sustainability Engagement Program, which allows employees to grow their sustainability knowledge. The Green Team's primary focus in 2017 was on health and wellness. As one part of this initiative, over 30 employees ran a collective 500 miles, using the innovative running app from our client Atlas Unlimited, to raise money to protect the Amazon rainforest through our client The Pachamama Alliance.

Literacy for Environmental Justice (LEJ) promotes ecological health, environmental stewardship and community development in southeast San Francisco by creating urban greening, eco-literacy, community stewardship and workforce development opportunities that directly engage and support local residents in securing a healthier future. According to Patrick Marley Rump, Executive Director, "As a small nonprofit with a big mission, LEJ really needed a bank that could provide us with a line of credit to balance the ups and downs of sustaining and growing our impact. As we looked at the options out there it became really clear that New Resource Bank would go further than any other local bank in helping us achieve this goal. Because of our aligned values and their sincere engagement in our work, New Resource Bank is more of a partner to us than just a bank."



Metrics

2017 was our last year operating as an independent bank before we were acquired by Amalgamated Bank in 2018. Here we compare our impressive growth across financial, environmental and social indicators over the past five years.¹

Financial Metrics

	2012	2017
Net income ²	\$751,000	\$27,000
Net operating income	\$934,000	\$2.6 million
Total loans	\$136 million	\$263 million
Total deposits	\$170 million	\$305 million
Loan growth	18%	8%
Deposit growth	14%	6%
Total assets	\$200 million	\$349 million
Tier 1 capital	14.4%	12.5%
Nonperforming assets to total assets	1.10%	0.01%
Efficiency ratio	89%	81%

Real Economy Metrics³ in 2017

78% Assets committed to the real economy

91% Revenue committed to the real economy

Environmental and Social Metrics

	2012	2017
DIVERSITY & WELL-BEING		
Women executives	1 out of 5	3 out of 8
Women board members	2 out of 8	5 out of 8
Employees of color ⁴	36%	48%
Annual allowance for employee well-being	\$0	\$250
COMMUNITY		
Nonprofit donations	\$49,682	\$106,540
Employee volunteer hours	727	1,123
# of paid employee volunteer days	1	2
# of community-building events hosted	2	8
ENVIRONMENT		
Landfill diversion rate ⁵	n/a	88%
B Corp assessment score	124	138
Carbon offsets purchased (metric tons)	113	159
# of sustainability educational opportunities offered to employees	2	27

¹ We were founded in 2006 but we only began collecting social and environmental impact data in 2012, therefore no earlier data is available.

² The Bank incurred an unusually high tax expense in 2017 of \$1.6 million additional tax provision for the revaluation of its deferred tax asset.

³ New Resource Bank makes loans within the real economy, which is the economy that produces goods and services. The real economy is different from the financial economy, which consists of buying and selling stocks, bonds, currencies and derivatives.

⁴ Includes Latino, Black, Native American, Asian, Hawaiian, Pacific Islander and biracial employees. Our goal has been to grow the diversity of our workforce.

⁵ Each night, we measure the weight of our three waste bins—compost, recycling and landfill—and use Verdafero's software to determine our landfill diversion rate.

All data as of year-end.

Our full Impact Report is available online at: impactreport.newresourcebank.com

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