



AMERICAN FAMILY INSURANCE
INSTITUTE
FOR CORPORATE AND SOCIAL IMPACT

ANNUAL REPORT 2019



Thank you so much for reading and experiencing our first-ever annual report for the **American Family Insurance Institute for Corporate and Social Impact**.

At American Family Insurance, we are committed to our mission of inspiring, protecting, and restoring dreams. We believe every person deserves the opportunity to dream fearlessly, and we want The Institute to help achieve that in our communities.

This is the next step in doing what's right – and what's expected – for our neighbors. A better and more equitable society leads to more customers with buying power. That's good for our customers, and good for our business. The success of an organization and its involvement in its community are not separate endeavors. They intersect. They depend on each other.

The Institute invests in startups and partners with organizations that are facilitating solutions that root out the equity

gaps that our communities face. We welcome anyone who wants to join us to help solve these problems.

I'm convinced if we want to be a leading company long into the future, we must find more ways to positively impact the communities where we live, work, and serve. That means tackling some of the profound social issues facing our friends, schools and governments.

Being a growing and profitable business is really important. But we need to be more.

One of my favorite parts of our company's culture statement is, "We are a catalyst for change. So people will say: 'This is a better community because American Family is part of it.'"

We believe **The Institute** is playing a vital role in creating that better community, and we appreciate you taking the time to read this report and learn how it's done through our first year in operation.

Jack Salzwedel,
CEO & Chair
American Family Enterprise



MISSION: To close equity gaps in America.

We are a venture capital firm and partner of choice for exceptional entrepreneurs who are building scalable, sustainable businesses in a long-term effort to close equity gaps in America.

OVERVIEW

We are a venture capital firm and partner of choice for exceptional entrepreneurs who are building scalable, sustainable businesses in a long-term effort to close equity gaps in America.

In our first year, we screened 844 companies and invested in seven dedicated to social impact as well as financial gain.

We invest and help build ecosystems in four core focus areas: **Learning and Academic Achievement, Healthy Youth Development, Economic Opportunities for All, and Resilient Communities.**



Shalen De Silva
Cambridge, MA
[healthy youth development]



Donnel Baird
New York, NY
[resilient communities]



David Helene
Brooklyn, NY
[learning & academic achievement]



Frederick Hutson
Las Vegas, NV
[economic opportunity]



Erin Rothman
Seattle, WA
[resilient communities]



Michiel Rauws
San Francisco, CA
[healthy youth development]



Ahmad Wani
Palo Alto, CA
[resilient communities]

We believe some of the most compelling opportunities to close equity gaps will be found when we engage and include a diverse set of changemakers, be it gender, race, geography or lived experience. Therefore, in 2020, we will deepen our relationships with underestimated entrepreneurs, organizations, and thought leaders so we can continue to find the very best innovators across the country.

OVERVIEW (continued)

We also recognize that capacity building and supporting organizations and experts that have been working toward social causes are equally important in making a positive impact within our communities around the country.

We have partnered with and sponsored nearly two dozen entities from Wisconsin to Philadelphia to Atlanta to New York working diligently to improve the ecosystem for social entrepreneurs. Inside our space at the Spark building in Madison, we have hosted nearly 500 events held by groups interested in social impact, attended by more than 11,000 people.

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FORCE for
POSITIVE CHANGE



FOCUS AREA: LEARNING AND ACADEMIC ACHIEVEMENT

We invest in scalable and sustainable social enterprises that advance durable educational equity in learning and academic achievement while partnering with organizations that catalyze change and build capacity for social impact and innovation.

We also believe that social innovation can accelerate equity in education and help more students thrive at school, increasing their connection to learning and improving academic achievement, so we sponsored a program at **Madison's O'Keeffe Middle School** with the **Madison Metropolitan School District**, the **United Way** and the **Urban League** focused on leadership development with African-American students.

Please click the image below to watch on YouTube.



WHY WE INVESTED: **edquity**

"There is a college dropout epidemic in the millions each year, which disproportionately affects students from underestimated backgrounds. The **Edquity** platform, powered by research and technology, offers reliable and quick emergency financial assistance to a college student that is at-risk of withdrawing because they don't have enough money. The team is resolute in its pursuit of closing this equity gap, and I cannot be more pleased to support that ambition."



~ **Shayna Hetzel**
Institute Social Impact Investment Director
Learning & Academic Achievement

We believe that education is a fundamental vehicle to generate wealth and break cycles of generational poverty for the student and for their families. We also believe that education and technology are deeply connected – learning through technology and learning about technology are paramount for a high tech, high skilled workforce of today and of tomorrow. We believe that equity in higher education and workforce training programs are essential to building a healthy and sustainable economy. Our contributions as a corporate partner will be broad and deep. We will be funders, catalysts, conveners, employers, and thought partners in education, social innovation, and EdTech.

FOCUS AREA: HEALTHY YOUTH DEVELOPMENT

We invest in startups that support youth from birth to age 18 on one of three dimensions of development (mental/behavioral; physical/neurocognitive; social/emotional) to promote healthier outcomes for young people.

We believe that prevention and early intervention opportunities can support positive developmental outcomes, so we've invested in a company like **X2AI** that brings more mental health services to more people by using technology omnipresent in today's society.

Please click the image below to watch on YouTube.



WHY WE INVESTED VINCEREHEALTH

"While there have been highly successful efforts to curb smoking, cigarette smoking remains the leading cause of preventable death in the U.S., particularly among rural and lower income populations. Where other smoking cessation efforts have failed, I believe **Vincere Health** will be successful because it will be using its knowledge of public health theories coupled with behavioral economics to create positive changes in the lives of chronic smokers and their families."



~ **Dr. Joy Ippolito**

Institute Social Impact Investment Director
Healthy Youth Development

Young people are often referred to as the future of our society; investing in them means investing in our collective future. As the rates of depression, suicide, opioid overdoses, and child welfare cases increase in the U.S., it becomes even more critical to invest in ways that protect the physical, mental, and emotional health of young people. Through our investments and partnerships, we support tools, programming, and resources that mitigate the risks they face each day while maximizing their individual and family-level resiliencies. Because *all* children deserve a healthy life and future.

FOCUS AREA: ECONOMIC OPPORTUNITY FOR ALL

We invest in startups which advance mainstream financial access for underserved communities and those that demonstrate proximity to mitigate the impacts of incarceration on individuals and communities including reducing rates of recidivism.

Further, we will partner with organizations like **Hope for Prisoners** in Las Vegas that are driving change on root-cause issues contributing to mass incarceration.

Please click the image below to watch on YouTube.



WHY WE INVESTED: Pigeonly®

“We invested because we see the direct impact that **Pigeonly** makes to reduce recidivism. When families are able to stay connected during incarceration, the likelihood of that family being successfully unified increases which in the long-run strengthens our communities.”



~ **Nyra Jordan**
Institute Social Impact Investment Director
Economic Opportunity For All

The single most important predictor of recidivism is joblessness. Because of the stereotypes associated with a criminal record, nearly 75 percent of formerly incarcerated individuals are still unemployed a year after release. Mass incarceration and the associated stigmas for formerly incarcerated people create a social and economic reality where we all lose. We believe that the American Family Enterprise has a responsibility to use our economic engine to build a more inclusive economy, and supporting efforts that provide access to fair chance hiring is one way to be a part of the positive change.

FOCUS AREA: RESILIENT COMMUNITIES

We invest in a series of areas designed to help create more resilient communities. We believe in companies which improve water management capabilities, those which help predict and respond to natural disasters, and those which battle the existential challenge of climate change through renewable technologies.

One of our investments is in **BlocPower** whose work in 2019 drew the attention of former President Clinton.

Please click the image below to watch on YouTube.



WHY WE INVESTED: **STORMSENSOR** CREATING SMART URBAN WATERSHEDS

"**StormSensor's** solution to the problem of urban flooding in America contributes to The Institute's mission to close equity gaps in America. Flooding events wreak havoc on the environment and disproportionately impact poorer communities that regularly have the oldest water infrastructure. **StormSensor's** cutting-edge technology and near real-time data paint a clear picture of what's happening in sewers across the country helping illustrate to cities how to develop and fund mitigation strategies, how to better communicate risks to residents, and eventually, how best to upgrade their water infrastructure."



~ **John McIntyre**
Institute Social Impact Investment Director
Resilient Communities

Climate change creates new risks and increases existing vulnerabilities in all communities. Climate change impacts are felt disproportionately by communities that are on the lower end of the socio-economic spectrum. Our Resilient Communities investment focus enables startups to bring solutions to market that close equity gaps exacerbated by climate change. The time is now to make investments in climate-resilient infrastructure and accelerate the transition to a lower-carbon future, creating the next generation of jobs while increasing economic and environmental resiliency.



2019: A YEAR IN REVIEW

Please click the image below to watch on YouTube.



SHAYNA HETZEL

Shayna believes in equity and transparency, especially when it comes to academic environments.

- 10+ years across a public research university, public service with state government and American Family Insurance
- Leader of purpose-driven, transformational change in organizations and systems
- MPA, B.A. and Certificates from University of Wisconsin-Madison

Shayna Hetzel

shayna.hetzel@amfam.com ✉

DR. JOY IPPOLITO

Joy is a social innovator and a champion of vulnerable youth who live in our communities.

- 18+ years as an education researcher, professor, clinician, and policymaker
- Executive Policy Advisor with the Wisconsin Department of Children and Families
- Ph.D. and Ed.M. from Harvard University; M.S. from University of Chicago; B.A. from Loyola University Chicago

Joy Ippolito

joy.ippolito@amfam.com ✉

NYRA JORDAN

Nyra advances equitable opportunities for historically marginalized populations.

- 20+ years in various leadership roles across American Family Insurance
- Leader of American Family's Corporate Responsibility program
- M.A. from Edgewood College; M.S. from Valdosta State University; B.A. from University of Wisconsin-Madison

Nyra Jordan

nyra.jordan@amfam.com ✉

JOHN MCINTYRE

John's passion is working directly with entrepreneurs to solve society's toughest problems.

- 25+ years as a venture capitalist, entrepreneur, and business executive in Silicon Valley and around the world
- Managing Director, Citrix Startup Accelerator; VP of Kauffman Fellows Network
- Kauffman Fellow; B.S. from Marquette University

John McIntyre

john.mcintyre@amfam.com ✉